

**CITY OF SPRINGBORO
WARREN COUNTY**

REGULAR AUDIT

FOR THE YEAR ENDED DECEMBER 31, 2000



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**CITY OF SPRINGBORO
WARREN COUNTY**

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**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL REQUIRED BY
GOVERNMENT AUDITING STANDARDS**

City of Springboro
Warren County
320 West Central Avenue
Springboro, Ohio 45066

To the City Council:

We have audited the financial statements of the City of Springboro, Warren County, Ohio (the City), as of and for the year ended December 31, 2000, and have issued our report thereon dated July 27, 2001, wherein we disclaimed an opinion on the Enterprise funds, and referred to management's plans regarding the Golf Course Enterprise Fund's cash deficit. Except for the restriction on the scope of our audit of the Enterprise funds, we conducted our audit in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance that are required to be reported under *Government Auditing Standards*, which are described in the accompanying schedule of findings as items 2000-20483-003 and 2000-20483-004.

We also noted certain immaterial instances of noncompliance that we have reported to management of the City in a separate letter dated July 27, 2001.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the City's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in the accompanying schedule of findings as items 2000-20483-001 and 2000-20483-002.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we consider reportable condition item 2000-20483-001 to be a material weakness.

We also noted other matters involving the internal control over financial reporting that do not require inclusion in this report that we have reported to management of the City in a separate letter dated July 27, 2001.

This report is intended for the information and use of management and the City Council, and is not intended to be and should not be used by anyone other than these specified parties.

Jim Petro
Auditor of State

July 27, 2001

**CITY OF SPRINGBORO
WARREN COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2000**

**FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

FINDING NUMBER 2000-20483-001

Material Internal Control Weakness - Golf Course

The City contracts with American Golf Corporation (AGC), a golf course management company, to operate the City's Golf Course. AGC employees are responsible for collecting all receipts related to the Golf Course including: greens fees, concession, and pro-shop sales. The receipts are deposited by AGC employees into the City's general operating bank account. AGC has total control over the receipt and depository process.

The City periodically wire-transfers funds (generally biweekly) to AGC for expenses that AGC represents they incurred for Golf Course operations. Amounts transferred to AGC by the City are based on reports provided by AGC; however no supporting documentation, such as original invoices, is provided by AGC. Also, the City does not verify that the goods and services for which they are paying were actually related to the Golf Course.

The City has not established procedures to reasonably determine that receipts, payroll, and non-payroll expenditures have been completely and accurately processed and collected in accordance with the contract.

We recommend that the City establish procedures to reasonably determine that receipts, payroll, and non-payroll expenditures have been completely and accurately processed and collected in accordance with the contract. These procedures could include:

- AGC should provide daily reports of the number of rounds played, the greens fees and other fees collected, and the weather conditions on that date. The total should agree to the daily bank deposit, and to cash register tapes. We recommend that the City periodically observe operations at the clubhouse, and note whether all receipts are recorded on cash registers. Occasionally, on a surprise basis, the City should use City employees to close out and reconcile cash registers at the Golf Course.
- The City should review all payroll records. The City should also periodically verify that AGC employees are actually on-site and verify those employees to related payroll payments to AGC. The City should pre-approve all purchases exceeding an agreed-upon limit and a City employee should verify receipts of those goods and services. AGC should retain and file original invoices with all payments they make.
- AGC should prepare an annual budget of receipts and cash disbursements and present it to City Council for review. AGC should prepare monthly summaries of actual receipts and disbursements compared to the budget during months with significant golf course activity.
- The City could arrange for an audit of the Golf Course by a qualified CPA firm. An independent auditor should render an opinion on the financial statements and corresponding notes of the Golf Course specifically, not the financial statements of the entire AGC. This audit could be conducted by a local CPA firm, or a firm located in the vicinity of AGC.

FINDING NUMBER 2000-20483-002

Reportable Condition - Monitoring Cash Deficit in the Golf Course Fund and AGC Finances

Monitoring the Golf Course Fund Cash Deficit

Background Information

City Municipal Code, as amended by Ordinance No. 0-88-5 imposes a .5% income tax for the “sole purpose of providing funds for capital improvements of the Municipality, including the payment of debt service on obligations issued to fund capital improvements.”

In a letter dated June 14, 2001 City Law Director, Roger C. Eckert, gives his opinion that Income Tax Capital Improvement Fund proceeds in excess of those required to pay on certain water and sewer bonds debt service “may be disbursed to fund any capital improvements the Council may designate, including those benefitting the golf course.” He also stated that “an internal obligation (such as an interfund loan) can be repaid on the same legal basis as an external obligations (such as a bond or note).”

In a June 26, 2001 letter, the City Law Director defined capital expenditure allowable for payment by the Income Tax Capital Improvement Fund as permanent improvements defined by Ohio Revised Code Section 5705.41 (E), and further defined capital expenditures as the “cost of acquiring, constructing or financing any property, asset, or improvement with an estimated life or usefulness of five years or more, including land and interests therein, and reconstructions, enlargements and extensions thereof having an estimated useful life of five years or more . . . “ The definition continues to list examples of capital expenditures as: purchase of land, lease of land, construction of improvements to land, purchase of equipment, and lease of equipment.

Historically, the Golf Course has not generated sufficient cash from operations to pay required debt service. These debt service payments have created cash deficits in the Golf Course fund. The deficits have been eliminated through operating transfers and advances from other funds. Advances from other funds required to eliminate these cash deficits have ranged from \$315,000 at December 31, 1993 to \$4,000,869 at December 31, 1999.

Cash Deficit at December 31, 2000

The Golf Course fund experienced a cash deficit of \$2,674,504 at December 31, 2000. The City eliminated this cash deficit through advances of \$1,750,413 from the General Fund and \$924,091 from the Income Tax Capital Improvement Fund. The City also transferred \$1,060,921 in 2000 from the Income Tax Capital Improvement Fund to the Golf Course Fund. These transfers were in accordance with the opinions provided to the City by their legal council in 2001.

Monitoring Weakness

Section III of the City's Annual Appropriation ordinance #0-01-0 dated December 21, 2000 states that “The Golf Fund can achieve a positive fund balance through revenues generated by the golf course operations and contributions from other funds. It is the commitment of City Council that the Golf Fund be restored to a positive balance within a ten (10) year period.” In July 2001, City management developed a plan to eliminate the cash deficit in the Golf Course Fund within the next five years. Prior to these actions, City management did not have a formal plan to reduce the cash deficits of the Golf Course Fund. Also, the City did not identify specific expenditures that qualified as capital improvement or debt-related expenditures, and the City did not monitor transfers and interfund loans made to pay for qualified expenditures.

City management has indicated that they plan to negotiate a new management contract for operation of the golf course and attempt to reduce the amount paid in management fees. Also, the present user fee structure will be reviewed to determine if revenues can be enhanced.

FINDING NUMBER 2000-20483-002
(Continued)

Finally, management has indicated that they believe that the General Fund and Income Tax Capital Improvement Fund will generate an excess of revenues over expenditures over the next five years to provide sufficient monies to transfer to the Golf Course fund, if necessary.

We recommend that the City implement controls and record keeping to enable management to determine that transfers from the Income Tax Capital Improvement Fund to the Golf Course Fund are within allowable amounts, and closely monitor management's plan to reduce the Golf Course Fund deficit.

Monitoring the AGC Finances

The current contract with AGC provides no incentive for AGC to generate operating income. AGC is paid a management fee plus an "Incentive Management Fee" equal to 10% of all gross revenues in excess of \$750,000. AGC is reimbursed for all expenses incurred on behalf of the Golf Course. Although operating revenues have increased from \$1 million in 1994 to \$2.3 million in 2000, operating income as a percent of total operating revenues has fallen from 23% to 16%. Also, cash provided by operating activities has consistently been insufficient to pay for debt service payments.

We recommend that the City modify the contract with AGC to provide an incentive for AGC to efficiently manage the golf course and generate sufficient operating income. Also, the City should closely monitor income and cash flows of the Golf Course.

FINDING NUMBER 2000-20483-003

Material Noncompliance - Appropriations vs. Estimated Resources

Ohio Rev. Code, Section 5705.39, requires that the total appropriations from each fund should not exceed the total estimated resources.

At year end appropriations exceeded estimated resources by \$2,898,580 for the Golf Course Fund (Fund 660). During the course of the year appropriations exceeded estimated resources for the Street Capital Improvement Fund (Fund 304) and the Water Capital Improvement Fund (Fund 611).

Failure to properly monitor appropriations and estimated resources could result in overspending of funds and negative fund cash balances.

The City should adopt procedures to monitor that the total appropriations from each fund do not exceed the official or amended estimate of resources.

FINDING NUMBER 2000-20483-004

Material Noncompliance - Negative Cash Balances

Ohio Rev. Code, Section 5705.10, requires money that is paid into a fund must be used only for the purposes for which such fund has been established.

The Golf Course Fund (Fund 660) and the Golf Course Capital Reserve Account (Fund 661) had a combined negative cash balance of \$2,674,504 at December 31, 2000. The following funds also had significant negative fund balances during the audit period: Street Capital Improvement (Fund 304), Land Acquisition (Fund 356), State Route 741 Engineering (Fund 385), North Pioneer Blvd. Ext. I (Fund 397), Library Trust (Fund 811), and Health Insurance Trust (Fund 815).

FINDING NUMBER 2000-20483-004
(Continued)

A negative cash balance indicates that money from one fund was used to cover the expenses of another fund.

We recommend that the City implement procedures to monitor fund cash balances.

THE CITY OF SPRINGBORO, OHIO

WARREN COUNTY

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2000

THE CITY OF SPRINGBORO, OHIO

WARREN COUNTY

COMPREHENSIVE
ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2000

Prepared by:
Department of Finance

Robyn L. Brown
Director of Finance

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INTRODUCTORY SECTION

320 West Central Avenue
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July 30, 2001

Honorable Mayor, Members of Council
And Citizens of Springboro
Springboro, Ohio

We are pleased to present the City of Springboro Comprehensive Annual Financial Report (CAFR) for the fiscal year ended December 31, 2000. The responsibility for both the accuracy of the presented data, and the completeness and fairness of presentation, including all disclosures, rests with the management of the City, particularly the Director of Finance's Office. This report is prepared in conformance with generally accepted accounting principles as set forth by the Governmental Accounting Standards Board (GASB) and other recognized authoritative sources. We believe the data is fairly presented in all material aspects and that it is presented in a manner designed to set forth the financial position and results of operations of the City as measured by the financial activity of its various funds and account groups; and that all disclosures necessary to enable the reader to gain a reasonable understanding of the City's financial affairs have been included.

This CAFR is divided into three sections as follows.

1. Introductory Section - This section introduces the reader to the report and includes the table of contents, this transmittal letter, the GFOA Certificate of Achievement, the list of principal officials and the City's organizational chart.
2. Financial Section - Included within this section are the Report of Independent Accountants, the general purpose financial statements and the notes to the general purpose financial statements. The remainder of the financial section consists of the combining financial statements, individual fund statements and schedules focusing on individual funds rather than fund types.
3. Statistical Section - The multi-year information presented in this section is designed to reflect social and economical data, financial trends and the fiscal capacity of the City.

THE CITY

Although we became a City just twenty-one years ago, Springboro has earned the reputation as being a very progressive community. The City is located in the southwestern part of the State of Ohio, within the boundaries of Warren County, of which Lebanon is the county seat. The City is a home rule municipal corporation, organized under the laws of the State of Ohio, which operates under its own Charter. The current Charter, which provides, for a Council/Manager form of government, was adopted on November 7, 1978, effective on January 1, 1979 and was amended November 6, 1984 and November 7, 2000. The seven-member Council is elected to four-year terms. The Council appoints a City Manager who serves as the chief executive officer, the head of the administrative agencies and a law enforcement officer of the City. The City Manager appoints all of the department managers.

REPORTING ENTITY AND SERVICES

A reporting entity is composed of the primary government, component units and other organizations that are included to ensure that the financial statements are complete. The primary government of the City consists of all funds and departments which comprise the legal entity of the City and which provide various services including police, street construction and maintenance, traffic signalization, street lighting, planning and zoning, building inspections, recreation, parks, the library, recycling and general administrative services. In addition, golf, sewer, water and trash collection and disposal services are provided under an enterprise concept with user charges set by the City Council to ensure adequate coverage of operating expenses and payments on outstanding debt.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the City in that the City approves their budget, the issuance of their debt or the levying of their taxes. The City of Springboro does not have any component units.

The Warren County General Health District was determined to be a jointly governed organization and the Ohio Municipal League of Workers' Compensation Group Rating Plan was determined to be a group purchasing pool. These entities are discussed further in Notes 20 and 21.

ECONOMIC OUTLOOK

Growth and development within the City of Springboro is expected to exceed the national and state average due to the City's physical location along Interstate 75 between Cincinnati and Dayton. Population in the City of Springboro was officially counted on April 1, 2000 by the United States Census Bureau as 12,380. The main factor contributing to this growth is an abundance of available building sites, which offer appealing terrain, location, amenities, small town atmosphere and a low crime rate. As a result, 311 single-family residential construction permits were issued in 2000. This was a slight decrease from the 319 permits issued in 1999. It is expected that the growth will continue in 2001 to total over 350 single-family residential construction permits.

Since the City annexed the South Tech Business Park in 1997 and began marketing the new Stolz Industrial Park in 1998, industrial growth in Springboro has blossomed. In 2000, the City witnessed the addition of 317 new manufacturing jobs and an additional payroll worth an estimated \$10.2 million.

The City continues to be an attractive location for a wide range of retail shops as well. The City maintains an active role in preserving and enhancing its historical downtown. In 1999, the City's downtown historic district was placed on the National Register of Historic Places. The City continues to be an active participant in state and regional downtown and tourism development programs.

MAJOR INITIATIVES

For the Year:

The citizens of Springboro are the City's greatest asset. The government's greatest concern in preparing each year's budget is to provide services that address citizens' needs and safeguard their environment in conformity with applicable Federal and State laws.

Community Park Master Plan Initiatives: The Park Board commissioned the completion of a master plan for Community Park in 1998. The 2000 budget and capital improvement project list for Park Board for year 2000 dedicated close to \$100,000 for the completion of various components of the Master Plan including a new restroom/shelter facility, additional play equipment, and additional maintenance activities.

North Park: In addition to the Community Park initiatives of 2000 the City of Springboro dedicated another portion of the Park Board budget and capital improvement monies to the continued development of North Park. A project to design and eventually construct an amphitheatre and skate park were approved by the Board with initial development strategies scheduled for 2000.

Strategic Planning: Springboro continues to experience residential and commercial growth. The availability of natural resources, an effective transportation system, strong economic markets and the area's natural beauty will most likely prolong the growth opportunities into the 21st century.

In October of 1994, a Strategic Planning Committee was formed, bringing together concerned citizens with employees of the City, to participate in a comprehensive process to plan for the future of our community. This process was completed in 1996.

In 1998, the staff implemented many of the initiatives that were defined by the Strategic Planning Committee. The staff also continued the development of a multi-year financial planning and management tool referred to as the Strategic Plan. Using this tool, the staff and elected officials plan a financial course that will best achieve the goals and objectives of the plan. Also in 1998, the Land Use Plan and Economic Development Marketing Plan that was developed along with the strategic plan moved forward towards achieving the Strategic Vision of the City. In 1999, the Strategic Plan and Land Use Plan became the foundation used to guide Springboro into the new millennium. In 2000 comprehensive planning in parks, streetscaping, landscaping and mobility began via staff and citizens once again working with consultants to create the best for Springboro. Sewer master planning and joint land use planning with Warren County and Clearcreek Township were also goals of the Strategic Plan that have and will guide Springboro in achieving the Strategic Vision created by the community.

For the Future

Street Capital Improvements: The proposed 2001 budget includes funding for \$2,509,442 of street capital improvements in three (3) project areas. There is \$100,000 designated for a Community Development Block Grant project for reconstruction of a portion of East Street. There is \$180,000 designated for an Issue II project for improvements on Lytle-Five Points Road, \$300,000 designated for another improvement on Lytle-Five Points Road, \$617,742 designated for the construction of Richards Run Road and \$25,000 designated for thermo plastic pavement markings and a few other smaller projects. The majority of the funds, \$950,000, are designated for the City's annual asphalt resurfacing and miscellaneous street repair program. A consultant is also completing the Mobility Master Plan to analyze both motorized and non-motorized transportation needs and to develop a capital improvement plan.

Water System Improvements: In 1995, the City commissioned the development of a Water Master Plan study in conjunction with the strategic planning process. This plan was updated in 1998 to evaluate how the City's growth and development had compared to that projected in the earlier study. This plan is in the process of being updated once again to take into account the growth of the City. The projects that were identified in the study that are planned for 2001 include the following:

1. The city acquired an alternative wellfield site in 1999 and had a large production well installed on the property. The 2001 budget includes funding for the installation of pumping capacity, piping and appurtenances and an emergency generator for the development of this contingency wellfield site. This contingency wellfield is independent of the primary wellfield and will have a capacity of 4.32-MGD. The 2001 budget includes \$700,000 for the development of this wellfield. This project should be completed in the fall of 2001.
2. The City will construct a 12" water main from Lytle-Five Points Road to State Route 73 along Crosley Road and Red-Lion Five Points Road. The 2001 budget includes \$25,000 for the design of this water main and \$375,000 for the construction.
3. The City will replace an existing 6" water main on the east end of Parker Drive with a new 8" main. The 2001 budget includes \$5,000 for the design of this water main and \$45,000 for the construction.
4. The City will replace the existing temporary booster station at the old High School with a new permanent booster station. This station will provide better pressure and fire flows for the southern end of the City. The 2001 budget includes \$30,000 for the design of this water main and \$300,000 for the construction. Also the City will design a new water tower on the southern end of the City. The 2001 budget includes \$50,000 for the design of this water tower.
5. The City will do some modifications at the Clearcreek valve station to correct pressure fluctuation that occur when the station starts and stops. The 2001 budget includes \$5,000 to complete the design and \$45,000 to complete this work.
6. A number of capital improvement projects outlined in the Water Master Plan are also being completed. These projects include the installation of new isolation valves, the purchase of a generator for the Lytle Road Booster Station, inspection of the water towers and booster stations, landscaping at the Water Treatment Plant and other smaller miscellaneous projects. The 2001 budget includes \$125,000 for these miscellaneous projects.

Sewer System Improvements: The City has commissioned a consultant to develop a Sewer Master Plan to address the sewer collection system and treatment plant needs for the next 20-years. This plan will include an analysis of the system and the development of a Capital Improvement Program (CIP) to address these needs. These CIP projects will be included in future proposed budgets and the following projects are included in the 2001 budget:

1. Flow monitors and rain gauges are being installed to better analyze how inflow and infiltration are affecting the sanitary sewers. The 2001 budget includes \$100,000 for this work, which will include the engineering to analyze the data and finalize the Sewer Master Plan
2. There is \$67,200 designated for the design of the Factory Road Trunk Sewer and \$352,800 for the construction of this sewer.

3. There is \$124,800 designated for the design of the Bailey Trunk Sewer and \$655,200 for the construction of this sewer.
4. There is \$116,800 designated for the design of the NW Area Trunk Sewer Phase I and \$613,200 for the construction of this sewer.
5. There are also a number of miscellaneous projects, which will be completed in 2001. These projects include upgrades to the McDaniel Lift Station Instrumentation and other smaller projects. The 2001 budget includes \$42,400 for these miscellaneous projects.

FINANCIAL INFORMATION

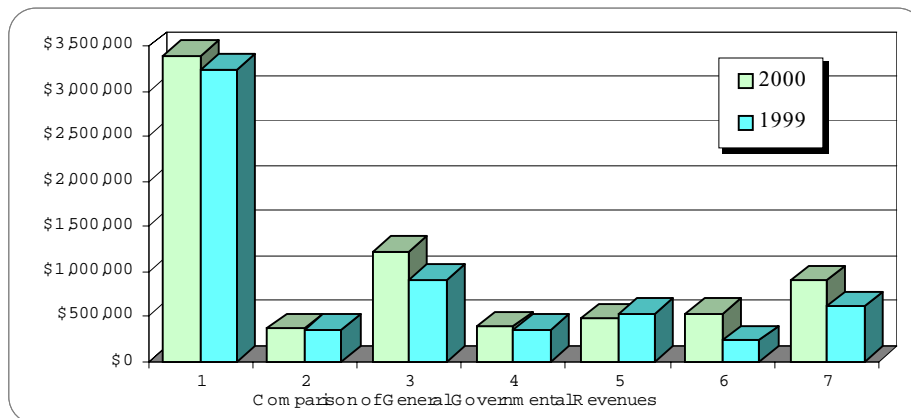
Internal Controls: In developing and evaluating the City's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition; and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of internal control should not exceed the benefits likely to be derived; and that the evaluation of cost and benefits requires estimates and judgments by management.

Budgetary Controls: The City Charter grants the City Council full authority over the financial affairs of the City. The Charter requires that all funds, other than agency funds, be budgeted and appropriated. The City Manager is charged with the responsibility of preparing the estimates of the annual budget and the enforcement of the provisions of the budget as specified in the budget resolution. Upon adoption of the annual budget resolution by the Council, it becomes the formal budget for City operations. After the budget resolution is adopted, Council, on recommendation of the City Manager, may at any time by ordinance, transfer any unencumbered balance of an appropriation from one item or project to another under the same fund, or reduce or increase any item, provided the ordinance as amended does not increase the authorized expenditures to an amount greater than the total estimated income. Financial reports, which compare actual performance with the budget, are prepared monthly and presented to the Council so the Council is able to review the financial status and measure the effectiveness of the budgetary controls. The City maintains a monitoring system to facilitate budgetary control over proposed purchases. Essentially, the system entails the use of weekly computerized printouts which detail year-to-date actual versus budgeted expenditures comparisons of the various funds by budgeted line item. At the close of each year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. The encumbered appropriation balance is carried forward to the succeeding calendar year and need not be reappropriated.

As part of the City's strategic planning process, a computer modeling system is being developed to assist in financial, operational and capital planning. The modeling system also will be expanded to create a budgetary management tool. The system will be designed to provide timely analyses and projections and assist the administration in adjusting to the monthly dynamics of a growth community.

General Government Functions: The following schedules present a summary of general governmental revenues (including general, special revenue and debt service funds) for the year ended December 31, 2000, the percentage of each source to total revenues, and the amount of increase or decrease in relation to the prior year's revenue.

Revenue Source	2000 Total	Percent of Total	1999 Total	Percent of Total	Increase (Decrease) over 1999	Percent of Increase (Decrease)
1. Municipal Income Tax	\$3,401,229	46.93%	\$3,236,247	52.29%	\$164,982	5.10%
2. Property Taxes	359,309	4.96%	345,122	5.58%	14,187	4.11%
3. Intergovernmental Revenues	1,219,893	16.84%	904,526	14.61%	315,367	34.87%
4. Charges for Services	381,632	5.27%	352,465	5.69%	29,167	8.28%
5. Fines, Licenses, & Permits	469,479	6.48%	523,587	8.46%	(54,108)	(10.33%)
6. Investment Earnings	519,956	7.18%	224,200	3.62%	295,756	131.92%
7. All Other Revenues	894,093	12.34%	603,548	9.75%	290,545	48.14%
Total	<u>\$7,245,591</u>	<u>100.00%</u>	<u>\$6,189,695</u>	<u>100.00%</u>	<u>\$1,055,896</u>	



Municipal Income Tax increased by \$164,982 due to an increase in residential growth and additional new jobs created by industrial growth in the City.

