



Dave Yost • Auditor of State

CITY OF WESTERVILLE
FRANKLIN COUNTY

TABLE OF CONTENTS

TITLE	PAGE
Independent Accountants' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required By <i>Government Auditing Standards</i>	1

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Dave Yost • Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY GOVERNMENT AUDITING STANDARDS

City of Westerville
Franklin County
21 South State Street
Westerville, Ohio 43081-2119

To the City Council:

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Westerville, Franklin County, Ohio, (the City) as of and for the year ended December 31, 2010, which collectively comprise the City's basic financial statements and have issued our report thereon dated July 22, 2011. 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 the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of opining on the effectiveness of the City's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the City's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in more than a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and timely corrected.

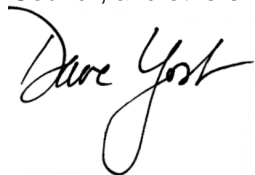
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above.

Compliance and Other Matters

As part of reasonably assuring whether the City's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect 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 an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

We did note a certain matter not requiring inclusion in this report that we reported to the City's management in a separate letter dated July 22, 2011.

We intend this report solely for the information and use of management, the audit committee, City Council, and others within the City. We intend it for no one other than these specified parties.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

Dave Yost
Auditor of State

July 22, 2011

City of Westerville, Ohio



Comprehensive Annual Financial Report

... For the year ended December 31, 2010



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City of Westerville, Ohio

Comprehensive Annual Financial Report

For the Year Ended December 31, 2010

Issued by the Department of Finance

Lee Ann Shortland, CPA
Director of Finance

Gina Love
Assistant Finance Director

City of Westerville, Ohio
Comprehensive Annual Financial Report
For the Year Ended December 31, 2010

Table of Contents

INTRODUCTORY SECTION

Title Page	i
Table of Contents	ii
Letter of Transmittal	vii
GFOA Certificate of Achievement	xiv
List of Principal Officials.....	xv
Organization Chart.....	xvi

FINANCIAL SECTION

Independent Accountants' Report	1
Management's Discussion and Analysis.....	3

Basic Financial Statements:

Government-wide Financial Statements:

Statement of Net Assets	13
Statement of Activities.....	14

Fund Financial Statements:

Balance Sheet – Governmental Funds	16
Reconciliation of Total Governmental Fund Balances to Net Assets of Governmental Activities.....	17
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	18
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	20
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual – General Fund.....	21
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual – Fire Operating Special Revenue Fund	22
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual – Parks and Recreation Operating Special Revenue Fund.....	23

City of Westerville, Ohio

Table of Contents

(Continued)

Statement of Fund Net Assets – Proprietary Funds	24
Statement of Revenues, Expenses and Changes in Fund Net Assets – Proprietary Funds	26
Statement of Cash Flows – Proprietary Funds	28
Statement of Fiduciary Assets and Liabilities – Agency Funds	32
Notes to the Basic Financial Statements	33
Required Supplementary Information – Infrastructure	75
Combining Statements and Individual Fund Schedules:	
Combining Statements – Nonmajor Governmental Funds:	
Nonmajor Governmental Fund Descriptions	79
Combining Balance Sheet – Nonmajor Governmental Funds	83
Combining Balance Sheet – Nonmajor Special Revenue Funds	84
Combining Balance Sheet – Nonmajor Capital Projects Funds.....	88
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds	93
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Special Revenue Funds	94
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Capital Projects Funds.....	98
Combining Statements – Nonmajor Enterprise Funds:	
Nonmajor Enterprise Fund Descriptions.....	103
Combining Statement of Fund Net Assets – Nonmajor Enterprise Funds.....	104
Combining Statement of Revenues, Expenses and Changes in Fund Net Assets – Nonmajor Enterprise Funds.....	105
Combining Statement of Cash Flows – Nonmajor Enterprise Funds	106

City of Westerville, Ohio

Table of Contents

(Continued)

Combining Statements – Internal Service Funds:

Internal Service Fund Descriptions..... 107

Combining Statement of Fund Net Assets – Internal Service Funds..... 108

Combining Statement of Revenues, Expenses and Changes in
Fund Net Assets – Internal Service Funds 109

Combining Statement of Cash Flows – Internal Service Funds..... 110

Combining Statements – Agency Funds:

Agency Fund Descriptions..... 111

Combining Statement of Assets and Liabilities – Agency Funds..... 112

Combining Statement of Changes in Assets and Liabilities – Agency Funds 114

General Governmental Capital Assets:

General Governmental Capital Assets Description..... 117

Schedule of Governmental Activities Capital Assets – By Program and Department 118

Schedule of Changes in Governmental Activities Capital Assets
– By Program and Department..... 120

Individual Fund Schedules of Revenues, Expenditures/Expenses, and
Changes in Fund Balance/Fund Equity – Budget (Non-GAAP Budgetary Basis) and Actual:

Major Funds:

General Fund..... 121

Fire Operating Special Revenue Fund 125

Parks and Recreation Operating Special Revenue Fund..... 126

General Capital Improvement Capital Projects Fund 127

Water Enterprise Fund 128

Sewer Enterprise Fund..... 129

Electric Enterprise Fund..... 130

Community Data Center Enterprise Fund..... 131

Nonmajor Funds:

Street Maintenance Special Revenue Fund..... 132

State Highway Special Revenue Fund 133

DARE Special Revenue Fund..... 134

Permissive Motor Vehicle License Special Revenue Fund 135

Mayor’s Operating Special Revenue Fund 136

Hotel Tax Special Revenue Fund..... 137

OMVI Education Special Revenue Fund..... 138

Tax Incentive / Redistribution Special Revenue Fund..... 139

Mayor’s Court Computer Special Revenue Fund 140

City of Westerville, Ohio

Table of Contents

(Continued)

Cable TV Franchise Fee Special Revenue Fund.....	141
Parks and Recreation Income Tax Allocation Special Revenue Fund.....	142
FEMA Special Revenue Fund.....	143
Drug Enforcement Special Revenue Fund.....	144
Criminal Activity Forfeiture Special Revenue Fund	145
McVay Endowment Special Revenue Fund	146
General Bond Retirement Debt Service Fund.....	147
Recreation Improvement Capital Projects Fund	148
Africa Road Improvement Capital Projects Fund.....	149
Dempsey Road Improvement Capital Projects Fund	150
McCorkle Boulevard Road Improvement Capital Projects Fund	151
Spring Road Improvement Capital Projects Fund	152
Maxtown Road Improvement Capital Projects Fund.....	153
Parks and Recreation Capital Improvement Capital Projects Fund	154
North State Street Improvement Capital Projects Fund.....	155
Cleveland Avenue Extension Improvement Capital Projects Fund	156
Parks and Recreation Replacement and Reserve Capital Projects Fund.....	157
Street Replacement and Reserve Capital Projects Fund	158
Tree Replacement Capital Projects Fund.....	159
City Buildings Improvement Capital Projects Fund	160
Safety Building Capital Improvement Capital Projects Fund.....	161
Westar / Olentangy TIF Capital Projects Fund.....	162
Northridge Crossing TIF Capital Projects Fund	163
Northstar / Worthington Road TIF Capital Projects Fund	164
Altair TIF Incentive Capital Projects Fund.....	165
South State Street TIF Incentive Capital Projects Fund.....	166
Perimeter Road Improvement Capital Projects Fund.....	167
Recreation Capital Improvement Capital Projects Fund.....	168
Refuse Enterprise Fund.....	169
Swimming Pool Enterprise Fund	170
Garage Internal Service Fund	171
Self-Insurance Internal Service Fund.....	172

STATISTICAL SECTION

Statistical Tables Descriptions.....	173
Net Assets by Component – Last Eight Years.....	174
Changes in Net Assets – Last Eight Years.....	176
Fund Balances – Governmental Funds – Last Ten Years	180
Changes in Fund Balances – Governmental Funds – Last Ten Years	182
Income Tax Revenue by Payer Type – Last Ten Years.....	184
Income Tax Revenue Distribution – Last Ten Years.....	186
Principal Income Taxpayers – Withholding Accounts – 2010 and 2001.....	187
Assessed Value and Estimated Actual Value of Taxable Property – Last Ten Years	188
Principal Property Taxpayers – 2010 and 2001	190
Property Tax Levies and Collections – Last Ten Years.....	192
Property Tax Rates – Last Ten Years	194

City of Westerville, Ohio

Table of Contents

(Continued)

Ratios of Outstanding Debt by Type – Last Ten Years	198
Ratio of General Obligation Bonded Debt to Estimated Actual Value and General Obligation Bonded Debt per Capita – Last Ten Years	200
Computation of Direct and Overlapping Governmental Debt	201
Legal Debt Margin Information – Last Ten Years.....	202
Demographic and Economic Statistics – Last Ten Years	204
Principal Employers – 2010 and 2001	205
City Government Employees by Function/Program – Last Six Years.....	206
Operating Indicators by Function/Program – Last Ten Years	208
Capital Assets Statistics by Function/Program – Last Ten Years.....	210



City of Westerville
Finance Department

July 22, 2011

To Members of Westerville City Council and Citizens of the City of Westerville, Ohio:

The Comprehensive Annual Financial Report (CAFR) of the City of Westerville, Ohio (the City), for the year ended December 31, 2010 is hereby submitted.

The report is prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) and in conformance with standards of financial reporting as established by the Governmental Accounting Standards Board (GASB) using guidelines as recommended by the Government Finance Officers Association of the United States and Canada (GFOA).

Ohio law requires that every city file its unaudited financial statements with the Auditor of State and publish their availability within 150 days of the close of each year. The general purpose external financial statements from this report were filed to fulfill that requirement for the year ended December 31, 2010, upon receiving an approved extension of an additional 30 days from the Auditor of State.

The City's Department of Finance is responsible for the accuracy of the data and the completeness and fairness of the presentation, including all disclosures. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to fairly present the financial position and results of operations of the City. To provide a reasonable basis for making these representations, management of the City has implemented a comprehensive internal control structure, which meets the objectives of management.

As management, we believe the data presented is accurate in all material aspects and that all disclosures necessary to enable the reader to acquire the maximum understanding of the City's financial activity have been included.

The Auditor of the State of Ohio (independent auditor) has audited the financial statements of the City. The objective of the independent audit was to provide reasonable assurance that the financial statements of the City for the year ended December 31, 2010, are free from material misstatement. The independent audit involved examining, on a test basis, evidence supporting amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the City's financial statements for the year ended December 31, 2010, are fairly presented in conformity with GAAP. The Independent Accountants' Report is presented as the first component of the financial section of this report.

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

PROFILE OF THE CITY

The City operates under and is governed by its Charter, adopted by the voters in 1964, which has been and may be amended by the voters from time to time. The Charter provides for a Council-City Manager form of government. The City is also subject to some general laws applicable to all cities. Under the Ohio Constitution, the City may exercise all powers of local self-government, and police powers to the extent that they are not in conflict with applicable general laws.

Legislative authority is vested in a seven member Council, all of whom are elected at-large for staggered four-year terms. Council fixes compensation of City officials and employees, and enacts ordinances and resolutions relating to City services, tax levies, appropriating and borrowing money, regulating businesses and trades, and other municipal purposes. The presiding officer of Council is the chairman elected by Council for a two-year term. The Charter establishes certain administrative departments. Council may establish divisions of those departments and additional departments.

The City's chief executive and administrative officer is the City Manager, who is appointed by the Council to serve at its pleasure. The City Manager may be removed at will by a vote of two-thirds of members of the Council. The Mayor, elected by Council, is the City's ceremonial and official chief executive.

Council appoints the Director of Law and Clerk of Council, and the City Manager appoints, subject to confirmation by Council, the directors of the other City departments. The principal officials appointed by, and who serve at the pleasure of, the City Manager are the Assistant City Manager, and the Directors of Finance, Public Service and Parks and Recreation. The City Manager also appoints and removes, in accordance with civil service requirements, all other officers and employees.

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the City consists of all funds and departments that provide various services including public safety, public service, street maintenance, parks and recreation, a senior center, engineering, and general administrative services. The City is responsible for the construction, maintenance and repairs associated with all public infrastructures that include the electric, water, sewer and storm sewer lines. The City of Columbus and Delaware County provide sewer treatment services pursuant to long-term contracts. Council and the City Manager have direct responsibility for the activities mentioned above.

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; is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to the organization; or is obligated for the debt of the organization. Component units may also include organizations for which the City approves the budgets, the issuance of debt or the levying of taxes.

Certain organizations, although sharing some degree of name similarity with the City, are separate and distinct entities, not only from the City but also from each other. The City is not financially accountable for these entities. Because of their independent nature, none of these organizations' financial statements are included in this report. Based on these criteria, the Westerville City School District and the Westerville Public Library have been excluded because the City is not financially accountable for them nor are the entities fiscally dependent on the City.

LOCAL ECONOMY

The City of Westerville, despite the current State and national economic conditions, continues to attract new employers and quality jobs to the community. These new employers have been attracted to the Westar Center of Business as well as our more mature developments such as Eastwind, Brookside, and the Westerville Commerce Center. These new developments, in combination with the expansion of several of our existing companies, have had a significantly positive impact on the City. Westerville continues to strive toward maintaining a delicate balance by attracting businesses across the entire Westerville landscape.

In 2003, Exel Logistics decided to stay in the City and moved its headquarters to the Westar Center of Business. That company's decision to stay in the City resulted in the retention of 225 jobs in the City, and provided the opportunity for Exel to expand to a total of 535 employees by the end of 2009.

Other successes to bring new jobs to the City include ABB Industries and MacTools, which have brought 143 and 192 new jobs, respectively, to the Westar Center of Business. The ProCentury Corp., parent company of property-casualty insurer Century Insurance Group, moved its corporate headquarters to the City in late 2003. The company, located at 465 Cleveland Avenue, expanded into the building next door at 505 Cleveland Avenue in 2007 and has grown to 275 employees.

Nationwide Children's Hospital opened a "Close to Home" urgent care facility in the Westar Center of Business in 2003 and, in 2006, opened its Sports Medicine and Orthopedics Center in a new building next door – at the time, one of only four known facilities in the country dedicated to the youth athlete. In 2010, Nationwide Children's Hospital announced its intent to build a 46,000 square foot ambulatory surgery center at this campus, creating an additional 80 jobs with a payroll of \$6 million. Construction is expected to begin in the spring of 2011.

Two speculative office buildings completed in 2006, 440 Polaris Parkway and 600 Cleveland Avenue, are now fully occupied and employ 402 and 329 employees, respectively. Another speculative office building at 460 Polaris Parkway has recently been completed and is expected to create an additional 400 jobs when fully occupied. Construction of retail in the immediate vicinity to support these new office buildings continues to occur.

In 2006, inVentiv (located at 500 Olde Worthington Road) expanded into the building next door and has grown to over 500 people. Nationwide Mutual Insurance, which opened its doors at 955 County Line Road West in 2006, brought 148 jobs to the City and is contemplating future expansion in the building's twin at 999 County Line Road West.

In January of 2009, OhioHealth celebrated the opening of its new 210,000 square foot urgent care, ambulatory service center and medical office building. Within the first year, the center created 193 new jobs – well on its way to a projected 295 new jobs with a payroll of \$23 million dollars at build-out. In the fall of 2010, OhioHealth announced its intent to expand its Polaris campus and construct a

freestanding emergency department and cardiology center. Planned for an early 2012 opening, the new facility would create 135 jobs and generate \$13.5 million in additional payroll.

Since the onset of development beginning with the opening of Liebert Global Services in 1999 (now employing 283), the Westar Center of Business has brought over 4,600 jobs to the City with a payroll approaching \$320 million. Over one-third of these jobs have been related to the health care industry.

City officials continue to attract companies to well established office areas in the Brooksedge and Eastwind Office Parks in the South State Street area and the Westerville Commerce Center to the north. Some of the new companies attracted to the southern mature office areas within the last two years include Johnson Controls (105 employees with growth expected to 160 employees), MRS Associates (175 employees with growth expected to 500), and Definitive Homecare Solutions (64 employees). And while attraction of new companies to Brooksedge has been key, the City has additionally benefited from job retention and expansion of the office park's major employers: JP Morgan Chase (150 jobs) and Alliance Data System (85 jobs).

Another company, Progressive Medical, located in the Westerville Commerce Center, has grown from 276 to 488 employees in the last three years after completing an addition in 2006 that nearly tripled the size of its office space.

The City remains committed to attracting companies and developers with a sharp eye for detail, both in building construction and the quality of employers that will reside in the City. These new businesses will supplement City services and provide good employment opportunities for City residents.

One advantage the City has is its access to Interstate Highways 71 and 270, which have recently been reconstructed and expanded. The City also has its own electric and water utilities that provide commercial users with lower rates than elsewhere in central Ohio. Employers are also attracted by the highly educated workforce, and other amenities such as Mt. Carmel St. Ann's Hospital, Otterbein University, and numerous recreational and cultural activities.

LONG-TERM FINANCIAL PLANNING

Fiscal policies have been established for the General Fund, Water Fund, Sewer Fund, Refuse Fund and Electric Fund. These are utilized each month to review the sufficiency of fund balance in the Monthly Interim Financial Reports that are reviewed with the Audit/Finance Review Committee and provided to Council members. The Fiscal policies are also integral to the five year financial plan presented each year to Council while presenting the annual budget request for the following year. Council is enabled to make informed decisions regarding the use of resources and the sufficiency of the funds to handle expected operating expenditures and projected capital projects.

RELEVANT FINANCIAL POLICES

Currently there is an additional 0.25 percent income tax approved by the voters to fund Parks and Recreation. This revenue source is segregated and distributed to provide for debt service on the bonds issued to finance major facilities, for reserves for future replacement and repairs of those facilities, and to supplement existing funds for the operations of the Parks and Recreation Department. This is in keeping with the proposals presented to the voters.

MAJOR INITIATIVES

FOR THE YEAR

The Westerville Parks and Recreation Department is a three-time winner of the prestigious National Gold Medal Award for excellence in parks and recreation administration and a nationally accredited department. In addition, the department was re-accredited by the Commission for Accreditation of Park and Recreation Agencies (CAPRA), meeting all accreditation standards. The department provides 580 park acres, 26 miles of greenways and over 2,200 recreation programs serving over 850,000 user visits annually. In 2010, the City began construction of the Highlands Park Aquatic Center, scheduled to open in 2011.

Safety will always be an important component of a community's quality of life and Westerville's staff includes more than 190 full-time Police, Fire, Emergency Medical Service, and Communications Dispatcher personnel dedicated to being there for you when you need help the most. The Fire Division celebrated 150 years of service to the community in 2010, with three separate events scheduled during the year to highlight and demonstrate our appreciation to residents for their many years of support.

The City of Westerville Department of Public Service was recognized in 2010 with the American Public Works Association (APWA) accreditation award, becoming the third city in Ohio to be awarded accreditation. The APWA accreditation program recognizes public works agencies that go beyond the requirements of the management practices established nationally in the public works industry. On a daily basis, accredited agencies meet or exceed standards of performance in areas such as water, solid waste management, street/sewer repair and maintenance, engineering, building maintenance, storm water drainage, traffic safety, environmental services and vehicle maintenance.

Major Transportation improvements in 2010 included the widening of Worthington Road; burying overhead utilities along South State Street at Huber Village in preparation for the pending South State Streetscape improvements; and jointly participating with the Franklin County Engineer in replacing the Main Street Bridge over Alum Creek. The City continued its commitment to the voters in rebuilding aging pavement and utility infrastructure in its older neighborhoods. Major arterials that were resurfaced in 2010 were Sunbury Road and Schrock Road.

The City began expanding its fiber optic infrastructure in 2009 and has recently begun constructing a Community Data Center. The primary purpose of the Community Data Center is to fulfill the City's own internal needs as well as anticipate community-based technology infrastructure needs and planning for the decade ahead. Essentially the Data Center and associated services will fill a gap that was brought to the attention of City Staff by the business community. The specific gap identified is lack of affordable choices for broadband and data center services.

The Community Data Center will increase the value of Westerville's fiber infrastructure and will generate opportunities for the City that include, but are not limited to, distribution of "last mile" connectivity to Westerville businesses, disaster recovery solutions, expanding the capacity of the fiber, reducing the cost of accessing the fiber, and revenue generation from sale of data center services by a third party management group. Currently, broadband service gaps exist in Westerville reducing availability and choice for businesses of all sizes. While the carrier-neutral aspect of the Community Data Center will provide choice of providers to the business community, the connection to City (last mile) fiber will enable retail carriers to penetrate new markets previously out of their reach.

The Community Data Center and fiber optic network, branded as WēConnect, constitute an infrastructure or ecosystem that can draw businesses into the area and strengthen the social fabric of the community. Infrastructure is important because it lets existing businesses reduce operating costs, add staff and encourages new businesses to form as the economy recovers. Therefore, the WēConnect Community Data Center and fiber optic network has been designed to provide a technology commons (an ecosystem if you will) supporting innovation, economic growth, education and social development.

FOR THE FUTURE

The Highlands Park Aquatic Center will feature a natural feel with a slide tower that has both a speed slide and a body slide, a zero entry toddler and leisure pool with a children's slide embedded in simulated rock, a spray playground, a lazy river, and an eight-lane 25-meter pool with diving well. Future development efforts include expansion of the greenway system, park and facility development and enhanced recreation programs. In 2010 the City reclassified the Swimming Pool Enterprise Fund as a division within the Parks and Recreation Operating Special Revenue Fund in anticipation of this project.

Safety improvements to SR3 between the I-270 interchange and SR161 are scheduled to begin in 2011 under the direction of the Ohio Department of Transportation (ODOT) which will be coordinated with the City's proposed South State Streetscape improvements at the Huber Village intersection. The Streetscape project will allow the City to create a new gateway into Westerville communicating that the City is a vibrant and fun place to live, work and visit through the use of welcoming entrance portals of brick and iron, decorative light posts and mast arms, and updated landscaping. The design of the second phase of the South State Streetscape will be started in 2011. This next phase of the project will extend the same improvements along South State Street to the north side of the commercial area near the Schrock Road and State Street intersection. Construction is anticipated to begin in 2012.

AWARDS AND ACKNOWLEDGEMENTS

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 Westerville, Ohio, for its comprehensive annual financial report for the year ended December 31, 2009. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. The 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 that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

ACKNOWLEDGEMENTS

Sincere gratitude goes to City Council for granting the funds for this project. The Finance Department prepared this Comprehensive Annual Financial Report with the efficient and dedicated services of its entire staff and the City Manager's Office staff. We wish to express our appreciation to everyone who contributed to its preparation.

Copies of this Comprehensive Annual Financial Report are on file in the Westerville Public Library for use by the general public. It is also available on the City's website at www.westerville.org.

Respectfully submitted,



Lee Ann Shortland, CPA
Director of Finance



Gina Love
Assistant Finance Director

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Westerville
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2009

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.



President

Executive Director

City of Westerville, Ohio

Elected and Appointed Officials
As of December 31, 2010

Elected Officials

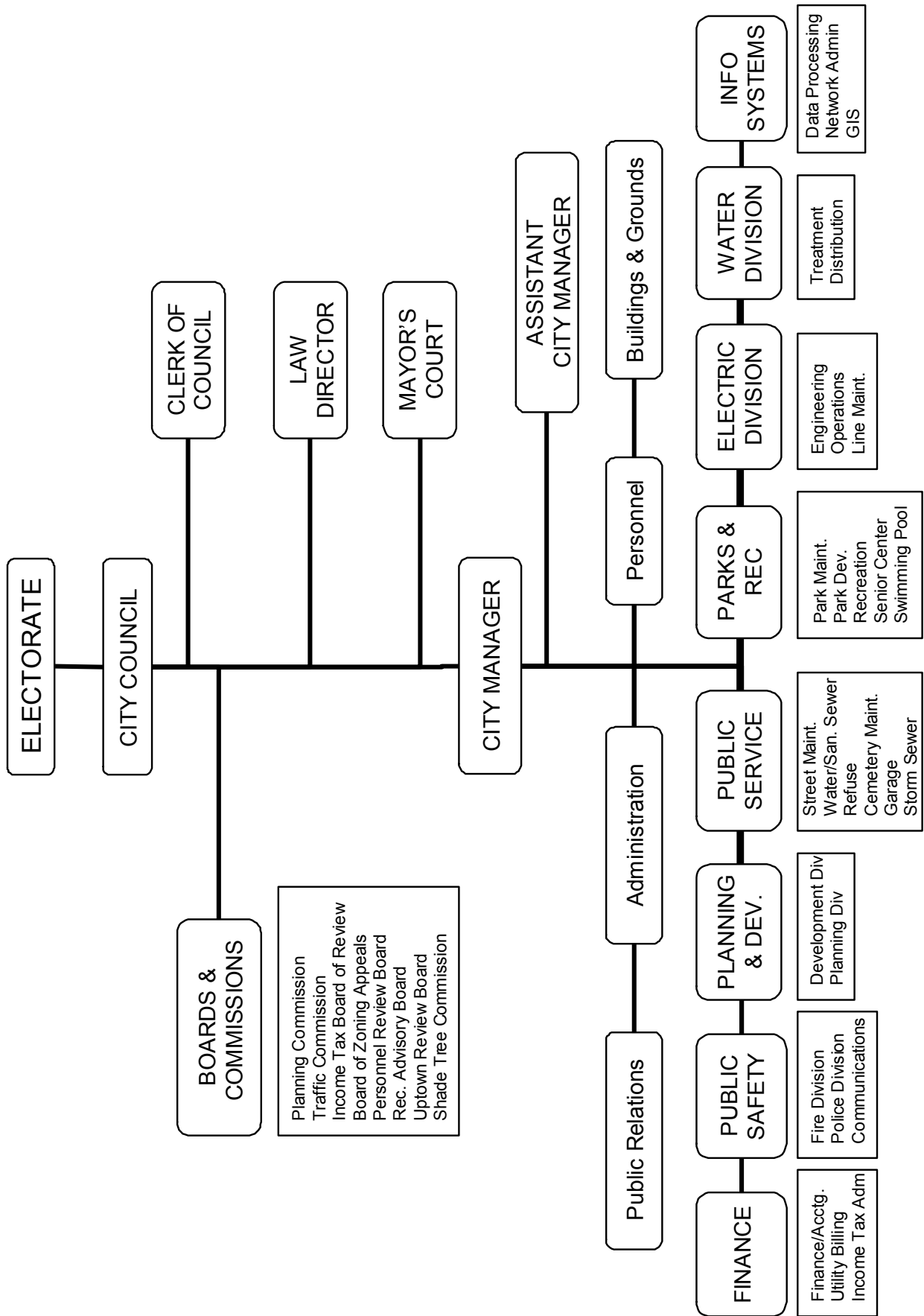
Michael Heyeck	Council Member, Chair of Council
Craig P. Treneff	Council Member, Vice Chair
Kathleen Cocuzzi	Council Member, Mayor
Anne H. Gonzales	Council Member, Vice Mayor
Diane C. Fosselman	Council Member
Eric Busch	Council Member
Larry Jenkins	Council Member

Appointed Officials

David A. Collinworth	City Manager
Julie A. Colley	Assistant City Manager
Bruce E. Bailey	Director of Law
Gina Love *	Acting Director of Finance
Randall A. Auler	Director of Parks and Recreation
Andrew M. Boatright	Electric Utility Manager
Lee Ann Shortland, CPA *	Electric Utility Finance Manager
Karl P. Craven	Planning and Development Director
Bernard E. Ingles	Fire Chief
Todd D. Jackson	Information Systems Director
Mary J. Johnston	Clerk of Council
Richard C. Lorenz	Water Utility Manager
Adam F. Maxwell	Administrative Services Director
Joseph A. Morbitzer	Chief of Police
Frank A. Wiseman	Director of Public Service

* Gina Love was appointed Acting Director of Finance effective October 1, 2010.
Lee Ann Shortland was appointed Director of Finance effective April 5, 2011.

CITY OF WESTERVILLE – ORGANIZATION CHART





Dave Yost • Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

City of Westerville
Franklin County
21 South State Street
Westerville, Ohio 43081-2119

To the City Council:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Westerville, Franklin County, Ohio (the City), as of and for the year ended December 31, 2010, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure 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 our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Westerville, Franklin County, Ohio, as of December 31, 2010, and the respective changes in financial position and where applicable, cash flows, thereof and the respective budgetary comparisons for the General, Fire Operating, and Parks and Recreation Operating Funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated July 22, 2011, 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 grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require this presentation to include Management's discussion and analysis and Schedules for infrastructure assets accounted for using the modified approach, as listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any other assurance.

We conducted our audit to opine on the financial statements that collectively comprise the City's basic financial statements taken as a whole. The introductory section, the financial section's combining statements, individual fund statements and schedules, and the statistical section information provide additional analysis and are not a required part of the basic financial statements. The financial section's combining statements, individual fund statements and schedules are management's responsibility, and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. These statements and schedules were subject to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole. We did not subject the introductory section and statistical section information to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or any other assurance on them.



Dave Yost
Auditor of State

July 22, 2011

City of Westerville, Ohio
Management's Discussion and Analysis
For The Year Ended December 31, 2010
(Unaudited)

MANAGEMENT'S DISCUSSION AND ANALYSIS

The City of Westerville's (the City) discussion and analysis of the annual financial report provides a review of the financial performance for the year ended December 31, 2010.

FINANCIAL HIGHLIGHTS

- The City's total net assets increased \$13,106,104 during 2010. Revenues of governmental activities exceeded expenses and transfers by \$7,934,760. The City's unrestricted net assets of \$27,317,339 may be used to meet the City's ongoing governmental activities' obligations based on the current levels of services provided. Net assets of business-type activities increased \$5,171,344. The City's business-type activities had unrestricted net assets of \$32,162,567, which may be used to meet the business-type activities' obligations to citizens and creditors based on the current levels of services provided.
- General revenues of governmental activities accounted for \$56,235,787. Program specific revenues in the form of charges for services and sales, grants, contributions and interest accounted for \$15,372,120. Total revenues equaled \$71,607,907.
- Enterprise funds reflected a total operating income of \$5,736,758. The Water, Sewer, Refuse and Swimming Pool Funds reflected operating losses of (\$620,852), (\$60,754), (\$58,353) and (\$1,664), respectively. The Electric and Community Data Center Funds reflected operating income of \$6,477,986 and \$395, respectively. The Water and Sewer Funds did not experience a significant change in revenues or expenses compared to the previous year, the loss is due to expenses exceeding revenues in the current year. The Refuse Fund's increase in operating revenue was less than the increase in operating expenses. The Electric Fund experienced an increase in operating revenues of \$4,935,670, as a result of increased consumption and increased utility rates, as well as a decrease in operating expenses of \$2,904,410, due primarily to decreases in purchased power as a result of negotiating a new contract in January 2010.
- The City had \$63,548,147 in expenses related to governmental activities; \$15,372,120 of these expenses were offset by program specific charges for services and sales, grants, contributions and interest. General revenues (primarily income and property taxes) of \$56,235,787 were less than adequate to provide for the current year programs, and the City relied on the program specific charges of \$15,372,120 to meet expenses. The City had \$54,263,525 in expenses related to business-type activities. These expenses were offset by program specific charges for services and sales, contributions and interest of \$59,086,551.

USING THIS ANNUAL FINANCIAL REPORT

This annual report consists of a series of financial statements. These statements are presented so that the reader can understand the City's financial situation as a whole and also give a detailed view of the City's fiscal condition.

The Statement of Net Assets and the Statement of Activities provide information about the activities of the City as a whole and present a longer-term view of the City's finances. Major fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as the amount of funds available for future spending. The fund financial statements also look at the City's most significant funds with all other nonmajor funds presented in total in one column.

REPORTING THE CITY AS A WHOLE

Statement of Net Assets and the Statement of Activities

The analysis of the City as a whole begins with the Statement of Net Assets and the Statement of Activities. These statements provide information that will help the reader to determine if the City is financially better off or worse off as a result of the year's activities. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by private sector companies. All current year revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the City's net assets and changes to those net assets. This change informs the reader whether the City's financial position, as a whole, has improved or diminished. In evaluating the overall financial health, the reader of these financial statements needs to take into account non-financial factors that also impact the City's financial well-being. Some of these factors include the City's tax base and the condition of capital assets.

In the Statement of Net Assets and the Statement of Activities, the City is divided into two kinds of activities.

Governmental Activities – Most of the City's services are reported here including police, fire, public health, leisure time activities, community development, basic utilities, transportation, and general government.

Business-Type Activities – These services include water, sewer, electric, a community data center, refuse and a swimming pool. Service fees for these operations are charged based upon the amount of usage, or, for the community data center, subscriptions and leases, and for the swimming pool, admission charges. The intent is that the fees charged recoup operational costs.

REPORTING THE CITY'S MOST SIGNIFICANT FUNDS

Fund Financial Statements

The analysis of the City's major funds begins on page nine. Fund financial statements provide detailed information about the City's major funds – not the City as a whole. Some funds are required by State law and bond covenants. Other funds may be established by the Director of Finance, with the approval of Council, to help control, manage and report money received for a particular purpose or to show that the City is meeting legal responsibilities for the use of grants. The City's major funds are the General, Fire Operating, Parks and Recreation Operating, General Capital Improvement, Water, Sewer, Electric and Community Data Center Funds.

Governmental Funds – Most of the City's services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps to determine whether there are more or less financial resources that can be spent in the near future on services provided to our residents. The relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds is reconciled in the financial statements.

Proprietary Funds – Proprietary funds use the same basis of accounting as business-type activities. When the City charges citizens for the services it provides, with the intent of recapturing operating costs, these services are generally reported in enterprise funds. Internal service funds are used to account for services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis.

THE CITY AS A WHOLE

As stated previously, the Statement of Net Assets looks at the City as a whole. Table 1 provides a summary of the City's net assets for 2010 compared to 2009.

Table 1
Net Assets

	<i>Governmental Activities</i>		<i>Business-Type Activities</i>		<i>Totals</i>	
	<i>2009</i>	<i>2010</i>	<i>2009</i>	<i>2010</i>	<i>2009</i>	<i>2010</i>
<u>Assets:</u>						
Current and Other Assets	\$68,313,773	\$76,362,827	\$37,879,574	\$45,436,425	\$106,193,347	\$121,799,252
Water Rights, Net	0	0	1,230,544	1,183,215	1,230,544	1,183,215
Nondepreciable Capital Assets	134,185,111	145,486,771	3,747,328	6,894,256	137,932,439	152,381,027
Depreciable Capital Assets, Net	67,686,948	66,979,187	93,121,589	93,846,724	160,808,537	160,825,911
Total Assets	270,185,832	288,828,785	135,979,035	147,360,620	406,164,867	436,189,405
<u>Liabilities:</u>						
Current and Other Liabilities	13,566,150	18,896,983	6,706,420	5,866,649	20,272,570	24,763,632
Long-Term Liabilities:						
Due Within One Year	4,133,097	4,871,274	2,007,112	2,176,562	6,140,209	7,047,836
Due in More Than One Year	23,721,759	28,360,942	28,354,513	35,235,075	52,076,272	63,596,017
Total Liabilities	41,421,006	52,129,199	37,068,045	43,278,286	78,489,051	95,407,485
<u>Net Assets:</u>						
Invested in Capital Assets, Net Of Related Debt	178,422,524	186,535,540	68,384,409	71,919,767	246,806,933	258,455,307
Restricted for:						
Debt Service	32,797	112,787	0	0	32,797	112,787
Capital Outlay	9,594,487	10,562,550	0	0	9,594,487	10,562,550
Unclaimed Monies	99,126	111,550	0	0	99,126	111,550
Fire Protection	4,074,136	3,019,316	0	0	4,074,136	3,019,316
Streets and Transportation	2,623,610	2,225,328	0	0	2,623,610	2,225,328
Parks and Recreation	7,321,627	5,681,540	0	0	7,321,627	5,681,540
Other Purposes	789,710	1,133,636	0	0	789,710	1,133,636
Unrestricted	25,806,809	27,317,339	30,526,581	32,162,567	56,333,390	59,479,906
Total Net Assets	\$228,764,826	\$236,699,586	\$98,910,990	\$104,082,334	\$327,675,816	\$340,781,920

Total net assets increased \$13,106,104. Net assets of the City's governmental activities increased \$7,934,760 and unrestricted net assets increased \$1,510,530. There were increases and decreases in several areas, not all were significant, but they cause a significant increase in net assets overall. The most significant increase occurred in municipal income taxes receivable which was \$364,117 (or approximately nine percent) and is consistent with the increase in income tax revenue.

The net assets of the City's business-type activities increased \$5,171,344. The City strives to control operating expenses for business-type activities in order to maintain stability in charges for services and closely monitors the trends of our growing community in order to adjust for budgetary issues.

Table 2 shows the changes in net assets for the years ended December 31, 2009 and 2010.

Table 2
Changes In Net Assets

	<i>Governmental Activities</i>		<i>Business-Type Activities</i>		<i>Totals</i>	
	<i>2009</i>	<i>2010</i>	<i>2009</i>	<i>2010</i>	<i>2009</i>	<i>2010</i>
<i>Revenues</i>						
<i>Program Revenues:</i>						
Charges for Services and Sales	\$5,253,704	\$6,227,596	\$52,638,922	\$58,503,659	\$57,892,626	\$64,731,255
Operating Grants, Contributions and Interest	5,497,164	5,582,071	0	0	5,497,164	5,582,071
Capital Grants, Contributions and Interest	130,359	3,562,453	78,865	582,892	209,224	4,145,345
<i>Total Program Revenues</i>	10,881,227	15,372,120	52,717,787	59,086,551	63,599,014	74,458,671
<i>General Revenues:</i>						
Property Taxes	10,121,116	10,286,681	0	0	10,121,116	10,286,681
Municipal Income Taxes	32,856,427	35,824,307	0	0	32,856,427	35,824,307
Other Local Taxes	505,053	546,232	0	0	505,053	546,232
Grants and Entitlements	5,172,682	5,501,341	0	0	5,172,682	5,501,341
Unrestricted Investment Earnings	1,284,620	922,228	4,226	1,223	1,288,846	923,451
Payments in Lieu of Taxes	2,239,257	2,607,974	0	0	2,239,257	2,607,974
Other	408,414	547,024	264,406	222,095	672,820	769,119
<i>Total General Revenues</i>	52,587,569	56,235,787	268,632	223,318	52,856,201	56,459,105
<i>Total Revenues</i>	63,468,796	71,607,907	52,986,419	59,309,869	116,455,215	130,917,776
<i>Program Expenses:</i>						
Security of Persons and Property	24,919,134	26,338,118	0	0	24,919,134	26,338,118
Public Health	53,989	79,239	0	0	53,989	79,239
Leisure Time Activities	6,011,400	7,149,210	0	0	6,011,400	7,149,210
Community Development	2,357,182	2,781,118	0	0	2,357,182	2,781,118
Basic Utility Services	1,187,441	1,245,063	0	0	1,187,441	1,245,063
Transportation	12,433,936	12,254,959	0	0	12,433,936	12,254,959
General Government	12,019,757	12,754,058	0	0	12,019,757	12,754,058
Interest and Fiscal Charges	899,935	946,382	0	0	899,935	946,382
Water	0	0	3,703,468	3,902,340	3,703,468	3,902,340
Sewer	0	0	7,497,641	7,441,991	7,497,641	7,441,991
Electric	0	0	42,847,705	40,057,863	42,847,705	40,057,863
Community Data Center	0	0	0	103,162	0	103,162
Refuse	0	0	2,228,911	2,442,963	2,228,911	2,442,963
Swimming Pool	0	0	509,575	315,206	509,575	315,206
<i>Total Expenses</i>	59,882,774	63,548,147	56,787,300	54,263,525	116,670,074	117,811,672
Increase (Decrease) in Net Assets before Transfers	3,586,022	8,059,760	(3,800,881)	5,046,344	(214,859)	13,106,104
Transfers	(271,134)	(125,000)	271,134	125,000	0	0
Change in Net Assets	3,314,888	7,934,760	(3,529,747)	5,171,344	(214,859)	13,106,104
Net Assets at Beginning of Year	225,449,938	228,764,826	102,440,737	98,910,990	327,890,675	327,675,816
<i>Net Assets at End of Year</i>	\$228,764,826	\$236,699,586	\$98,910,990	\$104,082,334	\$327,675,816	\$340,781,920

Governmental Activities

The most significant variances noted between 2009 and 2010 were the changes in revenues related to program revenues – capital grants, contributions and interest, as well as general revenues - municipal income taxes. The City’s program revenues increased about \$4.5 million, which was primarily due to the increase in capital grants, contributions and interest of \$3.4 million as a result of donations of infrastructure by developers of about \$1 million and an OPWC grant which partially funded the Worthington Road Project for \$2 million. The City also experienced an increase in charges for services and sales of \$973,892 as a result of the first full year of collections of Emergency Medical Services fees. The City’s General Revenues increased about \$3.6 million, which was primarily due to the increase in municipal income tax revenues, resulting from an increase in the City’s income tax collections, primarily from net profit. Unrestricted investment earnings continued to decline, due to interest rates lowered by the Federal Reserve and U.S. agency securities called prior to maturity.

There was an overall increase in expenses, which was relatively consistent over the various categories. Leisure Time Activities exceeded the average increase, which was due to the reclassification of the swimming pool operations.

The 2.0 percent income tax is the largest source of revenue for the City. Employee withholding contributed 79.4 percent of the income tax revenue received in 2010, with business earnings contributing 10.7 percent and individuals contributing 9.9 percent. Residents are permitted to take full credit against their City income tax liability, up to 2.0 percent, against the amount paid as municipal income tax on the same income to another municipal corporation.

Governmental program expenses for 2010 were as follows:

Security of Persons and Property	41.45%
Public Health	0.12%
Leisure Time Activities	11.25%
Community Development	4.38%
Basic Utility Services	1.96%
Transportation	19.28%
General Government	20.07%
Interest and Fiscal Charges	1.49%
	<u>100.00%</u>

Citizen safety and well-being is emphasized in our family-oriented community, as indicated above.

Business-Type Activities

The City’s business-type activities include Water, Sewer, Electric, Refuse, a Community Data Center and a Swimming Pool. The most significant variances noted between 2009 and 2010 were in Program Revenues - Charges for Services and Sales, and in Program Expenses - Electric expenses. Charges for services and sales increased approximately \$5.8 million due to an increase in electric charges as well as an increase in consumption. Electric expenses decreased approximately \$2.8 million due to the decreased cost of wholesale electric power, which was due to a newly negotiated contract with the provider.

Water treatment and facility repair services are provided by the City and are paid for through user fees billed to Westerville residents and businesses. This revenue is used to pay for the necessary level of staffing required to complement the services, debt service on water system improvements and to fund system improvements and depreciation. The City also collects a tap fee each time a new tap to the system is made which funds a portion of system repairs and replacements. The City owns the infrastructure necessary to furnish services to their citizens and is responsible for major reconstruction and the extension of new service within the community.

Sewer treatment is contracted with the City of Columbus and Delaware County and is paid for through user fees billed by the City to Westerville residents and businesses. This revenue is used to pay for the necessary level of staffing required to complement the contracted services and to fund system improvements and depreciation. The City also collects a tap fee each time a new tap to the system is made which funds a portion of system repairs and replacements. The City owns and maintains the infrastructure necessary to furnish services to their citizens and is responsible for major reconstruction and the extension of new service within the community.

The City purchases wholesale electric power from independent sources and is paid for through user fees billed by the City to Westerville residents and businesses. This revenue is used to pay for the necessary level of staffing required to complement the contracted services and debt service on the electric distribution system improvements and to fund system improvements and depreciation. The City owns and maintains the infrastructure necessary to furnish services to their citizens and is responsible for major reconstruction and the extension of new service within the community.

The City contracts for refuse and solid waste collection and disposal with an independent provider which is paid by user fees billed by the City. This revenue is used to pay for the necessary level of staffing required to complement the contracted services and other related expenses.

The City's Community Data Center is in the developmental stage. The City is building a community data center, through the issuance of revenue bonds in the amount of \$5,280,000, which will house a City-wide broadband network and data storage for public and commercial use. Revenues of the data center will include subscriptions, leases, and managed services. Customers will include institutions, hospitals, local governments, businesses, internet providers and others and the center will be managed by a third party that has experience in data center management.

THE CITY'S FUNDS

Information about the City's major governmental funds begins on page 16. These funds are reported using the modified accrual basis of accounting. The governmental funds total revenues were \$69,785,592 and expenditures were \$74,895,909. In addition, there were transfers-in of \$20,155,971 and transfers-out of \$20,280,971. The General Fund balance increased \$2,441,410, which was primarily due to the increase in income tax revenue. The most significant increase in expenditures was in security of persons and property of about \$1.2 million, due primarily to the cost to upgrade the 9-1-1 dispatch center.

