



Dave Yost • Auditor of State



CITY OF WESTERVILLE  
FRANKLIN COUNTY

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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, 2011, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 19, 2012, wherein we noted the City adopted the provisions of Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. 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 opinions 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 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 "Y" and "O".

**Dave Yost**  
Auditor of State

June 19, 2012

# City of Westerville, Ohio



## **Comprehensive Annual Financial Report**

*... For the year ended December 31, 2011*

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# City of Westerville, Ohio

## Comprehensive Annual Financial Report

For the Year Ended December 31, 2011

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, 2011

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City of Westerville  
Finance Department

June 19, 2012

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, 2011 is hereby submitted.

The report is prepared in accordance with generally accepted accounting principles 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, 2011.

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, 2011, 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, 2011, 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.

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 Safety, Public Service, Public Utilities 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 continues to attract new employers and quality jobs to the community. These employers have been attracted to the Westar Center of Business as well as our more mature developments such as Eastwind, Brooksedge, and the Westerville Commerce Center with its easy access to Interstate Highways 71 and 270. 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.

The Cleveland Ave corridor north of the I-270 interchange is undergoing a remarkable transition that will attract people from all over the region, particularly to access healthcare facilities. Known as the "Medical Mile," this corridor is anchored by the three major health systems in the state (Mount Carmel St. Ann's Hospital, Nationwide Children's medical facilities, and the OhioHealth Westerville Medical Campus). All three have recently completed or in the process of constructing significant expansions to their operations.

Since 2009, OhioHealth continues to expand its presence in the community along Polaris Parkway. Since opening its 180,000 square-foot medical office building, the center has created 275 new jobs with a payroll of \$20 million dollars. This year, OhioHealth will open a two-story, 48,000 square foot medical building located next to their existing building, which will consist of a stand-alone emergency department on the first floor and medical office space for specialized care on the second floor. The OhioHealth expansion is a \$20 million investment and is projected to create an additional 119 jobs with a payroll of \$11.7 million.

Cardinal Orthopaedic Institute is expanding its presence after acquiring a 20,000 square foot building located at 560 Cleveland Avenue in the Altair Development. Cardinal will relocate 17 jobs throughout central Ohio with a payroll of \$1.6 million and create an additional 15 jobs with a payroll of \$1.0 million. They have been ranked #1 six years running by Business First and earned the top spot in Columbus C.E.O. magazine among Central Ohio orthopedic practice groups. The relocation of Cardinal Orthopaedic Institute continues the tradition of accessibility to first-class health-care services in the City.

Since the onset of development beginning with the opening of Liebert Global Services in 1999 (now employing 330), the Westar Center of Business has brought over 6,500 jobs to the City with a payroll exceeding four hundred fifty million dollars.

In 2011, Elmer's Management relocated their corporate headquarters in the City of Westerville, leasing approximately 29,500 square feet of office space at 460 Polaris Parkway, Westar IV. After considering other locations in Central Ohio, the company selected this location to be closer to their research and development center (in North Columbus) and to occupy a space that will accommodate their entire staff on one floor. The company relocated 107 employees with an annual payroll of \$9 million.

Nationwide Mutual Insurance, which opened its doors at 955 County Line Road West in 2006, has expanded in the building's twin at 999 County Line Road West to add 135 employees in 2011 to bring the total of 285 employees in the community.

City officials continue to attract companies to well established office areas in the Brookside 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 three years include Johnson Controls (160 employees), MRS Associates (275 employees), Definitive Homecare Solutions (64 employees), and Tower Wireless (45 employees). And while attraction of new companies to Brookside has been key, the City has additionally benefited from job retention and expansion of the office park's major employers: JP Morgan Chase (150 new jobs), Alliance Data System (85 new jobs), and Darifill (15 new jobs).

Another company, Progressive Medical, located in the Westerville Commerce Center, has grown from 276 to 500 employees in the last five 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.

In June of 2011, the City partnered with TechColumbus, Central Ohio's regional entrepreneurial program, in order to spark ideas and create momentum for local entrepreneurs. At its core, the program helps advance technology-oriented ideas generated by entrepreneurs and small business owners in the Westerville community. TechColumbus provides direct business assistance through one-on-one coaching, marketing assistance, business plan development, and guidance through the appropriate capital investment and financing opportunities. Local entrepreneurs who engage are then integrated into the larger entrepreneurial ecosystem in Central Ohio. Access to the program requires no cost to the entrepreneur. The first ten months of the partnership has yielded technical assistance for 37 local technology-based start-up companies, of which 27 have generated opportunities for expanded support. The sectors of these companies include applied materials, information technology, health care/bioscience, and clean energy/clean technology. The City is working with three privately funded small incubators in the community that could offer a location to these local start-ups and leverage the resources from TechColumbus available through the City's partnership.

### **LONG-TERM FINANCIAL PLANNING**

Fiscal policies have been established for the General Fund, Water Fund, Sewer Fund, Electric Fund, and Refuse 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 POLICIES**

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 Commission for Accreditation of Parks and Recreation Agencies (CAPRA) meeting all accreditation standards. The department provides 578 park acres, 27.78 miles of greenways and over 2,200 recreation programs serving over 850,000 user visits annually.

In 2011, the City completed construction of the Highlands Park Aquatic Center which opened in May 2011. The Highlands Park Aquatic Center features a natural feel with a slide tower that has both a speed slide and body slide, a zero entry toddler and leisure pool with a children's slide embedded in simulated rock, a spray playground, 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.

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 when needed.

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 2011 included the completion of 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 which was opened in August 2011. The City continued its commitment to the voters in rebuilding aging pavement and utility infrastructure in its older neighborhoods with work on Elmwood Avenue, Baker Lake Drive, Marlene Drive, Huber Village Boulevard and Heatherdown Drive. Major arterial that was resurfaced in 2011 was Polaris Parkway.

The City opened the Community Data Center in March 2011. 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 plan for the decade ahead. Essentially the Community 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 City began expanding its fiber optic infrastructure in 2009. 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. The infrastructure is important because it allows existing businesses to 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**

As part of the next phase of their Master Campus Planning & Expansion, Mount Carmel St. Ann's is constructing a regional cardiac care center, which includes 60 additional inpatient beds, a new catheterization laboratory and an emergency-room chest pain unit. Additionally, the plan is to reconfigure the building orientation to establish a new main entrance facing Copeland Mill Road to the south and construct a three level parking deck along Copeland Mill Road. The parking deck preserves prime developable ground for future medical buildings. St Ann's expansion is a \$110 million investment and projected to create 193 jobs and generate approximately \$13.8 million dollars in additional payroll by 2016.

In April 2012, Nationwide Children's Hospital dedicated a new two-story, 46,000 square foot ambulatory surgical center as part of the Nationwide Children's Hospital Medical Campus, which includes a "Close to Home" urgent care facility and a Sports Medicine and Orthopedics Center. The ambulatory surgical center is the first suburban medical facility to offer this service in Central Ohio. Nationwide Children's Hospital expansion is a \$20 million investment and plans to create approximately 80 new job opportunities with a payroll of \$6 million. Within the next five years, there are plans for the development of a future facility, which could create an additional 60 new jobs with a payroll of \$8 million.

Safety improvements to State Route 3 between the I-270 interchange and State Route 161 began 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 also began in 2011. This next phase of the project will extend the same improvements along South State to the north side of the commercial area near the Schrock and State 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, 2010. 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.

### **ACKNOWLEDGMENTS**

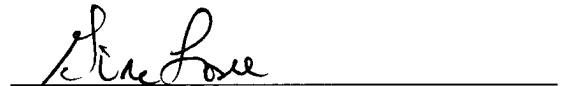
Sincere gratitude goes to City Council for granting the funds for this project. The Finance Department prepared this Comprehensive Annual Financial Report with the efficient and dedicated services of its entire staff and the City Manager's Office staff. We wish to express our appreciation to everyone 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 and available on the City's website at [www.westerville.org](http://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, 2010

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



*Linda C. Danison*

President

*Jeffrey R. Emer*

Executive Director

*City of Westerville, Ohio*

Elected and Appointed Officials  
As of December 31, 2011

**Elected Officials**

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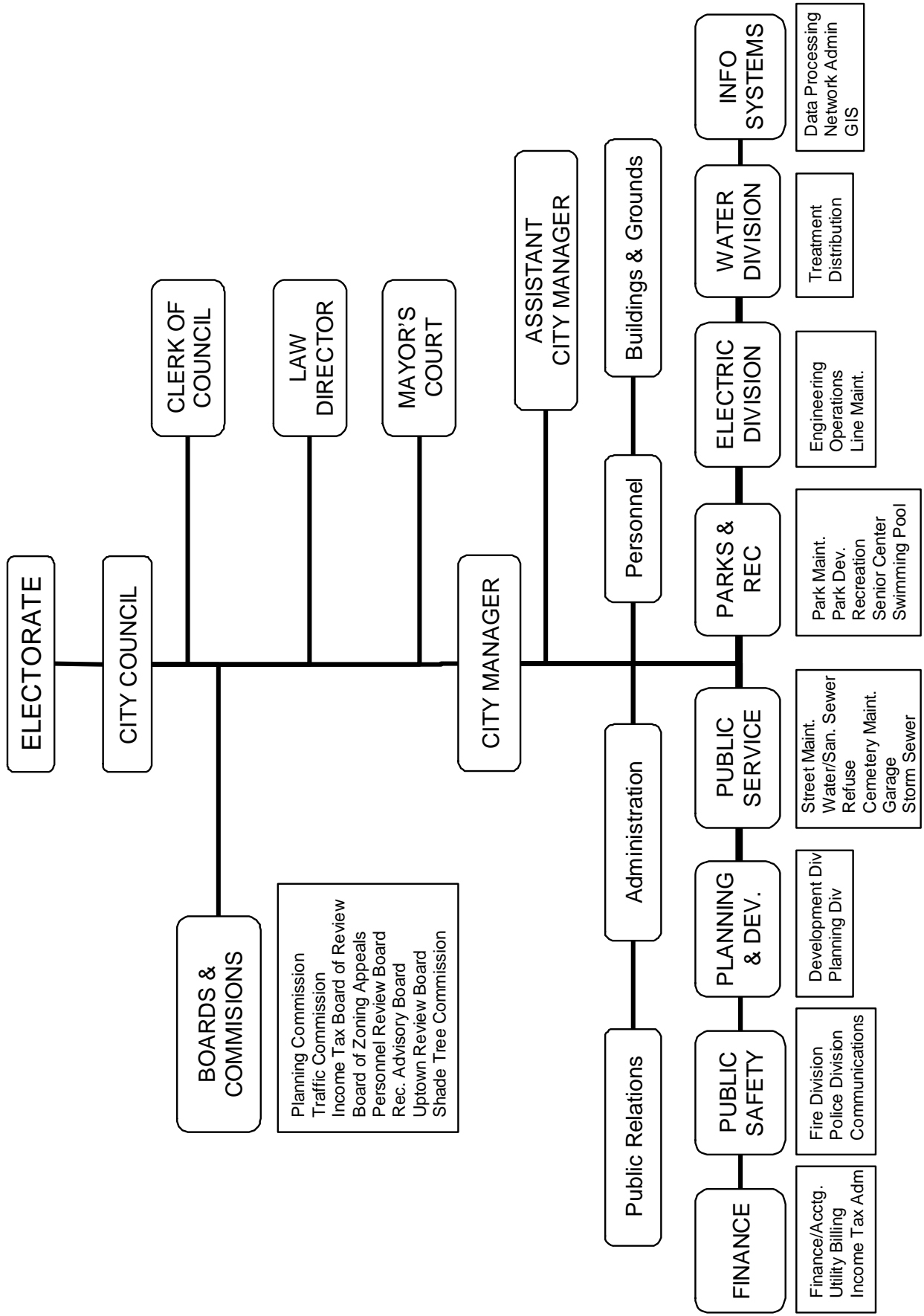
Michael Heyeck	Council Member, Chair of Council
Larry Jenkins	Council Member, Vice Chair
Kathleen Cocuzzi	Council Member, Mayor
Diane C. Fosselman	Council Member, Vice Mayor
Craig P. Treneff	Council Member
Jenifer French	Council Member
Leon W. Otteson	Council Member

**Appointed Officials**

---

David A. Collinworth	City Manager
Julie A. Colley	Assistant City Manager
Bruce E. Bailey	Director of Law
Lee Ann Shortland, CPA	Director of Finance
Randall A. Auler	Director of Parks and Recreation
Andrew M. Boatright	Electric Utility 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

# 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, 2011, 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, 2011, 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.

As described in Note 3, during 2011 the City adopted the provisions of Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 19, 2012, 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 *Condition Assessment of the City's Infrastructure Reported Using the Modified Approach as Outlined in GASB Statement No. 34*, 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

June 19, 2012

**City of Westerville, Ohio**  
**Management's Discussion and Analysis**  
**For The Year Ended December 31, 2011**  
**(Unaudited)**

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**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, 2011.

**FINANCIAL HIGHLIGHTS**

- The City's total net assets increased \$14,455,326 during 2011. Revenues of governmental activities exceeded expenses and transfers by \$12,166,605. The City's unrestricted net assets of \$44,614,691 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 \$2,288,721. The City's business-type activities had unrestricted net assets of \$34,678,959, 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 \$63,000,581. Program specific revenues in the form of charges for services and sales, grants, contributions and interest accounted for \$13,648,327. Total revenues equaled \$76,648,908.
- Enterprise funds reflected a total operating income of \$3,456,650. The Water, Sewer, Community Data Center and Refuse Funds reflected operating losses of (\$385,084), (\$67,595), (\$813,005) and (\$125,944), respectively. The Electric Fund reflected operating income of \$4,848,278. The Water Fund operating revenues decreased slightly but the decrease in operating expenses of \$308,770 exceeded the change in revenue, resulting in an overall operating loss which is less than the previous year. The Sewer Fund did not experience a significant change in operating revenues or expenses compared to the previous year so the operating loss is consistent with the previous year. The Refuse Fund had a slight decrease in operating revenue and increase in expenses of \$59,680. The Electric Fund experienced a decrease in operating revenues of \$52,403, and an increase in operating expenses of \$1,577,305, due primarily to an increase in non-capitalized expenses.
- The City had \$63,892,531 in expenses related to governmental activities; \$13,648,327 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 \$63,000,581 were more than adequate to provide for the current year programs, and the City relied on the program specific charges of \$13,648,327 to meet expenses. The City had \$56,693,067 in expenses related to business-type activities. These expenses were offset by program specific charges for services and sales, contributions and interest of \$58,121,639.

## **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, and refuse. Service fees for these operations are charged based upon the amount of usage, or, for the community data center subscriptions and leases. 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, South State Street TIF Incentive, 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 2011 compared to 2010.

Table 1  
Net Assets

	<i>Governmental Activities</i>		<i>Business-Type Activities</i>		<i>Totals</i>	
	<i>2010</i>	<i>2011</i>	<i>2010</i>	<i>2011</i>	<i>2010</i>	<i>2011</i>
<b><u>Assets:</u></b>						
Current and Other						
Assets	\$76,506,263	\$79,853,581	\$45,292,989	\$48,118,976	\$121,799,252	\$127,972,557
Water Rights, Net	0	0	1,183,215	1,135,886	1,183,215	1,135,886
Nondepreciable Capital						
Assets	145,375,042	145,938,187	5,158,935	11,174,184	150,533,977	157,112,371
Depreciable Capital						
Assets, Net	66,979,187	76,098,300	93,846,724	97,312,696	160,825,911	173,410,996
<b>Total Assets</b>	<b>288,860,492</b>	<b>301,890,068</b>	<b>145,481,863</b>	<b>157,741,742</b>	<b>434,342,355</b>	<b>459,631,810</b>
<b><u>Liabilities:</u></b>						
Current and Other						
Liabilities	18,896,983	17,965,464	5,866,649	7,619,064	24,763,632	25,584,528
Long-Term Liabilities:						
Due Within One Year	4,871,274	5,004,473	2,176,562	2,058,317	7,047,836	7,062,790
Due in More Than						
One Year	28,360,942	30,022,233	35,235,075	43,572,063	63,596,017	73,594,296
<b>Total Liabilities</b>	<b>52,129,199</b>	<b>52,992,170</b>	<b>43,278,286</b>	<b>53,249,444</b>	<b>95,407,485</b>	<b>106,241,614</b>
<b><u>Net Assets:</u></b>						
Invested in Capital						
Assets, Net Of						
Related Debt	186,423,811	189,865,503	70,184,446	69,813,339	256,608,257	259,678,842
Restricted for:						
Capital Outlay	2,291,399	5,431,308	0	0	2,291,399	5,431,308
Unclaimed Monies	111,550	140,895	0	0	111,550	140,895
Fire Protection	3,019,316	4,122,599	0	0	3,019,316	4,122,599
Streets and Transportation	2,225,328	2,939,053	0	0	2,225,328	2,939,053
Parks and Recreation	681,913	1,246,614	0	0	681,913	1,246,614
Other Purposes	711,904	537,235	0	0	711,904	537,235
Unrestricted	41,266,072	44,614,691	32,019,131	34,678,959	73,285,203	79,293,650
<b>Total Net Assets</b>	<b>\$236,731,293</b>	<b>\$248,897,898</b>	<b>\$102,203,577</b>	<b>\$104,492,298</b>	<b>\$338,934,870</b>	<b>\$353,390,196</b>

Total net assets increased \$14,455,326. Net assets of the City's governmental activities increased \$12,166,605 and unrestricted net assets increased \$3,348,619. 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 was depreciable capital assets, which includes the capitalized buildings and equipment of the Highlands Park Aquatic Center completed in 2011.

The net assets of the City's business-type activities increased \$2,288,721. 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, 2010 and 2011.