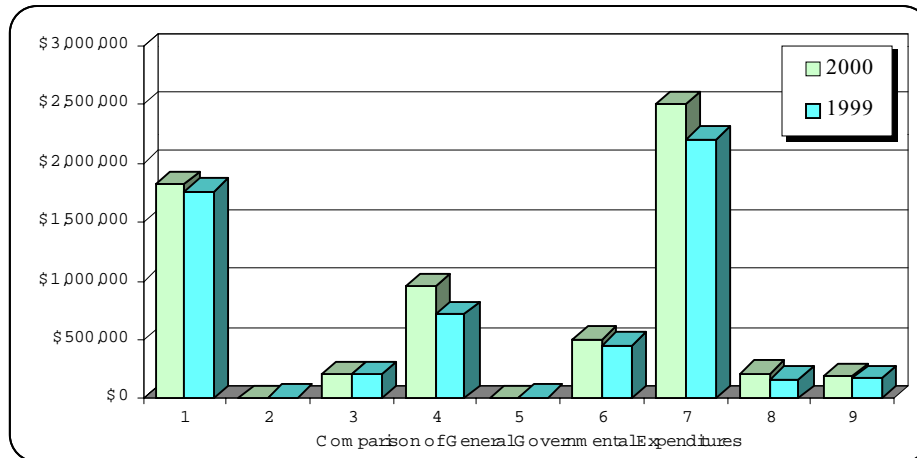
Intergovernmental Revenues increased by \$315,367 due to an increase in federal grant funds, gasoline excise tax and estate tax revenue.

Investment earnings increased by \$295,756 due to higher invested balances and the use of an investment advisor in investing funds.

Miscellaneous Revenues increased by \$290,545 due to an increase in reimbursements during the current year.

Expenditures for general governmental purposes (as previously defined) totaled \$6,396,487, an increase of \$667,869 or 11.7% over 1999. Expenditures for the major functions of the City, increases/(decreases) over 1999 and the percentage of the total are shown in the following table:

Function	2000 Total	Percent of Total	1999 Total	Percent of Total	Increase (Decrease) over 1999	Percent of Increase (Decrease)
1. Security of Persons & Property	\$1,817,020	28.40%	\$1,764,306	30.80%	\$52,714	2.99%
2. Public Health & Welfare Services	1,923	0.03%	13,569	0.24%	(11,646)	(85.83%)
3. Leisure Time Activities	206,529	3.23%	214,419	3.74%	(7,890)	(3.68%)
4. Community Environment	950,210	14.86%	716,566	12.51%	233,644	32.61%
5. Basic Utility Services	0	0.00%	11,477	0.20%	(11,477)	100.00%
6. Transportation	505,980	7.91%	455,676	7.95%	50,304	11.04%
7. General Government	2,501,915	39.11%	2,206,726	38.52%	295,189	13.38%
8. Debt Service - Principal	215,986	3.38%	167,200	2.92%	48,786	29.18%
9. Debt Service - Interest	196,924	3.08%	178,679	3.12%	18,245	10.21%
Total	<u>\$6,396,487</u>	<u>100.00%</u>	<u>\$5,728,618</u>	<u>100.00%</u>	<u>\$667,869</u>	



Security of Persons and Property expenditures increased by \$52,714 due to an increase in wages and benefits associated with additional police staff.

Transportation expenditures increased by \$50,304 due to an increase in maintenance and equipment.

Community Environment expenditures increased by \$233,644 due to an increase in staffing levels, professional services and capital equipment purchases.

General Government expenditures increased by \$295,189 due to the addition of new maintenance personnel and increased professional services for the various administrative departments.

Special Revenue Funds: All special revenue funds on a combined basis operated with \$746,387 in revenues and \$915,628 in expenditures and other financing uses during 2000.

Capital Projects Funds: All capital projects funds on a combined basis operated with \$4,460,957 in revenues and other financing sources and \$3,933,891 in expenditures and other financing uses in 2000 which resulted in an increase in fund balance of \$527,066. Capital projects funds will continue to be used to provide resources for capital improvements and renovations, and acquisitions of capita assets as the City Council authorizes expenditures of bond and note proceeds.

Proprietary Operations: The enterprise funds operated by the City include the golf course, sewer, trash and water funds. The City's enterprise funds operated in 2000 with \$8,335,301 in operating, non-operating revenues and transfers in. This resulted in an increase in retained earnings of \$1,308,687.

Fiduciary Operations: At December 31, 2000, assets recorded in the expendable trust fund and the agency fund were \$156,148 and \$8,631, respectively.

Debt Administration: At December 31, 2000, the City had several debt issues outstanding. These debt issues consisted of \$2,445,000 in special assessment bonds, \$3,717,450 in general obligation bonds, \$4,577,550 in general obligation revenue bonds, \$21,950,000 in mortgage revenue bonds, and \$579,130 in capital lease obligations. The City also had \$5,220,000 in notes outstanding that were issued in anticipation of long-term bond financing. All notes are backed by the full faith and credit of the City.

The City's overall legal debt margin at December 31, 2000 was \$27,303,049 and the unvoted legal debt margin was \$10,628,908.

Cash Management: The primary objective of the City's investment activities is the preservation of capital and the protection of investment principal. In investing public funds, the City will strive to maximize the return on the portfolio but will avoid assuming unreasonable risks. The City's investment portfolio will remain sufficiently liquid to enable the City to meet operating requirements which might be reasonably anticipated. The City will diversify its investments to avoid incurring unreasonable and avoidable risks regarding specific security types or individual financial institutions.

Inactive City funds are typically invested in commercial bank and savings and loan certificates of deposit and repurchase agreements as well as various other instruments guaranteed by the U.S. Government or its agencies. Active City funds are typically invested in overnight repurchase agreements with local commercial banks. At December 31, 2000 the only investments outstanding were in U.S. Government Securities. The city pools its cash for investment purposes and investment income is distributed to the general fund and golf, sewer, and water enterprise funds.

Certain deposits are collateralized with securities held by the pledging financial institution, or by its trust department or agent but not in the City's name under Ohio law. The pool of securities so pledged must have a current market value at least equal to 105% of all public monies on deposit with the depository including the amount covered by federal insurance.

Risk Management: The City has several different insurance policies, each covering a specific category of risk. The property and liability policy runs through April 2001. The limits of liability range from \$2,000,000 to \$5,000,000. Public officials and law enforcement employees are covered under separate policies and have aggregate limits of \$2,000,000 each.

OTHER INFORMATION

Independent Audit: An audit team from Auditor of State Jim Petro's Office has performed this year's audit. The results of the audit are presented in the Independent Accountants' Report.

Certificate of Achievement: The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Springboro, Ohio, for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 1999. This was the twelfth consecutive year that the government has achieved this prestigious award.

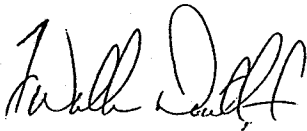
In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

Acknowledgment: Sincere appreciation is extended to the many people who have contributed their time and effort to prepare this report. The Finance Department Staff is to be commended for their input and commitment.

We would like to express appreciation to Mr. Donald J. Schonhardt, and his staff for their guidance and efforts in preparing this report.

Sincerely,

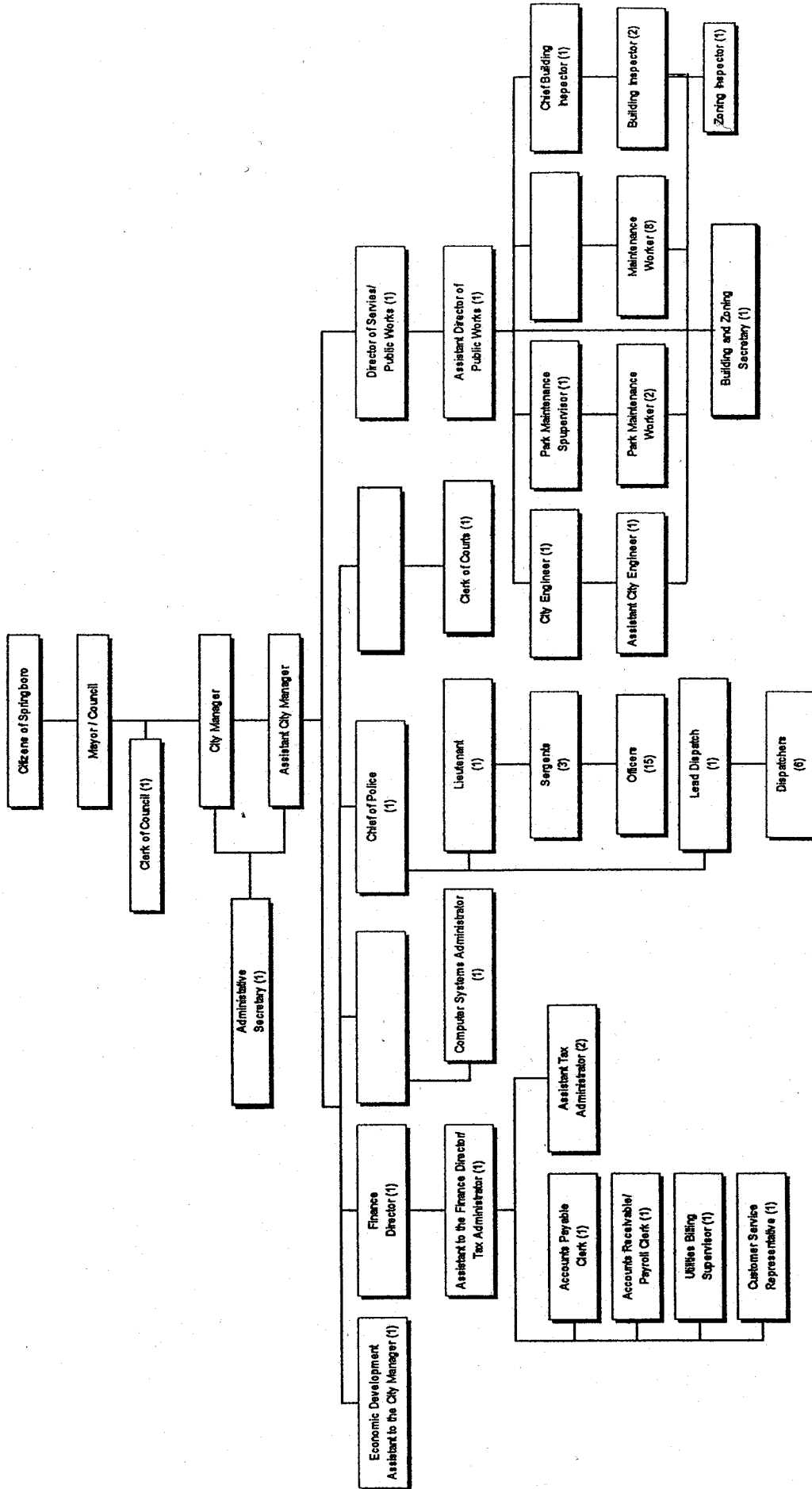


F. Wallace Douthwaite
City Manager



Robyn L. Brown
Director of Finance

**CITY OF SPRINGBORO
2000 Organizational Chart**



Total Employees - 62

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Springboro,
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 1999

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



Anne Spray Kinney
President

Jeffrey L. Essler
Executive Director

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FINANCIAL SECTION

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STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

250 West Court Street
Suite 150 E
Cincinnati, Ohio 45202
Telephone 513-361-8550
800-368-7419
Facsimile 513-361-8577
www.auditor.state.oh.us

INDEPENDENT ACCOUNTANTS' REPORT

City of Springboro
Warren County
320 West Central Avenue
Springboro, Ohio 45066

To the City Council:

We have audited the accompanying general-purpose financial statements of the City of Springboro, Warren County, Ohio (the City), as of and for the year ended December 31, 2000, as listed in the table of contents. These general-purpose financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these general-purpose financial statements based on our audit.

Except as described in the following, paragraph, we conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We were unable to obtain sufficient evidence supporting the financial activities of the Golf Course Fund nor were we able to satisfy ourselves as to those financial activities by other auditing procedures. Those financial activities represent 34 percent of the operating revenues and 38 percent of the operating expenses of the revenues of the Enterprise Fund Type.

Since we were unable to audit a material portion of the combined enterprise funds, we do not express an opinion on them.

In our opinion, except for the Enterprise Funds, upon which we express no opinion, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of the City of Springboro, Warren County, Ohio, as of December 31, 2000, and the results of its operations for the year then ended in conformity with generally accepted accounting principles generally accepted in the United States of America.

As described in Note 22 to the financial statements, the Golf Course Fund experienced a cash deficit at December 31, 2000. In addition, the cash provided by Golf Course Fund operations has not been sufficient to pay the required debt service and the Golf Course Fund has relied on advances and transfers from other funds to pay debt service requirement obligations as they come due. Management's plan in regard to these matters is described in Note 22 to the financial statements.

In accordance with *Government Auditing Standards*, we have also issued our report dated July 27, 2001 on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the result of our audit.

Our audit was performed to form an opinion on the general-purpose financial statements of the City taken as a whole. The combining and individual fund and account group financial statements and schedules listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the general-purpose financial statements. Such information has been subjected to the auditing procedures

applied in the audit of the general-purpose financial statements and, in our opinion, except for the Golf Course fund and combining enterprise fund statements, upon which we express no opinion, as noted above, is fairly presented, in all material respects, in relation to the general-purpose financial statements taken as a whole.

We did not audit the data included in the introductory and statistical section of this report and therefore express no opinion thereon.

A handwritten signature in black ink, appearing to read "Jim Petro", with a large, stylized flourish at the end.

Jim Petro
Auditor of State

July 27, 2001

GENERAL PURPOSE FINANCIAL STATEMENTS

THE FOLLOWING GENERAL PURPOSE FINANCIAL STATEMENTS, ALONG WITH THE NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS, PRESENT AN OVERVIEW OF THE CITY'S FINANCIAL POSITION AT DECEMBER 31, 2000 AND THE RESULTS OF OPERATIONS AND CASH FLOWS OF ITS PROPRIETARY FUNDS FOR THE YEAR THEN ENDED.

THE CITY OF SPRINGBORO, OHIO
COMBINED BALANCE SHEET
ALL FUND TYPES AND ACCOUNT GROUPS
DECEMBER 31, 2000

	<i>Governmental</i>			
	<i>Fund Types</i>			
	General Fund	Special Revenue Funds	Debt Service Fund	Capital Projects Funds
<u>Assets and Other Debits:</u>				
Assets:				
Cash and Cash Equivalents	\$0	\$433,329	\$24,803	\$1,613,862
Investments	0	0	0	0
Receivables (net of allowance for doubtful accounts):				
Municipal Income Tax	448,550	0	0	220,928
Property Taxes	418,466	0	0	0
Accounts	16,417	0	0	363
Special Assessments	0	0	2,962,587	0
Due from Other Funds	6,553	0	0	0
Intergovernmental Receivables	152,450	70,056	0	0
Materials and Supplies Inventory	11,840	44,459	0	0
Inventory Held for Resale	0	0	0	0
Prepaid Items	70,173	3,255	0	0
Advances to Other Funds	1,750,413	0	0	924,091
Restricted Assets:				
Cash and Cash Equivalents	0	0	0	0
Cash with Fiscal and Escrow Agent	0	0	4,268	0
Investments with Fiscal Agent	0	0	0	0
Fixed Assets (net of accumulated depreciation)				
Construction in Progress	0	0	0	0
Deferred Loss on Defeasance	0	0	0	0
Unamortized Bond Issuance Costs	0	0	0	0
Other Debits:				
Amount Available in Debt Service Fund	0	0	0	0
Amount to be Provided for General Long-Term Obligations	0	0	0	0
Total Assets and Other Debits	<u>\$2,874,862</u>	<u>\$551,099</u>	<u>\$2,991,658</u>	<u>\$2,759,244</u>

THE CITY OF SPRINGBORO, OHIO
COMBINED BALANCE SHEET
ALL FUND TYPES AND ACCOUNT GROUPS
DECEMBER 31, 2000

<u>Proprietary Fund Type</u>	<u>Fiduciary Fund Types</u>	<u>Account Groups</u>		<u>Totals (Memorandum Only)</u>
Enterprise Funds	Trust and Agency Funds	General Fixed Assets	General Long-Term Obligations	
\$4,593,736	\$156,148	\$0	\$0	\$6,821,878
6,068,767	0	0	0	6,068,767
0	0	0	0	669,478
0	0	0	0	418,466
494,265	0	0	0	511,045
0	0	0	0	2,962,587
0	0	0	0	6,553
0	0	0	0	222,506
15,135	0	0	0	71,434
28,234	0	0	0	28,234
14,979	0	0	0	88,407
0	0	0	0	2,674,504
52,133	0	0	0	52,133
1,088,975	8,631	0	0	1,101,874
1,395,646	0	0	0	1,395,646
56,868,195	0	6,984,841	0	63,853,036
194,416	0	0	0	194,416
554,977	0	0	0	554,977
879,566	0	0	0	879,566
0	0	0	24,803	24,803
0	0	0	6,680,388	6,680,388
<u>\$72,249,024</u>	<u>\$164,779</u>	<u>\$6,984,841</u>	<u>\$6,705,191</u>	<u>\$95,280,698</u>

(Continued)

THE CITY OF SPRINGBORO, OHIO
COMBINED BALANCE SHEET
ALL FUND TYPES AND ACCOUNT GROUPS
DECEMBER 31, 2000

	<i>Governmental Fund Types</i>			
	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Debt Service Fund</u>	<u>Capital Projects Funds</u>
<u>Liabilities, Equity and Other Credits:</u>				
Liabilities:				
Accounts Payable	\$91,975	\$25,039	\$0	\$8,039
Accrued Wages and Benefits	106,563	25,931	0	0
Due to Other Funds	0	0	0	0
Intergovernmental Payables	29,599	3,766	0	0
Advances from Other Funds	0	0	0	0
Undistributed Monies	0	0	0	0
Accrued Interest Payable	0	0	0	33,655
Deferred Revenue	477,249	0	2,962,587	33,411
Compensated Absences Payable	0	0	0	0
Capital Leases Payable	0	0	0	0
Claims and Judgments Payable	35,790	0	0	0
Matured Bonds and Interest Payable	0	0	4,268	0
General Obligation Notes Payable	0	0	0	4,020,000
Refundable Deposits	0	0	0	0
Special Assessment Bonds Payable with Governmental Commitment	0	0	0	0
General Obligation Bonds Payable	0	0	0	0
Mortgage Revenue Bonds Payable	0	0	0	0
Total Liabilities	<u>741,176</u>	<u>54,736</u>	<u>2,966,855</u>	<u>4,095,105</u>
Equity and Other Credits:				
Investment in General Fixed Assets	0	0	0	0
Contributed Capital	0	0	0	0
Retained Earnings:				
Reserved for Replacement and Improvement	0	0	0	0
Unreserved	0	0	0	0
Fund Balances:				
Reserved for Encumbrances	82,030	4,863	0	699,836
Reserved for Advances	1,750,413	0	0	924,091
Reserved for Supplies Inventory	11,840	44,459	0	0
Reserved for Prepaid Items	70,173	3,255	0	0
Reserved for Debt Service	0	0	24,803	0
Unreserved:				
Undesignated	219,230	443,786	0	(2,959,788)
Total Equity and Other Credits	<u>2,133,686</u>	<u>496,363</u>	<u>24,803</u>	<u>(1,335,861)</u>
Total Liabilities, Equity and Other Credits	<u>\$2,874,862</u>	<u>\$551,099</u>	<u>\$2,991,658</u>	<u>\$2,759,244</u>

The notes to the general purpose financial statements are an integral part of this statement.

THE CITY OF SPRINGBORO, OHIO
COMBINED BALANCE SHEET
ALL FUND TYPES AND ACCOUNT GROUPS
DECEMBER 31, 2000

<u>Proprietary Fund Type</u>	<u>Fiduciary Fund Types</u>	<u>Account Groups</u>		<u>Totals (Memorandum Only)</u>
Enterprise Funds	Trust and Agency Funds	General Fixed Assets	General Long-Term Obligations	
\$129,701	\$0	\$0	\$0	\$254,754
24,279	0	0	0	156,773
0	6,553	0	0	6,553
26,018	1,380	0	68,767	129,530
2,674,504	0	0	0	2,674,504
0	698	0	0	698
160,851	0	0	0	194,506
0	0	0	0	3,473,247
16,018	0	0	85,048	101,066
190,204	0	0	388,926	579,130
0	0	0	0	35,790
0	0	0	0	4,268
1,200,000	0	0	0	5,220,000
52,133	0	0	0	52,133
0	0	0	2,445,000	2,445,000
4,558,881	0	0	3,717,450	8,276,331
<u>21,950,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>21,950,000</u>
<u>30,982,589</u>	<u>8,631</u>	<u>0</u>	<u>6,705,191</u>	<u>45,554,283</u>
0	0	6,984,841	0	6,984,841
27,670,281	0	0	0	27,670,281
1,047,633	0	0	0	1,047,633
12,548,521	0	0	0	12,548,521
0	0	0	0	786,729
0	0	0	0	2,674,504
0	0	0	0	56,299
0	0	0	0	73,428
0	0	0	0	24,803
0	156,148	0	0	(2,140,624)
<u>41,266,435</u>	<u>156,148</u>	<u>6,984,841</u>	<u>0</u>	<u>49,726,415</u>
<u>\$72,249,024</u>	<u>\$164,779</u>	<u>\$6,984,841</u>	<u>\$6,705,191</u>	<u>\$95,280,698</u>

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THE CITY OF SPRINGBORO, OHIO
COMBINED STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2000

	<i>Governmental Fund Types</i>			<i>Fiduciary Fund Type</i>		Totals (Memorandum Only)
	General Fund	Special Revenue Funds	Debt Service Fund	Capital Projects Funds	Expendable Trust Fund	
Revenues:						
Municipal Income Tax	\$3,401,229	\$0	\$0	\$1,701,403	\$0	\$5,102,632
Property and Other Taxes	359,309	0	0	0	0	359,309
Intergovernmental Revenues	614,225	605,668	0	0	0	1,219,893
Charges for Services	381,632	0	0	0	0	381,632
Fines, Licenses and Permits	455,879	13,600	0	193,448	0	662,927
Investment Earnings	519,956	0	0	35,400	0	555,356
Special Assessments	0	0	266,787	0	0	266,787
Donations	0	125,613	0	0	18,012	143,625
All Other Revenues	500,187	1,506	0	38,188	0	539,881
Total Revenues	<u>6,232,417</u>	<u>746,387</u>	<u>266,787</u>	<u>1,968,439</u>	<u>18,012</u>	<u>9,232,042</u>
Expenditures:						
Current:						
Security of Persons and Property	1,651,580	165,440	0	0	0	1,817,020
Public Health and Welfare Services	1,923	0	0	0	0	1,923
Leisure Time Activities	206,529	0	0	0	0	206,529
Community Environment	950,210	0	0	0	0	950,210
Transportation	0	505,980	0	0	0	505,980
General Government	2,491,317	10,598	0	134,946	0	2,636,861
Capital Outlay	0	0	0	2,424,680	0	2,424,680
Debt Service:						
Principal Retirements	43,008	66,978	106,000	68,000	0	283,986
Interest and Fiscal Charges	24,385	24,632	147,907	245,344	0	442,268
Total Expenditures	<u>5,368,952</u>	<u>773,628</u>	<u>253,907</u>	<u>2,872,970</u>	<u>0</u>	<u>9,269,457</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	863,465	(27,241)	12,880	(904,531)	18,012	(37,415)
Other Financing Sources (Uses):						
Proceeds from General Obligation Bonds	0	0	0	1,690,000	0	1,690,000
Operating Transfers In	75,000	0	0	802,518	0	877,518
Operating Transfers Out	(660,518)	(142,000)	0	(1,060,921)	0	(1,863,439)
Total Other Financing Sources (Uses)	<u>(585,518)</u>	<u>(142,000)</u>	<u>0</u>	<u>1,431,597</u>	<u>0</u>	<u>704,079</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	277,947	(169,241)	12,880	527,066	18,012	666,664
Fund Balance (Deficit) Beginning of Year	1,853,359	674,507	11,923	(1,862,927)	138,136	814,998
Increase (Decrease) in Inventory Reserve	2,380	(8,903)	0	0	0	(6,523)
Fund Balance (Deficit) End of Year	<u>\$2,133,686</u>	<u>\$496,363</u>	<u>\$24,803</u>	<u>(\$1,335,861)</u>	<u>\$156,148</u>	<u>\$1,475,139</u>

The notes to the general purpose financial statements are an integral part of this statement.