The Fire Operating Fund balance decreased \$1,082,770, which was anticipated by the City. This was the first full year of collecting EMS charges which was an increase of more than \$1 million in revenue, and allowed the City to wait an additional year before the new property tax levy was needed and in 2010 the City passed a Fire Levy to increase the property tax rate which will be effective in 2011.

The Parks and Recreation Operating Fund balance decreased \$608,205, primarily due to the increase in expenditures of \$932,375, due to the reclassification of the swimming pool operations in 2010.

The General Capital Improvement Fund balance increased \$1,725,594, due to outstanding contracts for street rehabilitation projects, which carried into the subsequent year.

General Fund Budgeting Highlights

The City's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of receipts, disbursements and encumbrances. The City's budget is adopted by function within each fund. Before the budget is adopted, Council reviews detailed budget worksheets of each function and object within the General Fund and then adopts the budget. During 2010 there were 25 revisions to the General Fund budget. The net effect of the revisions was an increase in appropriations of \$8,133,193, as a result of the increase in estimated revenues and other financing sources of \$3,778,729. The most significant increase in estimated revenues was a result of the increase in income tax collections despite the struggling economy. Actual expenditures and other financing uses were \$2,080,907 less than the final budgeted amounts and the most significant categories where this occurred were security of persons and property and general government. In both instances actual expenditures were less than the final budget due to authorized staffing positions that were vacant throughout the course of the year, in addition to various implemented efficiencies. The goal of the City was to maximize the amount of year-end unencumbered balance thereby increasing the General Fund balance reserves for the purposes of addressing any unforeseen contingencies and to meet the needs of the current uncertain economic times which was consistent with previous years.

The Director of Finance has the authority to make line item adjustments within each function as long as the total does not exceed the original budget appropriations.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

Table 3
Capital Assets
(Net Of Amortization/Depreciation)

	<i>Governmental Activities</i>		<i>Business-Type Activities</i>		<i>Totals</i>	
	2009	2010	2009	2010	2009	2010
Water Rights	\$0	\$0	\$1,230,544	\$1,183,215	\$1,230,544	\$1,183,215
Land	15,350,445	16,602,755	1,149,206	1,187,080	16,499,651	17,789,835
Construction in Progress	3,110,472	12,064,925	2,598,122	5,707,176	5,708,594	17,772,101
Non-depreciable						
Infrastructure	115,724,194	116,819,091	0	0	115,724,194	116,819,091
Land Improvements	8,416,242	8,888,882	1,022,181	692,011	9,438,423	9,580,893
Buildings	25,372,732	24,749,829	3,511,525	3,395,713	28,884,257	28,145,542
Furniture and Equipment	6,174,164	5,740,740	11,813,609	12,581,262	17,987,773	18,322,002
Vehicles	1,523,005	2,051,594	1,029,606	914,090	2,552,611	2,965,684
Depreciable Infrastructure	26,200,805	25,548,142	0	0	26,200,805	25,548,142
Water Lines	0	0	24,075,635	24,224,410	24,075,635	24,224,410
Sewer Lines	0	0	14,082,573	13,702,233	14,082,573	13,702,233
Electric System	0	0	37,586,460	38,337,005	37,586,460	38,337,005
<i>Totals</i>	<u>\$201,872,059</u>	<u>\$212,465,958</u>	<u>\$98,099,461</u>	<u>\$101,924,195</u>	<u>\$299,971,520</u>	<u>\$314,390,153</u>

The significant increase in construction in progress in the governmental activities consists primarily of the Highlands Park Aquatic Center, which opened in May 2011, in addition to various road infrastructure projects that were ongoing, including the Worthington Road and South State Street/Huber Village Boulevard Improvements. The business-type activities also had an increase in construction in progress which was the result of various ongoing projects, which included the Community Data Center infrastructure construction. See Note 10 of the notes to the basic financial statements for more detailed information.

Included in the infrastructure class of capital assets in the governmental activities are the City's roads and bridges, which are accounted for using the "modified approach" instead of using the historical cost-based depreciation, as applied to the other capital assets. The City assesses the condition of the roads and bridges based on criteria outlined in the Required Supplementary Information located on pages 75 – 77 of this report. The City's policy states that at least 85 percent of the major arterial roadways will have a rating of "good" or better and the remaining roads will be maintained so that at least 60 percent will have a rating of "good" or better. Roads are assessed on a triennial basis. The City budgeted \$7,297,219 and spent \$6,736,529 on the preservation of roadways during 2010, and assessed 85 percent of the major arterials and 61 percent of the roads at "good" or better. The City's policy is to maintain the bridge system where 80 percent of the structures have a general appraisal summary of "good" or better and will also be assessed on a triennial basis. The City budgeted \$851,594 and spent \$846,944 to preserve bridges during 2010, and all five bridges in the City were assessed at "good" or better condition.

Debt

At December 31, 2010, the City of Westerville had \$66,421,987 in debt outstanding.

Table 4
Outstanding Debt at Year-end

	<i>Governmental Activities</i>		<i>Business-Type Activities</i>		<i>Totals</i>	
	2009	2010	2009	2010	2009	2010
General Obligation Bonds	\$24,251,797	\$29,723,874	\$27,933,619	\$29,292,097	\$52,185,416	\$59,015,971
ODNR Debt	0	0	1,683,191	1,640,847	1,683,191	1,640,847
Revenue Bonds	0	0	0	5,745,540	0	5,745,540
Police Pension Liability	20,266	19,629	0	0	20,266	19,629
<i>Totals</i>	<u>\$24,272,063</u>	<u>\$29,743,503</u>	<u>\$29,616,810</u>	<u>\$36,678,484</u>	<u>\$53,888,873</u>	<u>\$66,421,987</u>

All general obligation and general obligation refunding bond issues will be paid through the Debt Service Fund with property and income tax revenues, or paid by operating revenues of the Water, Sewer, and Electric Enterprise Funds. The revenue bonds will be paid by the Community Data Center Enterprise Fund. The ODNR debt will be paid from Water Enterprise Fund revenues. The police pension liability will be paid from the General Fund. The City's overall 10.5 percent legal debt margin was \$85,171,107 as of December 31, 2010. The more restrictive unvoted legal debt margin within 5.5 percent was \$31,013,002 as of the same date. See Note 14 of the notes to the basic financial statements for more detailed information.

CONTACTING THE CITY'S FINANCE DEPARTMENT

This financial report is designed to provide our citizens, taxpayers, creditors and investors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact Lee Ann Shortland, Director of Finance, City of Westerville, 21 South State Street, Westerville, Ohio 43081-2119.

Basic Financial Statements

City of Westerville, Ohio
Statement of Net Assets
December 31, 2010

	<i>Governmental Activities</i>	<i>Business-Type Activities</i>	<i>Totals</i>
<u>Assets:</u>			
Equity in Pooled Cash and Cash Equivalents	\$50,008,871	\$35,524,120	\$85,532,991
Cash and Cash Equivalents with Fiscal Agents	55,859	641	56,500
Materials and Supplies Inventory	473,923	894,781	1,368,704
Accrued Interest Receivable	255,238	0	255,238
Accounts Receivable, Net	502,976	9,007,159	9,510,135
Intergovernmental Receivable	3,694,705	0	3,694,705
Prepaid Items	282,224	0	282,224
Municipal Income Taxes Receivable	4,499,382	0	4,499,382
Other Local Taxes Receivable	151,154	0	151,154
Property Taxes Receivable	13,933,377	0	13,933,377
Payments in Lieu of Taxes Receivable	927,391	0	927,391
Notes Receivable	229,214	0	229,214
Internal Balances	522,691	(522,691)	0
Deferred Charges	825,822	532,415	1,358,237
Water Rights, Net	0	1,183,215	1,183,215
Nondepreciable Capital Assets	145,486,771	6,894,256	152,381,027
Depreciable Capital Assets, Net	66,979,187	93,846,724	160,825,911
<i>Total Assets</i>	<u>288,828,785</u>	<u>147,360,620</u>	<u>436,189,405</u>
<u>Liabilities:</u>			
Accounts Payable	562,076	3,667,711	4,229,787
Contracts Payable	2,461,619	223,465	2,685,084
Accrued Wages Payable	468,422	102,382	570,804
Retainage Payable	854,886	54,276	909,162
Intergovernmental Payable	817,329	1,373,163	2,190,492
Accrued Interest Payable	88,317	192,251	280,568
Matured Interest Payable	3,067	641	3,708
Matured Compensated Absences Payable	258,035	0	258,035
Claims Payable	14,859	0	14,859
Unearned Revenue	13,368,373	17,488	13,385,861
Deposits Held and Due to Others	0	235,272	235,272
Long-Term Liabilities:			
Due Within One Year	4,871,274	2,176,562	7,047,836
Due in More Than One Year	28,360,942	35,235,075	63,596,017
<i>Total Liabilities</i>	<u>52,129,199</u>	<u>43,278,286</u>	<u>95,407,485</u>
<u>Net Assets:</u>			
Invested in Capital Assets, Net of Related Debt	186,535,540	71,919,767	258,455,307
Restricted for:			
Debt Service	112,787	0	112,787
Capital Outlay	10,562,550	0	10,562,550
Unclaimed Monies	111,550	0	111,550
Fire Protection	3,019,316	0	3,019,316
Streets and Transportation	2,225,328	0	2,225,328
Parks and Recreation	5,681,540	0	5,681,540
Other Purposes	1,133,636	0	1,133,636
Unrestricted	27,317,339	32,162,567	59,479,906
<i>Total Net Assets</i>	<u>\$236,699,586</u>	<u>\$104,082,334</u>	<u>\$340,781,920</u>

See accompanying notes to the basic financial statements

City of Westerville, Ohio
Statement of Activities
For the Year Ended December 31, 2010

	<i>Expenses</i>	<i>Program Revenues</i>		
		<i>Charges for Services and Sales</i>	<i>Operating Grants, Contributions and Interest</i>	<i>Capital Grants, Contributions and Interest</i>
<u>Governmental Activities:</u>				
Security of Persons and Property	\$26,338,118	\$1,338,292	\$3,746,240	\$0
Public Health	79,239	25,714	0	0
Leisure Time Activities	7,149,210	3,255,867	4,521	124,335
Community Development	2,781,118	818,791	0	0
Basic Utility Services	1,245,063	0	0	0
Transportation	12,254,959	48,600	1,828,160	3,438,118
General Government	12,754,058	740,332	3,150	0
Interest and Fiscal Charges	946,382	0	0	0
<i>Total Governmental Activities</i>	<u>63,548,147</u>	<u>6,227,596</u>	<u>5,582,071</u>	<u>3,562,453</u>
<u>Business-Type Activities:</u>				
Water	3,902,340	3,446,317	0	172,076
Sewer	7,441,991	7,552,773	0	11,145
Electric	40,057,863	45,120,183	0	0
Community Data Center	103,162	0	0	399,671
Refuse	2,442,963	2,384,386	0	0
Swimming Pool	315,206	0	0	0
<i>Total Business-Type Activities</i>	<u>54,263,525</u>	<u>58,503,659</u>	<u>0</u>	<u>582,892</u>
<i>Total Activities</i>	<u>\$117,811,672</u>	<u>\$64,731,255</u>	<u>\$5,582,071</u>	<u>\$4,145,345</u>

General Revenues and Transfers:

Property Taxes Levied for:
 General Purposes
 Fire
 Debt Service
Municipal Income Taxes Levied for:
 General Purposes
 Parks and Recreation
Other Local Taxes
Grants and Entitlements not Restricted to Specific Programs
Unrestricted Investment Earnings
Payments in Lieu of Taxes
Unrestricted Contributions
Other
Transfers

Total General Revenues and Transfers

Change in Net Assets

Net Assets at Beginning of Year - Restated (See Note 3)

Net Assets at End of Year

See accompanying notes to the basic financial statements

Net (Expense) Revenue and Changes in Net Assets

<i>Governmental Activities</i>	<i>Business-Type Activities</i>	<i>Totals</i>
(\$21,253,586)	\$0	(\$21,253,586)
(53,525)	0	(53,525)
(3,764,487)	0	(3,764,487)
(1,962,327)	0	(1,962,327)
(1,245,063)	0	(1,245,063)
(6,940,081)	0	(6,940,081)
(12,010,576)	0	(12,010,576)
(946,382)	0	(946,382)
<u>(48,176,027)</u>	<u>0</u>	<u>(48,176,027)</u>
0	(283,947)	(283,947)
0	121,927	121,927
0	5,062,320	5,062,320
0	296,509	296,509
0	(58,577)	(58,577)
0	(315,206)	(315,206)
<u>0</u>	<u>4,823,026</u>	<u>4,823,026</u>
<u>(48,176,027)</u>	<u>4,823,026</u>	<u>(43,353,001)</u>
3,061,901	0	3,061,901
7,035,668	0	7,035,668
189,112	0	189,112
31,525,987	0	31,525,987
4,298,320	0	4,298,320
546,232	0	546,232
5,501,341	0	5,501,341
922,228	1,223	923,451
2,607,974	0	2,607,974
313,542	0	313,542
233,482	222,095	455,577
(125,000)	125,000	0
<u>56,110,787</u>	<u>348,318</u>	<u>56,459,105</u>
7,934,760	5,171,344	13,106,104
<u>228,764,826</u>	<u>98,910,990</u>	<u>327,675,816</u>
<u>\$236,699,586</u>	<u>\$104,082,334</u>	<u>\$340,781,920</u>

City of Westerville, Ohio
Balance Sheet
Governmental Funds
December 31, 2010

	<i>General</i>	<i>Fire Operating</i>	<i>Parks and Recreation Operating</i>	<i>General Capital Improvement</i>	<i>Nonmajor Governmental Funds</i>	<i>Total Governmental Funds</i>
<u>Assets:</u>						
Equity in Pooled Cash and Cash Equivalents	\$17,929,989	\$3,385,729	\$5,445,557	\$4,395,975	\$17,400,334	\$48,557,584
Cash and Cash Equivalents with Fiscal Agents	0	0	0	0	55,859	55,859
Receivables:						
Property Taxes	3,373,855	10,352,830	0	0	206,692	13,933,377
Municipal Income Taxes	3,936,959	0	0	0	562,423	4,499,382
Other Local Taxes	0	0	0	0	151,154	151,154
Accounts	146,831	213,514	125,389	0	66	485,800
Payments in Lieu of Taxes	0	0	0	0	927,391	927,391
Accrued Interest	244,955	9,750	0	0	533	255,238
Intergovernmental Receivable	1,500,789	598,490	0	134,537	1,460,889	3,694,705
Prepaid Items	282,224	0	0	0	0	282,224
Materials and Supplies Inventory	197,900	0	114,547	0	108,311	420,758
Notes Receivable	0	0	0	0	229,214	229,214
Interfund Receivable	12,324,860	0	0	0	12,937	12,337,797
Total Assets	\$39,938,362	\$14,560,313	\$5,685,493	\$4,530,512	\$21,115,803	\$85,830,483
<u>Liabilities and Fund Balances:</u>						
<u>Liabilities:</u>						
Accounts Payable	\$331,913	\$34,811	\$76,144	\$0	\$116,821	\$559,689
Contracts Payable	0	64,953	0	485,391	1,911,275	2,461,619
Retainage Payable	0	0	0	168,967	685,919	854,886
Accrued Wages Payable	232,605	137,762	79,778	0	13,797	463,942
Intergovernmental Payable	426,694	233,344	125,028	0	25,116	810,182
Matured Interest Payable	0	0	0	0	3,067	3,067
Due To Other Funds	10,593	3,384	31,653	0	549	46,179
Deferred Revenue	6,406,482	11,049,623	14,768	134,537	2,609,836	20,215,246
Matured Compensated Absences Payable	143,273	95,145	19,617	0	0	258,035
Interfund Payable	0	0	0	0	11,656,097	11,656,097
Total Liabilities	7,551,560	11,619,022	346,988	788,895	17,022,477	37,328,942
<u>Fund Balances:</u>						
Reserved for Encumbrances	1,167,849	253,988	133,795	2,520,116	7,111,301	11,187,049
Reserved for Interfund Receivable	8,085,819	0	0	0	12,937	8,098,756
Reserved for Notes Receivable	0	0	0	0	192,659	192,659
Reserved for Unclaimed Monies	111,550	0	0	0	0	111,550
Unreserved:						
Undesignated (Deficit), Reported in:						
General Fund	23,021,584	0	0	0	0	23,021,584
Special Revenue Funds	0	2,687,303	5,204,710	0	2,984,952	10,876,965
Debt Service Fund	0	0	0	0	180,259	180,259
Capital Projects Funds	0	0	0	1,221,501	(6,388,782)	(5,167,281)
Total Fund Balances	32,386,802	2,941,291	5,338,505	3,741,617	4,093,326	48,501,541
Total Liabilities and Fund Balances	\$39,938,362	\$14,560,313	\$5,685,493	\$4,530,512	\$21,115,803	\$85,830,483

See accompanying notes to the basic financial statements

City of Westerville, Ohio
 Reconciliation of Total Governmental Fund Balances to
 Net Assets of Governmental Activities
 December 31, 2010

<i>Total Governmental Fund Balances</i>	\$48,501,541
Amounts reported for governmental activities in the Statement of Net Assets are different because:	
Capital Assets used in governmental activities are not financial resources and therefore are not reported in the funds. These assets consist of:	
Land	\$16,602,755
Construction In Progress	12,064,925
Infrastructure	152,737,846
Other Capital Assets	73,818,743
Internal Service Fund	178,878
Accumulated Depreciation	<u>(43,116,067)</u>
	212,287,080
Internal service funds are used by management to charge the costs of insurance and automotive maintenance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Assets.	
	1,634,026
An internal balance is recorded in governmental activities to reflect underpayments to the internal service fund by the business-type activities.	
	(112,561)
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:	
Municipal Income Taxes	2,021,753
Property Taxes	565,004
Other Local Taxes	150,946
Payments in Lieu of Taxes	804,378
Intergovernmental	3,008,179
Accrued Interest Receivable	152,177
Accounts	<u>144,436</u>
	6,846,873
Bond issuance costs reported as an expenditure in governmental funds are recognized as an asset and allocated as an expense over the life of the debt on the accrual basis of accounting.	
	825,822
In the Statement of Activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.	
	(88,317)
Some liabilities, including bonds payable, loans payable and accrued interest payable, are not due and payable in the current period and therefore are not reported in the funds:	
General Obligation Bonds	(28,380,655)
Premium on Bonds	(1,368,373)
Discount on Bonds	25,154
Police Pension	(19,629)
Compensated Absences	(3,414,037)
Compensated Absences - Internal Service Fund	<u>(37,338)</u>
	<u>(33,194,878)</u>
 <i>Net Assets of Governmental Activities</i>	 <u><u>\$236,699,586</u></u>

See accompanying notes to the basic financial statements

City of Westerville, Ohio
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2010

	<i>General</i>	<i>Fire Operating</i>	<i>Parks and Recreation Operating</i>
<u>Revenues:</u>			
Property Taxes	\$3,084,122	\$6,975,743	\$0
Municipal Income Taxes	31,457,462	0	0
Other Local Taxes	0	0	0
Payments in Lieu of Taxes	0	0	0
Intergovernmental	6,002,486	3,067,976	5,021
Charges for Services	492,947	1,229,508	3,239,298
Fees, Licenses and Permits	729,983	50	12,150
Fines and Forfeitures	520,240	0	0
Interest	1,886,840	101,033	0
Decrease in Fair Value of Cash Equivalents	(1,034,234)	0	0
Other	68,102	14,553	7,571
<i>Total Revenues</i>	<u>43,207,948</u>	<u>11,388,863</u>	<u>3,264,040</u>
<u>Expenditures:</u>			
Current:			
Security of Persons and Property	13,585,570	12,471,633	0
Public Health	82,426	0	0
Leisure Time Activities	0	0	8,353,292
Community Development	2,761,688	0	0
Basic Utility Services	563,587	0	0
Transportation	0	0	0
General Government	9,635,674	0	0
Capital Outlay	0	0	0
Debt Service:			
Principal Retirement	637	0	0
Interest and Fiscal Charges	855	0	0
Issuance Costs	0	0	0
<i>Total Expenditures</i>	<u>26,630,437</u>	<u>12,471,633</u>	<u>8,353,292</u>
Excess of Revenues Over (Under) Expenditures	<u>16,577,511</u>	<u>(1,082,770)</u>	<u>(5,089,252)</u>
<u>Other Financing Sources (Uses):</u>			
General Obligation Bonds Issued	780,000	0	0
Premium on Debt Issued	0	0	0
Proceeds from Sale of Capital Assets	6,080	0	1,000
Transfers - In	0	0	4,480,047
Transfers - Out	(14,922,181)	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>(14,136,101)</u>	<u>0</u>	<u>4,481,047</u>
Net Change in Fund Balances	2,441,410	(1,082,770)	(608,205)
<i>Fund Balances at Beginning of Year - Restated (See Note 3)</i>	<u>29,945,392</u>	<u>4,024,061</u>	<u>5,946,710</u>
<i>Fund Balances at End of Year</i>	<u><u>\$32,386,802</u></u>	<u><u>\$2,941,291</u></u>	<u><u>\$5,338,505</u></u>

See accompanying notes to the basic financial statements

<i>General Capital Improvement</i>	<i>Nonmajor Governmental Funds</i>	<i>Total Governmental Funds</i>
\$0	\$190,482	\$10,250,347
0	4,288,531	35,745,993
0	516,475	516,475
0	2,598,174	2,598,174
0	3,906,098	12,981,581
0	0	4,961,753
0	48,600	790,783
0	233,329	753,569
0	5,538	1,993,411
0	0	(1,034,234)
7,681	129,833	227,740
7,681	11,917,060	69,785,592
0	391,759	26,448,962
0	0	82,426
0	0	8,353,292
0	0	2,761,688
0	0	563,587
0	2,816,796	2,816,796
0	3,071,799	12,707,473
6,738,088	11,382,916	18,121,004
0	1,986,740	1,987,377
0	944,535	945,390
11,999	95,915	107,914
6,750,087	20,690,460	74,895,909
(6,742,406)	(8,773,400)	(5,110,317)
0	6,235,000	7,015,000
0	543,380	543,380
0	3,294	10,374
8,468,000	7,207,924	20,155,971
0	(5,358,790)	(20,280,971)
8,468,000	8,630,808	7,443,754
1,725,594	(142,592)	2,333,437
2,016,023	4,235,918	46,168,104
\$3,741,617	\$4,093,326	\$48,501,541

City of Westerville, Ohio
 Reconciliation of the Statement of Revenues, Expenditures and Changes
 in Fund Balances of Governmental Funds to the Statement of Activities
 For the Year Ended December 31, 2010

Net Change in Fund Balances - Total Governmental Funds		\$2,333,437
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:		
Capital Outlay	\$13,438,183	
Depreciation	(3,970,447)	
Internal Service Depreciation	(22,299)	
Excess of Capital Outlay Over Depreciation	9,445,437	
Governmental funds do not report the revenue from the contribution of capital assets since they do not represent current financial resources. However the revenue is reported in the Statement of Activities.		
		1,417,559
Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the Statement of Activities, a gain or loss is reported for each sale.		
Proceeds from Sale of Capital Assets	(10,374)	
Loss on Disposal of Assets	(256,285)	
	(266,659)	
The internal service funds used by management to charge the costs of maintaining City vehicles and equipment and the costs of general liability claims, actions, and judgments against the City, its officers and employees are not reported in the entity-wide Statement of Activities. Governmental expenditures and related internal service fund revenues are eliminated. The net revenues (expenses) of the internal service funds are allocated among the governmental activities, net of the change in the internal balance resulting from activity with the enterprise funds.		
		(28,102)
Repayment of long-term obligations is reported as an expenditure in governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets. In the current year, these amounts consist of:		
General Obligation Bond Principal Payments	1,986,740	
Police Pension Principal Payments	637	
	1,987,377	
Governmental funds report bond issuance costs as expenditures, whereas these amounts are deferred and amortized in the Statement of Activities.		
		107,914
Some revenues that will not be collected for several months after the City's year-end are not considered "available" revenues and are deferred in the governmental funds.		
Interest	(40,057)	
Municipal Income Taxes	78,314	
Property Taxes	36,334	
Other Local Taxes	29,757	
Payments in Lieu of Taxes	9,800	
Intergovernmental	560,267	
Charges for Services	(276,215)	
Fees, Licenses and Permits	(2,294)	
Miscellaneous	5,742	
	401,648	
In the Statement of Activities, interest on outstanding bonds, bond issuance costs and bond premiums and discounts are amortized over the term of the bonds, whereas in governmental funds, an expenditure is reported when bonds are issued:		
Accrued Interest	(16,356)	
Amortization of Bond Discounts	(1,999)	
Amortization of Bond Premiums	101,562	
Amortization of Bond Issuance Costs	(84,199)	
	(992)	
The issuance of long-term debt provides current financial resources to governmental funds, but in the Statement of Net Assets, the debt is reported as a liability.		
Premium on Debt Issued	(543,380)	
Proceeds of Bonds	(7,015,000)	
	(7,558,380)	
Some items reported as expenses in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds. These activities consist of:		
Compensated Absences	94,080	
Compensated Absences - Internal Service Fund	1,441	
	95,521	
Change in Net Assets of Governmental Activities		\$7,934,760

See accompanying notes to the basic financial statements

City of Westerville, Ohio
Statement of Revenues, Expenditures and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
General Fund
For the Year Ended December 31, 2010

	<u>Budget</u>		<u>Actual</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues:</u>				
Property Taxes	\$3,095,000	\$3,084,121	\$3,084,122	\$1
Municipal Income Taxes	28,037,500	30,252,701	31,207,385	954,684
Intergovernmental	4,998,900	5,800,019	5,978,986	178,967
Charges for Services	435,268	419,633	422,246	2,613
Fees, Licenses and Permits	576,667	689,441	732,662	43,221
Fines and Forfeitures	463,840	484,875	510,477	25,602
Interest	1,900,000	1,750,000	1,887,118	137,118
Other	30,000	42,403	61,358	18,955
Total Revenues	39,537,175	42,523,193	43,884,354	1,361,161
<u>Expenditures:</u>				
Current:				
Security of Persons and Property	15,222,066	15,201,711	14,141,785	1,059,926
Public Health	238,892	237,281	233,625	3,656
Community Development	2,790,161	2,988,799	2,864,351	124,448
Basic Utility Services	586,475	585,591	568,780	16,811
General Government	10,649,748	10,926,187	10,142,458	783,729
Debt Service:				
Principal Retirement	638	638	637	1
Interest and Fiscal Charges	855	855	855	0
Total Expenditures	29,488,835	29,941,062	27,952,491	1,988,571
Excess of Revenues Over Expenditures	10,048,340	12,582,131	15,931,863	3,349,732
<u>Other Financing Sources (Uses):</u>				
General Obligation Bonds Issued	785,000	780,000	780,000	0
Proceeds from Sale of Capital Assets	0	340	6,080	5,740
Advances - In	1,312,000	3,416,925	3,416,925	0
Advances - Out	0	(5,674,966)	(5,674,966)	0
Transfers - In	1,307,554	0	0	0
Transfers - Out	(13,008,517)	(15,014,517)	(14,922,181)	92,336
Total Other Financing Sources (Uses)	(9,603,963)	(16,492,218)	(16,394,142)	98,076
Net Change in Fund Balance	444,377	(3,910,087)	(462,279)	3,447,808
Fund Balance at Beginning of Year	16,813,371	16,915,142	16,915,142	0
Prior Year Encumbrances Carried Over	425,915	324,142	324,142	0
Fund Balance at End of Year	\$17,683,663	\$13,329,197	\$16,777,005	\$3,447,808

See accompanying notes to the basic financial statements

City of Westerville, Ohio
Statement of Revenues, Expenditures and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Fire Operating Special Revenue Fund
For the Year Ended December 31, 2010

	<i>Budget</i>		<i>Actual</i>	<i>Variance Positive (Negative)</i>
	<i>Original</i>	<i>Final</i>		
<u>Revenues:</u>				
Property Taxes	\$8,060,000	\$6,970,708	\$6,975,743	\$5,035
Intergovernmental	1,325,000	3,000,817	3,067,976	67,159
Charges for Services	985,000	987,020	1,150,715	163,695
Fees, Licenses and Permits	0	50	50	0
Interest	10,000	115,000	120,072	5,072
Other	1,500	14,550	14,553	3
<i>Total Revenues</i>	10,381,500	11,088,145	11,329,109	240,964
<u>Expenditures:</u>				
Current:				
Security of Persons and Property	13,227,800	13,310,412	12,719,752	590,660
Excess of Revenues Under Expenditures	(2,846,300)	(2,222,267)	(1,390,643)	831,624
<u>Other Financing Uses:</u>				
Advances - Out	0	(221,004)	(221,004)	0
Transfers - Out	(144,008)	0	0	0
Total Other Financing Uses	(144,008)	(221,004)	(221,004)	0
Net Change in Fund Balance	(2,990,308)	(2,443,271)	(1,611,647)	831,624
Fund Balance at Beginning of Year	4,415,512	4,493,003	4,493,003	0
Prior Year Encumbrances Carried Over	222,174	144,686	144,686	0
<i>Fund Balance at End of Year</i>	<u>\$1,647,378</u>	<u>\$2,194,418</u>	<u>\$3,026,042</u>	<u>\$831,624</u>

See accompanying notes to the basic financial statements

City of Westerville, Ohio
Statement of Revenues, Expenditures and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Parks and Recreation Operating Special Revenue Fund
For the Year Ended December 31, 2010

	<i>Budget</i>		<i>Actual</i>	<i>Variance Positive (Negative)</i>
	<i>Original</i>	<i>Final</i>		
<u>Revenues:</u>				
Intergovernmental	\$0	\$0	\$5,021	\$5,021
Charges for Services	3,310,041	3,210,921	3,237,442	26,521
Fees, Licenses and Permits	6,000	12,150	12,150	0
Other	48,500	5,839	6,660	821
<i>Total Revenues</i>	<u>3,364,541</u>	<u>3,228,910</u>	<u>3,261,273</u>	<u>32,363</u>
<u>Expenditures:</u>				
Current:				
Leisure Time Activities	9,185,559	9,080,030	8,611,682	468,348
Excess of Revenues Under Expenditures	<u>(5,821,018)</u>	<u>(5,851,120)</u>	<u>(5,350,409)</u>	<u>500,711</u>
<u>Other Financing Sources:</u>				
Proceeds from Sale of Capital Assets	0	1,000	1,000	0
Advances - In	0	0	50,000	50,000
Transfers - In	4,480,047	4,480,047	4,480,047	0
<i>Total Other Financing Sources</i>	<u>4,480,047</u>	<u>4,481,047</u>	<u>4,531,047</u>	<u>50,000</u>
Net Change in Fund Balance	(1,340,971)	(1,370,073)	(819,362)	550,711
Fund Balance at Beginning of Year	5,702,208	5,807,734	5,807,734	0
Prior Year Encumbrances Carried Over	321,963	216,434	216,434	0
<i>Fund Balance at End of Year</i>	<u>\$4,683,200</u>	<u>\$4,654,095</u>	<u>\$5,204,806</u>	<u>\$550,711</u>

See accompanying notes to the basic financial statements

City of Westerville, Ohio
Statement of Fund Net Assets
Proprietary Funds
December 31, 2010

	<i>Business-Type Activities --</i>		
	<i>Water</i>	<i>Sewer</i>	<i>Electric</i>
<u>Assets:</u>			
<u>Current Assets:</u>			
Equity in Pooled Cash and Cash Equivalents	\$7,737,752	\$4,833,218	\$15,385,546
Cash and Cash Equivalents with Fiscal Agents	641	0	0
Receivables:			
Accounts, Net	422,371	1,182,223	7,041,725
Due From Other Funds	0	0	61,654
Materials and Supplies Inventory	113,369	8,463	772,949
Total Current Assets	8,274,133	6,023,904	23,261,874
<u>Non-current Assets:</u>			
Interfund Receivable	0	0	1,010,000
Deferred Charges	61,024	20,120	342,911
Capital Assets:			
Water Rights, Net	1,183,215	0	0
Nondepreciable Capital Assets	1,082,248	240,047	3,791,669
Depreciable Capital Assets, Net	26,128,979	14,159,232	53,215,912
Total Non-current Assets	28,455,466	14,419,399	58,360,492
Total Assets	36,729,599	20,443,303	81,622,366
<u>Liabilities:</u>			
<u>Current Liabilities:</u>			
Accounts Payable	19,379	18,497	3,387,565
Contracts Payable	19,284	5,849	168,652
Accrued Wages Payable	19,399	7,068	74,718
Retainage Payable	0	0	44,246
Matured Interest Payable	641	0	0
Accrued Interest Payable	41,154	20,785	82,159
Intergovernmental Payable	30,321	1,251,399	89,571
Due To Other Funds	14,694	454	0
Unearned Revenue	0	0	17,488
Deposits Held and Due to Others	0	0	235,272
Claims Payable	0	0	0
Compensated Absences Payable	132,233	33,272	270,525
ODNR Loans Payable	43,708	0	0
General Obligation Bonds Payable	587,685	52,315	1,054,925
Total Current Liabilities	908,498	1,389,639	5,425,121
<u>Long-Term Liabilities:</u>			
Interfund Payable	0	0	0
Compensated Absences Payable, Net	101,858	29,390	163,976
ODNR Loans Payable, Net	1,597,139	0	0
Revenue Bonds Payable, Net	0	0	0
General Obligation Bonds Payable, Net	4,079,312	1,219,604	22,298,256
Total Long-Term Liabilities	5,778,309	1,248,994	22,462,232
Total Liabilities	6,686,807	2,638,633	27,887,353
<u>Net Assets:</u>			
Invested in Capital Assets, Net of Related Debt	22,647,170	13,147,480	34,647,450
Unrestricted	7,395,622	4,657,190	19,087,563
Total Net Assets	\$30,042,792	\$17,804,670	\$53,735,013

Adjustment to reflect the consolidation of the Garage Internal Service Fund's activities related to Enterprise Funds
Net assets of Business-Type Activities

<i>Enterprise Funds</i>			<i>Governmental Activities</i>
<i>Community Data Center</i>	<i>Nonmajor Enterprise Funds</i>	<i>Totals</i>	<i>Internal Service Funds</i>
\$6,843,676	\$723,928	\$35,524,120	\$1,451,287
0	0	641	0
0	360,840	9,007,159	17,176
0	0	61,654	0
0	0	894,781	53,165
<u>6,843,676</u>	<u>1,084,768</u>	<u>45,488,355</u>	<u>1,521,628</u>
0	0	1,010,000	0
108,360	0	532,415	0
0	0	1,183,215	0
1,767,792	12,500	6,894,256	0
0	342,601	93,846,724	178,878
<u>1,876,152</u>	<u>355,101</u>	<u>103,466,610</u>	<u>178,878</u>
<u>8,719,828</u>	<u>1,439,869</u>	<u>148,954,965</u>	<u>1,700,506</u>
60,300	181,970	3,667,711	2,387
29,680	0	223,465	0
0	1,197	102,382	4,480
10,030	0	54,276	0
0	0	641	0
48,153	0	192,251	0
0	1,872	1,373,163	7,147
0	58	15,206	269
0	0	17,488	0
0	0	235,272	0
0	0	0	14,859
0	1,899	437,929	23,698
0	0	43,708	0
0	0	1,694,925	0
<u>148,163</u>	<u>186,996</u>	<u>8,058,417</u>	<u>52,840</u>
1,487,700	204,000	1,691,700	0
0	0	295,224	13,640
0	0	1,597,139	0
5,745,540	0	5,745,540	0
0	0	27,597,172	0
<u>7,233,240</u>	<u>204,000</u>	<u>36,926,775</u>	<u>13,640</u>
<u>7,381,403</u>	<u>390,996</u>	<u>44,985,192</u>	<u>66,480</u>
1,122,566	355,101	71,919,767	178,878
215,859	693,772	32,050,006	1,455,148
<u>\$1,338,425</u>	<u>\$1,048,873</u>	<u>103,969,773</u>	<u>\$1,634,026</u>
		<u>112,561</u>	
		<u>\$104,082,334</u>	

City of Westerville, Ohio
Statement of Revenues,
Expenses and Changes in Fund Net Assets
Proprietary Funds
For the Year Ended December 31, 2010

	<i>Business-Type Activities -</i>		
	<i>Water</i>	<i>Sewer</i>	<i>Electric</i>
<u>Operating Revenues:</u>			
Charges for Services	\$2,927,472	\$7,329,248	\$45,117,183
Tap-In Fees	0	9,225	0
Other Operating Revenues	84,781	1,437	131,250
<i>Total Operating Revenues</i>	<u>3,012,253</u>	<u>7,339,910</u>	<u>45,248,433</u>
<u>Operating Expenses:</u>			
Personal Services	1,430,885	550,085	3,169,745
Contractual Services	671,868	6,339,304	32,834,272
Materials and Supplies	638,869	68,528	381,990
Claims	0	0	0
Other	1,016	4,526	82,983
Depreciation	890,467	438,221	2,301,457
<i>Total Operating Expenses</i>	<u>3,633,105</u>	<u>7,400,664</u>	<u>38,770,447</u>
<i>Operating Income (Loss)</i>	<u>(620,852)</u>	<u>(60,754)</u>	<u>6,477,986</u>
<u>Non-Operating Revenues (Expenses):</u>			
Interest	0	0	1,223
Grants	65,021	11,145	4,000
Interest and Fiscal Charges	(269,492)	(41,448)	(969,161)
Loss on Disposal of Capital Assets	0	0	(318,496)
<i>Total Non-Operating Revenues (Expenses)</i>	<u>(204,471)</u>	<u>(30,303)</u>	<u>(1,282,434)</u>
Income (Loss) Before Underground Line and Capacity Charges, Contributed Capital and Transfers	(825,323)	(91,057)	5,195,552
Underground Line and Capacity Charges	518,845	214,300	3,000
Contributed Capital	107,055	0	0
Transfers - In	0	0	0
Change in Net Assets	(199,423)	123,243	5,198,552
<i>Net Assets at Beginning of Year - Restated (See Note 3)</i>	<u>30,242,215</u>	<u>17,681,427</u>	<u>48,536,461</u>
<i>Net Assets at End of Year</i>	<u>\$30,042,792</u>	<u>\$17,804,670</u>	<u>\$53,735,013</u>

Adjustment to reflect the consolidation of the Garage Internal Service Fund's activities related to Enterprise Funds

Change in Net Assets of Business-Type Activities

See accompanying notes to the basic financial statements

<i>Enterprise Funds</i>			<i>Governmental Activities</i>
<i>Community Data Center</i>	<i>Nonmajor Enterprise Funds</i>	<i>Totals</i>	<i>Internal Service Funds</i>
\$0	\$2,384,386	\$57,758,289	\$970,936
0	0	9,225	0
395	232	218,095	44,748
395	2,384,618	57,985,609	1,015,684
0	90,380	5,241,095	343,124
0	2,175,524	42,020,968	61,585
0	8,450	1,097,837	547,667
0	0	0	71,592
0	6,519	95,044	0
0	163,762	3,793,907	22,299
0	2,444,635	52,248,851	1,046,267
395	(60,017)	5,736,758	(30,583)
0	0	1,223	3,108
0	0	80,166	0
(103,162)	0	(1,383,263)	0
0	(313,542)	(632,038)	0
(103,162)	(313,542)	(1,933,912)	3,108
(102,767)	(373,559)	3,802,846	(27,475)
0	0	736,145	0
399,671	0	506,726	0
125,000	0	125,000	0
421,904	(373,559)	5,170,717	(27,475)
916,521	1,422,432		1,661,501
\$1,338,425	\$1,048,873		\$1,634,026
		627	
		\$5,171,344	

City of Westerville, Ohio
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2010

	<i>Business-Type Activities --</i>		
	<u>Water</u>	<u>Sewer</u>	<u>Electric</u>
<u>Increases (Decreases) in Cash and Cash Equivalents:</u>			
<u>Cash Flows from Operating Activities:</u>			
Cash Received from Customers	\$2,911,280	\$7,220,701	\$44,509,682
Internal Services Provided	0	0	0
Cash Payments for Personal Services	(1,440,246)	(547,192)	(3,149,941)
Cash Payments for Materials and Supplies	(619,908)	(67,870)	(260,576)
Cash Payments for Other Services and Charges	(670,991)	(6,609,837)	(32,780,892)
Cash Payments for Claims	0	0	0
Cash Received From Operating Portion of Tap-in Fees	0	9,225	0
Other Operating Revenues	77,089	1,437	141,923
Deposits Received	0	0	1,054,068
Deposits Refunded/Applied	0	0	(1,035,838)
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>257,224</u>	<u>6,464</u>	<u>8,478,426</u>
<u>Cash Flows from Non-Capital Financing Activities:</u>			
Advances from Other Funds	57,000	280,330	320,000
Transfers from Other Funds	0	0	0
Transfers to Other Funds	0	0	0
Advances to Other Funds	0	0	(1,010,000)
<i>Net Cash Provided by (Used for) Non-Capital Financing Activities</i>	<u>57,000</u>	<u>280,330</u>	<u>(690,000)</u>
<u>Cash Flows from Capital and Related Financing Activities:</u>			
Acquisition and Construction of Capital Assets	(1,005,721)	(66,624)	(6,749,931)
Proceeds from the Sale of Capital Assets	0	0	13,365
Underground Lines and Capacity Charges	518,845	214,300	3,000
Capital Grants Received	65,021	11,145	4,000
Proceeds from the Sale of Bonds	1,320,000	0	1,535,000
Principal Paid on General Obligation Bonds	(515,590)	(49,410)	(963,260)
Interest Paid on General Obligation Bonds	(166,633)	(40,312)	(976,999)
Principal Paid on ODNR Debt	(42,344)	0	0
Interest Paid on ODNR Debt	(54,232)	0	0
Interest Paid on Revenue Bonds	0	0	0
Bond Issuance Costs	(20,306)	0	(23,614)
Premium on Debt Issued	30,928	0	36,254
<i>Net Cash Provided by (Used for) Capital and Related Financing Activities</i>	<u>129,968</u>	<u>69,099</u>	<u>(7,122,185)</u>
<u>Cash Flows From Investing Activities:</u>			
Interest	0	0	1,223
<i>Net Increase in Cash and Cash Equivalents</i>	444,192	355,893	667,464
<i>Cash and Cash Equivalents at Beginning of Year</i>	<u>7,294,201</u>	<u>4,477,325</u>	<u>14,718,082</u>
<i>Cash and Cash Equivalents at End of Year</i>	<u><u>\$7,738,393</u></u>	<u><u>\$4,833,218</u></u>	<u><u>\$15,385,546</u></u>

<i>Enterprise Funds</i>			<i>Governmental Activities</i>
<i>Community Data Center</i>	<i>Nonmajor Enterprise Funds</i>	<i>Totals</i>	<i>Internal Service Funds</i>
\$0	\$2,366,998	\$57,008,661	\$0
0	0	0	970,936
0	(90,858)	(5,228,237)	(341,505)
0	(8,450)	(956,804)	(563,358)
0	(2,158,344)	(42,220,064)	(63,032)
0	0	0	(95,000)
0	0	9,225	0
395	232	221,076	27,572
0	0	1,054,068	0
0	0	(1,035,838)	0
395	109,578	8,852,087	(64,387)
1,056,000	0	1,713,330	221,004
125,000	0	125,000	0
(104,925)	0	(104,925)	0
0	(51,000)	(1,061,000)	0
1,076,075	(51,000)	672,405	221,004
(644,348)	0	(8,466,624)	(19,861)
0	0	13,365	0
0	0	736,145	0
0	0	80,166	0
5,280,000	0	8,135,000	0
0	0	(1,528,260)	0
0	0	(1,183,944)	0
0	0	(42,344)	0
0	0	(54,232)	0
(55,009)	0	(55,009)	0
(108,360)	0	(152,280)	0
465,540	0	532,722	0
4,937,823	0	(1,985,295)	(19,861)
0	0	1,223	8,285
6,014,293	58,578	7,540,420	145,041
829,383	665,350	27,984,341	1,306,246
\$6,843,676	\$723,928	\$35,524,761	\$1,451,287

(continued)

City of Westerville, Ohio
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2010
(Continued)

	<i>Business-Type Activities --</i>		
	<u>Water</u>	<u>Sewer</u>	<u>Electric</u>
<u>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:</u>			
Operating Income (Loss)	(\$620,852)	(\$60,754)	\$6,477,986
<u>Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:</u>			
Depreciation	890,467	438,221	2,301,457
Change in Provision for Uncollectable Accounts Receivable	338	2,667	12,851
<u>Changes in Assets and Liabilities:</u>			
Increase in Accounts Receivable	(23,206)	(106,688)	(523,173)
Increase in Due from Other Funds	0	0	(3,523)
(Increase) Decrease in Material and Supplies Inventory	12,375	(113)	98,562
Increase (Decrease) in Accounts Payable	7,574	3,166	76,208
Decrease in Claims Payable	0	0	0
Increase in Accrued Wages Payable	4,202	737	31,193
Increase (Decrease) in Compensated Absences Payable	(9,415)	4,294	(5,989)
Increase (Decrease) in Due to Other Funds	(111)	102	0
Decrease in Intergovernmental Payable	(4,148)	(275,168)	(5,376)
Decrease in Unearned Revenue	0	0	(1,732)
Increase in Deposits Held and Due to Others	0	0	19,962
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>\$257,224</u>	<u>\$6,464</u>	<u>\$8,478,426</u>
<u>Noncash Capital and Related Financing Activities:</u>			
Trade-In Allowance of Equipment or Vehicles	\$0	\$0	\$7,000
Service Lines Donated by Developers and Capitalized at Fair Market Value	107,055	0	0
<i>Total Noncash Capital and Related Financing Activities</i>	<u>\$107,055</u>	<u>\$0</u>	<u>\$7,000</u>

See accompanying notes to the basic financial statements

<i>Enterprise Funds</i>			<i>Governmental</i>
<i>Community</i>	<i>Nonmajor</i>		<i>Activities</i>
<i>Data Center</i>	<i>Enterprise</i>	<i>Totals</i>	<i>Internal</i>
	<i>Funds</i>		<i>Service Funds</i>
\$395	(\$60,017)	\$5,736,758	(\$30,583)
0	163,762	3,793,907	22,299
0	279	16,135	0
0	(11,148)	(664,215)	(17,176)
0	0	(3,523)	0
0	0	110,824	8,482
0	17,845	104,793	(25,618)
0	0	0	(23,408)
0	268	36,400	1,104
0	(552)	(11,662)	1,441
0	(665)	(674)	(2)
0	(194)	(284,886)	(926)
0	0	(1,732)	0
0	0	19,962	0
<u>\$395</u>	<u>\$109,578</u>	<u>\$8,852,087</u>	<u>(\$64,387)</u>
\$0	\$0	\$7,000	\$0
<u>0</u>	<u>0</u>	<u>107,055</u>	<u>0</u>
<u>\$0</u>	<u>\$0</u>	<u>\$114,055</u>	<u>\$0</u>

City of Westerville, Ohio
Statement of Fiduciary
Assets and Liabilities
Agency Funds
December 31, 2010

<u>Assets:</u>	
Equity in Pooled Cash and Cash Equivalents	\$1,137,068
Cash and Cash Equivalents with Fiscal Agents	11,976
Receivables:	
Other Local Taxes	6,729
	<hr/>
<i>Total Assets</i>	<u><u>\$1,155,773</u></u>
<u>Liabilities:</u>	
Accounts Payable	\$6,729
Undistributed Monies	873,173
Intergovernmental Payable	78,425
Deposits Held and Due to Others	197,446
	<hr/>
<i>Total Liabilities</i>	<u><u>\$1,155,773</u></u>

See accompanying notes to the basic financial statements

City of Westerville, Ohio

Notes to the Basic Financial Statements

For the Year Ended December 31, 2010

NOTE 1 – DESCRIPTION OF THE CITY AND REPORTING ENTITY

The City of Westerville (the City) is a home rule municipal corporation established under the laws of the State of Ohio that operates under its own Charter. The current Charter, which provides for a Council-City Manager form of government, was adopted by the electorate in 1964.

