

COMPREHENSIVE
ANNUAL FINANCIAL REPORT
OF
ROCK HILL SCHOOL DISTRICT THREE
ROCK HILL, SOUTH CAROLINA

FOR THE
FISCAL YEAR ENDED
JUNE 30, 2009

PREPARED BY:
Rock Hill School District Three
Finance Department

ROCK HILL SCHOOL DISTRICT THREE
 Comprehensive Annual Financial Report
 For the fiscal year ended June 30, 2009

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Introductory Section

ROCK HILL SCHOOL DISTRICT THREE
ADMINISTRATIVE CHART
FY 2008 - 2009

Board of Trustees


The School District is governed by a seven member Board of Trustees elected at large by the registered voters in the School District at the November general election in even-numbered years. Trustees are elected to serve staggered 4-year terms of office, which commence on December 1 of the year in which they are elected.

<u>Name</u>	<u>Occupation</u>	<u>Number of Years of Service</u>
Mr. Walter Brown, Sr.	Volunteer	8
Mrs. Mildred Douglas	Teacher	8
Mr. Bob Norwood (<i>Chair</i>)	Insurance Executive	12
Ms. Elizabeth "Ann" Reid	College Instructor	8
Mrs. Mikki Rentschler	Sales	5
Dr. Jason Silverman	University Professor	6
Mr. Jim Vining	Executive, Bowater, Inc.	10

District Personnel

<u>Name</u>	<u>Position</u>
Dr. Lynn Moody	Superintendent
Mr. Bill Mabry	Associate Superintendent for Administrative Services
Dr. Harriet Jaworowski	Associate Superintendent for Accountability and Instructional Services
Dr. Luanne Kokolis	Associate Superintendent for Planning and Program Support Services
Ms. Elaine Bilton	Executive Director of Finance

Board of Trustees




Director of Information Services
Mrs. Elaine Baker
ebaker@rock-hill.k12.sc.us
981-1005



Superintendent
Dr. Lynn P. Moody
lmoody@rock-hill.k12.sc.us
981-1002

Principals



Associate Superintendent for Instruction & Accountability
Dr. Harriet Jaworowski
hjaworow@rock-hill.k12.sc.us
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Associate Superintendent for Planning & Program Support
Dr. Luanne Kokolis
lkokolis@rock-hill.k12.sc.us
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Associate Superintendent for Administrative Services
Mr. Bill Mabry
bmabry@rock-hill.k12.sc.us
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Executive Director of Secondary Curriculum
Mrs. Sheila Huckabee
shuckabee@rock-hill.k12.sc.us
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Executive Director of Personnel
Ms. Rebecca Partlow
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Executive Director of Financial Services
Ms. Elaine Bilton
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Executive Director of Elementary Curriculum
Mr. Richard Melzer
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981-1055



Executive Director of Technology
Mr. Joel Whitesides
joel@rock-hill.k12.sc.us
981-1030



Executive Director of Student Services
Mr. Keith Wilks
kwilks@rock-hill.k12.sc.us
981-1041



Engaging Students for Successful Futures

660 N. Anderson Road T: (803) 981-1000
P.O. Drawer 10072 F: (803) 981-1094
Rock Hill, SC 29731 www.rock-hill.k12.sc.us

Lynn P. Moody, Ed.D., Superintendent

November 17, 2009

To the Citizens of
Rock Hill School District Three

We are pleased to submit to you the Comprehensive Annual Financial Report (CAFR) of Rock Hill School District Three (the School District) for the fiscal year ended June 30, 2009. The responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the School District. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the School District.