THE CITY OF SPRINGBORO, OHIO
COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2000

	<i>General Fund</i>			<i>Special Revenue Funds</i>		
	Revised Budget	Actual	Variance: Favorable (Unfavorable)	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:						
Municipal Income Tax	\$3,145,197	\$3,508,366	\$363,169	\$0	\$0	\$0
Property and Other Taxes	351,904	354,183	2,279	0	0	0
Intergovernmental Revenues	521,750	485,706	(36,044)	519,435	548,680	29,245
Charges for Services	405,111	405,445	334	0	0	0
Fines, Licenses and Permits	583,680	479,382	(104,298)	1,750	15,034	13,284
Special Assessments	0	0	0	0	0	0
Investment Earnings	384,662	519,956	135,294	0	0	0
Donations	0	0	0	133,300	126,384	(6,916)
All Other Revenues	146,450	508,562	362,112	1,000	1,233	233
Total Revenues	5,538,754	6,261,600	722,846	655,485	691,331	35,846
Expenditures:						
Current:						
Security of Persons and Property	1,742,389	1,656,300	86,089	166,734	163,996	2,738
Public Health and Welfare	17,304	1,923	15,381	0	0	0
Leisure Time Activities	248,138	206,107	42,031	0	0	0
Community Environment	1,105,543	1,004,002	101,541	0	0	0
Transportation	0	0	0	527,245	503,242	24,003
General Government	2,648,202	2,690,972	(42,770)	13,010	10,598	2,412
Capital Outlay	0	0	0	0	0	0
Debt Service:						
Principal Retirement	43,008	43,008	0	66,978	66,978	0
Interest and Fiscal Charges	24,403	24,385	18	24,632	24,632	0
Total Expenditures	5,828,987	5,626,697	202,290	798,599	769,446	29,153
Excess (Deficiency) of Revenues Over (Under) Expenditures	(290,233)	634,903	925,136	(143,114)	(78,115)	64,999
Other Financing Sources (Uses):						
Proceeds from General Obligation Notes	0	0	0	0	0	0
Proceeds from General Obligation Bonds	0	0	0	0	0	0
Operating Transfers In	75,000	75,000	0	0	0	0
Operating Transfers Out	(841,100)	(693,518)	147,582	(142,000)	(142,000)	0
Advances In	0	32,800	32,800	0	0	0
Advances Out	0	0	0	0	0	0
Total Other Financing Sources (Uses)	(766,100)	(585,718)	180,382	(142,000)	(142,000)	0
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(1,056,333)	49,185	1,105,518	(285,114)	(220,115)	64,999
Fund Balance at Beginning of Year	1,380,904	1,380,904	0	620,163	620,163	0
Prior Year Encumbrances	201,365	201,365	0	21,766	21,766	0
Fund Balance at End of Year	\$525,936	\$1,631,454	\$1,105,518	\$356,815	\$421,814	\$64,999

The notes to the general purpose financial statements are an integral part of this statement.

THE CITY OF SPRINGBORO, OHIO
COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2000

<i>Debt Service Fund</i>			<i>Capital Projects Funds</i>			<i>Totals (Memorandum Only)</i>		
Revised Budget	Actual	Variance: Favorable (Unfavorable)	Revised Budget	Actual	Variance: Favorable (Unfavorable)	Revised Budget	Actual	Variance: Favorable (Unfavorable)
\$0	\$0	\$0	\$1,667,192	\$1,754,172	\$86,980	\$4,812,389	\$5,262,538	\$450,149
0	0	0	0	0	0	351,904	354,183	2,279
0	0	0	0	0	0	1,041,185	1,034,386	(6,799)
0	0	0	0	0	0	405,111	405,445	334
0	0	0	175,000	193,448	18,448	760,430	687,864	(72,566)
266,000	266,787	787	0	0	0	266,000	266,787	787
0	0	0	0	0	0	384,662	519,956	135,294
0	0	0	0	0	0	133,300	126,384	(6,916)
0	0	0	98,423	37,937	(60,486)	245,873	547,732	301,859
266,000	266,787	787	1,940,615	1,985,557	44,942	8,400,854	9,205,275	804,421
0	0	0	0	0	0	1,909,123	1,820,296	88,827
0	0	0	0	0	0	17,304	1,923	15,381
0	0	0	0	0	0	248,138	206,107	42,031
0	0	0	0	0	0	1,105,543	1,004,002	101,541
0	0	0	0	0	0	527,245	503,242	24,003
0	0	0	216,091	190,644	25,447	2,877,303	2,892,214	(14,911)
0	0	0	2,991,784	3,131,748	(139,964)	2,991,784	3,131,748	(139,964)
106,000	106,000	0	3,488,003	3,488,000	3	3,703,989	3,703,986	3
151,471	147,907	3,564	244,350	244,136	214	444,856	441,060	3,796
257,471	253,907	3,564	6,940,228	7,054,528	(114,300)	13,825,285	13,704,578	120,707
8,529	12,880	4,351	(4,999,613)	(5,068,971)	(69,358)	(5,424,431)	(4,499,303)	925,128
0	0	0	4,020,000	4,020,000	0	4,020,000	4,020,000	0
0	0	0	1,696,996	1,697,206	210	1,696,996	1,697,206	210
0	0	0	2,592,109	2,593,329	1,220	2,667,109	2,668,329	1,220
0	0	0	(2,851,732)	(2,851,732)	0	(3,834,832)	(3,687,250)	147,582
0	0	0	625,400	625,400	0	625,400	658,200	32,800
0	0	0	(32,800)	(32,800)	0	(32,800)	(32,800)	0
0	0	0	6,049,973	6,051,403	1,430	5,141,873	5,323,685	181,812
8,529	12,880	4,351	1,050,360	982,432	(67,928)	(282,558)	824,382	1,106,940
11,923	11,923	0	542,454	542,454	0	2,555,444	2,555,444	0
0	0	0	306,231	306,231	0	529,362	529,362	0
\$20,452	\$24,803	\$4,351	\$1,899,045	\$1,831,117	(\$67,928)	\$2,802,248	\$3,909,188	\$1,106,940

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THE CITY OF SPRINGBORO, OHIO
COMBINED STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN RETAINED EARNINGS
PROPRIETARY FUND TYPE
FOR THE YEAR ENDED DECEMBER 31, 2000

	<u><i>Enterprise Funds</i></u>
<u>Operating Revenues:</u>	
Charges for Services	\$5,723,494
Sales	756,618
Other Operating Revenues	147,425
Total Operating Revenues	<u>6,627,537</u>
<u>Operating Expenses:</u>	
Personal Services	459,776
Materials and Supplies	223,615
Contractual Services	3,315,090
Cost of Goods Sold	218,646
Depreciation	966,579
Total Operating Expenses	<u>5,183,706</u>
Operating Income	1,443,831
<u>Nonoperating Revenues (Expenses):</u>	
Investment Earnings	646,843
Interest and Fiscal Charges	(1,760,690)
Loss on the Disposal of Fixed Assets	(7,218)
Total Nonoperating Revenues (Expenses)	<u>(1,121,065)</u>
Income Before Operating Transfers	322,766
<u>Operating Transfers:</u>	
Operating Transfers In	1,060,921
Operating Transfers Out	(75,000)
Total Operating Transfers	<u>985,921</u>
Net Income	1,308,687
Retained Earnings at Beginning of Year - Restated (Note 2)	<u>12,287,467</u>
Retained Earnings at End of Year	<u><u>\$13,596,154</u></u>

The notes to the general purpose financial statements are an integral part of this statement.

THE CITY OF SPRINGBORO, OHIO
COMBINED STATEMENT OF CASH FLOWS
PROPRIETARY FUND TYPE
FOR THE YEAR ENDED DECEMBER 31, 2000

	<u>Enterprise Funds</u>
<u>Cash Flows from Operating Activities:</u>	
Cash Received from Customers	\$6,290,591
Other Operating Receipts	153,836
Cash Payments for Goods and Services	(3,735,465)
Cash Payments to Employees	(449,245)
Net Cash Provided by Operating Activities	<u>2,259,717</u>
<u>Cash Flows from Noncapital Financing Activities:</u>	
Repayment of Advances to Other Funds	3,410,869
Payment of Advances from Other Funds	(4,000,869)
Receipt of Advances from Other Funds	2,674,504
Transfers In from Other Funds	1,060,921
Transfers Out to Other Funds	(75,000)
Net Cash Provided by Noncapital Financing Activities	<u>3,070,425</u>
<u>Cash Flows from Capital and Related Financing Activities:</u>	
Cash Received from Tap-in Fees in Excess of Cost	988,806
Proceeds from General Obligation Notes	1,200,000
Principal Paid on General Obligation Notes	(1,200,000)
Acquisition and Construction of Assets	(609,618)
Principal Paid on General Obligation Bonds	(143,600)
Principal Paid on Capital Lease	(48,458)
Principal Paid on Mortgage Revenue Bonds	(630,000)
Interest Paid on All Debt	(1,609,366)
Net Cash Used for Capital and Related Financing Activities	<u>(2,052,236)</u>
<u>Cash Flows from Investing Activities:</u>	
Receipt of Interest	454,349
Purchase of Investments	(5,999,814)
Sale of Investments	1,399,891
Net Cash Used by Investing Activities	<u>(4,145,574)</u>
Net Decrease in Cash and Cash Equivalents	(867,668)
Cash and Cash Equivalents at Beginning of Year	<u>6,602,512</u>
Cash and Cash Equivalents at End of Year	<u>\$5,734,844</u>

(Continued)

THE CITY OF SPRINGBORO, OHIO
COMBINED STATEMENT OF CASH FLOWS
PROPRIETARY FUND TYPE
FOR THE YEAR ENDED DECEMBER 31, 2000

	<u><i>Enterprise Funds</i></u>
<u>Reconciliation of Cash and</u>	
<u>Cash Equivalents per the Balance Sheet:</u>	
Cash and Cash Equivalents	\$4,593,736
Restricted Cash and Cash Equivalents	52,133
Restricted Cash with Fiscal and Escrow Agents	1,088,975
Cash and Cash Equivalents at End of Year	<u><u>\$5,734,844</u></u>
 <u>Reconciliation of Operating Income to Net Cash</u>	
<u>Provided by Operating Activities:</u>	
Operating Income	\$1,443,831
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:	
Depreciation Expense	966,579
Changes in Assets and Liabilities:	
Increase in Accounts Receivable	(127,557)
Decrease in Due From Other Funds	980
Decrease in Inventory	7,904
Decrease in Inventory Held for Resale	1,555
Decrease in Prepaid Items	79,123
Decrease in Accounts Payable	(60,850)
Decrease in Deferred Revenue	(62,944)
Increase in Accrued Wages and Benefits	4,063
Decrease in Intergovernmental Payable	(8,493)
Increase in Refundable Deposits	4,415
Increase in Compensated Absences	11,111
Total Adjustments	<u>815,886</u>
Net Cash Provided by Operating Activities	<u><u>\$2,259,717</u></u>

Schedule of Noncash Investing, Capital and Financing Activities:

At December 31, 2000, the Sewer and Water Funds had outstanding liabilities of \$1,506 and \$53,530, respectively for the purchase of certain capital assets. During 2000, the Sewer and Water Funds received \$677,380 and \$188,726, respectively, for the purchase of fixed assets donated by developers. The Sewer Fund incurred a new lease liability of \$176,540 in 2000. During 2000, the fair value of investments increased by \$68,492 and by \$17,901 in the Sewer and Water Funds, respectively.

The notes to the general purpose financial statements are an integral part of this statement.

THE CITY OF SPRINGBORO, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
DECEMBER 31, 2000

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Springboro, Ohio (the City) is a home rule municipal corporation created under the laws of the State of Ohio. The City operates under its own Charter. The current Charter, which provides for a Council - Manager form of government, was adopted November 7, 1978, became effective January 1, 1979, and was amended November 6, 1984. The six member Council and the Mayor are elected to four-year terms. The Council appoints a City Manager who serves as the chief executive officer, the head of the administrative agencies, and a law enforcement officer of the City. The City Manager appoints all of the department managers.

The accompanying general purpose financial statements of the City present the financial position of the various fund types and account groups and the results of operations and the cash flows of the proprietary fund type. The financial statements are presented as of December 31, 2000 and for the year then ended and have been prepared in conformity with generally accepted accounting principles (GAAP) applicable to local governments. The Governmental Accounting Standards Board (the GASB) is the standard-setting body for establishing governmental accounting and financial reporting principles, which are primarily set forth in the GASB's Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification).

A. Reporting Entity

The accompanying general purpose financial statements comply with the provisions of GASB Statement No. 14, "*The Financial Reporting Entity*," in that the financial statements include all organizations, activities, functions and component units for which the City (the primary government) is financially accountable. Financial accountability is defined as the appointment of a voting majority of a legally separate organization's governing body and either (1) the City's ability to impose its will over the organization, or (2) the potential that the organization will provide a financial benefit to or impose a financial burden on the City.

Based on the foregoing, the City's financial reporting entity has no component units but includes all funds, account groups, agencies, boards and commissions that are part of the primary government, which includes the following services: police protection, street construction and maintenance, street lighting, parks and recreation, planning and zoning and other governmental services. In addition, golf, water, sewer and trash collection and disposal services are provided under an enterprise concept with user charges set by City Council to ensure adequate coverage of operating expenses and payments on outstanding debt.

The Warren County General Health District, a jointly governed organization, provides health services within the County. The Board of Health, which consists of a representative from each of the participating governments, oversees the operation of the District. The City is not financially accountable for the District. The County Commissioners serve as the taxing authority and the County Auditor and Treasurer serve as fiscal officers.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation - Fund Accounting

The accounting system is organized and operated on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures/(expenses). The various funds are summarized by type in the general purpose financial statements. The following fund types and account groups are used by the City:

Governmental Funds

The governmental funds are those funds through which most governmental functions typically are financed. The acquisition, use and balances of the City's expendable financial resources and the related current liabilities (except those accounted for in the proprietary funds) are accounted for through governmental funds. The measurement focus is upon determination of "financial flow" (sources, uses and balances of financial resources). The following are the City's governmental fund types:

General Fund - This fund is used to account for all financial resources except those accounted for in another fund. The general fund balance is available to the City for any purpose provided it is expended or transferred according to the general laws of Ohio and the limitations of the City Charter.

Special Revenue Funds - These funds are used to account for the proceeds of specific revenue sources (other than expendable trusts, or major capital projects) that are legally restricted to expenditure for specified purposes.

Debt Service Fund - This fund is used for the accumulation of resources for, and the payment of, general obligation and special assessment long-term debt principal and interest.

Capital Projects Funds - These funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities.

Proprietary Funds

All proprietary funds are accounted for on an "economic resources" measurement focus. This measurement focus provides that all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Fund equity (i.e., net assets) is segregated into contributed capital and retained earnings components. Proprietary fund type operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net total assets.

Enterprise Funds - These funds are used to account for operations that are financed and operated in a manner similar to private business enterprises -- where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The City maintains four enterprise funds for its golf course, water operations, sewer operations and refuse collection and disposal.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation - Fund Accounting (Continued)

Fiduciary Funds

Trust and Agency Funds - These funds are used to account for assets held by a government unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds. The City maintains both an expendable trust fund and an agency fund. The expendable trust fund is accounted for and reported similarly to governmental funds. The agency fund is custodial in nature (assets equal liabilities) and does not involve measurement of results of operations.

Account Groups- To make a clear distinction between fixed assets related to specific funds and those of general government and between long-term liabilities related to specific funds and those of a general nature, the following account groups are used:

General Fixed Assets Account Group - This account group is established to account for fixed assets of the City, other than those accounted for in the proprietary and similar trust funds.

General Long-Term Obligations Account Group - This account group is established to account for all long-term debt and other long-term obligations of the City except those accounted for in the proprietary fund.

C. Basis of Accounting

Basis of accounting represents the methodology utilized in the recognition of revenues and expenditures or expenses in the accounts and reported in the financial statements, and relates to the timing of the measurements made. The accounting and reporting treatment applied to a fund is determined by its measurement focus.

The modified accrual basis of accounting is followed by the governmental funds and expendable trust and agency funds. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. The term "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, which for the City is 60 days after year end. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt which is recognized when due.

Revenue considered susceptible to accrual at year end includes income taxes withheld by employers, and state levied locally shared taxes (including motor vehicle license fees) and local government assistance. Other revenue, including licenses, permits, certain charges for services, income taxes other than those withheld by employers and miscellaneous revenues, is recorded as revenue when received in cash because it is generally not measurable until received.

Special assessment installments including related interest, which are measurable but not available at December 31, are recorded as deferred revenue. Property taxes measurable as of December 31, 2000 but which are not intended to finance 2000 operations and delinquent property taxes, whose availability is indeterminate, are recorded as deferred revenue as further described in Note 5.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Accounting (Continued)

The accrual basis of accounting is utilized for reporting purposes by the enterprise funds. Revenues are recognized when they are earned and expenses are recognized when incurred.

Pursuant to GASB Statement No. 20, *"Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that Use Proprietary Fund Accounting,"* the City follows GASB guidance as applicable to proprietary funds and FASB Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins issued on or before November 30, 1989 that do not conflict with or contradict GASB pronouncements.

D. Budgetary Process

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources and the appropriation ordinance, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriation ordinance are subject to amendment throughout the year.

All funds, other than agency funds, are legally required to be budgeted and appropriated; however, only governmental funds are required to be reported. The legal level of budgetary control is at the object level (personal services, operations and maintenance and capital outlay) within each department. Budgetary modifications may only be made by ordinance of the City Council.

1. Tax Budget

The City Finance Director submits an annual tax budget for the following fiscal year to City Council by July 15 for consideration and passage. The adopted budget is submitted to the County Auditor, as Secretary of the County Budget Commission, by July 20 of each year for the period January 1 to December 31 of the following year.

2. Estimated Resources

The County Budget Commission reviews estimated revenue and determines if the budget substantiates a need to levy all or part of previously authorized taxes. The Budget Commission then certifies its actions to the City by September 1 of each year. As part of the certification process, the City receives an official certificate of estimated resources stating the projected receipts by fund. Prior to December 31, the City must revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year do not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriations measure. On or about January 1, the certificate of estimated resources is amended to include any unencumbered fund balances from the preceding year. The certificate may be further amended during the year if a new source of revenue is identified or if actual receipts exceed current estimates. The amounts reported on the budgetary statement reflect the amounts in the final amended official certificate of estimated resources issued during 2000.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Budgetary Process (Continued)

3. Appropriations

A temporary appropriation ordinance to control expenditures may be passed on or about January 1 of each year for the period January 1 through March 31. An annual appropriation ordinance must be passed by April 1 of each year for the period January 1 through December 31. The appropriation ordinance establishes spending controls at the fund, department and object level, and may be modified during the year by ordinance of the City Council. Total fund appropriations may not exceed the current estimated resources as certified by the County Budget Commission. Expenditures may not legally exceed budgeted appropriations at the object level. The allocation of appropriations within a fund may be modified with the approval of the City Council. During 2000, several supplemental appropriations measures were necessary to budget the use of contingency funds and capital improvement projects. Administrative control is maintained through the establishment of more detailed line-item budgets. The budgetary figures which appear in the "Combined Statement of Revenues, Expenditures, and Changes in Fund Balances--Budget and Actual--All Governmental Fund Types" are provided on the budgetary basis to provide a comparison of actual results to the final budget, including all amendments and modifications.

4. Encumbrances

As part of formal budgetary control, purchase orders, contracts and other commitments for expenditures are encumbered and recorded as the equivalent of expenditures (budget basis) in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance. However, on the GAAP basis of accounting, encumbrances do not constitute expenditures or liabilities and are reported as reservations of fund balances for governmental funds in the accompanying general purpose financial statements.

5. Lapsing of Appropriations

At the close of each fiscal year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. The encumbered appropriation balance is carried forward to the subsequent fiscal year and need not be reappropriated.

6. Budgetary Basis of Accounting

The City's budgetary process accounts for certain transactions on a basis other than generally accepted accounting principles (GAAP). The major differences between the budgetary basis and the GAAP basis lie in the manner in which revenues and expenditures are recorded. Under the budgetary basis, revenues and expenditures are recognized on a cash basis. Utilizing the cash basis, revenues are recorded when received in cash and expenditures when paid. Under the GAAP basis, revenues and expenditures are recorded on the modified accrual basis of accounting.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Budgetary Process (Continued)

6. Budgetary Basis of Accounting (Continued)

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the governmental funds:

	Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses			
	General Fund	Special Revenue Funds	Debt Service Fund	Capital Projects Funds
GAAP Basis (as reported)	\$277,947	(\$169,241)	\$12,880	\$527,066
Increase (Decrease):				
Accrued Revenues at December 31, 2000 received during 2001	(565,187)	(70,056)	0	(187,880)
Accrued Revenues at December 31, 1999 received during 2000	594,170	15,000	0	830,398
Accrued Expenditures at December 31, 2000 paid during 2001	263,927	54,736	0	41,694
Accrued Expenditures at December 31, 1999 paid during 2000	(371,137)	(38,233)	0	(122,010)
1999 Prepays for 2000	38,597	2,449	0	0
2000 Prepays for 2001	(70,173)	(3,255)	0	0
Fund Debt:				
Note Proceeds	0	0	0	4,020,000
Note Retirements	0	0	0	(3,420,000)
Outstanding Encumbrances	(118,959)	(11,515)	0	(706,836)
Budget Basis	<u>\$49,185</u>	<u>(\$220,115)</u>	<u>\$12,880</u>	<u>\$982,432</u>

E. Cash and Cash Equivalents

During fiscal year 2000, cash and cash equivalents included amounts in demand deposits and investments with original maturities of less than three months.