The legislative authority is vested in a seven member council all of whom are elected at-large for staggered four year terms. The presiding officer is the chairman, who is elected by the Council for a two year term. Council enacts ordinances and resolutions relating to tax levies, city services, and licensing, appropriates and borrows money, and accepts bids for materials and services and other municipal purposes. The Council also elects one of its members to serve as Mayor who is the ceremonial head of the City and exercises the judicial powers granted to the mayor of a municipality under State law. The Council also appoints a City Manager.

The City Manager is the chief executive officer of the City. The City Manager supervises the administration of all departments and appoints their directors and all other employees in accordance with civil service requirements.

THE REPORTING ENTITY

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements are fairly presented and complete. The primary government of the City consists of all funds, departments, boards and commissions that are not legally separate from the City. The City departments include a public safety department, a public service department (street maintenance, sanitation services, and storm sewer), a parks and recreation department, a planning and zoning department, utility departments including water, sewer, refuse, and electric, and a staff to provide support (i.e., payroll processing, accounts payable, and revenue collection) to the service providers.

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 for which the City approves the budget, the issuance of debt or the levying of taxes. The City has no blended or discretely presented component units.

The Westerville Mayor's Court, who provides judicial services, is included as an agency fund in the City's financial statements. The Mayor is an elected City Official who has a fiduciary responsibility for the collection and distribution of the court fees and fines.

City of Westerville, Ohio

Notes to the Basic Financial Statements (Continued)

NOTE 1 – DESCRIPTION OF THE CITY AND REPORTING ENTITY *(continued)*

The City is associated with three organizations which are defined as a jointly governed organization, a related organization and a risk sharing pool. These organizations are the Westerville, Minerva Park, and Blendon Township Joint Hospital District, the Westerville Industry and Commerce Corporation, and the Central Ohio Risk Management Association Self-Insurance Pool, Inc. These organizations are presented in Notes 19, 20 and 21 to the basic financial statements.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The City also applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989, to its governmental and business-type activities and to its enterprise and internal service funds provided they do not conflict with or contradict GASB pronouncements. The City has elected not to apply FASB Pronouncements and Interpretations issued after November 30, 1989 to its business-type activities and to its enterprise funds. The more significant of the City's accounting policies are described below.

BASIS OF PRESENTATION

The City's basic financial statements consist of government-wide statements, including a Statement of Net Assets and a Statement of Activities, and fund financial statements which provide a more detailed level of financial information.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The Statement of Net Assets and the Statement of Activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The activity of the internal service funds is eliminated to avoid the "doubling up" of revenues and expenses. The statements distinguish between those activities of the City that are governmental in nature and those that are considered business-type activities.

The Statement of Net Assets presents the financial condition of the governmental and business-type activities of the City at year-end. The Statement of Activities presents a comparison between direct expenses and program revenues for each program or function of the City's governmental activities and for the business-type activities of the City. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of

City of Westerville, Ohio

Notes to the Basic Financial Statements (Continued)

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental program or business segment is self-financing or draws from the general revenues of the City.

FUND FINANCIAL STATEMENTS

During the year, the City segregates transactions related to certain City functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the City at this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Internal service funds are combined and the totals are presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by type.

FUND ACCOUNTING

The City uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. There are three categories of funds utilized by the City: governmental, proprietary and fiduciary.

GOVERNMENTAL FUNDS

Governmental funds are those through which most governmental functions are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purpose for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the City's major governmental funds:

General Fund – This fund accounts for all financial resources except those required to be 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 Charter of the City.

Fire Operating Fund – This fund accounts for the property tax revenues generated from continuing levies and used to finance the operations of the Fire Department.

Parks and Recreation Operating Fund – This fund accounts for the receipt of monies from the operations of the parks and recreation facilities which are used to fund programs and activities of the Parks and Recreation Department.

City of Westerville, Ohio

Notes to the Basic Financial Statements (Continued)

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

General Capital Improvement Fund – To account for general capital improvements financed by transfers from the General Fund.

The other governmental funds of the City account for grants and other resources whose use is restricted for a particular purpose.

PROPRIETARY FUNDS

Proprietary funds focus on the determination of operating income, changes in net assets, financial position, and cash flows. The City's proprietary funds are enterprise and internal service funds.

Enterprise Funds – Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The following are the City's major enterprise funds:

Water Fund – This fund is used to account for the revenues and expenses of the City-owned water filtration and distribution system.

Sewer Fund – This fund is used to account for the revenues and expenses of the City-owned sanitary sewer collection system.

Electric Fund – This fund is used to account for the revenues and expenses of the City-owned electric transmission and distribution system.

Community Data Center Fund – This fund is used to account for the revenues and expenses of the City-wide broadband network and data storage for public and commercial use.

The other enterprise funds of the City account for solid waste collection and disposal services and activities of the City's swimming pool complex.

Internal Service Funds – The internal service funds are used to account for the financing of fleet maintenance and self-insurance services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis.

FIDUCIARY FUNDS

Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds, and agency funds. The three types of trust funds should be used to report resources held and administered by the City when it is acting in a fiduciary capacity for individuals, private organizations, or other governments. These funds are distinguished by the existence of a trust agreement that affects the degree of management involvement and the length of time that the resources are held. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

City of Westerville, Ohio

Notes to the Basic Financial Statements (Continued)

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

The City's only fiduciary funds consist of seven agency funds which are used to account for money held for individuals and organizations. These funds account for money belonging to the convention and visitors' bureau, for payroll withholding liabilities, for sewer capacity fees collected and remitted to the City of Columbus, for building and related permit fees collected and remitted to the State of Ohio, for deposits by contractors, developers or individuals held to ensure compliance with City building codes, for distributing court fines and forfeitures and for recreation fees used by other subdivisions in maintaining their park systems.

MEASUREMENT FOCUS

Government-Wide Financial Statements

The government-wide financial statements are prepared using the economic resources measurement focus. All assets and liabilities associated with the operation of the City are included on the Statement of Net Assets. The Statement of Activities presents increases (e.g., revenues) and decreases (e.g., expenses) in total net assets.

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the Balance Sheet. The Statement of Revenues, Expenditures and Changes in Fund Balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. The governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the governmental fund financial statements.

Like the government-wide statements, all proprietary funds are accounted for using a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the Statement of Fund Net Assets. The Statement of Revenues, Expenses and Changes in Fund Net Assets presents increases (e.g., revenues) and decreases (e.g., expenses) in total net assets. The Statement of Cash Flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

BASIS OF ACCOUNTING

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting; proprietary and agency funds also use the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

City of Westerville, Ohio

Notes to the Basic Financial Statements (Continued)

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Revenues – Exchange and Non-Exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available. “Measurable” means the amount of the transaction can be determined and “available” means the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For the City, available means expected to be received within 31 days of year-end.

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, payments in lieu of taxes, grants, entitlements and donations. On an accrual basis, revenue from income tax is recognized in the year in which the income is earned. Revenue from property taxes and payments in lieu of taxes is recognized in the year for which the taxes are levied. (See Note 8.) Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted; matching requirements, in which the City must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: income taxes, interest on investments, intergovernmental revenues (including motor vehicle license tax, gasoline tax, and local government assistance) and grants.

Unearned/Deferred Revenues

Unearned/deferred revenues arise when assets are recognized before revenue recognition criteria have been satisfied.

Property taxes for which there is an enforceable legal claim as of December 31, 2010, but were levied to finance 2011 operations, have been recorded as unearned/deferred revenue. Grants and entitlements received before the eligibility requirements are met have also been recorded as unearned/deferred revenue.

On governmental fund financial statements, receivables that will not be collected within the available period have also been reported as deferred revenue.

City of Westerville, Ohio

Notes to the Basic Financial Statements (Continued)

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

BUDGETS AND BUDGETARY ACCOUNTING

All funds, except agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations ordinance, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount Council may appropriate. The appropriations ordinance is Council's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by Council. The legal level of control has been established by Council at the function level for all funds. The Director of Finance has been authorized to allocate appropriations to the object level within each fund.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the Director of Finance. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as final budgeted amounts represent estimates from the amended certificate in force at the time final appropriations were passed by Council.

The appropriations ordinance is subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources. Amounts reported as the original budgeted amounts reflect the first appropriations ordinance for that fund that covered the entire year, including amounts automatically carried forward from prior years. Amounts reported as the final budgeted amounts represent the final appropriation amounts passed by Council during the year, including all supplemental appropriations.

On the Statements and Schedules of Revenues, Expenditures/Expenses and Changes in Fund Balance/Equity, variances between the original amounts and the final/actual amounts of Fund Balance/Equity and Prior Year Encumbrances Carried Over are the result of the liquidation of encumbrances carried over from the prior year that were unused, resulting in the Fund Balance/Equity increasing by the amount that was liquidated.

City of Westerville, Ohio

Notes to the Basic Financial Statements (Continued)

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

CASH AND CASH EQUIVALENTS

To improve cash management, cash received by the City is pooled. Monies for all funds, including proprietary funds, are maintained in this pool. Individual fund integrity is maintained through the City's records. Interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents" on the financial statements.

The Westerville Mayor's Court has its own checking account for the collection and distribution of court fines and forfeitures. The City utilizes financial institutions to service bonded debt as principal and interest payments come due. The City also has permissive motor vehicle license money which is held by the Franklin County Engineer as agent and distributed to the City for approved street projects. The balances in these accounts are presented on the Balance Sheet as "Cash and Cash Equivalents with Fiscal Agents".

During the year, investments were limited to STAROhio, Federal Farm Credit Bank Bonds, Federal Home Loan Bank Bonds, Federal National Mortgage Association Notes, and a repurchase agreement. Except for nonparticipating investment contracts, such as repurchase agreements which are reported at cost, investments are reported at fair value which is based on quoted market prices.

The City has invested funds in the State Treasury Asset Reserve of Ohio (STAROhio) during 2010. STAROhio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAROhio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAROhio are valued at STAROhio's share price which is the price the investment could be sold for on December 31, 2010.

Interest allocation is determined by the Ohio Constitution, State statutes, and local ordinances adopted under City Charter. Under these provisions, the City's funds required to receive interest allocations are: 1) those which receive proceeds from the sale of notes and/or bonds; 2) special tax levy funds; 3) the DARE Special Revenue Fund; 4) the Criminal Activity Forfeiture Special Revenue Fund; and 5) the Drug Enforcement Special Revenue Fund. The State Highway Special Revenue, Electric Enterprise and Self-Insurance Internal Service Funds also received interest in 2010. All remaining interest is credited to the General Fund. Interest revenue credited to the General Fund during 2010 amounted to \$1,886,840, which includes \$1,529,967 assigned from other funds.

Investments with an original maturity of three months or less at the time of purchase and investments of the cash management pool are reported as cash equivalents on the financial statements.

INVENTORY OF SUPPLIES

Materials and supplies inventories are presented at cost on a first-in, first-out basis and are expended/expensed when used. Materials and supplies inventory consists of expendable supplies held for consumption.

City of Westerville, Ohio

Notes to the Basic Financial Statements (Continued)

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

PREPAID ITEMS

Payments made to vendors for services that will benefit periods beyond December 31, 2010, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

INTANGIBLE ASSETS – WATER RIGHTS

In 1974, the City entered into a 60 year agreement with the State of Ohio, Department of Natural Resources (ODNR), whereby the City acquired the right to seven and one-half percent of the storage capacity of the Alum Creek Reservoir. The cost of these rights is amortized, on a straight line basis, over the term of the agreement, starting in the tenth year, for the remaining 50 years of the agreement.

CAPITAL ASSETS

General capital assets are capital assets that are associated with and generally rise from governmental activities. They generally result from expenditures in governmental funds. These assets are reported in the governmental activities column of the government-wide Statement of Net Assets but are not reported in the fund financial statements. Capital assets used by the enterprise funds are reported in both the business-type activities column of the government-wide Statement of Net Assets and in the respective funds.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and reductions during the year. For certain assets, estimates were calculated by indexing estimated current costs back to the year of acquisition. Donated capital assets are recorded at their fair market values on the date donated. The City maintains a capitalization threshold of \$5,000. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are expensed.

All capital assets except land, construction in progress, and road and bridge infrastructure are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the City's historical records of necessary improvements and replacements.

City of Westerville, Ohio

Notes to the Basic Financial Statements
(Continued)

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Depreciation is computed using the straight-line method over the following useful lives:

	<u>YEARS</u>
Land Improvements	10-25
Buildings	5-50
Furniture and Equipment	5-20
Vehicles	3-10
Infrastructure	10-50
Water, Sewer and Electric Lines	20-50

The City’s infrastructure consists of roads, bridges, curbs and gutters, streets, sidewalks, drainage systems, lighting systems, water distribution systems, dams, sewer lines, storm sewers, electric distribution systems and similar items. Infrastructure assets under *GASB Statement No. 34* do not need to be depreciated. The City has chosen to apply the modified approach for reporting roads and bridges. Under the modified approach, the City:

1. Uses an asset management system that maintains an inventory of road and bridge infrastructure;
2. Performs a conditional assessment of those eligible infrastructure assets, using a rating methodology generally accepted in the industry, that considers all relevant factors affecting overall condition, and results in an overall single rating for each element (road segment or bridge) being considered; and
3. Estimates each year the annual budget requirements to maintain and preserve the road and bridge infrastructure at a minimum condition level.

The City documents that the eligible road and bridge infrastructure assets are being maintained at approximately the condition level established by the City. Condition appraisals are performed at least every three years, or more frequently if required by federal or State regulations, in accordance with the City’s capital assets policy.

Costs for maintenance and preservation of these assets should be expensed in the period incurred. Additions and improvements should be capitalized.

COMPENSATED ABSENCES

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the City will compensate the employees for the benefits through paid time off or some other means. The City records a liability for all accumulated unused vacation time when earned for all employees with more than one year of service.

City of Westerville, Ohio

Notes to the Basic Financial Statements (Continued)

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those that the City has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employees' wage rates at year-end, taking into consideration any limits specified in the City's termination policy. The City records a liability for accumulated unused sick leave for employees and administrators after 10 years of service.

The entire compensated absences liability is reported on the government-wide financial statements. On governmental fund financial statements, compensated absences are reported as liabilities and expenditures to the extent payments come due each period upon the occurrence of employee resignations or retirements. These amounts are recorded in the account "Matured Compensated Absences Payable" in the funds from which the employees are paid. In the proprietary funds, the entire amount of compensated absences is reported as a fund liability.

INTERFUND RECEIVABLES AND PAYABLES

On fund financial statements, receivables and payables arising between funds for goods provided or services rendered are classified as "Due from Other Funds" and "Due to Other Funds". Long-term interfund loans and unpaid amounts for interfund services are reported as "Interfund Receivable" and "Interfund Payable". Interfund balances are eliminated on the governmental-wide Statement of Net Assets except for any net residual amounts due between governmental and business-type activities, which are presented as "Internal Balances."

ACCRUED LIABILITIES AND LONG-TERM OBLIGATIONS

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements. All payables, accrued liabilities, and long-term obligations payable from the proprietary funds are reported on the proprietary fund financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However, compensated absences that will be paid from governmental funds are reported as liabilities on the fund financial statements only to the extent that they are due for payment during the current year. Long-term bonds and the police pension liability are recognized as liabilities on the governmental fund financial statements when due.

BOND DISCOUNTS, PREMIUMS/ISSUANCE COSTS

Bond discounts, premiums and issuance costs for government-wide statements and proprietary fund statements are deferred and amortized over the term of the bonds using the straight-line method since the results are not significantly different from the effective interest method. Bond discounts/premiums are presented as a reduction/increase to the face amount of bonds payable whereas issuance costs are recorded as deferred charges. The accounting gain/loss on refunded bonds (difference between the

City of Westerville, Ohio

Notes to the Basic Financial Statements (Continued)

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

reacquisition price and the net carrying amount of the old debt) is amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter.

As permitted by State statute, the City paid bond issuance costs from the bond proceeds and therefore does not consider that portion of the debt to be capital-related debt. That portion of the debt was offset against the unamortized bond issuance costs, which were included in the determination of unrestricted net assets. Reporting both within the same element of net assets prevents one classification from being overstated while another is understated by the same amount.

CONTRIBUTIONS OF CAPITAL

Contributions of capital arise from outside contributions of capital assets, tap-in fees to the extent they exceed the cost of the connection to the system, line capacity charges, grants or outside contributions of resources restricted to capital acquisition, and from the construction or transfers of capital assets between governmental and business-type activities.

RESERVES OF FUND BALANCE

Reserves of fund equity in governmental funds indicate that a portion of fund balance is not available for expenditure or is legally segregated for a specific future use. Under Ohio law, unclaimed monies are not available for appropriation until they have remained unclaimed for five years. The reserves for notes receivable and interfund receivable are the portion of the notes and interfund loans that are not expected to be repaid in 2011. Fund balances are reserved for encumbrances, interfund receivable, notes receivable and unclaimed monies.

INTERNAL ACTIVITY

Transfers within governmental activities are eliminated on the government-wide financial statements.

Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the Statement of Activities. Payments for interfund services provided and used are not eliminated.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

City of Westerville, Ohio

Notes to the Basic Financial Statements (Continued)

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

NET ASSETS

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Net assets restricted for other purposes include funds for improving the living environment of the City, the operation of police programs, and various other programs that benefit the City.

The City applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

The government-wide Statement of Net Assets reports \$22,846,707 of restricted net assets, of which \$4,737,752 are restricted by enabling legislation.

OPERATING REVENUES AND EXPENSES

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for services for water, sewer, refuse and electric utility services, and for use of the City's public swimming pools. Operating expenses are the necessary costs incurred to provide the service that is the primary activity of the fund. Revenues and expenses that do not meet these definitions are reported as non-operating.

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.

NOTE 3 – CHANGE IN ACCOUNTING PRINCIPLES AND RESTATEMENT OF FUND EQUITY

CHANGE IN ACCOUNTING PRINCIPLES

For 2010, the City has implemented Governmental Accounting Standards Board (GASB) Statement No. 51 "Accounting and Financial Reporting for Intangible Assets". GASB Statement No. 51 establishes accounting and financial reporting requirements for intangible assets to reduce inconsistencies thereby enhancing the comparability of accounting and financial reporting of such assets among state and local governments. The implementation of this statement did not result in any change to the City's financial statements.

City of Westerville, Ohio

Notes to the Basic Financial Statements
(Continued)

NOTE 3 – CHANGE IN ACCOUNTING PRINCIPLES AND RESTATEMENT OF FUND EQUITY
(continued)

RESTATEMENT OF FUND BALANCES/NET ASSETS

The City restated December 31, 2009 fund balances/net assets due to compensated absences being overstated in the nonmajor enterprise funds and understated in the Parks and Recreation Operating Special Revenue Fund. Also, the City has reclassified a nonmajor governmental fund and combined it with the Community Data Center Enterprise Fund. The restatement resulted in the following changes to fund balances/net assets at December 31, 2009:

	<i>Governmental Activities</i>	<i>Business-Type Activities</i>			
Net Assets, December 31, 2009	\$229,687,170	\$97,988,646			
Compensated Absences Payable	(5,823)	5,823			
Fund Reclassification	(916,521)	916,521			
<i>Adjusted Net Assets, December 31, 2009</i>	<u>\$228,764,826</u>	<u>\$98,910,990</u>			
	<i>Nonmajor Governmental Funds</i>	<i>Community Data Center Enterprise Fund</i>	<i>Nonmajor Enterprise Funds</i>		
Fund Balances/Net Assets, December 31, 2009	\$4,554,240	\$0	\$1,416,609		
Compensated Absences Payable	0	0	5,823		
Fund Reclassification	(318,322)	916,521	0		
<i>Adjusted Fund Balances/Net Assets, December 31, 2009</i>	<u>\$4,235,918</u>	<u>\$916,521</u>	<u>\$1,422,432</u>		

City of Westerville, Ohio

Notes to the Basic Financial Statements
(Continued)

NOTE 4 – ACCOUNTABILITY

At December 31, 2010, the following funds had deficit fund balances:

<u>Funds</u>	<u>Amounts</u>
Hotel Tax	\$27,729
Africa Road Improvement	134,952
Spring Road Improvement	1,558,452
Maxtown Road Improvement	2,501,455
Cleveland Avenue Extension Improvement	972,239
Northridge Crossing TIF	308,925
Northstar / Worthington Road TIF	71,354
Altair TIF Incentive	868,047
South State Street TIF Incentive	1,442,566

These deficits were the result of advances from other funds being classified as a liability on the balance sheet as opposed to being classified as an Other Financing Source. As the advances are repaid, the deficits will be eliminated.

NOTE 5 – BUDGETARY BASIS OF ACCOUNTING

While reporting financial position, results of operations and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis, as provided by law, is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The Statement of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual is presented for the General Fund, and each major special revenue fund, on the budgetary basis to provide a meaningful comparison of actual results with the budget.

The major differences between the budget basis and the GAAP basis are that:

- (a) Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
- (b) Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
- (c) Outstanding year-end encumbrances are treated as expenditures (budget basis) rather than as a reservation of fund balance (GAAP basis).

City of Westerville, Ohio

Notes to the Basic Financial Statements
(Continued)

NOTE 5 – BUDGETARY BASIS OF ACCOUNTING (continued)

- (d) Unrecorded cash represents amounts received but not included as revenue on the budget basis operating statements. These amounts are included as revenue on the GAAP basis operating statements.
- (e) Investments are reported at fair value (GAAP basis) rather than at cost (budget basis).
- (f) Advances – In and Advances – Out are operating transactions (budget basis) as opposed to balances sheet transactions (GAAP basis).

The adjustments necessary to convert the results of operations for the year on the GAAP basis to the budget basis for the General Fund and the Fire Operating and Parks and Recreation Operating Special Revenue Funds are as follows:

	<i>Net Change</i>		
	<i>In Fund Balance</i>		
	<i>General</i>	<i>Fire</i>	<i>Parks and</i>
	<u>General</u>	<u>Operating</u>	<u>Recreation</u>
			<u>Operating</u>
GAAP Basis	\$2,441,410	(\$1,082,770)	(\$608,205)
<u>Increases (decreases) Due To:</u>			
Revenue Accruals	367,331	(59,754)	(2,767)
Expenditure Accruals	172,096	111,568	(17,639)
Encumbrances Outstanding			
At Year-end (Budget Basis)	(1,494,150)	(359,687)	(240,751)
Unrecorded Cash	42,827	0	0
Change in Fair Value of Investments - 2010	(383,993)	0	0
Change in Fair Value of Investments - 2009	650,241	0	0
Advances	(2,258,041)	(221,004)	50,000
<i>Budget Basis</i>	<u>(\$462,279)</u>	<u>(\$1,611,647)</u>	<u>(\$819,362)</u>

NOTE 6 – DEPOSITS AND INVESTMENTS

The investment and deposit of City monies are governed by the Ohio Revised Code and the City's charter. State statutes classify monies held by the City into three categories.

Active deposits are public deposits necessary to meet current demands on the treasury. Such monies must be maintained either as cash in the City Treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

City of Westerville, Ohio

Notes to the Basic Financial Statements (Continued)

NOTE 6 – DEPOSITS AND INVESTMENTS *(continued)*

Inactive deposits are public deposits that Council has identified as not required for use within the current five year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts, including passbook accounts.

Interim monies may be deposited or invested in the following securities:

1. 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 and interest by the United States;
2. 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;
3. Written repurchase agreements in the securities listed above;
4. Commercial paper and bankers acceptances if training requirements have been met;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2); and
7. The State Treasurer's investment pool (STAROhio).

The City may also invest any monies not required to be used for a period of six months or more in the following:

1. Bonds of the State of Ohio;
2. Bonds of any municipal corporation, village, county, township, or other political subdivision of this State, as to which there is no default of principal, interest or coupons; and
3. Obligations of the City.

City of Westerville, Ohio

Notes to the Basic Financial Statements (Continued)

NOTE 6 – DEPOSITS AND INVESTMENTS (continued)

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. Investments may only be made through specified dealers and institutions.

INVESTMENTS

As of December 31, 2010, the City had the following investments. All investments are in an internal investment pool.

	<i>Fair Value</i>	<i>Investment Maturities (in Years)</i>			<i>Standard & Poor's Rating</i>	<i>Percent of Total Investments</i>
		<i>Less than 1</i>	<i>1 - 2</i>	<i>3 - 4</i>		
STAROhio	\$2,226,566	\$2,226,566	\$0	\$0	AAAm	2.60%
Federal Farm Credit Bank Bonds	9,929,900	0	0	9,929,900	AAA	11.61%
Federal Home Loan Bank Bonds	50,576,370	0	12,098,940	38,477,430	AAA	59.15%
Federal National Mortgage Association Notes	3,005,100	0	0	3,005,100	AAA	3.51%
Repurchase Agreement (Federal National Mortgage Association)	19,778,760	19,778,760	0	0	AAA	23.13%
Totals	\$85,516,696	\$22,005,326	\$12,098,940	\$51,412,430		

INTEREST RATE RISK

As a means of limiting its exposure to fair value losses caused by rising interest rates, the City's investment policy requires that, to the extent possible, investments will match anticipated cash flow requirements. Unless matched to a specific cash flow requirement, the Director of Finance will directly invest in securities as follows; not more than 20 percent of the value (computed at the time the investment is made) of investments to mature or be redeemable within 10 years from the date of purchase and the balance of all investments to mature or be redeemable within five years from the date of purchase.

CREDIT RISK

The City's investment policy limits investments to those authorized by State statute which restricts investments to those that are highly rated or backed by the enterprises of the United States Government. Ohio law requires that STAROhio maintain the highest rating provided by at least one nationally recognized standard rating service. The Standard & Poor's rating of each investment is listed in the table above.

CONCENTRATION OF CREDIT RISK

The City places no limit on the amount it may invest in any one issuer. The percentage that each investment represents of total investments is listed in the table above.

City of Westerville, Ohio

Notes to the Basic Financial Statements (Continued)

NOTE 7 – MUNICIPAL INCOME TAX

The City levies and collects a 2.0 percent income tax on all income earned within the City. Of the 2.0 percent tax, 1.75 percent is placed into the General fund, which increased from 1.0 percent with the passage of the tax restructuring levy that became effective January 1, 2009, and 0.25 percent is placed into the Parks and Recreation Income Tax Allocation Special Revenue Fund, which became effective January 1, 1999. The tax is applied to gross salaries, wages and other personal services compensation, as well as net income of for-profit organizations conducting business in the City. In addition, residents of the City are required to pay municipal income tax on income earned outside the City, however a credit is allowed for income taxes paid to other municipalities.

Employers within the City are required to withhold income tax on employee earnings and remit the tax to the City at least quarterly. Corporations and other individual taxpayers are also required to pay their estimated tax at least quarterly and file a final return annually. The City has established its own Income Tax Division to administer and collect taxes for the City.

NOTE 8 – PROPERTY TAX

Property taxes include amounts levied against all real and public utility property located in the City. Property tax revenue received during 2010 for real and public utility property taxes represents collections of 2009 taxes.

2010 real property taxes are levied after October 1, 2010 on the assessed value as of January 1, 2010, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2010 real property taxes are collected in and intended to finance 2011. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established.

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2010 public utility property taxes became a lien December 31, 2009, are levied after October 1, 2010, and are collected in 2011 with real property taxes.

City of Westerville, Ohio

Notes to the Basic Financial Statements
(Continued)

NOTE 8 – PROPERTY TAX (continued)

The full tax rate for all City operations for the year ended December 31, 2010, was \$17.70 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2010 property tax receipts were based are as follows:

<u>Category</u>	<u>Franklin County</u>	<u>Delaware County</u>	<u>Total</u>
Real Property:			
Residential and Agricultural	\$618,670,060	\$235,889,830	\$854,559,890
Commercial and Industrial	161,226,630	60,195,910	221,422,540
Public Utility Personal	<u>2,014,120</u>	<u>5,165,550</u>	<u>7,179,670</u>
<i>Totals</i>	<u>\$781,910,810</u>	<u>\$301,251,290</u>	<u>\$1,083,162,100</u>

The Franklin and Delaware County Treasurers collect property taxes on behalf of all taxing districts in the counties, including the City of Westerville. The County Auditors periodically remit to the City its portion of the taxes. Property taxes receivable represents real property taxes, public utility taxes and outstanding delinquencies which are measurable as of December 31, 2010, and for which there is an enforceable legal claim. Although total property tax collections for the next year are measurable, amounts to be received during the available period are not subject to reasonable estimation at December 31, nor are they intended to finance 2010 operations. The receivable is offset by deferred revenue. On a full accrual basis, collectible delinquent property taxes have been recorded as revenue while the remainder of the receivable is unearned.

NOTE 9 – RECEIVABLES

Receivables at December 31, 2010 consisted of taxes, payments in lieu of taxes, interest, interfund, accounts (billings for user charged services including unbilled utility services), notes and intergovernmental receivables arising from grants, entitlements and shared revenues. All receivables are considered fully collectible except accounts receivable related to business-type services. A summary of accounts receivable related to business-type services is as follows:

	<u>Water</u>	<u>Sewer</u>	<u>Electric</u>	<u>Refuse</u>	<u>Totals</u>
Accounts Receivable - Gross	\$432,908	\$1,211,782	\$7,220,929	\$370,094	\$9,235,713
Allowance for Uncollectibles	(10,537)	(29,559)	(179,204)	(9,254)	(228,554)
<i>Net Accounts Receivable</i>	<u>\$422,371</u>	<u>\$1,182,223</u>	<u>\$7,041,725</u>	<u>\$360,840</u>	<u>\$9,007,159</u>

City of Westerville, Ohio

Notes to the Basic Financial Statements
(Continued)

NOTE 9 – RECEIVABLES (continued)

The City has an agreement with the Millstone Community Authority (Millstone) whereas the City issued a \$325,000, zero interest note to Millstone on April 22, 2008 so that Millstone could purchase approximately six acres of land from M/I Homes. The property held options for both the Westerville City School District and the City of Westerville. If, within a five-year period, the School District desires to build a school building on the property, the property would be deeded over to them; if the School District waives that option, the parcel may be conveyed to the City for development as a park facility. The School District has waived the option, and the City has developed the property as park grounds. The School District has rights to use the property during school days until 5:30 PM.

The notes will be retired by Millstone via community development charges collected from residents within the Millstone Community Authority. These charges will be collected and distributed by the Delaware County Auditor as part of the real property settlements. One-half of the collections will be remitted to the School District, while the other half will be paid to the City, to reduce the outstanding balance on the notes. Once the full amount has been paid to the City, all of the community development charges will be remitted to the School District. At December 31, 2010, the balance of this loan was \$229,214 with \$36,555 expected to be repaid within one year.

A summary of the principal items of intergovernmental receivable follows:

<u>Governmental Activities:</u>	<u>Amounts</u>
Local Government - Franklin County	\$663,297
Local Government - Delaware County	135,059
Local Government - State	118,785
Liquor Permits	6,725
Estate Taxes	330,164
Franklin County Engineer	134,537
DARE Grant	24,375
OPWC Grant	649,490
Energy Efficiency Block Grant	14,495
Franklin County DUI Task Force	1,076
Franklin County DEA Task Force	7,572
EMS Public Safety Grant	3,450
Joint Terrorism Task Force	2,608
Cyber Crime Task Force	20,182
Homestead and Rollbacks	802,357
Gasoline Tax - Cents Per Gallon	423,355
Gasoline Tax - Municipal Excise	205,083
Motor Vehicle License Tax	127,768
Permissive Motor Vehicle License Tax	24,327
<i>Total Intergovernmental Receivable</i>	<u><u>\$3,694,705</u></u>

City of Westerville, Ohio

Notes to the Basic Financial Statements
(Continued)

NOTE 10 – CAPITAL ASSETS

Capital assets activity of the governmental activities for the year ended December 31, 2010, was as follows:

	<i>Restated Balance At 12/31/2009</i>	<i>Additions*</i>	<i>Deletions</i>	<i>Balance At 12/31/2010</i>
<u>Governmental Activities</u>				
<u>Capital Assets, Not Being Depreciated:</u>				
Land	\$15,350,445	\$1,252,310	\$0	\$16,602,755
Construction in Progress	3,110,472	11,283,148	(2,328,695)	12,064,925
Infrastructure	115,724,194	1,094,897	0	116,819,091
<i>Total Capital Assets, Not Being Depreciated</i>	<u>134,185,111</u>	<u>13,630,355</u>	<u>(2,328,695)</u>	<u>145,486,771</u>
<u>Depreciable Capital Assets:</u>				
Land Improvements	16,997,847	1,537,280	(179,310)	18,355,817
Buildings	36,294,336	434,388	(26,061)	36,702,663
Furniture and Equipment	14,546,951	428,299	(414,021)	14,561,229
Vehicles	5,260,523	1,075,578	(656,427)	5,679,674
Infrastructure	35,820,357	98,398	0	35,918,755
<i>Total Depreciable Capital Assets</i>	<u>108,920,014</u>	<u>3,573,943</u>	<u>(1,275,819)</u>	<u>111,218,138</u>
<u>Less Accumulated Depreciation:</u>				
Land Improvements	(8,581,605)	(913,429)	28,099	(9,466,935)
Buildings	(10,921,604)	(1,045,368)	14,138	(11,952,834)
Furniture and Equipment	(8,372,787)	(772,108)	324,406	(8,820,489)
Vehicles	(3,737,518)	(533,079)	642,517	(3,628,080)
Infrastructure	(9,619,552)	(751,061)	0	(10,370,613)
<i>Total Accumulated Depreciation</i>	<u>(41,233,066)</u>	<u>(4,015,045)</u>	<u>1,009,160</u>	<u>(44,238,951)</u>
<i>Depreciable Capital Assets, Net</i>	<u>67,686,948</u>	<u>(441,102)</u>	<u>(266,659)</u>	<u>66,979,187</u>
<i>Governmental Activities Capital Assets, Net</i>	<u>\$201,872,059</u>	<u>\$13,189,253</u>	<u>(\$2,595,354)</u>	<u>\$212,465,958</u>

* \$1,104,017 of the additions to infrastructure consisted of assets donated by developers. Also, Land, Buildings, Land Improvements and Furniture and Equipment were donated from the Swimming Pool Enterprise Fund in the amounts of \$67,500, \$6,082, \$152,430 and \$87,530, respectively.

Depreciation expense was charged to functions/programs of the governmental activities of the City as follows:

<u>Governmental Activities</u>	
Security of Person and Property	\$713,760
Public Health	2,567
Leisure Time Activity	1,500,087
Community Development	21,683
Basic Utility Services	680,646
Transportation	387,978
General Government	708,324
<i>Total Depreciation Expense</i>	<u>\$4,015,045</u>

City of Westerville, Ohio

Notes to the Basic Financial Statements
(Continued)

NOTE 10 – CAPITAL ASSETS (continued)

Capital assets activity of the business-type activities for the year ended December 31, 2010, was as follows:

	<i>Balance At 12/31/2009</i>	<i>Additions*</i>	<i>Deletions</i>	<i>Balance At 12/31/2010</i>
<u>Business-Type Activities</u>				
<u>Intangible Assets, Being Amortized:</u>				
Water Rights	\$2,366,450	\$0	\$0	\$2,366,450
Less Amortization	(1,135,906)	(47,329)	0	(1,183,235)
<i>Total Intangible Assets, Being Amortized</i>	<u>1,230,544</u>	<u>(47,329)</u>	<u>0</u>	<u>1,183,215</u>
<u>Capital Assets, Not Being Depreciated:</u>				
Land	1,149,206	105,374	(67,500)	1,187,080
Construction in Progress	2,598,122	4,846,477	(1,737,423)	5,707,176
<i>Total Capital Assets, Not Being Depreciated</i>	<u>3,747,328</u>	<u>4,951,851</u>	<u>(1,804,923)</u>	<u>6,894,256</u>
<u>Depreciable Capital Assets:</u>				
Land Improvements	3,013,413	3,606	(762,375)	2,254,644
Buildings	7,376,631	72,106	(189,458)	7,259,279
Furniture and Equipment	16,107,071	1,322,730	(296,253)	17,133,548
Vehicles	2,238,984	127,336	0	2,366,320
Infrastructure				
Water Lines	38,545,523	834,323	0	39,379,846
Sewer Lines	25,997,962	0	0	25,997,962
Electric System	58,717,025	2,736,844	(835,517)	60,618,352
<i>Total Depreciable Capital Assets</i>	<u>151,996,609</u>	<u>5,096,945</u>	<u>(2,083,603)</u>	<u>155,009,951</u>
<u>Less Accumulated Depreciation:</u>				
Land Improvements	(1,991,232)	(181,346)	609,945	(1,562,633)
Buildings	(3,865,106)	(181,836)	183,376	(3,863,566)
Furniture and Equipment	(4,293,462)	(445,184)	186,360	(4,552,286)
Vehicles	(1,209,378)	(242,852)	0	(1,452,230)
Infrastructure				
Water Lines	(14,469,888)	(685,548)	0	(15,155,436)
Sewer Lines	(11,915,389)	(380,340)	0	(12,295,729)
Electric System	(21,130,565)	(1,676,801)	526,019	(22,281,347)
<i>Total Accumulated Depreciation</i>	<u>(58,875,020)</u>	<u>(3,793,907)</u>	<u>1,505,700</u>	<u>(61,163,227)</u>
<i>Depreciable Capital Assets, Net</i>	<u>93,121,589</u>	<u>1,303,038</u>	<u>(577,903)</u>	<u>93,846,724</u>
<i>Business-Type Activities Capital Assets, Net</i>	<u>\$98,099,461</u>	<u>\$6,207,560</u>	<u>(\$2,382,826)</u>	<u>\$101,924,195</u>

* \$107,055 of the additions to the Water Fund consisted of assets donated by governmental activities, and \$524,671 of the additions to construction in progress for the Community Data Center Fund was contributed by governmental activities.

City of Westerville, Ohio

Notes to the Basic Financial Statements
(Continued)

NOTE 10 – CAPITAL ASSETS (continued)

Depreciation expense was charged to the enterprise funds of the City as follows:

<u>Business-Type Activities</u>	
Water	\$890,467
Sewer	438,221
Electric	2,301,457
Refuse	163,762
<i>Total Depreciation Expense</i>	<u><u>\$3,793,907</u></u>

NOTE 11 – DEFINED BENEFIT PENSION PLANS

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM

Plan Description – The City participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The Traditional Pension Plan is a cost-sharing, multiple-employer defined benefit pension plan. The Member-Directed Plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20 percent per year). Under the Member-Directed Plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings. The Combined Plan is a cost-sharing, multiple-employer defined benefit pension plan. Under the Combined Plan, OPERS invests employer contributions to provide a formula retirement benefit similar in nature to, but less than, the Traditional Pension Plan benefit. Member contributions, the investment of which is self-directed by the members, accumulate retirement assets in a manner similar to the Member-Directed Plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost-of-living adjustments to members of the Traditional Pension and Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report. Interested parties may obtain a copy by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 614-222-5601 or 800-222-7377.

Funding Policy – The Ohio Revised Code provides statutory authority for member and employer contributions and currently limits the employer contribution to a rate not to exceed 14 percent of covered payroll for state and local employer units and 18.1 percent of covered payroll for law and public safety employer units. Member contribution rates, as set in the Ohio Revised Code, are not to exceed 10 percent. For the year ended December 31, 2010, members in state and local classifications contributed 10 percent of covered payroll while public safety and law enforcement members contributed 10.5 percent and 11.1 percent, respectively. While members in the state and local divisions may participate

City of Westerville, Ohio

Notes to the Basic Financial Statements (Continued)

NOTE 11 – DEFINED BENEFIT PENSION PLANS (continued)

in all three plans, law enforcement and public safety divisions exist only within the Traditional Pension Plan. For 2010, member and employer contribution rates were consistent across all three plans.

The City's 2010 contribution rate was 14.0 percent, except for those plan members in law enforcement or public safety, for whom the City's contribution was 17.87 percent of covered payroll. The portion of employer contributions used to fund pension benefits is net of post-employment health care benefits. The portion of employer contribution allocated to health care for members in the Traditional Plan was 5.5 percent from January 1 through February 28, 2010, and 5.0 percent from March 1 through December 31, 2010. The portion of employer contributions allocated to health care for members in the Combined Plan was 4.73 percent from January 1 through February 28, 2010, and 4.23 percent from March 1 through December 31, 2010. Employer contribution rates are actuarially determined.

The City's required contributions for pension obligations to the Traditional Pension and Combined Plans for the years ended December 31, 2010, 2009, and 2008 were \$1,509,450, \$1,378,474, and \$1,116,675, respectively; For 2010, 99.84 percent has been contributed, with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2009 and 2008. Contributions to the Member-Directed Plan for 2010 were \$24,398 made by the City and \$17,427 made by plan members.