The CAFR is presented in four sections: Introductory, Financial, Statistical, and Single Audit. The Introductory Section includes this transmittal letter, the School District's organizational chart, and a list of principal officials. The Financial Section includes Management's Discussion and Analysis, the basic financial statements, notes to the basic financial statements, as well as the independent auditors' report on the financial statements. Also included in the Financial Section is a Supplemental Subsection containing additional supplemental financial schedules (with account numbers) required statutorily by the South Carolina Department of Education. The Statistical Section presents selected financial, economic, and demographic trend data, generally, over the past ten years. The Single Audit section contains schedules and auditors' reports required for the School District to comply with the Revised Single Audit Act of 1996 and U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

The information presented in this letter of transmittal should be read in conjunction with Management's Discussion and Analysis, which can be found immediately following the report of the independent auditors.

PROFILE OF THE SCHOOL DISTRICT

The School District was created in March 1953, through the merger of four former school districts. The School District encompasses a land area of 228 square miles, or almost one third of the land area of York County (the County), which is on the border between North Carolina and South Carolina, just south of Charlotte, North Carolina. The School District includes within its boundaries the entire City of Rock Hill, the sixth largest city in the State, as well as considerable surrounding territory.

The School District currently operates 17 elementary schools (grades K-5), a four year old child development center, five middle schools (grades 6-8), and three senior high schools (grades 9-12) to serve 17,704 students. The School District also has a vocational center, an adult education center, an alternative center, and a special instructional TV center. All schools in the School District and the School District itself are accredited by the South Carolina Department of Education and the School District is fully accredited by the Southern Association of Colleges and Schools (SACS).

REPORTING ENTITY

In August 2004, a charter school, The Children's Attention Home, was opened and is operating as an entity in York County School District Three. The School District has reviewed its operating entity definition in order to insure conformance with the Governmental Accounting Standards Board (GASB) Statement 14, *The Financial Reporting Entity* and GASB Statement No. 39, *Determining Whether Certain Organizations are Component Unit* and is presenting the Charter School Financial Information in the accompanying statements as a component unit. The School District is not included in any other "reporting entity" as defined by GASB Statements 14 and 39.

ECONOMIC CONDITION AND OUTLOOK

Rock Hill School District Three is located in York County, with the entire city of Rock Hill being encompassed by the School District. Rock Hill is located in the north-central area of South Carolina approximately 20 miles south of Charlotte, NC along the I-77 corridor. Rock Hill is a growing community of 67,300+ residents. The City encompasses over 31.8 square miles. While not the County seat, Rock Hill is the largest city in York County, SC, the fourth largest city in South Carolina and premier “Ring City” in the Charlotte Metropolitan Statistical Area (MSA).

The diversity and strength of the business community continually supports growth even during challenging economic times. With three high-amenity business parks, Waterford, TechPark and Antrim, and three industrial parks, Southway Industrial Park, Airport Industrial Park and Rock Hill Industrial Park, Rock Hill offers sites and existing facilities to numerous businesses. The City’s close proximity to both I-77, which runs through Rock Hill, and I-85 gives businesses easy access to major transportation routes. Charlotte/Douglas International Airport is 25 minutes north of Rock Hill via I-77. The airport serves more than 34.7 million passengers annually and is the ninth largest major airline hub in the nation. It is a hub for US Airways, has eight major carriers, and averages 620 flights daily with direct non-stop service to more than 140 destinations.

According to the 2005 South Carolina Statistical Abstract, the County had the seventh largest labor force, eighth largest number of business establishments and seventh largest number of manufacturing companies in the State. In the past several years, York County has averaged \$200 million in industry and business development and 1,700 new jobs annually. York County’s population grew by more than 4 % between 2007 and 2008 solidifying its place among the nation’s fastest growing counties. However, the growth rate has slowed a bit, down from 5.2% last year and 4.8% the year before that. The County is now beginning to move away from its textile roots and is luring more financial, distribution and service companies. The School District, the largest of four school districts within the County, is located in the southeastern portion of the County about 25 miles south of Charlotte. This area contains several of the County’s major companies, including Abitibi Bowater, Inc., a paper mill and Comporium Communications, a telecommunications provider.