The City pools its cash for investment and resource management purposes. Each fund's equity in pooled cash and cash equivalents represents the balance on hand as if each fund maintained its own cash and cash equivalent account. See Note 4 "Cash, Cash Equivalents and Investments."

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Investments

Investment procedures and interest allocations are restricted by provisions of the Ohio Constitution and the Ohio Revised Code. In accordance with GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools", the City records all its investments at fair value. All investment income, including changes in the fair value of investments, are recognized as revenue in the operating statements. Fair value is determined by quoted market prices. See Note 4, "Cash, Cash Equivalents and Investments."

G. Restricted Assets

Restricted assets in the enterprise funds represent cash and cash equivalents and cash and cash equivalents with fiscal agents set aside to satisfy bond indenture requirements for current and future debt payments and for the replacement and improvement of fixed assets originally acquired with bond proceeds. In addition, water and sewer customer deposits are presented as a restricted assets.

H. Inventory

Inventory is stated at cost (first-in, first-out) in the governmental funds and at the lower of cost or market (first-in, first-out) in the proprietary funds. The costs of inventory items are recorded as expenditures in the governmental funds when purchased. Inventories of enterprise funds are expensed when used.

I. Fixed Assets and Depreciation

The accounting and reporting treatment applied to fixed assets is determined by the ultimate use:

1. **Property, Plant and Equipment - General Governmental Purposes**

Fixed assets acquired or constructed for general governmental purposes are recorded as expenditures in the governmental funds and are capitalized at cost (or estimated historical cost for assets not purchased in recent years) in the General Fixed Assets Account Group. Contributed fixed assets are recorded at fair market value at the date received.

Fixed assets consisting of certain improvements other than buildings, including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems, have not been capitalized. Such assets normally are immovable and of value only to the City; therefore, the purpose of stewardship for capital expenditures can be satisfied without recording these assets.

The City has elected not to record depreciation in the General Fixed Assets Account Group.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. Fixed Assets and Depreciation (Continued)

2. Property, Plant and Equipment - Proprietary Funds

Property, plant and equipment acquired by the proprietary funds are stated at cost (or estimated historical cost), including interest capitalized during construction and architectural and engineering fees when applicable. Contributed fixed assets are recorded at fair market value at the date received.

Depreciation has been provided using the straight-line method over the following estimated useful lives:

<u>Description</u>	<u>Estimated Lives (Years)</u>
Land and Land Improvements	15 - 60
Buildings	10 - 40
Equipment	3 - 15
Utility Plant in Service	50 - 65

J. Contributed Capital

Proprietary fund type contributed capital is recorded at the fair market value of the related assets at the date received. Depreciation on contributed fixed assets resulting from contributions from other funds, dedications by private developers and capital grants is recorded as an operating expense and closed along with other operating expenses directly into retained earnings.

K. Long-Term Obligations

Long-term liabilities are being repaid from the following funds:

<u>Obligation</u>	<u>Fund</u>
Special Assessment Bonds	Bond Retirement Fund
General Obligation Bonds	General Fund, Construction Fund, Permanent Improvement Fund, Golf Course Fund, Sewer Fund and Water Fund.
Compensated Absences	General Fund, Street Maintenance and Repair Fund Sewer Fund, Trash Fund and Water Fund
Intergovernmental Payable	General Fund and the Street Maintenance and Repair Fund
Capital Lease Agreements	General Fund, Library Donation Fund, Street Maintenance and Repair Fund, Golf Course Fund and Sewer Fund.
Mortgage Revenue Bonds	Sewer Fund and Water Fund

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. Bond Issuance Costs

In governmental fund types, bond issuance costs are recognized in the current period. Bond issuance costs for proprietary fund types are deferred and amortized over the term of the bonds using the straight line method, which approximates the effective interest method.

M. Compensated Absences

In accordance with GASB Statement No. 16, *"Accounting for Compensated Absences,"* vacation and compensatory time are accrued as liabilities when an employee's right to receive compensation is attributable to services already rendered and it is probable that the employee will be compensated through paid time off or some other means, such as cash payments at termination or retirement. Leave time that has been earned but is unavailable for use as paid time off or as some other form of compensation because an employee has not met the minimum service time requirement, is accrued to the extent that it is considered to be probable that the conditions for compensation will be met in the future.

Sick leave is accrued using the vesting method, whereby the liability is recorded on the basis of leave accumulated by employees who are eligible to receive termination payments as of the balance sheet date, and on leave balances accumulated by other employees who are expected to become eligible in the future to receive such payments.

For governmental funds, the portion of unpaid compensated absences that is expected to be paid using expendable, available resources is reported as an expenditure in the fund from which the individual earning the leave is paid, and a corresponding liability is reflected in the account "Compensated Absences Payable." The long-term portion of the liability is reported in the General Long-Term Obligations Account Group.

Compensated absences are expensed in the Sewer, Trash and Water enterprise funds when earned, and the related liability is reported within the fund.

N. Pensions

The provision for pension costs is recorded when the related payroll is accrued and the obligation is incurred.

O. Interfund Transactions

During the course of normal operations, the City has numerous transactions between funds. Interfund transactions are generally classified as follows:

- Operating transfers are reported as "Other Financing Sources and Uses" in the governmental funds, as "Operating Transfers In" by the recipient fund, and "Operating Transfers Out" by the disbursing fund.
- Residual equity transfers are nonroutine or nonrecurring transfers between funds and are reported as additions to or deductions from the fund equity balance. There were no residual equity transfers made during 2000.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

O. Interfund Transactions (Continued)

Transactions that would be treated as revenues and expenditures/expenses if the transactions involved organizations external to the City are similarly treated when involving other funds of the City. The City also advances cash from one fund to another as necessary to meet current obligations.

P. Interfund Assets/Liabilities

The City reports cash overdrafts from pooled cash and cash equivalents as an advance from other funds in the fund with the overdraft and as an advance to other funds in the fund(s) designated by management. Receivables and payables resulting from transactions between funds for services provided or goods received are classified as "due from other funds" or "due to other funds" on the balance sheet. Short-term interfund loans are classified as "interfund receivables" and "interfund payables". Long-term interfund loans are classified as "advances to/from other funds" and are equally offset by a fund balance reserve account which indicates that they do not constitute available expendable resources since they are not a component of net current assets.

Q. Reservations of Fund Balance

Reserves indicate that a portion of fund balance is not available for expenditure or is legally segregated for a specific future use. Fund balances are reserved for inventories of supplies, prepaid items, advances, debt service and encumbered amounts not accrued at year end. Retained earnings have been reserved as a result of bond covenants for replacement and improvement (accumulation of resources for unforeseen repairs and replacements of assets originally acquired with bond proceeds.)

R. Estimates

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

S. Total Columns on Combined Financial Statements - Overview

Total columns on the "Combined Financial Statements - Overview" are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations in conformity with generally accepted accounting principles, nor is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

NOTE 2 – RESTATEMENT OF FUND BALANCE/RETAINED EARNINGS

Adjustments were made to the retained earnings balances at December 31, 1999 in the Golf, Sewer and Water Funds (enterprise funds) to reflect the increase in the City’s capitalization limit for fixed assets from \$500 to \$1,000. The balance in the General Fixed Assets Account Group was also restated by \$297,072 from a balance of \$6,619,456 to \$6,322,384 to reflect the increase in the City’s capitalization limit. The retained earnings balance of the Sewer Fund was also restated to correct an error in the recording of accounts payable in the prior year. The restatements resulted in the changes to retained earnings in the table listed below.

Description	Golf Course Fund	Sewer Fund	Water Fund	Total Enterprise Funds
Retained Earnings at December 31, 1999 (As Reported)	\$1,861,164	\$2,226,411	\$8,098,279	\$12,185,854
Restatement of Fixed Assets	(11,454)	(43,891)	(60,631)	(115,976)
Restatement of Accounts Payable	0	46,641	0	46,641
Retained Earnings at December 31, 1999 (As Restated)	<u>\$1,849,710</u>	<u>\$2,229,161</u>	<u>\$8,037,648</u>	<u>12,116,519</u>
Retained Earnings of the Trash Fund at December 31, 1999 (Unchanged)				<u>170,948</u>
Total Enterprise Funds Retained Earnings at December 31, 1999 (As Restated)				<u>\$12,287,467</u>

The effect of these changes on the 1999 Statement of Revenues, Expenses and Changes in Retained Earnings was deemed to be immaterial.

NOTE 3 – ACCOUNTABILITY AND COMPLIANCE

A. Accountability

Fund Deficits – The fund deficit at December 31, 2000 of \$4,682 in the COPS Grant Fund (special revenue fund) arises from the recording of expenditures on the modified accrual basis of accounting which are greater than expenditures recorded on the cash/budgetary basis of accounting. The fund deficit at December 31, 2000 of \$3,328,345 in the Construction Fund (capital projects fund) arises from the recording of general obligation notes payable within the fund. These deficits do not exist under the budgetary basis of accounting. Operating transfers are provided when cash is required, not when accruals occur.

B. Compliance

Contrary to Ohio Revised Code, Section 5705.39, at year end appropriations exceeded estimated resources by \$2,898,580 in the Golf Course Fund (enterprise fund). During the course of the year appropriations exceeded estimated resources for the Construction Fund (capital projects fund) and the Water Capital Improvement Fund (enterprise fund).

Contrary to Ohio Revised Code, Section 5705.10, the Golf Course Fund has a negative cash balance of \$2,674,504 at December 31, 2000. For GAAP reporting purposes, advances to other funds and advances from other funds were created to eliminate the negative cash position at year end. During the audit period the following funds had significant negative fund balances: the Library Trust Fund (special revenue fund), Construction Fund and Land Acquisition Fund (capital projects funds), Golf Course Construction Fund (enterprise fund) and the Health Insurance Trust Fund (internal service).

NOTE 3 – ACCOUNTABILITY AND COMPLIANCE (Continued)

B. Compliance (Continued)

The following funds had actual expenditures plus encumbrances that exceed appropriations at the object level:

Fund	Function and Object	Excess
General Fund	General Government: Contractual Services	\$42,770
Construction Fund	Capital Outlay	209,753

NOTE 4 - CASH, CASH EQUIVALENTS AND INVESTMENTS

Cash resources of a majority of individual funds are combined to form a pool of cash and investments. Each fund type's portion of this pool is displayed on the combined balance sheet as "Cash and Cash Equivalents." Ohio law requires the classification of funds held by the City into three categories.

Category 1 consists of "active" funds - those funds required to be kept in a "cash" or "cash equivalent" status for immediate use by the City. Such funds must be maintained either as cash in the City treasury or in depository accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts.

Category 2 consists of "inactive" funds - those funds not required for use within the current five year period of designation of depositories. Inactive funds may be deposited or invested only as certificates of deposit maturing not later than the end of the current period of designation of depositories.

Category 3 consists of "interim" funds - those funds which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim funds may be invested or deposited in the following securities:

- United States treasury notes, bills, bonds, or any other obligation or security issued by the United States treasury or any other obligation guaranteed as to principal or interest by the United States;
- Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the federal national mortgage association, federal home loan bank, federal farm credit bank, federal home loan mortgage corporation, government national mortgage association, and student loan marketing association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;

NOTE 4 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

- Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
- Interim deposits in eligible institutions applying for interim funds;
- Bonds and other obligations of the State of Ohio;
- No-load money market mutual funds consisting exclusively of obligations described in the first two bullets of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions, and
- The State Treasury Asset Reserve of Ohio (STAR Ohio).

Ohio Law requires that deposits be placed in eligible banks or savings and loan associations located in Ohio. Any public depository in which the City places deposits must pledge as collateral eligible securities of aggregate market value equal to the excess of deposits not insured by the Federal Deposit Insurance Corporation (FDIC). The securities pledged as collateral are pledged to a pool for each individual financial institution in amounts equal to at least 105% of the carrying value of all public deposits held by each institution. Obligations that may be pledged as collateral are limited to obligations of the United States and its agencies and obligations of any state, county, municipal corporation or other legally constituted authority of any other state or any instrumentality of such county, municipal corporation or other authority. Based upon criteria described in GASB Statement No. 3 "*Deposits With Financial Institutions, Investments (including Repurchase Agreements) and Reverse Repurchase Agreements*," collateral held in single financial collateral pools with securities being held by the pledging financial institutions' agent in the pool's name are classified as Category 3.

The Governmental Accounting Standards Board has established risk categories for deposits and investments as follows:

Deposits:

- Category 1 Insured or collateralized with securities held by the City or by its agent in the City's name.
- Category 2 Collateralized with securities held by the pledging financial institution's trust department or agent in the City's name.
- Category 3 Uncollateralized or collateralized with securities held by the pledging financial institution's trust department or agent but not in the City's name.

Investments:

- Category 1 Insured or registered, or securities held by the City or its agent in the City's name.
- Category 2 Uninsured and unregistered, with securities held by the counterparty's trust department or agent in the City's name.
- Category 3 Uninsured and unregistered, with securities held by the counterparty or by its trust department or agent but not in the City's name.

NOTE 4 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

A. Deposits

At year end the carrying amount of the City's deposits was \$7,975,885, and the bank balance was \$8,081,047. Federal depository insurance covered \$204,268, of the bank balance. All remaining deposits were classified as Category 3.

B. Investments

The City's investments at December 31, 2000 are summarized below:

<u>Categorized Investments</u>	<u>Category 2</u>	<u>Fair Value</u>
U.S. Government Securities	\$7,464,413	\$7,464,413
Total Investments	<u>\$7,464,413</u>	<u>\$7,464,413</u>

NOTE 5 - TAXES

A. Property Taxes

Property taxes include amounts levied against all real estate and public utility property, and tangible personal property used in business and located in the City. Real property taxes (other than public utility) collected during 2000 were levied after October 1, 1999 on assessed values as of January 1, 1999, the lien date. Assessed values were established by the County Auditor at 35 percent of appraised market value. All property is required to be reappraised every six years and equalization adjustments made in the third year following reappraisal. The last revaluation was completed in 1997. Real property taxes are payable annually or semi-annually. The first payment is due January 20, with the remainder payable by June 20.

Taxes collected from tangible personal property (other than public utility) in one calendar year are levied in the prior calendar year on assessed values during and at the close of the most recent fiscal year of the taxpayer that ended on or before March 31 of that calendar year, and at the tax rates determined in the preceding year. Tangible personal property used in business (except for public utilities) is currently assessed for ad valorem taxation purposes at 25 percent of its true value. Amounts paid by multi-county taxpayers are due September 20 of the year assessed. Single county taxpayers may pay annually or semi-annually: the first payment is due April 30; the remainder payable by September 20.

NOTE 5 – TAXES (Continued)

A. Property Taxes (Continued)

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Certain public utility tangible personal property is currently assessed at 88 percent of its true value. Public utility property taxes are payable on the same dates as real property described previously.

The County Treasurer collects property taxes on behalf of all taxing districts in the County including the City of Springboro. The County Auditor periodically remits to the City its portion of the taxes collected.

The full tax rate for all City operations for the year ended December 31, 2000 was \$1.11 per \$1,000 of assessed value. The assessed value upon which the 2000 levy was based was \$333,482,819. This amount constitutes \$291,192,270 in real property assessed value, \$10,187,320 in public utility assessed value and \$32,103,229 in tangible personal property assessed value.

Ohio law prohibits taxation of property from all taxing authorities in excess of 1% of assessed value without a vote of the people. Under current procedures, the City's share is .111% (1.11 mills) of assessed value.

B. Income Tax

The City levies a tax of 1.5% on all salaries, wages, commissions and other compensation and on net profits earned within the City as well as on incomes of residents earned outside the City. In the latter case, the City allows a credit of 100% of the tax paid to another municipality to a maximum of the total amount assessed. Of the one and one-half percent income tax, one-half percent is voter approved for the sole purpose of funding capital improvements.

Employers within the City are required to withhold income tax on employees compensation and remit the tax to the City either monthly or quarterly, as required. Corporations and other individual taxpayers are required to pay their estimated tax quarterly and file a declaration annually. Income tax proceeds are to be used for general fund operations, maintenance of equipment, new equipment/capital improvements, debt service and other governmental functions when needed, as determined by City Council. Income tax revenue for 2000 was \$5,102,632.

NOTE 6 - RECEIVABLES

Receivables at December 31, 2000 consisted of income taxes, property taxes, other local taxes, accounts, special assessments, advances to other funds and intergovernmental receivables arising from shared revenues. All receivables are considered collectible in full.

NOTE 7 - OPERATING TRANSFERS

Following is a summary of operating transfers in and out for all funds for 2000:

Fund	Transfer In	Transfer Out
General Fund	\$75,000	\$660,518
Special Revenue Funds:		
Motor Vehicle License Tax Fund	0	92,000
Permissive Use Tax Fund	0	50,000
Total Special Revenue Funds	0	142,000
Capital Projects Funds:		
Construction Fund	263,518	0
Income Tax Capital Improvement Fund	0	1,060,921
Land Acquisition Fund	539,000	0
Total Capital Projects Funds	802,518	1,060,921
Enterprise Funds:		
Golf Course Fund	1,060,921	0
Sewer Fund	0	35,000
Trash Fund	0	5,000
Water Fund	0	35,000
Total Enterprise Funds	1,060,921	75,000
Totals	<u>\$1,938,439</u>	<u>\$1,938,439</u>

NOTE 8 - INTERFUND RECEIVABLES AND PAYABLES

The following is a summary of interfund receivables and payables for all funds for 2000:

A. Due from/to Other Funds

Due to/from Other Funds	Due from Other Funds	Due to Other Funds
General Fund	\$6,553	\$0
Agency Fund:		
Mayor's Court Fund	0	6,553
Totals	<u>\$6,553</u>	<u>\$6,553</u>

NOTE 8 - INTERFUND RECEIVABLES AND PAYABLES (Continued)

B. Advances to/from Other Funds

<u>Advances to/from Other Funds</u>	<u>Advances to</u>	<u>Advances from</u>
General Fund	\$1,750,413	\$0
Capital Projects Fund:		
Income Tax Capital Improvement Fund	924,091	0
Enterprise Fund:		
Golf Course Fund	<u>0</u>	<u>2,674,504</u>
Totals	<u>\$2,674,504</u>	<u>\$2,674,504</u>

NOTE 9 - FIXED ASSETS

A. General Fixed Assets

A summary of changes in the General Fixed Assets Account Group follows:

<u>Category</u>	Restated January 1, 2000	<u>Additions</u>	<u>Deletions</u>	December 31, 2000
Land & Land Improvements	\$2,259,245	\$465,828	\$0	\$2,725,073
Buildings	1,879,978	35,307	(21,240)	1,894,045
Equipment	<u>2,183,161</u>	<u>453,105</u>	<u>(270,543)</u>	<u>2,365,723</u>
Totals	<u>\$6,322,384</u>	<u>\$954,240</u>	<u>(\$291,783)</u>	<u>\$6,984,841</u>

B. Proprietary Fund Type Fixed Assets

A summary of proprietary fund type property, plant, and equipment at December 31, 2000 follows:

	<u>Enterprise Funds</u>
Land and Land Improvements	\$8,468,733
Buildings	3,319,919
Equipment	1,416,648
Utility Plant in Service	<u>49,774,791</u>
Subtotal	62,980,091
Accumulated Depreciation	<u>(6,111,896)</u>
Net Fixed Assets	56,868,195
Construction in Progress	<u>194,416</u>
Total	<u>\$57,062,611</u>

NOTE 10 – DEFINED BENEFIT PENSION PLANS

All of the City's full-time employees participate in one of two separate retirement systems which are cost-sharing multiple employer defined benefit pension plans.

A. Public Employees Retirement System (the "PERS of Ohio")

The following information was provided by the PERS of Ohio to assist the City in complying with GASB Statement No. 27, *"Accounting for Pensions by State and Local Government Employers."*

All employees of the City, except full-time uniformed police officers, participate in the PERS of Ohio, a cost-sharing multiple employer defined benefit pension plan. The PERS of Ohio provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. Chapter 145 of the Ohio Revised Code provides statutory authority to establish and amend benefits. The Public Employees Retirement System of Ohio issues a stand-alone financial report that includes financial statements and required supplementary information for the PERS of Ohio. Interested parties may obtain a copy by making a written request to 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 466-2085 or 1-800-222-7377.

The Ohio Revised Code provides statutory authority for employee and employer contributions. The employee contribution rate is 8.5%. The Retirement Board instituted a temporary employer contribution rate rollback for calendar year 2000. The rate rollback was 20% for state and local government divisions. The 2000 employer contribution rate for local government employer units was 10.84%, of covered payroll, 6.54% to fund the pension and 4.3% to fund health care. The 1999 and 1998 employer contribution rates were 13.55%. The contribution requirements of plan members and the City are established and may be amended by the Public Employees Retirement Board. The City's contributions to the PERS of Ohio for the years ending December 31, 2000, 1999 and 1998 were \$132,613, \$254,164 and \$184,583, respectively, which were equal to the required contributions for each year. The full amounts have been contributed for 1999 and 1998. 77.14 percent has been contributed for 2000 with the remainder being reported as a liability within the general long-term obligations account group and the individual enterprise funds.

The PERS of Ohio provides postemployment health care benefits to age and service retirants with ten or more years of qualifying Ohio service credit and to primary survivor recipients of such retirants. Health care coverage for disability recipients is also available. The health care coverage provided by the PERS of Ohio is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 12. A portion of each employer's contribution to the PERS of Ohio is set aside for the funding of post retirement health care. The Ohio Revised Code provides statutory authority requiring public employers to fund postemployment health care through their contributions to the PERS of Ohio. The portion of the 2000 employer contribution rate (identified above) that was used to fund health care for the year 2000 was 4.3% of covered payroll which amounted to \$68,194.

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

A. Public Employees Retirement System (the “PERS of Ohio”) (Continued)

The significant actuarial assumptions and calculations relating to postemployment health care benefits were based on the PERS of Ohio’s latest actuarial review performed as of December 31, 1999. An entry age normal actuarial cost method of valuation is used in determining the present value of OPEB. The difference between assumed and actual experience (actuarial gains and losses) becomes part of unfunded actuarial accrued liability. All investments are carried at market value. For actuarial valuation purposes, a smoothed market approach is used. Under this approach assets are adjusted annually to reflect 25% of unrealized market appreciation or depreciation on investment assets. The investment assumption rate for 1999 was 7.75%. An annual increase of 4.75% compounded annually, is the base portion of the individual pay increase assumption. This assumes no change in the number of active employees. Additionally, annual pay increases, over and above the 4.75% base increase, were assumed to range from 0.54% to 5.1%. Health care costs were assumed to increase 4.75% annually.