Table 2  
Changes In Net Assets

	<i>Governmental Activities</i>		<i>Business-Type Activities</i>		<i>Totals</i>	
	<i>2010</i>	<i>2011</i>	<i>2010</i>	<i>2011</i>	<i>2010</i>	<i>2011</i>
<b>Revenues</b>						
<b>Program Revenues:</b>						
Charges for Services and Sales	\$6,227,596	\$6,660,694	\$58,503,659	\$58,045,329	\$64,731,255	\$64,706,023
Operating Grants, Contributions and Interest	5,582,071	5,607,392	0	0	5,582,071	5,607,392
Capital Grants, Contributions and Interest	3,562,453	1,380,241	582,892	76,310	4,145,345	1,456,551
<i>Total Program Revenues</i>	<u>15,372,120</u>	<u>13,648,327</u>	<u>59,086,551</u>	<u>58,121,639</u>	<u>74,458,671</u>	<u>71,769,966</u>
<b>General Revenues:</b>						
Property Taxes	10,286,681	12,652,050	0	0	10,286,681	12,652,050
Municipal Income Taxes	35,824,307	38,016,829	0	0	35,824,307	38,016,829
Other Local Taxes	546,232	584,447	0	0	546,232	584,447
Grants and Entitlements	5,501,341	5,811,570	0	0	5,501,341	5,811,570
Unrestricted Investment Earnings	922,228	1,914,882	1,223	633	923,451	1,915,515
Payments in Lieu of Taxes	2,607,974	3,859,808	0	0	2,607,974	3,859,808
Other	547,024	160,995	222,095	269,744	769,119	430,739
<i>Total General Revenues</i>	<u>56,235,787</u>	<u>63,000,581</u>	<u>223,318</u>	<u>270,377</u>	<u>56,459,105</u>	<u>63,270,958</u>
<i>Total Revenues</i>	<u>71,607,907</u>	<u>76,648,908</u>	<u>59,309,869</u>	<u>58,392,016</u>	<u>130,917,776</u>	<u>135,040,924</u>
<b>Program Expenses:</b>						
Security of Persons and Property	26,338,118	27,331,663	0	0	26,338,118	27,331,663
Public Health	79,239	117,232	0	0	79,239	117,232
Leisure Time Activities	7,149,210	7,471,158	0	0	7,149,210	7,471,158
Community Development	2,781,118	2,672,231	0	0	2,781,118	2,672,231
Basic Utility Services	1,245,063	1,292,044	0	0	1,245,063	1,292,044
Transportation	12,254,959	9,475,825	0	0	12,254,959	9,475,825
General Government	12,754,058	14,459,348	0	0	12,754,058	14,459,348
Interest and Fiscal Charges	946,382	1,073,030	0	0	946,382	1,073,030
Water	0	0	3,902,340	3,626,720	3,902,340	3,626,720
Sewer	0	0	7,441,991	7,584,989	7,441,991	7,584,989
Electric	0	0	40,057,863	41,870,782	40,057,863	41,870,782
Community Data Center	0	0	103,162	1,106,301	103,162	1,106,301
Refuse	0	0	2,442,963	2,504,275	2,442,963	2,504,275
Swimming Pool	0	0	315,206	0	315,206	0
<i>Total Expenses</i>	<u>63,548,147</u>	<u>63,892,531</u>	<u>54,263,525</u>	<u>56,693,067</u>	<u>117,811,672</u>	<u>120,585,598</u>
Increase (Decrease) in Net Assets before Transfers	8,059,760	12,756,377	5,046,344	1,698,949	13,106,104	14,455,326
Transfers	(125,000)	(589,772)	125,000	589,772	0	0
Change in Net Assets	7,934,760	12,166,605	5,171,344	2,288,721	13,106,104	14,455,326
Net Assets at Beginning of Year	228,796,533	236,731,293	97,032,233	102,203,577	325,828,766	338,934,870
<i>Net Assets at End of Year</i>	<u>\$236,731,293</u>	<u>\$248,897,898</u>	<u>\$102,203,577</u>	<u>\$104,492,298</u>	<u>\$338,934,870</u>	<u>\$353,390,196</u>

### **Governmental Activities**

The most significant variances noted between 2010 and 2011 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 decreased about \$1.7 million, which was primarily due to the decrease in capital grants, contributions and interest of about \$2.2 million since the OPWC grant funding which partially funded the Worthington Road Project for \$2 million was reported in 2010. The City also experienced an increase in charges for services and sales of \$433,098 primarily as a result of the opening of the Highlands Aquatic Center which resulted in a significant increase in parks & recreation pool pass fees. The City’s General Revenues increased about \$6.8 million, which includes increases in municipal income tax revenues, resulting from an increase in the City’s income tax collections primarily from net profit, as well as an increase in property tax revenue as a result of the passage of a Fire Tax Levy in 2010.

There was an overall increase in expenses which was not significant. The most significant fluctuations existed in transportation expenses due to a decrease in road infrastructure projects

compared to the previous year, which is due to the City spending additional money in 2009 and 2010 to catch up on road construction improvements, and the City focused on road rehabilitation in 2011.

The 2.0 percent income tax is the largest source of revenue for the City. Employee withholding contributed 80 percent of the income tax revenue received in 2011, with business earnings contributing 12 percent and individuals contributing 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 2011 were as follows:

Security of Persons and Property	42.79%
Public Health	0.18%
Leisure Time Activities	11.69%
Community Development	4.18%
Basic Utility Services	2.02%
Transportation	14.83%
General Government	22.63%
Interest and Fiscal Charges	1.68%
	<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, Community Data Center and Refuse. Activity in these enterprise funds was very consistent with the prior year with the exception of the Community Data Center which is still in a developmental stage.

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 \$8,480,000, 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 \$76,047,991 and expenditures were \$76,855,059. The General Fund balance increased \$5,760,248, which was primarily due to a reduction of transfers-out compared to 2010. The most significant increase in expenditures was in general government of \$1,267,383, due to several projects including the upgrade the City's phone system and improvements to court and council chambers, as well the addition of three full-time staff employees – two of which replaced three part-time positions and one filled a position that was open in 2010.

The Fire Operating Fund balance increased \$894,260, which was primarily due to passing the Fire Levy in 2010, which resulted in an increase in property tax revenue of more than \$2 million, which was offset by slight decreases in other revenues and an increase in expenditures of approximately \$400,000, or 3 percent.

The Parks and Recreation Operating Fund balance decreased \$388,194, primarily due to the reduction of the transfer made from the General Fund compared to the previous year.

The General Capital Improvement Fund balance increased \$370,895, which is due to revenues and other financing sources exceeding expenditures and other financing uses, however, there was not a specific event that caused the overall increase. In 2011, the City began allocating 20 percent of the City's general purpose income tax revenue to the General Capital Improvement fund in lieu of making annual transfers of funds from the General Fund. The City also began recording the transfer of funds for debt service payments that relate to general capital improvement project debt issues from this fund in 2011.

The South State Street TIF Incentive Fund balance decreased \$549,778 due to a significant portion of the South State Street/Huber Village/Heatherdown Improvements project being completed during 2011 and the fund receiving advances that are payable to the General Fund.

## 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 2011 there were 14 revisions to the General Fund budget. The net effect of the revisions was an increase in appropriations of \$387,350 and an increase in estimated revenues of \$2,862,008. The most significant increase in estimated revenues was a result of the increase in income tax collections despite the struggling economy. Actual expenditures were \$3,146,124 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 in part 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>	
	2010	2011	2010	2011	2010	2011
Water Rights	\$0	\$0	\$1,183,215	\$1,135,886	\$1,183,215	\$1,135,886
Land	16,602,755	18,156,650	1,187,080	1,187,080	17,789,835	19,343,730
Construction in Progress	11,953,196	10,962,446	3,971,855	9,987,104	15,925,051	20,949,550
Non-depreciable						
Infrastructure	116,819,091	116,819,091	0	0	116,819,091	116,819,091
Land Improvements	8,888,882	13,525,490	692,011	510,959	9,580,893	14,036,449
Buildings	24,749,829	27,935,493	3,395,713	7,808,312	28,145,542	35,743,805
Furniture and Equipment	5,740,740	7,346,870	12,581,262	12,447,840	18,322,002	19,794,710
Vehicles	2,051,594	1,965,564	914,090	728,139	2,965,684	2,693,703
Depreciable Infrastructure	25,548,142	25,324,883	0	0	25,548,142	25,324,883
Water Lines	0	0	24,224,410	23,657,270	24,224,410	23,657,270
Sewer Lines	0	0	13,702,233	13,364,433	13,702,233	13,364,433
Electric System	0	0	38,337,005	38,795,743	38,337,005	38,795,743
<i>Totals</i>	<u>\$212,354,229</u>	<u>\$222,036,487</u>	<u>\$100,188,874</u>	<u>\$109,622,766</u>	<u>\$312,543,103</u>	<u>\$331,659,253</u>

The most significant increase in governmental activities was Land Improvements and Buildings due to the completion of the Highlands Park Aquatic Center in 2011. The business-type activities had an increase in construction in progress for the Electric division's automated metering infrastructure project, as well as an increase in buildings which was the result of the completion of the Community Data Center building. 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 84 – 86 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 biennial basis. The City budgeted \$7,818,794 and spent \$7,701,362 on the preservation of roadways during 2011, and assessed 88 percent of the major arterials and 60 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 \$507,685 and spent \$494,516 to preserve bridges during 2011, and four out of five bridges (or 80%) in the City were assessed at "good" or better condition.

### **Debt**

At December 31, 2011, the City of Westerville had \$76,474,708 in debt outstanding.

Table 4  
Outstanding Debt at Year-end

	<i>Governmental Activities</i>		<i>Business-Type Activities</i>		<i>Totals</i>	
	2010	2011	2010	2011	2010	2011
General Obligation Bonds	\$29,723,874	\$30,140,774	\$29,292,097	\$34,378,369	\$59,015,971	\$64,519,143
ODNR Debt	0	0	1,640,847	1,597,139	1,640,847	1,597,139
Revenue Bonds	0	0	5,745,540	8,922,263	5,745,540	8,922,263
OPWC Loans Payable	0	1,417,199	0	0	0	1,417,199
Police Pension Liability	19,629	18,964	0	0	19,629	18,964
<i>Totals</i>	<u>\$29,743,503</u>	<u>\$31,576,937</u>	<u>\$36,678,484</u>	<u>\$44,897,771</u>	<u>\$66,421,987</u>	<u>\$76,474,708</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 \$84,091,636 as of December 31, 2011. The more restrictive unvoted legal debt margin within 5.5 percent was \$30,325,295 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, 2011

	<i>Governmental Activities</i>	<i>Business-Type Activities</i>	<i>Totals</i>
<b><u>Assets:</u></b>			
Equity in Pooled Cash and Cash Equivalents	\$51,733,618	\$38,677,645	\$90,411,263
Cash and Cash Equivalents with Fiscal Agents	174,884	641	175,525
Materials and Supplies Inventory	573,114	1,153,331	1,726,445
Accrued Interest Receivable	185,126	0	185,126
Accounts Receivable, Net	393,201	8,878,838	9,272,039
Intergovernmental Receivable	2,838,276	0	2,838,276
Prepaid Items	316,071	7,328	323,399
Municipal Income Taxes Receivable	5,412,036	0	5,412,036
Other Local Taxes Receivable	165,656	0	165,656
Property Taxes Receivable	14,013,528	0	14,013,528
Payments in Lieu of Taxes Receivable	1,418,866	0	1,418,866
Loans Receivable	340,520	0	340,520
Notes Receivable	192,426	0	192,426
Internal Balances	1,315,522	(1,315,522)	0
Deferred Charges	780,737	716,715	1,497,452
Water Rights, Net	0	1,135,886	1,135,886
Nondepreciable Capital Assets	145,938,187	11,174,184	157,112,371
Depreciable Capital Assets, Net	76,098,300	97,312,696	173,410,996
<i>Total Assets</i>	<u>301,890,068</u>	<u>157,741,742</u>	<u>459,631,810</u>
<b><u>Liabilities:</u></b>			
Accounts Payable	900,662	3,480,059	4,380,721
Contracts Payable	1,548,981	1,169,269	2,718,250
Accrued Wages Payable	510,311	107,683	617,994
Retainage Payable	355,963	825,407	1,181,370
Intergovernmental Payable	127,440	1,574,409	1,701,849
Accrued Interest Payable	93,139	190,037	283,176
Matured Interest Payable	3,067	641	3,708
Matured Compensated Absences Payable	319,560	0	319,560
Claims Payable	621,662	0	621,662
Unearned Revenue	13,484,679	24,753	13,509,432
Deposits Held and Due to Others	0	246,806	246,806
Long-Term Liabilities:			
Due Within One Year	5,004,473	2,058,317	7,062,790
Due in More Than One Year	30,022,233	43,572,063	73,594,296
<i>Total Liabilities</i>	<u>52,992,170</u>	<u>53,249,444</u>	<u>106,241,614</u>
<b><u>Net Assets:</u></b>			
Invested in Capital Assets, Net of Related Debt	189,865,503	69,813,339	259,678,842
Restricted for:			
Capital Outlay	5,431,308	0	5,431,308
Unclaimed Monies	140,895	0	140,895
Fire Protection	4,122,599	0	4,122,599
Streets and Transportation	2,939,053	0	2,939,053
Parks and Recreation	1,246,614	0	1,246,614
Other Purposes	537,235	0	537,235
Unrestricted	44,614,691	34,678,959	79,293,650
<i>Total Net Assets</i>	<u>\$248,897,898</u>	<u>\$104,492,298</u>	<u>\$353,390,196</u>

See accompanying notes to the basic financial statements

*City of Westerville, Ohio*  
Statement of Activities  
For the Year Ended December 31, 2011

	<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>
<b><u>Governmental Activities:</u></b>				
Security of Persons and Property	\$27,331,663	\$1,420,275	\$3,637,418	\$0
Public Health	117,232	31,390	0	0
Leisure Time Activities	7,471,158	3,836,368	18,750	173,716
Community Development	2,672,231	644,144	0	0
Basic Utility Services	1,292,044	0	0	0
Transportation	9,475,825	107,885	1,951,224	1,206,525
General Government	14,459,348	620,632	0	0
Interest and Fiscal Charges	1,073,030	0	0	0
<i>Total Governmental Activities</i>	<u>63,892,531</u>	<u>6,660,694</u>	<u>5,607,392</u>	<u>1,380,241</u>
<b><u>Business-Type Activities:</u></b>				
Water	3,626,720	3,026,833	0	73,910
Sewer	7,584,989	7,595,336	0	2,400
Electric	41,870,782	45,044,529	0	0
Community Data Center	1,106,301	260	0	0
Refuse	2,504,275	2,378,371	0	0
<i>Total Business-Type Activities</i>	<u>56,693,067</u>	<u>58,045,329</u>	<u>0</u>	<u>76,310</u>
<i>Total Activities</i>	<u>\$120,585,598</u>	<u>\$64,706,023</u>	<u>\$5,607,392</u>	<u>\$1,456,551</u>

***General Revenues and Transfers:***

Property Taxes Levied for:  
General Purposes  
Fire  
Debt Service  
Municipal Income Taxes Levied for:  
General Purposes  
Capital Improvement  
Parks and Recreation  
Other Local Taxes  
Grants and Entitlements not Restricted to Specific Programs  
Unrestricted Investment Earnings  
Payments in Lieu of Taxes  
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>
(\$22,273,970)	\$0	(\$22,273,970)
(85,842)	0	(85,842)
(3,442,324)	0	(3,442,324)
(2,028,087)	0	(2,028,087)
(1,292,044)	0	(1,292,044)
(6,210,191)	0	(6,210,191)
(13,838,716)	0	(13,838,716)
(1,073,030)	0	(1,073,030)
<u>(50,244,204)</u>	<u>0</u>	<u>(50,244,204)</u>
0	(525,977)	(525,977)
0	12,747	12,747
0	3,173,747	3,173,747
0	(1,106,041)	(1,106,041)
0	(125,904)	(125,904)
<u>0</u>	<u>1,428,572</u>	<u>1,428,572</u>
<u>(50,244,204)</u>	<u>1,428,572</u>	<u>(48,815,632)</u>
3,055,796	0	3,055,796
9,407,517	0	9,407,517
188,737	0	188,737
26,205,288	0	26,205,288
7,214,875	0	7,214,875
4,596,666	0	4,596,666
584,447	0	584,447
5,811,570	0	5,811,570
1,914,882	633	1,915,515
3,859,808	0	3,859,808
160,995	269,744	430,739
<u>(589,772)</u>	<u>589,772</u>	<u>0</u>
<u>62,410,809</u>	<u>860,149</u>	<u>63,270,958</u>
12,166,605	2,288,721	14,455,326
<u>236,731,293</u>	<u>102,203,577</u>	<u>338,934,870</u>
<u>\$248,897,898</u>	<u>\$104,492,298</u>	<u>\$353,390,196</u>

**City of Westerville, Ohio**  
 Balance Sheet  
 Governmental Funds  
 December 31, 2011

	<b>General</b>	<b>Fire Operating</b>	<b>Parks and Recreation Operating</b>
<b><u>Assets:</u></b>			
Equity in Pooled Cash and Cash Equivalents	\$22,140,271	\$4,190,313	\$5,255,265
Cash and Cash Equivalents with Fiscal Agents	0	0	0
Receivables:			
Property Taxes	3,272,317	10,541,008	0
Municipal Income Taxes	3,788,425	0	0
Other Local Taxes	139,329	0	0
Accounts	186,386	92,392	103,326
Payments in Lieu of Taxes	0	0	0
Accrued Interest	176,095	8,590	0
Intergovernmental Receivable	1,358,620	647,214	0
Prepaid Items	310,432	836	0
Materials and Supplies Inventory	219,590	0	113,256
Loans Receivable	0	0	0
Notes Receivable	0	0	0
Interfund Receivable	14,283,755	0	0
<b>Total Assets</b>	<b>\$45,875,220</b>	<b>\$15,480,353</b>	<b>\$5,471,847</b>
<b><u>Liabilities and Fund Balances:</u></b>			
<b><u>Liabilities:</u></b>			
Accounts Payable	\$413,677	\$19,046	\$147,379
Contracts Payable	0	15,800	0
Retainage Payable	0	1,909	0
Accrued Wages Payable	261,216	157,297	72,961
Intergovernmental Payable	65,571	40,682	16,250
Matured Interest Payable	0	0	0
Due To Other Funds	17,925	5,528	48,882
Deferred Revenue	6,260,641	11,180,341	1,061
Matured Compensated Absences Payable	196,404	101,397	21,759
Interfund Payable	222,330	122,802	69,808
<b>Total Liabilities</b>	<b>7,437,764</b>	<b>11,644,802</b>	<b>378,100</b>
<b><u>Fund Balances:</u></b>			
Nonspendable	11,992,605	836	113,256
Restricted	0	3,834,715	0
Committed	43,757	0	4,980,491
Assigned	328,829	0	0
Unassigned ( <i>Deficit</i> )	26,072,265	0	0
<b>Total Fund Balances (Deficit)</b>	<b>38,437,456</b>	<b>3,835,551</b>	<b>5,093,747</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$45,875,220</b>	<b>\$15,480,353</b>	<b>\$5,471,847</b>

See accompanying notes to the basic financial statements



<i>General Capital Improvement</i>	<i>South State Street TIF Incentive</i>	<i>Nonmajor Governmental Funds</i>	<i>Total Governmental Funds</i>
\$4,562,095	\$2,918,202	\$11,070,771	\$50,136,917
0	0	174,884	174,884
0	0	200,203	14,013,528
947,106	0	676,505	5,412,036
0	0	26,327	165,656
0	0	11,097	393,201
0	547,572	871,294	1,418,866
0	0	441	185,126
36,965	0	795,477	2,838,276
0	0	4,803	316,071
0	0	165,271	498,117
0	0	340,520	340,520
0	0	192,426	192,426
0	0	0	14,283,755
<u>\$5,546,166</u>	<u>\$3,465,774</u>	<u>\$14,530,019</u>	<u>\$90,369,379</u>

\$128,228	\$50,009	\$109,655	\$867,994
584,647	191,373	757,161	1,548,981
229,707	23,164	101,183	355,963
0	0	13,982	505,456
0	0	4,210	126,713
0	0	3,067	3,067
0	0	866	73,201
491,072	547,572	2,377,582	20,858,269
0	0	0	319,560
0	4,646,000	8,216,273	13,277,213
<u>1,433,654</u>	<u>5,458,118</u>	<u>11,583,979</u>	<u>37,936,417</u>

0	0	170,074	12,276,771
0	0	6,440,570	10,275,285
2,509,907	0	1,958,543	9,492,698
1,602,605	0	132,900	2,064,334
0	(1,992,344)	(5,756,047)	18,323,874
<u>4,112,512</u>	<u>(1,992,344)</u>	<u>2,946,040</u>	<u>52,432,962</u>
<u>\$5,546,166</u>	<u>\$3,465,774</u>	<u>\$14,530,019</u>	<u>\$90,369,379</u>