OHIO POLICE AND FIRE PENSION FUND

Plan Description – The City contributes to the Ohio Police and Fire Pension Fund (OP&F), a cost-sharing multiple-employer defined benefit pension plan. OP&F provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. OP&F issues a publicly available financial report that includes financial information and required supplementary information for the plan. That report may be obtained by writing to OP&F, 140 East Town Street, Columbus, Ohio 43215-5164.

Funding Policy – The Ohio Revised Code requires plan members to contribute 10.0 percent of their annual covered salary, while employers are required to contribute 19.5 percent for police officers and 24.0 percent for firefighters. The City's contributions to OP&F for police and firefighters were \$828,947 and \$1,178,069 for the year ended December 31, 2010, \$752,299 and \$1,099,897 for the year ended December 31, 2009, and \$752,133 and \$1,089,826 for the year ended December 31, 2008, respectively. For 2010, 97.91 percent for police and 97.98 percent for firefighters has been contributed, with the balance for both police and firefighters being reported as an intergovernmental payable. The full amount has been contributed for 2009 and 2008.

City of Westerville, Ohio

Notes to the Basic Financial Statements (Continued)

NOTE 12 – POST-EMPLOYMENT BENEFITS

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM

Plan Description – Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: The Traditional Pension Plan—a cost-sharing, multiple-employer defined benefit pension plan; the Member-Directed Plan—a defined contribution plan; and the Combined Plan—a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintains a cost-sharing multiple-employer defined benefit post-employment health care plan for qualifying members of both the Traditional Pension and the Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits, including post-employment health care coverage. The plan includes a medical plan, prescription drug program and Medicare Part B premium reimbursement.

In order to qualify for post-employment health care coverage, age-and-service retirees under the Traditional Pension and Combined Plans must have 10 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The Ohio Revised Code permits, but does not mandate, OPERS to provide health care benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

Disclosures for the health care plan are presented separately in the OPERS financial report which may be obtained by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 614-222-5601 or 800-222-7377.

Funding Policy – The post-employment health care plan was established under, and is administrated in accordance with, Internal Revenue Code 401(h). The Ohio Revised Code provides the statutory authority requiring public employers to fund post-retirement health care through contributions to OPERS. A portion of each employer's contribution to OPERS is set aside for the funding of post-retirement health care.

Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2010, state and local employers contributed at a rate of 14.0 percent of covered payroll, and public safety and law enforcement employers contributed at 17.87 percent. The Ohio Revised Code currently limits the employer contribution to a rate not to exceed 14.0 percent of covered payroll for state and local employer units and 18.1 percent of covered payroll for law and public safety employer units.

Each year, the OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for funding of post-employment health care benefits. The portion of employer contributions allocated to health care for members in the Traditional Plan was 5.5 percent from January 1 through February 28, 2010, and 5.0 percent from March 1 through December 31, 2010. The portion of employer contributions allocated to health care for members in the Combined Plan was 4.73 percent from January 1 through February 28, 2010, and 4.23 percent from March 1 through December 31, 2010.

City of Westerville, Ohio

Notes to the Basic Financial Statements (Continued)

NOTE 12 – POST-EMPLOYMENT BENEFITS *(continued)*

The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care benefits provided, by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected. Active members do not make contributions to the post-employment health care plan.

The City's contributions allocated to fund post-employment health care benefits for the years ended December 31, 2010, 2009, and 2008 were \$852,138, \$998,205, and \$1,116,675, respectively. For 2010, 99.84 percent has been contributed, with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2009 and 2008.

The Health Care Preservation Plan (HCPP) adopted by the OPERS Retirement Board on September 9, 2004, was effective January 1, 2007. Member and employer contribution rates increased on January 1 of each year from 2006 to 2008. Rates for law and public safety employers increased over a six year period beginning on January 1, 2006, with a final rate increase on January 1, 2011. These rate increases allowed additional funds to be allocated to the health care plan.

OHIO POLICE AND FIRE PENSION FUND

Plan Description – The City contributes to the Ohio Police and Fire Pension Fund (OP&F) sponsored health care program, a cost-sharing multiple-employer defined post-employment health care plan administered by OP&F. OP&F provides health care benefits including coverage for medical, prescription drugs, dental, vision, Medicare Part B Premium and long-term care to retirees, qualifying benefit recipients and their eligible dependents.

OP&F provides access to post-retirement health care coverage for any person who receives or is eligible to receive a monthly service, disability, or survivor benefit check or is a spouse or eligible dependent child of such person. The health care coverage provided by OP&F meets the definition of an Other Post-Employment Benefit (OPEB) as described in GASB Statement No. 45.

The Ohio Revised Code allows, but does not mandate OP&F to provide OPEB benefits. Authority for the OP&F Board of Trustees to provide health care coverage to eligible participants and to establish and amend benefits is codified in Chapter 742 of the Ohio Revised Code.

OP&F issues a publicly available financial report that includes financial information and required supplementary information for the plan. That report may be obtained by writing to OP&F, 140 East Town Street, Columbus, Ohio 43215-5164.

City of Westerville, Ohio

Notes to the Basic Financial Statements (Continued)

NOTE 12 – POST-EMPLOYMENT BENEFITS *(continued)*

Funding Policy – The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F defined benefit pension plan. Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently, 19.5 percent and 24.0 percent of covered payroll for police and fire employers, respectively. The Ohio Revised Code states that the employer contribution is 19.5 percent of covered payroll for police employer units and 24.0 percent of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

OP&F maintains funds for health care in two separate accounts. One for health care benefits under an IRS Code Section 115 trust and one for Medicare Part B reimbursements administrated as an Internal Revenue Code 401(h) account, both of which are within the defined benefit pension plan, under the authority granted by the Ohio Revised Code to the OP&F Board of Trustees.

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For the year ended December 31, 2010, the employer contribution allocated to the health care plan was 6.75 percent of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

The OP&F Board of Trustees also is authorized to establish requirements for contributions to the health care plan by retirees and their eligible dependents, or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The City's contributions to OP&F which were allocated to fund post-employment health care benefits for police and firefighters were \$438,855 and \$460,983 for the year ended December 31, 2010, \$398,276 and \$430,394 for the year ended December 31, 2009, and \$398,188 and \$426,453 for the year ended December 31, 2008, respectively. For 2010, 97.91 percent has been contributed for police and 97.98 percent has been contributed for firefighters, with the balance for both police and firefighters being reported as an intergovernmental as an intergovernmental payable. The full amount has been contributed for 2009 and 2008.

City of Westerville, Ohio

Notes to the Basic Financial Statements (Continued)

NOTE 13 – EMPLOYEE BENEFITS

DEFERRED COMPENSATION

Employees of the City may elect to participate in the International City Managers Association or Ohio Public Employees Deferred Compensation Plan created in accordance with Internal Revenue Code Section 457. Under these plans, employees elect to defer a portion of their pay. The deferred pay and any income earned on it is not subject to federal and state income taxation until actually received by the employee. According to the plans, the deferred compensation is not available until termination, retirement, death or an unforeseeable emergency.

COMPENSATED ABSENCES

Vacation leave is earned at rates which vary depending upon length of service. Current policy credits vacation leave on the employee's first anniversary date; thereafter, vacation leave accrues on a pro-rated basis each pay period. A maximum of two years' accrual may be carried into the next calendar year. City employees are paid for earned, unused vacation leave at the time of termination of employment and those employees with six years of service may request pay in lieu of vacation for up to three weeks accumulated balance. Pay in lieu of vacation is subject to the availability of funds, and the employee must have taken or scheduled 10 days of vacation in a calendar year.

Sick leave is earned at the rate of ten hours a month for employees hired prior to January 1, 1997. All others earn eight hours per month. Each employee with ten or more years of service with the City is paid for fifty percent of their accumulated unused sick leave up to a maximum of 1,120 hours upon retirement or termination from the City, or the full balance may be transferred to another governmental agency. The maximum payment for sick leave is \$20,500 for all employees.

HEALTH CARE/DENTAL/VISION/LIFE INSURANCE BENEFITS

The City provides health care coverage for its employees through United Health Care, dental coverage through Delta Dental, vision coverage through Vision Service Plan, and life insurance through United Health Care.

City of Westerville, Ohio

Notes to the Basic Financial Statements (Continued)

NOTE 14 – BONDED DEBT AND OTHER LONG-TERM OBLIGATIONS

Bonded debt and other long-term obligations payable activity for the year ended December 31, 2010, were as follows:

<i>Types / Issues</i>	<i>Interest Rates</i>	<i>Balance 12/31/09</i>	<i>Issued</i>	<i>Retired</i>	<i>Balance 12/31/10</i>	<i>Due Within One Year</i>
<u>Business-Type Activities</u>						
<u>General Obligation Bonds</u>						
1998 Water Works Refunding and						
Improvement Bonds	3.10 - 5.25%	\$820,000	\$0	\$400,000	\$420,000	\$420,000
2007 Water System Improvement Bonds	4.13 - 5.00%	1,015,000	0	40,000	975,000	40,000
Premium on Debt Issue		28,450	0	1,603	26,847	0
2009 Water System Improvement Bonds	1.00 - 5.00%	1,954,212	0	75,590	1,878,622	77,685
Premium on Debt Issue		16,425	0	825	15,600	0
2010 Water System Improvement Bonds	2.00 - 5.00%	0	1,320,000	0	1,320,000	50,000
Premium on Debt Issue		0	30,928	0	30,928	0
2004 Electric Capital Facilities Bonds	2.25 - 5.25%	1,055,000	0	55,000	1,000,000	55,000
Premium on Debt Issue		26,830	0	1,799	25,031	0
2007 Electric System Improvement Bonds	4.13 - 5.00%	15,820,000	0	595,000	15,225,000	620,000
Premium on Debt Issue		444,271	0	25,029	419,242	0
2009 Electric System Imp. Refunding Bonds	2.00 - 5.00%	1,340,000	0	115,000	1,225,000	120,000
Premium on Debt Issue		63,196	0	6,319	56,877	0
Gain on Refunding		(40,809)	0	(4,081)	(36,728)	0
2009 Transportation Imp. Refunding Bonds	2.00 - 5.00%	727,605	0	73,260	654,345	74,925
Premium on Debt Issue		40,257	0	4,473	35,784	0
Gain on Refunding		(22,935)	0	(2,548)	(20,387)	0
2009 Electric System Improvement Bonds	1.00 - 5.00%	3,295,000	0	125,000	3,170,000	130,000
Premium on Debt Issue		29,231	0	1,468	27,763	0
2010 Electric System Improvement Bonds	2.00 - 5.00%	0	1,535,000	0	1,535,000	55,000
Premium on Debt Issue		0	36,254	0	36,254	0
2009 Sewer System Improvement Bonds	1.00 - 5.00%	1,310,788	0	49,410	1,261,378	52,315
Premium on Debt Issue		11,098	0	557	10,541	0
Total General Obligation Bonds		27,933,619	2,922,182	1,563,704	29,292,097	1,694,925
<u>Revenue Bonds</u>						
2010 Data Center Revenue Bonds	2.00 - 5.00%	0	5,280,000	0	5,280,000	0
Premium on Debt Issue		0	465,540	0	465,540	0
Total Revenue Bonds		0	5,745,540	0	5,745,540	0
<u>Other Long-Term Obligations</u>						
Compensated Absences		750,638	451,593	469,078	733,153	437,929
ODNR Debt		1,683,191	0	42,344	1,640,847	43,708
Total Other Long-Term Obligations		2,433,829	451,593	511,422	2,374,000	481,637
Total Business-Type Activities		\$30,367,448	\$9,119,315	\$2,075,126	\$37,411,637	\$2,176,562

City of Westerville, Ohio

Notes to the Basic Financial Statements
(Continued)

NOTE 14 – BONDED DEBT AND OTHER LONG-TERM OBLIGATIONS (continued)

<u>Types / Issues</u>	<u>Interest Rates</u>	<u>Balance 12/31/09</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance 12/31/10</u>	<u>Due Within One Year</u>
<u>Governmental Activities</u>						
<u>General Obligation Bonds</u>						
2003 Fire/EMS Improvement Bonds-Voted	2.00 - 4.65%	\$1,975,000	\$0	\$110,000	\$1,865,000	\$110,000
Discount on Debt Issue		(11,146)	0	(820)	(10,326)	0
2003 Fire/EMS Improvement Bonds-Blendon	2.00 - 4.65%	326,500	0	17,900	308,600	18,400
Discount on Debt Issue		(1,732)	0	(128)	(1,604)	0
2003 Municipal Facilities Improvement Bonds	2.00 - 4.65%	2,688,500	0	147,100	2,541,400	151,600
Discount on Debt Issue		(14,275)	0	(1,051)	(13,224)	0
2007 Westar TIF Improvement Bonds	4.13 - 5.00%	355,000	0	15,000	340,000	15,000
Premium on Debt Issue		9,866	0	556	9,310	0
2009 Transportation Improvement Refunding Bonds	2.00 - 5.00%	1,457,395	0	146,740	1,310,655	150,075
Premium on Debt Issue		80,635	0	8,959	71,676	0
2009 Recreation Facilities Refunding Bonds	2.00 - 5.00%	14,895,000	0	1,485,000	13,410,000	1,515,000
Premium on Debt Issue		822,132	0	91,348	730,784	0
2009 Land Purchase Bonds	1.00 - 5.00%	1,655,000	0	65,000	1,590,000	65,000
Premium on Debt Issue		13,922	0	699	13,223	0
2010 Aquatic Center Improvement Bonds	2.00 - 5.00%	0	6,235,000	0	6,235,000	550,000
Premium on Debt Issue		0	525,865	0	525,865	0
2010 Main Street Bridge Improvement Bonds	2.00 - 5.00%	0	780,000	0	780,000	30,000
Premium on Debt Issue		0	17,515	0	17,515	0
Total Governmental General Obligation Bonds		24,251,797	7,558,380	2,086,303	29,723,874	2,605,075
<u>Other Long-Term Obligations</u>						
Compensated Absences		3,576,970	2,692,305	2,780,562	3,488,713	2,265,534
Police Pension Liability		20,266	0	637	19,629	665
Total Other Long-Term Obligations		3,597,236	2,692,305	2,781,199	3,508,342	2,266,199
Total Governmental Activities		\$27,849,033	\$10,250,685	\$4,867,502	\$33,232,216	\$4,871,274

GENERAL OBLIGATION BONDS

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities and refinancing of bond anticipation notes. General obligation bonds are direct obligations and pledge the full faith and credit of the City for repayment. These bonds are generally issued as 20 year serial bonds with equal amounts of principal maturing each year and are to be repaid from voted and unvoted general property taxes and from income tax revenues. Property tax monies will be received in and the debt will be repaid from the General Obligation Bond Retirement Fund. Income tax monies are transferred from the General Fund and the Parks and Recreation Income Tax Allocation Special Revenue Fund into the General Obligation Bond Retirement Fund for payment. The general obligation bonds reported as enterprise fund obligations are payable from unvoted property tax revenues to the extent operating resources of the Water, Sewer and Electric Enterprise Funds are not available to meet the annual debt service requirements.

City of Westerville, Ohio

Notes to the Basic Financial Statements
(Continued)

NOTE 14 – BONDED DEBT AND OTHER LONG-TERM OBLIGATIONS (continued)

On December 16, 2009, the City issued \$8,215,000 in general obligation various purpose bonds for the purpose of retiring the Various Purpose Notes, making improvements to the water, sewer, and municipal electric systems, and for land acquisition. Of these bonds, \$3,495,000, are serial bonds and \$4,720,000 are term bonds. The bonds were issued for a 20 year period with final maturity in December 2029. The serial bonds mature from December 1, 2010 to December 1, 2019. The bonds will be retired from the General Bond Retirement Debt Service Fund and the Water, Sewer, and Electric Enterprise Funds.

The term bonds, issued at \$4,720,000, maturing annually on December 1, 2020 through 2029 are subject to mandatory sinking fund redemption at a redemption price of 100 percent of the principal amount plus accrued interest to the date of redemption, on December 1, in the years and in the respective amounts as follows:

<u>Year</u>	<u>Amounts</u>
2020	\$400,000
2021	415,000
2022	430,000
2023	440,000
2024	455,000
2025	475,000
2026	495,000
2027	515,000
2028	530,000
2029	565,000
	<u>\$4,720,000</u>

On July 27, 2010, the City issued \$9,870,000 in various purpose general obligation bonds for the purpose of removing the Highlands Pool and constructing the new Highlands Park Aquatic Center, reconstructing the Main Street Bridge, and making improvements to the Water and Electric Systems. Of these bonds, \$7,735,000, are serial bonds and \$2,135,000 are term bonds. The bonds were issued for a 20 year period with final maturity in December 2030. The serial bonds mature from December 1, 2011 to December 1, 2020. The bonds will be retired from the General Bond Retirement Debt Service Fund and the Water and Electric Enterprise Funds.

The term bonds maturing annually on December 1, 2025 and December 1, 2030, are subject to mandatory sinking fund redemption in part by lot at a redemption price equal to 100 percent of the principal amount redeemed, plus interest accrued to the redemption date, on December 1 in the years and the respective amounts as follows:

City of Westerville, Ohio

Notes to the Basic Financial Statements
(Continued)

NOTE 14 – BONDED DEBT AND OTHER LONG-TERM OBLIGATIONS (continued)

Year	Amounts
2021	\$180,000
2022	190,000
2023	190,000
2024	205,000
2025	210,000
2026	215,000
2027	225,000
2028	235,000
2029	235,000
2030	250,000
	<u>\$2,135,000</u>

The bonds maturing after December 1, 2020 are also subject to prior redemption on or after June 1, 2020, by and at the sole option of the City, either in whole or in part on any date and in integral multiples of \$5,000, at par, plus accrued interest to the redemption date.

GENERAL OBLIGATION REFUNDING BONDS

In July, 2009, the City issued \$18,595,000 in Electric System Improvement, Transportation Improvement and Recreation Facilities General Obligation Refunding Bonds. The proceeds were used to advance refund the 1998 Transportation Improvement Bonds, the 1998 Recreation Facilities Bonds and the 1999 Electric System Improvement Bonds in the total amount of \$18,875,000. The average interest rate on the refunded bonds was 3.36 percent while the average rate on the refunded portion of the new debt was 5.08 percent. The net proceeds of \$19,501,319 (after premiums and the payment of underwriting fees, insurance and other issuance costs) were used to purchase U.S. Government securities. Those securities were deposited into an irrevocable trust with an escrow agent to provide for all future debt service payments on the 1998 and 1999 bonds. As a result, the old bonds are considered defeased and the liability for those bonds has been removed from the balance sheet. In December, 2009, the escrow agent paid the remaining principal with monies held in the trust.

City of Westerville, Ohio

Notes to the Basic Financial Statements
(Continued)

NOTE 14 – BONDED DEBT AND OTHER LONG-TERM OBLIGATIONS (continued)

General obligation bonds outstanding at December 31, 2010 consisted of the following:

<u>Bond Issues</u>	<u>Original Issue</u>	<u>Maturity Date</u>	<u>Balance</u>
1998 Water Works Refunding and Improvement	\$3,325,000	December, 2011	\$420,000
2007 Water System Improvement	1,085,000	December, 2027	975,000
2009 Water System Improvement	1,954,212	December, 2029	1,878,622
2010 Water System Improvement Bonds	1,320,000	December, 2030	1,320,000
2004 Electric Capital Facilities	1,300,000	December, 2024	1,000,000
2007 Electric System Improvement	16,945,000	December, 2027	15,225,000
2009 Electric System Improvement Refunding	1,355,000	December, 2019	1,225,000
2009 Transportation Improvement Refunding	734,265	December, 2018	654,345
2009 Electric System Improvement	3,295,000	December, 2029	3,170,000
2010 Electric System Improvement Bonds	1,535,000	December, 2030	1,535,000
2009 Sewer System Improvement	1,310,788	December, 2029	1,261,378
2003 Fire/EMS Improvement - Voted	2,575,000	December, 2023	1,865,000
2003 Fire/EMS Improvement - Blendon	425,000	December, 2023	308,600
2003 Municipal Facilities Improvement	3,500,000	December, 2023	2,541,400
2007 Westar TIF Improvement	380,000	December, 2027	340,000
2009 Transportation Improvement Refunding	1,470,735	December, 2018	1,310,655
2009 Recreation Facilities Refunding	15,035,000	December, 2018	13,410,000
2009 Land Purchase	1,655,000	December, 2029	1,590,000
2010 Aquatic Center Improvement Bonds	6,235,000	December, 2020	6,235,000
2010 Main Street Bridge Improvement Bonds	780,000	December, 2030	780,000

At December 31, 2010, \$161,720 of the 2009 Electric System Improvement Bond proceeds and \$488,419 of the 2010 Electric System Improvement Bonds remained unspent.

ODNR DEBT PAYABLE

In 1974, the City entered into a 60 year agreement with the State of Ohio, Department of Natural Resources (ODNR), whereby the City acquired the right to seven and one-half percent of the storage capacity of the Alum Creek Reservoir. In exchange for the water rights, the City agreed to pay to ODNR, beginning in the tenth year of the agreement, seven and one-half percent of their annual payment due to the United States Army Corps of Engineers as reimbursement of the project investment costs. In addition, the City is required to pay seven and one-half percent of the annual operation and maintenance costs for as long as the contract is in effect. The original ODNR Debt of \$2,366,440 will be fully retired in June, 2035.

City of Westerville, Ohio

Notes to the Basic Financial Statements
(Continued)

NOTE 14 – BONDED DEBT AND OTHER LONG-TERM OBLIGATIONS (continued)

OPWC LOANS PAYABLE

On February 20, 2009 the City was approved for two Ohio Public Works Commission loans. The Worthington Road/Lazelle Road improvements loan is for \$700,659 and the South State Street and Huber Village Boulevard/Heatherdown Drive Intersection loan is for \$1,500,000. As of December 31, 2010, the City had not received proceeds from either of these loans.

REVENUE BONDS

On October 27, 2010 the City issued \$5,280,000 in Data Center Revenue Bonds (Recovery Zone Facilities Bonds) for the purpose of constructing a community data center. The Data Center Revenue Bonds are special obligations of the City and do not constitute general obligations or pledge the faith and credit of the City but are payable from non-tax revenues. Of these bonds, \$1,760,000, are serial bonds and \$3,520,000 are term bonds. The bonds were issued for a 20 year period with final maturity in December 2030. The serial bonds mature from December 1, 2014 to December 1, 2020.

The term bonds maturing annually on December 1, 2025 and December 1, 2030 are subject to mandatory sinking fund redemption in part by lot at a redemption price equal to 100 percent of the principal amount redeemed, plus interest accrued to the redemption date, on December 1 in the years and the respective amounts as follows:

Year	Amounts
2021	\$280,000
2022	295,000
2023	310,000
2024	325,000
2025	340,000
2026	355,000
2027	375,000
2028	395,000
2029	410,000
2030	435,000
	<u>\$3,520,000</u>

The bonds maturing after December 1, 2020 are also subject to prior redemption on or after December 1, 2020, by and at the sole option of the City, either in whole or in part on any date and in integral multiples of \$5,000, at par, plus accrued interest to the redemption date.

The City has pledged future revenue to repay revenue bonds in the Community Data Center Debt Service Fund. The debt is payable solely from non-tax revenues and are payable through 2030. The total principal and interest remaining to be paid on the bonds is \$8,437,129. The bonds require interest payments only until 2014.

City of Westerville, Ohio

Notes to the Basic Financial Statements
(Continued)

NOTE 14 – BONDED DEBT AND OTHER LONG-TERM OBLIGATIONS (continued)

POLICE PENSION LIABILITY

The City pays installments on the accrued liability incurred when the State of Ohio established the statewide pension system for police personnel in 1967. The original liability was \$29,842, with the principal payable semiannually from the General Fund. The liability will be fully retired in April, 2030.

COMPENSATED ABSENCES

Compensated absences will be paid from the General, Fire Operating, Street Maintenance, Parks and Recreation Operating, Water, Sewer, Refuse, Electric and Garage Funds.

INDUSTRIAL DEVELOPMENT REVENUE BONDS

The City has outstanding issues of industrial development revenue bonds in the aggregate principal amount of \$240,000 at December 31, 2010 for facilities used by private corporations or other entities. The City is not obligated in any way to pay debt charges on the bonds from any of its funds, and therefore they have been excluded entirely from the City's debt presentation. There has not been and is not any condition of default under the bonds or the related financing documents.

The City's overall legal debt margin was \$85,171,107, with an unvoted debt margin of \$31,013,002 at December 31, 2010.

FUTURE DEBT SERVICE REQUIREMENTS

The principal and interest requirements to retire the long-term debt obligations outstanding at December 31, 2010 are:

<i>Year</i>	<i>Governmental Activities</i>			
	<i>General Obligation and General Obligation Refunding Bonds</i>		<i>Police Pension</i>	
	<i>Principal</i>	<i>Interest</i>	<i>Principal</i>	<i>Interest</i>
2011	\$2,605,075	\$1,059,160	\$665	\$827
2012	2,650,075	1,002,260	693	799
2013	2,728,410	939,967	723	769
2014	2,796,745	867,767	754	738
2015	2,883,415	781,262	787	705
2016-2020	11,881,935	1,997,950	4,470	2,990
2021-2025	2,105,000	373,148	5,516	1,944
2026-2030	730,000	84,820	6,021	655
<i>Totals</i>	\$28,380,655	\$7,106,334	\$19,629	\$9,427

City of Westerville, Ohio

Notes to the Basic Financial Statements
(Continued)

NOTE 14 – BONDED DEBT AND OTHER LONG-TERM OBLIGATIONS (continued)

<i>Year</i>	<i>Business-Type Activities</i>					
	<i>Water Refunding and Improvement Bonds</i>		<i>Electric System, Electric Facilities and Transportation Improvement Bonds</i>		<i>Sewer System Improvement Bonds</i>	
	<i>Principal</i>	<i>Interest</i>	<i>Principal</i>	<i>Interest</i>	<i>Principal</i>	<i>Interest</i>
2011	\$587,685	\$176,641	\$1,054,925	\$985,906	\$52,315	\$41,570
2012	167,685	150,387	1,084,925	950,947	52,315	40,524
2013	174,780	146,573	1,126,590	914,922	55,220	39,740
2014	174,780	142,069	1,168,255	876,233	55,220	38,773
2015	179,780	137,317	1,206,585	834,693	55,220	37,806
2016-2020	1,007,730	593,745	6,458,065	3,381,435	302,270	166,718
2021-2025	1,220,415	381,772	6,890,000	1,869,834	354,585	114,597
2026-2030	1,080,767	121,339	3,820,000	334,784	334,233	40,070
<i>Totals</i>	<u>\$4,593,622</u>	<u>\$1,849,843</u>	<u>\$22,809,345</u>	<u>\$10,148,754</u>	<u>\$1,261,378</u>	<u>\$519,798</u>

<i>Year</i>	<i>Business-Type Activities</i>			
	<i>ODNR Debt</i>		<i>Data Center Revenue Bonds</i>	
	<i>Principal</i>	<i>Interest</i>	<i>Principal</i>	<i>Interest</i>
2011	\$43,708	\$52,868	\$0	\$242,529
2012	45,116	51,460	0	221,600
2013	46,570	50,006	0	221,600
2014	48,070	48,506	235,000	221,600
2015	49,619	46,957	240,000	216,900
2016-2020	273,134	209,747	1,285,000	995,150
2021-2025	320,064	162,817	1,550,000	732,500
2026-2030	375,058	107,823	1,970,000	305,250
2031-2035	439,508	43,380	0	0
<i>Totals</i>	<u>\$1,640,847</u>	<u>\$773,564</u>	<u>\$5,280,000</u>	<u>\$3,157,129</u>

City of Westerville, Ohio

Notes to the Basic Financial Statements (Continued)

NOTE 15 – CONSTRUCTION COMMITMENTS

The City has entered into various contracts for the construction and acquisition of capital assets. At December 31, 2010, the significant outstanding construction commitments are:

<i>Projects</i>	<i>Contract Amount</i>	<i>Amount Expended</i>	<i>Balance At 12/31/10</i>
Highland Park Aquatic Center	\$7,051,919	\$4,199,469	\$2,852,450
Worthington Road Improvements	2,965,171	1,831,338	1,133,833
Main Street Bridge Project	1,220,000	539,646	680,354
Parks and Facility Maintenance Design	1,035,873	828,384	207,489
S. State St./Huber Village Blvd. Underground Utility	932,098	884,183	47,915
Police RMS and CAD Technology Project	729,025	555,428	173,597
Sidewalk Reconstruction Program	517,783	373,129	144,654
Street Lighting Improvements	375,252	356,489	18,763
S. State Street/Huber Village Blvd. Traffic Signal Imp.	118,207	42,257	75,950
Street Tree Planting Project	34,427	15,000	19,427
Smart Grid and Solar Power Electric Project	202,660	150,660	52,000
McCorkle Blvd. Communications Conduit/Manhole	17,776	17,275	501
<i>Totals</i>	<u>\$15,200,191</u>	<u>\$9,793,258</u>	<u>\$5,406,933</u>

NOTE 16 – RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to or destruction of assets; errors and omissions; injuries to employees; and natural disasters. On October 1, 1997, the City established membership in the Central Ohio Risk Management Association Self-Insurance Pool, Inc. (CORMA). CORMA was formed pursuant to Section 2744.081 of the Ohio Revised Code. Members of CORMA are the cities of Westerville, Dublin, Upper Arlington, Pickerington, Grove City, Groveport and Powell. Each member has two representatives on the Board of Trustees.

Membership in CORMA enables the City to take advantage of any economies to be realized from an insurance pool with other cities and also provides the City with more control over claims than what is normally available with traditional insurance coverage. A third-party claims administrator investigates, processes and advises the CORMA Treasurer/Board regarding payment of claims.

As part of participating in CORMA, coverage is provided for up to \$15,000,000 per occurrence and \$20,000,000 annual umbrella/excess liability per member for liability claims and \$200,000,000 limit for property claims for the pool. Coverage is provided on an annual aggregate basis for crime (\$1,000,000 blanket public employee dishonesty, \$500,000 forgery/computer fraud, and \$100,000 money and securities). Coverage is provided for general liability (\$1,000,000/\$2,000,000), law enforcement liability (\$900,000/\$2,000,000), public official liability (\$900,000/\$2,000,000), employment practices liability (\$1,000,000/\$2,000,000) and automobile liability (\$1,000,000). Pool retentions are \$25,000 per

City of Westerville, Ohio

Notes to the Basic Financial Statements
(Continued)

NOTE 16 – RISK MANAGEMENT (continued)

loss for property and \$550,000 aggregate for liability, with a \$100,000 per loss self-insurance retention. A third-party broker, with expertise in public entity pools, markets the program, identifies coverage lines and limits, and recommends the best insurer and insurance for procurement.

The City has created a self-insurance internal service fund to account for deductible amounts and any other amounts not covered by CORMA. A third-party administrator processes claims and the City pays the claims. Claims liabilities and expenses are estimated through a case by case review of all claims. The estimate was not affected by incremental claims adjustment expenses and does not include other allocated or unallocated claim adjustment expenses.

The changes in claims payable during the years December 31, 2009 and 2010 are:

	<u>Beginning of Year Liability</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claims Payments</u>	<u>End of Year Liability</u>
2009	\$193	\$132,632	\$94,558	\$38,267
2010	38,267	71,592	95,000	14,859

All employees of the City are covered by a blanket bond, while certain individuals in policy making roles are covered by a separate, higher limit bond coverage.

Workers' Compensation coverage is provided by the State of Ohio and is based on a rate per \$100 of salaries. The rate is calculated based on accident history and administrative costs.

Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years. There has been no significant change in coverage from last year.

NOTE 17 – DEVELOPMENT STAGE ENTERPRISE FUND

The City of Westerville's Community Data Center Enterprise Fund is in the developmental stage. The City is building a community data center which will house a City-wide broadband network and data storage for public and commercial use. The City has issued revenue bonds in the amount of \$5,280,000 for the purpose of paying the costs of constructing, equipping, furnishing and improving the community data center. Revenues of the data center will include cage and rack subscriptions, fiber leases, conduit leases, and managed services. Customers will include institutions, hospitals, local governments, businesses, internet providers and others. The daily operations of this utility will be contracted through a third party that has experience in data center management.

City of Westerville, Ohio

Notes to the Basic Financial Statements
(Continued)

NOTE 18 – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund balances at December 31, 2010, consist of the following individual fund receivables and payables:

<i>Receivable</i>	<i>Nonmajor Governmental Funds</i>	<i>Community Data Center Fund</i>	<i>Nonmajor Enterprise Funds</i>	<i>Totals</i>
	General Fund	\$10,633,160	\$1,487,700	\$204,000
Nonmajor Governmental Funds	12,937	0	0	12,937
Electric Fund	1,010,000	0	0	1,010,000
Totals	\$11,656,097	\$1,487,700	\$204,000	\$13,347,797

The amounts due to the General Fund from the Nonmajor Governmental Funds result from loans to various capital projects funds for the purpose of funding construction projects. The General Fund will be reimbursed when funds become available in the Nonmajor Governmental Funds.

The amounts due to the General Fund from the Nonmajor Enterprise Funds result from a long-term loan to the Refuse Enterprise Fund to help fund operations, while the loan to the Community Data Center Enterprise Fund was made to assist with startup costs.

Of the total amount due to the General Fund at year-end, \$8,085,819 is not expected to be repaid in 2011.

The amount due to the Nonmajor Governmental Funds from the Nonmajor Governmental Funds resulted from a loan from the Cable Franchise Fee Special Revenue Fund to the Hotel Tax Special Revenue Fund. This loan is not expected to be repaid in 2011.

The amount payable to the Electric Enterprise Fund was advanced to the South State Street TIF Capital Projects Fund, a Nonmajor Governmental Fund, to provide funding for infrastructure improvements to property along South State Street. This loan is expected to be repaid in full during 2011.

Transfers made during the year ended December 31, 2010 were as follows:

<i>Transfers From</i>	<i>Transfers To</i>				<i>Totals</i>
	<i>Parks and Recreation Operating Fund</i>	<i>General Capital Improvement Fund</i>	<i>Nonmajor Governmental Funds</i>	<i>Community Data Center Fund</i>	
General Fund	\$4,480,047	\$8,468,000	\$1,849,134	\$125,000	\$14,922,181
Nonmajor Governmental Funds	0	0	5,358,790	0	5,358,790
Totals	\$4,480,047	\$8,468,000	\$7,207,924	\$125,000	\$20,280,971

City of Westerville, Ohio

Notes to the Basic Financial Statements
(Continued)

NOTE 18 – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (continued)

Transfers from the General Fund represent subsidy monies for operations of the various funds receiving these monies. Transfers from the Nonmajor Governmental Funds were made to move available balances of restricted funds to support programs and projects accounted for in other funds. The funds receiving these transfers expended the money in a manner consistent with the nature of the transferring fund.

Due From Other Funds and Due To Other Funds consist of electric service provided by the Electric Enterprise Fund to various other funds of the City. Due to/from amounts at December 31, 2010 were as follows:

		<i>Due To</i>
		<u><i>Electric Fund</i></u>
<i>Due From</i>	General Fund	\$10,593
	Fire Operating Fund	3,384
	Parks and Recreation Operating Fund	31,653
	Nonmajor Governmental Funds	549
	Water Fund	14,694
	Sewer Fund	454
	Nonmajor Enterprise Funds	58
	Internal Service Fund	269
	<i>Total</i>	<u><u>\$61,654</u></u>

NOTE 19 – JOINTLY GOVERNED ORGANIZATION

The Westerville, Minerva Park, and Blendon Township Joint Hospital District is a jointly governed organization managed by a nine member board consisting of three elected officials from each of the governmental entities comprising the Joint Hospital District. The Joint Hospital District possesses its own budgeting and taxing authority and does not receive contributions or payments from its members. The participating members do not retain an ongoing financial interest or an ongoing financial responsibility for the Joint Hospital District. Nothing was paid to the organization by the City in 2010.

NOTE 20 – RELATED ORGANIZATION

The Westerville Industry and Commerce Corporation (WICC) is a not-for-profit corporation formed to promote industrial, economic, commercial and civic development in and around the City. WICC is governed by a seven member self-perpetuating board of trustees of which four trustees are elected and/or appointed officials from the City. The board of trustees possesses its own contracting and budgeting authority, hires and fires personnel and does not depend on the City for operating subsidies. There were no financial transactions from the City to WICC during 2010.

City of Westerville, Ohio

Notes to the Basic Financial Statements (Continued)

NOTE 21 – RISK SHARING POOL

On October 1, 1997, the City established membership in the Central Ohio Risk Management Association (CORMA) Self-Insurance Pool, Inc., a not for profit risk sharing pool, for the purpose of obtaining reduced rates on traditional liability insurance coverage. CORMA was formed pursuant to Section 2744.081 of the Ohio Revised Code. Members of CORMA are the Cities of Westerville, Dublin, Upper Arlington, Pickerington, Grove City, Groveport and Powell. Each member has two representatives on the Board of Trustees. This Board establishes its own budget, hires and fires personnel and determines annual rates for its members.

NOTE 22 – CONTINGENT LIABILITIES

LITIGATION

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

FEDERAL AND STATE GRANTS

For the period January 1, 2010, to December 31, 2010, the City received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their designees. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, the City believes such disallowance, if any, would be immaterial.

NOTE 23 – SUBSEQUENT EVENTS

On April 14, 2011, the City issued \$9,995,000 in various purpose general obligation bonds for the purpose of capital improvements within the City, including the water, electric and parks and recreation departments. The bonds were issued for 20 years, with final maturity in December, 2031.

On May 24, 2011, the City issued \$3,200,000 in Special Obligation Non-Tax Revenue Bonds for the purpose of improvements to the City's Community Data Center, including a fiber network project. The bonds were issued for 20 years, with final maturity in December, 2031.

City of Westerville, Ohio

Required Supplementary Information Condition Assessment of the City's Infrastructure Reported Using the Modified Approach as Outlined in GASB Statement No. 34 For the Year Ended December 31, 2010

The City of Westerville reports the Road and Bridge infrastructure assets using the modified approach as outlined in Governmental Accounting Standards Board (GASB) Statement No. 34. The following disclosures pertain to the conditional assessment and budgeted versus actual expenditures for the preservation of these assets. Data for the conditional assessment is presented in each of the following two sections for 2010.

Roads

The condition of road pavement is evaluated and measured using a pavement condition index (pci) rating system. This approach assigns a numerical rating to each road, or section thereof, being evaluated for the presence of numerous distresses (39 in all) and the severity level of each (low, medium, high).

The physical condition rating is determined by the City's Planning and Development Department based on the criteria below:

Pavement Condition Index	Road Condition Rating	Description
90-100	Excellent	Pavement structure is stable with no cracking, no patching and no deformation evident. Roadways in this category are usually fairly new. Nothing is needed to improve the roadway.
70-89	Good	Pavement structure is stable, but may have surface erosion or minor cracking, which is generally hairline and hard to detect, minor patching and possibly some minor deformation. Riding qualities are very good. The pavement has a dry or light colored appearance. Some type of surface rejuvenation is all that is required to improve the roadway.
50-69	Fair	Pavement structure is generally stable with minor areas of structural weakness evident. Cracking is easier to detect. The pavement might be patched, but not excessively. Although riding qualities are good, deformation is more pronounced and easily noticed.
30-49	Poor	Roadway has areas of instability, marked evidence of structural deficiency, large crack patterns, heavy and numerous patches and very noticeable deformation. Riding qualities range from acceptable to poor. Spot repair of the pavement base may be required.
0-29	Failed	Cost of saving the pavement structural section would equal or exceed complete reconstruction or roadway.

It is the City's policy that at least 85 percent of the major arterial roadways will have a rating of "Good" or better. The remaining roads will be maintained so that at least 60 percent will have a rating of "Good" or better. Each roadway in the City will be assessed, at a minimum, on a triennial basis, with higher emphasis on more heavily used pavements. However, the City has been assessing all roadways every other year, including 2007 and 2009.

The following summarizes the physical condition assessment of City roads as of December 31 for 2007 and 2009:

Road Condition Rating	2007			
	Major Arterials		All Other	
	Road Miles	% of Total	Road Miles	% of Total
Good or Better	12.3	83%	91.9	67%
Less than Good	2.5	17%	45.2	33%
Total	14.8	100%	137.1	100%

City of Westerville, Ohio

Required Supplementary Information Condition Assessment of the City's Infrastructure (Continued)

Road Condition Rating	2009			
	Major Arterials		All Other	
	Road Miles	% of Total	Road Miles	% of Total
Good or Better	12.3	83%	91.9	67%
Less than Good	2.5	17%	45.2	33%
Total	14.8	100%	137.1	100%

The following is a comparison of budgeted and actual expenditures for preservation of the existing roadways:

Year	Budget	Actual	Difference
2010	\$7,297,219	\$6,736,529	\$560,690
2009	7,194,062	6,902,639	291,423
2008	4,479,571	4,301,218	178,353
2007	3,452,797	3,166,904	285,393

Bridges

The condition of the City's bridges is determined using a general appraisal and operational status rating which is a conditional coding system developed by the Federal Highway Administration. This system is comprised of ratings for the individual elements of the structure. The primary elements of this appraisal system include the following:

- i) Bridge decks (riding surface, roadway approaches, end joints, curbing and sidewalks)
- ii) Superstructures (side rails, above-road piers and overhead truss)
- iii) Substructures (undercarriage, piers, footings, abutments and erosion protection)

The Federal Highway Administration has defined specific criteria for each element of the bridge, based on its construction. For each element, a 1-9 rating scale is used, where 4 or less is defined as "Poor" condition. The ratings of all elements are combined to summarize the structural condition of a bridge as follows:

Bridge Rating	Condition Rating	Description
9	Excellent	Superior to present desirable criteria.
8	Very Good	No problems noted.
7	Good	Some minor problems.
6	Satisfactory	Structural elements show some minor deterioration.
5	Fair	All primary structural elements are sound but may have minor section loss, cracking, spalling or scour.
4	Poor	Advanced section loss, deterioration, spalling or scour.
3	Serious	Loss of section, deterioration, spalling or scour have seriously affected primary structural components. Local failures are possible. Fatigue cracks in steel or shear cracks in concrete may be present.
2	Critical	Advanced deterioration of primary structural elements. Fatigue cracks in steel or shear cracks in concrete may be present or scour may have removed substructure support. Unless closely monitored it may be necessary to close the bridge until corrective action is taken.
1	Imminent Failure	Major deterioration or section loss present in critical structural components, or obvious vertical or horizontal movement affecting structure stability. Bridge is closed to traffic but corrective action may put bridge back in light service.
0	Failed	Out of service; beyond corrective action.

City of Westerville, Ohio

Required Supplementary Information Condition Assessment of the City's Infrastructure (Continued)

It is the City's policy to maintain the bridge system in the City where 80 percent of the structures have a general appraisal summary of 7 (Good) condition or better. Each bridge in the City will be assessed annually. The following is a summary of the conditional assessment for bridges as of December 31 for 2010, 2009 and 2008:

Bridge Condition	2010		2009		2008	
	Number of Bridges	% of Total	Number of Bridges	% of Total	Number of Bridges	% of Total
Good or Better	5	100%	5	100%	5	100%
Less than Good	0	0%	0	0%	0	0%
Total	5	100%	5	100%	5	100%

The following is a comparison of budgeted and actual expenditures for preservation of the existing bridges:

Year	Budget	Actual	Difference
2010	\$851,594	\$846,944	\$4,650
2009	114,225	98,025	16,200
2008	83,650	22,650	61,000
2007	26,031	26,031	0

Combining Statements
And
Individual Fund Schedules

City of Westerville, Ohio

Nonmajor Governmental Fund Descriptions

SPECIAL REVENUE FUNDS

Special Revenue Funds are established to account for the proceeds of specific revenue resources (other than major capital projects) that are restricted by law and administrative action to expenditures for a specified purpose. The following are the City's nonmajor special revenue funds:

Nonmajor Special Revenue Funds

Street Maintenance Fund – To account for the portion (92.5 percent) of the State gasoline tax and motor vehicle registration fees restricted for maintenance and repair of streets within the City.

State Highway Fund – To account for the portion (7.5 percent) of the State gasoline tax and motor vehicle registration fees restricted for maintenance of State highways within the City.

Drug Abuse Resistance Education (DARE) Fund – To account for all charitable contributions and State grants used to finance the City's DARE programs.

Permissive Motor Vehicle License Fund – To account for the permissive motor vehicle registration fees used for maintenance of streets within the City.