Benefits are advanced-funded on an actuarially determined basis. The number of active contributing participants was 401,339. The actuarial value of the PERS of Ohio net assets available for OPEB at December 31, 1999 is \$10,805.5 million. The actuarially accrued liability and the unfunded actuarial accrued liability, based on the actuarial cost method used, were \$12,473.6 million and \$1,668.1 million, respectively.

B. Ohio Police and Fire Pension Fund (the “OP&F Fund”)

All City full-time police officers participate in the OP&F Fund, a cost-sharing multiple-employer defined benefit pension plan. The OP&F Fund provides retirement and disability benefits, annual cost of living adjustments and death benefits to plan members and beneficiaries. Contribution requirements and benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. The Ohio Police and Fire Pension Fund issues a stand-alone financial report that includes financial statements and required supplementary information for the OP&F Fund. Interested parties may obtain a copy by making a written request to 140 East Town Street, Columbus, Ohio 43215-5164 or by calling (614) 228-2975.

Plan members are required to contribute 10.0% of their annual covered salary, while employers are required to contribute 19.5% for police officers. The City's contributions to the OP&F Fund for the years ending December 31, 2000, 1999 and 1998 were \$123,669, \$189,973 and \$119,721 which was equal to the required contributions for each year. The full amount has been contributed for 1999 and 1998. 76.81 percent has been contributed for 2000 with the remainder being reported as a liability within the general long-term obligations account group.

The OP&F Fund provides postemployment health care coverage to any person who received or is eligible to receive a monthly benefit check or is a spouse or eligible dependent child of such person. An eligible dependent child is any child under the age of 18 whether or not the child is attending school, or under the age of 22 if attending school on a full-time or two-thirds basis. The Ohio Revised Code provides that health care costs paid from the funds of the OP&F Fund

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

B. Ohio Police and Fire Pension Fund (the “OP&F Fund”) (Continued)

shall be included in the employer's contribution rate. The Ohio Revised Code also provides statutory authority allowing the Fund's Board of Trustees to provide postemployment health care coverage to all eligible individuals from the employer's contributions to the OP&F Fund.

The portion of the 2000 covered payroll that was used to fund postemployment health care benefits was \$59,865 representing 7.25% of covered payroll for police. Health care funding and accounting was on a pay-as-you-go basis. In addition, since July 1, 1992 most retirees have been required to contribute a portion of the cost of their health care coverage through a deduction from their monthly benefit payment. As of December 31, 1999, the date of the last actuarial evaluation available, the number of participants eligible to receive health care benefits was 12,467 for police. The OP&F Fund does not provide separate data on the funded status and funding progress of postemployment health care benefits. The Fund's total health care expenses for the year ended December 31, 1999 were \$95,004,633, which was net of member contributions of \$5,518,098.

NOTE 11- COMPENSATED ABSENCES

The costs of vacation and sick leave benefits are recorded as they are earned. Employees earn vacation leave at varying rates based upon length of service. Sick leave is accumulated at a rate of four and six tenths hours per eighty hours of service. Sick leave is cumulative without limit. Upon retirement an individual will be compensated for their accumulated sick leave at a rate of 25% of the balance.

At December 31, 2000, the City's accumulated, unpaid compensated absences amounted to \$101,066, of which \$85,048 is recorded in the General Long-Term Obligations Account Group, and \$16,018 is recorded in the enterprise funds.

NOTE 12 - CAPITAL LEASE COMMITMENTS

The City is obligated under several leases accounted for as capital leases. The cost of the leased assets (building, data processing equipment, office furniture and other items) are accounted for in the General Fixed Assets Account Group, for items leased by governmental funds, and in the appropriate enterprise funds for items leased by the golf course, sewer and water funds. The related liabilities are recorded in the General Long-Term Obligations Account Group and in the appropriate enterprise funds. The original cost of the assets under capital lease was \$876,221.

The following is a schedule of the future minimum lease payments under the capital leases together with the present value of the net minimum lease payments as of December 31, 2000.

Year Ending December 31,	GLTOAG	Enterprise
2001	\$92,221	\$56,851
2002	92,221	52,967
2003	92,221	44,998
2004	89,415	41,286
2005	86,610	20,643
Minimum Lease Payments	452,688	216,745
Less: Amount representing interest at the City's incremental borrowing rate of interest	(63,762)	(26,541)
Present value of minimum lease payments	<u>\$388,926</u>	<u>\$190,204</u>

NOTE 13 - CONTRIBUTED CAPITAL

A schedule of changes in contributed capital is presented below:

	Golf Course	Sewer	Water	Total
Balance at 12/31/99	\$1,594,139	\$15,643,440	\$8,577,790	\$25,815,369
Contributions from:				
Tap in Fees	0	519,577	469,229	988,806
Developers	0	677,380	188,726	866,106
Balance at 12/31/00	<u>\$1,594,139</u>	<u>\$16,840,397</u>	<u>\$9,235,745</u>	<u>\$27,670,281</u>

NOTE 14 - CONTINGENCIES

The City is a party to various legal proceedings which seek damages or injunctive relief generally incidental to its operations and pending projects. The City's management is of the opinion that the ultimate disposition of various claims and legal proceedings will not have a material effect on the financial condition of the City.

NOTE 15 - NOTES PAYABLE

The Ohio Revised Code provides that notes including renewal notes issued in anticipation of the issuance of general obligation bonds may be issued and outstanding from time to time up to a maximum period of 20 years from the date of issuance of the original notes. The maximum maturity for notes anticipating general obligation bonds payable from special assessments is five years. Any period in excess of five years must be deducted from the permitted maximum maturity of the bonds anticipated, and portions of the principal amount of notes outstanding for more than five years must be retired in amounts at least equal to, and payable no later than, those principal maturities required if the bonds had been issued at the expiration of the initial five year period. Bond anticipation notes may be retired at maturity from the proceeds of the sale of renewal notes or of the bonds anticipated by the notes, or from available funds of the City or a combination of these sources.

	Balance December 31, 1999	Issued	(Retired)	Balance December 31, 2000
<u>General Obligation Notes:</u>				
Capital Projects Funds:				
5.10% South Main St. Improvements	\$450,000	\$450,000	(\$450,000)	\$450,000
4.75% South Tech Street Improvements	900,000	900,000	(900,000)	900,000
4.85% Various Street Improvements	850,000	850,000	(850,000)	850,000
4.85% Various Street Improvements	270,000	270,000	(270,000)	270,000
4.85% Various Street Improvements	950,000	950,000	(950,000)	950,000
4.85% Various Street Improvements	0	600,000	0	600,000
Total Capital Projects	3,420,000	4,020,000	(3,420,000)	4,020,000
Enterprise Fund:				
4.51% Sewer Improvement	1,200,000	1,200,000	(1,200,000)	1,200,000
Grand Total All Funds	\$4,620,000	\$5,220,000	(\$4,620,000)	\$5,220,000

NOTE 16 - LONG-TERM OBLIGATIONS

Long-term debt and other long-term obligations of the City at December 31, 2000 were as follows:

		Balance December 31, 1999	Issued (Retired)	Balance December 31, 2000
Enterprise Funds:				
General Obligation Bonds:				
6.4 - 7.5% Sewer Real Estate Acquisition	1989	\$115,000	(\$15,000)	\$100,000
3.0 - 6.1% Sewer Various Purpose	1993	39,900	(3,600)	36,300
3.0 - 6.1% Water Various Purpose	1993	166,250	(15,000)	151,250
3.9 - 5.4% Golf Course Refunding	1999	4,400,000	(110,000)	4,290,000
Total General Obligation Bonds		4,721,150	(143,600)	4,577,550
Mortgage Revenue Bonds:				
2.75 - 5.45% Waterworks Improvement	1993	3,800,000	(125,000)	3,675,000
4.00 - 5.70% Water	1997	14,325,000	(360,000)	13,965,000
4.00 - 5.70% Sewer Refunding	1997	4,455,000	(145,000)	4,310,000
Total Mortgage Revenue Bonds		22,580,000	(630,000)	21,950,000
Capital Leases Payable		62,122	176,540	
			(48,458)	190,204
Total Enterprise Long-Term Debt		\$27,363,272	(\$645,518)	\$26,717,754
General Long Term Debt:				
Special Assessment Bonds:				
9.750% Pennyroyal Water	1980	\$1,000	(\$1,000)	\$0
12.875% Sharts Road Sewer	1983	5,000	(2,000)	3,000
12.875% Sharts Road Street	1983	11,000	(4,000)	7,000
7.500% Hiawatha Trail	1987	40,000	(5,000)	35,000
7.500% Hiawatha Trail II	1989	59,000	(4,000)	55,000
7.500% Sharts Road Improvement	1989	75,000	(5,000)	70,000
5.500% Various Purpose	1993	800,000	(35,000)	765,000
5.500% Various Purpose	1994	305,000	(15,000)	290,000
4.200 - 6.350% Pioneer Blvd. North	1994	410,000	(15,000)	395,000
4.200 - 5.600% Commercial Way	1997	540,000	(20,000)	520,000
6.750% N. Pioneer Blvd.	1998	315,000	(10,000)	305,000
Total Special Assessment Bonds (with Governmental Commitment)		2,561,000	(116,000)	2,445,000
Unvoted General Obligation Bonds:				
3.000 - 6.100% Various Purpose	1993	458,850	(41,400)	417,450
3.500 - 5.900% St. Route 741 Improvement	1996	405,000	(15,000)	390,000
4.500 - 6.000% South Main St. Improvement	1997	215,000	(5,000)	210,000
3.900 - 5.375% Various Purpose	1999	1,045,000	(35,000)	1,010,000
4.850 - 5.250% Street Improvement TIF	2000	0	1,690,000	1,690,000
Total General Obligation Bonds		2,123,850	1,593,600	3,717,450
Other Long Term Obligations:				
Intergovernmental Payable		80,794	(12,027)	68,767
Compensated Absences		100,797	(15,749)	85,048
Capital Leases Payable		460,512	(71,586)	388,926
Total General Long-Term Debt and Other Long-Term Obligations		\$5,326,953	\$1,378,238	\$6,705,191

NOTE 16 - LONG-TERM OBLIGATIONS (Continued)

The principal amount of the City's special assessment bonds outstanding at December 31, 2000, \$2,445,000, is general obligation debt (backed by the full faith and credit of the City) that is being retired with the proceeds from special assessments levied against benefited property owners. The City is obligated to repay the debt irrespective of the amount of special assessments collected from property owners.

The 1999 Golf Course Refunding bonds are reported at carrying value of \$4,271,331. The face value of the bonds at December 31, 2000 was \$4,290,000. The difference of \$18,669 represents a discount on the issue amount. This discount is being amortized over the life of the bond.

A. Future Long-Term Financing Requirements

The City's future long-term obligation funding requirements, including principal and interest payments as of December 31, 2000, follow:

Years	General Obligation Bonds		Special Assessment Bonds	
	Principal	Interest	Principal	Interest
2001	\$250,000	\$445,387	\$124,000	\$137,243
2002	415,000	418,915	127,000	130,494
2003	435,000	398,485	127,000	123,188
2004	460,000	376,843	138,000	116,351
2005	470,000	353,627	144,000	108,864
2006-2010	2,485,000	1,391,104	805,000	412,071
2011-2015	1,510,000	859,731	825,000	163,380
2016-2020	1,655,000	425,541	155,000	14,892
2021-2023	615,000	50,220	0	0
Totals	\$8,295,000	\$4,719,853	\$2,445,000	\$1,206,483

Years	Mortgage Revenue Bonds		Totals	
	Principal	Interest	Principal	Interest
2001	\$650,000	\$1,052,919	\$1,024,000	\$1,635,549
2002	680,000	1,027,169	1,222,000	1,576,578
2003	710,000	999,649	1,272,000	1,521,322
2004	740,000	970,003	1,338,000	1,463,197
2005	770,000	938,271	1,384,000	1,400,762
2006-2010	4,390,000	4,140,323	7,680,000	5,943,498
2011-2015	5,550,000	2,966,630	7,885,000	3,989,741
2016-2020	5,710,000	1,410,725	7,520,000	1,851,158
2021-2023	2,750,000	265,287	3,365,000	315,507
Totals	\$21,950,000	\$13,770,976	\$32,690,000	\$19,697,312

B. Defeased Debt

In prior years, the City has defeased certain general obligation and other bonds by placing the proceeds of the refunding bonds in irrevocable trusts to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included on the City's financial statements. At December 31, 2000, \$7,355,000 of bonds outstanding are considered defeased.

NOTE 17 - RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. During 2000 the City contracted with several different insurance providers for various insurance coverages, as follows:

Type of Coverage	Liability Limits	Deductible
Property	\$3,000,000	\$1,000
Inland Marine	3,000,000	250
General Liability	3,000,000	0
Automobile	2,000,000	250
Excess Liability	5,000,000	10,000
Public Officials Liability	2,000,000	2,500
Police Liability	2,000,000	5,000

There has been no significant reduction in insurance coverages from coverages in the prior year. In addition, settled claims resulting from these risks have not exceeded commercial insurance coverages in any of the past three fiscal years.

The City has established an Employees Benefits Fund which has been included within the General Fund within the General Purpose Financial Statements to account for the cost of the City's self-insured medical claims. The program is provided through an administrative service contract with a third party administrator who furnished claims review and processing. The City purchases stop-loss coverage of \$15,000 per claim per year. The City funds are charged a premium based upon the number of employees participating in the Medical Plan. The premium payments are accounted for as an expenditure/expense in the paying funds.

The claims liability of \$35,790 reported in the General Fund at December 31, 2000 is based on the requirements of GASB Statement No. 10, *"Accounting and Financial Reporting for Risk Financing and Related Insurance Issues,"* as amended by GASB Statement No. 30 *"Risk Management Omnibus,"* which requires that a liability for claims be reported if information prior to issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in the fund's claims liability amount for fiscal years 1999 and 2000 were:

Fiscal Year	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claims Payments	Balance at Fiscal Year End
1999	\$18,265	\$390,850	(\$352,710)	\$56,405
2000	56,405	491,293	(511,908)	35,790

NOTE 17 - RISK MANAGEMENT (Continued)

For fiscal year 2000, the City participated in the Ohio Municipal League of Ohio Workers' Compensation Group Rating Plan (GRP), an insurance purchasing pool (see Note 20). The intent of the GRP is to achieve the benefit of a reduced premium for the City by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participating cities is calculated as one experience and a common premium rate is applied to all cities in the GRP. Each participant pays its workers' compensation premium to the State based on the rate for the GRP rather than its individual rate. Total savings are then calculated and each participant's individual performance is compared to the overall savings of the GRP. A participant will then either receive money from or be required to contribute to the "Equity Pooling Fund." This "equity pooling" arrangement insures that each participant shares equally in the overall performance of the GRP. Participation in the GRP is limited to cities that can meet the GRP's selection criteria. The firm of Gates McDonald provides administrative, cost control and actuarial services to the GRP.

The City may withdraw from the GRP if written notice is provided within sixty days prior to the prescribed application deadline of the Ohio Bureau of Workers' Compensation. However, the participant is not relieved of the obligation to pay any amount owed to the GRP prior to withdrawal, and any participant leaving the GRP allows the representative of the GRP to access loss experience for three years following the last year of participation.

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NOTE 18 - SEGMENT INFORMATION

The key financial information for the year ended December 31, 2000 for the enterprise activities is as follows:

	Golf Course	Sewer	Trash	Water	Total
Operating Revenues	\$2,277,401	\$1,539,769	\$514,094	\$2,296,273	\$6,627,537
Depreciation	142,060	352,860	0	471,659	966,579
Operating Income	310,903	242,518	49,160	841,250	1,443,831
Operating Transfers In	1,060,921	0	0	0	1,060,921
Operating Transfers Out	0	(35,000)	(5,000)	(35,000)	(75,000)
Net Income	920,090	15,137	44,160	329,300	1,308,687
Capital Contributions Received	0	1,196,957	0	657,955	1,854,912
Property, Plant and Equipment:					
Additions	13,540	868,370	0	654,146	1,536,056
Disposals	(81,130)	(5,678)	0	(9,599)	(96,407)
Total Assets	11,361,178	24,984,082	260,256	35,643,508	72,249,024
Net Working Capital	27,010	3,058,238	215,922	6,373,097	9,674,267
Bonds, Notes and Leases Payable	4,300,430	5,807,405	0	17,791,250	27,899,085
Total Equity	4,363,939	19,084,695	215,108	17,602,693	41,266,435

NOTE 19 - CONTRACTUAL COMMITMENTS

As of December 31, 2000, the City had contractual commitments as follows:

Company	Remaining Contractual Commitment
Woolpert LLP	\$16,046
Camp Dresser & McKee	1,529
US Filter Operating Services	90,878
Jones Warner Consultants, Inc.	2,875
My Lawn, Inc.	2,373
Spurling Construction Co.	7,708
Burgess & Niple LTD	16,547
Terry Construction, Inc.	18,940
Vanessa Fletcher	2,000
HD Water Services	139,539
Service Supply LTD, Inc.	28,000
Lorenz & Williams	30,000
Total	<u>\$356,435</u>

NOTE 20 – GROUP PURCHASING POOL

The City participates in the Ohio Municipal League of Ohio Workers' Compensation Group Rating Plan (GRP). The GRP's business and affairs are conducted by a twenty-five member Board of Trustees consisting of fifteen mayors, two council members, three administrators, three finance officers and two law directors which are voted in by the members for staggered two year terms. The Executive Director of the Ohio Municipal League serves as coordinator of the GRP. Each year, the participating cities pay an enrollment fee to the GRP to cover the costs of administering the GRP.

NOTE 21 – JOINTLY GOVERNED ORGANIZATION

The City participates in the Warren County General Health District (District), a jointly governed organization, provides health services to the citizens within the County. The Board of Health, which consists of a representative from each of the participating governments, including the City, oversees the operation of the District. The amount the City contributed during 2000 for the operation of the District was immaterial. The City does not have any financial interest in or responsibility for the District. The County Commissioners serve as the taxing authority, and the County Auditor and Treasurer serve as the fiscal officers. Financial information may be obtained from Kathy Stephenson at the Warren County General Health District, 416 S. East Street, Lebanon, Ohio 45036.

NOTE 22 – GOLF COURSE FUND CASH DEFICIT

The Golf Course Fund experienced a cash deficit of \$2,674,504 at December 31, 2000. The City eliminated this cash deficit through advances of \$1,750,413 from the General Fund and \$924,091 from the Income Tax Capital Improvement Fund.

Historically, the Golf Course has not generated sufficient cash from operations to pay required debt service. These debt service payments have created cash deficits in the Golf Course Fund. The deficits have been eliminated through operating transfers and advances from other funds.

Management plans to eliminate the cash deficit in the Golf Course Fund within the next five years. To accomplish this, the City will be negotiating a new management contract for operation of the golf course with an eye toward reducing the amount paid in management fees. Also, the present user fee structure will be reviewed to determine if revenues can be enhanced. Finally, the General Fund and Income Tax Capital Improvement Fund continue to generate a substantial excess of revenues over expenditures, and it appears that this trend will continue. Management believes that sufficient monies will be available each year to transfer to the Golf Course Fund (if necessary) over the next five years.

Management has also reduced the Golf Course Long-Term Debt from \$9,928,724 at December 31, 1993 (\$3,300,000 bonds payable, \$6,313,274 capital lease, and \$315,000 due to other funds) to \$6,945,835 at December 31, 2000 (\$4,271,331 bonds payable and \$2,674,504 advances payable). If the Golf Course Fund continues to generate sufficient cash operating income, this reduced debt burden should eventually eliminate the need for debt service payments to be subsidized by other funds.

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*COMBINING AND INDIVIDUAL FUND AND ACCOUNT GROUP
STATEMENTS AND SCHEDULES*

*THE FOLLOWING COMBINING STATEMENTS AND SCHEDULES INCLUDE
THE GENERAL FUND, SPECIAL REVENUE FUNDS, CAPITAL PROJECTS
FUNDS, ENTERPRISE FUNDS, FIDUCIARY FUNDS AND THE GENERAL
FIXED ASSETS ACCOUNT GROUP.*

GENERAL FUND

The General Fund is used to account for government resources not accounted for in any other fund. The General Fund balance is available to the City for any purpose provided it is expended or transferred according to the Charter and/or the general laws of Ohio.