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*City of Westerville, Ohio*  
 Reconciliation of Total Governmental Fund Balances to  
 Net Assets of Governmental Activities  
 December 31, 2011

<b>Total Governmental Fund Balances</b>	\$52,432,962
<b>Amounts reported for governmental activities in the Statement of Net Assets are different because:</b>	
Capital Assets used in governmental activities are not financial resources and therefore are not reported in the funds. These assets consist of:	
Land	18,156,650
Construction In Progress	10,962,446
Infrastructure	153,268,651
Other Capital Assets	87,382,458
Accumulated Depreciation	<u>(47,733,718)</u>
	222,036,487
Internal service funds are used by management to charge the costs of insurance, workers' compensation 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.	
Net Assets	1,634,328
Capital Assets	(160,056)
Compensated Absences	<u>35,196</u>
Total	1,509,468
An internal balance is recorded in governmental activities to reflect underpayments to the internal service fund by the business-type activities.	
	(115,501)
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:	
Property Taxes	869,370
Municipal Income Taxes	2,595,957
Other Local Taxes	53,306
Accounts	44,905
Payments in Lieu of Taxes	1,389,656
Accrued Interest Receivable	118,737
Intergovernmental	<u>2,301,659</u>
	7,373,590
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.	
	780,737
In the Statement of Activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.	
	(93,139)
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	(28,950,580)
Premium on Bonds	(1,213,349)
Discount on Bonds	23,155
OPWC Loans	(1,417,199)
Police Pension	(18,964)
Compensated Absences	<u>(3,449,769)</u>
	<u>(35,026,706)</u>
<b>Net Assets of Governmental Activities</b>	<u><u>\$248,897,898</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, 2011

	<i>General</i>	<i>Fire Operating</i>	<i>Parks and Recreation Operating</i>
<b><u>Revenues:</u></b>			
Property Taxes	\$2,989,599	\$9,173,386	\$0
Municipal Income Taxes	26,157,152	0	0
Other Local Taxes	643,454	0	0
Payments in Lieu of Taxes	0	0	0
Intergovernmental	6,058,067	3,381,095	18,750
Charges for Services	303,171	1,141,156	3,816,836
Fees, Licenses and Permits	645,956	50	25,980
Fines and Forfeitures	561,656	0	0
Investment Earnings	1,876,263	68,832	0
Other	80,640	5,150	14,634
<i>Total Revenues</i>	<u>39,315,958</u>	<u>13,769,669</u>	<u>3,876,200</u>
<b><u>Expenditures:</u></b>			
Current:			
Security of Persons and Property	13,977,448	12,873,500	0
Public Health	179,322	0	0
Leisure Time Activities	0	0	8,636,282
Community Development	2,685,053	0	0
Basic Utility Services	651,873	0	0
Transportation	0	0	0
General Government	10,903,057	0	0
Capital Outlay	0	1,909	0
Debt Service:			
Principal Retirement	665	0	0
Interest and Fiscal Charges	827	0	0
Issuance Costs	0	0	0
<i>Total Expenditures</i>	<u>28,398,245</u>	<u>12,875,409</u>	<u>8,636,282</u>
Excess of Revenues Over (Under) Expenditures	<u>10,917,713</u>	<u>894,260</u>	<u>(4,760,082)</u>
<b><u>Other Financing Sources (Uses):</u></b>			
General Obligation Bonds Issued	0	0	0
OPWC Loans Issued	0	0	0
Proceeds from Sale of Capital Assets	2,046	0	808
Transfers - In	0	0	4,371,080
Transfers - Out	(5,159,511)	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>(5,157,465)</u>	<u>0</u>	<u>4,371,888</u>
Net Change in Fund Balances	5,760,248	894,260	(388,194)
<i>Fund Balances (Deficit) at Beginning of Year</i>			
<i>Restated (See Note 3)</i>	<u>32,677,208</u>	<u>2,941,291</u>	<u>5,481,941</u>
<i>Fund Balances (Deficit) at End of Year</i>	<u>\$38,437,456</u>	<u>\$3,835,551</u>	<u>\$5,093,747</u>

See accompanying notes to the basic financial statements

<i>General Capital Improvement</i>	<i>South State Street TIF Incentive</i>	<i>Nonmajor Governmental Funds</i>	<i>Total Governmental Funds</i>
\$0	\$0	\$184,699	\$12,347,684
6,760,583	0	4,524,890	37,442,625
0	0	38,633	682,087
0	395,312	2,879,218	3,274,530
134,722	312,381	3,526,508	13,431,523
73,685	0	0	5,334,848
0	0	34,200	706,186
0	0	148,086	709,742
0	0	3,227	1,948,322
0	0	70,020	170,444
<u>6,968,990</u>	<u>707,693</u>	<u>11,409,481</u>	<u>76,047,991</u>
0	0	118,638	26,969,586
0	0	0	179,322
0	0	0	8,636,282
0	0	0	2,685,053
0	0	0	651,873
0	0	2,154,857	2,154,857
0	0	3,035,660	13,938,717
7,055,385	2,616,133	8,184,054	17,857,481
0	0	2,605,075	2,605,740
0	0	1,126,016	1,126,843
22,750	6,833	19,722	49,305
<u>7,078,135</u>	<u>2,622,966</u>	<u>17,244,022</u>	<u>76,855,059</u>
<u>(109,145)</u>	<u>(1,915,273)</u>	<u>(5,834,541)</u>	<u>(807,068)</u>
1,465,000	440,000	1,270,000	3,175,000
0	925,495	491,704	1,417,199
0	0	0	2,854
0	0	5,836,244	10,207,324
<u>(984,960)</u>	<u>0</u>	<u>(4,062,853)</u>	<u>(10,207,324)</u>
<u>480,040</u>	<u>1,365,495</u>	<u>3,535,095</u>	<u>4,595,053</u>
370,895	(549,778)	(2,299,446)	3,787,985
<u>3,741,617</u>	<u>(1,442,566)</u>	<u>5,245,486</u>	<u>48,644,977</u>
<u>\$4,112,512</u>	<u>(\$1,992,344)</u>	<u>\$2,946,040</u>	<u>\$52,432,962</u>

*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, 2011

<b>Net Change in Fund Balances - Total Governmental Funds</b>		<b>\$3,787,985</b>
<b>Amounts reported for governmental activities in the Statement of Activities are different because:</b>		
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	13,941,437	
Depreciation	<u>(4,297,845)</u>	
Excess of Capital Outlay Over Depreciation		9,643,592
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.		
		74,200
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	(2,854)	
Loss on Disposal of Assets	<u>(32,680)</u>	
		(35,534)
The internal service funds used by management to charge the costs of workers' compensation and 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.		
Change in Net Assets	(2,638)	
Capital Assets	18,822	
Compensated Absences	<u>(2,142)</u>	
		14,042
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	2,605,075	
Police Pension Principal Payments	<u>665</u>	
		2,605,740
Governmental funds report bond issuance costs as expenditures, whereas these amounts are deferred and amortized in the Statement of Activities.		
		49,305
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.		
Property Taxes	304,366	
Municipal Income Taxes	574,204	
Other Local Taxes	(97,640)	
Payments in Lieu of Taxes	585,278	
Intergovernmental	(706,520)	
Charges for Services	(88,270)	
Fees, Licenses and Permits	(1,812)	
Interest	(33,440)	
Miscellaneous	<u>(9,449)</u>	
		526,717
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	(4,822)	
Amortization of Bond Discounts	(1,999)	
Amortization of Bond Premiums	155,024	
Amortization of Bond Issuance Costs	<u>(94,390)</u>	
		53,813
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.		
Proceeds of OPWC Loans	(1,417,199)	
Proceeds of Bonds	<u>(3,175,000)</u>	
		(4,592,199)
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		<u>38,944</u>
<b>Change in Net Assets of Governmental Activities</b>		<b><u>\$12,166,605</u></b>

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, 2011

	<u>Budget</u>		<u>Actual</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b><u>Revenues:</u></b>				
Property Taxes	\$3,100,000	\$2,989,599	\$2,989,599	\$0
Municipal Income Taxes	24,546,354	26,300,828	26,353,822	52,994
Intergovernmental	4,955,184	6,492,821	6,142,088	(350,733)
Charges for Services	233,068	225,960	227,160	1,200
Fees, Licenses and Permits	589,100	640,849	647,313	6,464
Fines and Forfeitures	463,840	569,555	569,553	(2)
Investment Earnings	1,500,000	1,000,000	1,057,363	57,363
Other	31,120	61,062	91,148	30,086
<b>Total Revenues</b>	<b>35,418,666</b>	<b>38,280,674</b>	<b>38,078,046</b>	<b>(202,628)</b>
<b><u>Expenditures:</u></b>				
Current:				
Security of Persons and Property	15,390,396	15,480,280	14,248,705	1,231,575
Public Health	213,356	189,485	181,454	8,031
Community Development	3,187,084	3,131,443	2,793,709	337,734
Basic Utility Services	757,996	757,362	673,730	83,632
General Government	12,005,243	12,382,855	10,897,704	1,485,151
Debt Service:				
Principal Retirement	638	665	665	0
Interest and Fiscal Charges	855	828	827	1
<b>Total Expenditures</b>	<b>31,555,568</b>	<b>31,942,918</b>	<b>28,796,794</b>	<b>3,146,124</b>
Excess of Revenues Over Expenditures	3,863,098	6,337,756	9,281,252	2,943,496
<b><u>Other Financing Sources (Uses):</u></b>				
Proceeds from Sale of Capital Assets	0	1,016	2,046	(1,030)
Advances - In	0	2,250,082	2,250,082	0
Advances - Out	0	(3,869,000)	(3,869,000)	0
Transfers - In	433,807	0	0	0
Transfers - Out	(5,159,511)	(5,159,511)	(5,159,511)	0
<b>Total Other Financing Sources (Uses)</b>	<b>(4,725,704)</b>	<b>(6,777,413)</b>	<b>(6,776,383)</b>	<b>(1,030)</b>
Net Change in Fund Balance	(862,606)	(439,657)	2,504,869	2,942,466
Fund Balance at Beginning of Year	16,777,564	16,947,200	16,947,200	0
Prior Year Encumbrances Carried Over	1,494,150	1,324,508	1,324,508	0
<b>Fund Balance at End of Year</b>	<b>\$17,409,108</b>	<b>\$17,832,051</b>	<b>\$20,776,577</b>	<b>\$2,942,466</b>

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, 2011

	<i>Budget</i>		<i>Actual</i>	<i>Variance Positive (Negative)</i>
	<i>Original</i>	<i>Final</i>		
<b><u>Revenues:</u></b>				
Property Taxes	\$11,100,000	\$9,173,386	\$9,173,386	\$0
Intergovernmental	1,995,100	3,332,891	3,330,635	(2,256)
Charges for Services	1,015,000	1,127,696	1,201,044	73,348
Fees, Licenses and Permits	0	50	50	0
Investment Earnings	150,000	50,000	52,842	2,842
Other	1,500	5,150	5,150	0
<i>Total Revenues</i>	<u>14,261,600</u>	<u>13,689,173</u>	<u>13,763,107</u>	<u>73,934</u>
<b><u>Expenditures:</u></b>				
Current:				
Security of Persons and Property	13,982,035	13,917,715	13,185,828	731,887
Excess of Revenues Over (Under) Expenditures	279,565	(228,542)	577,279	805,821
<b><u>Other Financing Uses:</u></b>				
Transfers - Out	175,724	0	0	0
Net Change in Fund Balance	455,289	(228,542)	577,279	805,821
Fund Balance at Beginning of Year	3,026,039	3,106,850	3,106,850	0
Prior Year Encumbrances Carried Over	359,687	278,879	278,879	0
<i>Fund Balance at End of Year</i>	<u>\$3,841,015</u>	<u>\$3,157,187</u>	<u>\$3,963,008</u>	<u>\$805,821</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, 2011

	<i>Budget</i>		<i>Actual</i>	<i>Variance Positive (Negative)</i>
	<i>Original</i>	<i>Final</i>		
<b><u>Revenues:</u></b>				
Intergovernmental	\$0	\$0	\$18,750	\$18,750
Charges for Services	3,384,626	3,879,317	3,824,631	(54,686)
Fees, Licenses and Permits	6,000	25,980	25,980	0
Other	1,500	15,502	15,195	(307)
<i>Total Revenues</i>	<u>3,392,126</u>	<u>3,920,799</u>	<u>3,884,556</u>	<u>(36,243)</u>
<b><u>Expenditures:</u></b>				
Current:				
Leisure Time Activities	9,358,800	9,366,506	8,931,273	435,233
Excess of Revenues Under Expenditures	<u>(5,966,674)</u>	<u>(5,445,707)</u>	<u>(5,046,717)</u>	<u>398,990</u>
<b><u>Other Financing Sources:</u></b>				
Proceeds from Sale of Capital Assets	0	808	808	0
Transfers - In	4,371,080	4,371,080	4,371,080	0
<i>Total Other Financing Sources</i>	<u>4,371,080</u>	<u>4,371,888</u>	<u>4,371,888</u>	<u>0</u>
Net Change in Fund Balance	(1,595,594)	(1,073,819)	(674,829)	398,990
Fund Balance at Beginning of Year	5,348,246	5,417,536	5,417,536	0
Prior Year Encumbrances Carried Over	240,751	171,457	171,457	0
<i>Fund Balance at End of Year</i>	<u>\$3,993,403</u>	<u>\$4,515,174</u>	<u>\$4,914,164</u>	<u>\$398,990</u>

See accompanying notes to the basic financial statements

**City of Westerville, Ohio**  
Statement of Fund Net Assets  
Proprietary Funds  
December 31, 2011

	<i>Business-Type Activities --</i>		
	<i>Water</i>	<i>Sewer</i>	<i>Electric</i>
<b><u>Assets:</u></b>			
<b><u>Current Assets:</u></b>			
Equity in Pooled Cash and Cash Equivalents	\$7,584,617	\$5,318,400	\$21,432,809
Cash and Cash Equivalents with Fiscal Agents	641	0	0
Receivables:			
Accounts, Net	435,773	1,205,268	6,872,182
Prepaid Items	1,003	1,003	4,319
Due From Other Funds	0	0	115,049
Interfund Receivable	0	0	810,000
Materials and Supplies Inventory	127,645	8,389	1,017,297
<b>Total Current Assets</b>	<b>8,149,679</b>	<b>6,533,060</b>	<b>30,251,656</b>
<b><u>Non-current Assets:</u></b>			
Deferred Charges	74,640	19,056	408,637
Capital Assets:			
Water Rights, Net	1,135,886	0	0
Nondepreciable Capital Assets	2,167,423	362,540	4,571,882
Depreciable Capital Assets, Net	25,437,281	13,769,260	53,111,477
<b>Total Non-current Assets</b>	<b>28,815,230</b>	<b>14,150,856</b>	<b>58,091,996</b>
<b>Total Assets</b>	<b>36,964,909</b>	<b>20,683,916</b>	<b>88,343,652</b>
<b><u>Liabilities:</u></b>			
<b><u>Current Liabilities:</u></b>			
Accounts Payable	68,924	3,319	3,090,819
Contracts Payable	51,160	0	720,702
Accrued Wages Payable	32,283	6,709	67,462
Retainage Payable	30,287	0	339,061
Matured Interest Payable	641	0	0
Accrued Interest Payable	41,454	20,262	96,296
Intergovernmental Payable	4,782	1,557,819	11,619
Due To Other Funds	26,307	742	0
Unearned Revenue	0	0	24,753
Deposits Held and Due to Others	0	0	246,806
Claims Payable	0	0	0
Interfund Payable	16,467	6,245	47,115
Compensated Absences Payable	132,127	35,434	282,877
ODNR Loans Payable	45,116	0	0
General Obligation Bonds Payable	207,685	52,315	1,299,925
<b>Total Current Liabilities</b>	<b>657,233</b>	<b>1,682,845</b>	<b>6,227,435</b>
<b><u>Long-Term Liabilities:</u></b>			
Interfund Payable	0	0	0
Compensated Absences Payable, Net	73,602	17,268	188,463
ODNR Loans Payable, Net	1,552,023	0	0
Revenue Bonds Payable, Net	0	0	0
General Obligation Bonds Payable, Net	4,942,653	1,166,732	26,709,059
<b>Total Long-Term Liabilities</b>	<b>6,568,278</b>	<b>1,184,000</b>	<b>26,897,522</b>
<b>Total Liabilities</b>	<b>7,225,511</b>	<b>2,866,845</b>	<b>33,124,957</b>
<b><u>Net Assets:</u></b>			
Invested in Capital Assets, Net of Related Debt	22,846,559	12,931,809	32,273,531
Unrestricted	6,892,839	4,885,262	22,945,164
<b>Total Net Assets</b>	<b>\$29,739,398</b>	<b>\$17,817,071</b>	<b>\$55,218,695</b>

Adjustment to reflect the consolidation of the Garage Internal Service Fund's activities related to Enterprise Funds  
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>Refuse</i>	<i>Totals</i>	<i>Internal Service Funds</i>
\$3,726,491	\$615,328	\$38,677,645	\$1,596,701
0	0	641	0
260	365,355	8,878,838	0
0	1,003	7,328	0
0	0	115,049	0
0	0	810,000	501,972
0	0	1,153,331	74,997
<u>3,726,751</u>	<u>981,686</u>	<u>49,642,832</u>	<u>2,173,670</u>
214,382	0	716,715	0
0	0	1,135,886	0
4,060,578	11,761	11,174,184	0
4,815,134	179,544	97,312,696	160,056
<u>9,090,094</u>	<u>191,305</u>	<u>110,339,481</u>	<u>160,056</u>
<u>12,816,845</u>	<u>1,172,991</u>	<u>159,982,313</u>	<u>2,333,726</u>
132,909	184,088	3,480,059	32,668
397,407	0	1,169,269	0
0	1,229	107,683	4,855
456,059	0	825,407	0
0	0	641	0
32,025	0	190,037	0
0	189	1,574,409	727
14,302	88	41,439	409
0	0	24,753	0
0	0	246,806	0
0	0	0	621,662
165,000	1,066	235,893	3,881
0	2,838	453,276	22,895
0	0	45,116	0
0	0	1,559,925	0
<u>1,197,702</u>	<u>189,498</u>	<u>9,954,713</u>	<u>687,097</u>
1,874,740	204,000	2,078,740	0
0	0	279,333	12,301
0	0	1,552,023	0
8,922,263	0	8,922,263	0
0	0	32,818,444	0
<u>10,797,003</u>	<u>204,000</u>	<u>45,650,803</u>	<u>12,301</u>
<u>11,994,705</u>	<u>393,498</u>	<u>55,605,516</u>	<u>699,398</u>
1,570,135	191,305	69,813,339	160,056
(747,995)	588,188	34,563,458	1,474,272
<u>\$822,140</u>	<u>\$779,493</u>	<u>104,376,797</u>	<u>\$1,634,328</u>
		115,501	
		<u>\$104,492,298</u>	

*City of Westerville, Ohio*  
Statement of Revenues,  
Expenses and Changes in Fund Net Assets  
Proprietary Funds  
For the Year Ended December 31, 2011