Mayor's Operating Fund – To account for money received by the Mayor and used to promote the City and its governmental functions.

Hotel Tax Fund – To account for the receipt of 75 percent of the hotel tax revenues collected by the City and expended as required by local ordinance.

OMVI Education Fund – To account for contributions to the Mayor's Task Force on alcohol and drug abuse programs and court fines restricted for OMVI education.

Tax Incentive / Redistribution Fund – To account for monies received from payments in lieu of taxes to be redistributed to area school districts.

Mayor's Court Computer Fund – To account for court costs collected for the acquisition and maintenance of computer equipment used in the operations of the Court.

Cable TV Franchise Fee Fund – To account for cable franchise fees which are used primarily to supplement funding to the Otterbein College community access channel.

Parks and Recreation Income Tax Allocation Fund – To account for the receipts generated by the additional .25 percent City income tax which are designated for the development of the parks and recreation projects.

(continued)

City of Westerville, Ohio

Nonmajor Governmental Fund Descriptions
(Continued)

Nonmajor Special Revenue Funds (Continued)

FEMA Fund – To account for the 75 percent reimbursement from the Federal Emergency Management Agency for expenditures associated with the March, 2008 snow and September, 2008 wind storms.

Drug Enforcement Fund – To account for confiscated monies related to criminal offenses which are designated, by State statute, for expenditures that would enhance the police department.

Criminal Activity Forfeiture Fund – To account for assets seized and forfeited by individuals engaged in criminal activities which are used to further law enforcement activities.

McVay Endowment Fund – To account for monies received from the Columbus Foundation endowed fund established by Dorothy McVay to be used for expenditures at the City’s Fire Department, Police Department, or the Senior Citizens Center.

DEBT SERVICE FUND

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. Following is the description of the City’s nonmajor debt service fund:

Nonmajor Debt Service Fund

General Bond Retirement Fund – To account for the accumulation of property tax revenues used for the payment of general obligation debt principal and interest.

CAPITAL PROJECTS FUNDS

Capital Projects Funds are established to account for financial resources to be used for the acquisition and construction of major capital facilities (other than those financed by proprietary funds).

Nonmajor Capital Projects Funds

Recreation Improvement Fund – To account for receipts restricted for recreation capital improvements.

Africa Road Improvement Fund – To account for street improvements financed by transfers from the General Fund.

Dempsey Road Improvement Fund – To account for street improvements to Dempsey Road, to be financed by transfers from the General Fund, potential grant revenues (OPWC) and cooperative revenue payments from other governmental entities.

(continued)

City of Westerville, Ohio

Nonmajor Governmental Fund Descriptions
(Continued)

Nonmajor Capital Projects Funds (Continued)

McCorkle Boulevard Road Improvement Fund – To account for the McCorkle Boulevard extension project to be funded by transfers from the General Fund, potential grant revenues (OPWC) and cooperative revenue payments from other governmental entities.

Spring Road Improvement Fund – To account for street improvements financed by OPWC grants and transfers from the General Fund.

Maxtown Road Improvement Fund – To account for street improvements financed by developer fees and transfers from the General Fund.

Parks and Recreation Capital Improvement Fund – To account for monies originally received from the proceeds of general obligation bonds issued by the City for the purpose of funding park and recreation improvements.

North State Street Improvement Fund – To account for street improvements financed by intergovernmental grants and transfers from the General Fund.

Cleveland Avenue Extension Improvement Fund – To account for street improvements financed by transfers from the General Fund.

Parks and Recreation Replacement and Reserve Fund – To account for monies received by transfer from the Parks and Recreation Income Tax Allocation Fund to be earmarked for future capital repairs and replacements.

Street Replacement and Reserve Fund – To account for annual transfers from the General Fund to make advance preparation for the long-term funding of major street rehabilitation and reconstruction projects.

Tree Replacement Fund – To account for fees paid by developers for the replacement of trees removed or destroyed during construction projects.

City Buildings Improvement Fund – To account for the proceeds of general obligation bonds in order to renovate, improve, furnish and equip municipal facilities.

Safety Building Capital Improvement Fund – To account for the proceeds of general obligation bonds used for paying the costs of improving the provision of municipal fire services, including the constructing, furnishing and equipping of buildings to house municipal fire functions, including related site improvements, and the acquisition of safety vehicles and communication equipment.

(continued)

City of Westerville, Ohio

Nonmajor Governmental Fund Descriptions
(Continued)

Nonmajor Capital Projects Funds (Continued)

Westar / Olentangy TIF Fund – To account for service payments in lieu of taxes made by developers and/or owners to fund public improvements and acquisition of interests in real estate relating to the TIF area.

Northridge Crossing TIF Fund – To account for service payments in lieu of taxes made by developers and/or owners to fund public improvements and acquisition of interests in real estate relating to the TIF area.

Northstar / Worthington Road TIF Fund – To account for service payments in lieu of taxes made by developers and/or owners to fund public infrastructure improvements and acquisition of interests in real estate relating to the TIF area.

Altair TIF Incentive Fund – To account for service payments in lieu of taxes made by developers and/or owners to fund public infrastructure improvements and acquisition of interests in real estate relating to the TIF area.

South State Street TIF Incentive Fund – To account for service payments in lieu of taxes made by developers and/or owners to fund public infrastructure improvements and acquisition of interests in real estate relating to the TIF area.

Perimeter Road Improvement Fund – To account for fees charged to developers for deferred planned improvements to each perimeter street providing access to developments. The activity of each perimeter road (Spring Road, Hempstead Road, County Line Road, and Maxtown Road) is maintained through the use of separate account codes.

Recreation Capital Improvement Fund – To account for interest, grants and the proceeds from the sale of certain real estate which is restricted to recreation capital improvements.

City of Westerville, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2010

	<i>Nonmajor Special Revenue Funds</i>	<i>Nonmajor Debt Service Funds</i>	<i>Nonmajor Capital Projects Funds</i>	<i>Total Nonmajor Governmental Funds</i>
<u>Assets:</u>				
Equity in Pooled Cash and Cash Equivalents	\$2,436,206	\$180,259	\$14,783,869	\$17,400,334
Cash and Cash Equivalents with Fiscal Agents	52,792	3,067	0	55,859
Receivables:				
Property Taxes	0	206,692	0	206,692
Municipal Income Taxes	562,423	0	0	562,423
Other Local Taxes	151,154	0	0	151,154
Accounts	66	0	0	66
Payments in Lieu of Taxes	127,127	0	800,264	927,391
Accrued Interest	533	0	0	533
Intergovernmental Receivable	788,303	12,254	660,332	1,460,889
Materials and Supplies Inventory	108,311	0	0	108,311
Notes Receivable	0	0	229,214	229,214
Interfund Receivable	12,937	0	0	12,937
<i>Total Assets</i>	<u>\$4,239,852</u>	<u>\$402,272</u>	<u>\$16,473,679</u>	<u>\$21,115,803</u>
<u>Liabilities and Fund Balances</u>				
<u>Liabilities:</u>				
Accounts Payable	\$48,068	\$0	\$68,753	\$116,821
Contracts Payable	0	0	1,911,275	1,911,275
Retainage Payable	0	0	685,919	685,919
Accrued Wages Payable	13,797	0	0	13,797
Intergovernmental Payable	21,863	0	3,253	25,116
Matured Interest Payable	0	3,067	0	3,067
Due To Other Funds	549	0	0	549
Deferred Revenue	1,037,954	218,946	1,352,936	2,609,836
Interfund Payable	27,937	0	11,628,160	11,656,097
<i>Total Liabilities</i>	<u>1,150,168</u>	<u>222,013</u>	<u>15,650,296</u>	<u>17,022,477</u>
<u>Fund Balances:</u>				
Reserved for Encumbrances	91,795	0	7,019,506	7,111,301
Reserved for Interfund Receivable	12,937	0	0	12,937
Reserved for Notes Receivable	0	0	192,659	192,659
Unreserved:				
Undesignated (Deficit), Reported in:				
Special Revenue Funds	2,984,952	0	0	2,984,952
Debt Service Funds	0	180,259	0	180,259
Capital Projects Funds	0	0	(6,388,782)	(6,388,782)
<i>Total Fund Balances</i>	<u>3,089,684</u>	<u>180,259</u>	<u>823,383</u>	<u>4,093,326</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$4,239,852</u>	<u>\$402,272</u>	<u>\$16,473,679</u>	<u>\$21,115,803</u>

City of Westerville, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2010

	<u>Street Maintenance</u>	<u>State Highway</u>	<u>DARE</u>
<u>Assets:</u>			
Equity in Pooled Cash and Cash Equivalents	\$715,272	\$583,343	\$36,249
Cash and Cash Equivalents with Fiscal Agents	0	0	0
Receivables:			
Municipal Income Taxes	0	0	0
Other Local Taxes	0	0	0
Accounts	66	0	0
Payments in Lieu of Taxes	0	0	0
Accrued Interest	0	0	102
Intergovernmental Receivable	699,490	56,715	0
Materials and Supplies Inventory	108,311	0	0
Interfund Receivable	0	0	0
<i>Total Assets</i>	<u>\$1,523,139</u>	<u>\$640,058</u>	<u>\$36,351</u>
<u>Liabilities and Fund Balances</u>			
<u>Liabilities:</u>			
Accounts Payable	\$21,006	\$0	\$4,862
Accrued Wages Payable	13,797	0	0
Intergovernmental Payable	21,863	0	0
Due To Other Funds	549	0	0
Deferred Revenue	582,912	47,263	0
Interfund Payable	0	0	0
<i>Total Liabilities</i>	<u>640,127</u>	<u>47,263</u>	<u>4,862</u>
<u>Fund Balances:</u>			
Reserved for Encumbrances	17,800	0	38
Reserved for Interfund Receivable	0	0	0
Unreserved:			
Undesignated (Deficit), Reported in:			
Special Revenue Funds	865,212	592,795	31,451
<i>Total Fund Balances (Deficit)</i>	<u>883,012</u>	<u>592,795</u>	<u>31,489</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$1,523,139</u>	<u>\$640,058</u>	<u>\$36,351</u>

<i>Permissive Motor Vehicle License</i>	<i>Mayor's Operating</i>	<i>Hotel Tax</i>	<i>OMVI Education</i>	<i>Tax Incentive / Redistribution</i>	<i>Mayor's Court Computer</i>
\$136,737	\$557	\$0	\$10,523	\$317,723	\$32,416
52,792	0	0	0	0	0
0	0	0	0	0	0
0	0	20,188	0	0	0
0	0	0	0	0	0
0	0	0	0	127,127	0
0	0	0	0	0	0
24,327	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>\$213,856</u>	<u>\$557</u>	<u>\$20,188</u>	<u>\$10,523</u>	<u>\$444,850</u>	<u>\$32,416</u>
\$0	\$0	\$0	\$0	\$0	\$0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	19,980	0	4,114	0
0	0	27,937	0	0	0
<u>0</u>	<u>0</u>	<u>47,917</u>	<u>0</u>	<u>4,114</u>	<u>0</u>
0	0	0	0	0	0
0	0	0	0	0	0
<u>213,856</u>	<u>557</u>	<u>(27,729)</u>	<u>10,523</u>	<u>440,736</u>	<u>32,416</u>
<u>213,856</u>	<u>557</u>	<u>(27,729)</u>	<u>10,523</u>	<u>440,736</u>	<u>32,416</u>
<u>\$213,856</u>	<u>\$557</u>	<u>\$20,188</u>	<u>\$10,523</u>	<u>\$444,850</u>	<u>\$32,416</u>

(continued)

City of Westerville, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2010
(Continued)

	<i>Cable TV Franchise Fee</i>	<i>Parks and Recreation Income Tax Allocation</i>	<i>FEMA</i>
<u>Assets:</u>			
Equity in Pooled Cash and Cash Equivalents	\$293,919	\$119,490	\$3,150
Cash and Cash Equivalents with Fiscal Agents	0	0	0
Receivables:			
Municipal Income Taxes	0	562,423	0
Other Local Taxes	130,966	0	0
Accounts	0	0	0
Payments in Lieu of Taxes	0	0	0
Accrued Interest	0	0	0
Intergovernmental Receivable	0	0	0
Materials and Supplies Inventory	0	0	0
Interfund Receivable	12,937	0	0
<i>Total Assets</i>	<u>\$437,822</u>	<u>\$681,913</u>	<u>\$3,150</u>
<u>Liabilities and Fund Balances</u>			
<u>Liabilities:</u>			
Accounts Payable	\$17,007	\$0	\$0
Accrued Wages Payable	0	0	0
Intergovernmental Payable	0	0	0
Due To Other Funds	0	0	0
Deferred Revenue	130,966	252,719	0
Interfund Payable	0	0	0
<i>Total Liabilities</i>	<u>147,973</u>	<u>252,719</u>	<u>0</u>
<u>Fund Balances:</u>			
Reserved for Encumbrances	5,958	0	0
Reserved for Interfund Receivable	12,937	0	0
Unreserved:			
Undesignated (Deficit), Reported in:			
Special Revenue Funds	270,954	429,194	3,150
<i>Total Fund Balances (Deficit)</i>	<u>289,849</u>	<u>429,194</u>	<u>3,150</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$437,822</u>	<u>\$681,913</u>	<u>\$3,150</u>

<i>Drug Enforcement</i>	<i>Criminal Activitiy Forfeiture</i>	<i>McVay Endowment</i>	<i>Total Nonmajor Special Revenue Funds</i>
\$19,422	\$127,934	\$39,471	\$2,436,206
0	0	0	52,792
0	0	0	562,423
0	0	0	151,154
0	0	0	66
0	0	0	127,127
51	380	0	533
0	7,771	0	788,303
0	0	0	108,311
0	0	0	12,937
<u>\$19,473</u>	<u>\$136,085</u>	<u>\$39,471</u>	<u>\$4,239,852</u>
\$0	\$5,193	\$0	\$48,068
0	0	0	13,797
0	0	0	21,863
0	0	0	549
0	0	0	1,037,954
0	0	0	27,937
<u>0</u>	<u>5,193</u>	<u>0</u>	<u>1,150,168</u>
0	67,999	0	91,795
0	0	0	12,937
<u>19,473</u>	<u>62,893</u>	<u>39,471</u>	<u>2,984,952</u>
<u>19,473</u>	<u>130,892</u>	<u>39,471</u>	<u>3,089,684</u>
<u>\$19,473</u>	<u>\$136,085</u>	<u>\$39,471</u>	<u>\$4,239,852</u>

City of Westerville, Ohio
 Combining Balance Sheet
 Nonmajor Capital Projects Funds
 December 31, 2010

	<u>Recreation Improvement</u>	<u>Africa Road Improvement</u>	<u>Dempsey Road Improvement</u>
<u>Assets:</u>			
Equity in Pooled Cash and Cash Equivalents	\$113,127	\$48	\$272,060
Receivables:			
Payments in Lieu of Taxes	0	0	0
Intergovernmental Receivable	0	0	0
Notes Receivable	0	0	0
Total Assets	<u>\$113,127</u>	<u>\$48</u>	<u>\$272,060</u>
<u>Liabilities and Fund Balances</u>			
<u>Liabilities:</u>			
Accounts Payable	\$0	\$0	\$0
Contracts Payable	0	0	659
Retainage Payable	0	0	0
Intergovernmental Payable	0	0	0
Deferred Revenue	0	0	0
Interfund Payable	0	135,000	0
Total Liabilities	<u>0</u>	<u>135,000</u>	<u>659</u>
<u>Fund Balances:</u>			
Reserved for Encumbrances	0	0	209,506
Reserved for Notes Receivable	0	0	0
Unreserved:			
Undesignated (Deficit), Reported in:			
Capital Projects Funds	113,127	(134,952)	61,895
Total Fund Balances (Deficit)	<u>113,127</u>	<u>(134,952)</u>	<u>271,401</u>
Total Liabilities and Fund Balances	<u>\$113,127</u>	<u>\$48</u>	<u>\$272,060</u>

<i>McCorkle Boulevard Road Improvement</i>	<i>Spring Road Improvement</i>	<i>Maxtown Road Improvement</i>	<i>Parks and Recreation Capital Improvement</i>	<i>North State Street Improvement</i>	<i>Cleveland Avenue Extension Improvement</i>
\$40,000	\$163,548	\$4,545	\$6,344,713	\$240,064	\$46,961
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	229,214	0	0
<u>\$40,000</u>	<u>\$163,548</u>	<u>\$4,545</u>	<u>\$6,573,927</u>	<u>\$240,064</u>	<u>\$46,961</u>
\$0	\$0	\$0	\$68,753	\$0	\$0
0	0	0	757,853	0	0
0	0	0	502,785	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	1,722,000	2,506,000	0	0	1,019,200
<u>0</u>	<u>1,722,000</u>	<u>2,506,000</u>	<u>1,329,391</u>	<u>0</u>	<u>1,019,200</u>
0	0	0	4,212,995	0	22,000
0	0	0	192,659	0	0
40,000	(1,558,452)	(2,501,455)	838,882	240,064	(994,239)
<u>40,000</u>	<u>(1,558,452)</u>	<u>(2,501,455)</u>	<u>5,244,536</u>	<u>240,064</u>	<u>(972,239)</u>
<u>\$40,000</u>	<u>\$163,548</u>	<u>\$4,545</u>	<u>\$6,573,927</u>	<u>\$240,064</u>	<u>\$46,961</u>

(continued)

City of Westerville, Ohio
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2010
(Continued)

	<i>Parks and Recreation Replacement and Reserve</i>	<i>Street Replacement and Reserve</i>	<i>Tree Replacement</i>
<u>Assets:</u>			
Equity in Pooled Cash and Cash Equivalents	\$681,342	\$1,869,860	\$1,239
Receivables:			
Payments in Lieu of Taxes	0	0	0
Intergovernmental Receivable	0	0	0
Notes Receivable	0	0	0
<i>Total Assets</i>	<u>\$681,342</u>	<u>\$1,869,860</u>	<u>\$1,239</u>
<u>Liabilities and Fund Balances</u>			
<u>Liabilities:</u>			
Accounts Payable	\$0	\$0	\$0
Contracts Payable	0	0	0
Retainage Payable	0	0	0
Intergovernmental Payable	0	0	0
Deferred Revenue	0	0	0
Interfund Payable	0	0	0
<i>Total Liabilities</i>	<u>0</u>	<u>0</u>	<u>0</u>
<u>Fund Balances:</u>			
Reserved for Encumbrances	90,730	0	0
Reserved for Notes Receivable	0	0	0
Unreserved:			
Undesignated (Deficit), Reported in:			
Capital Projects Funds	590,612	1,869,860	1,239
<i>Total Fund Balances (Deficit)</i>	<u>681,342</u>	<u>1,869,860</u>	<u>1,239</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$681,342</u>	<u>\$1,869,860</u>	<u>\$1,239</u>

<i>City Buildings Improvement</i>	<i>Safety Building Capital Improvement</i>	<i>Westar / Olentangy TIF</i>	<i>Northridge Crossing TIF</i>	<i>Northstar/ Worthington Road TIF</i>	<i>Altair TIF Incentive</i>
\$2,669	\$101,579	\$90,252	\$66,075	\$3,122,364	\$27,293
0	0	47,546	613,346	139,372	0
0	0	0	0	660,332	0
0	0	0	0	0	0
<u>\$2,669</u>	<u>\$101,579</u>	<u>\$137,798</u>	<u>\$679,421</u>	<u>\$3,922,068</u>	<u>\$27,293</u>
\$0	\$0	\$0	\$0	\$0	\$0
0	0	0	0	717,950	0
0	0	0	0	183,134	0
0	0	0	0	3,253	0
0	0	47,546	613,346	692,044	0
0	101,579	0	375,000	2,397,041	895,340
<u>0</u>	<u>101,579</u>	<u>47,546</u>	<u>988,346</u>	<u>3,993,422</u>	<u>895,340</u>
0	0	0	0	1,752,991	0
0	0	0	0	0	0
<u>2,669</u>	<u>0</u>	<u>90,252</u>	<u>(308,925)</u>	<u>(1,824,345)</u>	<u>(868,047)</u>
<u>2,669</u>	<u>0</u>	<u>90,252</u>	<u>(308,925)</u>	<u>(71,354)</u>	<u>(868,047)</u>
<u>\$2,669</u>	<u>\$101,579</u>	<u>\$137,798</u>	<u>\$679,421</u>	<u>\$3,922,068</u>	<u>\$27,293</u>

(continued)

City of Westerville, Ohio
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2010
(Continued)

	<i>South State Street TIF Incentive</i>	<i>Perimeter Road Improvement</i>	<i>Recreation Capital Improvement</i>	<i>Total Nonmajor Capital Projects Funds</i>
<u>Assets:</u>				
Equity in Pooled Cash and Cash Equivalents	\$1,469,247	\$125,330	\$1,553	\$14,783,869
Receivables:				
Payments in Lieu of Taxes	0	0	0	800,264
Intergovernmental Receivable	0	0	0	660,332
Notes Receivable	0	0	0	229,214
<i>Total Assets</i>	<u>\$1,469,247</u>	<u>\$125,330</u>	<u>\$1,553</u>	<u>\$16,473,679</u>
<u>Liabilities and Fund Balances</u>				
<u>Liabilities:</u>				
Accounts Payable	\$0	\$0	\$0	\$68,753
Contracts Payable	434,813	0	0	1,911,275
Retainage Payable	0	0	0	685,919
Intergovernmental Payable	0	0	0	3,253
Deferred Revenue	0	0	0	1,352,936
Interfund Payable	2,477,000	0	0	11,628,160
<i>Total Liabilities</i>	<u>2,911,813</u>	<u>0</u>	<u>0</u>	<u>15,650,296</u>
<u>Fund Balances:</u>				
Reserved for Encumbrances	731,284	0	0	7,019,506
Reserved for Notes Receivable	0	0	0	192,659
Unreserved:				
Undesignated (Deficit), Reported in:				
Capital Projects Funds	(2,173,850)	125,330	1,553	(6,388,782)
<i>Total Fund Balances (Deficit)</i>	<u>(1,442,566)</u>	<u>125,330</u>	<u>1,553</u>	<u>823,383</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$1,469,247</u>	<u>\$125,330</u>	<u>\$1,553</u>	<u>\$16,473,679</u>

City of Westerville, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2010

	<i>Nonmajor Special Revenue Funds</i>	<i>Nonmajor Debt Service Funds</i>	<i>Nonmajor Capital Projects Funds</i>	<i>Total Nonmajor Governmental Funds</i>
<u>Revenues:</u>				
Property Taxes	\$0	\$190,482	\$0	\$190,482
Municipal Income Taxes	4,288,531	0	0	4,288,531
Other Local Taxes	516,475	0	0	516,475
Payments in Lieu of Taxes	1,825,856	0	772,318	2,598,174
Intergovernmental	2,064,441	56,627	1,785,030	3,906,098
Fees, Licenses and Permits	0	0	48,600	48,600
Fines and Forfeitures	233,329	0	0	233,329
Interest	5,538	0	0	5,538
Other	25,881	2,822	101,130	129,833
<i>Total Revenues</i>	<u>8,960,051</u>	<u>249,931</u>	<u>2,707,078</u>	<u>11,917,060</u>
<u>Expenditures:</u>				
Current:				
Security of Persons and Property	391,759	0	0	391,759
Transportation	2,816,796	0	0	2,816,796
General Government	3,071,799	0	0	3,071,799
Capital Outlay	0	0	11,382,916	11,382,916
Debt Service:				
Principal Retirement	0	1,986,740	0	1,986,740
Interest and Fiscal Charges	0	944,535	0	944,535
Issuance Costs	0	0	95,915	95,915
<i>Total Expenditures</i>	<u>6,280,354</u>	<u>2,931,275</u>	<u>11,478,831</u>	<u>20,690,460</u>
Excess of Revenues Over (Under) Expenditures	<u>2,679,697</u>	<u>(2,681,344)</u>	<u>(8,771,753)</u>	<u>(8,773,400)</u>
<u>Other Financing Sources (Uses):</u>				
General Obligation Bonds Issued	0	0	6,235,000	6,235,000
Premium on Debt Issued	0	17,515	525,865	543,380
Proceeds From Sale of Capital Assets	3,294	0	0	3,294
Transfers - In	1,730,792	2,761,262	2,715,870	7,207,924
Transfers - Out	(5,358,790)	0	0	(5,358,790)
<i>Total Other Financing Sources (Uses)</i>	<u>(3,624,704)</u>	<u>2,778,777</u>	<u>9,476,735</u>	<u>8,630,808</u>
Net Change in Fund Balances	(945,007)	97,433	704,982	(142,592)
Fund Balances at Beginning of Year	<u>4,034,691</u>	<u>82,826</u>	<u>118,401</u>	<u>4,235,918</u>
<i>Fund Balances at End of Year</i>	<u>\$3,089,684</u>	<u>\$180,259</u>	<u>\$823,383</u>	<u>\$4,093,326</u>

City of Westerville, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010

	<i>Street Maintenance</i>	<i>State Highway</i>	<i>DARE</i>
<u>Revenues:</u>			
Municipal Income Taxes	\$0	\$0	\$0
Other Local Taxes	0	0	0
Payments in Lieu of Taxes	0	0	0
Intergovernmental	1,481,306	115,659	26,472
Fines and Forfeitures	0	0	0
Interest	0	29	823
Other	5,809	0	1,510
Total Revenues	1,487,115	115,688	28,805
<u>Expenditures:</u>			
Current:			
Security of Persons and Property	0	0	26,077
Transportation	2,331,796	5,000	0
General Government	0	0	0
Total Expenditures	2,331,796	5,000	26,077
Excess of Revenues Over (Under) Expenditures	(844,681)	110,688	2,728
<u>Other Financing Sources (Uses):</u>			
Proceeds From Sale of Capital Assets	3,010	0	0
Transfers - In	595,000	0	0
Transfers - Out	0	0	0
Total Other Financing Sources (Uses)	598,010	0	0
Net Change in Fund Balances	(246,671)	110,688	2,728
Fund Balances (Deficit) at Beginning of Year	1,129,683	482,107	28,761
Fund Balances (Deficit) at End of Year	\$883,012	\$592,795	\$31,489

<i>Permissive Motor Vehicle License</i>	<i>Mayor's Operating</i>	<i>Hotel Tax</i>	<i>OMVI Education</i>	<i>Tax Incentive / Redistribution</i>
\$0	\$0	\$0	\$0	\$0
0	0	15,875	0	0
0	0	0	0	1,825,856
429,460	0	0	0	0
0	0	0	2,524	0
173	0	0	0	0
0	1,630	0	0	0
<u>429,633</u>	<u>1,630</u>	<u>15,875</u>	<u>2,524</u>	<u>1,825,856</u>
0	0	0	0	0
480,000	0	0	0	0
0	1,130	28,555	0	2,645,842
<u>480,000</u>	<u>1,130</u>	<u>28,555</u>	<u>0</u>	<u>2,645,842</u>
<u>(50,367)</u>	<u>500</u>	<u>(12,680)</u>	<u>2,524</u>	<u>(819,986)</u>
0	0	0	0	0
0	0	0	0	1,135,792
0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,135,792</u>
(50,367)	500	(12,680)	2,524	315,806
<u>264,223</u>	<u>57</u>	<u>(15,049)</u>	<u>7,999</u>	<u>124,930</u>
<u>\$213,856</u>	<u>\$557</u>	<u>(\$27,729)</u>	<u>\$10,523</u>	<u>\$440,736</u>

(continued)

City of Westerville, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010
(Continued)

	<i>Mayor's Court Computer</i>	<i>Cable TV Franchise Fee</i>	<i>Parks and Recreation Income Tax Allocation</i>
<u>Revenues:</u>			
Municipal Income Taxes	\$0	\$0	\$4,288,531
Other Local Taxes	0	500,600	0
Payments in Lieu of Taxes	0	0	0
Intergovernmental	0	0	0
Fines and Forfeitures	16,425	0	0
Interest	0	0	0
Other	0	0	0
<i>Total Revenues</i>	<u>16,425</u>	<u>500,600</u>	<u>4,288,531</u>
<u>Expenditures:</u>			
Current:			
Security of Persons and Property	0	0	0
Transportation	0	0	0
General Government	25,061	371,211	0
<i>Total Expenditures</i>	<u>25,061</u>	<u>371,211</u>	<u>0</u>
Excess of Revenues Over (Under) Expenditures	<u>(8,636)</u>	<u>129,389</u>	<u>4,288,531</u>
<u>Other Financing Sources (Uses):</u>			
Proceeds From Sale of Capital Assets	0	0	0
Transfers - In	0	0	0
Transfers - Out	0	(125,000)	(5,233,790)
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>(125,000)</u>	<u>(5,233,790)</u>
Net Change in Fund Balances	(8,636)	4,389	(945,259)
Fund Balances (Deficit) at Beginning of Year	<u>41,052</u>	<u>285,460</u>	<u>1,374,453</u>
<i>Fund Balances (Deficit) at End of Year</i>	<u>\$32,416</u>	<u>\$289,849</u>	<u>\$429,194</u>

<i>FEMA</i>	<i>Drug Enforcement</i>	<i>Criminal Activity Forfeiture</i>	<i>McVay Endowment</i>	<i>Total Nonmajor Special Revenue Funds</i>
\$0	\$0	\$0	\$0	\$4,288,531
0	0	0	0	516,475
0	0	0	0	1,825,856
0	0	11,544	0	2,064,441
0	14,209	200,171	0	233,329
0	307	4,206	0	5,538
0	0	0	16,932	25,881
0	14,516	215,921	16,932	8,960,051
0	13,630	326,357	25,695	391,759
0	0	0	0	2,816,796
0	0	0	0	3,071,799
0	13,630	326,357	25,695	6,280,354
0	886	(110,436)	(8,763)	2,679,697
0	0	284	0	3,294
0	0	0	0	1,730,792
0	0	0	0	(5,358,790)
0	0	284	0	(3,624,704)
0	886	(110,152)	(8,763)	(945,007)
3,150	18,587	241,044	48,234	4,034,691
\$3,150	\$19,473	\$130,892	\$39,471	\$3,089,684

City of Westerville, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2010

	<i>Recreation Improvement</i>	<i>Africa Road Improvement</i>	<i>Dempsey Road Improvement</i>
<u>Revenues:</u>			
Payments in Lieu of Taxes	\$0	\$0	\$0
Intergovernmental	0	0	0
Fees, Licenses and Permits	0	0	0
Other	0	0	0
<i>Total Revenues</i>	<u>0</u>	<u>0</u>	<u>0</u>
<u>Expenditures:</u>			
Capital Outlay	0	0	105,372
Debt Service:			
Issuance Costs	0	0	0
<i>Total Expenditures</i>	<u>0</u>	<u>0</u>	<u>105,372</u>
Excess of Revenues Over (Under) Expenditures	<u>0</u>	<u>0</u>	<u>(105,372)</u>
<u>Other Financing Sources:</u>			
General Obligation Bonds Issued	0	0	0
Premium on Debt Issued	0	0	0
Transfers - In	0	0	0
<i>Total Other Financing Sources</i>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balances	0	0	(105,372)
Fund Balances (Deficit) at Beginning of Year	<u>113,127</u>	<u>(134,952)</u>	<u>376,773</u>
<i>Fund Balances (Deficit) at End of Year</i>	<u><u>\$113,127</u></u>	<u><u>(\$134,952)</u></u>	<u><u>\$271,401</u></u>

<i>McCorkle Boulevard Road Improvement</i>	<i>Spring Road Improvement</i>	<i>Maxtown Road Improvement</i>	<i>Parks and Recreation Capital Improvement</i>	<i>North State Street Improvement</i>	<i>Cleveland Avenue Extension Improvement</i>
\$0	\$0	\$0	\$0	\$0	\$0
0	0	0	124,335	0	0
0	0	0	0	0	0
0	0	0	101,130	0	0
0	0	0	225,465	0	0
0	0	0	5,726,713	0	0
0	0	0	95,915	0	0
0	0	0	5,822,628	0	0
0	0	0	(5,597,163)	0	0
0	0	0	6,235,000	0	0
0	0	0	525,865	0	0
0	0	0	1,665,870	0	0
0	0	0	8,426,735	0	0
0	0	0	2,829,572	0	0
40,000	(1,558,452)	(2,501,455)	2,414,964	240,064	(972,239)
<u>\$40,000</u>	<u>(\$1,558,452)</u>	<u>(\$2,501,455)</u>	<u>\$5,244,536</u>	<u>\$240,064</u>	<u>(\$972,239)</u>

(continued)

City of Westerville, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2010
(Continued)

	<i>Parks and Recreation Replacement and Reserve</i>	<i>Street Replacement and Reserve</i>	<i>Tree Replacement</i>
<u>Revenues:</u>			
Payments in Lieu of Taxes	\$0	\$0	\$0
Intergovernmental	0	0	0
Fees, Licenses and Permits	0	0	0
Other	0	0	0
<i>Total Revenues</i>	<u>0</u>	<u>0</u>	<u>0</u>
<u>Expenditures:</u>			
Capital Outlay	702,095	960,000	0
Debt Service:			
Issuance Costs	0	0	0
<i>Total Expenditures</i>	<u>702,095</u>	<u>960,000</u>	<u>0</u>
Excess of Revenues Over (Under) Expenditures	<u>(702,095)</u>	<u>(960,000)</u>	<u>0</u>
<u>Other Financing Sources:</u>			
General Obligation Bonds Issued	0	0	0
Premium on Debt Issued	0	0	0
Transfers - In	400,000	650,000	0
<i>Total Other Financing Sources</i>	<u>400,000</u>	<u>650,000</u>	<u>0</u>
Net Change in Fund Balances	(302,095)	(310,000)	0
Fund Balances (Deficit) at Beginning of Year	<u>983,437</u>	<u>2,179,860</u>	<u>1,239</u>
<i>Fund Balances (Deficit) at End of Year</i>	<u><u>\$681,342</u></u>	<u><u>\$1,869,860</u></u>	<u><u>\$1,239</u></u>

<i>City Buildings Improvement</i>	<i>Westar / Olentangy TIF</i>	<i>Northridge Crossing TIF</i>	<i>Northstar / Worthington Road TIF</i>	<i>Altair TIF Incentive</i>	<i>South State Street TIF Incentive</i>
\$0	\$27,120	\$597,703	\$129,521	\$17,974	\$0
0	0	0	1,483,076	0	177,619
0	0	0	0	0	0
0	0	0	0	0	0
0	27,120	597,703	1,612,597	17,974	177,619
0	0	292,094	1,967,926	8,531	1,620,185
0	0	0	0	0	0
0	0	292,094	1,967,926	8,531	1,620,185
0	27,120	305,609	(355,329)	9,443	(1,442,566)
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	27,120	305,609	(355,329)	9,443	(1,442,566)
2,669	63,132	(614,534)	283,975	(877,490)	0
\$2,669	\$90,252	(\$308,925)	(\$71,354)	(\$868,047)	(\$1,442,566)

(continued)

City of Westerville, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2010
(Continued)

	<i>Perimeter Road Improvement</i>	<i>Recreation Capital Improvement</i>	<i>Total Nonmajor Capital Projects Funds</i>
<u>Revenues:</u>			
Payments in Lieu of Taxes	\$0	\$0	\$772,318
Intergovernmental	0	0	1,785,030
Fees, Licenses and Permits	48,600	0	48,600
Other	0	0	101,130
<i>Total Revenues</i>	<u>48,600</u>	<u>0</u>	<u>2,707,078</u>
<u>Expenditures:</u>			
Capital Outlay	0	0	11,382,916
Debt Service:			
Issuance Costs	0	0	95,915
<i>Total Expenditures</i>	<u>0</u>	<u>0</u>	<u>11,478,831</u>
Excess of Revenues Over (Under) Expenditures	<u>48,600</u>	<u>0</u>	<u>(8,771,753)</u>
<u>Other Financing Sources:</u>			
General Obligation Bonds Issued	0	0	6,235,000
Premium on Debt Issued	0	0	525,865
Transfers - In	0	0	2,715,870
<i>Total Other Financing Sources</i>	<u>0</u>	<u>0</u>	<u>9,476,735</u>
Net Change in Fund Balances	48,600	0	704,982
Fund Balances (Deficit) at Beginning of Year	<u>76,730</u>	<u>1,553</u>	<u>118,401</u>
<i>Fund Balances (Deficit) at End of Year</i>	<u>\$125,330</u>	<u>\$1,553</u>	<u>\$823,383</u>

City of Westerville, Ohio

Nonmajor Enterprise Fund Descriptions

ENTERPRISE FUNDS

Enterprise Funds are used to account for the City's water, sewer, refuse, electric and swimming pool operations. These activities are financed and operated in a manner similar to private sector 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. The following are the City's nonmajor enterprise funds.

Nonmajor Enterprise Funds

Refuse Fund – To account for the revenues and expenses of the City's solid waste collection and disposal services.

Swimming Pool Fund – To account for the revenues and expenses of the Highlands Park Swimming Pool complex.

City of Westerville, Ohio
Combining Statement of Fund Net Assets
Nonmajor Enterprise Funds
December 31, 2010

	<u>Refuse</u>	<u>Swimming Pool</u>	<u>Total Nonmajor Enterprise Funds</u>
<u>Assets:</u>			
<u>Current Assets:</u>			
Equity in Pooled Cash and Cash Equivalents	\$580,492	\$143,436	\$723,928
Receivables:			
Accounts, Net	360,840	0	360,840
Total Current Assets	941,332	143,436	1,084,768
<u>Non-current Assets:</u>			
Capital Assets:			
Nondepreciable Capital Assets	12,500	0	12,500
Depreciable Capital Assets, Net	342,601	0	342,601
Total Non-current Assets	355,101	0	355,101
Total Assets	1,296,433	143,436	1,439,869
<u>Liabilities:</u>			
<u>Current Liabilities:</u>			
Accounts Payable	181,970	0	181,970
Accrued Wages Payable	1,197	0	1,197
Intergovernmental Payable	1,872	0	1,872
Due To Other Funds	58	0	58
Compensated Absences Payable	1,899	0	1,899
Total Current Liabilities	186,996	0	186,996
<u>Long-Term Liabilities:</u>			
Interfund Payable	204,000	0	204,000
Total Liabilities	390,996	0	390,996
<u>Net Assets:</u>			
Invested in Capital Assets	355,101	0	355,101
Unrestricted	550,336	143,436	693,772
Total Net Assets	\$905,437	\$143,436	\$1,048,873

City of Westerville, Ohio
Combining Statement of Revenues,
Expenses and Changes in Fund Net Assets
Nonmajor Enterprise Funds
For the Year Ended December 31, 2010

	<i>Refuse</i>	<i>Swimming Pool</i>	<i>Total Nonmajor Enterprise Funds</i>
<u>Operating Revenues:</u>			
Charges for Services	\$2,384,386	\$0	\$2,384,386
Other Operating Revenues	232	0	232
<i>Total Operating Revenues</i>	<u>2,384,618</u>	<u>0</u>	<u>2,384,618</u>
<u>Operating Expenses:</u>			
Personal Services	90,380	0	90,380
Contractual Services	2,175,524	0	2,175,524
Materials and Supplies	6,786	1,664	8,450
Other	6,519	0	6,519
Depreciation	163,762	0	163,762
<i>Total Operating Expenses</i>	<u>2,442,971</u>	<u>1,664</u>	<u>2,444,635</u>
<i>Operating Loss</i>	(58,353)	(1,664)	(60,017)
Loss on Disposal of Capital Assets	<u>0</u>	<u>(313,542)</u>	<u>(313,542)</u>
Change in Net Assets	(58,353)	(315,206)	(373,559)
Net Assets at Beginning of Year	<u>963,790</u>	<u>458,642</u>	<u>1,422,432</u>
<i>Net Assets at End of Year</i>	<u><u>\$905,437</u></u>	<u><u>\$143,436</u></u>	<u><u>\$1,048,873</u></u>

City of Westerville, Ohio
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Year Ended December 31, 2010

	<u>Refuse</u>	<u>Swimming Pool</u>	<u>Total Nonmajor Enterprise Funds</u>
<u>Increases (Decreases) in Cash and Cash Equivalents:</u>			
<u>Cash Flows from Operating Activities:</u>			
Cash Received from Customers	\$2,366,998	\$0	\$2,366,998
Cash Payments for Personal Services	(90,858)	0	(90,858)
Cash Payments for Materials and Supplies	(6,786)	(1,664)	(8,450)
Cash Payments for Other Services and Charges	(2,157,623)	(721)	(2,158,344)
Other Operating Revenues	232	0	232
<i>Net Cash Provided by (Used for) Operating Activities</i>	111,963	(2,385)	109,578
<u>Cash Flows from Non-Capital Financing Activities:</u>			
Advances to Other Funds	(51,000)	0	(51,000)
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	60,963	(2,385)	58,578
<i>Cash and Cash Equivalents at Beginning of Year</i>	519,529	145,821	665,350
<i>Cash and Cash Equivalents at End of Year</i>	<u>\$580,492</u>	<u>\$143,436</u>	<u>\$723,928</u>
<u>Reconciliation of Operating Loss to Net Cash Provided by (Used for) Operating Activities:</u>			
Operating Loss	(\$58,353)	(\$1,664)	(\$60,017)
<u>Adjustments to Reconcile Operating Loss to Net Cash Provided by (Used for) Operating Activities:</u>			
Depreciation	163,762	0	163,762
Change in Provision for Uncollectable Accounts Receivable	279	0	279
<u>Changes in Assets and Liabilities:</u>			
Increase in Accounts Receivable	(11,148)	0	(11,148)
Increase (Decrease) in Accounts Payable	17,897	(52)	17,845
Increase in Accrued Wages Payable	268	0	268
Decrease in Compensated Absences Payable	(552)	0	(552)
Increase (Decrease) in Due to Other Funds	4	(669)	(665)
Decrease in Intergovernmental Payable	(194)	0	(194)
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>\$111,963</u>	<u>(\$2,385)</u>	<u>\$109,578</u>

City of Westerville, Ohio

Internal Service Fund Descriptions

INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City and to other governmental units, on a cost reimbursement basis. The following are the City's internal service funds:

Garage Fund – To account for the operations of the City Garage which provides maintenance and repair services on all City vehicles and equipment.

Self-Insurance Fund – To account for general liability claims, actions, and judgments against the City, its officers and employees.