THE CITY OF SPRINGBORO, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2000

GENERAL FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Municipal Income Tax	\$3,145,197	\$3,508,366	\$363,169
Property and Other Taxes	351,904	354,183	2,279
Intergovernmental Revenues	521,750	485,706	(36,044)
Charges for Services	405,111	405,445	334
Fines, Licenses and Permits	583,680	479,382	(104,298)
Investment Earnings	384,662	519,956	135,294
All Other Revenues	146,450	508,562	362,112
Total Revenues	5,538,754	6,261,600	722,846
<u>Expenditures:</u>			
Security of Persons and Property:			
Police Department:			
Personal Services	1,055,096	1,034,701	20,395
Contractual Services	86,115	79,012	7,103
Materials and Supplies	75,905	57,040	18,865
Capital Outlay	91,700	91,558	142
Total Police Department	1,308,816	1,262,311	46,505
Police Dispatchers:			
Personal Services	300,701	279,924	20,777
Contractual Services	16,140	2,712	13,428
Materials and Supplies	4,100	3,449	651
Capital Outlay	12,200	11,937	263
Total Police Dispatchers	333,141	298,022	35,119
Police Mechanic:			
Personal Services	14,950	14,381	569
Total Police Mechanic	14,950	14,381	569
Street Lighting:			
Contractual Services	72,127	71,295	832
Total Street Lighting	72,127	71,295	832
Civil Defense:			
Contractual Services	1,055	0	1,055
Total Civil Defense	1,055	0	1,055

(Continued)

THE CITY OF SPRINGBORO, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2000

GENERAL FUND

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
Prisoner Care:			
Contractual Services	3,500	3,376	124
Total Prisoner Care	<u>3,500</u>	<u>3,376</u>	<u>124</u>
Traffic Control:			
Contractual Services	7,300	6,915	385
Capital Outlay	1,500	0	1,500
Total Traffic Control	<u>8,800</u>	<u>6,915</u>	<u>1,885</u>
Total Security of Persons and Property	<u>1,742,389</u>	<u>1,656,300</u>	<u>86,089</u>
Public Health and Welfare:			
Health Board:			
Contractual Services	17,304	1,923	15,381
Total Public Health and Welfare	<u>17,304</u>	<u>1,923</u>	<u>15,381</u>
Leisure Time Activities:			
Senior Citizens:			
Contractual Services	500	427	73
Total Senior Citizens	<u>500</u>	<u>427</u>	<u>73</u>
Parks:			
Personal Services	17,400	17,165	235
Contractual Services	20,531	12,280	8,251
Materials and Supplies	5,469	3,870	1,599
Capital Outlay	1,750	231	1,519
Total Parks	<u>45,150</u>	<u>33,546</u>	<u>11,604</u>
Park Maintenance:			
Personal Services	131,928	115,390	16,538
Contractual Services	13,160	10,574	2,586
Materials and Supplies	16,500	13,452	3,048
Capital Outlay	17,200	12,960	4,240
Total Park Maintenance	<u>178,788</u>	<u>152,376</u>	<u>26,412</u>
Library Services:			
Contractual Services	22,700	19,158	3,542
Materials and Supplies	1,000	600	400
Total Library Services	<u>23,700</u>	<u>19,758</u>	<u>3,942</u>
Total Leisure Time Activities	<u>248,138</u>	<u>206,107</u>	<u>42,031</u>

(Continued)

THE CITY OF SPRINGBORO, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2000

GENERAL FUND

	<u>Revised Budget</u>	<u>Actual</u>	Variance: Favorable <u>(Unfavorable)</u>
Community Environment:			
Planning and Zoning:			
Personal Services	73,310	72,265	1,045
Contractual Services	8,955	5,265	3,690
Materials and Supplies	5,500	4,455	1,045
Capital Outlay	2,200	2,200	0
Total Planning and Zoning	<u>89,965</u>	<u>84,185</u>	<u>5,780</u>
Engineering:			
Personal Services	88,325	85,176	3,149
Contractual Services	359,170	321,330	37,840
Materials and Supplies	2,950	1,928	1,022
Capital Outlay	39,220	31,957	7,263
Total Engineering	<u>489,665</u>	<u>440,391</u>	<u>49,274</u>
Community Development:			
Personal Services	102,235	98,038	4,197
Contractual Services	158,645	144,825	13,820
Materials and Supplies	2,889	1,638	1,251
Capital Outlay	1,360	591	769
Total Community Development	<u>265,129</u>	<u>245,092</u>	<u>20,037</u>
Building Inspection:			
Personal Services	158,710	154,433	4,277
Contractual Services	69,510	48,518	20,992
Materials and Supplies	4,064	3,319	745
Capital Outlay	28,500	28,064	436
Total Building Inspection	<u>260,784</u>	<u>234,334</u>	<u>26,450</u>
Total Community Environment	<u>1,105,543</u>	<u>1,004,002</u>	<u>101,541</u>
General Government:			
City Council:			
Personal Services	100,680	100,680	0
Contractual Services	57,459	57,459	0
Materials and Supplies	3,043	3,043	0
Capital Outlay	2,606	2,606	0
Total City Council	<u>163,788</u>	<u>163,788</u>	<u>0</u>

(Continued)

THE CITY OF SPRINGBORO, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2000

GENERAL FUND

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
City Manager:			
Personal Services	94,246	94,246	0
Contractual Services	77,618	77,618	0
Materials and Supplies	2,027	2,027	0
Capital Outlay	2,320	2,320	0
Total City Manager	<u>176,211</u>	<u>176,211</u>	<u>0</u>
Records Management:			
Personal Services	62,962	62,962	0
Contractual Services	4,536	4,536	0
Materials and Supplies	13,820	13,820	0
Capital Outlay	1,838	1,838	0
Total Records Management	<u>83,156</u>	<u>83,156</u>	<u>0</u>
Finance Department:			
Personal Services	147,463	147,463	0
Contractual Services	65,841	65,841	0
Materials and Supplies	4,469	4,469	0
Capital Outlay	999	999	0
Total Finance Department	<u>218,772</u>	<u>218,772</u>	<u>0</u>
Mayor's Court			
Personal Services	57,578	57,578	0
Contractual Services	65,152	65,152	0
Materials and Supplies	980	980	0
Capital Outlay	4,960	4,960	0
Total Mayor's Court	<u>128,670</u>	<u>128,670</u>	<u>0</u>
Income Tax:			
Personal Services	82,903	82,903	0
Contractual Services	175,422	175,422	0
Materials and Supplies	1,658	1,658	0
Capital Outlay	3,471	3,471	0
Total Income Tax	<u>263,454</u>	<u>263,454</u>	<u>0</u>
Legal Administration:			
Contractual Services	292,125	292,125	0
Materials and Supplies	7,085	7,085	0
Total Legal Administration	<u>299,210</u>	<u>299,210</u>	<u>0</u>

(Continued)

THE CITY OF SPRINGBORO, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2000

GENERAL FUND

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
Volunteer Services:			
Contractual Services	2,519	2,519	0
Total Volunteer Services	<u>2,519</u>	<u>2,519</u>	<u>0</u>
Building and Land:			
Personal Services	130,686	130,686	0
Contractual Services	324,021	366,791	(42,770)
Materials and Supplies	44,403	44,403	0
Capital Outlay	261,672	261,672	0
Total Building and Land	<u>760,782</u>	<u>803,552</u>	<u>(42,770)</u>
Miscellaneous:			
Contractual Services	39,514	39,514	0
Materials and Supplies	1	1	0
Other Expenditures	217	217	0
Total Miscellaneous	<u>39,732</u>	<u>39,732</u>	<u>0</u>
Health Insurance:			
Contractual Services	511,908	511,908	0
Total Health Insurance	<u>511,908</u>	<u>511,908</u>	<u>0</u>
Total General Government	<u>2,648,202</u>	<u>2,690,972</u>	<u>(42,770)</u>
Debt Service:			
Principal Retirement	43,008	43,008	0
Interest and Fiscal Charges	24,403	24,385	18
Total Expenditures	<u>5,828,987</u>	<u>5,626,697</u>	<u>202,290</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(290,233)	634,903	925,136
Other Financing Sources (Uses):			
Operating Transfers In	75,000	75,000	0
Operating Transfers Out	(841,100)	(693,518)	147,582
Advances In	0	32,800	32,800
Total Other Financing Sources (Uses)	<u>(766,100)</u>	<u>(585,718)</u>	<u>180,382</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(1,056,333)	49,185	1,105,518
Fund Balance at Beginning of Year	1,380,904	1,380,904	0
Prior Year Encumbrances	201,365	201,365	0
Fund Balance at End of Year	<u>\$525,936</u>	<u>\$1,631,454</u>	<u>\$1,105,518</u>

Special Revenue funds are used to account for the proceeds of specific revenue sources (other than amounts relating to expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

COPS Grant Fund

To account for proceeds from federal and state grant monies. The grant funds must be used toward the salary and benefits of police officers.

DARE Trust Fund

To account for donations and a portion of fines and forfeitures from the City of Springboro's Mayor's Court to be used for the DARE education program.

Drug Law Enforcement Fund

To account for fines and costs collected for felonious drug trafficking convictions and sentences. This money may be used in any drug law enforcement activity.

Housing Committee Fund

To account for donations received for future projects developed by the Housing Committee.

Law Enforcement Fund

To account for the fines generated in the prosecution of those in possession of contraband and the proceeds gained from the sale of confiscated contraband. This money may be spent for any law enforcement activity.

Library Donation Fund

To account for donations that the City receives and then gives to the library.

Motor Vehicle License Tax Fund

To account for \$2.50 of each \$5.00 tax levied by Warren County on each motor vehicle registered in the City. Expenditures include planning, constructing, improving, maintaining, and repairing roads, streets and bridges.

(Continued)

Permissive Use Tax Fund

To account for the \$5.00 license tax levied by the City of Springboro. This money is used for the maintenance of highway projects.

State Highway Fund

To account for that portion of the state gasoline tax designated for maintenance of state highways within the City.

Street Maintenance and Repair Fund

To account for that portion of the state gasoline tax registration fees designated for maintenance and repair of designated streets within the City.

THE CITY OF SPRINGBORO, OHIO
COMBINING BALANCE SHEET
SPECIAL REVENUE FUNDS
DECEMBER 31, 2000

	<u>COPS Grant</u>	<u>DARE Trust</u>	<u>Drug Law Enforcement</u>	<u>Housing Committee</u>	<u>Law Enforcement</u>
<u>Assets:</u>					
Cash and Cash Equivalents	\$2,550	\$22,903	\$17,326	\$197	\$1,466
Intergovernmental Receivables	0	0	0	0	333
Materials and Supplies Inventory	0	0	0	0	0
Prepaid Items	0	0	0	0	0
Total Assets	<u>\$2,550</u>	<u>\$22,903</u>	<u>\$17,326</u>	<u>\$197</u>	<u>\$1,799</u>
<u>Liabilities and Fund Equity:</u>					
<u>Liabilities:</u>					
Accounts Payable	\$0	\$283	\$0	\$0	\$0
Accrued Wages and Benefits	5,691	491	0	0	0
Intergovernmental Payables	1,541	62	0	0	0
Total Liabilities	<u>7,232</u>	<u>836</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>Fund Equity:</u>					
Reserved for Encumbrances	0	0	0	0	0
Reserved for Supplies Inventory	0	0	0	0	0
Reserved for Prepaid Items	0	0	0	0	0
Unreserved	(4,682)	22,067	17,326	197	1,799
Total Fund Equity	<u>(4,682)</u>	<u>22,067</u>	<u>17,326</u>	<u>197</u>	<u>1,799</u>
Total Liabilities and Fund Equity	<u>\$2,550</u>	<u>\$22,903</u>	<u>\$17,326</u>	<u>\$197</u>	<u>\$1,799</u>

THE CITY OF SPRINGBORO, OHIO
COMBINING BALANCE SHEET
SPECIAL REVENUE FUNDS
DECEMBER 31, 2000

<u>Library Donation</u>	<u>Motor Vehicle License Tax</u>	<u>Permissive Use Tax</u>	<u>State Highway</u>	<u>Street Maintenance and Repair</u>	<u>Totals</u>
\$47,528	\$13,185	\$1,057	\$62,277	\$264,840	\$433,329
0	14,909	0	4,111	50,703	70,056
0	0	0	0	44,459	44,459
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3,255</u>	<u>3,255</u>
<u>\$47,528</u>	<u>\$28,094</u>	<u>\$1,057</u>	<u>\$66,388</u>	<u>\$363,257</u>	<u>\$551,099</u>
\$0	\$0	\$0	\$524	\$24,232	\$25,039
0	0	0	0	19,749	25,931
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,163</u>	<u>3,766</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>524</u>	<u>46,144</u>	<u>54,736</u>
0	0	0	0	4,863	4,863
0	0	0	0	44,459	44,459
0	0	0	0	3,255	3,255
<u>47,528</u>	<u>28,094</u>	<u>1,057</u>	<u>65,864</u>	<u>264,536</u>	<u>443,786</u>
<u>47,528</u>	<u>28,094</u>	<u>1,057</u>	<u>65,864</u>	<u>317,113</u>	<u>496,363</u>
<u>\$47,528</u>	<u>\$28,094</u>	<u>\$1,057</u>	<u>\$66,388</u>	<u>\$363,257</u>	<u>\$551,099</u>

THE CITY OF SPRINGBORO, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2000

	<u>COPS Grant</u>	<u>DARE Trust</u>	<u>Drug Law Enforcement</u>	<u>Housing Committee</u>	<u>Law Enforcement</u>
Revenues:					
Intergovernmental Revenues	\$50,000	\$8,317	\$0	\$0	\$0
Fines, Licenses and Permits	0	0	13,600	0	0
Donations	0	1,845	0	0	0
All Other Revenues	0	0	0	0	1,506
Total Revenues	<u>50,000</u>	<u>10,162</u>	<u>13,600</u>	<u>0</u>	<u>1,506</u>
Expenditures:					
Current:					
Security of Persons and Property	145,228	12,835	0	0	7,377
Transportation	0	0	0	0	0
General Government	0	0	0	0	0
Debt Service:					
Principal Retirement	0	0	0	0	0
Interest and Fiscal Charges	0	0	0	0	0
Total Expenditures	<u>145,228</u>	<u>12,835</u>	<u>0</u>	<u>0</u>	<u>7,377</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(95,228)	(2,673)	13,600	0	(5,871)
Other Financing Sources (Uses):					
Operating Transfers Out	0	0	0	0	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(95,228)	(2,673)	13,600	0	(5,871)
Fund Balance at Beginning of Year	90,546	24,740	3,726	197	7,670
Decrease in Inventory Reserve	0	0	0	0	0
Fund Balance (Deficit) at End of Year	<u><u>(\$4,682)</u></u>	<u><u>\$22,067</u></u>	<u><u>\$17,326</u></u>	<u><u>\$197</u></u>	<u><u>\$1,799</u></u>

THE CITY OF SPRINGBORO, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2000

<u>Library Donation</u>	<u>Motor Vehicle License Tax</u>	<u>Permissive Use Tax</u>	<u>State Highway</u>	<u>Street Maintenance and Repair</u>	<u>Totals</u>
\$0	\$102,735	\$50,000	\$30,567	\$364,049	\$605,668
0	0	0	0	0	13,600
123,768	0	0	0	0	125,613
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,506</u>
123,768	102,735	50,000	30,567	364,049	746,387
0	0	0	0	0	165,440
0	0	0	10,340	495,640	505,980
10,598	0	0	0	0	10,598
62,246	0	0	0	4,732	66,978
<u>24,364</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>268</u>	<u>24,632</u>
97,208	0	0	10,340	500,640	773,628
26,560	102,735	50,000	20,227	(136,591)	(27,241)
<u>0</u>	<u>(92,000)</u>	<u>(50,000)</u>	<u>0</u>	<u>0</u>	<u>(142,000)</u>
0	(92,000)	(50,000)	0	0	(142,000)
26,560	10,735	0	20,227	(136,591)	(169,241)
20,968	17,359	1,057	45,637	462,607	674,507
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(8,903)</u>	<u>(8,903)</u>
<u>\$47,528</u>	<u>\$28,094</u>	<u>\$1,057</u>	<u>\$65,864</u>	<u>\$317,113</u>	<u>\$496,363</u>

THE CITY OF SPRINGBORO, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2000

COPS GRANT FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental Revenues	\$50,000	\$50,000	\$0
Total Revenues	<u>50,000</u>	<u>50,000</u>	<u>0</u>
<u>Expenditures:</u>			
Security of Persons and Property:			
Personal Services	145,934	144,373	1,561
Total Expenditures	<u>145,934</u>	<u>144,373</u>	<u>1,561</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(95,934)	(94,373)	1,561
Fund Balance at Beginning of Year	96,923	96,923	0
Fund Balance at End of Year	<u>\$989</u>	<u>\$2,550</u>	<u>\$1,561</u>

THE CITY OF SPRINGBORO, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2000

DARE TRUST FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental Revenues	\$0	\$8,317	\$8,317
Donations	10,300	2,095	(8,205)
Total Revenues	10,300	10,412	112
<u>Expenditures:</u>			
Security of Persons and Property:			
Personal Services	10,500	9,693	807
Contractual Services	200	6	194
Materials and Supplies	2,600	2,547	53
Total Expenditures	13,300	12,246	1,054
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,000)	(1,834)	1,166
Fund Balance at Beginning of Year	24,737	24,737	0
Fund Balance at End of Year	\$21,737	\$22,903	\$1,166

THE CITY OF SPRINGBORO, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2000

DRUG LAW ENFORCEMENT FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Fines, Licenses and Permits	\$1,750	\$15,034	\$13,284
Total Revenues	1,750	15,034	13,284
<u>Expenditures:</u>			
Total Expenditures	0	0	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,750	15,034	13,284
Fund Balance at Beginning of Year	2,292	2,292	0
Fund Balance at End of Year	\$4,042	\$17,326	\$13,284

THE CITY OF SPRINGBORO, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2000

HOUSING COMMITTEE FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Total Revenues	\$0	\$0	\$0
<u>Expenditures:</u>			
Total Expenditures	0	0	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0
Fund Balance at Beginning of Year	197	197	0
Fund Balance at End of Year	<u>\$197</u>	<u>\$197</u>	<u>\$0</u>

THE CITY OF SPRINGBORO, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2000

LAW ENFORCEMENT FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
All Other Revenues	\$500	\$1,233	\$733
Total Revenues	500	1,233	733
<u>Expenditures:</u>			
Security of Persons and Property:			
Contractual Services	3,500	3,377	123
Capital Outlay	4,000	4,000	0
Total Expenditures	7,500	7,377	123
Excess (Deficiency) of			
Revenues Over (Under) Expenditures	(7,000)	(6,144)	856
Fund Balance at Beginning of Year	7,610	7,610	0
Fund Balance at End of Year	<u>\$610</u>	<u>\$1,466</u>	<u>\$856</u>

THE CITY OF SPRINGBORO, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2000

LIBRARY DONATION FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Donations	\$123,000	\$124,289	\$1,289
Total Revenues	123,000	124,289	1,289
<u>Expenditures:</u>			
General Government:			
Contractual Services	13,010	10,598	2,412
Debt Service:			
Principal Retirement	62,246	62,246	0
Interest and Fiscal Charges	24,364	24,364	0
Total Expenditures	99,620	97,208	2,412
Excess (Deficiency) of			
Revenues Over (Under) Expenditures	23,380	27,081	3,701
Fund Balance at Beginning of Year	20,447	20,447	0
Fund Balance at End of Year	\$43,827	\$47,528	\$3,701

THE CITY OF SPRINGBORO, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2000

MOTOR VEHICLE LICENSE TAX FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental Revenues	\$92,700	\$94,599	\$1,899
Total Revenues	92,700	94,599	1,899
<u>Expenditures:</u>			
Total Expenditures	0	0	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	92,700	94,599	1,899
<u>Other Financing Sources (Uses):</u>			
Operating Transfers Out	(92,000)	(92,000)	0
Total Other Financing Sources (Uses)	(92,000)	(92,000)	0
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	700	2,599	1,899
Fund Balance at Beginning of Year	10,586	10,586	0
Fund Balance at End of Year	\$11,286	\$13,185	\$1,899

THE CITY OF SPRINGBORO, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2000

PERMISSIVE USE TAX FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental Revenues	\$50,000	\$50,000	\$0
Total Revenues	50,000	50,000	0
<u>Expenditures:</u>			
Total Expenditures	0	0	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	50,000	50,000	0
<u>Other Financing Sources (Uses):</u>			
Operating Transfers Out	(50,000)	(50,000)	0
Total Other Financing Sources (Uses)	(50,000)	(50,000)	0
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	0	0	0
Fund Balance at Beginning of Year	1,057	1,057	0
Fund Balance at End of Year	\$1,057	\$1,057	\$0

THE CITY OF SPRINGBORO, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2000

STATE HIGHWAY FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental Revenues	\$24,535	\$26,903	\$2,368
Total Revenues	24,535	26,903	2,368
<u>Expenditures:</u>			
Transportation:			
Contractual Services	22,000	10,693	11,307
Materials and Supplies	250	0	250
Total Expenditures	22,250	10,693	11,557
Excess (Deficiency) of			
Revenues Over (Under) Expenditures	2,285	16,210	13,925
Fund Balance at Beginning of Year	46,067	46,067	0
Fund Balance at End of Year	\$48,352	\$62,277	\$13,925

THE CITY OF SPRINGBORO, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2000

STREET MAINTENANCE AND REPAIR FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental Revenues	\$302,200	\$318,861	\$16,661
All Other Revenues	500	0	(500)
Total Revenues	302,700	318,861	16,161
<u>Expenditures:</u>			
Transportation:			
Personal Services	266,225	260,543	5,682
Contractual Services	79,473	72,709	6,764
Materials and Supplies	109,625	109,625	0
Capital Outlay	49,672	49,672	0
Debt Service:			
Principal Retirement	4,732	4,732	0
Interest and Fiscal Charges	268	268	0
Total Expenditures	509,995	497,549	12,446
Excess (Deficiency) of			
Revenues Over (Under) Expenditures	(207,295)	(178,688)	28,607
Fund Balance at Beginning of Year	410,247	410,247	0
Prior Year Encumbrances	21,766	21,766	0
Fund Balance at End of Year	\$224,718	\$253,325	\$28,607

CAPITAL PROJECTS FUNDS

The Capital Projects Funds are used to account for the financial resources to be used for the acquisition or construction of major capital facilities.

Construction Fund

To account for transfers of income tax revenues and grants used for all construction projects not accounted for in the permanent improvement fund.

Income Tax Capital Improvement Fund

To account for income tax proceeds from .5% of the City's 1.5% income tax. The funds are to be spent on capital projects at Council's discretion.

Land Acquisition Fund

To account for note proceeds used for the purchase of land.

Permanent Improvement Fund

To account for various local and state revenues used for all construction projects related to park facilities.