In May of 1998, the Mayor announced the Rock Hill/I-77 Strategic Plan. This plan calls for planning and coordinating development along Interstate 77 through Rock Hill from the Catawba River on the northern end, to Porter Road on the southern end. In support of this plan, the City of Rock Hill sold a strategic land holding of 125 acres at the intersection of I-77 and Dave Lyle Boulevard to a local developer to facilitate the creation of “Manchester Village.” Manchester Village is complete and features office, restaurant, retail, entertainment and hotel establishments as well as a full range of residential options.

In February 2001, seven partners, one of whom was the School District, joined together to oversee the creation of the Old Town Renaissance Master Plan. This plan included six strategies for redevelopment: Downtown, College Town, Hometown (neighborhoods), Trolley Town (transportation), Textile Town (former textile mills), and Technology Town. Downtown revitalization continues to be a priority for the City of Rock Hill and the Rock Hill Economic Development Corporation. The focus of this plan is the development of a Downtown area with a unique blend of residential, retail restaurants and office space that embodies the concepts of smart-growth, neotraditional design and new urbanism.

Adopted in December of 2003 the Textile Corridor Master Plan, redevelopment of the former textile manufacturing area in downtown, is well into its final implementation. The area is comprised of approximately 250 acres within the urban core and with the completion of the historic Rock Hill Cotton Factory in the summer of 2007, the Plan’s vision of a pedestrian-friendly, mixed-use urban village is beginning to transpire.

MAJOR INITIATIVES

The School District is currently operating under its strategic plan for the years 2005 to 2010. The strategic plan includes a mission statement and motto and serves as the basis for school improvement and accountability. It also includes the School District’s beliefs, strategic directions, and system priorities. Every school uses the School District’s strategic plan to involve parents, teachers, principals and community in the development, annual review, and revision of each school’s plan and activities.

The current strategic plan was approved by the Board of Trustees in April 2005. Highlights of the plan are as follows:

Motto & Mission

“Engaging Students for Successful Futures”

Rock Hill School District Three will provide all students with challenging work that authentically engages them in the learning process and prepares them for successful futures.

School District Beliefs

- All students can learn more and at higher levels.
- Teachers directly affect student learning through the design of work that has those qualities that are most engaging to students.
- Diversity, creativity, and innovation enrich learning.
- Active participation from families, the community, and staff are important when making decisions that positively affect student learning.
- High standards exist for everyone in the School District.

In 2008-2009 the School District began work on a new strategic plan entitled “The Rock Hill Climb” to be implemented in 2009-2010.

Primary Accomplishments for FY 2008 - 2009 were as follows:

- Two new schools were opened – Mount Holly Elementary and Dutchman Creek Middle School. Dutchman Creek is named Best in New Middle School Design in a regional architecture competition.
- Bryan Coburn, a computer technology teacher at Northwestern High School was selected as the Teacher of the Year. In February he was chosen as one of five state Honor Roll Teachers and in May was named South Carolina Teacher of the Year.
- Richmond Drive Elementary School was awarded one of only seven Healthy School Awards in the State by the South Carolina Department of Education.
- Sandy Andrews, Director of Adult Education, was named as the State Adult Education Director of the Year.
- Finley Road Elementary was selected as one of 10 elementary schools in the State to receive a grant award on formative assessments from the Education Testing System.
- Back the Pack, a program which provides nutritious snacks for needy children during the weekends, got underway in October under the sponsorship of the Rock Hill School District Foundation.
- Judy Mobley, principal at Rock Hill High, was selected by the S.C. School Counselors Association as the Administrator of the Year.
- Superintendent Lynn Moody began monthly Community Chats in October. She also initiated the Superintendent’s Student Advisory Council comprised of two student leaders from each middle and high school.
- Thirty teachers achieved National Board Certification in December.
- The Children’s School at Sylvia Circle was one of five finalists for the top State School Improvement Council Award.
- Rock Hill Schools was the first district in York County to achieve district-wide accreditation from the Southern Association of Colleges and Schools.