	<i>Business-Type Activities -</i>		
	<i>Water</i>	<i>Sewer</i>	<i>Electric</i>
<b><u>Operating Revenues:</u></b>			
Charges for Services	\$2,827,538	\$7,470,336	\$45,038,536
Tap-In Fees	0	5,850	0
Other Operating Revenues	111,713	0	157,494
<i>Total Operating Revenues</i>	<u>2,939,251</u>	<u>7,476,186</u>	<u>45,196,030</u>
<b><u>Operating Expenses:</u></b>			
Personal Services	1,487,454	532,050	3,549,673
Contractual Services	553,351	6,550,227	34,070,150
Materials and Supplies	387,007	20,289	408,578
Claims	0	0	0
Other	893	2,451	60,417
Depreciation	895,630	438,764	2,258,934
<i>Total Operating Expenses</i>	<u>3,324,335</u>	<u>7,543,781</u>	<u>40,347,752</u>
<i>Operating Income (Loss)</i>	<u>(385,084)</u>	<u>(67,595)</u>	<u>4,848,278</u>
<b><u>Non-Operating Revenues (Expenses):</u></b>			
Investment Earnings	0	0	633
Capital Grants	670	0	0
Interest and Fiscal Charges	(299,063)	(41,554)	(1,110,319)
Loss on Disposal of Capital Assets	(4,181)	0	(414,390)
Other Non-Operating Revenues	0	0	537
<i>Total Non-Operating Revenues (Expenses)</i>	<u>(302,574)</u>	<u>(41,554)</u>	<u>(1,523,539)</u>
Income (Loss) Before Underground Line and Capacity Charges and Contributed Capital	(687,658)	(109,149)	3,324,739
Underground Line and Capacity Charges	199,295	119,150	5,993
Contributed Capital	73,240	2,400	0
Transfers - In	0	0	0
Transfers - Out	0	0	0
Change in Net Assets	(415,123)	12,401	3,330,732
<i>Net Assets at Beginning of Year - Restated (See Note 3)</i>	<u>30,154,521</u>	<u>17,804,670</u>	<u>51,887,963</u>
<i>Net Assets at End of Year</i>	<u>\$29,739,398</u>	<u>\$17,817,071</u>	<u>\$55,218,695</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>Refuse</i>	<i>Totals</i>	<i>Internal Service Funds</i>
\$260	\$2,378,371	\$57,715,041	\$1,954,480
0	0	5,850	0
0	0	269,207	11,961
<u>260</u>	<u>2,378,371</u>	<u>57,990,098</u>	<u>1,966,441</u>
0	97,250	5,666,427	352,429
189,638	2,233,709	43,597,075	352,550
616,660	4,257	1,436,791	620,017
0	0	0	619,303
0	5,303	69,064	0
6,967	163,796	3,764,091	21,840
<u>813,265</u>	<u>2,504,315</u>	<u>54,533,448</u>	<u>1,966,139</u>
(813,005)	(125,944)	3,456,650	302
0	0	633	0
0	0	670	0
(293,052)	0	(1,743,988)	0
0	0	(418,571)	0
0	0	537	0
<u>(293,052)</u>	<u>0</u>	<u>(2,160,719)</u>	<u>0</u>
(1,106,057)	(125,944)	1,295,931	302
0	0	324,438	0
589,772	0	665,412	0
0	0	0	406,009
0	0	0	(406,009)
(516,285)	(125,944)	2,285,781	302
<u>1,338,425</u>	<u>905,437</u>		<u>1,634,026</u>
<u>\$822,140</u>	<u>\$779,493</u>		<u>\$1,634,328</u>
		<u>2,940</u>	
		<u>\$2,288,721</u>	

*City of Westerville, Ohio*  
Statement of Cash Flows  
Proprietary Funds  
For the Year Ended December 31, 2011

	<i>Business-Type Activities --</i>		
	<u>Water</u>	<u>Sewer</u>	<u>Electric</u>
<b><u>Increases (Decreases) in Cash and Cash Equivalents:</u></b>			
<b><u>Cash Flows from Operating Activities:</u></b>			
Cash Received from Customers	\$2,818,931	\$7,444,840	\$45,300,225
Internal Services Provided	0	0	0
Cash Payments for Personal Services	(1,512,004)	(546,401)	(4,149,891)
Cash Payments for Materials and Supplies	(412,457)	(21,322)	(622,762)
Cash Payments for Other Services and Charges	(419,859)	(6,254,165)	(32,955,550)
Cash Payments for Claims	0	0	0
Cash Received From Operating Portion of Tap-in Fees	0	5,850	0
Other Operating Revenues	106,025	0	133,606
Other Non-Operating Revenues	0	0	537
Deposits Received	0	0	1,416,466
Deposits Refunded/Applied	0	0	(1,579,737)
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>580,636</u>	<u>628,802</u>	<u>7,542,894</u>
<b><u>Cash Flows from Non-Capital Financing Activities:</u></b>			
Advances from Other Funds	0	0	500,000
Transfers from Other Funds	0	0	0
Transfers to Other Funds	0	0	0
Advances to Other Funds	0	0	(300,000)
<i>Net Cash Provided by Non-Capital Financing Activities</i>	<u>0</u>	<u>0</u>	<u>200,000</u>
<b><u>Cash Flows from Capital and Related Financing Activities:</u></b>			
Acquisition and Construction of Capital Assets	(1,108,319)	(168,885)	(5,217,226)
Proceeds from the Sale of Capital Assets	0	0	21,074
Underground Lines and Capacity Charges	199,295	119,150	5,993
Capital Grants Received	670	0	0
Proceeds from the Sale of Bonds	1,075,000	0	5,745,000
Principal Paid on General Obligation Bonds	(587,685)	(52,315)	(1,054,925)
Interest Paid on General Obligation Bonds	(199,299)	(41,570)	(1,106,964)
Principal Paid on ODNR Debt	(43,708)	0	0
Interest Paid on ODNR Debt	(52,868)	0	0
Interest Paid on Revenue Bonds	0	0	0
Bond Issuance Costs	(16,857)	0	(89,216)
<i>Net Cash Used for Capital and Related Financing Activities</i>	<u>(733,771)</u>	<u>(143,620)</u>	<u>(1,696,264)</u>
<b><u>Cash Flows From Investing Activities:</u></b>			
Interest	0	0	633
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	(153,135)	485,182	6,047,263
<i>Cash and Cash Equivalents at Beginning of Year</i>	<u>7,738,393</u>	<u>4,833,218</u>	<u>15,385,546</u>
<i>Cash and Cash Equivalents at End of Year</i>	<u>\$7,585,258</u>	<u>\$5,318,400</u>	<u>\$21,432,809</u>

<i>Enterprise Funds</i>			<i>Governmental Activities</i>
<i>Community Data Center</i>	<i>Refuse</i>	<i>Totals</i>	<i>Internal Service Funds</i>
\$0	\$2,368,553	\$57,932,549	\$0
0	0	0	1,452,508
0	(96,896)	(6,305,192)	(356,735)
(6,058)	(2,550)	(1,065,149)	(614,205)
(753,039)	(2,234,271)	(42,616,884)	(349,773)
0	0	0	(12,500)
0	0	5,850	0
0	0	239,631	29,137
0	0	537	0
0	0	1,416,466	0
0	0	(1,579,737)	0
(759,097)	34,836	8,028,071	148,432
552,040	0	1,052,040	0
0	0	0	406,009
0	0	0	(406,009)
0	0	(300,000)	0
552,040	0	752,040	0
(5,671,649)	0	(12,166,079)	(3,018)
0	0	21,074	0
0	0	324,438	0
0	0	670	0
3,200,000	0	10,020,000	0
0	0	(1,694,925)	0
0	0	(1,347,833)	0
0	0	(43,708)	0
0	0	(52,868)	0
(327,039)	0	(327,039)	0
(111,440)	0	(217,513)	0
(2,910,128)	0	(5,483,783)	(3,018)
0	0	633	0
(3,117,185)	34,836	3,296,961	145,414
6,843,676	580,492	35,381,325	1,451,287
\$3,726,491	\$615,328	\$38,678,286	\$1,596,701

(continued)

*City of Westerville, Ohio*  
Statement of Cash Flows  
Proprietary Funds  
For the Year Ended December 31, 2011  
(Continued)

	<i>Business-Type Activities --</i>		
	<u>Water</u>	<u>Sewer</u>	<u>Electric</u>
<b><u>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:</u></b>			
Operating Income (Loss)	(\$385,084)	(\$67,595)	\$4,848,278
<b><u>Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:</u></b>			
Depreciation	895,630	438,764	2,258,934
Other Non-Operating Revenues	0	0	537
Change in Provision for Uncollectable Accounts Receivable	245	591	(4,725)
<b><u>Changes in Assets and Liabilities:</u></b>			
(Increase) Decrease in Accounts Receivable	(13,647)	(23,636)	174,268
Increase in Prepaid Items	(1,003)	(1,003)	(4,319)
Increase in Due from Other Funds	0	0	(53,395)
(Increase) Decrease in Material and Supplies Inventory	(14,276)	74	(244,348)
Increase (Decrease) in Accounts Payable	49,545	(15,178)	(296,746)
Increase (Decrease) in Contracts Payable	31,876	(5,849)	552,050
Decrease in Claims Payable	0	0	0
Increase (Decrease) in Accrued Wages Payable	12,884	(359)	(7,256)
Increase (Decrease) in Compensated Absences Payable	(28,362)	(9,960)	36,839
Increase (Decrease) in Retainage Payable	30,287	0	294,815
Increase in Due to Other Funds	28,080	6,533	47,115
Increase (Decrease) in Intergovernmental Payable	(25,539)	306,420	(77,952)
Increase in Unearned Revenue	0	0	7,265
Increase in Deposits Held and Due to Others	0	0	11,534
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>\$580,636</u>	<u>\$628,802</u>	<u>\$7,542,894</u>
<b><u>Noncash Capital and Related Financing Activities:</u></b>			
Asset Additions Donated by Developers and Other Governmental Funds and Capitalized at Fair Market Value	<u>\$73,240</u>	<u>\$2,400</u>	<u>\$0</u>

See accompanying notes to the basic financial statements



<i>Enterprise Funds</i>			<i>Governmental Activities</i>	
<i>Community Data Center</i>	<i>Refuse</i>	<i>Totals</i>	<i>Internal Service Funds</i>	
(\$813,005)	(\$125,944)	\$3,456,650	\$302	
6,967	163,796	3,764,091	21,840	
0	0	537	0	
0	117	(3,772)	0	
(260)	(4,632)	132,093	17,176	
0	(1,003)	(7,328)	0	
0	0	(53,395)	(501,972)	
0	0	(258,550)	(21,832)	
72,609	2,118	(187,652)	30,281	
(29,680)	0	548,397	0	
0	0	0	606,803	
0	32	5,301	375	
0	939	(544)	(2,142)	
(10,030)	0	315,072	0	
14,302	1,096	97,126	4,021	
0	(1,683)	201,246	(6,420)	
0	0	7,265	0	
0	0	11,534	0	
<u>(\$759,097)</u>	<u>\$34,836</u>	<u>\$8,028,071</u>	<u>\$148,432</u>	
<u>\$589,722</u>	<u>\$0</u>	<u>\$665,362</u>	<u>\$0</u>	

*City of Westerville, Ohio*  
Statement of Fiduciary  
Assets and Liabilities  
Agency Funds  
December 31, 2011

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<b><u>Assets:</u></b>	
Equity in Pooled Cash and Cash Equivalents	\$1,183,740
Cash and Cash Equivalents with Fiscal Agents	8,725
Receivables:	
Other Local Taxes	8,776
	<hr/>
<i>Total Assets</i>	<u><u>\$1,201,241</u></u>
<b><u>Liabilities:</u></b>	
Accounts Payable	\$8,776
Undistributed Monies	903,055
Intergovernmental Payable	88,995
Deposits Held and Due to Others	200,415
	<hr/>
<i>Total Liabilities</i>	<u><u>\$1,201,241</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, 2011

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### **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)

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#### **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 20, 21 and 22 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)

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#### **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 and reports 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 and reports restricted 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 and reports the receipt of monies from the operations of the parks and recreation facilities which are committed to fund programs and activities of the Parks and Recreation Department.

## City of Westerville, Ohio

### Notes to the Basic Financial Statements (Continued)

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

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

South State Street TIF Incentive – To account for and report restricted 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. This fund will also account for the portion of the project that is financed by restricted OPWC grants and/or loans.

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 and report the revenues and expenses of the City-owned water filtration and distribution system.

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

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

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

The other enterprise fund of the City accounts for solid waste collection and disposal.

Internal Service Funds – The internal service funds are used to account for and report 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.

## *City of Westerville, Ohio*

### Notes to the Basic Financial Statements (Continued)

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

##### **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.

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.

## *City of Westerville, Ohio*

### Notes to the Basic Financial Statements (Continued)

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

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.

#### **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.



## *City of Westerville, Ohio*

### Notes to the Basic Financial Statements (Continued)

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

Property taxes for which there is an enforceable legal claim as of December 31, 2011, but were levied to finance 2012 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.

#### 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.

## *City of Westerville, Ohio*

### Notes to the Basic Financial Statements (Continued)

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

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.

#### **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 Home Loan Mortgage Corporation Notes, 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 2011. 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 net asset value per share which is the price the investment could be sold for on December 31, 2011.

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 Self-Insurance Internal Service Fund; 4) the Parks and Recreation Capital Improvement Capital Projects Fund; 5) the Recreation Capital Improvement Capital Projects Fund; 6) the DARE Special Revenue Fund; 7) the Criminal Activity Forfeiture Special Revenue Fund; and 8) the Drug Enforcement Special Revenue Fund. All remaining interest is credited to the General Fund. Interest revenue credited to the General Fund during 2011 amounted to \$1,876,263, which includes \$1,475,606 assigned from other funds.

## *City of Westerville, Ohio*

### Notes to the Basic Financial Statements (Continued)

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

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.

#### **PREPAID ITEMS**

Payments made to vendors for services that will benefit periods beyond December 31, 2011, 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)

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#### **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	10-30
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)

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#### **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, loans, 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)

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#### **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.

#### **FUND BALANCE**

Fund balance is divided into five classifications based primarily on the extent to which the City is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

Nonspendable - The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash.

Restricted - The restricted fund balance category includes amounts that can be spent only for specific purposes stipulated by constitution, external resource provides, or through enabling legislation. Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or is imposed by law through constitutional provisions or enabling legislation (City ordinances).

Enabling legislation authorizes the City to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. Legal enforceability means that the City can be compelled by an external party, such as citizens, public interest groups, or the judiciary to use resources created by enabling legislation only for the purposes specified by the legislation.

## *City of Westerville, Ohio*

### Notes to the Basic Financial Statements (Continued)

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

Committed - The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action (ordinance or resolution) of City Council. Those committed amounts cannot be used for any other purpose unless City Council removes or changes the specified use by taking the same type of action (ordinance or resolution) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, the committed fund balance classification may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by City Council, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints are not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned - Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund, assigned amounts represent intended uses established by the City.

Unassigned - Unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

The City has adopted a minimum fund balance policy that the General Fund will maintain six months worth of expenditures and the year's appropriation of transfers-out.

The City applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

#### **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.

## *City of Westerville, Ohio*

### Notes to the Basic Financial Statements (Continued)

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

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.

#### **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 \$14,417,704 of restricted net assets, of which \$1,989,544 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, electric, community data center, and refuse services. 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.



## City of Westerville, Ohio

### Notes to the Basic Financial Statements (Continued)

#### **NOTE 3 – CHANGE IN ACCOUNTING PRINCIPLES AND RESTATEMENT OF PRIOR YEAR NET ASSETS**

The City has implemented Governmental Accounting Standards Board (GASB) Statements No. 54, “Fund Balance Reporting and Governmental Fund Type Definitions” and No. 59, “Financial Instruments Omnibus”.

GASB Statement No. 54 enhances the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. This statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds.

GASB Statement No. 59 updates and improves existing standards regarding financial reporting of certain financial instruments and external investment pools.

Also, in 2011, it was discovered that construction in progress as of December 31, 2010 was misstated. The implementation of these statements and corrections resulted in the following changes to fund balances and net assets at December 31, 2010, as previously reported:

	General	Parks and Recreation Operating	Other Governmental Funds
Fund Balance, December 31, 2010, as Previously Reported	\$32,386,802	\$5,338,505	\$4,093,326
Major Fund Reclassification	0	0	1,442,566
Reclassification of Funds (implementation of GASB 54)	290,406	143,436	(290,406)
Fund Balance, December 31, 2010, as Restated	\$32,677,208	\$5,481,941	\$5,245,486

	Governmental Activities	Business-Type Activities	Total
Net Assets, December 31, 2010	\$236,699,586	\$104,082,334	\$340,781,920
Change in Fund Classification	143,436	(143,436)	0
Restatement of Construction in Progress	(111,729)	(1,735,321)	(1,847,050)
Net Assets, December 31, 2010, as Restated	\$236,731,293	\$102,203,577	\$338,934,870

	Water	Electric	Nonmajor Enterprise Fund
Net Assets, December 31, 2010	\$30,042,792	\$53,735,013	\$1,048,873
Change in Fund Classification	0	0	(143,436)
Restatement of Construction in Progress	111,729	(1,847,050)	0
Net Assets, December 31, 2010, as Restated	\$30,154,521	\$51,887,963	\$905,437

**City of Westerville, Ohio**

Notes to the Basic Financial Statements  
(Continued)

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**NOTE 4 – ACCOUNTABILITY**

At December 31, 2011, the following funds had deficit fund balances:

<u>Funds</u>	<u>Amounts</u>
South State Street TIF Incentive	\$1,992,344
Hotel Tax	22,808
Africa Road Improvement	134,952
Spring Road Improvement	1,558,452
Maxtown Road Improvement	2,126,373
Cleveland Avenue Extension Improvement	992,112
Northstar / Worthington Road TIF	42,180
Altair TIF Incentive	879,170

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 restricted, committed, or assigned fund balance (GAAP basis).
- (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).

**City of Westerville, Ohio**

Notes to the Basic Financial Statements  
(Continued)

**NOTE 5 – BUDGETARY BASIS OF ACCOUNTING** (continued)

- (f) Advances – In and Advances – Out are operating transactions (budget basis) as opposed to balances sheet transactions (GAAP basis).
- (g) Certain funds are accounted for as separate funds internally with legally adopted budgets (budget basis) that do not meet the definition of special revenue funds under GASB Statement No. 54 and were reported with the General Fund (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>		
	<u>General</u>	<u>Fire Operating</u>	<u>Parks and Recreation Operating</u>
GAAP Basis	\$5,760,248	\$894,260	(\$388,194)
<u>Increases (decreases) Due To:</u>			
Revenue Accruals	109,343	16,098	8,356
Expenditure Accruals	(34,860)	(105,774)	46,110
Encumbrances Outstanding			
At Year-end (Budget Basis)	(773,816)	(204,645)	(341,101)
Perspective Differences:			
Cable TV Franchise Fee Fund	(123,529)	0	0
Unrecorded Cash	34,930	0	0
Change in Fair Value of Investments - 2010	(383,993)	0	0
Change in Fair Value of Investments - 2011	(464,536)	(22,660)	0
Advances	(1,618,918)	0	0
<i>Budget Basis</i>	<u>\$2,504,869</u>	<u>\$577,279</u>	<u>(\$674,829)</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)

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#### **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, 2011, the City had the following investments. All investments are in an internal investment pool.