THE CITY OF SPRINGBORO, OHIO
COMBINING BALANCE SHEET
CAPITAL PROJECTS FUNDS
DECEMBER 31, 2000

	<u>Construction</u>	<u>Income Tax Capital Improvement</u>	<u>Land Acquisition</u>	<u>Permanent Improvement</u>	<u>Totals</u>
<u>Assets:</u>					
Cash and Cash Equivalents	\$731,899	\$594,959	\$828	\$286,176	\$1,613,862
Receivables:					
Municipal Income Tax	0	220,928	0	0	220,928
Accounts	363	0	0	0	363
Advances to Other Funds	0	924,091	0	0	924,091
Total Assets	<u>\$732,262</u>	<u>\$1,739,978</u>	<u>\$828</u>	<u>\$286,176</u>	<u>\$2,759,244</u>
<u>Liabilities and Fund Equity:</u>					
Liabilities:					
Accounts Payable	\$6,952	\$0	\$0	\$1,087	\$8,039
Accrued Interest Payable	33,655	0	0	0	33,655
Deferred Revenue	0	33,411	0	0	33,411
General Obligation Notes Payable	4,020,000	0	0	0	4,020,000
Total Liabilities	<u>4,060,607</u>	<u>33,411</u>	<u>0</u>	<u>1,087</u>	<u>4,095,105</u>
Fund Equity:					
Reserved for Encumbrances	626,628	0	0	73,208	699,836
Reserved for Advances	0	924,091	0	0	924,091
Unreserved	(3,954,973)	782,476	828	211,881	(2,959,788)
Total Fund Equity	<u>(3,328,345)</u>	<u>1,706,567</u>	<u>828</u>	<u>285,089</u>	<u>(1,335,861)</u>
Total Liabilities and Fund Equity	<u>\$732,262</u>	<u>\$1,739,978</u>	<u>\$828</u>	<u>\$286,176</u>	<u>\$2,759,244</u>

THE CITY OF SPRINGBORO, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2000

	<u>Construction</u>	<u>Income Tax Capital Improvement</u>	<u>Land Acquisition</u>	<u>Permanent Improvement</u>	<u>Totals</u>
Revenues:					
Municipal Income Tax	\$0	\$1,701,403	\$0	\$0	\$1,701,403
Fines, Licenses and Permits	0	0	0	193,448	193,448
Investment Earnings	0	35,400	0	0	35,400
All Other Revenues	12,270	0	0	25,918	38,188
Total Revenues	12,270	1,736,803	0	219,366	1,968,439
Expenditures:					
General Government	107,892	0	0	27,054	134,946
Capital Outlay	1,890,879	0	481,000	52,801	2,424,680
Debt Service:					
Principal Retirement	30,000	0	22,837	15,163	68,000
Interest and Fiscal Charges	190,897	0	34,335	20,112	245,344
Total Expenditures	2,219,668	0	538,172	115,130	2,872,970
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,207,398)	1,736,803	(538,172)	104,236	(904,531)
Other Financing Sources (Uses):					
Proceeds from General Obligation Bonds	1,690,000	0	0	0	1,690,000
Operating Transfers In	263,518	0	539,000	0	802,518
Operating Transfers Out	0	(1,060,921)	0	0	(1,060,921)
Total Other Financing Sources (Uses)	1,953,518	(1,060,921)	539,000	0	1,431,597
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(253,880)	675,882	828	104,236	527,066
Fund Balance (Deficit) at Beginning of Year	(3,074,465)	1,030,685	0	180,853	(1,862,927)
Fund Balance (Deficit) at End of Year	<u>(\$3,328,345)</u>	<u>\$1,706,567</u>	<u>\$828</u>	<u>\$285,089</u>	<u>(\$1,335,861)</u>

THE CITY OF SPRINGBORO, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2000

CONSTRUCTION FUND

	<u>Revised Budget</u>	<u>Actual</u>	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
All Other Revenues	\$73,423	\$12,019	(\$61,404)
Total Revenues	<u>73,423</u>	<u>12,019</u>	<u>(61,404)</u>
<u>Expenditures:</u>			
General Government:			
Contractual Services	126,091	126,090	1
Capital Outlay	2,339,784	2,549,537	(209,753)
Debt Service:			
Principal Retirement	3,450,000	3,450,000	0
Interest and Fiscal Charges	189,894	189,689	205
Total Expenditures	<u>6,105,769</u>	<u>6,315,316</u>	<u>(209,547)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(6,032,346)	(6,303,297)	(270,951)
<u>Other Financing Sources (Uses):</u>			
Proceeds from General Obligation Notes	4,020,000	4,020,000	0
Proceeds from General Obligation Bonds	1,696,996	1,697,206	210
Operating Transfers In	300,728	300,728	0
Operating Transfers Out	(37,210)	(37,210)	0
Advances Out	(32,800)	(32,800)	0
Total Other Financing Sources (Uses)	<u>5,947,714</u>	<u>5,947,924</u>	<u>210</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(84,632)	(355,373)	(270,741)
Fund Balance at Beginning of Year	162,305	162,305	0
Prior Year Encumbrances	291,339	291,339	0
Fund Balance at End of Year	<u>\$369,012</u>	<u>\$98,271</u>	<u>(\$270,741)</u>

THE CITY OF SPRINGBORO, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2000

INCOME TAX CAPITAL IMPROVEMENT FUND

	<u>Revised Budget</u>	<u>Actual</u>	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Municipal Income Tax	\$1,667,192	\$1,754,172	\$86,980
Total Revenues	<u>1,667,192</u>	<u>1,754,172</u>	<u>86,980</u>
<u>Expenditures:</u>			
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,667,192	1,754,172	86,980
<u>Other Financing Sources (Uses):</u>			
Operating Transfers In	1,744,201	1,744,601	400
Operating Transfers Out	(2,805,522)	(2,805,522)	0
Advances In	625,400	625,400	0
Total Other Financing Sources (Uses)	<u>(435,921)</u>	<u>(435,521)</u>	<u>400</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	1,231,271	1,318,651	87,380
Fund Balance at Beginning of Year	<u>200,399</u>	<u>200,399</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$1,431,670</u></u>	<u><u>\$1,519,050</u></u>	<u><u>\$87,380</u></u>

THE CITY OF SPRINGBORO, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2000

LAND ACQUISITION FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Total Revenues	\$0	\$0	\$0
<u>Expenditures:</u>			
Capital Outlay	481,000	481,000	0
Debt Service:			
Principal Retirement	22,840	22,837	3
Interest and Fiscal Charges	34,340	34,335	5
Total Expenditures	538,180	538,172	8
Excess (Deficiency) of Revenues Over (Under) Expenditures	(538,180)	(538,172)	8
<u>Other Financing Sources (Uses):</u>			
Operating Transfers In	538,180	539,000	820
Total Other Financing Sources (Uses)	538,180	539,000	820
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	0	828	828
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	<u>\$0</u>	<u>\$828</u>	<u>\$828</u>

THE CITY OF SPRINGBORO, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2000

PERMANENT IMPROVEMENT FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Fines, Licenses and Permits	\$175,000	\$193,448	\$18,448
All Other Revenues	25,000	25,918	918
Total Revenues	<u>200,000</u>	<u>219,366</u>	<u>19,366</u>
<u>Expenditures:</u>			
General Government:			
Contractual Services	54,229	51,996	2,233
Materials and Supplies	35,771	12,558	23,213
Total General Government	<u>90,000</u>	<u>64,554</u>	<u>25,446</u>
Capital Outlay	171,000	101,211	69,789
Debt Service:			
Principal Retirement	15,163	15,163	0
Interest and Fiscal Charges	20,116	20,112	4
Total Expenditures	<u>296,279</u>	<u>201,040</u>	<u>95,239</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(96,279)	18,326	114,605
<u>Other Financing Sources (Uses):</u>			
Operating Transfers In	9,000	9,000	0
Operating Transfers Out	(9,000)	(9,000)	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(96,279)	18,326	114,605
Fund Balance at Beginning of Year	179,750	179,750	0
Prior Year Encumbrances	14,892	14,892	0
Fund Balance at End of Year	<u>\$98,363</u>	<u>\$212,968</u>	<u>\$114,605</u>

To account for operations (a) that are financed and operated in a manner similar to private business enterprises where the intent is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where it has been decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Golf Course Fund

To account for revenue received from user charges; such as greens fees, rentals, and concessions, to be used for the general operation of Heatherwoode, an 18-hole championship golf course.

Sewer Fund

To account for revenue received from user charges for sewer services provided to residents of the City of Springboro.

Trash Fund

To account for revenue received from user charges for trash collection services provided to the residents of the City of Springboro.

Water Fund

To account for revenue received from user charges for the water treatment and distribution services provided to the residents of the City of Springboro.

THE CITY OF SPRINGBORO, OHIO
COMBINING BALANCE SHEET
ENTERPRISE FUNDS
DECEMBER 31, 2000

	<u>Golf Course</u>	<u>Sewer</u>	<u>Trash</u>	<u>Water</u>	<u>Totals</u>
<u>Assets:</u>					
Cash and Cash Equivalents	\$0	\$1,736,891	\$211,923	\$2,644,922	\$4,593,736
Investments	0	2,377,294	0	3,691,473	6,068,767
Receivables (net of allowances for doubtful accounts):					
Accounts	0	227,793	47,937	218,535	494,265
Materials and Supplies Inventory	15,135	0	0	0	15,135
Inventory Held for Resale	28,234	0	0	0	28,234
Prepaid Items	5,946	1,533	396	7,104	14,979
Restricted Assets:					
Cash and Cash Equivalents	0	0	0	52,133	52,133
Cash with Fiscal and Escrow Agent	0	193,042	0	895,933	1,088,975
Investments with Fiscal Agent	0	423,809	0	971,837	1,395,646
Property, Plant and Equipment	12,410,244	22,291,259	0	28,278,588	62,980,091
Less Accumulated Depreciation	<u>(1,541,236)</u>	<u>(2,720,615)</u>	<u>0</u>	<u>(1,850,045)</u>	<u>(6,111,896)</u>
Net Fixed Assets	<u>10,869,008</u>	<u>19,570,644</u>	<u>0</u>	<u>26,428,543</u>	<u>56,868,195</u>
Construction in Progress	0	0	0	194,416	194,416
Deferred Loss on Defeasance	363,737	191,240	0	0	554,977
Unamortized Bond Issuance Costs	<u>79,118</u>	<u>261,836</u>	<u>0</u>	<u>538,612</u>	<u>879,566</u>
Total Assets	<u><u>\$11,361,178</u></u>	<u><u>\$24,984,082</u></u>	<u><u>\$260,256</u></u>	<u><u>\$35,643,508</u></u>	<u><u>\$72,249,024</u></u>

THE CITY OF SPRINGBORO, OHIO
COMBINING BALANCE SHEET
ENTERPRISE FUNDS
DECEMBER 31, 2000

	<u>Golf Course</u>	<u>Sewer</u>	<u>Trash</u>	<u>Water</u>	<u>Totals</u>
<u>Liabilities and Fund Equity:</u>					
Liabilities:					
Accounts Payable	\$4,039	\$2,686	\$40,336	\$82,640	\$129,701
Accrued Wages and Benefits	0	7,734	2,728	13,817	24,279
Intergovernmental Payables	0	4,425	1,270	20,323	26,018
Advances from Other Funds	2,674,504	0	0	0	2,674,504
Accrued Interest Payable	18,266	70,428	0	72,157	160,851
Compensated Absences Payable	0	6,709	814	8,495	16,018
Capital Leases Payable	29,099	161,105	0	0	190,204
General Obligation Notes Payable	0	1,200,000	0	0	1,200,000
Refundable Deposits	0	0	0	52,133	52,133
General Obligation Bonds Payable	4,271,331	136,300	0	151,250	4,558,881
Mortgage Revenue Bonds Payable	0	4,310,000	0	17,640,000	21,950,000
Total Liabilities	<u>6,997,239</u>	<u>5,899,387</u>	<u>45,148</u>	<u>18,040,815</u>	<u>30,982,589</u>
Fund Equity:					
Contributed Capital	1,594,139	16,840,397	0	9,235,745	27,670,281
Retained Earnings:					
Reserved for Replacement and Improvement	750,000	200,000	0	97,633	1,047,633
Unreserved	<u>2,019,800</u>	<u>2,044,298</u>	<u>215,108</u>	<u>8,269,315</u>	<u>12,548,521</u>
Total Retained Earnings	<u>2,769,800</u>	<u>2,244,298</u>	<u>215,108</u>	<u>8,366,948</u>	<u>13,596,154</u>
Total Fund Equity	<u>4,363,939</u>	<u>19,084,695</u>	<u>215,108</u>	<u>17,602,693</u>	<u>41,266,435</u>
Total Liabilities and Fund Equity	<u><u>\$11,361,178</u></u>	<u><u>\$24,984,082</u></u>	<u><u>\$260,256</u></u>	<u><u>\$35,643,508</u></u>	<u><u>\$72,249,024</u></u>

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THE CITY OF SPRINGBORO, OHIO
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS
ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2000

	<u>Golf Course</u>	<u>Sewer</u>	<u>Trash</u>	<u>Water</u>	<u>Totals</u>
<u>Operating Revenues:</u>					
Charges for Services	\$1,376,358	\$1,539,769	\$514,094	\$2,293,273	\$5,723,494
Sales	756,618	0	0	0	756,618
Other Operating Revenues	144,425	0	0	3,000	147,425
Total Operating Revenues	<u>2,277,401</u>	<u>1,539,769</u>	<u>514,094</u>	<u>2,296,273</u>	<u>6,627,537</u>
<u>Operating Expenses:</u>					
Personal Services	0	143,909	42,054	273,813	459,776
Materials and Supplies	158,662	4,643	9,676	50,634	223,615
Contractual Services	1,447,130	795,839	413,204	658,917	3,315,090
Cost of Goods Sold	218,646	0	0	0	218,646
Depreciation	142,060	352,860	0	471,659	966,579
Total Operating Expenses	<u>1,966,498</u>	<u>1,297,251</u>	<u>464,934</u>	<u>1,455,023</u>	<u>5,183,706</u>
Operating Income	310,903	242,518	49,160	841,250	1,443,831
<u>Nonoperating Revenues (Expenses):</u>					
Investment Earnings	48,992	168,327	0	429,524	646,843
Interest and Fiscal Charges	(495,580)	(360,550)	0	(904,560)	(1,760,690)
Loss on the Disposal of Fixed Assets	(5,146)	(158)	0	(1,914)	(7,218)
Total Nonoperating Revenues (Expenses)	<u>(451,734)</u>	<u>(192,381)</u>	<u>0</u>	<u>(476,950)</u>	<u>(1,121,065)</u>
Income (Loss) Before Operating Transfers	(140,831)	50,137	49,160	364,300	322,766
<u>Operating Transfers:</u>					
Operating Transfers In	1,060,921	0	0	0	1,060,921
Operating Transfers Out	0	(35,000)	(5,000)	(35,000)	(75,000)
Total Operating Transfers	<u>1,060,921</u>	<u>(35,000)</u>	<u>(5,000)</u>	<u>(35,000)</u>	<u>985,921</u>
Net Income	920,090	15,137	44,160	329,300	1,308,687
Retained Earnings at Beginning of Year - Restated (Note 2)	<u>1,849,710</u>	<u>2,229,161</u>	<u>170,948</u>	<u>8,037,648</u>	<u>12,287,467</u>
Retained Earnings at End of Year	<u><u>\$2,769,800</u></u>	<u><u>\$2,244,298</u></u>	<u><u>\$215,108</u></u>	<u><u>\$8,366,948</u></u>	<u><u>\$13,596,154</u></u>

THE CITY OF SPRINGBORO, OHIO
COMBINING STATEMENT OF CASH FLOWS
ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2000

	<u>Golf Course</u>	<u>Sewer</u>	<u>Trash</u>	<u>Water</u>	<u>Totals</u>
<u>Cash Flows from Operating Activities:</u>					
Cash Received from Customers	\$2,071,012	\$1,467,539	\$516,260	\$2,235,780	\$6,290,591
Other Operating Receipts	144,425	0	0	9,411	153,836
Cash Payments for Goods and Services	(1,818,555)	(785,536)	(414,141)	(717,233)	(3,735,465)
Cash Payments to Employees	0	(139,270)	(42,108)	(267,867)	(449,245)
Net Cash Provided by Operating Activities	<u>396,882</u>	<u>542,733</u>	<u>60,011</u>	<u>1,260,091</u>	<u>2,259,717</u>
<u>Cash Flows from Noncapital Financing Activities:</u>					
Repayment of Advances to Other Funds	0	1,210,869	0	2,200,000	3,410,869
Payment of Advances from Other Funds	(4,000,869)	0	0	0	(4,000,869)
Receipt of Advances from Other Funds	2,674,504	0	0	0	2,674,504
Transfers In from Other Funds	1,060,921	0	0	0	1,060,921
Transfers Out to Other Funds	0	(35,000)	(5,000)	(35,000)	(75,000)
Net Cash Provided (Used) by Noncapital Financing Activities	<u>(265,444)</u>	<u>1,175,869</u>	<u>(5,000)</u>	<u>2,165,000</u>	<u>3,070,425</u>
<u>Cash Flows from Capital and Related Financing Activities:</u>					
Cash Received from Tap-in Fees in Excess of Cost	0	519,577	0	469,229	988,806
Proceeds from General Obligation Notes	0	1,200,000	0	0	1,200,000
Principal Paid on General Obligation Notes	0	(1,200,000)	0	0	(1,200,000)
Acquisition and Construction of Assets	(24,229)	(12,944)	0	(572,445)	(609,618)
Principal Paid on General Obligation Bonds	(110,000)	(18,600)	0	(15,000)	(143,600)
Principal Paid on Capital Lease	(13,453)	(25,542)	0	(9,463)	(48,458)
Principal Paid on Mortgage Revenue Bonds	0	(145,000)	0	(485,000)	(630,000)
Interest Paid on All Debt	(465,648)	(292,703)	0	(851,015)	(1,609,366)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(613,330)</u>	<u>24,788</u>	<u>0</u>	<u>(1,463,694)</u>	<u>(2,052,236)</u>
<u>Cash Flows from Investing Activities:</u>					
Receipt of Interest	48,992	112,115	0	293,242	454,349
Purchase of Investments	0	(2,350,283)	0	(3,649,531)	(5,999,814)
Sale of Investments	0	0	0	1,399,891	1,399,891
Net Cash Provided (Used) by Investing Activities	<u>48,992</u>	<u>(2,238,168)</u>	<u>0</u>	<u>(1,956,398)</u>	<u>(4,145,574)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(432,900)	(494,778)	55,011	4,999	(867,668)
Cash and Cash Equivalents at Beginning of Year	<u>432,900</u>	<u>2,424,711</u>	<u>156,912</u>	<u>3,587,989</u>	<u>6,602,512</u>
Cash and Cash Equivalents at End of Year	<u>\$0</u>	<u>\$1,929,933</u>	<u>\$211,923</u>	<u>\$3,592,988</u>	<u>\$5,734,844</u>

(continued)

THE CITY OF SPRINGBORO, OHIO
COMBINING STATEMENT OF CASH FLOWS
ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2000

	<u>Golf Course</u>	<u>Sewer</u>	<u>Trash</u>	<u>Water</u>	<u>Totals</u>
<u>Reconciliation of Cash and Cash</u>					
<u>Equivalents per the Balance Sheet:</u>					
Cash and Cash Equivalents	\$0	\$1,736,891	\$211,923	\$2,644,922	\$4,593,736
Restricted Cash and Cash Equivalents	0	0	0	52,133	52,133
Restricted Cash with Fiscal and Escrow Agents	0	193,042	0	895,933	1,088,975
Cash and Cash Equivalents at End of Year	<u>\$0</u>	<u>\$1,929,933</u>	<u>\$211,923</u>	<u>\$3,592,988</u>	<u>\$5,734,844</u>
<u>Reconciliation of Operating Income to Net Cash</u>					
<u>Provided by Operating Activities:</u>					
Operating Income	\$310,903	\$242,518	\$49,160	\$841,250	\$1,443,831
Adjustments to Reconcile Operating Income to					
Net Cash Provided by Operating Activities:					
Depreciation Expense	142,060	352,860	0	471,659	966,579
Changes in Assets and Liabilities:					
(Increase) Decrease in Accounts Receivable	0	(72,230)	2,166	(57,493)	(127,557)
Decrease in Due From Other Funds	980	0	0	0	980
Decrease in Inventory	7,904	0	0	0	7,904
Decrease in Inventory Held for Resale	1,555	0	0	0	1,555
(Increase) Decrease in Prepaid Items	326	55,485	(228)	23,540	79,123
Increase (Decrease) in Accounts Payable	(3,902)	(40,539)	8,967	(25,376)	(60,850)
Decrease in Deferred Revenue	(62,944)	0	0	0	(62,944)
Increase in Accrued Wages and Benefits	0	880	803	2,380	4,063
Decrease in Intergovernmental Payable	0	(1,808)	(386)	(6,299)	(8,493)
Increase in Refundable Deposits	0	0	0	4,415	4,415
Increase (Decrease) in Compensated Absences	0	5,567	(471)	6,015	11,111
Total Adjustments	<u>85,979</u>	<u>300,215</u>	<u>10,851</u>	<u>418,841</u>	<u>815,886</u>
Net Cash Provided by Operating Activities	<u>\$396,882</u>	<u>\$542,733</u>	<u>\$60,011</u>	<u>\$1,260,091</u>	<u>\$2,259,717</u>

Schedule of Noncash Investing, Capital and Financing Activities:

At December 31, 2000, the Sewer and Water Funds had outstanding liabilities of \$1,506 and \$53,530, respectively for the purchase of certain capital assets. During 2000, the Sewer and Water Funds received \$677,380 and \$188,726, respectively, of fixed assets donated by developers. The Sewer Fund incurred a new lease liability of \$176,540 in 2000. During 2000 the fair value of investments increased by \$68,492 and by \$17,901 in the Sewer and Water Funds, respectively.

FIDUCIARY FUND TYPES

Fiduciary fund types are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds.

EXPENDABLE TRUST FUND

Civic Center Trust Fund

To account for a donation received to be used for the purpose of providing a public gathering place.

AGENCY FUND

Mayor's Court Fund

To account for the collection and distribution of court fines and forfeitures.

THE CITY OF SPRINGBORO, OHIO
COMBINING BALANCE SHEET
FIDUCIARY FUNDS
DECEMBER 31, 2000

	<u><i>Expendable Trust Fund</i></u>	<u><i>Agency Fund</i></u>	
	Civic Center Trust	Mayor's Court	<u>Totals</u>
<u>Assets:</u>			
Cash and Cash Equivalents	\$156,148	\$0	\$156,148
Restricted Assets:			
Cash with Fiscal Agent	<u>0</u>	<u>8,631</u>	<u>8,631</u>
Total Assets	<u><u>\$156,148</u></u>	<u><u>\$8,631</u></u>	<u><u>\$164,779</u></u>
<u>Liabilities and Fund Equity:</u>			
Liabilities:			
Due to Other Funds	\$0	\$6,553	\$6,553
Intergovernmental Payables	0	1,380	1,380
Undistributed Monies	<u>0</u>	<u>698</u>	<u>698</u>
Total Liabilities	<u>0</u>	<u>8,631</u>	<u>8,631</u>
Fund Equity:			
Unreserved	<u>156,148</u>	<u>0</u>	<u>156,148</u>
Total Fund Equity	<u>156,148</u>	<u>0</u>	<u>156,148</u>
Total Liabilities and Fund Equity	<u><u>\$156,148</u></u>	<u><u>\$8,631</u></u>	<u><u>\$164,779</u></u>

THE CITY OF SPRINGBORO, OHIO
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUND
FOR THE YEAR ENDED DECEMBER 31, 2000

	Balance December 31, 1999	Additions	Deductions	Balance December 31, 2000
<u>Mayor's Court Fund</u>				
Assets:				
Cash with Fiscal Agent	\$13,679	\$175,323	(\$180,371)	\$8,631
Total Assets	<u>\$13,679</u>	<u>\$175,323</u>	<u>(\$180,371)</u>	<u>\$8,631</u>
Liabilities:				
Due to Other Funds	\$10,993	\$6,553	(\$10,993)	\$6,553
Intergovernmental Payable	2,060	1,380	(2,060)	1,380
Undistributed Monies	626	167,390	(167,318)	698
Total Liabilities	<u>\$13,679</u>	<u>\$175,323</u>	<u>(\$180,371)</u>	<u>\$8,631</u>

GENERAL FIXED ASSETS ACCOUNT GROUP

General Fixed Assets Account Group is used to account for general fixed assets of the City.