City of Westerville, Ohio
Combining Statement of Fund Net Assets
Internal Service Funds
December 31, 2010

	<u>Garage</u>	<u>Self- Insurance</u>	<u>Total Internal Service Funds</u>
<u>Assets</u>			
<i>Current Assets:</i>			
Equity in Pooled Cash and Cash Equivalents	\$227,114	\$1,224,173	\$1,451,287
Receivables:			
Accounts	111	17,065	17,176
Materials and Supplies Inventory	53,165	0	53,165
<i>Total Current Assets</i>	280,390	1,241,238	1,521,628
<i>Non-current Assets:</i>			
Capital Assets:			
Depreciable Capital Assets, Net	178,878	0	178,878
<i>Total Assets</i>	459,268	1,241,238	1,700,506
<u>Liabilities</u>			
<i>Current Liabilities:</i>			
Accounts Payable	2,387	0	2,387
Accrued Wages Payable	4,480	0	4,480
Intergovernmental Payable	7,147	0	7,147
Due to Other Funds	269	0	269
Claims Payable	0	14,859	14,859
Compensated Absences Payable	23,698	0	23,698
<i>Total Current Liabilities</i>	37,981	14,859	52,840
<i>Long-Term Liabilities:</i>			
Compensated Absences Payable, Net	13,640	0	13,640
<i>Total Liabilities</i>	51,621	14,859	66,480
<u>Net Assets</u>			
Invested in Capital Assets	178,878	0	178,878
Unrestricted	228,769	1,226,379	1,455,148
<i>Total Net Assets</i>	\$407,647	\$1,226,379	\$1,634,026

City of Westerville, Ohio
Combining Statement of Revenues,
Expenses and Changes in Fund Net Assets
Internal Service Funds
For the Year Ended December 31, 2010

	<u>Garage</u>	<u>Self- Insurance</u>	<u>Total Internal Service Funds</u>
<u>Operating Revenues:</u>			
Charges for Services	\$970,936	\$0	\$970,936
Other Operating Revenues	5,677	39,071	44,748
<i>Total Operating Revenues</i>	<u>976,613</u>	<u>39,071</u>	<u>1,015,684</u>
<u>Operating Expenses:</u>			
Personal Services	343,124	0	343,124
Contractual Services	61,585	0	61,585
Materials and Supplies	547,667	0	547,667
Claims	0	71,592	71,592
Depreciation	22,299	0	22,299
<i>Total Operating Expenses</i>	<u>974,675</u>	<u>71,592</u>	<u>1,046,267</u>
<i>Operating Income (Loss)</i>	1,938	(32,521)	(30,583)
<u>Non-Operating Revenues:</u>			
Interest	0	3,108	3,108
Change in Net Assets	1,938	(29,413)	(27,475)
Net Assets at Beginning of Year	<u>405,709</u>	<u>1,255,792</u>	<u>1,661,501</u>
<i>Net Assets at End of Year</i>	<u><u>\$407,647</u></u>	<u><u>\$1,226,379</u></u>	<u><u>\$1,634,026</u></u>

City of Westerville, Ohio
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended December 31, 2010

	<u>Garage</u>	<u>Self- Insurance</u>	<u>Total Internal Service Funds</u>
<u>Increases (Decreases) in Cash and Cash Equivalents:</u>			
<u>Cash Flows from Operating Activities:</u>			
Internal Services Provided	\$970,936	\$0	\$970,936
Cash Payments for Personal Services	(341,505)	0	(341,505)
Cash Payments for Materials and Supplies	(563,358)	0	(563,358)
Cash Payments for Other Services and Charges	(63,032)	0	(63,032)
Cash Payments for Claims	0	(95,000)	(95,000)
Other Operating Revenues	5,566	22,006	27,572
<i>Net Cash Provided by (Used for) Operating Activities</i>	8,607	(72,994)	(64,387)
<u>Cash Flows from Non-Capital Financing Activities:</u>			
Advances from Other Funds	0	221,004	221,004
<u>Cash Flows from Capital and Related Financing Activities:</u>			
Acquisition and Construction of Capital Assets	(19,861)	0	(19,861)
<u>Cash Flows From Investing Activities:</u>			
Interest	0	8,285	8,285
Net Increase (Decrease) in Cash and Cash Equivalents	(11,254)	156,295	145,041
Cash and Cash Equivalents at Beginning of Year	238,368	1,067,878	1,306,246
<i>Cash and Cash Equivalents at End of Year</i>	<u>\$227,114</u>	<u>\$1,224,173</u>	<u>\$1,451,287</u>
<u>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:</u>			
Operating Income (Loss)	\$1,938	(\$32,521)	(\$30,583)
<u>Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:</u>			
Depreciation	22,299	0	22,299
<u>Changes in Assets and Liabilities:</u>			
Increase in Accounts Receivable	(111)	(17,065)	(17,176)
Decrease in Materials and Supplies Inventory	8,482	0	8,482
Decrease in Accounts Payable	(25,618)	0	(25,618)
Decrease in Claims Payable	0	(23,408)	(23,408)
Increase in Accrued Wages Payable	1,104	0	1,104
Increase in Compensated Absences Payable	1,441	0	1,441
Decrease in Due to Other Funds	(2)	0	(2)
Decrease in Intergovernmental Payable	(926)	0	(926)
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>\$8,607</u>	<u>(\$72,994)</u>	<u>(\$64,387)</u>

City of Westerville, Ohio

Agency Fund Descriptions

AGENCY FUNDS

Agency Funds are used to account for assets held by the City while acting in the capacity of an agent for individuals, private organizations, other governments, and/or other funds. The following are the City's agency funds.

Hotel Tax Fund – To account for a portion of the tax imposed on establishments that provide sleeping accommodations for transient guests that, by statute, must be allocated to the Visitor's Bureau.

Payroll Revolving Fund – To account for all payroll related liabilities including the City's portion of payments made to various State pension systems.

Columbus Sewer Capacity Fund – To account for sewer capacity fees collected and distributed to the City of Columbus.

State Building Standards Fund – To account for a three percent assessment by the State of Ohio collected on all building and related permits.

Performance Bond Fund – To account for deposits from contractors, developers, or individuals that are held to ensure compliance with City Ordinances pertaining to development.

Mayor's Court Fund – To account for the collection of court fines and costs and the subsequent remittance to the City, other local governments, and the State of Ohio.

Public Use Fees Fund – To account for the portion of recreation fees which is allocated to other subdivisions for use in maintaining their park systems.

City of Westerville, Ohio

Combining Statement of Assets and Liabilities
Agency Funds

December 31, 2010

	<i>Hotel Tax</i>	<i>Payroll Revolving</i>	<i>Columbus Sewer Capacity</i>
<u>Assets:</u>			
Equity in Pooled Cash and Cash Equivalents	\$0	\$873,173	\$45,172
Cash and Cash Equivalents with Fiscal Agents	0	0	0
Receivables: Other Local Taxes	6,729	0	0
<i>Total Assets</i>	\$6,729	\$873,173	\$45,172
 <u>Liabilities:</u>			
Accounts Payable	\$6,729	\$0	\$0
Undistributed Monies	0	873,173	0
Intergovernmental Payable	0	0	45,172
Deposits Held and Due to Others	0	0	0
<i>Total Liabilities</i>	\$6,729	\$873,173	\$45,172

<i>State Building Standards</i>	<i>Performance Bond</i>	<i>Mayor's Court</i>	<i>Public Use Fees</i>	<i>Totals</i>
\$835	\$194,388	\$0	\$23,500	\$1,137,068
0	0	11,976	0	11,976
0	0	0	0	6,729
<u>\$835</u>	<u>\$194,388</u>	<u>\$11,976</u>	<u>\$23,500</u>	<u>\$1,155,773</u>
\$0	\$0	\$0	\$0	\$6,729
0	0	0	0	873,173
835	0	8,918	23,500	78,425
0	194,388	3,058	0	197,446
<u>\$835</u>	<u>\$194,388</u>	<u>\$11,976</u>	<u>\$23,500</u>	<u>\$1,155,773</u>

City of Westerville, Ohio
 Combining Statement of Changes in Assets and Liabilities
 Agency Funds

For the Year Ended December 31, 2010

Hotel Tax	<i>Balance January 1, 2010</i>	<i>Additions</i>	<i>Deductions</i>	<i>Balance December 31, 2010</i>
Hotel Tax				
<u><i>Assets:</i></u>				
Receivables:				
Other Local Taxes	\$1,245	\$6,729	\$1,245	\$6,729
<u><i>Liabilities:</i></u>				
Accounts Payable	\$1,245	\$6,729	\$1,245	\$6,729
Payroll Revolving				
<u><i>Assets:</i></u>				
Equity in Pooled Cash and Cash Equivalents	\$852,845	\$873,173	\$852,845	\$873,173
<u><i>Liabilities:</i></u>				
Undistributed Monies	\$852,845	\$873,173	\$852,845	\$873,173
Columbus Sewer Capacity				
<u><i>Assets:</i></u>				
Equity in Pooled Cash and Cash Equivalents	\$168,961	\$45,172	\$168,961	\$45,172
<u><i>Liabilities:</i></u>				
Intergovernmental Payable	\$168,961	\$45,172	\$168,961	\$45,172
State Building Standards				
<u><i>Assets:</i></u>				
Equity in Pooled Cash and Cash Equivalents	\$1,254	\$835	\$1,254	\$835
<u><i>Liabilities:</i></u>				
Intergovernmental Payable	\$1,254	\$835	\$1,254	\$835
Performance Bond				
<u><i>Assets:</i></u>				
Equity in Pooled Cash and Cash Equivalents	\$419,929	\$194,388	\$419,929	\$194,388
<u><i>Liabilities:</i></u>				
Deposits Held and Due to Others	\$419,929	\$194,388	\$419,929	\$194,388

(continued)

City of Westerville, Ohio
Combining Statement of Changes in Assets and Liabilities
Agency Funds
(Continued)
For the Year Ended December 31, 2010

Mayor's Court	Balance January 1, 2010	Additions	Deductions	Balance December 31, 2010
Assets:				
Cash and Cash Equivalents with Fiscal Agents	\$10,888	\$11,976	\$10,888	\$11,976
Liabilities:				
Intergovernmental Payable	\$8,988	\$8,918	\$8,988	\$8,918
Deposits Held and Due to Others	1,900	3,058	1,900	3,058
Total Liabilities	\$10,888	\$11,976	\$10,888	\$11,976
Public Use Fees				
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$23,500	\$0	\$0	\$23,500
Liabilities:				
Intergovernmental Payable	\$23,500	\$0	\$0	\$23,500
TOTAL - ALL AGENCY FUNDS				
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$1,466,489	\$1,113,568	\$1,442,989	\$1,137,068
Cash and Cash Equivalents with Fiscal Agents	10,888	11,976	10,888	11,976
Receivables:				
Other Local Taxes	1,245	6,729	1,245	6,729
Total Assets	\$1,478,622	\$1,132,273	\$1,455,122	\$1,155,773
Liabilities:				
Accounts Payable	\$1,245	\$6,729	\$1,245	\$6,729
Undistributed Monies	852,845	873,173	852,845	873,173
Intergovernmental Payable	202,703	54,925	179,203	78,425
Deposits Held and Due to Others	421,829	197,446	421,829	197,446
Total Liabilities	\$1,478,622	\$1,132,273	\$1,455,122	\$1,155,773



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City of Westerville, Ohio

General Governmental Capital Assets

General governmental capital assets are long-lived assets that are associated with and generally rise from governmental activities. These assets are not used in the operation of the City's business-type activities.

City of Westerville, Ohio
Schedule of Governmental Activities Capital Assets
By Program and Department
December 31, 2010

<i>Program / Department</i>	<i>Land</i>	<i>Land Improvements</i>	<i>Buildings</i>
Security of Persons and Property			
Police	\$0	\$0	\$5,154,729
Fire	110,512	0	5,340,618
Communications	0	0	0
Total Security of Persons and Property	110,512	0	10,495,347
Public Health			
Cemetery Maintenance	0	60,463	34,663
Leisure Time Activities			
Parks and Recreation	4,902,042	18,157,471	19,257,752
Community Development			
Planning, Engineering and Building	0	0	5,355
Basic Utility Services			
Storm Sewer	528,954	7,469	0
Transportation			
Street Maintenance	0	74,594	88,813
Roads and Bridges	0	0	0
Sidewalks	0	0	0
Traffic Signal Maintenance and Repair	0	0	0
Total Transportation	0	74,594	88,813
General Government			
City Manager	0	0	0
Legislative	0	0	0
Cable TV Commission	0	0	0
Finance	0	0	0
Management Information Systems	0	0	39,600
Income Tax	0	0	0
Mayor's Court	0	0	0
Lands and Buildings	11,061,247	55,820	6,137,978
Total General Government	11,061,247	55,820	6,177,578
Total General Capital Assets	16,602,755	18,355,817	36,059,508
Less Accumulated Depreciation	0	(9,466,935)	(11,443,671)
Net General Capital Assets	16,602,755	8,888,882	24,615,837
Internal Service Fund Capital Assets	0	0	643,155
Less Accumulated Depreciation	0	0	(509,163)
Net Internal Service Fund Capital Assets	0	0	133,992
Total Before Construction in Progress	\$16,602,755	\$8,888,882	\$24,749,829
Construction in Progress			
Total Governmental Activities Capital Assets			

<i>Furniture and Equipment</i>	<i>Vehicles</i>	<i>Infrastructure</i>	<i>Totals</i>
\$710,159	\$1,158,855	\$0	\$7,023,743
445,722	2,525,894	0	8,422,746
1,092,701	0	0	1,092,701
2,248,582	3,684,749	0	16,539,190
0	0	0	95,126
1,669,824	846,030	0	44,833,119
65,721	223,642	0	294,718
317,831	41,743	33,727,672	34,623,669
548,270	743,526	0	1,455,203
0	0	116,819,091	116,819,091
0	0	2,191,083	2,191,083
7,373,861	0	0	7,373,861
7,922,131	743,526	119,010,174	127,839,238
49,478	0	0	49,478
24,083	0	0	24,083
701,354	71,189	0	772,543
120,202	45,905	0	166,107
1,204,221	0	0	1,243,821
18,960	0	0	18,960
86,357	0	0	86,357
58,211	0	0	17,313,256
2,262,866	117,094	0	19,674,605
14,486,955	5,656,784	152,737,846	243,899,665
(8,776,954)	(3,619,337)	(10,370,613)	(43,677,510)
5,710,001	2,037,447	142,367,233	200,222,155
74,274	22,890	0	740,319
(43,535)	(8,743)	0	(561,441)
30,739	14,147	0	178,878
\$5,740,740	\$2,051,594	\$142,367,233	200,401,033
			12,064,925
			\$212,465,958

City of Westerville, Ohio
Schedule of Changes in Governmental Activities Capital Assets
By Program and Department
For the Year Ended December 31, 2010

<i>Program / Department</i>	<i>Balance 12/31/2009</i>	<i>Additions</i>	<i>Deletions</i>	<i>Balance 12/31/2010</i>
Security of Persons and Property				
Police	\$6,948,993	\$297,620	\$222,870	\$7,023,743
Fire	8,141,168	435,861	154,283	8,422,746
Communications	1,098,557	0	5,856	1,092,701
Total Security of Persons and Property	<u>16,188,718</u>	<u>733,481</u>	<u>383,009</u>	<u>16,539,190</u>
Public Health				
Cemetery Maintenance	95,126	0	0	95,126
Leisure Time Activities				
Parks and Recreation	43,129,113	2,162,334	458,328	44,833,119
Community Development				
Planning, Engineering and Building	310,141	28,700	44,123	294,718
Basic Utility Services				
Storm Sewer	34,500,590	123,079	0	34,623,669
Transportation				
Street Maintenance	1,372,495	298,074	215,366	1,455,203
Roads and Bridges	115,724,194	1,094,897	0	116,819,091
Sidewalks	2,191,083	0	0	2,191,083
Traffic Signal Maintenance and Repair	7,345,066	28,795	0	7,373,861
Total Transportation	<u>126,632,838</u>	<u>1,421,766</u>	<u>215,366</u>	<u>127,839,238</u>
General Government				
City Manager	49,478	0	0	49,478
Legislative	14,623	9,460	0	24,083
Cable TV Commission	772,543	0	0	772,543
Finance	159,086	7,021	0	166,107
Management Information Systems	1,357,949	43,053	157,181	1,243,821
Income Tax	18,960	0	0	18,960
Mayor's Court	72,866	13,491	0	86,357
Lands and Buildings	15,972,164	1,358,904	17,812	17,313,256
Total General Government	<u>18,417,669</u>	<u>1,431,929</u>	<u>174,993</u>	<u>19,674,605</u>
Total General Capital Assets	239,274,195	5,901,289	1,275,819	243,899,665
Less Accumulated Depreciation	(40,693,924)	(3,992,746)	(1,009,160)	(43,677,510)
Net General Capital Assets	<u>198,580,270</u>	<u>1,908,543</u>	<u>266,659</u>	<u>200,222,155</u>
Internal Service Fund Capital Assets	720,458	19,861	0	740,319
Less Accumulated Depreciation	(539,142)	(22,299)	0	(561,441)
Net Internal Service Fund Capital Assets	<u>181,316</u>	<u>(2,438)</u>	<u>0</u>	<u>178,878</u>
Totals Before Construction in Progress	198,761,586	1,906,105	266,659	200,401,033
Construction in Progress	3,110,472	11,283,148	2,328,695	12,064,925
Total Governmental Activities Capital Assets	<u>\$201,872,058</u>	<u>\$13,189,253</u>	<u>\$2,595,354</u>	<u>\$212,465,958</u>

City of Westerville, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual

General Fund

For the Year Ended December 31, 2010

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Property Taxes	\$3,095,000	\$3,084,121	\$3,084,122	\$1
Municipal Income Tax	28,037,500	30,252,701	31,207,385	954,684
Intergovernmental	4,998,900	5,800,019	5,978,986	178,967
Charges for Services	435,268	419,633	422,246	2,613
Fees, Licenses and Permits	576,667	689,441	732,662	43,221
Fines and Forfeitures	463,840	484,875	510,477	25,602
Interest	1,900,000	1,750,000	1,887,118	137,118
Other	30,000	42,403	61,358	18,955
Total Revenues	39,537,175	42,523,193	43,884,354	1,361,161
<u>Expenditures:</u>				
Current Operations and Maintenance				
Security of Persons and Property				
Police Department				
Police Services				
Personal Services	10,855,419	10,855,419	10,204,846	650,573
Supplies and Materials	512,629	511,204	411,251	99,953
Other Services and Charges	675,058	657,735	621,667	36,068
Capital Outlay	291,516	291,516	236,353	55,163
Total Police Department	12,334,622	12,315,874	11,474,117	841,757
Communications				
Personal Services	1,383,847	1,400,347	1,347,641	52,706
Supplies and Materials	27,618	23,893	17,759	6,134
Other Services and Charges	182,729	168,347	145,793	22,554
Capital Outlay	1,293,250	1,293,250	1,156,475	136,775
Total Communications	2,887,444	2,885,837	2,667,668	218,169
Total Security of Persons and Property	15,222,066	15,201,711	14,141,785	1,059,926
Public Health				
Cemetery Maintenance				
Supplies and Materials	1,843	1,843	1,486	357
Other Services and Charges	77,049	75,438	72,401	3,037
Capital Outlay	160,000	160,000	159,738	262
Total Public Health	238,892	237,281	233,625	3,656
Community Development				
Planning, Engineering, and Building Department				
Building, Planning and Zoning				
Personal Services	2,224,164	2,217,164	2,141,662	75,502
Supplies and Materials	76,682	80,126	68,497	11,629
Other Services and Charges	417,075	634,409	611,734	22,675
Capital Outlay	71,240	56,100	42,424	13,676
Other Financing Uses	1,000	1,000	34	966
Total Community Development	\$2,790,161	\$2,988,799	\$2,864,351	\$124,448

(continued)

City of Westerville, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual

General Fund

For the Year Ended December 31, 2010

(Continued)

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
Basic Utility Services				
General Public Services				
Storm Sewer Maintenance and Improvements				
Personal Services	\$476,744	\$476,744	\$472,528	\$4,216
Supplies and Materials	29,331	29,328	25,902	3,426
Other Services and Charges	59,650	58,769	49,882	8,887
Capital Outlay	20,750	20,750	20,468	282
Total Basic Utility Services	586,475	585,591	568,780	16,811
General Government				
City Manager				
Administration				
Personal Services	357,327	364,327	364,054	273
Supplies and Materials	4,063	4,063	1,234	2,829
Other Services and Charges	784,535	714,255	712,485	1,770
Capital Outlay	5,600	5,600	5,033	567
Total Administration	1,151,525	1,088,245	1,082,806	5,439
Economic Development				
Personal Services	111,448	104,448	98,886	5,562
Supplies and Materials	12,469	12,269	10,867	1,402
Other Services and Charges	197,797	188,119	187,860	259
Capital Outlay	2,600	2,600	2,227	373
Total Economic Development	324,314	307,436	299,840	7,596
Total City Manager	1,475,839	1,395,681	1,382,646	13,035
Legislative				
Personal Services	138,109	138,109	137,526	583
Supplies and Materials	12,425	12,425	11,266	1,159
Other Services and Charges	84,164	83,994	66,832	17,162
Total Legislative	234,698	234,528	215,624	18,904
Administrative Services				
Personal Services	656,846	656,846	637,976	18,870
Supplies and Materials	21,670	21,320	14,528	6,792
Other Services and Charges	514,116	575,503	561,780	13,723
Capital Outlay	19,850	19,850	19,417	433
Total Administrative Services	1,212,482	1,273,519	1,233,701	39,818
Management Information Systems				
Personal Services	1,087,047	1,087,047	1,034,432	52,615
Supplies and Materials	43,379	42,068	24,846	17,222
Other Services and Charges	661,460	657,312	505,151	152,161
Capital Outlay	193,086	193,086	103,000	90,086
Total Management Information Systems	\$1,984,972	\$1,979,513	\$1,667,429	\$312,084

(continued)

City of Westerville, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual

General Fund

For the Year Ended December 31, 2010

(Continued)

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
Finance Department				
Administration and Accounting				
Personal Services	\$849,255	\$839,255	\$795,893	\$43,362
Supplies and Materials	25,917	21,522	16,758	4,764
Other Services and Charges	364,349	395,361	394,452	909
Capital Outlay	5,000	5,000	4,760	240
Total Administration and Accounting	1,244,521	1,261,138	1,211,863	49,275
Income Tax				
Personal Services	376,462	376,462	364,215	12,247
Supplies and Materials	42,274	40,165	24,920	15,245
Other Services and Charges	71,334	70,194	53,030	17,164
Capital Outlay	15,500	0	0	0
Other Financing Uses	1,000,000	1,300,000	1,224,282	75,718
Total Income Tax	1,505,570	1,786,821	1,666,447	120,374
Utility Billing Services				
Personal Services	572,510	572,510	546,086	26,424
Supplies and Materials	22,263	22,263	19,488	2,775
Other Services and Charges	103,972	102,848	93,887	8,961
Capital Outlay	14,500	14,500	14,184	316
Total Utility Billing Services	713,245	712,121	673,645	38,476
Mayor's Court				
Personal Services	353,088	353,088	314,369	38,719
Supplies and Materials	16,072	15,849	14,319	1,530
Other Services and Charges	354,484	346,297	330,184	16,113
Total Mayor's Court	723,644	715,234	658,872	56,362
Law Administration				
Personal Services	112,590	112,590	112,586	4
Other Services and Charges	466,098	495,969	495,948	21
Total Law Administration	578,688	608,559	608,534	25
Buildings and Grounds				
Personal Services	427,922	427,922	394,919	33,003
Supplies and Materials	65,099	64,775	34,684	30,091
Other Services and Charges	323,068	306,376	294,936	11,440
Capital Outlay	160,000	160,000	99,158	60,842
Total Buildings and Grounds	976,089	959,073	823,697	135,376
Total Finance Department	5,741,757	6,042,946	5,643,058	399,888
Total General Government	10,649,748	10,926,187	10,142,458	783,729
Debt Service:				
Principal Retirement	638	638	637	1
Interest and Fiscal Charges	855	855	855	0
Total Debt Service	1,493	1,493	1,492	1
Total Expenditures	29,488,835	29,941,062	27,952,491	1,988,571
Excess of Revenues Over Expenditures	\$10,048,340	\$12,582,131	\$15,931,863	\$3,349,732

City of Westerville, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual

General Fund

For the Year Ended December 31, 2010

(Continued)

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<i>Other Financing Sources (Uses):</i>				
General Obligation Bonds Issued	\$785,000	\$780,000	\$780,000	\$0
Proceeds from Sale of Capital Assets	0	340	6,080	5,740
Advances - In	1,312,000	3,416,925	3,416,925	0
Advances - Out	0	(5,674,966)	(5,674,966)	0
Transfers - In	1,307,554	0	0	0
Transfers - Out	(13,008,517)	(15,014,517)	(14,922,181)	92,336
<i>Total Other Financing Sources (Uses)</i>	(9,603,963)	(16,492,218)	(16,394,142)	98,076
Net Change in Fund Balance	444,377	(3,910,087)	(462,279)	3,447,808
Fund Balance at Beginning of Year	16,813,371	16,915,142	16,915,142	0
Prior Year Encumbrances Carried Over	425,915	324,142	324,142	0
Fund Balance at End of Year	\$17,683,663	\$13,329,197	\$16,777,005	\$3,447,808

City of Westerville, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Fire Operating Special Revenue Fund
For the Year Ended December 31, 2010

	Budget		Actual	Variance
	Original	Final		Positive (Negative)
<u>Revenues:</u>				
Property Taxes	\$8,060,000	\$6,970,708	\$6,975,743	\$5,035
Intergovernmental	1,325,000	3,000,817	3,067,976	67,159
Charges for Services	985,000	987,020	1,150,715	163,695
Fees, Licenses and Permits	0	50	50	0
Interest	10,000	115,000	120,072	5,072
Other	1,500	14,550	14,553	3
<i>Total Revenues</i>	<u>10,381,500</u>	<u>11,088,145</u>	<u>11,329,109</u>	<u>240,964</u>
<u>Expenditures:</u>				
Current Operations and Maintenance				
Security of Persons and Property				
Fire Department				
Operations				
Personal Services	10,969,448	10,969,448	10,626,786	342,662
Supplies and Materials	450,685	425,797	401,758	24,039
Other Services and Charges	1,017,402	964,802	895,812	68,990
Capital Outlay	790,265	950,365	795,396	154,969
<i>Total Expenditures</i>	<u>13,227,800</u>	<u>13,310,412</u>	<u>12,719,752</u>	<u>590,660</u>
Excess of Revenues Under Expenditures	<u>(2,846,300)</u>	<u>(2,222,267)</u>	<u>(1,390,643)</u>	<u>831,624</u>
<u>Other Financing Uses:</u>				
Advances - Out	0	(221,004)	(221,004)	0
Transfers - Out	(144,008)	0	0	0
Total Other Financing Uses	<u>(144,008)</u>	<u>(221,004)</u>	<u>(221,004)</u>	<u>0</u>
Net Change in Fund Balance	(2,990,308)	(2,443,271)	(1,611,647)	831,624
Fund Balance at Beginning of Year	4,415,512	4,493,003	4,493,003	0
Prior Year Encumbrances Carried Over	222,174	144,686	144,686	0
Fund Balance at End of Year	<u>\$1,647,378</u>	<u>\$2,194,418</u>	<u>\$3,026,042</u>	<u>\$831,624</u>

City of Westerville, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Parks and Recreation Operating Special Revenue Fund
For the Year Ended December 31, 2010

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	\$0	\$0	\$5,021	\$5,021
Charges for Services	3,310,041	3,210,921	3,237,442	26,521
Fees, Licenses and Permits	6,000	12,150	12,150	0
Other	48,500	5,839	6,660	821
Total Revenues	3,364,541	3,228,910	3,261,273	32,363
<u>Expenditures:</u>				
Current Operations and Maintenance				
Leisure Time Activities				
Parks and Recreation				
Administration				
Personal Services	651,573	651,573	565,153	86,420
Supplies and Materials	17,336	15,336	8,895	6,441
Other Services and Charges	122,520	119,981	119,700	281
Capital Outlay	12,100	12,171	11,206	965
Other Financing Uses	10,000	15,000	13,114	1,886
Total Administration	813,529	814,061	718,068	95,993
Recreation Services				
Personal Services	2,521,250	2,563,304	2,528,805	34,499
Supplies and Materials	219,911	219,611	215,141	4,470
Other Services and Charges	1,245,733	1,195,663	1,189,010	6,653
Capital Outlay	83,250	83,179	50,425	32,754
Total Recreation Services	4,070,144	4,061,757	3,983,381	78,376
Parks				
Personal Services	1,672,470	1,672,470	1,631,976	40,494
Supplies and Materials	281,086	280,098	268,406	11,692
Other Services and Charges	553,284	543,467	536,970	6,497
Capital Outlay	461,812	452,113	355,410	96,703
Total Parks	2,968,652	2,948,148	2,792,762	155,386
Senior Center				
Personal Services	577,851	577,851	516,447	61,404
Supplies and Materials	40,092	39,985	29,980	10,005
Other Services and Charges	89,507	77,244	75,999	1,245
Capital Outlay	87,950	87,950	87,177	773
Total Senior Center	795,400	783,030	709,603	73,427
Highland Swimming Pool				
Personal Services	374,894	332,794	309,824	22,970
Supplies and Materials	65,150	56,950	35,637	21,313
Other Services and Charges	77,790	63,290	62,407	883
Capital Outlay	20,000	20,000	0	20,000
Total Highland Swimming Pool	537,834	473,034	407,868	65,166
Total Expenditures	9,185,559	9,080,030	8,611,682	468,348
Excess of Revenues Under Expenditures	(5,821,018)	(5,851,120)	(5,350,409)	500,711
<u>Other Financing Sources:</u>				
Proceeds from Sale of Capital Assets	0	1,000	1,000	0
Advances - In	0	0	50,000	50,000
Transfers - In	4,480,047	4,480,047	4,480,047	0
Total Other Financing Sources	4,480,047	4,481,047	4,531,047	50,000
Net Change in Fund Balance	(1,340,971)	(1,370,073)	(819,362)	550,711
Fund Balance at Beginning of Year	5,702,208	5,807,734	5,807,734	0
Prior Year Encumbrances Carried Over	321,963	216,434	216,434	0
Fund Balance at End of Year	\$4,683,200	\$4,654,095	\$5,204,806	\$550,711

City of Westerville, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
General Capital Improvement Capital Projects Fund
For the Year Ended December 31, 2010

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Other	\$0	\$7,681	\$7,681	\$0
<u>Expenditures:</u>				
Capital Outlay	8,578,745	10,776,600	9,727,604	1,048,996
Debt Service:				
Bond Issuance Costs	0	12,000	11,999	1
Total Expenditures	8,578,745	10,788,600	9,739,603	1,048,997
Excess of Revenues Under Expenditures	(8,578,745)	(10,780,919)	(9,731,922)	1,048,997
<u>Other Financing Sources (Uses):</u>				
Advances - In	0	104,925	104,925	0
Advances - Out	0	(104,925)	(104,925)	0
Transfers - In	6,712,000	8,572,925	8,572,925	0
Total Other Financing Sources (Uses)	6,712,000	8,572,925	8,572,925	0
Net Change in Fund Balance	(1,866,745)	(2,207,994)	(1,158,997)	1,048,997
Fund Balance at Beginning of Year	1,391,205	1,580,275	1,580,275	0
Prior Year Encumbrances Carried Over	1,158,259	969,189	969,189	0
Fund Balance at End of Year	\$682,719	\$341,470	\$1,390,467	\$1,048,997

City of Westerville, Ohio

Schedule of Revenues, Expenses, and Changes in Fund
Equity - Budget (Non-GAAP Budgetary Basis) and Actual
Water Enterprise Fund
For the Year Ended December 31, 2010

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Charges for Services	\$2,739,000	\$2,738,000	\$2,881,435	\$143,435
Capacity Charges	97,000	511,095	518,845	7,750
Assessments	0	2,500	2,500	0
Proceeds of Bonds	1,956,000	1,320,000	1,320,000	0
Premium on Bonds	0	30,928	30,928	0
Sale of Meters	20,000	25,505	27,345	1,840
Grants	0	65,020	65,021	1
Other	62,000	62,890	77,089	14,199
Total Revenues	4,874,000	4,755,938	4,923,163	167,225
<u>Expenses:</u>				
Personal Services				
Water Treatment	1,008,767	1,008,767	943,937	64,830
System Improvements	539,008	539,008	496,309	42,699
Total Personal Services	1,547,775	1,547,775	1,440,246	107,529
Supplies and Materials				
Water Treatment	444,098	443,274	369,115	74,159
System Improvements	61,568	61,155	56,265	4,890
Total Supplies and Materials	505,666	504,429	425,380	79,049
Other Services and Charges				
Water Treatment	898,768	844,254	636,645	207,609
System Improvements	101,680	97,819	83,212	14,607
Total Other Services and Charges	1,000,448	942,073	719,857	222,216
Capital Outlay				
Water Treatment	702,956	592,950	567,445	25,505
System Improvements	1,830,062	1,359,542	1,217,588	141,954
Total Capital Outlay	2,533,018	1,952,492	1,785,033	167,459
Debt Service				
Principal Retirement	536,750	536,750	515,590	21,160
Interest and Fiscal Charges	223,177	223,177	220,865	2,312
ODNR Debt	42,345	42,345	42,344	1
Debt Issuance Costs	0	20,307	20,306	1
Total Debt Service	802,272	822,579	799,105	23,474
Total Expenses	6,389,179	5,769,348	5,169,621	599,727
Excess of Revenues Under Expenses	(1,515,179)	(1,013,410)	(246,458)	766,952
Advances - In	57,000	57,000	57,000	0
Net Change in Fund Equity	(1,458,179)	(956,410)	(189,458)	766,952
Fund Equity at Beginning of Year	6,768,788	6,841,926	6,841,926	0
Prior Year Encumbrances Carried Over	524,772	451,634	451,634	0
Fund Equity at End of Year	\$5,835,381	\$6,337,150	\$7,104,102	\$766,952

City of Westerville, Ohio

Schedule of Revenues, Expenses, and Changes in Fund
Equity - Budget (Non-GAAP Budgetary Basis) and Actual
Sewer Enterprise Fund
For the Year Ended December 31, 2010

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Charges for Services	\$7,337,075	\$7,205,075	\$7,213,651	\$8,576
Tap-In Fees	2,500	9,000	9,225	225
Capacity Charges	54,000	210,000	214,300	4,300
Assessments	0	7,049	7,050	1
Proceeds of Bonds	314,000	0	0	0
Grants	0	11,145	11,145	0
Other	0	589	1,437	848
<i>Total Revenues</i>	<u>7,707,575</u>	<u>7,442,858</u>	<u>7,456,808</u>	<u>13,950</u>
<u>Expenses:</u>				
Personal Services				
System Improvements	589,044	589,044	547,341	41,703
Supplies and Materials				
System Improvements	35,263	35,263	29,412	5,851
Other Services and Charges				
Sewer Treatment	8,565,157	8,487,175	8,336,551	150,624
System Improvements	125,351	121,675	83,746	37,929
Total Other Services and Charges	<u>8,690,508</u>	<u>8,608,850</u>	<u>8,420,297</u>	<u>188,553</u>
Capital Outlay				
System Improvements	817,902	502,131	293,501	208,630
Debt Service				
Principal Retirement	64,900	64,900	49,410	15,490
Interest and Fiscal Charges	39,285	39,285	40,312	(1,027)
Total Debt Service	<u>104,185</u>	<u>104,185</u>	<u>89,722</u>	<u>14,463</u>
<i>Total Expenses</i>	<u>10,236,902</u>	<u>9,839,473</u>	<u>9,380,273</u>	<u>459,200</u>
Excess of Revenues Under Expenses	(2,529,327)	(2,396,615)	(1,923,465)	473,150
Advances - In	280,330	280,330	280,330	0
Net Change in Fund Equity	(2,248,997)	(2,116,285)	(1,643,135)	473,150
Fund Equity at Beginning of Year	2,734,720	2,898,149	2,898,149	0
Prior Year Encumbrances Carried Over	1,742,604	1,579,175	1,579,175	0
Fund Equity at End of Year	<u>\$2,228,327</u>	<u>\$2,361,039</u>	<u>\$2,834,189</u>	<u>\$473,150</u>

City of Westerville, Ohio

Schedule of Revenues, Expenses and Changes in Fund
Equity - Budget (Non-GAAP Budgetary Basis) and Actual
Electric Enterprise Fund
For the Year Ended December 31, 2010

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Charges for Services	\$44,308,873	\$44,442,150	\$44,524,312	\$82,162
Underground Line Charge	20,000	3,000	3,000	0
Proceeds of Bonds	1,500,000	1,535,000	1,535,000	0
Premium on Bonds	0	36,253	36,254	1
Proceeds from Sale of Capital Assets	0	13,365	13,365	0
Sale of Meters	6,000	6,000	3,600	(2,400)
Interest	0	800	1,223	423
Grants	0	2,500	4,000	1,500
Other	85,000	124,837	141,923	17,086
Total Revenues	45,919,873	46,163,905	46,262,677	98,772
<u>Expenses:</u>				
Personal Services				
Electric System Maintenance	4,208,796	4,208,796	3,922,223	286,573
Supplies and Materials				
Electric System Maintenance	875,535	847,545	621,162	226,383
Other Services and Charges				
Purchased Power	36,155,443	35,769,958	35,709,729	60,229
Electric System Maintenance	1,536,251	1,476,690	1,066,714	409,976
Total Other Services and Charges	37,691,694	37,246,648	36,776,443	470,205
Capital Outlay				
Electric System Maintenance	6,911,725	7,753,110	6,980,814	772,296
Debt Service				
Principal Retirement	1,024,510	1,024,510	963,260	61,250
Interest and Fiscal Charges	977,643	977,643	976,999	644
Debt Issuance Costs	0	23,614	23,614	0
Total Debt Service	2,002,153	2,025,767	1,963,873	61,894
Total Expenses	51,689,903	52,081,866	50,264,515	1,817,351
Excess of Revenues Under Expenses	(5,770,030)	(5,917,961)	(4,001,838)	1,916,123
Advances - In	320,000	320,000	320,000	0
Advances - Out	0	(1,010,000)	(1,010,000)	0
Net Change in Fund Equity	(5,450,030)	(6,607,961)	(4,691,838)	1,916,123
Fund Equity at Beginning of Year	7,207,904	8,108,555	8,108,555	0
Prior Year Encumbrances Carried Over	7,510,174	6,609,523	6,609,523	0
Fund Equity at End of Year	\$9,268,048	\$8,110,117	\$10,026,240	\$1,916,123

City of Westerville, Ohio

Schedule of Revenues, Expenses and Changes in Fund
Equity - Budget (Non-GAAP Budgetary Basis) and Actual
Community Data Center Enterprise Fund
For the Year Ended December 31, 2010

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Proceeds of Bonds	\$5,930,000	\$5,280,000	\$5,280,000	\$0
Premium on Bonds	465,540	465,540	465,540	0
Other	0	0	395	395
<i>Total Revenues</i>	<u>6,395,540</u>	<u>5,745,540</u>	<u>5,745,935</u>	<u>395</u>
<u>Expenses:</u>				
Capital Outlay				
System Improvements	1,047,351	1,817,178	1,725,054	92,124
Debt Service:				
Interest and Other Charges	55,010	55,010	55,009	0
Debt Issuance Costs	108,360	108,360	108,360	1
<i>Total Debt Service</i>	<u>163,370</u>	<u>163,370</u>	<u>163,369</u>	<u>1</u>
<i>Total Expenses</i>	<u>1,210,721</u>	<u>1,980,548</u>	<u>1,888,423</u>	<u>92,125</u>
Excess of Revenues Over Expenses	5,184,819	3,764,992	3,857,512	92,520
Advances - In	0	1,056,000	1,056,000	0
Advances - Out	(831,700)	0	0	0
Transfers - In	400,000	125,000	125,000	0
Transfers - Out	0	(104,925)	(104,925)	0
Net Change in Fund Equity	<u>4,753,119</u>	<u>4,841,067</u>	<u>4,933,587</u>	<u>92,520</u>
Fund Equity at Beginning of Year	182,032	624,905	624,905	0
Prior Year Encumbrances Carried Over	647,351	204,478	204,478	0
Fund Equity at End of Year	<u><u>\$5,582,502</u></u>	<u><u>\$5,670,450</u></u>	<u><u>\$5,762,970</u></u>	<u><u>\$92,520</u></u>

City of Westerville, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Street Maintenance Special Revenue Fund
For the Year Ended December 31, 2010

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	\$1,407,000	\$1,450,305	\$1,477,956	\$27,651
Other	0	2,570	5,900	3,330
<i>Total Revenues</i>	<u>1,407,000</u>	<u>1,452,875</u>	<u>1,483,856</u>	<u>30,981</u>
<u>Expenditures:</u>				
Current Operations and Maintenance				
Transportation				
Right of Way Maintenance				
Personal Services	1,157,280	1,155,844	1,085,776	70,068
Supplies and Materials	496,455	494,502	493,639	863
Other Services and Charges	453,864	450,713	359,921	90,792
Capital Outlay	316,993	316,973	301,917	15,056
<i>Total Expenditures</i>	<u>2,424,592</u>	<u>2,418,032</u>	<u>2,241,253</u>	<u>176,779</u>
Excess of Revenues Under Expenditures	<u>(1,017,592)</u>	<u>(965,157)</u>	<u>(757,397)</u>	<u>207,760</u>
<u>Other Financing Sources:</u>				
Proceeds from Sale of Capital Assets	0	3,010	3,010	0
Transfers - In	595,000	595,000	595,000	0
Total Other Financing Sources	<u>595,000</u>	<u>598,010</u>	<u>598,010</u>	<u>0</u>
Net Change in Fund Balance	<u>(422,592)</u>	<u>(367,147)</u>	<u>(159,387)</u>	<u>207,760</u>
Fund Balance at Beginning of Year	696,198	702,758	702,758	0
Prior Year Encumbrances Carried Over	139,121	132,561	132,561	0
Fund Balance at End of Year	<u>\$412,727</u>	<u>\$468,172</u>	<u>\$675,932</u>	<u>\$207,760</u>

City of Westerville, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
State Highway Special Revenue Fund
For the Year Ended December 31, 2010

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	\$114,081	\$113,224	\$115,388	\$2,164
Interest	100	30	29	(1)
<i>Total Revenues</i>	114,181	113,254	115,417	2,163
<u>Expenditures:</u>				
Current Operations and Maintenance				
Transportation				
Right of Way Maintenance				
Capital Outlay	5,000	5,000	5,000	0
Net Change in Fund Balance	109,181	108,254	110,417	2,163
Fund Balance at Beginning of Year	472,925	472,925	472,925	0
Fund Balance at End of Year	\$582,106	\$581,179	\$583,342	\$2,163

City of Westerville, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual

DARE Special Revenue Fund

For the Year Ended December 31, 2010

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	\$338	\$19,191	\$26,472	\$7,281
Interest	0	700	849	149
Other	0	1,509	1,510	1
<i>Total Revenues</i>	<u>338</u>	<u>21,400</u>	<u>28,831</u>	<u>7,431</u>
<u>Expenditures:</u>				
Current Operations and Maintenance				
Security of Persons and Property				
Police Department				
Police Services				
Supplies and Materials	3,578	23,765	23,514	251
Other Services and Charges	0	2,602	2,601	1
<i>Total Expenditures</i>	<u>3,578</u>	<u>26,367</u>	<u>26,115</u>	<u>252</u>
Net Change in Fund Balance	(3,240)	(4,967)	2,716	7,683
Fund Balance at Beginning of Year	28,631	28,631	28,631	0
Fund Balance at End of Year	<u>\$25,391</u>	<u>\$23,664</u>	<u>\$31,347</u>	<u>\$7,683</u>

City of Westerville, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Permissive Motor Vehicle License Special Revenue Fund
For the Year Ended December 31, 2010

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	\$519,500	\$537,000	\$538,531	\$1,531
Interest	250	170	173	3
<i>Total Revenues</i>	519,750	537,170	538,704	1,534
<u>Expenditures:</u>				
Current Operations and Maintenance				
Transportation				
Right of Way Maintenance				
Capital Outlay	480,000	480,000	480,000	0
Net Change in Fund Balance	39,750	57,170	58,704	1,534
Fund Balance at Beginning of Year	78,033	78,033	78,033	0
Fund Balance at End of Year	\$117,783	\$135,203	\$136,737	\$1,534

City of Westerville, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Mayor's Operating Special Revenue Fund
For the Year Ended December 31, 2010

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Other	\$1,030	\$1,480	\$1,630	\$150
<u>Expenditures:</u>				
Current Operations and Maintenance				
General Government				
Other Government				
Other Services and Charges	980	1,130	1,130	0
Net Change in Fund Balance	50	350	500	150
Fund Balance at Beginning of Year	58	58	58	0
Fund Balance at End of Year	\$108	\$408	\$558	\$150

City of Westerville, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Hotel Tax Special Revenue Fund
For the Year Ended December 31, 2010

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Other Local Taxes	\$36,750	\$18,276	\$18,275	(\$1)
<u>Expenditures:</u>				
Current Operations and Maintenance				
General Government				
Other Government				
Other Services and Charges	2,608	28,556	28,555	1
Net Change in Fund Balance	34,142	(10,280)	(10,280)	0
Fund Balance at Beginning of Year	10,280	10,280	10,280	0
Fund Balance at End of Year	\$44,422	\$0	\$0	\$0

City of Westerville, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
OMVI Education Special Revenue Fund
For the Year Ended December 31, 2010

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Fines and Forfeitures	\$3,000	\$2,141	\$2,474	\$333
<u>Expenditures:</u>	0	0	0	0
Net Change in Fund Balance	3,000	2,141	2,474	333
Fund Balance at Beginning of Year	7,873	7,873	7,873	0
Fund Balance at End of Year	\$10,873	\$10,014	\$10,347	\$333

City of Westerville, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Tax Incentive / Redistribution Special Revenue Fund
For the Year Ended December 31, 2010

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Payments in Lieu of Taxes	\$1,415,074	\$1,794,712	\$1,807,404	\$12,692
<u>Expenditures:</u>				
Current Operations and Maintenance				
General Government				
Other Government				
Other Services and Charges	2,550,866	2,650,866	2,645,842	5,024
Excess of Revenues Under Expenditures	(1,135,792)	(856,154)	(838,438)	17,716
<u>Other Financing Sources:</u>				
Transfers - In	1,135,792	1,135,792	1,135,792	0
Net Change in Fund Balance	0	279,638	297,354	17,716
Fund Balance at Beginning of Year	20,368	20,368	20,368	0
Fund Balance at End of Year	\$20,368	\$300,006	\$317,722	\$17,716