	<u>Fair Value</u>	<u>Investment Maturities (in Years)</u>			<u>Credit Rating</u>	<u>Percent of Total Investments</u>
		<u>Less than 1</u>	<u>1 - 2</u>	<u>3 - 4</u>		
STAROhio	\$2,227,817	\$2,227,817	\$0	\$0	AAAm	2.49%
Federal Farm Credit Bank Bonds	5,160,500	0	0	5,160,500	Aaa	5.76%
Federal Home Loan Bank Bonds	19,198,360	5,005,400	5,010,050	9,182,910	Aaa	21.42%
Federal Home Loan Mortgage Corporation Noes	6,765,535	0	2,000,800	4,764,735	Aaa	7.55%
Federal National Mortgage Association Notes	27,793,622	0	0	27,793,622	Aaa	31.00%
Repurchase Agreement (Federal National Mortgage Association)	28,481,964	28,481,964	0	0	AAA	31.78%
<b>Totals</b>	<b>\$89,627,798</b>	<b>\$35,715,181</b>	<b>\$7,010,850</b>	<b>\$46,901,767</b>		

#### **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.

## *City of Westerville, Ohio*

### Notes to the Basic Financial Statements (Continued)

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#### **NOTE 6 – DEPOSITS AND INVESTMENTS** *(continued)*

##### **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.

#### **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 received in 2011, 1.40 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, 0.25 percent is placed into the Parks and Recreation Income Tax Allocation Special Revenue Fund, which became effective January 1, 1999, and 0.35 percent was placed into the General Capital Improvement Capital Projects Fund. 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 2011 for real and public utility property taxes represents collections of 2010 taxes.

2011 real property taxes were levied after October 1, 2011, on the assessed value as of January 1, 2011, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2011 real property taxes are collected in and intended to finance 2012.

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. 2011 public utility property taxes which became a lien December 31, 2010, are levied after October 1, 2011, and are collected in 2012 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, 2011, was \$20.30 per \$1,000 of assessed value. The assessed values of real property and public utility tangible personal property upon which 2011 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	\$618,317,310	\$238,603,950	\$856,921,260
Commercial and Industrial	154,382,750	56,468,720	210,851,470
Public Utility Personal	<u>2,156,290</u>	<u>5,397,800</u>	<u>7,554,090</u>
<i>Totals</i>	<u>\$774,856,350</u>	<u>\$300,470,470</u>	<u>\$1,075,326,820</u>

The Franklin and Delaware County Treasurers collect property taxes on behalf of all taxing districts in the county, including the City. The County Auditors periodically remit to the City its portion of the taxes collected. Property taxes receivable represents real and public utility property taxes and outstanding delinquencies which were measurable as of December 31, 2011, and for which there was an enforceable legal claim. In the governmental funds, the entire receivable has been deferred since current taxes were not levied to finance 2011 operations and the collection of delinquent taxes during the available period is not subject to reasonable estimation. On the accrual basis, collectible delinquent property taxes have been recorded as revenue while on the modified accrual basis the revenue has been deferred.

**NOTE 9 – RECEIVABLES**

Receivables at December 31, 2011 consisted of taxes, accounts (billings for user charged services including unbilled utility services), payments in lieu of taxes, interest, intergovernmental receivables arising from grants, entitlements and shared revenues, loans, notes and interfund. All receivables are considered fully collectible and will be received within one year with the exception of property taxes, income taxes, payments in lieu of taxes, accounts receivable related to business-type services, loans, notes and interfund. Property taxes, income taxes, and payments in lieu of taxes, although ultimately collectible, include some portion of delinquents that will not be collected within one year. \$11,321,688 of the interfund receivable is not expected to be repaid within one year.

**City of Westerville, Ohio**

Notes to the Basic Financial Statements  
(Continued)

**NOTE 9 – RECEIVABLES** (continued)

A summary of accounts receivable related to business-type services is as follows:

	Water	Sewer	Electric	Community Data Center	Refuse	Totals
Accounts Receivable - Gross	\$446,555	\$1,235,418	\$7,046,661	\$260	\$374,726	\$9,103,620
Allowance for Uncollectibles	(10,782)	(30,150)	(174,479)	0	(9,371)	(224,782)
Net Accounts Receivable	<u>\$435,773</u>	<u>\$1,205,268</u>	<u>\$6,872,182</u>	<u>\$260</u>	<u>\$365,355</u>	<u>\$8,878,838</u>

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 note. 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, 2011, the balance of this note was \$192,426 with \$36,787 expected to be repaid within one year.

The City has an agreement with the City of Columbus, dated May 26, 2010, whereas the City of Columbus will pay to the City 48.6% of the Worthington Road/Lazelle Road Improvements OPWC loan. The City of Columbus will pay to the City \$6,810 semi-annually until the loan is retired. As of December 31, 2011, the balance of the loan was \$340,520 with \$13,620 expected to be repaid within one year.



*City of Westerville, Ohio*

Notes to the Basic Financial Statements  
(Continued)

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**NOTE 9 – RECEIVABLES** (continued)

A summary of the principal items of intergovernmental receivable follows:

<b><u>Governmental Activities:</u></b>	<b><u>Amounts</u></b>
Local Government	\$868,584
Liquor Permits	767
Estate Taxes	254,568
Franklin County 911 Wireless Fee	10,929
South Main Street Rehabilitation - COTA contribution	36,965
DARE Grant	18,281
Blendon Township for Fire Services	50,460
Drug Recognition Expert Grant	3,110
Bulletproof Vest Grant	3,717
Emergency Management Assistance Grant	13,624
Task Force Reimbursements	8,842
Homestead and Rollbacks	794,898
Gasoline Tax - Cents Per Gallon and Excise	623,951
Motor Vehicle License Tax (includes Permissive)	149,580
<b><i>Total Intergovernmental Receivable</i></b>	<b><u><u>\$2,838,276</u></u></b>

**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, 2011, was as follows:

	<i>Restated Balance At 12/31/2010</i>	<i>Additions*</i>	<i>Deletions</i>	<i>Balance At 12/31/2011</i>
<b><u>Governmental Activities</u></b>				
<b><u>Capital Assets, Not Being Depreciated:</u></b>				
Land	\$16,602,755	\$1,553,895	\$0	\$18,156,650
Construction in Progress	11,953,196	11,316,620	(12,307,370)	10,962,446
Infrastructure	116,819,091	0	0	116,819,091
<i>Total Capital Assets, Not Being Depreciated</i>	<u>145,375,042</u>	<u>12,870,515</u>	<u>(12,307,370)</u>	<u>145,938,187</u>
<b><u>Depreciable Capital Assets:</u></b>				
Land Improvements	18,355,817	5,614,792	(6,023)	23,964,586
Buildings	36,702,663	4,268,554	0	40,971,217
Furniture and Equipment	14,561,229	2,529,174	(462,530)	16,627,873
Vehicles	5,679,674	509,167	(370,059)	5,818,782
Infrastructure	35,918,755	530,805	0	36,449,560
<i>Total Depreciable Capital Assets</i>	<u>111,218,138</u>	<u>13,452,492</u>	<u>(838,612)</u>	<u>123,832,018</u>
<b><u>Less Accumulated Depreciation:</u></b>				
Land Improvements	(9,466,935)	(978,184)	6,023	(10,439,096)
Buildings	(11,952,834)	(1,082,890)	0	(13,035,724)
Furniture and Equipment	(8,820,489)	(892,078)	431,564	(9,281,003)
Vehicles	(3,628,080)	(590,629)	365,491	(3,853,218)
Infrastructure	(10,370,613)	(754,064)	0	(11,124,677)
<i>Total Accumulated Depreciation</i>	<u>(44,238,951)</u>	<u>(4,297,845)</u>	<u>803,078</u>	<u>(47,733,718)</u>
<i>Depreciable Capital Assets, Net</i>	<u>66,979,187</u>	<u>9,154,647</u>	<u>(35,534)</u>	<u>76,098,300</u>
<i>Governmental Activities Capital Assets, Net</i>	<u>\$212,354,229</u>	<u>\$22,025,162</u>	<u>(\$12,342,904)</u>	<u>\$222,036,487</u>

\* \$74,200 of the additions to infrastructure (storm sewer lines) consisted of assets donated by developers.

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

<b><u>Governmental Activities</u></b>	
Security of Person and Property	\$870,911
Public Health	2,290
Leisure Time Activity	1,639,182
Community Development	25,033
Basic Utility Services	682,606
Transportation	390,194
General Government	687,629
<i>Total Depreciation Expense</i>	<u>\$4,297,845</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, 2011, was as follows:

	<i>Restated Balance At 12/31/2010</i>	<i>Additions*</i>	<i>Deletions</i>	<i>Balance At 12/31/2011</i>
<b><u>Business-Type Activities</u></b>				
<b><u>Intangible Assets, Being Amortized:</u></b>				
Water Rights	\$2,366,450	\$0	\$0	\$2,366,450
Less Amortization	(1,183,235)	(47,329)	0	(1,230,564)
<b>Total Intangible Assets, Being Amortized</b>	<b>1,183,215</b>	<b>(47,329)</b>	<b>0</b>	<b>1,135,886</b>
<b><u>Capital Assets, Not Being Depreciated:</u></b>				
Land	1,187,080	0	0	1,187,080
Construction in Progress	3,971,855	11,226,665	(5,211,416)	9,987,104
<b>Total Capital Assets, Not Being Depreciated</b>	<b>5,158,935</b>	<b>11,226,665</b>	<b>(5,211,416)</b>	<b>11,174,184</b>
<b><u>Depreciable Capital Assets:</u></b>				
Land Improvements	2,254,644	0	0	2,254,644
Buildings	7,259,279	4,601,426	0	11,860,705
Furniture and Equipment	17,133,548	346,360	(15,277)	17,464,631
Vehicles	2,366,320	40,107	(23,958)	2,382,469
Infrastructure				
Water Lines	39,379,846	123,240	0	39,503,086
Sewer Lines	25,997,962	42,564	0	26,040,526
Electric System	60,618,352	2,516,011	(819,373)	62,314,990
<b>Total Depreciable Capital Assets</b>	<b>155,009,951</b>	<b>7,669,708</b>	<b>(858,608)</b>	<b>161,821,051</b>
<b><u>Less Accumulated Depreciation:</u></b>				
Land Improvements	(1,562,633)	(181,052)	0	(1,743,685)
Buildings	(3,863,566)	(188,827)	0	(4,052,393)
Furniture and Equipment	(4,552,286)	(473,671)	9,166	(5,016,791)
Vehicles	(1,452,230)	(221,877)	19,777	(1,654,330)
Infrastructure				
Water Lines	(15,155,436)	(690,380)	0	(15,845,816)
Sewer Lines	(12,295,729)	(380,364)	0	(12,676,093)
Electric System	(22,281,347)	(1,627,920)	390,020	(23,519,247)
<b>Total Accumulated Depreciation</b>	<b>(61,163,227)</b>	<b>(3,764,091)</b>	<b>418,963</b>	<b>(64,508,355)</b>
<b>Depreciable Capital Assets, Net</b>	<b>93,846,724</b>	<b>3,905,617</b>	<b>(439,645)</b>	<b>97,312,696</b>
<b>Business-Type Activities Capital Assets, Net</b>	<b>\$100,188,874</b>	<b>\$15,084,953</b>	<b>(\$5,651,061)</b>	<b>\$109,622,766</b>

\* \$73,240 and \$2,400 of the additions to the Water and Sewer Funds, respectively, consisted of assets donated by developers, and \$589,722 of the additions to the Community Data Center Fund was contributed by governmental activities.

**City of Westerville, Ohio**

Notes to the Basic Financial Statements  
(Continued)

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**NOTE 10 – CAPITAL ASSETS** (continued)

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

<b><u>Business-Type Activities</u></b>	
Water	\$895,630
Sewer	438,764
Electric	2,258,934
Community Data Center	6,967
Refuse	163,796
<i>Total Depreciation Expense</i>	<u><u>\$3,764,091</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 visiting <https://www.opers.org/investments/cafr.shtml>, writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 614-222-5601 or 800-222-7377.

## *City of Westerville, Ohio*

### Notes to the Basic Financial Statements (Continued)

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#### **NOTE 11 – DEFINED BENEFIT PENSION PLANS** (continued)

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 enforcement and public safety employer units. Member contribution rates, as set forth in the Ohio Revised Code, are not to exceed 10 percent of covered payroll for members in State and local divisions. For the year ended December 31, 2011, members in state and local divisions contributed 10 percent of covered payroll. While members in the state and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the Traditional Pension Plan. For 2011, member and employer contribution rates were consistent across all three plans.

The City's 2011 contribution rate was 14.0 percent, except for those plan members in law enforcement or public safety, for whom the City's contribution was 18.10 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 4.00 percent for 2011. The portion of employer contributions allocated to health care for members in the Combined Plan was 6.05 percent for 2011. 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, 2011, 2010, and 2009 were \$1,692,571, \$1,509,450, and \$1,378,474, respectively; For 2011, 99.91 percent has been contributed, with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2010 and 2009. Contributions to the Member-Directed Plan for 2011 were \$31,207 made by the City and \$22,290 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.

## *City of Westerville, Ohio*

### Notes to the Basic Financial Statements (Continued)

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#### **NOTE 11 – DEFINED BENEFIT PENSION PLANS** (continued)

The OP&F Pension Fund is authorized by the Ohio Revised Code to allocate a portion of the employer contributions to retiree health care benefits. The portion of employer contributions used to fund pension benefits was 12.75 percent of covered payroll for police officers and 17.25 percent of covered payroll for firefighters. The City's contributions to OP&F for police and firefighters were \$831,311 and \$1,221,304 for the year ended December 31, 2011, \$828,947 and \$1,178,069 for the year ended December 31, 2010, and \$752,299 and \$1,099,897 for the year ended December 31, 2009, respectively. For 2011, 97.54 percent for police and 97.75 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 2010 and 2009.

#### **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 visiting <https://www.opers.org/investments/cafr.shtml>, 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.

## *City of Westerville, Ohio*

### Notes to the Basic Financial Statements (Continued)

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

Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2011, state and local employers contributed at a rate of 14.0 percent of covered payroll. These are the maximum employer contribution rates permitted by the Ohio Revised Code.

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 4.0 percent for 2011. The portion of employer contributions allocated to health care for members in the Combined Plan was 6.05 percent for 2011.

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, 2011, 2010, and 2009, were \$689,511, \$852,138, and \$998,205, respectively. For 2011, 99.91 percent has been contributed, with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2010 and 2009.

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. 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.

## *City of Westerville, Ohio*

### Notes to the Basic Financial Statements (Continued)

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

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.

**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 by Ohio Revised Code 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. 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, 2011, 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 \$440,106 and \$477,902 for the year ended December 31, 2011, \$438,855 and \$460,983 for the year ended December 31, 2010, and \$398,276 and \$430,394 for the year ended December 31, 2009, respectively. For 2011, 97.54 percent has been contributed for police and 97.75 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 2010 and 2009.



## *City of Westerville, Ohio*

### Notes to the Basic Financial Statements (Continued)

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#### **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, dental, and life insurance coverage for its employees through Aetna, and vision coverage through Vision Service Plan.

#### **NOTE 14 – BONDED DEBT AND OTHER LONG-TERM OBLIGATIONS**

Bonded debt and other long-term obligations payable activity for the year ended December 31, 2011, were as follows:

**City of Westerville, Ohio**

Notes to the Basic Financial Statements  
(Continued)

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

<i>Types / Issues</i>	<i>Interest Rates</i>	<i>Balance 12/31/10</i>	<i>Issued</i>	<i>Retired</i>	<i>Balance 12/31/11</i>	<i>Due Within One Year</i>
<b><u>Business-Type Activities</u></b>						
<b><u>General Obligation Bonds</u></b>						
1998 Water Works Refunding and Improvement Bonds	3.10 - 5.25%	\$420,000	\$0	\$420,000	\$0	\$0
2007 Water System Improvement Bonds	4.13 - 5.00%	975,000	0	40,000	935,000	40,000
Premium on Debt Issue		26,847	0	1,603	25,244	0
2009 Water System Improvement Bonds	1.00 - 5.00%	1,878,622	0	77,685	1,800,937	77,685
Premium on Debt Issue		15,600	0	825	14,775	0
2010 Water System Improvement Bonds	2.00 - 5.00%	1,320,000	0	50,000	1,270,000	50,000
Premium on Debt Issue		30,928	0	1,546	29,382	0
2011 Water System Improvement Bonds	2.00 - 4.375%	0	1,075,000	0	1,075,000	40,000
2004 Electric Capital Facilities Bonds	2.25 - 5.25%	1,000,000	0	55,000	945,000	55,000
Premium on Debt Issue		25,031	0	1,799	23,232	0
2007 Electric System Improvement Bonds	4.13 - 5.00%	15,225,000	0	620,000	14,605,000	645,000
Premium on Debt Issue		419,242	0	25,029	394,213	0
2009 Electric System Imp. Refunding Bonds	2.00 - 5.00%	1,225,000	0	120,000	1,105,000	125,000
Premium on Debt Issue		56,877	0	6,319	50,558	0
Gain on Refunding		(36,728)	0	(4,081)	(32,647)	0
2009 Transportation Imp. Refunding Bonds	2.00 - 5.00%	654,345	0	74,925	579,420	74,925
Premium on Debt Issue		35,784	0	4,473	31,311	0
Gain on Refunding		(20,387)	0	(2,548)	(17,839)	0
2009 Electric System Improvement Bonds	1.00 - 5.00%	3,170,000	0	130,000	3,040,000	130,000
Premium on Debt Issue		27,763	0	1,468	26,295	0
2010 Electric System Improvement Bonds	2.00 - 5.00%	1,535,000	0	55,000	1,480,000	55,000
Premium on Debt Issue		36,254	0	1,813	34,441	0
2011 Electric System Improvement Bonds	2.00 - 4.375%	0	5,745,000	0	5,745,000	215,000
2009 Sewer System Improvement Bonds	1.00 - 5.00%	1,261,378	0	52,315	1,209,063	52,315
Premium on Debt Issue		10,541	0	557	9,984	0
<b>Total General Obligation Bonds</b>		<b>29,292,097</b>	<b>6,820,000</b>	<b>1,733,728</b>	<b>34,378,369</b>	<b>1,559,925</b>
<b><u>Revenue Bonds</u></b>						
2010 Data Center Revenue Bonds	2.00 - 5.00%	5,280,000	0	0	5,280,000	0
Premium on Debt Issue		465,540	0	23,277	442,263	0
2011 Data Center and Fiber Network Revenue Bonds	2.78 - 6.03%	0	3,200,000	0	3,200,000	0
<b>Total Revenue Bonds</b>		<b>5,745,540</b>	<b>3,200,000</b>	<b>23,277</b>	<b>8,922,263</b>	<b>0</b>
<b><u>Other Long-Term Obligations</u></b>						
Compensated Absences		733,153	499,990	500,534	732,609	453,276
ODNR Debt		1,640,847	0	43,708	1,597,139	45,116
<b>Total Other Long-Term Obligations</b>		<b>2,374,000</b>	<b>499,990</b>	<b>544,242</b>	<b>2,329,748</b>	<b>498,392</b>
<b>Total Business-Type Activities</b>		<b>\$37,411,637</b>	<b>\$10,519,990</b>	<b>\$2,301,247</b>	<b>\$45,630,380</b>	<b>\$2,058,317</b>