THE CITY OF SPRINGBORO, OHIO
SCHEDULE OF GENERAL FIXED ASSETS
BY SOURCE
DECEMBER 31, 2000

General Fixed Assets:

Land and Land Improvements	\$2,725,073
Buildings	1,894,045
Equipment	<u>2,365,723</u>
Total General Fixed Assets	<u><u>\$6,984,841</u></u>

Investment in General Fixed Assets from:

General Fund	\$3,989,812
Special Revenue Funds	397,276
Capital Projects Funds	2,468,502
Enterprise Funds	<u>129,251</u>
Total Investment in General Fixed Assets	<u><u>\$6,984,841</u></u>

THE CITY OF SPRINGBORO, OHIO
SCHEDULE OF GENERAL FIXED ASSETS
BY CATEGORY
DECEMBER 31, 2000

Function and Activity	Land and Land Improvements	Buildings	Equipment	Total
<u>General Government:</u>				
Council	\$0	\$3,000	\$23,247	\$26,247
City Manager	0	0	11,717	11,717
Records Management	0	0	38,172	38,172
Finance	0	0	65,995	65,995
Mayor's Court	0	0	21,849	21,849
Taxation	0	0	19,130	19,130
Public Land & Bldg	1,608,934	414,080	155,963	2,178,977
Total	<u>1,608,934</u>	<u>417,080</u>	<u>336,073</u>	<u>2,362,087</u>
<u>Security of Persons and Property:</u>				
Police	0	6,344	578,145	584,489
Street Lighting	0	0	78,675	78,675
Traffic Control	0	0	294,689	294,689
Total	<u>0</u>	<u>6,344</u>	<u>951,509</u>	<u>957,853</u>
<u>Transportation:</u>				
Street	12,898	614,994	698,930	1,326,822
Grounds	153,795	0	0	153,795
Total	<u>166,693</u>	<u>614,994</u>	<u>698,930</u>	<u>1,480,617</u>
<u>Leisure Time Activities:</u>				
Parks and Recreation	949,446	820,438	229,584	1,999,468
Library	0	4,149	61,757	65,906
Total	<u>949,446</u>	<u>824,587</u>	<u>291,341</u>	<u>2,065,374</u>
<u>Community Environment:</u>				
Engineering	0	31,040	28,978	60,018
Planning & Zoning	0	0	17,356	17,356
Community Development	0	0	8,565	8,565
Bldg Inspection	0	0	32,971	32,971
Total	<u>0</u>	<u>31,040</u>	<u>87,870</u>	<u>118,910</u>
Total General Fixed Assets	<u><u>\$2,725,073</u></u>	<u><u>\$1,894,045</u></u>	<u><u>\$2,365,723</u></u>	<u><u>\$6,984,841</u></u>

THE CITY OF SPRINGBORO, OHIO
SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS
BY FUNCTION AND ACTIVITY
FOR THE YEAR ENDED DECEMBER 31, 2000

Function and Activity	Restated January 1, 2000	Transfers	Additions	Deletions	December 31, 2000
<u>General Government:</u>					
Council	\$22,867	\$0	\$5,180	(\$1,800)	\$26,247
City Manager	30,217	(4,825)	1,525	(15,200)	11,717
Records Management	41,662	0	1,846	(5,336)	38,172
Finance	69,490	0	7,950	(11,445)	65,995
Mayor's Court	23,523	0	0	(1,674)	21,849
Taxation	11,304	2,962	10,630	(5,766)	19,130
Public Land & Bldg	1,681,635	0	523,435	(26,093)	2,178,977
Total	<u>1,880,698</u>	<u>(1,863)</u>	<u>550,566</u>	<u>(67,314)</u>	<u>2,362,087</u>
<u>Security of Persons and Property:</u>					
Police	503,787	(6,262)	192,471	(105,507)	584,489
Street Lighting	78,675	0	0	0	78,675
Traffic Control	294,689	0	0	0	294,689
Total	<u>877,151</u>	<u>(6,262)</u>	<u>192,471</u>	<u>(105,507)</u>	<u>957,853</u>
<u>Transportation:</u>					
Street	1,300,888	8,125	85,831	(68,022)	1,326,822
Grounds	158,418	0	0	(4,623)	153,795
Total	<u>1,459,306</u>	<u>8,125</u>	<u>85,831</u>	<u>(72,645)</u>	<u>1,480,617</u>
<u>Leisure Time Activities:</u>					
Parks and Recreation	1,976,256	0	46,989	(23,777)	1,999,468
Library	65,906	0	0	0	65,906
Total	<u>2,042,162</u>	<u>0</u>	<u>46,989</u>	<u>(23,777)</u>	<u>2,065,374</u>
<u>Community Environment:</u>					
Engineering	10,431	0	56,492	(6,905)	60,018
Planning & Zoning	17,356	0	0	0	17,356
Comm Development	10,816	0	2,791	(5,042)	8,565
Bldg Inspection	24,464	0	19,100	(10,593)	32,971
Total	<u>63,067</u>	<u>0</u>	<u>78,383</u>	<u>(22,540)</u>	<u>118,910</u>
Total General Fixed Assets	<u>\$6,322,384</u>	<u>\$0</u>	<u>\$954,240</u>	<u>(\$291,783)</u>	<u>\$6,984,841</u>

STATISTICAL SECTION

STATISTICAL TABLES

***T**HE FOLLOWING UNAUDITED STATISTICAL TABLES REFLECT SOCIAL AND ECONOMIC DATA, FINANCIAL TRENDS AND FISCAL CAPACITY OF THE CITY.*

THE CITY OF SPRINGBORO, OHIO
GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION (1)
LAST TEN YEARS

Year	Security of Persons and Property	Public Health and Welfare	Leisure Time Activities	Community Environment	Transportation	General Government	Debt Service	Total
1991	\$777,776	\$23,333	\$162,279	\$224,792	\$410,669	\$875,579	#####	\$2,675,562
1992	864,699	16,311	99,610	197,320	462,736	889,988	145,511	2,676,175
1993	992,246	17,155	159,856	212,624	373,569	994,621	216,566	2,966,637
1994	1,089,650	18,046	150,250	191,189	368,654	1,133,870	298,600	3,250,259
1995	1,098,498	17,560	178,255	197,276	447,179	1,095,945	449,612	3,484,325
1996	1,162,688	15,998	152,377	408,692	408,765	1,373,393	447,762	3,969,675
1997	1,228,970	17,826	213,748	505,251	466,174	1,678,623	353,057	4,463,649
1998	1,568,042	21,533	235,084	617,174	355,769	1,638,663	463,163	4,899,428
1999	1,764,306	13,569	214,419	716,566	455,676	2,206,726	357,356 (2)	5,728,618
2000	1,817,020	1,923	206,529	950,210	505,980	2,501,915	412,910	6,396,487

(1) Includes General Fund, Special Revenue Funds and Debt Service Fund

(2) Includes Basic Utility Services from the Debt Service Fund.

THE CITY OF SPRINGBORO, OHIO
GENERAL GOVERNMENTAL REVENUES BY SOURCE (1)
LAST TEN YEARS

<u>Year</u>	<u>Taxes (2)</u>	<u>Inter-Governmental Revenue</u>	<u>Charges for Service</u>	<u>Fines, Licenses and Permits (3)</u>	<u>Investment Earnings</u>	<u>All Other (4)</u>	<u>Total</u>
1991	\$1,520,108	\$526,808	\$4,954	\$319,388	\$49,288	\$188,051	\$2,608,597
1992	1,665,071	508,734	17,551	280,125	16,622	141,912	2,630,015
1993	1,974,881	752,766	5,172	344,030	26,744	222,266	3,325,859
1994	2,119,522	653,240	3,089	360,512	24,813	204,234	3,365,410
1995	2,323,229	671,744	3,730	290,721	174,325	330,612	3,794,361
1996	3,424,685	744,315	155,893	340,357	194,677	492,228	5,352,155
1997	3,988,271	909,487	189,598	402,554	275,658	497,771	6,263,339
1998	3,182,087	1,072,824	404,577	494,778	375,255	527,292	6,056,813
1999	3,581,369	904,526	352,465	523,587	224,200	603,548	6,189,695
2000	3,760,538	1,219,893	381,632	469,479	519,956	894,093	7,245,591

- (1) Includes General Fund, Special Revenue Funds and Debt Service Fund.
- (2) Municipal Income Tax and Property Taxes are combined.
- (3) Fines and Forfeitures were combined with Licenses and Permits.
- (4) Includes Special Assessments and Donations.

**THE CITY OF SPRINGBORO, OHIO
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN YEARS**

Collection Year	Current Tax Levy	Current Tax Collections	Percent of Levy Collected	Delinquent Tax Collections	Total Tax Collections	Percent of Total Tax Collections to Current Taxes Levied
1991	\$97,303	\$94,647	97.27%	\$2,408	\$97,055	99.75%
1992	175,272	172,068	98.17%	4,714	176,782	100.86%
1993	188,865	184,770	97.83%	10,860	195,630	103.58%
1994	201,663	195,613	97.00%	3,961	199,574	98.96%
1995	212,885	206,958	97.22%	2,785	209,743	98.52%
1996	260,138	252,360	97.01%	3,326	255,686	98.29%
1997	298,301	292,336	98.00%	6,170	298,506	100.07%
1998	309,611	302,898	97.83%	8,964	311,862	100.73%
1999	328,855	318,704	96.91%	6,597	325,301	98.92%
2000	348,598	338,243	97.03%	9,295	347,538	99.70%

Source: Warren County Auditor

THE CITY OF SPRINGBORO, OHIO
ASSESSED VALUATIONS AND ESTIMATED TRUE VALUES
OF TAXABLE PROPERTY
LAST TEN YEARS

Tax Levy Year	Real Property		Public Utility		Tangible Personal Property		Total		Assessed Value as a Percent of Actual Value
	Assessed	Actual	Assessed	Actual	Assessed	Actual	Assessed	Actual	
1991	\$93,652,590	\$267,578,829	\$6,767,840	\$19,336,686	\$28,919,506	\$111,228,869	\$129,339,936	\$398,144,384	32.49%
1992	102,900,490	294,001,400	8,192,490	9,309,648	29,959,679	119,838,716	141,052,659	423,149,764	33.33%
1993	115,225,660	329,216,171	9,044,270	10,277,580	30,282,696	121,130,784	154,552,626	460,624,535	33.55%
1994	150,135,280	428,957,943	9,634,370	10,948,148	25,353,793	101,415,172	185,123,443	541,321,263	34.20%
1995	164,838,600	470,967,429	9,717,570	11,042,693	28,055,098	112,220,392	202,611,268	594,230,514	34.10%
1996	178,524,970	510,071,343	9,848,350	11,191,307	27,275,164	109,100,656	215,648,484	630,363,306	34.21%
1997	206,314,170	589,469,057	10,112,190	11,491,125	28,591,249	114,364,996	245,017,609	715,325,178	34.25%
1998	222,044,280	634,412,229	10,532,680	11,968,955	28,621,985	114,487,940	261,198,945	760,869,123	34.33%
1999	234,929,640	671,227,543	10,917,940	12,406,750	28,832,343	115,329,372	274,679,923	798,963,665	34.38%
2000	291,192,270	831,977,914	10,187,320	11,576,500	32,103,229	128,412,916	333,482,819	971,967,330	34.31%

NOTE: Estimated Actual Value is calculated by dividing the assessed value by the assessment percentage.

Current percentages are 35% for Real Property, 88% for Public Utility Tangible and 25% for Tangible Personal Property.

Source: Warren County Auditor

THE CITY OF SPRINGBORO, OHIO
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
(PER \$1,000 OF ASSESSED VALUATIONS)
LAST TEN YEARS

<u>Collection Year</u>	<u>City of Springboro</u>	<u>Clearcreek School District</u>	<u>Warren County</u>	<u>Clearcreek Township</u>	<u>Joint Vocational School</u>	<u>Special District</u>	<u>Total</u>
1991	1.10	46.20	7.10	4.50	4.50	1.00	64.40
1992	1.10	45.70	7.10	4.50	4.50	1.00	63.90
1993	1.10	45.20	7.10	4.50	4.50	1.00	63.40
1994	1.10	44.71	7.07	4.51	4.50	1.00	62.89
1995	1.11	53.10	7.07	4.51	4.50	1.00	71.29
1996	1.11	53.00	5.00	4.51	4.50	1.50	69.62
1997	1.11	51.71	5.00	4.51	4.50	1.50	68.33
1998	1.11	51.70	4.75	4.51	4.50	1.50	68.07
1999	1.11	54.88	4.00	4.51	4.50	1.50	70.50
2000	1.11	54.88	4.00	4.51	4.50	1.50	70.50

Source: Warren County Auditor

THE CITY OF SPRINGBORO, OHIO
SPECIAL ASSESSMENT BILLINGS AND COLLECTIONS
LAST TEN YEARS

<u>Collection Year</u>	<u>Amount Billed</u>	<u>Amount Collected</u>	<u>Percent Collected</u>
1991	\$77,368	\$71,485	92.40%
1992	96,124	76,402	79.48%
1993	96,042	86,871	90.45%
1994	117,757	76,511	64.97%
1995	271,840	228,182	83.94%
1996	233,407	212,627	91.10%
1997	242,088	230,566	95.24%
1998	286,201	281,553	98.38%
1999	276,167	256,310	92.81%
2000	265,634	248,186	93.43%

NOTE: This table reflects only those special assessments collected through the Warren County Auditor's Office.

Source: Warren County Auditor

THE CITY OF SPRINGBORO, OHIO
COMPUTATION OF LEGAL DEBT MARGIN
DECEMBER 31, 2000

	Total Debt	Unvoted Debt
Net Assessed Valuation	\$333,482,819	\$333,482,819
Legal Debt Limitation (%) (1)	10.50%	5.50%
Legal Debt Limitation (\$) (1)	35,015,696	18,341,555
Applicable City Debt Outstanding (2)	7,737,450	7,737,450
Less: Applicable Debt Service Fund Amounts	(24,803)	(24,803)
Net Indebtedness Subject to Limitation	7,712,647	7,712,647
Legal Debt Margin	\$27,303,049	\$10,628,908

(1) Direct Debt Limitation Based Upon Section 133, The Uniform Bond Act of the Ohio Revised Code.

(2) City Debt Outstanding Includes Non Self-Supporting General Obligation Notes and Bonds Only.

THE CITY OF SPRINGBORO OHIO
RATIO OF NET GENERAL OBLIGATION BONDED DEBT TO ASSESSED
VALUE AND NET GENERAL OBLIGATION BONDED DEBT PER CAPITA
LAST TEN YEARS

<u>Year</u>	<u>Population</u>	<u>Assessed Value</u>	<u>Net Bonded Debt (1)</u>	<u>Ratio of Net Bonded Debt to Assessed Valuation</u>	<u>Net Bonded Debt Per Capita</u>
1991	6,944	\$129,339,936	\$435,000	0.34%	\$63
1992	7,850	141,052,659	420,000	0.30%	54
1993	8,417	154,552,626	1,076,300	0.70%	128
1994	9,230	185,123,443	1,028,250	0.56%	111
1995	9,590	202,611,268	978,750	0.48%	102
1996	10,331	215,648,484	1,374,250	0.64%	133
1997	10,945	245,017,609	1,529,750	0.62%	140
1998	11,200	261,198,945	1,451,800	0.56%	130
1999	12,045	274,679,923	2,111,927	0.77%	175
2000	12,380	333,482,819	3,692,647	1.11%	298

(1) Does not include Bond Anticipation Notes or Special Assessment debt with governmental commitment.

THE CITY OF SPRINGBORO, OHIO
RATIO OF ANNUAL DEBT SERVICE EXPENDITURES
FOR GENERAL OBLIGATION BONDED DEBT TO TOTAL GENERAL GOVERNMENTAL EXPENDITURES (1)
LAST TEN YEARS

<u>Year</u>	<u>Debt Principal</u>	<u>Debt Interest (3)</u>	<u>Total Debt Service</u>	<u>Total General Governmental Expenditures</u>	<u>Ratio of Tax Debt Service to General Governmental Expenditures</u>
1991	\$15,000	\$34,565	\$49,565	\$2,675,562	1.85%
1992	15,000	33,575	48,575	2,676,175	1.82%
1993	15,000	32,562	47,562	2,966,637	1.60%
1994	46,050	66,517	112,567	3,250,259	3.46%
1995	49,500	79,576	129,076	3,484,325	3.70%
1996	54,500	74,073	128,573	3,969,675	3.24%
1997	69,500	89,295	158,795	4,463,749	3.56%
1998	77,950	97,716	175,666	4,899,428	3.59%
1999	(2) 57,950	74,967	132,917	5,728,618	2.32%
2000	96,400	112,108	208,508	6,396,487	3.26%

(1) General obligation bonds reported in the enterprise funds and special assessment debt with governmental commitment have been excluded.

(2) Does not include defeased issue of \$315,000.

(3) Excludes bond issuance and other costs.

THE CITY OF SPRINGBORO, OHIO
COMPUTATION OF ALL DIRECT AND OVERLAPPING GOVERNMENTAL DEBT
DECEMBER 31, 2000

<u>Jurisdiction</u>	<u>Net Debt Outstanding</u>	<u>Percentage Applicable to City of Springboro (2)</u>	<u>Amount Applicable to City of Springboro</u>
City of Springboro (1)	\$7,712,647	100.00%	\$7,712,647
Warren County	13,037,369	9.08%	<u>1,183,793</u>
	Total		<u><u>\$8,896,440</u></u>

Source: Warren County Auditor

- (1) Net debt outstanding equals the amount of non self-supporting general obligation notes and bonds outstanding less the amount available in the debt service fund.
- (2) Percentages determined by dividing each overlapping subdivision's assessed valuation within the City by the subdivision's total assessed valuation.

THE CITY OF SPRINGBORO, OHIO
REVENUE BOND COVERAGE - WATER MORTGAGE BONDS
LAST TEN YEARS

<u>Year</u>	<u>Gross Revenues (1)</u>	<u>Direct Operating Expenses (2)</u>	<u>Net Revenue Available For Debt Service</u>	<u>Debt Service Requirement</u>	<u>Coverage</u>
1991	\$821,571	\$483,737	\$337,834	\$143,781	2.35
1992	843,740	561,428	282,312	140,519	2.01
1993	1,314,063	1,291,575	22,488	142,075	0.16
1994	2,333,346	534,073	1,799,273	315,720	5.70
1995	1,647,780	867,867	779,913	323,108	2.41
1996	1,689,614	700,958	988,656	324,696	3.04
1997	1,999,765	935,765	1,064,000	325,845	3.27
1998	2,360,083	1,378,223	981,860	125,566	7.82
1999	2,615,761	1,381,313	1,234,448	1,341,929	0.92
2000	2,725,797	983,364	1,742,433	1,326,344	1.31

- (1) Gross Revenues include operating revenues plus interest income.
(2) Direct operating expenses include total operating expenses less depreciation.

Source: City of Springboro, Department of Finance

THE CITY OF SPRINGBORO, OHIO
REVENUE BOND COVERAGE - SEWER MORTGAGE BONDS
LAST TEN YEARS

<u>Year</u>	<u>Gross Revenues</u>	<u>Direct Operating Expenses (1)</u>	<u>Net Revenue Available For Debt Service</u>	<u>Debt Service Requirement</u>	<u>Coverage</u>
1991	\$1,528,554	\$846,049	\$682,505	\$442,393	1.54
1992	894,036	790,412	103,624	438,502	0.24
1993	1,152,750	858,135	294,615	439,491	0.67
1994	1,147,338	987,883	159,455	440,035	0.36
1995	1,070,999	1,024,548	46,451	440,114	0.11
1996	1,199,334	888,008	311,326	432,480	0.72
1997 (2)	1,502,164	960,679	541,485	166,733	3.25
1998	1,820,233	994,844	825,389	382,630	2.16
1999	1,488,972	941,114	547,858	381,643	1.44
2000	1,708,096	944,391	763,705	380,418	2.01

(1) Direct operating expenses include total operating expenses less depreciation

(2) Refunding bonds were issued during 1997. No principal was paid.

Source: City of Springboro, Department of Finance

THE CITY OF SPRINGBORO, OHIO
DEMOGRAPHIC STATISTICS
LAST TEN YEARS

<u>Year</u>	<u>Population</u>	<u>Per Capita Income</u>	<u>Unemployment Rate Warren County Area</u>	<u>School Enrollment</u>
1991	6,944	\$16,803	5.0%	2,382
1992	7,850	20,676	6.5%	2,493
1993	8,417	21,710	5.7%	2,605
1994	9,230	22,361	5.3%	2,716
1995	9,590	22,876	4.2%	2,729
1996	10,331	28,723	3.8%	2,837
1997	10,945	29,584	3.0%	2,944
1998	11,200	30,176	3.0%	3,158
1999	12,045	31,081	3.0%	3,338
2000	12,380	32,013	3.0%	3,505

Source: City of Springboro Community Development Department

THE CITY OF SPRINGBORO OHIO
PROPERTY VALUE, CONSTRUCTION AND BANK DEPOSITS
LAST TEN YEARS

<u>Year</u>	<u>Building Permits (1)</u>		<u>Assessed Value</u>	<u>Bank Deposits (2)</u>
	<u>Number of Permits Issued</u>	<u>Estimated Value</u>		
1991	141	\$24,894,693	\$93,652,590	\$342,162,000
1992	216	28,697,780	102,900,490	367,097,000
1993	261	39,299,858	115,225,660	411,164,000
1994	231	36,449,326	150,135,280	422,581,000
1995	161	20,665,648	164,838,600	460,950,000
1996	198	20,802,945	178,524,970	482,684,523
1997	212	24,382,801	206,314,170	523,595,000
1998	262	20,085,429	222,044,280	521,795,000
1999	319	33,499,038	274,679,923	533,873,000
2000	311	32,673,609	333,482,819	569,566,000

(1) Source: City of Springboro Building Inspection Department.

(2) Source: Federal Reserve Bank of Cleveland - amounts are for commercial banks headquartered in Warren County.

THE CITY OF SPRINGBORO, OHIO
PRINCIPAL TAXPAYERS
DECEMBER 31, 2000

<u>Taxpayer</u>	<u>2000 Assessed Valuation (Tax Duplicate)</u>	<u>Percentage of Total Assessed Valuation</u>
1. Cincinnati Gas & Electric	\$7,672,040	2.30%
2. Coffman Development	3,776,910	1.13%
3. Pioneer Industrial Components	3,272,960	0.98%
4. Inland Real Estate Group	3,126,170	0.94%
5. Gayston Corporation	2,803,570	0.84%
6. Brothers Trading Company	2,235,670	0.67%
7. Ohio Bell	1,790,430	0.54%
8. ARV Springboro Villas	1,660,290	0.50%
9. Martin - Coffman Development	1,472,400	0.44%
10. Miami Luken Inc.	1,347,570	0.40%
Sub - Total	29,158,010	8.74%
All Others	304,324,809	91.26%
Total	<u>\$333,482,819</u>	<u>100.00%</u>

Based on valuation of property taxes levied in 2000.
Source: Warren County Auditor

THE CITY OF SPRINGBORO, OHIO
MISCELLANEOUS STATISTICS
DECEMBER 31, 2000

Date of Incorporation	January 1, 1979	Form of Government	Council/Manager
Number of Employees	89	Area (square miles)	9.85
Number of Streets	280		
Cultural and Recreation:			
	Parks	3	
	Park Acreage	287.7	
	Heatherwoode Golf Course	18 Hole Course	
Police Protection:			
	Number of Stations	1	
	Number of Full-time Personnel	20	
	Number of Patrol Units	11	
Education:			
	Number of Elementary Schools	3	
	Number of Elementary School Instructors	86	
	Number of Secondary Schools	2	
	Number of Secondary School Instructors	92	

Source: City of Springboro Economic Development Department

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STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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800-282-0370
Facsimile 614-466-4490

CITY OF SPRINGBORO

WARREN COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
SEPTEMBER 27, 2001**