City of Westerville, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Mayor's Court Computer Special Revenue Fund
For the Year Ended December 31, 2010

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Fines and Forfeitures	\$16,000	\$16,000	\$16,416	\$416
<u>Expenditures:</u>				
Current Operations and Maintenance				
General Government				
Other Government				
Other Services and Charges	2,430	10,630	10,330	300
Capital Outlay	6,300	20,728	20,631	97
<i>Total Expenditures</i>	8,730	31,358	30,961	397
Net Change in Fund Balance	7,270	(15,358)	(14,545)	813
Fund Balance at Beginning of Year	39,461	39,861	39,861	0
Prior Year Encumbrances Carried Over	6,300	5,900	5,900	0
Fund Balance at End of Year	\$53,031	\$30,403	\$31,216	\$813

City of Westerville, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Cable TV Franchise Fee Special Revenue Fund
For the Year Ended December 31, 2010

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Other Local Taxes	\$455,000	\$495,009	\$500,600	\$5,591
<u>Expenditures:</u>				
Current Operations and Maintenance				
General Government				
Other Government				
Other Services and Charges	384,564	377,090	375,173	1,917
Capital Outlay	10,000	10,000	9,460	540
<i>Total Expenditures</i>	394,564	387,090	384,633	2,457
Excess of Revenues Over Expenditures	60,436	107,919	115,967	8,048
<u>Other Financing Uses:</u>				
Transfers - Out	0	(125,000)	(125,000)	0
Net Change in Fund Balance	60,436	(17,081)	(9,033)	8,048
Fund Balance at Beginning of Year	258,977	266,451	266,451	0
Prior Year Encumbrances Carried Over	21,014	13,540	13,540	0
Fund Balance at End of Year	\$340,427	\$262,910	\$270,958	\$8,048

City of Westerville, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Parks and Recreation Income Tax Allocation Special Revenue Fund
For the Year Ended December 31, 2010

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Income Taxes	\$4,005,000	\$4,135,000	\$4,252,805	\$117,805
<u>Expenditures:</u>	0	0	0	0
Excess of Revenues Over Expenditures	4,005,000	4,135,000	4,252,805	117,805
<u>Other Financing Uses:</u>				
Transfers - Out	(4,567,920)	(5,233,790)	(5,233,790)	0
Net Change in Fund Balance	(562,920)	(1,098,790)	(980,985)	117,805
Fund Balance at Beginning of Year	1,100,475	1,100,475	1,100,475	0
Fund Balance at End of Year	\$537,555	\$1,685	\$119,490	\$117,805

City of Westerville, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
FEMA Special Revenue Fund
For the Year Ended December 31, 2010

	Budget			Variance
	Original	Final	Actual	Positive (Negative)
<u>Revenues:</u>	\$0	\$0	\$0	\$0
<u>Expenditures:</u>	0	0	0	0
Net Change in Fund Balance	0	0	0	0
Fund Balance at Beginning of Year	3,150	3,150	3,150	0
Fund Balance at End of Year	\$3,150	\$3,150	\$3,150	\$0

City of Westerville, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Drug Enforcement Special Revenue Fund
For the Year Ended December 31, 2010

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Fines and Forfeitures	\$113	\$11,699	\$14,209	\$2,510
Interest	0	400	375	(25)
<i>Total Revenues</i>	113	12,099	14,584	2,485
<u>Expenditures:</u>				
Current Operations and Maintenance				
Security of Persons and Property				
Police Department				
Police Services				
Supplies and Materials	5,000	15,000	10,000	5,000
Capital Outlay	11,025	11,025	11,025	0
<i>Total Expenditures</i>	16,025	26,025	21,025	5,000
Net Change in Fund Balance	(15,912)	(13,926)	(6,441)	7,485
Fund Balance at Beginning of Year	14,840	14,840	14,840	0
Prior Year Encumbrances Carried Over	11,025	11,025	11,025	0
Fund Balance at End of Year	\$9,953	\$11,939	\$19,424	\$7,485

City of Westerville, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Criminal Activity Forfeiture Special Revenue Fund
For the Year Ended December 31, 2010

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	\$4,316	\$2,904	\$7,905	\$5,001
Fines and Forfeitures	1,353	171,048	200,171	29,123
Interest	0	4,310	4,910	600
<i>Total Revenues</i>	<u>5,669</u>	<u>178,262</u>	<u>212,986</u>	<u>34,724</u>
<u>Expenditures:</u>				
Current Operations and Maintenance				
Security of Persons and Property				
Police Department				
Police Services				
Supplies and Materials	167,055	273,254	273,233	21
Other Services and Charges	526	10,883	10,840	43
Capital Outlay	0	118,370	118,342	28
<i>Total Expenditures</i>	<u>167,581</u>	<u>402,507</u>	<u>402,415</u>	<u>92</u>
Excess of Revenues Under Expenditures	(161,912)	(224,245)	(189,429)	34,816
<u>Other Financing Sources:</u>				
Proceeds from Sale of Capital Assets	0	284	284	0
Net Change in Fund Balance	(161,912)	(223,961)	(189,145)	34,816
Fund Balance at Beginning of Year	78,327	78,327	78,327	0
Prior Year Encumbrances Carried Over	165,559	165,559	165,559	0
Fund Balance at End of Year	<u>\$81,974</u>	<u>\$19,925</u>	<u>\$54,741</u>	<u>\$34,816</u>

City of Westerville, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
McVay Endowment Special Revenue Fund
For the Year Ended December 31, 2010

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Other	\$7,038	\$16,930	\$16,932	\$2
<u>Expenditures:</u>				
Current Operations and Maintenance				
Security of Persons and Property				
Police Department				
Police Services				
Supplies and Materials	20,854	20,854	20,854	0
Other Services and Charges	1,250	1,250	1,250	0
Capital Outlay	3,622	3,622	3,622	0
<i>Total Expenditures</i>	<u>25,726</u>	<u>25,726</u>	<u>25,726</u>	<u>0</u>
Net Change in Fund Balance	(18,688)	(8,796)	(8,794)	2
Fund Balance at Beginning of Year	43,392	43,392	43,392	0
Prior Year Encumbrances Carried Over	4,872	4,872	4,872	0
Fund Balance at End of Year	<u>\$29,576</u>	<u>\$39,468</u>	<u>\$39,470</u>	<u>\$2</u>

City of Westerville, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
General Bond Retirement Debt Service Fund
For the Year Ended December 31, 2010

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Property Taxes	\$194,258	\$190,287	\$190,482	\$195
Intergovernmental	31,772	56,425	56,627	202
Other	0	2,821	2,822	1
Total Revenues	226,030	249,533	249,931	398
<u>Expenditures:</u>				
Debt Service				
Principal Retirement	2,117,590	2,117,590	1,986,740	130,850
Interest and Fiscal Charges	993,544	993,544	944,535	49,009
Total Expenditures	3,111,134	3,111,134	2,931,275	179,859
Excess of Revenues Under Expenditures	(2,885,104)	(2,861,601)	(2,681,344)	180,257
<u>Other Financing Sources:</u>				
Premium on Bonds	0	17,515	17,515	0
Transfers - In	2,885,104	2,761,262	2,761,262	0
Total Other Financing Sources	2,885,104	2,778,777	2,778,777	0
Net Change in Fund Balance	0	(82,824)	97,433	180,257
Fund Balance at Beginning of Year	82,827	82,827	82,827	0
Fund Balance at End of Year	\$82,827	\$3	\$180,260	\$180,257

City of Westerville, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Recreation Improvement Capital Projects Fund
For the Year Ended December 31, 2010

	Budget			Variance Positive (Negative)
	Original	Final	Actual	
<u>Revenues:</u>	\$0	\$0	\$0	\$0
<u>Expenditures:</u>	0	0	0	0
Excess of Revenues Over Expenditures	0	0	0	0
<u>Other Financing Uses:</u>				
Advances - Out	(50,000)	(50,000)	(50,000)	0
Net Change in Fund Balance	(50,000)	(50,000)	(50,000)	0
Fund Balance at Beginning of Year	163,129	163,129	163,129	0
Fund Balance at End of Year	\$113,129	\$113,129	\$113,129	\$0

City of Westerville, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Africa Road Improvement Capital Projects Fund
For the Year Ended December 31, 2010

	Budget			Variance Positive (Negative)
	Original	Final	Actual	
<u>Revenues:</u>	\$0	\$0	\$0	\$0
<u>Expenditures:</u>	0	0	0	0
Net Change in Fund Balance	0	0	0	0
Fund Balance at Beginning of Year	48	48	48	0
Fund Balance at End of Year	\$48	\$48	\$48	\$0

City of Westerville, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Dempsey Road Improvement Capital Projects Fund
For the Year Ended December 31, 2010

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>	\$0	\$0	\$0	\$0
<u>Expenditures:</u>				
Capital Outlay	326,311	326,311	326,311	0
Net Change in Fund Balance	(326,311)	(326,311)	(326,311)	0
Fund Balance at Beginning of Year	61,894	61,894	61,894	0
Prior Year Encumbrances Carried Over	326,311	326,311	326,311	0
Fund Balance at End of Year	\$61,894	\$61,894	\$61,894	\$0

City of Westerville, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund
 Balance - Budget (Non-GAAP Budgetary Basis) and Actual
McCorkle Boulevard Road Improvement Capital Projects Fund
 For the Year Ended December 31, 2010

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>	\$0	\$0	\$0	\$0
<u>Expenditures:</u>	0	0	0	0
Net Change in Fund Balance	0	0	0	0
Fund Balance at Beginning of Year	40,000	40,000	40,000	0
Fund Balance at End of Year	\$40,000	\$40,000	\$40,000	\$0

City of Westerville, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Spring Road Improvement Capital Projects Fund
For the Year Ended December 31, 2010

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>	\$0	\$0	\$0	\$0
<u>Expenditures:</u>	0	0	0	0
Net Change in Fund Balance	0	0	0	0
Fund Balance at Beginning of Year	163,547	163,547	163,547	0
Fund Balance at End of Year	<u>\$163,547</u>	<u>\$163,547</u>	<u>\$163,547</u>	<u>\$0</u>

City of Westerville, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund
 Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Maxtown Road Improvement Capital Projects Fund
 For the Year Ended December 31, 2010

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>	\$0	\$0	\$0	\$0
<u>Expenditures:</u>	0	0	0	0
Net Change in Fund Balance	0	0	0	0
Fund Balance at Beginning of Year	4,547	4,547	4,547	0
Fund Balance at End of Year	\$4,547	\$4,547	\$4,547	\$0

City of Westerville, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Parks and Recreation Capital Improvement Capital Projects Fund
For the Year Ended December 31, 2010

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	\$408,285	\$161,555	\$161,555	\$0
Other	47,000	101,129	101,130	1
<i>Total Revenues</i>	455,285	262,684	262,685	1
<u>Expenditures:</u>				
Capital Outlay	9,505,935	10,127,500	9,671,079	456,421
Debt Service:				
Bond Issuance Costs	0	95,916	95,915	1
<i>Total Expenditures</i>	9,505,935	10,223,416	9,766,994	456,422
Excess of Revenues Under Expenditures	(9,050,650)	(9,960,732)	(9,504,309)	456,423
<u>Other Financing Sources:</u>				
General Obligation Bonds Issued	6,000,000	6,234,999	6,235,000	1
Premium on Debt Issued	0	525,865	525,865	0
Transfers - In	1,000,000	1,665,870	1,665,870	0
<i>Total Other Financing Sources</i>	7,000,000	8,426,734	8,426,735	1
Net Change in Fund Balance	(2,050,650)	(1,533,998)	(1,077,574)	456,424
Fund Balance at Beginning of Year	1,706,230	1,710,611	1,710,611	0
Prior Year Encumbrances Carried Over	676,455	672,074	672,074	0
Fund Balance at End of Year	\$332,035	\$848,687	\$1,305,111	\$456,424

City of Westerville, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
North State Street Improvement Capital Projects Fund
For the Year Ended December 31, 2010

	Budget			Variance Positive (Negative)
	Original	Final	Actual	
<u>Revenues:</u>	\$0	\$0	\$0	\$0
<u>Expenditures</u>	0	0	0	0
Excess of Revenues Over Expenditures	0	0	0	0
<u>Other Financing Uses:</u>				
Advances - Out	(1,261,000)	(1,261,000)	(1,261,000)	0
Net Change in Fund Balance	(1,261,000)	(1,261,000)	(1,261,000)	0
Fund Balance at Beginning of Year	1,501,065	1,501,065	1,501,065	0
Fund Balance at End of Year	\$240,065	\$240,065	\$240,065	\$0

City of Westerville, Ohio
 Schedule of Revenues, Expenditures, and Changes in Fund
 Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Cleveland Avenue Extension Improvement Capital Projects Fund
 For the Year Ended December 31, 2010

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>	\$0	\$0	\$0	\$0
<u>Expenditures:</u>				
Capital Outlay	24,426	24,426	24,426	0
Net Change in Fund Balance	(24,426)	(24,426)	(24,426)	0
Fund Balance at Beginning of Year	24,963	24,963	24,963	0
Prior Year Encumbrances Carried Over	24,426	24,426	24,426	0
Fund Balance at End of Year	\$24,963	\$24,963	\$24,963	\$0

City of Westerville, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Parks and Recreation Replacement and Reserve Capital Projects Fund
For the Year Ended December 31, 2010

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>	\$0	\$0	\$0	\$0
<u>Expenditures:</u>				
Capital Outlay	639,891	830,167	793,505	36,662
Excess of Revenues Under Expenditures	(639,891)	(830,167)	(793,505)	36,662
<u>Other Financing Sources:</u>				
Transfers - In	400,000	400,000	400,000	0
Net Change in Fund Balance	(239,891)	(430,167)	(393,505)	36,662
Fund Balance at Beginning of Year	880,926	890,650	890,650	0
Prior Year Encumbrances Carried Over	103,191	93,467	93,467	0
Fund Balance at End of Year	<u>\$744,226</u>	<u>\$553,950</u>	<u>\$590,612</u>	<u>\$36,662</u>

City of Westerville, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Street Replacement and Reserve Capital Projects Fund
For the Year Ended December 31, 2010

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>	\$0	\$0	\$0	\$0
<u>Expenditures:</u>				
Capital Outlay	1,162,853	1,006,971	1,006,970	1
Excess of Revenues Under Expenditures	(1,162,853)	(1,006,971)	(1,006,970)	1
<u>Other Financing Sources:</u>				
Transfers - In	650,000	650,000	650,000	0
Net Change in Fund Balance	(512,853)	(356,971)	(356,970)	1
Fund Balance at Beginning of Year	2,023,977	2,179,859	2,179,859	0
Prior Year Encumbrances Carried Over	202,853	46,971	46,971	0
Fund Balance at End of Year	<u>\$1,713,977</u>	<u>\$1,869,859</u>	<u>\$1,869,860</u>	<u>\$1</u>

City of Westerville, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund
 Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Tree Replacement Capital Projects Fund
 For the Year Ended December 31, 2010

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>	\$0	\$0	\$0	\$0
<u>Expenditures:</u>	0	0	0	0
Net Change in Fund Balance	0	0	0	0
Fund Balance at Beginning of Year	1,239	1,239	1,239	0
Fund Balance at End of Year	\$1,239	\$1,239	\$1,239	\$0

City of Westerville, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
City Buildings Improvement Capital Projects Fund
For the Year Ended December 31, 2010

	Budget			Variance Positive (Negative)
	Original	Final	Actual	
<u>Revenues:</u>	\$0	\$0	\$0	\$0
<u>Expenditures:</u>	0	0	0	0
Net Change in Fund Balance	0	0	0	0
Fund Balance at Beginning of Year	2,667	2,667	2,667	0
Fund Balance at End of Year	\$2,667	\$2,667	\$2,667	\$0

City of Westerville, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Safety Building Capital Improvement Capital Projects Fund
For the Year Ended December 31, 2010

	Budget			Variance Positive (Negative)
	Original	Final	Actual	
<u>Revenues:</u>	\$0	\$0	\$0	\$0
<u>Expenditures:</u>	0	0	0	0
Net Change in Fund Balance	0	0	0	0
Fund Balance at Beginning of Year	101,579	101,579	101,579	0
Fund Balance at End of Year	\$101,579	\$101,579	\$101,579	\$0

City of Westerville, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Westar / Olentangy TIF Capital Projects Fund
For the Year Ended December 31, 2010

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Payments in Lieu of Taxes	\$15,804	\$27,120	\$27,120	\$0
<u>Expenditures:</u>				
Capital Outlay	0	0	0	0
Net Change in Fund Balance	15,804	27,120	27,120	0
Fund Balance at Beginning of Year	63,132	63,132	63,132	0
Fund Balance at End of Year	\$78,936	\$90,252	\$90,252	\$0

City of Westerville, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Northridge Crossing TIF Capital Projects Fund
For the Year Ended December 31, 2010

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Payments in Lieu of Taxes	\$597,702	\$597,702	\$597,703	\$1
<u>Expenditures:</u>				
Capital Outlay	355,134	339,064	339,064	0
Excess of Revenues Over Expenditures	242,568	258,638	258,639	1
<u>Other Financing Uses:</u>				
Advances - Out	(1,657,330)	(1,657,330)	(1,657,330)	0
Net Change in Fund Balance	(1,414,762)	(1,398,692)	(1,398,691)	1
Fund Balance at Beginning of Year	1,125,702	1,125,702	1,125,702	0
Prior Year Encumbrances Carried Over	339,064	339,064	339,064	0
Fund Balance at End of Year	\$50,004	\$66,074	\$66,075	\$1

City of Westerville, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Northstar / Worthington Road TIF Capital Projects Fund
For the Year Ended December 31, 2010

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Payments in Lieu of Taxes	\$69,926	\$129,520	\$129,521	\$1
Intergovernmental	50,876	1,380,697	1,380,661	(36)
<i>Total Revenues</i>	120,802	1,510,217	1,510,182	(35)
<u>Expenditures:</u>				
Capital Outlay	181,379	3,576,963	3,562,138	14,825
Excess of Revenues Under Expenditures	(60,577)	(2,066,746)	(2,051,956)	14,790
<u>Other Financing Sources (Uses):</u>				
Advances - In	0	3,047,041	3,047,041	0
Advances - Out	0	(1,000,000)	(1,000,000)	0
<i>Total Other Financing Sources (Uses)</i>	0	2,047,041	2,047,041	0
Net Change in Fund Balance	(60,577)	(19,705)	(4,915)	14,790
Fund Balance at Beginning of Year	578,706	581,653	581,653	0
Prior Year Encumbrances Carried Over	74,379	71,432	71,432	0
Fund Balance at End of Year	\$592,508	\$633,380	\$648,170	\$14,790

City of Westerville, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Altair TIF Incentive Capital Projects Fund
For the Year Ended December 31, 2010

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Payments in Lieu of Taxes	\$17,973	\$17,973	\$17,973	\$0
<u>Expenditures:</u>				
Capital Outlay	8,531	8,531	8,531	0
Net Change in Fund Balance	9,442	9,442	9,442	0
Fund Balance at Beginning of Year	17,850	17,850	17,850	0
Fund Balance at End of Year	\$27,292	\$27,292	\$27,292	\$0

City of Westerville, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
South State Street TIF Incentive Capital Projects Fund
For the Year Ended December 31, 2010

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	\$0	\$177,619	\$177,619	\$0
<u>Expenditures:</u>				
Capital Outlay	567,000	2,477,000	2,351,469	125,531
Excess of Revenues Under Expenditures	(567,000)	(2,299,381)	(2,173,850)	125,531
<u>Other Financing Sources:</u>				
Advances - In	567,000	2,477,000	2,477,000	0
Net Change in Fund Balance	0	177,619	303,150	125,531
Fund Balance at Beginning of Year	0	0	0	0
Fund Balance at End of Year	\$0	\$177,619	\$303,150	\$125,531

City of Westerville, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Perimeter Road Improvement Capital Projects Fund
For the Year Ended December 31, 2010

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Fees, Licenses and Permits	\$0	\$48,600	\$48,600	\$0
<u>Expenditures:</u>	0	0	0	0
Net Change in Fund Balance	0	48,600	48,600	0
Fund Balance at Beginning of Year	76,732	76,732	76,732	0
Fund Balance at End of Year	\$76,732	\$125,332	\$125,332	\$0

City of Westerville, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Recreation Capital Improvement Capital Projects Fund
For the Year Ended December 31, 2010

	Budget			Variance Favorable (Unfavorable)
	Original	Final	Actual	
<u>Revenues:</u>	\$0	\$0	\$0	\$0
<u>Expenditures:</u>	0	0	0	0
Net Change in Fund Balance	0	0	0	0
Fund Balance at Beginning of Year	1,553	1,553	1,553	0
Fund Balance at End of Year	\$1,553	\$1,553	\$1,553	\$0

City of Westerville, Ohio

Schedule of Revenues, Expenses and Changes in Fund
Equity - Budget (Non-GAAP Budgetary Basis) and Actual
Refuse Enterprise Fund
For the Year Ended December 31, 2010

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Charges for Services	\$2,362,881	\$2,362,881	\$2,366,998	\$4,117
Other	0	0	232	232
<i>Total Revenues</i>	<u>2,362,881</u>	<u>2,362,881</u>	<u>2,367,230</u>	<u>4,349</u>
<u>Expenses:</u>				
Personal Services				
Refuse Operations	91,692	91,692	90,858	834
Supplies and Materials				
Refuse Operations	4,250	4,250	3,287	963
Other Services and Charges				
Refuse Operations and Disposal	2,365,564	2,365,370	2,344,522	20,848
Capital Outlay				
Refuse Operations	4,232	4,232	4,231	1
<i>Total Expenses</i>	<u>2,465,738</u>	<u>2,465,544</u>	<u>2,442,898</u>	<u>22,646</u>
Excess of Revenues Under Expenses	(102,857)	(102,663)	(75,668)	26,995
Advances - Out	(51,000)	(51,000)	(51,000)	0
Net Change in Fund Equity	(153,857)	(153,663)	(126,668)	26,995
Fund Equity at Beginning of Year	355,388	355,582	355,582	0
Prior Year Encumbrances Carried Over	164,141	163,947	163,947	0
Fund Equity at End of Year	<u>\$365,672</u>	<u>\$365,866</u>	<u>\$392,861</u>	<u>\$26,995</u>

City of Westerville, Ohio

Schedule of Revenues, Expenses and Changes in Fund
Equity - Budget (Non-GAAP Budgetary Basis) and Actual
Swimming Pool Enterprise Fund
For the Year Ended December 31, 2010

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>	\$0	\$0	\$0	\$0
<u>Expenses:</u>				
Supplies and Materials				
Swimming Pool	1,920	1,666	1,664	2
Other Services and Charges				
Swimming Pool	8,810	722	721	1
<i>Total Expenses</i>	10,730	2,388	2,385	3
Net Change in Fund Equity	(10,730)	(2,388)	(2,385)	3
Fund Equity at Beginning of Year	135,092	143,434	143,434	0
Prior Year Encumbrances Carried Over	10,730	2,388	2,388	0
Fund Equity at End of Year	\$135,092	\$143,434	\$143,437	\$3

City of Westerville, Ohio

Schedule of Revenues, Expenses and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Garage Internal Service Fund
For the Year Ended December 31, 2010

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Charges for Services	\$977,170	\$970,400	\$970,936	\$536
Miscellaneous	3,500	5,154	5,566	412
<i>Total Revenues</i>	<u>980,670</u>	<u>975,554</u>	<u>976,502</u>	<u>948</u>
<u>Expenses:</u>				
Personal Services				
Garage Operations	335,685	354,885	341,505	13,380
Supplies and Materials				
Garage Operations	561,031	558,519	556,256	2,263
Other Services and Charges				
Garage Operations	84,917	78,188	64,642	13,546
Capital Outlay				
Garage Operations	41,253	37,053	36,833	220
<i>Total Expenses</i>	<u>1,022,886</u>	<u>1,028,645</u>	<u>999,236</u>	<u>29,409</u>
Net Change in Fund Balance	(42,216)	(53,091)	(22,734)	30,357
Fund Balance at Beginning of Year	198,087	207,328	207,328	0
Prior Year Encumbrances Carried Over	40,281	31,040	31,040	0
Fund Balance at End of Year	<u>\$196,152</u>	<u>\$185,277</u>	<u>\$215,634</u>	<u>\$30,357</u>

City of Westerville, Ohio

Schedule of Revenues, Expenses and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Self-Insurance Internal Service Fund
For the Year Ended December 31, 2010

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Other Charges	\$1,395	\$15,706	\$22,006	\$6,300
Interest	0	8,284	8,285	1
<i>Total Revenues</i>	<u>1,395</u>	<u>23,990</u>	<u>30,291</u>	<u>6,301</u>
<u>Expenses:</u>				
Supplies and Materials				
Self-Insurance	1,395	1,395	1,395	0
Other Services and Charges				
Self-Insurance	10,647	48,982	33,634	15,348
Capital Outlay				
Self-Insurance	65,798	86,594	86,593	1
<i>Total Expenses</i>	<u>77,840</u>	<u>136,971</u>	<u>121,622</u>	<u>15,349</u>
Excess of Revenues Under Expenses	(76,445)	(112,981)	(91,331)	21,650
Advances - In	0	221,004	221,004	0
Net Change in Fund Balance	(76,445)	108,023	129,673	21,650
Fund Balance at Beginning of Year	998,135	1,001,803	1,001,803	0
Prior Year Encumbrances Carried Over	69,742	66,074	66,074	0
Fund Balance at End of Year	<u>\$991,432</u>	<u>\$1,175,900</u>	<u>\$1,197,550</u>	<u>\$21,650</u>

City of Westerville, Ohio

Statistical Tables

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

<u>Contents</u>	<u>Pages</u>
<u>Financial Trends</u>	174-183
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	
<u>Revenue Capacity</u>	184-197
These schedules contain information to help the reader assess the City's most significant local revenue sources, municipal income taxes and property taxes.	
<u>Debt Capacity</u>	198-203
These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	
<u>Demographic and Economic Information</u>	204-205
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	
<u>Operating information</u>	206-211
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The City implemented *GASB Statement No. 34* in 2003. Schedules presenting government-wide information include information beginning in that year.

City of Westerville, Ohio
Net Assets by Component
Last Eight Years
(accrual basis of accounting)

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Governmental Activities:				
Invested in Capital Assets, Net of Related Debt (1)	\$43,583,753	\$53,450,973	\$60,621,053	\$174,424,267
Restricted	23,469,787	22,014,550	17,713,068	16,207,725
Unrestricted	<u>24,341,745</u>	<u>22,517,201</u>	<u>25,208,439</u>	<u>27,408,591</u>
<i>Total Governmental Activities Net Assets</i>	<u>91,395,285</u>	<u>97,982,724</u>	<u>103,542,560</u>	<u>218,040,583</u>
Business-Type Activities:				
Invested in Capital Assets, Net of Related Debt	66,100,531	66,883,895	69,957,465	73,070,150
Unrestricted	<u>36,087,428</u>	<u>32,615,367</u>	<u>29,543,305</u>	<u>27,293,331</u>
<i>Total Business-Type Activities</i>	<u>102,187,959</u>	<u>99,499,262</u>	<u>99,500,770</u>	<u>100,363,481</u>
Primary Government:				
Invested in Capital Assets, Net of Related Debt	109,684,284	120,334,868	130,578,518	247,494,417
Restricted	23,469,787	22,014,550	17,713,068	16,207,725
Unrestricted	<u>60,429,173</u>	<u>55,132,568</u>	<u>54,751,744</u>	<u>54,701,922</u>
<i>Total Primary Government Net Assets</i>	<u>\$193,583,244</u>	<u>\$197,481,986</u>	<u>\$203,043,330</u>	<u>\$318,404,064</u>

(1) The large increase of Invested in Capital Assets, Net of Related Debt for 2006 was a result of the City recording its roads and bridges infrastructure from 1980 through 2003 in that year.

<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
\$175,905,966	\$177,018,595	\$179,020,723	\$186,535,540
23,599,432	25,592,016	24,859,638	22,846,707
<u>23,773,944</u>	<u>23,755,848</u>	<u>25,806,809</u>	<u>27,317,339</u>
<u>223,279,342</u>	<u>226,366,459</u>	<u>229,687,170</u>	<u>236,699,586</u>
73,089,932	71,935,551	67,786,210	71,919,767
<u>28,615,958</u>	<u>29,588,665</u>	<u>30,202,436</u>	<u>32,162,567</u>
<u>101,705,890</u>	<u>101,524,216</u>	<u>97,988,646</u>	<u>104,082,334</u>
248,995,898	248,954,146	246,806,933	258,455,307
23,599,432	25,592,016	24,859,638	22,846,707
<u>52,389,902</u>	<u>53,344,513</u>	<u>56,009,245</u>	<u>59,479,906</u>
<u>\$324,985,232</u>	<u>\$327,890,675</u>	<u>\$327,675,816</u>	<u>\$340,781,920</u>

City of Westerville, Ohio
Changes in Net Assets
Last Eight Years
(accrual basis of accounting)

	2003	2004	2005
Program Revenues:			
Governmental Activities:			
Charges for Services and Sales:			
Security of Persons and Property	\$120,874	\$233,947	\$121,914
Public Health	41,681	35,246	37,320
Leisure Time Activities	2,657,185	2,733,907	3,015,018
Community Development	687,798	884,132	839,071
Transportation	27,840	524	84,625
General Government	721,914	887,454	920,985
Operating Grants, Contributions and Interest	4,576,376	4,594,674	4,827,917
Capital Grants, Contributions and Interest	4,433,334	3,580,626	2,922,366
<i>Total Governmental Activities Program Revenues</i>	<u>13,267,002</u>	<u>12,950,510</u>	<u>12,769,216</u>
Business-Type Activities:			
Charges for Services:			
Water	3,417,030	3,447,858	3,847,391
Sewer	3,919,162	4,636,563	5,333,784
Electric	21,308,910	23,758,104	28,482,231
Refuse	1,678,786	1,716,930	1,850,321
Swimming Pool	379,970	330,189	406,581
Operating Grants, Contributions and Interest	29,433	897,426	0
Capital Grants, Contributions and Interest	620,769	2,796,036	1,642,537
<i>Total Business-Type Activities Program Revenues</i>	<u>31,354,060</u>	<u>37,583,106</u>	<u>41,562,845</u>
<i>Total Primary Government Program Revenues</i>	<u>44,621,062</u>	<u>50,533,616</u>	<u>54,332,061</u>
Expenses:			
Governmental Activities:			
Current:			
Security of Persons and Property	17,861,792	18,294,807	21,059,425
Public Health	53,158	64,095	57,364
Leisure Time Activities	6,393,207	8,241,110	8,268,953
Community Development	2,104,386	2,311,744	2,381,720
Basic Utility Services	294,465	280,901	395,574
Transportation	1,698,334	3,193,662	3,097,704
General Government	8,941,895	8,482,028	9,484,791
Interest and Fiscal Charges	1,340,456	1,446,681	1,371,225
<i>Total Governmental Activities Expenses</i>	<u>38,687,693</u>	<u>42,315,028</u>	<u>46,116,756</u>
Business Type Activities:			
Water	2,328,572	4,060,430	3,171,504
Sewer	4,612,333	4,789,093	5,041,390
Electric	19,205,055	29,445,916	31,124,552
Community Data Center (1)	0	0	0
Refuse	1,689,437	1,711,896	1,921,206
Swimming Pool	419,286	438,847	465,973
<i>Total Business-Type Activities Expenses</i>	<u>28,254,683</u>	<u>40,446,182</u>	<u>41,724,625</u>
<i>Total Primary Government Expenses</i>	<u>\$66,942,376</u>	<u>\$82,761,210</u>	<u>\$87,841,381</u>

2006	2007	2008	2009	2010
\$78,934	\$248,491	\$201,340	\$735,687	\$1,338,292
27,696	25,950	37,892	26,276	25,714
2,872,625	3,061,612	3,138,743	2,852,525	3,255,867
964,288	823,959	941,293	672,744	818,791
39,600	45,000	22,500	309,016	48,600
817,796	781,310	690,699	657,456	740,332
4,703,862	4,921,913	5,600,521	5,497,164	5,582,071
2,543,228	790,970	164,846	130,359	3,562,453
12,048,029	10,699,205	10,797,834	10,881,227	15,372,120
3,394,398	3,536,123	2,958,745	2,843,926	3,446,317
5,837,587	6,829,737	6,955,790	7,091,758	7,552,773
30,976,955	34,701,328	37,127,200	40,106,709	45,120,183
1,924,673	1,919,708	1,951,752	2,161,353	2,384,386
403,826	459,245	446,827	435,176	0
1,180	58,780	0	0	0
1,806,312	667,160	425,262	78,865	582,892
44,344,931	48,172,081	49,865,576	52,717,787	59,086,551
56,392,960	58,871,286	60,663,410	63,599,014	74,458,671
20,547,925	21,913,868	23,812,277	24,919,134	26,338,118
51,609	62,869	56,156	53,989	79,239
8,304,966	8,225,686	8,837,447	6,005,577	7,149,210
2,290,453	2,401,588	2,434,545	2,357,182	2,781,118
308,478	1,104,555	1,193,430	1,187,441	1,245,063
5,402,240	6,690,507	3,988,338	12,433,936	12,254,959
9,724,111	8,939,908	11,437,810	12,019,757	12,754,058
1,299,571	1,231,338	1,184,204	899,935	946,382
47,929,353	50,570,319	52,944,207	59,876,951	63,548,147
3,138,646	3,335,846	3,700,446	3,703,468	3,902,340
5,641,950	6,488,261	7,138,180	7,497,641	7,441,991
32,346,965	34,790,162	37,048,202	42,847,705	40,057,863
0	0	0	0	103,162
1,941,027	1,920,950	2,137,563	2,228,911	2,442,963
514,499	462,304	515,415	515,398	315,206
43,583,087	46,997,523	50,539,806	56,793,123	54,263,525
\$91,512,440	\$97,567,842	\$103,484,013	\$116,670,074	\$117,811,672

(continued)

City of Westerville, Ohio
Changes in Net Assets
Last Eight Years
(accrual basis of accounting)
(Continued)

	<u>2003</u>	<u>2004</u>	<u>2005</u>
Net (Expense) / Revenue:			
Governmental Activities	(\$25,420,691)	(\$29,364,518)	(\$33,347,540)
Business-Type Activities	<u>3,099,377</u>	<u>(2,863,076)</u>	<u>(161,780)</u>
<i>Total Primary Government Net Assets</i>	<u>(22,321,314)</u>	<u>(32,227,594)</u>	<u>(33,509,320)</u>
General Revenues and Transfers:			
Governmental Activities:			
Property Taxes Levied for:			
General Purposes	3,064,515	3,158,862	3,133,506
Fire	7,321,671	7,485,143	7,260,582
Debt Service	346,546	478,843	381,885
Municipal Income Taxes Levied for:			
General Purposes	14,507,687	14,879,559	16,208,734
Parks and Recreation	3,392,022	3,477,793	3,854,039
Other Local Taxes (2)	0	0	0
Grants and Entitlements not Restricted to Specific Programs	5,177,486	4,787,086	5,778,664
Unrestricted Investment Earnings	1,549,328	1,339,752	1,725,206
Payments in Lieu of Taxes	219,691	294,277	505,051
Other	45,945	50,642	75,587
Transfers	<u>(6,702)</u>	<u>0</u>	<u>(15,878)</u>
<i>Total Governmental Activities</i>	<u>35,618,189</u>	<u>35,951,957</u>	<u>38,907,376</u>
Business-Type Activities:			
Unrestricted Investment Earnings	68,536	47,236	16,338
Other	101,583	127,143	131,072
Transfers	<u>6,702</u>	<u>0</u>	<u>15,878</u>
<i>Total Business-Type Activities</i>	<u>176,821</u>	<u>174,379</u>	<u>163,288</u>
Change in Net Assets:			
Governmental Activities	10,197,498	6,587,439	5,559,836
Business-Type Activities	<u>3,276,198</u>	<u>(2,688,697)</u>	<u>1,508</u>
<i>Total Primary Government</i>	<u>\$13,473,696</u>	<u>\$3,898,742</u>	<u>\$5,561,344</u>

(1) The Community Data Center Fund originated in 2010

(2) Prior to 2006, Other Local Taxes were reported as part of Property Taxes

2006	2007	2008	2009	2010
(\$35,881,324)	(\$39,871,114)	(\$42,146,373)	(\$48,995,724)	(\$48,176,027)
761,844	1,174,558	(674,230)	(4,075,336)	4,823,026
(35,119,480)	(38,696,556)	(42,820,603)	(53,071,060)	(43,353,001)
3,633,506	3,212,914	3,063,892	3,040,208	3,061,901
7,588,375	7,495,299	6,981,668	6,893,177	7,035,668
451,365	97,622	135,795	187,731	189,112
17,027,641	17,755,394	18,730,035	29,002,095	31,525,987
4,015,810	4,218,641	4,377,305	3,854,332	4,298,320
423,190	452,842	491,884	505,053	546,232
4,828,247	5,392,820	5,214,556	5,172,682	5,501,341
3,550,908	4,755,384	3,803,114	1,284,620	922,228
990,236	1,711,131	2,269,090	2,239,257	2,607,974
94,763	17,826	175,774	408,414	547,024
0	0	(9,623)	(271,134)	(125,000)
42,604,041	45,109,873	45,233,490	52,316,435	56,110,787
12,812	49,622	146,363	4,226	1,223
89,107	118,229	336,570	264,406	222,095
0	0	9,623	271,134	125,000
101,919	167,851	492,556	539,766	348,318
6,722,717	5,238,759	3,087,117	3,320,711	7,934,760
863,763	1,342,409	(181,674)	(3,535,570)	5,171,344
\$7,586,480	\$6,581,168	\$2,905,443	(\$214,859)	\$13,106,104

City of Westerville, Ohio
Fund Balances - Governmental Funds
Last Ten Years
(modified accrual basis of accounting)

	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
General Fund				
Reserved	\$3,739,839	\$4,281,968	\$4,224,161	\$6,945,451
Unreserved	<u>20,826,043</u>	<u>20,102,695</u>	<u>18,928,266</u>	<u>14,339,936</u>
<i>Total General Fund</i>	<u>24,565,882</u>	<u>24,384,663</u>	<u>23,152,427</u>	<u>21,285,387</u>
All Other Governmental Funds				
Reserved	5,113,628	2,654,691	8,706,933	4,562,592
Unreserved, Undesignated (Deficit)				
Reported in:				
Special Revenue Funds	10,145,548	10,453,257	13,357,816	14,130,666
Debt Service Funds	51,031	86,435	33,638	89,866
Capital Projects Funds	<u>5,297,984</u>	<u>7,438,290</u>	<u>4,659,444</u>	<u>3,045,822</u>
<i>Total All Other Governmental Funds</i>	<u>20,608,191</u>	<u>20,632,673</u>	<u>26,757,831</u>	<u>21,828,946</u>
<i>Total Governmental Funds</i>	<u><u>\$45,174,073</u></u>	<u><u>\$45,017,336</u></u>	<u><u>\$49,910,258</u></u>	<u><u>\$43,114,333</u></u>

<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
\$5,520,107	\$10,415,540	\$10,382,188	\$9,696,963	\$8,074,046	\$9,365,218
<u>17,763,200</u>	<u>15,156,954</u>	<u>17,127,003</u>	<u>18,649,355</u>	<u>21,871,346</u>	<u>23,021,584</u>
<u>23,283,307</u>	<u>25,572,494</u>	<u>27,509,191</u>	<u>28,346,318</u>	<u>29,945,392</u>	<u>32,386,802</u>
3,300,041	2,638,377	1,375,144	2,323,104	3,733,775	10,224,796
13,863,104	15,274,266	16,100,108	16,951,764	13,269,120	10,876,965
99,873	199,513	121,383	74,435	82,826	180,259
<u>1,066,589</u>	<u>(2,202,362)</u>	<u>(1,515,003)</u>	<u>(1,259,399)</u>	<u>(863,009)</u>	<u>(5,167,281)</u>
<u>18,329,607</u>	<u>15,909,794</u>	<u>16,081,632</u>	<u>18,089,904</u>	<u>16,222,712</u>	<u>16,114,739</u>
<u>\$41,612,914</u>	<u>\$41,482,288</u>	<u>\$43,590,823</u>	<u>\$46,436,222</u>	<u>\$46,168,104</u>	<u>\$48,501,541</u>

City of Westerville, Ohio
Changes in Fund Balances - Governmental Funds
Last Ten Years
(modified accrual basis of accounting)

	<u>2001</u>	<u>2002</u>	<u>2003</u>
Revenues:			
Property Taxes	\$7,933,107	\$8,006,605	\$10,430,292
Municipal Income Taxes	17,010,117	17,044,400	17,779,422
Other Local Taxes	73,650	58,460	363,723
Payments in Lieu of Taxes	0	0	219,691
Intergovernmental	8,251,942	8,549,939	10,068,502
Charges for Services	1,873,729	2,750,166	2,714,383
Fees, Licenses and Permits	1,004,198	1,169,884	852,988
Fines and Forfeitures	402,814	503,779	569,604
Special Assessments	67,942	67,805	0
Interest	4,216,092	3,171,205	2,545,711
Net Change in Fair Value of Cash Equivalents	2,141,613	(323,124)	(997,606)
Other	202,033	264,280	167,963
<i>Total Revenues</i>	<u>43,177,237</u>	<u>41,263,399</u>	<u>44,714,673</u>
Expenditures:			
Current:			
Security of Persons and Property	14,576,189	16,240,667	17,042,390
Public Health	64,476	43,072	46,113
Leisure Time Activities	3,935,183	5,225,703	5,765,100
Community Development	1,873,543	2,037,680	2,054,743
Basic Utility Services	189,730	308,077	257,312
Transportation	2,051,760	1,645,043	1,674,169
General Government	6,992,962	7,267,158	8,189,150
Capital Outlay	17,331,013	6,723,329	8,171,645
Debt Service:			
Principal Retirement	1,398,817	1,535,842	1,547,532
Interest and Fiscal Charges	1,386,703	1,322,991	1,321,680
Issuance Costs	0	0	120,875
<i>Total Expenditures</i>	<u>49,800,376</u>	<u>42,349,562</u>	<u>46,190,709</u>
Excess of Revenues Over (Under) Expenditures	<u>(6,623,139)</u>	<u>(1,086,163)</u>	<u>(1,476,036)</u>
Other Financing Sources (Uses):			
General Obligation Bonds Issued	0	0	6,500,000
Premium on Debt Issued	0	0	0
Discount on Debt Issued	0	0	(39,984)
Proceeds from Sale of Capital Assets	144,878	13,696	0
Payment to Refunded Bond Escrow Agent	0	0	0
Transfers - In	7,671,378	11,238,364	13,428,670
Transfers - Out	(7,921,378)	(11,438,364)	(13,435,372)
<i>Total Other Financing Sources (Uses)</i>	<u>(105,122)</u>	<u>(186,304)</u>	<u>6,453,314</u>
<i>Prior Period Adjustments</i>	<u>1,121,658</u>	<u>1,115,730</u>	<u>(84,356)</u>
<i>Net Change in Fund Balances</i>	<u>(\$5,606,603)</u>	<u>(\$156,737)</u>	<u>\$4,892,922</u>
<i>Debt Service as a Percentage of Noncapital Expenditures</i>	8.6%	8.0%	7.9%

2004	2005	2006	2007	2008	2009	2010
\$10,748,595	\$10,445,069	\$11,227,471	\$10,761,808	\$10,065,032	\$10,200,505	\$10,250,347
18,359,467	19,989,848	21,232,835	21,801,514	23,194,224	32,424,966	35,745,993
362,261	392,450	345,566	444,698	477,009	498,791	516,475
294,277	419,948	860,139	1,641,597	1,949,200	2,049,303	2,598,174
12,338,083	12,771,663	10,655,342	10,442,132	11,117,361	10,620,493	12,981,581
3,370,392	3,219,498	3,543,986	3,540,980	3,670,381	3,330,955	4,961,753
867,242	1,204,137	716,669	810,696	808,069	724,489	790,783
499,091	505,907	515,463	653,108	551,037	575,686	753,569
0	0	0	0	0	0	0
2,153,282	1,791,483	2,639,112	3,868,360	3,343,851	2,074,002	1,993,411
(827,981)	(333,350)	541,300	912,388	583,680	(678,015)	(1,034,234)
148,019	223,105	229,739	178,036	175,002	408,534	227,740
48,312,728	50,629,758	52,507,622	55,055,317	55,934,846	62,229,709	69,785,592
18,492,909	19,390,459	20,252,931	21,498,778	23,003,087	24,328,138	26,448,962
55,412	49,572	46,945	67,269	53,589	51,422	82,426
6,202,645	6,491,507	7,466,748	7,007,948	7,229,515	7,420,917	8,353,292
2,260,454	2,332,143	2,252,948	2,387,252	2,421,397	2,401,381	2,761,688
232,736	323,997	325,564	532,666	571,237	508,432	563,587
2,495,398	3,325,763	2,157,229	2,319,041	2,183,713	2,293,288	2,816,796
9,423,507	8,994,886	9,470,124	11,026,743	10,901,565	11,765,733	12,707,473
12,671,378	8,069,949	7,588,335	4,934,906	3,874,933	12,265,032	18,121,004
1,830,887	1,922,915	1,783,929	1,590,622	1,658,981	1,879,016	1,987,377
1,444,627	1,369,138	1,297,711	1,227,015	1,181,804	963,957	945,390
0	0	0	4,482	0	765,874	107,914
55,109,953	52,270,329	52,642,464	52,596,722	53,079,821	64,643,190	74,895,909
(6,797,225)	(1,640,571)	(134,842)	2,458,595	2,855,025	(2,413,481)	(5,110,317)
0	0	0	380,000	0	18,160,735	7,015,000
0	0	0	11,117	0	1,017,054	543,380
0	0	0	0	0	0	0
1,300	155,030	5,669	4,582	0	242,000	10,374
0	0	0	0	0	(16,742,935)	0
10,686,542	9,800,829	10,823,630	10,328,138	11,924,221	19,936,821	20,155,971
(10,686,542)	(9,816,707)	(10,823,630)	(10,328,138)	(11,933,847)	(20,149,990)	(20,280,971)
1,300	139,152	5,669	395,699	(9,626)	2,463,685	7,443,754
0	0	(1,453)	(745,759)	0	(318,322)	0
(\$6,795,925)	(\$1,501,419)	(\$130,626)	\$2,108,535	\$2,845,399	(\$268,118)	\$2,333,437
8.1%	7.6%	6.8%	5.8%	5.7%	6.2%	4.9%

City of Westerville, Ohio
Income Tax Revenue by Payer Type (1)
Last Ten Years
(cash basis of accounting)

<i>Year</i>	<i>Individual</i>					
	<i>Withholding</i>	<i>Percentage of Total</i>	<i>Non-Withholding</i>	<i>Percentage of Total</i>	<i>Total Individual</i>	<i>Percentage of Total</i>
2001	\$11,668,108	70%	\$3,700,367	22%	\$15,368,475	92%
2002	12,107,459	71	3,633,923	21	15,741,382	92
2003	12,701,957	71	3,733,943	21	16,435,900	92
2004	13,086,987	73	3,694,537	20	16,781,524	93
2005	14,169,776	72	3,636,007	19	17,805,783	91
2006	15,401,321	72	3,878,839	18	19,280,160	90
2007	15,961,301	73	3,862,328	18	19,823,629	91
2008	16,836,106	73	3,878,343	17	20,714,449	89
2009 (2)	25,474,646	80	3,446,878	11	28,921,524	91
2010	27,796,167	79	3,259,250	9	31,055,417	88

Source: City Income Tax Department

- (1) These amounts are reported gross and do not take into account tax refunds.
- (2) The income tax increased to 2.00 percent effective January 1, 2009.
The City levied a municipal income tax of 1.25 percent through December 31, 2008.