**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 12/31/10</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance 12/31/11</u>	<u>Due Within One Year</u>
<b><u>Governmental Activities</u></b>						
<b><u>General Obligation Bonds</u></b>						
2003 Fire/EMS Improvement Bonds-Voted	2.00 - 4.65%	\$1,865,000	\$0	\$110,000	\$1,755,000	\$115,000
Discount on Debt Issue		(10,326)	0	(820)	(9,506)	0
2003 Fire/EMS Improvement Bonds-Blendon	2.00 - 4.65%	308,600	0	18,400	290,200	19,000
Discount on Debt Issue		(1,604)	0	(128)	(1,476)	0
2003 Municipal Facilities Improvement Bonds	2.00 - 4.65%	2,541,400	0	151,600	2,389,800	156,000
Discount on Debt Issue		(13,224)	0	(1,051)	(12,173)	0
2007 Westar TIF Improvement Bonds	4.13 - 5.00%	340,000	0	15,000	325,000	15,000
Premium on Debt Issue		9,310	0	556	8,754	0
2009 Transportation Improvement Refunding Bonds	2.00 - 5.00%	1,310,655	0	150,075	1,160,580	150,075
Premium on Debt Issue		71,676	0	8,959	62,717	0
2009 Recreation Facilities Refunding Bonds	2.00 - 5.00%	13,410,000	0	1,515,000	11,895,000	1,540,000
Premium on Debt Issue		730,784	0	91,348	639,436	0
2009 Land Purchase Bonds	1.00 - 5.00%	1,590,000	0	65,000	1,525,000	65,000
Premium on Debt Issue		13,223	0	699	12,524	0
2010 Aquatic Center Improvement Bonds	2.00 - 5.00%	6,235,000	0	550,000	5,685,000	560,000
Premium on Debt Issue		525,865	0	52,586	473,279	0
2010 Main Street Bridge Improvement Bonds	2.00 - 5.00%	780,000	0	30,000	750,000	30,000
Premium on Debt Issue		17,515	0	876	16,639	0
2011 Parks and Recreation Property Acquisition Bonds	2.00 - 4.375%	0	1,270,000	0	1,270,000	45,000
2011 Street Improvement and South State Streetscape Bonds	2.00 - 4.375%	0	1,905,000	0	1,905,000	70,000
<b>Total Governmental General Obligation Bonds</b>		<b>29,723,874</b>	<b>3,175,000</b>	<b>2,758,100</b>	<b>30,140,774</b>	<b>2,765,075</b>
<b><u>OPWC Loans</u></b>						
OPWC Loan - South State Street and Huber Village Boulevard/Heatherdown Drive Intersection		0	925,495	0	925,495	0
OPWC Loan - Worthington Road/Lazelle Road Improvements		0	491,704	0	491,704	28,026
<b>Total OPWC Loans</b>		<b>0</b>	<b>1,417,199</b>	<b>0</b>	<b>1,417,199</b>	<b>28,026</b>
<b><u>Other Long-Term Obligations</u></b>						
Compensated Absences		3,488,713	2,986,956	3,025,900	3,449,769	2,210,679
Police Pension Liability		19,629	0	665	18,964	693
<b>Total Other Long-Term Obligations</b>		<b>3,508,342</b>	<b>2,986,956</b>	<b>3,026,565</b>	<b>3,468,733</b>	<b>2,211,372</b>
<b>Total Governmental Activities</b>		<b>\$33,232,216</b>	<b>\$7,579,155</b>	<b>\$5,784,665</b>	<b>\$35,026,706</b>	<b>\$5,004,473</b>

*City of Westerville, Ohio*

Notes to the Basic Financial Statements  
(Continued)

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

**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. The debt will be repaid from the General Obligation Bond Retirement Fund. Unvoted property tax and income tax monies are transferred from the General Fund, the Parks and Recreation Income Tax Allocation Special Revenue Fund, and the General Capital Improvement Capital Projects 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.

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>

**City of Westerville, Ohio**

Notes to the Basic Financial Statements  
(Continued)

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

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:

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.

On April 28, 2011, the City issued \$9,995,000 in various purpose general obligation bonds for the purpose of acquiring land for parks and recreation, street improvements and South State streetscape, and making improvements and advanced metering infrastructure to the Water and Electric Systems. Of these bonds, \$4,660,000, are serial bonds and \$5,335,000 are term bonds. The bonds were issued for a 20 year period with final maturity in December 2031. The serial bonds mature from December 1, 2012 to December 1, 2022. 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, 2024, 2026, 2028, and 2031, 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)

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

<u>Year</u>	<u>Amounts</u>
2023	\$505,000
2024	520,000
2025	550,000
2026	565,000
2027	590,000
2028	610,000
2029	635,000
2030	665,000
2031	695,000
	<u>\$5,335,000</u>

The bonds maturing after December 1, 2021 are also subject to prior redemption on or after June 1, 2021, 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.

General obligation bonds outstanding at December 31, 2011 consisted of the following:

**City of Westerville, Ohio**

Notes to the Basic Financial Statements  
(Continued)

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

<u>Bond Issues</u>	<u>Original Issue</u>	<u>Maturity Date</u>	<u>Balance</u>
2007 Water System Improvement	\$1,085,000	December, 2027	\$935,000
2009 Water System Improvement	1,954,212	December, 2029	1,800,937
2010 Water System Improvement Bonds	1,320,000	December, 2030	1,270,000
2011 Water System Improvement Bonds	1,075,000	December, 2031	1,075,000
2004 Electric Capital Facilities	1,300,000	December, 2024	945,000
2007 Electric System Improvement	16,945,000	December, 2027	14,605,000
2009 Electric System Improvement Refunding	1,355,000	December, 2019	1,105,000
2009 Transportation Improvement Refunding	734,265	December, 2018	579,420
2009 Electric System Improvement	3,295,000	December, 2029	3,040,000
2010 Electric System Improvement Bonds	1,535,000	December, 2030	1,480,000
2011 Electric System Improvement Bonds	5,745,000	December, 2031	5,745,000
2009 Sewer System Improvement	1,310,788	December, 2029	1,209,063
2003 Fire/EMS Improvement - Voted	2,575,000	December, 2023	1,755,000
2003 Fire/EMS Improvement - Blendon	425,000	December, 2023	290,200
2003 Municipal Facilities Improvement	3,500,000	December, 2023	2,389,800
2007 Westar TIF Improvement	380,000	December, 2027	325,000
2009 Transportation Improvement Refunding	1,470,735	December, 2018	1,160,580
2009 Recreation Facilities Refunding	15,035,000	December, 2018	11,895,000
2009 Land Purchase	1,655,000	December, 2029	1,525,000
2010 Aquatic Center Improvement Bonds	6,235,000	December, 2020	5,685,000
2010 Main Street Bridge Improvement Bonds	780,000	December, 2030	750,000
2011 Parks and Recreation Property Acquisition Bonds	1,270,000	December, 2031	1,270,000
2011 Street Improvement and South State Streetscape Bonds	1,905,000	December, 2031	1,905,000

At December 31, 2011, \$860,253, \$2,255,770, and \$3,158,396 of the 2011 Water System Improvement Bonds, Data Center and Fiber Network Revenue Bonds, and Electric System Improvement Bond proceeds remained unspent. At December 31, 2011, \$91,886 of the 2010 Electric System Improvement Bond proceeds remained unspent.

## *City of Westerville, Ohio*

### Notes to the Basic Financial Statements (Continued)

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

##### 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.

##### 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, 2011, the work had not been fully completed on either of these loans, therefore, the loan amounts had not been issued in full and final payment schedules were not available. A liability has been included for \$1,417,199, which represents the amount of the loan proceeds received as of year-end.

##### 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:



**City of Westerville, Ohio**

Notes to the Basic Financial Statements  
(Continued)

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

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 Enterprise 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 \$8,194,600. The bonds require interest payments only until 2014.

On May 24, 2011 the City issued \$3,200,000 in Data Center and Fiber Network Revenue Bonds for the purpose of acquiring, constructing, equipping, furnishing, and improving a community data center and a related fiber network. The Data Center and Fiber Network 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. The bonds are term bonds and were issued for a 20 year period with final maturity in December 2031.

The term bonds maturing annually on December 1, 2016, 2018, 2021, 2026, and 2031 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)

<u>Year</u>	<u>Amounts</u>
2014	\$120,000
2015	125,000
2019	140,000
2020	150,000
2022	165,000
2023	170,000
2024	180,000
2024	190,000
2027	215,000
2028	225,000
2029	240,000
2030	255,000
	<u>\$2,175,000</u>

The bonds maturing after December 1, 2021 are also subject to prior redemption on or after June 1, 2021, 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 Enterprise Fund. The debt is payable solely from non-tax revenues and are payable through 2031. The total principal and interest remaining to be paid on the bonds is \$5,454,855. The bonds require interest payments only until 2014.

**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.

The City's overall legal debt margin was \$83,825,836, with an unvoted debt margin of \$30,059,495 at December 31, 2011.

**City of Westerville, Ohio**

Notes to the Basic Financial Statements  
(Continued)

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

**FUTURE DEBT SERVICE REQUIREMENTS**

The principal and interest requirements to retire the long-term debt obligations outstanding at December 31, 2011 are:

<u>Year</u>	<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>
2012	\$2,765,075	\$1,115,254	\$693	\$799
2013	2,848,410	1,050,661	723	769
2014	2,921,745	976,061	754	738
2015	3,008,415	887,056	787	705
2016	3,120,085	765,484	820	672
2017-2021	10,176,850	1,898,093	4,662	2,798
2022-2026	2,540,000	597,626	5,753	1,707
2027-2031	1,570,000	188,318	4,772	412
<i>Totals</i>	<b>\$28,950,580</b>	<b>\$7,478,553</b>	<b>\$18,964</b>	<b>\$8,600</b>

**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>
2012	\$207,685	\$188,682	\$1,299,925	\$1,155,552	\$52,315	\$40,524
2013	214,780	184,068	1,341,590	1,115,227	55,220	39,740
2014	214,780	178,764	1,388,255	1,072,228	55,220	38,773
2015	219,780	173,212	1,431,585	1,026,298	55,220	37,806
2016	236,870	166,348	1,489,915	970,575	58,130	36,564
2017-2021	1,279,010	707,027	7,763,150	3,895,110	310,990	157,894
2022-2026	1,558,795	440,938	8,630,000	2,119,041	366,205	101,811
2027-2031	1,149,237	120,850	4,155,000	405,662	255,763	25,116
<i>Totals</i>	<b>\$5,080,937</b>	<b>\$2,159,889</b>	<b>\$27,499,420</b>	<b>\$11,759,693</b>	<b>\$1,209,063</b>	<b>\$478,228</b>

<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>
2012	\$45,116	\$51,460	\$0	\$384,294
2013	46,571	50,006	0	384,294
2014	48,071	48,506	355,000	384,294
2015	49,620	46,957	365,000	376,258
2016	51,219	45,358	375,000	367,983
2017-2021	281,935	200,947	2,035,000	1,666,853
2022-2026	330,378	152,504	2,530,000	1,172,302
2027-2031	387,143	95,739	2,820,000	433,177
2032-2035	357,086	29,219	0	0
<i>Totals</i>	<b>\$1,597,139</b>	<b>\$720,696</b>	<b>\$8,480,000</b>	<b>\$5,169,455</b>

**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, 2011, the significant outstanding construction commitments are:

<i>Projects</i>	<i>Contract Amount</i>	<i>Amount Expended</i>	<i>Balance At 12/31/11</i>
Electric Underground 69kV Cable Project	\$1,155,531	\$1,086,961	\$68,570
Roof Replacement	78,420	77,720	700
Electric Cable Replacement Project	402,454	357,353	45,101
Bridge and Culvert Maintenance	372,165	263,300	108,865
Main Street Bridge Project	1,037,500	919,115	118,385
Police RMS and CAD Technology Project	267,403	264,226	3,177
Sidewalk Reconstruction Program	359,378	344,625	14,753
Advanced Metering Infrastructure	3,470,785	1,712,453	1,758,332
S. State Street/Huber Village Blvd./Heatherdown	4,110,589	2,397,309	1,713,280
Community Data Center	3,668,838	3,643,226	25,612
Smart Grid and Solar Power Electric Project	202,660	195,517	7,143
Community Broadband Phase 3 and 4	1,341,964	1,008,776	333,188
<i>Totals</i>	<u>\$16,467,687</u>	<u>\$12,270,581</u>	<u>\$4,197,106</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 \$335,353,093 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 and employee benefits liability (\$1,000,000/\$2,000,000), employer's liability, law enforcement liability, public officials liability, and employment practices liability (\$1,000,000/\$1,000,000), and automobile liability (\$1,000,000).

**City of Westerville, Ohio**

Notes to the Basic Financial Statements  
(Continued)

**NOTE 16 – RISK MANAGEMENT** (continued)

Pool retentions are \$25,000 per loss for property and \$600,000 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, 2010 and 2011 are:

	<i>Beginning of Year Liability</i>	<i>Current Year Claims and Changes in Estimates</i>	<i>Claims Payments</i>	<i>End of Year Liability</i>
2010	\$38,267	\$71,592	\$95,000	\$14,859
2011	14,859	1,441	12,500	3,800

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.

The City is self-insured for workers' compensation for all of its employees. The program is administered by CareWorks Consultants, Inc., which provides claims review and processing services. The workers' compensation self-insurance program is reported in the Worker's Compensations Self-Insurance Internal Service Fund.

The liability for unpaid claims of \$617,862 reported in the Workers' Compensation Self-Insurance Internal Service Fund at December 31, 2011, is based on the requirements of GASB Statement No. 10, "Accounting and Financial Reporting for Risk Financing and Related Insurance Issues," as amended by GASB Statement No. 30, "Risk Management Omnibus," which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. Estimates were calculated based upon an independent actuarial evaluation of claims payable. The estimate was not affected by incremental claims adjustment expenses and does not include other allocated or unallocated claims adjustment expenses.

The City has purchased stop loss coverage through Mid-West Casualty to cover claims in excess of \$500,000 per event.

**City of Westerville, Ohio**

Notes to the Basic Financial Statements  
(Continued)

**NOTE 16 – RISK MANAGEMENT** (continued)

The change in claims activity for worker’s compensation benefits for 2011 is as follows:

	<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>
2011	\$0	\$617,862	\$0	\$617,862

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 \$8,480,000 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.

**NOTE 18 – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS**

Interfund balances at December 31, 2011, consist of the following individual fund receivables and payables:

**City of Westerville, Ohio**

Notes to the Basic Financial Statements  
(Continued)

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

	<i>Receivable</i>			<i>Totals</i>
	<i>General</i>	<i>Electric</i>	<i>Internal</i>	
	<i>Fund</i>	<i>Fund</i>	<i>Service</i> <i>Funds</i>	
<i>Payable</i>				
General	\$0	\$0	\$222,330	\$222,330
Fire Operating	0	0	122,802	122,802
Parks and Recreation Operating	0	0	69,808	69,808
South State Street TIF Incentive	3,836,000	810,000	0	4,646,000
Nonmajor Governmental Funds	8,204,015	0	12,258	8,216,273
Water Fund	0	0	16,467	16,467
Sewer Fund	0	0	6,245	6,245
Electric Fund	0	0	47,115	47,115
Community Data Center	2,039,740	0	0	2,039,740
Nonmajor Enterprise Funds	204,000	0	1,066	205,066
Internal Service Funds	0	0	3,881	3,881
<i>Totals</i>	<u>\$14,283,755</u>	<u>\$810,000</u>	<u>\$501,972</u>	<u>\$15,595,727</u>

The amounts due to the General Fund from the South State Street TIF Incentive Fund and 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 those 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, \$11,321,688 is not expected to be repaid in 2012.

The amount payable to the Electric Enterprise Fund was advanced to the South State Street TIF Incentive Capital Projects Fund to provide funding for infrastructure improvements to property along South State Street. This loan is expected to be repaid in full during 2012.

The amounts due to the Workers' Compensation Self-Insurance Internal Service Fund, is for the portion of the estimated liability associated with the other funds.

Transfers made during the year ended December 31, 2011 were as follows:



**City of Westerville, Ohio**

Notes to the Basic Financial Statements  
(Continued)

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

		<i>Transfers To</i>			<i>Totals</i>
		<i>Parks and Recreation Operating Fund</i>	<i>Nonmajor Governmental Funds</i>	<i>Workers' Compensation Internal Service Fund</i>	
<i>Transfers From</i>	General Fund	\$308,227	\$4,851,284	\$0	\$5,159,511
	General Capital Improvement		984,960	0	984,960
	Nonmajor Governmental Funds	4,062,853	0	0	4,062,853
	Self-Insurance Internal Service Fund	0	0	406,009	406,009
	<i>Totals</i>	<u>\$4,371,080</u>	<u>\$5,836,244</u>	<u>\$406,009</u>	<u>\$10,613,333</u>

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, 2011 were as follows:

		<i>Due To</i>
		<u><i>Electric Fund</i></u>
<i>Due From</i>	General Fund	\$17,925
	Fire Operating Fund	5,528
	Parks and Recreation Operating Fund	48,882
	Nonmajor Governmental Funds	866
	Water Fund	26,307
	Sewer Fund	742
	Community Data Center	14,302
	Nonmajor Enterprise Funds	88
	Internal Service Fund	<u>409</u>
<i>Total</i>	<u>\$115,049</u>	

**NOTE 19 – FUND BALANCES**

Fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the City is bound to observe constraints imposed upon the use of the resources in the governmental funds. The constraints placed on fund balance for the major governmental funds and all other nonmajor governmental funds are presented below:

**City of Westerville, Ohio**

Notes to the Basic Financial Statements  
(Continued)

**NOTE 19 – FUND BALANCES** (continued)

Fund Balances	General	Fire Operating	Parks and Recreation Operating	General Capital Improvement	South State Street TIF Incentive	Nonmajor Governmental Funds	Total
<b><i>Nonspendable</i></b>							
Prepays	\$310,432	\$836	\$0	\$0	\$0	\$4,803	\$316,071
Materials And							
Supplies Inventory	219,590	0	113,256	0	0	165,271	498,117
Unclaimed Monies	140,895	0	0	0	0	0	140,895
Interfund Receivable	11,321,688	0	0	0	0	0	11,321,688
<b><i>Total Nonspendable</i></b>	<b>11,992,605</b>	<b>836</b>	<b>113,256</b>	<b>0</b>	<b>0</b>	<b>170,074</b>	<b>12,276,771</b>
<b><i>Restricted For</i></b>							
Fire Protection	0	3,834,715	0	0	0	0	3,834,715
Police Programs	0	0	0	0	0	227,462	227,462
Streets and							
Transportation	0	0	0	0	0	2,238,667	2,238,667
Recreational Activities	0	0	0	0	0	922,119	922,119
Recreational							
Improvements	0	0	0	0	0	2,356,940	2,356,940
Endowment	0	0	0	0	0	55,130	55,130
Capital Improvements	0	0	0	0	0	398,755	398,755
Other Purposes	0	0	0	0	0	241,497	241,497
<b><i>Total Restricted</i></b>	<b>0</b>	<b>3,834,715</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6,440,570</b>	<b>10,275,285</b>
<b><i>Committed To</i></b>							
Unpaid Obligations	43,757	0	0	2,509,907	0	0	2,553,664
Capital Improvements	0	0	0	0	0	1,958,543	1,958,543
Recreational Activities	0	0	4,980,491	0	0	0	4,980,491
<b><i>Total Committed</i></b>	<b>43,757</b>	<b>0</b>	<b>4,980,491</b>	<b>2,509,907</b>	<b>0</b>	<b>1,958,543</b>	<b>9,492,698</b>
<b><i>Assigned To</i></b>							
Debt Service	0	0	0	0	0	132,900	132,900
Unpaid Obligations	328,829	0	0	0	0	0	328,829
Capital Improvements	0	0	0	1,602,605	0	0	1,602,605
<b><i>Total Assigned</i></b>	<b>328,829</b>	<b>0</b>	<b>0</b>	<b>1,602,605</b>	<b>0</b>	<b>132,900</b>	<b>2,064,334</b>
<b><i>Unassigned (Deficit)</i></b>	<b>26,072,265</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(1,992,344)</b>	<b>(5,756,047)</b>	<b>18,323,874</b>
<b><i>Total Fund Balances</i></b>	<b>\$38,437,456</b>	<b>\$3,835,551</b>	<b>\$5,093,747</b>	<b>\$4,112,512</b>	<b>(\$1,992,344)</b>	<b>\$2,946,040</b>	<b>\$52,432,962</b>

## *City of Westerville, Ohio*

### Notes to the Basic Financial Statements (Continued)

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#### **NOTE 20 – 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 2011.