<i>Business Accounts</i>		
<i>Business Accounts</i>	<i>Percentage of Total</i>	<i>Total</i>
\$1,292,198	8%	\$16,660,673
1,288,482	8	17,029,864
1,415,124	8	17,851,024
1,251,854	7	18,033,378
1,727,688	9	19,533,471
2,213,900	10	21,494,060
1,943,513	9	21,767,142
2,487,400	11	23,201,849
2,818,229	9	31,739,753
4,404,774	12	35,460,191

City of Westerville, Ohio
Income Tax Revenue Distribution
Last Ten Years
(modified accrual basis of accounting)

<i>Year</i>	<i>General Fund</i>	<i>Parks and Recreation Income Tax Allocation Fund</i>	<i>Total</i>	<i>Percentage Increase</i>
2001	\$13,755,742	\$3,254,375	\$17,010,117	4.40%
2002	13,784,049	3,260,351	17,044,400	0.20
2003	14,411,457	3,367,965	17,779,422	4.31
2004	14,881,251	3,478,216	18,359,467	3.26
2005	16,150,394	3,839,454	19,989,848	8.88
2006	17,179,148	4,053,687	21,232,835	6.22
2007	17,617,377	4,184,137	21,801,514	2.68
2008	18,799,543	4,394,681	23,194,224	6.39
2009 (1)	28,511,168	3,913,798	32,424,966	39.80
2010	31,457,462	4,288,531	35,745,993	10.24

(1) The City's municipal income tax rate changed from 1.25 percent to 2.00 percent, effective with collections starting January 1, 2009.

City of Westerville, Ohio
Principal Income Taxpayers - Withholding Accounts
2010 and 2001

<i>Range of Withholding Amount</i>	<i>2010</i>		<i>2001</i>	
	<i>Number of Withholding Accounts</i>	<i>Percentage of Total Withholding Revenue</i>	<i>Number of Withholding Accounts</i>	<i>Percentage of Total Withholding Revenue</i>
\$500,001 and higher	8	29.9%	3	25.5%
\$300,001 - 500,000	7	10.3%	0	0.0%
\$100,001 - 300,000	30	17.3%	8	13.4%
\$55,001 - 100,000	27	7.3%	19	11.5%
Total	72	64.8%	30	50.4%
All Others	3,177	35.2%	2,898	49.6%
Total Withholding Accounts		100.0%		100.0%

Source: City Income Tax Department

Note: Due to confidentiality issues, the names of the ten largest revenue payers are not available. The categories presented are intended to provide alternative information regarding the sources of the City's revenue.

City of Westerville, Ohio
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Years

Collection Year	Real Property			Tangible	
	Residential/ Agricultural	Commercial/ Industrial/PU	Estimated Actual Value	Public Utility	
	Assessed Value	Assessed Value		Estimated Actual Value	
2001	\$589,883,390	\$169,893,880	\$2,170,792,200	\$25,005,670	\$28,415,534
2002	603,244,580	179,701,610	2,236,989,114	21,627,750	24,576,989
2003	683,824,380	199,217,280	2,522,976,171	20,857,380	23,701,568
2004	694,331,340	201,348,190	2,559,084,371	19,630,910	22,307,852
2005	701,694,570	210,274,550	2,605,626,057	19,697,000	22,382,955
2006	826,421,760	211,306,370	2,964,937,514	18,025,150	20,483,125
2007	839,638,340	223,024,940	3,036,180,800	20,100,820	22,841,841
2008	844,986,330	211,340,770	3,018,077,429	6,316,780	7,178,159
2009	846,824,660	215,905,430	3,036,371,686	7,071,720	8,036,045
2010	854,559,890	221,422,540	3,074,235,514	7,179,670	8,158,716

Real property is reappraised every six years with a State mandated update of the current market value in the third year following each reappraisal.

The assessed value of real property (including public utility real property) is 35 percent of estimated true value. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property was assessed in previous years at 25 percent for machinery and equipment and 23 percent for inventories. General business tangible personal property tax was phased out beginning in 2006. Both types of general business tangible personal property were assessed at 18.75 percent for 2006, 12.5 percent for 2007, 6.25 percent for 2008 and zero for 2009. Beginning in 2007, House Bill 66 switched telephone companies from being public utilities to general business taxpayers and began a four year phase out of the tangible personal property tax on local and inter-exchange telephone companies. No tangible personal property taxes were levied or collected in 2009 from general business taxpayers, except telephone companies whose last year to pay tangible personal property tax is 2010. The percentages for telecommunications are 10.0 percent for 2009, 5.0 percent for 2010 and zero for 2011.

The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10 percent and 2 1/2 percent rollback and homestead exemptions before being billed. Beginning in the 2006 collection year, the 10 percent rollback for commercial/industrial property was eliminated.

Source: Franklin County Auditor

Personal Property

<i>General Business</i>		<i>Totals</i>			<i>Weighted Average Tax Rate</i>
<i>Assessed Value</i>	<i>Estimated Actual Value</i>	<i>Assessed Value</i>	<i>Estimated Actual Value</i>	<i>Ratio</i>	
\$78,058,573	\$312,234,292	\$862,841,513	\$2,511,442,026	34.36%	\$10.06
74,734,200	311,392,500	879,308,140	2,572,958,603	34.17	10.31
46,595,889	202,590,822	950,494,929	2,749,268,561	34.57	12.21
46,324,344	201,410,191	961,634,784	2,782,802,415	34.56	12.40
32,567,248	141,596,730	964,233,368	2,769,605,742	34.81	12.17
25,812,208	137,665,109	1,081,565,488	3,123,085,749	34.63	11.21
14,593,774	116,750,192	1,097,357,874	3,175,772,833	34.55	10.75
2,425,966	38,815,456	1,065,069,846	3,064,071,044	34.76	10.67
1,244,390	12,443,900	1,071,046,200	3,056,851,631	35.04	10.74
0	0	1,083,162,100	3,082,394,230	35.14	10.74

City of Westerville, Ohio
Principal Property Taxpayers
2010 and 2001

<i>Taxpayer</i>	<i>2010 (1)</i>			<i>2001 (2)</i>		
	<i>Total Assessed Valuation</i>	<i>Rank</i>	<i>Percentage of Total Assessed Valuation</i>	<i>Total Assessed Valuation</i>	<i>Rank</i>	<i>Percentage of Total Assessed Valuation</i>
Public Utilities:						
Columbus Southern Power Co.	\$4,636,810	1	0.4281%	-	-	-
Columbia Gas of Ohio, Inc.	2,000,630	2	0.1847%	-	-	-
Ohio Power Company	49,890	3	0.0046%	-	-	-
American Municipal Power Ohio, Inc.	930	4	0.0001%	-	-	-
Nextel West Corporation	-	-	-	10,143,870	1	1.1756%
Ohio Bell Telephone Co.	-	-	-	5,904,070	2	0.6843%
Real Estate:						
NRI Brookside LLC	9,812,350	1	0.9059%	11,376,130	2	1.3184%
Banc One Management Corporation	8,155,010	2	0.7529%	18,469,610	1	2.1406%
Wells Reit II	5,799,990	3	0.5355%	-	-	-
Maxtown Communities LLC	5,250,000	4	0.4847%	-	-	-
Meijer Stores Limited Partnership	4,930,670	5	0.4552%	-	-	-
Altair Realty LTD	3,596,950	6	0.3321%	-	-	-
Westerville Plaza LP	3,376,810	7	0.3118%	2,699,960	6	0.3129%
Westerville Square, Inc.	3,137,690	8	0.2897%	2,622,520	7	0.3039%
HCRA Properties I, LLC	2,775,520	9	0.2562%	-	-	-
Brookside Associates, LLC	2,649,520	10	0.2446%	3,972,520	4	0.4604%
Spectrum Equities LLC	-	-	-	3,325,010	5	0.3854%
St. Anns Hospital of Columbus, Inc.	-	-	-	7,565,320	3	0.8768%
John W. Messmore TR	-	-	-	2,275,010	8	0.2637%
Health Care & Retirement Corp. of America	-	-	-	2,253,030	9	0.2611%
Kimco Westerville 178 Inc.	-	-	-	2,141,270	10	0.2482%
Tangible Personal Property:						
Banc One Corporation	-	-	-	20,496,660	1	2.3755%
Comdisco, Inc.	-	-	-	5,362,780	2	0.6215%
IBM Credit Corporation	-	-	-	2,846,400	3	0.3299%
Exel Logistics, Inc.	-	-	-	2,182,110	4	0.2529%
Roush Equipment Company, Inc.	-	-	-	2,022,370	5	0.2344%
Time Warner Entertainment Co. LP	-	-	-	1,758,750	6	0.2038%
West-Camp Press, Inc.	-	-	-	1,573,660	7	0.1824%
Americitech New Media Corporation	-	-	-	1,346,360	8	0.1560%
Hitachi Data Systems Corporation	-	-	-	1,234,980	9	0.1431%
Robin Enterprises Company	-	-	-	1,116,900	10	0.1294%
Totals	56,172,770		5.1860%	112,689,290		13.0603%
All Others	1,026,989,330		94.8140%	750,152,223		86.9397%
Total Property Assessed Valuation	<u>\$1,083,162,100</u>		<u>100.0000%</u>	<u>\$862,841,513</u>		<u>100.0000%</u>

Sources: (1) Franklin and Delaware County Auditors
(2) Franklin County Auditor



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City of Westerville, Ohio

Property Tax Levies and Collections
Last Ten Years

<i>Collection Year</i>	<i>Total Current Tax Levy (1)</i>	<i>Current Tax (1) Collections</i>	<i>Percent of Levy Collected (1)</i>	<i>Delinquent Tax Collections (1)</i>	<i>Tax Collected Delaware County (2)</i>
2001	\$6,846,544	\$6,575,146	96.04	\$167,683	\$1,677,472
2002	6,750,991	6,408,731	94.93	141,351	1,726,314
2003	8,846,108	8,404,735	95.01	210,460	2,289,736
2004	9,320,227	8,908,894	95.59	226,691	2,654,132
2005	9,159,299	8,801,727	96.10	191,058	2,806,773
2006	9,268,229	8,840,226	95.38	185,000	3,223,639
2007	8,771,296	8,312,446	94.77	209,533	3,409,488
2008	8,472,981	7,919,738	93.47	217,307	3,354,050
2009	8,418,912	7,922,064	94.10	302,118	3,372,191
2010	8,743,224	8,277,632	94.67	264,441	2,833,397

(1) Source: Franklin County Auditor's Office

Total Current Tax Levy includes rollback and homestead exemptions.

(2) Source: Settlement Sheets - Delaware County Auditor's Office.

(3) Comparison of Franklin County only.

(4) Includes current and prior years' delinquencies - Franklin County only.

<i>Total Tax Collections</i>	<i>Percentage of Total Tax Collections to Total Tax Levy (3)</i>	<i>Outstanding Delinquent Taxes (4)</i>	<i>Percentage of Outstanding Delinquent Taxes to Total Tax Levy (3)</i>
\$8,420,301	98.49%	\$271,398	3.96%
8,276,396	97.02	342,260	5.07
10,904,931	97.39	441,373	4.99
11,789,717	98.02	411,333	4.41
11,799,558	98.18	357,572	3.90
12,248,865	97.38	428,003	4.62
11,931,467	97.16	458,850	5.23
11,491,095	96.04	553,243	6.53
11,596,373	97.69	496,848	5.90
11,375,470	97.70	465,592	5.33

City of Westerville, Ohio
Property Tax Rates
(per \$1,000 of assessed value)
Last Ten Years

	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
Unvoted Millage				
Operating	<u>\$2.65</u>	<u>\$2.65</u>	<u>\$2.65</u>	<u>\$2.65</u>
Voted Millage - By Levy				
1976 Bond				
Residential/Agricultural Real	0.07	0.06	0.05	0.06
Commercial/Industrial and Public Utility Real	0.07	0.06	0.05	0.06
General Business and Public Utility Personal	0.07	0.06	0.05	0.06
1976 Charter				
Residential/Agricultural Real	0.60	0.60	0.60	0.60
Commercial/Industrial and Public Utility Real	0.60	0.60	0.60	0.60
General Business and Public Utility Personal	0.60	0.60	0.60	0.60
1977 Fire				
Residential/Agricultural Real	1.21	1.20	1.07	1.07
Commercial/Industrial and Public Utility Real	1.26	1.23	1.14	1.14
General Business and Public Utility Personal	3.60	3.60	3.60	3.60
1982 Fire				
Residential/Agricultural Real	0.59	0.59	0.52	0.52
Commercial/Industrial and Public Utility Real	0.70	0.69	0.64	0.64
General Business and Public Utility Personal	1.20	1.20	1.20	1.20
1983 Fire				
Residential/Agricultural Real	0.59	0.59	0.52	0.52
Commercial/Industrial and Public Utility Real	0.71	0.70	0.65	0.65
General Business and Public Utility Personal	1.20	1.20	1.20	1.20
1985 Bond				
Residential/Agricultural Real	0.37	0.34	0.30	0.27
Commercial/Industrial and Public Utility Real	0.37	0.34	0.30	0.27
General Business and Public Utility Personal	0.37	0.34	0.30	0.27
1986 Fire				
Residential/Agricultural Real	1.23	1.23	1.09	1.09
Commercial/Industrial and Public Utility Real	1.50	1.47	1.37	1.37
General Business and Public Utility Personal	2.40	2.40	2.40	2.40
1995 Fire				
Residential/Agricultural Real	1.71	1.70	1.51	1.51
Commercial/Industrial and Public Utility Real	1.79	1.76	1.63	1.63
General Business and Public Utility Personal	2.10	2.10	2.10	2.10

<i>2005</i>	<i>2006</i>	<i>2007</i>	<i>2008</i>	<i>2009</i>	<i>2010</i>
<u>\$2.65</u>	<u>\$2.65</u>	<u>\$2.65</u>	<u>\$2.65</u>	<u>\$2.65</u>	<u>\$2.65</u>
0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00
0.60	0.60	0.60	0.60	0.60	0.60
0.60	0.60	0.60	0.60	0.60	0.60
0.60	0.60	0.60	0.60	0.60	0.60
1.06	0.92	0.91	0.91	0.92	0.92
1.14	1.11	1.09	1.13	1.11	1.11
3.60	3.60	3.60	3.60	3.60	3.60
0.52	0.45	0.45	0.45	0.45	0.45
0.63	0.62	0.61	0.63	0.62	0.62
1.20	1.20	1.20	1.20	1.20	1.20
0.52	0.45	0.45	0.45	0.45	0.45
0.64	0.63	0.62	0.64	0.63	0.63
1.20	1.20	1.20	1.20	1.20	1.20
0.25	0.27	0.00	0.00	0.00	0.00
0.25	0.27	0.00	0.00	0.00	0.00
0.25	0.27	0.00	0.00	0.00	0.00
1.08	0.93	0.93	0.93	0.94	0.94
1.36	1.33	1.31	1.36	1.33	1.33
2.40	2.40	2.40	2.40	2.40	2.40
1.50	1.29	1.29	1.29	1.30	1.30
1.62	1.58	1.56	1.62	1.58	1.59
2.10	2.10	2.10	2.10	2.10	2.10

(continued)

City of Westerville, Ohio
Property Tax Rates
(per \$1,000 of assessed value)
Last Ten Years
(Continued)

	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
1996 Fire and EMS				
Residential/Agricultural Real	0.29	0.29	0.25	0.25
Commercial/Industrial and Public Utility Real	0.30	0.30	0.27	0.27
General Business and Public Utility Personal	0.35	0.35	0.35	0.35
2002 Fire and EMS				
Residential/Agricultural Real	0.00	0.00	3.02	3.02
Commercial/Industrial and Public Utility Real	0.00	0.00	3.15	3.15
General Business and Public Utility Personal	0.00	3.40	3.40	3.40
2002 Bond				
Residential/Agricultural Real	0.00	0.00	0.00	0.23
Commercial/Industrial and Public Utility Real	0.00	0.00	0.00	0.23
General Business and Public Utility Personal	0.00	0.00	0.00	0.20
Total Voted Millage By Type of Property				
Residential/Agricultural Real	6.66	6.60	8.93	9.14
Commercial/Industrial and Public Utility Real	7.30	7.15	9.80	10.01
General Business and Public Utility Personal	11.89	15.25	15.20	15.38
Total Voted and Unvoted Millage By Type of Property				
Residential/Agricultural Real	9.31	9.25	11.58	11.79
Commercial/Industrial and Public Utility Real	9.95	9.80	12.45	12.66
General Business and Public Utility Personal	14.54	17.90	17.85	18.03
Overlapping Rates By Taxing District				
School District				
Residential/Agricultural Real	38.12	38.81	35.45	35.37
Commercial/Industrial and Public Utility Real	37.11	37.43	35.20	34.98
General Business and Public Utility Personal	63.50	63.40	63.20	63.20
Library				
Residential/Agricultural Real	0.00	0.00	0.71	0.71
Commercial/Industrial and Public Utility Real	0.00	0.00	0.74	0.73
General Business and Public Utility Personal	0.00	0.80	0.80	0.80
County				
Residential/Agricultural Real	0.31-2.73	0.31-2.71	0.28-3.09	0.27-3.07
Commercial/Industrial and Public Utility Real	0.40-3.09	0.40-3.05	0.38-3.30	0.38-3.31
General Business and Public Utility Personal	0.65-3.50	0.65-3.50	0.65-3.50	0.65-3.50

Source: Ohio Department of Taxation

The rates presented for a particular calendar year are the rates that, when applied to the assessed values presented in the Assessed Value Table, generated the property tax revenue for that year.

Rates may only be raised by obtaining the approval of a majority of the voters at a public election.

Real property tax rates are reduced so that inflationary increases in value do not generate additional taxes. Real property is reappraised every six years and property values are updated in the third year following each reappraisal.

2005	2006	2007	2008	2009	2010
0.25	0.22	0.22	0.22	0.22	0.22
0.27	0.27	0.26	0.27	0.27	0.27
0.35	0.35	0.35	0.35	0.35	0.35
3.01	2.59	2.58	2.58	2.60	2.60
3.14	3.07	3.02	3.13	3.07	3.08
3.40	3.40	3.40	3.40	3.40	3.40
0.20	0.20	0.10	0.14	0.20	0.20
0.20	0.20	0.10	0.14	0.20	0.20
0.20	0.20	0.10	0.14	0.20	0.20
8.99	7.92	7.53	7.57	7.68	7.68
9.85	9.68	9.17	9.52	9.41	9.43
15.30	15.32	14.95	14.99	15.05	15.05
11.64	10.57	10.18	10.22	10.33	10.33
12.50	12.33	11.82	12.17	12.06	12.08
17.95	17.97	17.60	17.64	17.70	17.70
40.69	35.70	41.54	41.54	42.28	50.28
40.33	39.02	44.11	45.08	44.81	52.93
68.01	67.31	72.50	72.50	73.00	73.00
0.71	0.61	0.61	0.80	0.80	0.80
0.73	0.72	0.72	0.80	0.78	0.79
0.80	0.80	0.80	0.80	0.80	0.80
0.27-3.06	0.23-2.61	0.23-2.60	0.23-2.60	0.41-3.50	0.64-3.50
0.38-3.34	0.37-3.21	0.37-3.21	0.37-3.22	0.53-3.39	0.70-3.40
0.65-3.50	0.65-3.50	0.65-3.50	0.65-3.50	0.65-3.50	0.75-3.50

City of Westerville, Ohio
Ratios of Outstanding Debt by Type
Last Ten Years

<i>Year</i>	<i>Governmental Activities</i>					<i>Business-Type Activities</i>		
	<i>General Obligation Bonds</i>	<i>Revenue Bonds</i>	<i>Special Assessment Bonds</i>	<i>Notes Payable</i>	<i>Police Pension Liability</i>	<i>General Obligation Bonds</i>	<i>Notes Payable</i>	<i>ODNR Debt</i>
2001 (4)	\$28,271,720	\$0	\$35,000	\$0	\$24,506	\$8,846,304	\$0	\$1,977,666
2002 (4)	26,870,005	0	0	394,687	24,051	8,283,716	0	1,944,810
2003 (4)	31,882,473	0	0	296,015	23,576	7,687,798	0	1,910,896
2004 (4)	30,152,752	0	0	197,343	23,081	6,790,925	0	1,875,889
2005 (4)	28,429,696	0	0	0	22,564	6,284,181	1,350,000	1,839,754
2006 (4)	26,648,305	0	0	0	22,025	5,750,772	7,925,000	1,802,455
2007 (4)	25,451,222	0	0	0	21,463	23,750,018	0	1,763,954
2008 (4)	23,794,270	0	0	0	20,877	22,564,982	2,233,000	1,724,213
2009 (4)	24,251,797	0	0	0	20,266	27,933,619	0	1,683,191
2010 (5)	29,723,874	5,745,540	0	0	19,629	29,292,097	0	1,640,847

(1) Includes Governmental and Business-Type Activities debt.

(2) Source: Franklin County Auditor

(3) Computation of per capita personal income multiplied by population (in thousands) - See Demographic and Economic Statistics Table

(4) "Population Estimates," published by the Mid-Ohio Regional Planning Commission

(5) Population provided from the official results of the 2010 Census

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

<i>Total Outstanding Debt (1)</i>	<i>Estimated Actual Value of Taxable Property (2)</i>	<i>Population</i>	<i>Personal Income (3)</i>	<i>Ratio of Debt to Personal Income</i>	<i>Debt Per Capita</i>
\$39,155,196	\$2,511,442,026	35,671	\$1,121,211	3.49%	\$1,098
37,517,269	2,572,958,603	35,908	1,159,038	3.24%	1,045
41,800,758	2,749,268,561	36,018	1,181,174	3.54%	1,161
39,039,990	2,782,802,415	36,069	1,216,427	3.21%	1,082
37,926,195	2,769,605,742	36,325	1,269,922	2.99%	1,044
42,148,557	3,123,085,749	36,517	1,326,845	3.18%	1,154
50,986,657	3,175,772,833	36,569	1,380,995	3.69%	1,394
50,337,342	3,064,071,044	37,845	1,485,392	3.39%	1,330
53,888,873	3,056,851,631	37,879	1,545,201	3.49%	1,423
66,421,987	3,082,394,230	36,120	1,531,397	4.34%	1,839

City of Westerville, Ohio
Ratio of General Obligation Bonded Debt to Estimated
Actual Value and General Obligation Bonded Debt Per Capita
Last Ten Years

<i>Collection Year</i>		<i>General Obligation Bonded Debt (1)</i>	<i>Estimated Actual Value of Taxable Property (2)</i>	<i>Population</i>	<i>Ratio of General Obligation Bonded Debt to Estimated Actual Value</i>	<i>General Obligation Bonded Debt Per Capita</i>
2001	(3)	\$28,271,720	\$2,511,442,026	35,671	1.13%	\$792.57
2002	(3)	26,870,005	2,572,958,603	35,908	1.04%	748.30
2003	(3)	31,882,473	2,749,268,561	36,018	1.16%	885.18
2004	(3)	30,152,752	2,782,802,415	36,069	1.08%	835.97
2005	(3)	28,429,696	2,769,605,742	36,325	1.03%	782.65
2006	(3)	26,648,305	3,123,085,749	36,517	0.85%	729.75
2007	(3)	25,451,222	3,175,772,833	36,569	0.80%	695.98
2008	(3)	23,794,270	3,064,071,044	37,845	0.78%	628.73
2009	(3)	24,251,797	3,056,851,631	37,879	0.79%	640.24
2010	(4)	29,723,874	3,082,394,230	36,120	0.96%	822.92

(1) Includes all general obligation debt financed with general governmental resources

(2) Source: Franklin County Auditor

(3) "Population Estimates," published by the Mid-Ohio Regional Planning Commission

(4) Population provided from the official results of the 2010 Census

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

City of Westerville, Ohio
 Computation of Direct and Overlapping Governmental Debt
 December 31, 2010

<i>Jurisdiction</i>	<i>Debt Outstanding</i>	<i>Percentage Applicable to the City of Westerville (1)</i>	<i>Amount Applicable to the City of Westerville</i>
Direct:			
City of Westerville General Obligation Bonds	\$29,723,874	100.00%	\$29,723,874
Overlapping:			
Westerville City School District	115,174,465	31.62%	36,418,166
Franklin County	229,375,000	3.86%	8,853,875
Total Overlapping Debt	344,549,465		45,272,041
Grand Total	\$374,273,339		\$74,995,915

Source: Franklin County Auditor - Note: The Franklin County Auditor was unable to provide additional information as to the type of debt comprising the amounts for the overlapping debt outstanding.

(1) Percentages determined by dividing each overlapping subdivision's assessed valuation within the City by the subdivision's total assessed valuation.

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account.

City of Westerville, Ohio
 Legal Debt Margin Information
 Last Ten Years

	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
Total Assessed Valuation	<u>\$862,841,513</u>	<u>\$879,308,140</u>	<u>\$950,494,929</u>	<u>\$961,634,784</u>
Overall debt limitation - 10.5% of assessed valuation	<u>90,598,359</u>	<u>92,327,355</u>	<u>99,801,968</u>	<u>100,971,652</u>
Net Debt Subject to Limitation (General Obligation Bonds)	28,271,720	26,870,005	31,921,620	30,189,900
Less amount available in the debt service fund	<u>(34,272)</u>	<u>(86,435)</u>	<u>(33,638)</u>	<u>(89,866)</u>
Total Net Debt Subject to Limitation	<u>28,305,992</u>	<u>26,956,440</u>	<u>31,955,258</u>	<u>30,279,766</u>
Legal debt margin within 10.5% limitation	<u>\$62,292,367</u>	<u>\$65,370,915</u>	<u>\$67,846,710</u>	<u>\$70,691,886</u>
Legal Debt Margin as a Percentage of the Debt Limit	68.8%	70.8%	68.0%	70.0%
Unvoted debt limitation 5.5% of assessed valuation	<u>\$47,456,283</u>	<u>\$48,361,948</u>	<u>\$52,277,221</u>	<u>\$52,889,913</u>
Net Debt Subject to Limitation (General Obligation Bonds)	28,271,720	26,870,005	31,921,620	30,189,900
Less amount available in the debt service fund	<u>(34,272)</u>	<u>(86,435)</u>	<u>(33,638)</u>	<u>(89,866)</u>
Total Net Debt Subject to Limitation	<u>28,305,992</u>	<u>26,956,440</u>	<u>31,955,258</u>	<u>30,279,766</u>
Legal debt margin within 10% limitation	<u>\$19,150,291</u>	<u>\$21,405,508</u>	<u>\$20,321,963</u>	<u>\$22,610,147</u>
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limitation	40.4%	44.3%	38.9%	42.7%

Ohio Bond Law sets a limit of 10.5 percent for voted debt and 5.5 percent for unvoted debt.

<i>2005</i>	<i>2006</i>	<i>2007</i>	<i>2008</i>	<i>2009</i>	<i>2010</i>
<u>\$964,233,368</u>	<u>\$1,081,565,488</u>	<u>\$1,097,357,874</u>	<u>\$1,065,069,846</u>	<u>\$1,071,046,200</u>	<u>\$1,083,162,100</u>
101,244,504	113,564,376	115,222,577	111,832,334	112,459,851	113,732,021
28,464,845	26,681,455	25,471,395	23,813,000	23,352,395	28,380,655
(99,873)	(199,513)	(121,383)	(74,435)	(82,826)	(180,259)
28,564,718	26,880,968	25,592,778	23,887,435	23,435,221	28,560,914
<u>\$72,679,786</u>	<u>\$86,683,408</u>	<u>\$89,629,799</u>	<u>\$87,944,899</u>	<u>\$89,024,630</u>	<u>\$85,171,107</u>
71.8%	76.3%	77.8%	78.6%	79.2%	74.9%
<u>\$53,032,835</u>	<u>\$59,486,102</u>	<u>\$60,354,683</u>	<u>\$58,578,842</u>	<u>\$58,907,541</u>	<u>\$59,573,916</u>
28,464,845	26,681,455	25,471,395	23,813,000	23,352,395	28,380,655
(99,873)	(199,513)	(121,383)	(74,435)	(82,826)	(180,259)
28,564,718	26,880,968	25,592,778	23,887,435	23,435,221	28,560,914
<u>\$24,468,117</u>	<u>\$32,605,134</u>	<u>\$34,761,905</u>	<u>\$34,691,407</u>	<u>\$35,472,320</u>	<u>\$31,013,002</u>
46.1%	54.8%	57.6%	59.2%	60.2%	52.1%

City of Westerville, Ohio
Demographic and Economic Statistics
Last Ten Years

<i>Year</i>	<i>Population</i>	<i>Total Personal Income (1)</i>	<i>Per Capita Income (2)</i>	<i>School Enrollment (3)</i>	<i>Unemployment Rates (4)</i>		
					<i>Franklin County</i>	<i>Ohio</i>	<i>United States</i>
2001	(5) 35,671	\$1,121,211	\$31,432	13,706	3.2%	4.8%	5.8%
2002	(5) 35,908	1,159,038	32,278	13,834	4.4%	5.7%	5.8%
2003	(5) 36,018	1,181,174	32,794	14,043	4.9%	6.1%	6.0%
2004	(5) 36,069	1,216,427	33,725	14,156	5.4%	6.1%	5.5%
2005	(5) 36,325	1,269,922	34,960	14,023	5.3%	5.9%	5.1%
2006	(5) 36,517	1,326,845	36,335	14,217	4.5%	5.5%	4.5%
2007	(5) 36,569	1,380,995	37,764	14,252	4.7%	5.6%	5.0%
2008	(5) 37,845	1,485,392	39,249	14,477	5.5%	6.5%	5.8%
2009	(5) 37,879	1,545,201	40,793	14,558	8.9%	10.7%	9.3%
2010	(6) 36,120	1,531,397	42,397	14,925	7.6%	9.5%	9.4%

Source: (1) Per capita income multiplied by population (in thousands)
(2) U.S. Department of Commerce, Bureau of Economic Analysis, Columbus MSA
Note: 2007 and 2008 estimates are interpolated based upon percentage increases from the prior years.
(3) Westerville City School District's CAFR, as of fiscal year-end
(4) State of Ohio's CAFR, the Bureau of Labor Statistics and Ohio Labor Market Information
(5) "Population Estimates," published by the Mid-Ohio Regional Planning Commission
(6) Population provided from the official results of the 2010 Census

City of Westerville, Ohio

Principal Employers

2010 and 2001

<i>Employer</i>	<i>2010</i>			<i>2001</i>		
	<i>Approximate Number of Employees</i>	<i>Rank</i>	<i>Percentage of Total Employment</i>	<i>Approximate Number of Employees</i>	<i>Rank</i>	<i>Percentage of Total Employment</i>
JP Morgan Chase Bank NA	4,601	1	8.3%	5,841	1	NA
Mount Carmel Health Systems	2,352	2	4.3%	1,866	3	NA
Westerville City Schools	2,231	3	4.0%	2,069	2	NA
Otterbein College	1,896	4	3.4%	1,499	4	NA
CMS Subsidiary	1,451	5	2.6%	1,222	5	NA
Alliance Data Systems Inc	1,020	6	1.8%	1,211	6	NA
Inchord Communications/Gerbig Snell	848	7	1.5%	359	-	NA
City of Westerville	834	8	1.5%	728	9	NA
Heartland Employment	716	9	1.3%	724	10	NA
Progressive Medical Inc.	602	10	1.1%	136	-	NA
1-800 Flowers (Cheryl's Cookies)	-	-	-	770	8	NA
Meijer Stores	-	-	-	860	7	NA
Total Employees	16,551		29.9%	17,285		NA
All Other Employers	38,732		70.1%	NA		NA
Total Employment within the City	55,283		100.0%	NA		NA

Source: City Income Tax Department

City of Westerville, Ohio
City Government Employees by Function/Program
Last Six Years

<i>Function/Program</i>	<i>2005</i>		<i>2006</i>		<i>2007</i>	
	<i>Full-Time</i>	<i>All</i>	<i>Full-Time</i>	<i>All</i>	<i>Full-Time</i>	<i>All</i>
Security of Persons and Property						
Fire	84.00	109.00	84.00	104.00	92.00	103.00
Police	85.00	93.00	87.00	91.00	88.00	92.00
Communications	13.00	18.00	15.00	19.00	15.00	23.00
Total	182.00	220.00	186.00	214.00	195.00	218.00
Leisure Time Activities						
Administration	7.00	12.00	7.00	7.00	8.00	8.00
Recreation	21.40	289.60	20.65	296.20	22.75	286.75
Parks	18.75	42.00	19.25	51.60	19.80	44.80
Senior Center	6.50	13.50	6.75	14.75	7.90	16.90
Total	53.65	357.10	53.65	369.55	58.45	356.45
Community Development	24.00	30.00	24.00	32.00	25.00	28.00
Basic Utility Services	3.90	7.35	6.25	12.20	7.25	9.25
Transportation	16.00	22.25	14.05	23.33	14.05	22.38
General Government						
Legislative	1.00	9.00	1.00	8.00	1.00	9.00
City Manager	12.00	13.00	12.00	15.00	13.00	17.00
Administrative Services (1)	N/A	N/A	N/A	N/A	N/A	N/A
Finance	21.00	29.00	21.00	29.20	21.60	26.60
Information Systems	10.00	12.00	10.00	11.00	10.00	10.00
Mayor's Court	3.00	6.00	3.00	7.00	3.00	6.00
Legal	0.00	3.00	0.00	2.00	0.00	2.00
Buildings and Grounds	6.00	6.00	6.00	6.00	6.00	6.00
Total	53.00	78.00	53.00	78.20	54.60	76.60
Business-Type Activities						
Water	18.00	20.60	18.10	24.68	18.60	23.93
Sewer	8.00	12.60	6.40	9.69	5.90	6.74
Refuse	1.05	1.10	1.10	2.05	1.10	1.10
Electric	45.00	48.00	45.00	49.80	47.40	48.40
Swimming Pool (2)	1.35	44.90	1.35	63.45	1.55	56.55
Garage	4.05	4.10	4.10	5.05	5.10	5.60
Total	77.45	131.30	76.05	154.72	79.65	142.32
Total - All Employees	410.00	846.00	413.00	884.00	434.00	853.00

(1) The Department of Administrative Services was created in 2008

(2) The Swimming Pool was reclassified as part of Parks & Recreation in Leisure Time Activities as of January 1, 2010

Source: City Payroll Records

2008		2009		2010	
<i>Full-Time</i>	<i>All</i>	<i>Full-Time</i>	<i>All</i>	<i>Full-Time</i>	<i>All</i>
90.00	101.00	91.00	109.00	90.00	110.00
87.00	92.00	88.00	93.00	89.00	93.00
17.00	26.00	16.00	21.00	16.00	20.00
194.00	219.00	195.00	223.00	195.00	223.00
8.00	8.00	7.00	8.00	7.00	8.00
19.05	286.05	21.75	269.75	22.75	332.75
19.25	38.25	19.25	42.25	19.25	37.25
6.45	15.45	7.60	17.60	6.00	14.00
52.75	347.75	55.60	337.60	55.00	392.00
24.00	27.00	26.00	31.00	24.00	27.00
6.95	7.95	6.95	7.95	5.95	10.95
14.05	21.38	14.05	16.38	14.05	15.38
1.00	9.00	1.00	8.00	1.00	8.00
3.25	3.25	4.00	4.00	4.00	4.00
8.75	8.75	10.00	10.00	8.00	8.00
23.00	28.00	22.00	31.00	22.00	28.00
10.00	10.00	11.00	12.00	11.00	12.00
3.00	5.00	3.00	6.00	3.00	5.66
0.00	2.00	0.00	2.00	0.00	2.34
7.00	7.00	6.00	6.00	6.00	6.00
56.00	73.00	57.00	79.00	55.00	74.00
18.25	25.58	17.75	23.08	17.75	22.08
7.55	7.89	7.05	10.39	7.05	8.39
1.10	1.10	1.10	1.10	1.10	1.10
45.00	47.00	46.00	48.00	44.00	45.00
1.25	58.25	1.40	62.40	N/A	N/A
5.10	5.10	5.10	5.10	4.10	4.10
78.25	144.92	78.40	150.07	74.00	80.67
426.00	841.00	433.00	845.00	423.00	823.00

City of Westerville, Ohio
 Operating Indicators by Function/Program
 Last Ten Years

<i>Function/Program</i>	<i>2001</i>	<i>2002</i>	<i>2003</i>	<i>2004</i>
General Government:				
Active Income Tax Accounts				
Individual	NA	NA	NA	17,026
Business	NA	NA	NA	2,475
Withholding	NA	NA	NA	2,744
Clerk of Courts:				
Mayor's Court Cases	6,927	7,387	7,966	8,004
Security of Persons and Property - Police				
Police calls	70,040	67,736	65,805	63,042
Physical Arrests	205	206	297	346
Citations	5,901	5,560	5,956	5,600
Parking Violations	1,059	652	752	683
Security of Persons and Property - Fire				
EMT Calls	3,625	3,920	3,557	3,319
Fire Calls	2,279	2,437	2,385	2,986
Total Calls	5,904	6,357	5,942	6,305
Leisure Time Activities:				
Swimming Pool Revenues (1)	\$494,978	\$441,705	\$380,711	\$330,281
Parks and Recreation Revenues	\$1,666,056	\$2,434,829	\$2,600,032	\$2,813,641

(1) The Swimming Pool was reclassified as part of Parks and Recreation in Leisure Time Activities as of January 1, 2010.

Source: Department annual reports

NA - Information not available

<i>2005</i>	<i>2006</i>	<i>2007</i>	<i>2008</i>	<i>2009</i>	<i>2010</i>
16,844	16,737	16,883	16,704	16,259	16,534
2,615	2,689	2,724	2,644	2,597	2,542
2,894	3,361	3,365	3,490	2,814	2,806
7,338	8,117	7,496	8,656	8,826	9,252
58,852	63,453	61,391	59,998	57,423	65,260
357	346	447	421	438	434
5,532	5,849	5,612	6,843	6,880	6,200
552	619	470	814	475	595
3,600	3,701	3,683	4,548	5,018	5,063
2,986	2,680	2,833	2,336	3,024	3,537
6,586	6,381	6,516	6,884	8,042	8,600
\$406,640	\$403,979	\$459,366	\$446,935	\$435,176	N/A
\$3,016,530	\$3,545,571	\$3,083,129	\$3,436,256	\$2,858,613	\$3,261,273

City of Westerville, Ohio
 Capital Assets Statistics by Function/Program
 Last Ten Years

<i>Function/Program</i>	<i>2001</i>	<i>2002</i>	<i>2003</i>	<i>2004</i>
General Government:				
Government Center	1	1	1	1
Security of Persons and Property:				
Number of Police Stations	1	1	1	1
Number of Fire/EMS Stations	3	3	3	3
Leisure Time Activities:				
Number of Parks and Recreation Sites:	31	31	31	32
Developed Acres	347.411	350.584	392.862	442.477
Undeveloped Acres	130.780	3.060	3.060	12.920
Greenways Acreage	82.583	82.583	87.204	87.204
Number of Aquatic Centers	2	2	2	2
Number of Miles: Bike/Walk Trails	13.730	15.290	16.370	18.020
Number of Community Program Centers	2	2	2	2
Number of Senior Centers	1	1	1	1
Number of Playground Sites	10	10	11	12
Number of Skate Parks	0	0	0	1
Number of BMX Tracks	0	0	0	1
Number of Cultural/Historic Sites	3	3	3	3
Number of Athletic Fields	44	46	47	48
Number of Tennis Courts	11	11	11	11
Number of Basketball/Multi Courts	8	8	9	9
Number of Dog Parks	0	0	0	0
Basic Utility Services:				
Miles of Water Mains	164	170	171	178
Miles of Sanitary Sewers	140	142	143	150
Miles of Storm Sewers	110	134	135	140
Miles of Electric Lines	236	239	242	251
Transportation:				
Miles of Streets	146	147	148	150
Number of Street Lights	3,039	3,084	3,212	3,437

Source: City capital asset records

Leisure Time Activities Data Provided by Westerville Parks and Recreation Department.

<i>2005</i>	<i>2006</i>	<i>2007</i>	<i>2008</i>	<i>2009</i>	<i>2010</i>
1	1	1	1	1	1
1	1	1	1	1	1
3	3	3	3	3	3
32	33	39	44	45	47
446.477	446.477	446.827	559.490	574.760	577.892
12.920	12.920	12.920	18.606	18.606	3.060
93.134	93.134	93.134	93.134	93.134	112.311
2	2	2	2	2	2
22.610	22.740	25.090	25.090	25.690	26.050
2	2	2	2	2	2
1	1	1	1	1	1
13	13	13	13	13	14
1	1	1	1	1	1
1	1	1	1	1	1
3	3	3	3	3	4
48	50	48	48	48	50
11	11	11	11	11	11
9	11	11	11	11	11
1	1	1	1	1	1
178	174	190	190	190	190
153	155	162	162	163	163
140	146	147	147	147	147
261	269	270	271	271	271
151	152	152	152	152	152
3,744	4,002	4,019	4,019	4,134	4,134



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Dave Yost • Auditor of State

CITY OF WESTERVILLE

FRANKLIN 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, 2011