#### **NOTE 21 – 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. The City contributed \$66,800 to WICC during 2011.

#### **NOTE 22 – 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 23 – 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.

## *City of Westerville, Ohio*

### Notes to the Basic Financial Statements (Continued)

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#### **NOTE 23 – CONTINGENT LIABILITIES** (continued)

##### **FEDERAL AND STATE GRANTS**

For the period January 1, 2011, to December 31, 2011, 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 24 – SUBSEQUENT EVENTS**

In early 2012 the City received the final proceeds for the Worthington Road/Lazelle Road Improvements OPWC loan. On March 5, 2012, the City received the final loan repayment amortization schedule of which the first payment is due July 1, 2012. Therefore, the City has identified the amount that is due within one year in the financial statements and presented an amortization schedule for this loan.

On June 13, 2012, the City issued \$9,030,000 Capital Facilities Improvement and Refunding Bonds, Series 2012A general obligation bonds for the purpose of capital improvements within the City, including water, sewer, electric and street improvements as well as refunding previously issued bonds.

On June 13, 2012, the City issued \$1,520,000 Capital Facilities Refunding Bonds, Series 2012B general obligation bonds for the purpose of capital improvements related to municipal fire services and refunding previously issued bonds.

## *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, 2011

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 2011.

#### **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 2009 and 2011.

The following summarizes the physical condition assessment of City roads as of December 31 for 2009 and 2011:

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%

## City of Westerville, Ohio

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

Road Condition Rating	2011			
	Major Arterials		All Other	
	Road Miles	% of Total	Road Miles	% of Total
Good or Better	13.0	88%	81.3	60%
Less than Good	1.8	12%	55.8	40%
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
2011	\$ 7,818,794	\$ 7,701,362	\$ 117,432
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% of the structures have a general appraisal summary of 7 (Good) condition or better. Each bridge in the City will be assessed on a triennial basis. The following is a summary of the conditional assessment for bridges as of December 31 for 2011, 2010 and 2009:

Bridge Condition	2011		2010		2009	
	Number of Bridges	% of Total	Number of Bridges	% of Total	Number of Bridges	% of Total
Good or Better	4	80%	5	100%	5	100%
Less than Good	1	20%	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
2011	\$ 507,685	\$ 494,516	\$ 13,169
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**

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***SPECIAL REVENUE FUNDS***

To account for and report the proceeds of specific revenue sources (other than major capital projects) that are restricted, committed, or assigned to expenditure for specified purposes other than debt service or capital projects. The following are descriptions of the City's nonmajor Special Revenue Funds.

***Nonmajor Special Revenue Funds***

Street Maintenance Fund – To account for and report 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 and report 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 and report restricted charitable contributions and State grants used to finance the City's DARE programs.

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

Hotel Tax Fund – To account for and report committed receipts 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 and report restricted 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 and report restricted monies received from payments in lieu of taxes to be redistributed to area school districts.

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

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

FEMA Fund – To account for and report the restricted 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 and report the confiscated monies related to criminal offenses which are restricted, by State statute, for expenditures that would enhance the police department.

*(continued)*

*City of Westerville, Ohio*

***Nonmajor Governmental Fund Descriptions***  
*(Continued)*

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***Nonmajor Special Revenue Funds (Continued)***

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

*McVay Endowment Fund* – To account for and report restricted 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.

*Cable TV Franchise Fee Fund* – To account for and report cable franchise fees which are used primarily to supplement funding to the Otterbein College community access channel. This fund is included with the General Fund for GAAP reporting as it does not have a restricted or a committed revenue source.

***DEBT SERVICE FUND***

To account for and report financial resources that are restricted, committed or assigned to expenditure for principal and interest.

***Nonmajor Debt Service Fund***

*General Bond Retirement Fund* – To account for and report the accumulation of restricted property tax revenues and assigned transfers for the payment of general obligation debt principal and interest.

***CAPITAL PROJECTS FUNDS***

To account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

***Nonmajor Capital Projects Funds***

*Africa Road Improvement Fund* – To account for and report street improvements committed to be financed by transfers from the General Fund.

*Dempsey Road Improvement Fund* – To account for and report street improvements committed 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)

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**Nonmajor Capital Projects Funds (Continued)**

McCorkle Boulevard Road Improvement Fund – To account for and report the McCorkle Boulevard extension project committed 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 and report street improvements committed to be financed by OPWC grants and transfers from the General Fund.

Maxtown Road Improvement Fund – To account for and report street improvements financed by restricted TIF revenues received from Genoa Township.

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

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

Cleveland Avenue Extension Improvement Fund – To account for and report street improvements committed to be financed by transfers from the General Fund.

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

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

City Buildings Improvement Fund – To account for and report monies received from the General Fund committed to renovate, improve, furnish and equip municipal facilities.

Safety Building Capital Improvement Fund – To account for and report monies received from the General Fund committed to improving the provision of municipal fire services, including the constructing, furnishing and equipping of buildings to house municipal fire functions, related site improvements, and the acquisition of safety vehicles and communication equipment.

(continued)

*City of Westerville, Ohio*

***Nonmajor Governmental Fund Descriptions***  
*(Continued)*

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***Nonmajor Capital Projects Funds (Continued)***

*Westar / Olentangy TIF Fund* – To account for and report restricted 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 and report restricted 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 and report restricted 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. This fund will also account for the portion of the project that is financed by OPWC grants and/or loans.

*Altair TIF Incentive Fund* – To account for and report restricted 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 and report fees charged to developers and committed 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.

*City of Westerville, Ohio*  
Combining Balance Sheet  
Nonmajor Governmental Funds  
December 31, 2011

	<i>Nonmajor Special Revenue Funds</i>	<i>Nonmajor Debt Service Funds</i>	<i>Nonmajor Capital Projects Funds</i>	<i>Total Nonmajor Governmental Funds</i>
<b><i>Assets:</i></b>				
Equity in Pooled Cash and Cash Equivalents	\$3,093,784	\$132,900	\$7,844,087	\$11,070,771
Cash and Cash Equivalents with Fiscal Agents	171,817	3,067	0	174,884
Receivables:				
Property Taxes	0	200,203	0	200,203
Municipal Income Taxes	676,505	0	0	676,505
Other Local Taxes	26,327	0	0	26,327
Accounts	6,097	0	5,000	11,097
Payments in Lieu of Taxes	38,274	0	833,020	871,294
Accrued Interest	441	0	0	441
Intergovernmental Receivable	773,531	11,705	10,241	795,477
Prepaid Items	4,803	0	0	4,803
Materials and Supplies Inventory	165,271	0	0	165,271
Loans Receivable	0	0	340,520	340,520
Notes Receivable	0	0	192,426	192,426
<i>Total Assets</i>	<u>\$4,956,850</u>	<u>\$347,875</u>	<u>\$9,225,294</u>	<u>\$14,530,019</u>
<b><i>Liabilities and Fund Balances</i></b>				
<b><i>Liabilities:</i></b>				
Accounts Payable	\$85,637	\$0	\$24,018	\$109,655
Contracts Payable	0	0	757,161	757,161
Retainage Payable	0	0	101,183	101,183
Accrued Wages Payable	13,982	0	0	13,982
Intergovernmental Payable	2,136	0	2,074	4,210
Matured Interest Payable	0	3,067	0	3,067
Due To Other Funds	866	0	0	866
Deferred Revenue	981,893	211,908	1,183,781	2,377,582
Interfund Payable	40,195	0	8,176,078	8,216,273
<i>Total Liabilities</i>	<u>1,124,709</u>	<u>214,975</u>	<u>10,244,295</u>	<u>11,583,979</u>
<b><i>Fund Balances:</i></b>				
Nonspendable	170,074	0	0	170,074
Restricted	3,684,875	0	2,755,695	6,440,570
Committed	0	0	1,958,543	1,958,543
Assigned	0	132,900	0	132,900
Unassigned ( <i>Deficit</i> )	(22,808)	0	(5,733,239)	(5,756,047)
<i>Total Fund Balances (Deficit)</i>	<u>3,832,141</u>	<u>132,900</u>	<u>(1,019,001)</u>	<u>2,946,040</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$4,956,850</u>	<u>\$347,875</u>	<u>\$9,225,294</u>	<u>\$14,530,019</u>

*City of Westerville, Ohio*  
Combining Balance Sheet  
Nonmajor Special Revenue Funds  
December 31, 2011

	<i>Street Maintenance</i>	<i>State Highway</i>	<i>DARE</i>
<b><u>Assets:</u></b>			
Equity in Pooled Cash and Cash Equivalents	\$1,139,786	\$693,181	\$35,905
Cash and Cash Equivalents with Fiscal Agents	0	0	0
Receivables:			
Municipal Income Taxes	0	0	0
Other Local Taxes	0	0	0
Accounts	0	0	0
Payments in Lieu of Taxes	0	0	0
Accrued Interest	0	0	74
Intergovernmental Receivable	693,085	56,197	0
Prepaid Items	1,003	0	0
Materials and Supplies Inventory	165,271	0	0
<i>Total Assets</i>	<u>\$1,999,145</u>	<u>\$749,378</u>	<u>\$35,979</u>
<b><u>Liabilities and Fund Balances</u></b>			
<b><u>Liabilities:</u></b>			
Accounts Payable	\$81,263	\$0	\$4,331
Accrued Wages Payable	13,982	0	0
Intergovernmental Payable	2,136	0	0
Due To Other Funds	866	0	0
Deferred Revenue	577,455	46,822	47
Interfund Payable	12,258	0	0
<i>Total Liabilities</i>	<u>687,960</u>	<u>46,822</u>	<u>4,378</u>
<b><u>Fund Balances:</u></b>			
Nonspendable	166,274	0	0
Restricted	1,144,911	702,556	31,601
Unassigned ( <i>Deficit</i> )	0	0	0
<i>Total Fund Balances (Deficit)</i>	<u>1,311,185</u>	<u>702,556</u>	<u>31,601</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$1,999,145</u>	<u>\$749,378</u>	<u>\$35,979</u>

<i>Permissive Motor Vehicle License</i>	<i>Hotel Tax</i>	<i>OMVI Education</i>	<i>Tax Incentive / Redistribution</i>	<i>Mayor's Court Computer</i>
\$195,134	\$2,577	\$13,885	\$169,633	\$39,504
171,817	0	0	0	0
0	0	0	0	0
0	26,327	0	0	0
0	0	0	0	0
0	0	0	38,274	0
0	0	0	0	0
24,249	0	0	0	0
0	0	0	0	2,735
0	0	0	0	0
<u>\$391,200</u>	<u>\$28,904</u>	<u>\$13,885</u>	<u>\$207,907</u>	<u>\$42,239</u>
\$0	\$0	\$0	\$0	\$0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	23,775	0	9,064	0
0	27,937	0	0	0
<u>0</u>	<u>51,712</u>	<u>0</u>	<u>9,064</u>	<u>0</u>
0	0	0	0	2,735
391,200	0	13,885	198,843	39,504
0	(22,808)	0	0	0
<u>391,200</u>	<u>(22,808)</u>	<u>13,885</u>	<u>198,843</u>	<u>42,239</u>
<u>\$391,200</u>	<u>\$28,904</u>	<u>\$13,885</u>	<u>\$207,907</u>	<u>\$42,239</u>

(continued)

*City of Westerville, Ohio*  
Combining Balance Sheet  
Nonmajor Special Revenue Funds  
December 31, 2011  
(Continued)

	<i><b>Parks and Recreation Income Tax Allocation</b></i>	<i><b>FEMA</b></i>	<i><b>Drug Enforcement</b></i>
<b><u>Assets:</u></b>			
Equity in Pooled Cash and Cash Equivalents	\$570,109	\$3,150	\$27,052
Cash and Cash Equivalents with Fiscal Agents	0	0	0
Receivables:			
Municipal Income Taxes	676,505	0	0
Other Local Taxes	0	0	0
Accounts	0	0	0
Payments in Lieu of Taxes	0	0	0
Accrued Interest	0	0	56
Intergovernmental Receivable	0	0	0
Prepaid Items	0	0	0
Materials and Supplies Inventory	0	0	0
<i>Total Assets</i>	<u>\$1,246,614</u>	<u>\$3,150</u>	<u>\$27,108</u>
<b><u>Liabilities and Fund Balances</u></b>			
<b><u>Liabilities:</u></b>			
Accounts Payable	\$0	\$0	\$0
Accrued Wages Payable	0	0	0
Intergovernmental Payable	0	0	0
Due To Other Funds	0	0	0
Deferred Revenue	324,495	0	36
Interfund Payable	0	0	0
<i>Total Liabilities</i>	<u>324,495</u>	<u>0</u>	<u>36</u>
<b><u>Fund Balances:</u></b>			
Nonspendable	0	0	0
Restricted	922,119	3,150	27,072
Unassigned ( <i>Deficit</i> )	0	0	0
<i>Total Fund Balances (Deficit)</i>	<u>922,119</u>	<u>3,150</u>	<u>27,072</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$1,246,614</u>	<u>\$3,150</u>	<u>\$27,108</u>



<i>Criminal Activity Forfeiture</i>	<i>McVay Endowment</i>	<i>Total Nonmajor Special Revenue Funds</i>
\$148,738	\$55,130	\$3,093,784
0	0	171,817
0	0	676,505
0	0	26,327
6,097	0	6,097
0	0	38,274
311	0	441
0	0	773,531
1,065	0	4,803
0	0	165,271
<u>\$156,211</u>	<u>\$55,130</u>	<u>\$4,956,850</u>
\$43	\$0	\$85,637
0	0	13,982
0	0	2,136
0	0	866
199	0	981,893
0	0	40,195
<u>242</u>	<u>0</u>	<u>1,124,709</u>
1,065	0	170,074
154,904	55,130	3,684,875
0	0	(22,808)
<u>155,969</u>	<u>55,130</u>	<u>3,832,141</u>
<u>\$156,211</u>	<u>\$55,130</u>	<u>\$4,956,850</u>

*City of Westerville, Ohio*  
Combining Balance Sheet  
Nonmajor Capital Projects Funds  
December 31, 2011

	<i>Africa Road Improvement</i>	<i>Dempsey Road Improvement</i>	<i>McCorkle Boulevard Road Improvement</i>
<b><u>Assets:</u></b>			
Equity in Pooled Cash and Cash Equivalents	\$48	\$192,523	\$40,000
Receivables:			
Accounts	0	0	0
Payments in Lieu of Taxes	0	0	0
Intergovernmental Receivable	0	0	0
Loans Receivable	0	0	0
Notes Receivable	0	0	0
<i>Total Assets</i>	<u>\$48</u>	<u>\$192,523</u>	<u>\$40,000</u>
<b><u>Liabilities and Fund Balances</u></b>			
<b><u>Liabilities:</u></b>			
Accounts Payable	\$0	\$0	\$0
Contracts Payable	0	15,246	0
Retainage Payable	0	0	0
Intergovernmental Payable	0	0	0
Deferred Revenue	0	0	0
Interfund Payable	135,000	0	0
<i>Total Liabilities</i>	<u>135,000</u>	<u>15,246</u>	<u>0</u>
<b><u>Fund Balances:</u></b>			
Restricted	0	0	0
Committed	0	177,277	40,000
Unassigned ( <i>Deficit</i> )	(134,952)	0	0
<i>Total Fund Balances (Deficit)</i>	<u>(134,952)</u>	<u>177,277</u>	<u>40,000</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$48</u>	<u>\$192,523</u>	<u>\$40,000</u>

<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>
\$163,548	\$4,545	\$1,524,090	\$240,064	\$29,211
0	0	5,000	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	192,426	0	0
<u>\$163,548</u>	<u>\$4,545</u>	<u>\$1,721,516</u>	<u>\$240,064</u>	<u>\$29,211</u>
\$0	\$0	\$700	\$0	\$0
0	0	35,441	0	2,123
0	0	71,365	0	0
0	0	0	0	0
0	0	0	0	0
1,722,000	2,130,918	0	0	1,019,200
<u>1,722,000</u>	<u>2,130,918</u>	<u>107,506</u>	<u>0</u>	<u>1,021,323</u>
0	0	1,614,010	0	0
0	0	0	240,064	0
<u>(1,558,452)</u>	<u>(2,126,373)</u>	<u>0</u>	<u>0</u>	<u>(992,112)</u>
<u>(1,558,452)</u>	<u>(2,126,373)</u>	<u>1,614,010</u>	<u>240,064</u>	<u>(992,112)</u>
<u>\$163,548</u>	<u>\$4,545</u>	<u>\$1,721,516</u>	<u>\$240,064</u>	<u>\$29,211</u>

(continued)

*City of Westerville, Ohio*  
Combining Balance Sheet  
Nonmajor Capital Projects Funds  
December 31, 2011  
(Continued)

	<i><b>Parks and Recreation Replacement and Reserve</b></i>	<i><b>Street Replacement and Reserve</b></i>	<i><b>Tree Replacement</b></i>
<b><i>Assets:</i></b>			
Equity in Pooled Cash and Cash Equivalents	\$815,046	\$1,569,031	\$1,239
Receivables:			
Accounts	0	0	0
Payments in Lieu of Taxes	0	0	0
Intergovernmental Receivable	0	0	0
Loans Receivable	0	0	0
Notes Receivable	0	0	0
<i>Total Assets</i>	<u><u>\$815,046</u></u>	<u><u>\$1,569,031</u></u>	<u><u>\$1,239</u></u>
<b><i>Liabilities and Fund Balances</i></b>			
<b><i>Liabilities:</i></b>			
Accounts Payable	\$14,900	\$714	\$0
Contracts Payable	57,216	230,553	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><u>72,116</u></u>	<u><u>231,267</u></u>	<u><u>0</u></u>
<b><i>Fund Balances:</i></b>			
Restricted	742,930	0	0
Committed	0	1,337,764	1,239
Unassigned ( <i>Deficit</i> )	0	0	0
<i>Total Fund Balances (Deficit)</i>	<u><u>742,930</u></u>	<u><u>1,337,764</u></u>	<u><u>1,239</u></u>
<i>Total Liabilities and Fund Balances</i>	<u><u>\$815,046</u></u>	<u><u>\$1,569,031</u></u>	<u><u>\$1,239</u></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>
\$2,669	\$101,579	\$131,138	\$275,321	\$2,578,335
0	0	0	0	0
0	0	48,562	600,704	153,342
0	0	0	0	10,241
0	0	0	0	340,520
0	0	0	0	0
<u>\$2,669</u>	<u>\$101,579</u>	<u>\$179,700</u>	<u>\$876,025</u>	<u>\$3,082,438</u>
\$0	\$0	\$0	\$7,704	\$0
0	0	0	0	416,582
0	0	0	0	29,818
0	0	0	0	2,074
0	0	48,562	600,704	504,103
0	101,579	0	0	2,172,041
<u>0</u>	<u>101,579</u>	<u>48,562</u>	<u>608,408</u>	<u>3,124,618</u>
0	0	131,138	267,617	0
2,669	0	0	0	0
0	0	0	0	(42,180)
<u>2,669</u>	<u>0</u>	<u>131,138</u>	<u>267,617</u>	<u>(42,180)</u>
<u>\$2,669</u>	<u>\$101,579</u>	<u>\$179,700</u>	<u>\$876,025</u>	<u>\$3,082,438</u>

(continued)

*City of Westerville, Ohio*  
Combining Balance Sheet  
Nonmajor Capital Projects Funds  
December 31, 2011  
(Continued)

	<i>Altair TIF Incentive</i>	<i>Perimeter Road Improvement</i>	<i>Total Nonmajor Capital Projects Funds</i>
<b><u>Assets:</u></b>			
Equity in Pooled Cash and Cash Equivalents	\$16,170	\$159,530	\$7,844,087
Receivables:			
Accounts	0	0	5,000
Payments in Lieu of Taxes	30,412	0	833,020
Intergovernmental Receivable	0	0	10,241
Loans Receivable	0	0	340,520
Notes Receivable	0	0	192,426
<i>Total Assets</i>	<u>\$46,582</u>	<u>\$159,530</u>	<u>\$9,225,294</u>
<b><u>Liabilities and Fund Balances</u></b>			
<b><u>Liabilities:</u></b>			
Accounts Payable	\$0	\$0	\$24,018
Contracts Payable	0	0	757,161
Retainage Payable	0	0	101,183
Intergovernmental Payable	0	0	2,074
Deferred Revenue	30,412	0	1,183,781
Interfund Payable	895,340	0	8,176,078
<i>Total Liabilities</i>	<u>925,752</u>	<u>0</u>	<u>10,244,295</u>
<b><u>Fund Balances:</u></b>			
Restricted	0	0	2,755,695
Committed	0	159,530	1,958,543
Unassigned ( <i>Deficit</i> )	(879,170)	0	(5,733,239)
<i>Total Fund Balances (Deficit)</i>	<u>(879,170)</u>	<u>159,530</u>	<u>(1,019,001)</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$46,582</u>	<u>\$159,530</u>	<u>\$9,225,294</u>

*City of Westerville, Ohio*  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Year Ended December 31, 2011

	<i>Nonmajor Special Revenue Funds</i>	<i>Nonmajor Debt Service Funds</i>	<i>Nonmajor Capital Projects Funds</i>	<i>Total Nonmajor Governmental Funds</i>
<b><u>Revenues:</u></b>				
Property Taxes	\$0	\$184,699	\$0	\$184,699
Municipal Income Taxes	4,524,890	0	0	4,524,890
Other Local Taxes	38,633	0	0	38,633
Payments in Lieu of Taxes	2,066,693	0	812,525	2,879,218
Intergovernmental	1,970,830	56,552	1,499,126	3,526,508
Fees, Licenses and Permits	0	0	34,200	34,200
Fines and Forfeitures	148,086	0	0	148,086
Investment Earnings	3,227	0	0	3,227
Other	27,403	458	42,159	70,020
<i>Total Revenues</i>	<u>8,779,762</u>	<u>241,709</u>	<u>2,388,010</u>	<u>11,409,481</u>
<b><u>Expenditures:</u></b>				
Current:				
Security of Persons and Property	118,638	0	0	118,638
Transportation	2,154,857	0	0	2,154,857
General Government	3,035,660	0	0	3,035,660
Capital Outlay	0	0	8,184,054	8,184,054
Debt Service:				
Principal Retirement	0	2,605,075	0	2,605,075
Interest and Fiscal Charges	0	1,126,016	0	1,126,016
Issuance Costs	0	0	19,722	19,722
<i>Total Expenditures</i>	<u>5,309,155</u>	<u>3,731,091</u>	<u>8,203,776</u>	<u>17,244,022</u>
Excess of Revenues Over (Under) Expenditures	<u>3,470,607</u>	<u>(3,489,382)</u>	<u>(5,815,766)</u>	<u>(5,834,541)</u>
<b><u>Other Financing Sources (Uses):</u></b>				
General Obligation Bonds Issued	0	0	1,270,000	1,270,000
OPWC Loans Issued	0	0	491,704	491,704
Transfers - In	1,594,221	3,442,023	800,000	5,836,244
Transfers - Out	(4,031,965)	0	(30,888)	(4,062,853)
<i>Total Other Financing Sources (Uses)</i>	<u>(2,437,744)</u>	<u>3,442,023</u>	<u>2,530,816</u>	<u>3,535,095</u>
Net Change in Fund Balances	1,032,863	(47,359)	(3,284,950)	(2,299,446)
Fund Balances at Beginning of Year	<u>2,799,278</u>	<u>180,259</u>	<u>2,265,949</u>	<u>5,245,486</u>
<i>Fund Balances (Deficit) at End of Year</i>	<u><u>\$3,832,141</u></u>	<u><u>\$132,900</u></u>	<u><u>(\$1,019,001)</u></u>	<u><u>\$2,946,040</u></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, 2011

	<u>Street Maintenance</u>	<u>State Highway</u>	<u>DARE</u>
<b><u>Revenues:</u></b>			
Municipal Income Taxes	\$0	\$0	\$0
Other Local Taxes	0	0	0
Payments in Lieu of Taxes	0	0	0
Intergovernmental	1,415,075	114,736	11,546
Fines and Forfeitures	0	0	0
Investment Earnings	12	25	513
Other	2,943	0	1,628
<b>Total Revenues</b>	<u>1,418,030</u>	<u>114,761</u>	<u>13,687</u>
<b><u>Expenditures:</u></b>			
Current:			
Security of Persons and Property	0	0	13,575
Transportation	1,899,857	5,000	0
General Government	0	0	0
<b>Total Expenditures</b>	<u>1,899,857</u>	<u>5,000</u>	<u>13,575</u>
Excess of Revenues Over (Under) Expenditures	<u>(481,827)</u>	<u>109,761</u>	<u>112</u>
<b><u>Other Financing Sources (Uses):</u></b>			
Transfers - In	910,000	0	0
Transfers - Out	0	0	0
<b>Total Other Financing Sources (Uses)</b>	<u>910,000</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balances	428,173	109,761	112
Fund Balances (Deficit) at Beginning of Year	<u>883,012</u>	<u>592,795</u>	<u>31,489</u>
<b>Fund Balances (Deficit) at End of Year</b>	<u><u>\$1,311,185</u></u>	<u><u>\$702,556</u></u>	<u><u>\$31,601</u></u>



<i>Permissive Motor Vehicle License</i>	<i>Hotel Tax</i>	<i>OMVI Education</i>	<i>Tax Incentive / Redistribution</i>	<i>Mayor's Court Computer</i>
\$0	\$0	\$0	\$0	\$0
0	38,633	0	0	0
0	0	0	2,066,693	0
427,311	0	0	0	0
0	0	3,362	0	18,964
33	0	0	0	0
0	0	0	0	0
<u>427,344</u>	<u>38,633</u>	<u>3,362</u>	<u>2,066,693</u>	<u>18,964</u>
0	0	0	0	0
250,000	0	0	0	0
0	33,712	0	2,992,807	9,141
<u>250,000</u>	<u>33,712</u>	<u>0</u>	<u>2,992,807</u>	<u>9,141</u>
<u>177,344</u>	<u>4,921</u>	<u>3,362</u>	<u>(926,114)</u>	<u>9,823</u>
0	0	0	684,221	0
0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>684,221</u>	<u>0</u>
177,344	4,921	3,362	(241,893)	9,823
<u>213,856</u>	<u>(27,729)</u>	<u>10,523</u>	<u>440,736</u>	<u>32,416</u>
<u>\$391,200</u>	<u>(\$22,808)</u>	<u>\$13,885</u>	<u>\$198,843</u>	<u>\$42,239</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, 2011  
(Continued)

	<b><i>Parks and Recreation Income Tax Allocation</i></b>	<b><i>FEMA</i></b>	<b><i>Drug Enforcement</i></b>
<b><u>Revenues:</u></b>			
Municipal Income Taxes	\$4,524,890	\$0	\$0
Other Local Taxes	0	0	0
Payments in Lieu of Taxes	0	0	0
Intergovernmental	0	0	0
Fines and Forfeitures	0	0	10,207
Investment Earnings	0	0	392
Other	0	0	0
<i>Total Revenues</i>	<u>4,524,890</u>	<u>0</u>	<u>10,599</u>
<b><u>Expenditures:</u></b>			
Current:			
Security of Persons and Property	0	0	3,000
Transportation	0	0	0
General Government	0	0	0
<i>Total Expenditures</i>	<u>0</u>	<u>0</u>	<u>3,000</u>
Excess of Revenues Over (Under) Expenditures	<u>4,524,890</u>	<u>0</u>	<u>7,599</u>
<b><u>Other Financing Sources (Uses):</u></b>			
Transfers - In	0	0	0
Transfers - Out	(4,031,965)	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>(4,031,965)</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balances	492,925	0	7,599
Fund Balances (Deficit) at Beginning of Year	<u>429,194</u>	<u>3,150</u>	<u>19,473</u>
<i>Fund Balances (Deficit) at End of Year</i>	<u><u>\$922,119</u></u>	<u><u>\$3,150</u></u>	<u><u>\$27,072</u></u>

<i>Criminal Activitiy Forfeiture</i>	<i>McVay Endowment</i>	<i>Total Nonmajor Special Revenue Funds</i>
\$0	\$0	\$4,524,890
0	0	38,633
0	0	2,066,693
2,162	0	1,970,830
115,553	0	148,086
2,252	0	3,227
6,097	16,735	27,403
<u>126,064</u>	<u>16,735</u>	<u>8,779,762</u>
100,987	1,076	118,638
0	0	2,154,857
0	0	3,035,660
<u>100,987</u>	<u>1,076</u>	<u>5,309,155</u>
<u>25,077</u>	<u>15,659</u>	<u>3,470,607</u>
0	0	1,594,221
0	0	(4,031,965)
<u>0</u>	<u>0</u>	<u>(2,437,744)</u>
25,077	15,659	1,032,863
<u>130,892</u>	<u>39,471</u>	<u>2,799,278</u>
<u>\$155,969</u>	<u>\$55,130</u>	<u>\$3,832,141</u>

**City of Westerville, Ohio**  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Capital Projects Funds  
For the Year Ended December 31, 2011

	<b><i>Africa Road Improvement</i></b>	<b><i>Dempsey Road Improvement</i></b>	<b><i>McCorkle Boulevard Road Improvement</i></b>
<b><u>Revenues:</u></b>			
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>
<b><u>Expenditures:</u></b>			
Capital Outlay	0	94,124	0
Debt Service:			
Issuance Costs	0	0	0
<i>Total Expenditures</i>	<u>0</u>	<u>94,124</u>	<u>0</u>
Excess of Revenues Over (Under) Expenditures	<u>0</u>	<u>(94,124)</u>	<u>0</u>
<b><u>Other Financing Sources (Uses):</u></b>			
General Obligation Bonds Issued	0	0	0
OPWC Loans Issued	0	0	0
Transfers - In	0	0	0
Transfers - Out	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balances	0	(94,124)	0
Fund Balances (Deficit) at Beginning of Year	<u>(134,952)</u>	<u>271,401</u>	<u>40,000</u>
<i>Fund Balances (Deficit) at End of Year</i>	<u><u>(\$134,952)</u></u>	<u><u>\$177,277</u></u>	<u><u>\$40,000</u></u>

<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	375,082	173,716	0	0
0	0	0	0	0
0	0	42,159	0	0
0	375,082	215,875	0	0
0	0	5,211,359	0	19,873
0	0	19,722	0	0
0	0	5,231,081	0	19,873
0	375,082	(5,015,206)	0	(19,873)
0	0	1,270,000	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	1,270,000	0	0
0	375,082	(3,745,206)	0	(19,873)
(1,558,452)	(2,501,455)	5,359,216	240,064	(972,239)
(\$1,558,452)	(\$2,126,373)	\$1,614,010	\$240,064	(\$992,112)

(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, 2011  
(Continued)

	<i><b>Parks and Recreation Replacement and Reserve</b></i>	<i><b>Street Replacement and Reserve</b></i>	<i><b>Tree Replacement</b></i>
<b><u>Revenues:</u></b>			
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>
<b><u>Expenditures:</u></b>			
Capital Outlay	388,412	882,096	0
Debt Service:			
Issuance Costs	0	0	0
<i>Total Expenditures</i>	<u>388,412</u>	<u>882,096</u>	<u>0</u>
Excess of Revenues Over (Under) Expenditures	<u>(388,412)</u>	<u>(882,096)</u>	<u>0</u>
<b><u>Other Financing Sources (Uses):</u></b>			
General Obligation Bonds Issued	0	0	0
OPWC Loans Issued	0	0	0
Transfers - In	450,000	350,000	0
Transfers - Out	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>450,000</u>	<u>350,000</u>	<u>0</u>
Net Change in Fund Balances	61,588	(532,096)	0
Fund Balances (Deficit) at Beginning of Year	<u>681,342</u>	<u>1,869,860</u>	<u>1,239</u>
<i>Fund Balances (Deficit) at End of Year</i>	<u><u>\$742,930</u></u>	<u><u>\$1,337,764</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>
\$0	\$40,886	\$613,347	\$138,527	\$19,765
0	0	0	950,328	0
0	0	0	0	0
0	0	0	0	0
0	40,886	613,347	1,088,855	19,765
0	0	36,805	1,551,385	0
0	0	0	0	0
0	0	36,805	1,551,385	0
0	40,886	576,542	(462,530)	19,765
0	0	0	0	0
0	0	0	491,704	0
0	0	0	0	0
0	0	0	0	(30,888)
0	0	0	491,704	(30,888)
0	40,886	576,542	29,174	(11,123)
2,669	90,252	(308,925)	(71,354)	(868,047)
	0			
\$2,669	\$131,138	\$267,617	(\$42,180)	(\$879,170)

(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, 2011  
(Continued)

	<b><i>Perimeter Road Improvement</i></b>	<b><i>Total Nonmajor Capital Projects Funds</i></b>
<b><u>Revenues:</u></b>		
Payments in Lieu of Taxes	\$0	\$812,525
Intergovernmental	0	1,499,126
Fees, Licenses and Permits	34,200	34,200
Other	0	42,159
<i>Total Revenues</i>	<u>34,200</u>	<u>2,388,010</u>
<b><u>Expenditures:</u></b>		
Capital Outlay	0	8,184,054
Debt Service:		
Issuance Costs	0	19,722
<i>Total Expenditures</i>	<u>0</u>	<u>8,203,776</u>
Excess of Revenues Over (Under) Expenditures	<u>34,200</u>	<u>(5,815,766)</u>
<b><u>Other Financing Sources (Uses):</u></b>		
General Obligation Bonds Issued	0	1,270,000
OPWC Loans Issued	0	491,704
Transfers - In	0	800,000
Transfers - Out	0	(30,888)
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>2,530,816</u>
Net Change in Fund Balances	34,200	(3,284,950)
Fund Balances (Deficit) at Beginning of Year	<u>125,330</u>	<u>2,265,949</u>
<i>Fund Balances (Deficit) at End of Year</i>	<u>\$159,530</u>	<u>(\$1,019,001)</u>



*City of Westerville, Ohio*

*Nonmajor Enterprise Fund Descriptions*

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***ENTERPRISE FUNDS***

Enterprise Funds are used to account for the City's water, sewer, electric, community data center, and refuse 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 Fund***

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

The Refuse Fund is the only nonmajor enterprise fund. Therefore, no combining statements are presented.



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*City of Westerville, Ohio*

*Internal Service Fund Descriptions*

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***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.

*Workers' Compensation Self-Insurance Fund* – To account for revenues used to provide worker's compensation benefits to employees.

*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, 2011

<u>Assets</u>	<u>Garage</u>	<u>Workers' Compensation Self- Insurance</u>	<u>Self- Insurance</u>	<u>Total Internal Service Funds</u>
<b>Current Assets:</b>				
Equity in Pooled Cash and Cash Equivalents	\$253,513	\$534,669	\$808,519	\$1,596,701
Interfund Receivable	0	501,972	0	501,972
Materials and Supplies Inventory	74,997	0	0	74,997
<b>Total Current Assets</b>	<b>328,510</b>	<b>1,036,641</b>	<b>808,519</b>	<b>2,173,670</b>
<b>Non-current Assets:</b>				
Capital Assets:				
Depreciable Capital Assets, Net	160,056	0	0	160,056
<b>Total Assets</b>	<b>488,566</b>	<b>1,036,641</b>	<b>808,519</b>	<b>2,333,726</b>
<b>Liabilities</b>				
<b>Current Liabilities:</b>				
Accounts Payable	32,668	0	0	32,668
Accrued Wages Payable	4,855	0	0	4,855
Intergovernmental Payable	727	0	0	727
Due to Other Funds	409	0	0	409
Claims Payable	0	617,862	3,800	621,662
Interfund Payable	3,881	0	0	3,881
Compensated Absences Payable	22,895	0	0	22,895
<b>Total Current Liabilities</b>	<b>65,435</b>	<b>617,862</b>	<b>3,800</b>	<b>687,097</b>
<b>Long-Term Liabilities:</b>				
Compensated Absences Payable, Net	12,301	0	0	12,301
<b>Total Liabilities</b>	<b>77,736</b>	<b>617,862</b>	<b>3,800</b>	<b>699,398</b>
<b>Net Assets</b>				
Invested in Capital Assets	160,056	0	0	160,056
Unrestricted	250,774	418,779	804,719	1,474,272
<b>Total Net Assets</b>	<b>\$410,830</b>	<b>\$418,779</b>	<b>\$804,719</b>	<b>\$1,634,328</b>

*City of Westerville, Ohio*  
Combining Statement of Revenues,  
Expenses and Changes in Fund Net Assets  
Internal Service Funds  
For the Year Ended December 31, 2011

	<i>Garage</i>	<i>Workers' Compensation Self- Insurance</i>	<i>Self- Insurance</i>	<i>Total Internal Service Funds</i>
<b><i>Operating Revenues:</i></b>				
Charges for Services	\$1,046,499	\$907,981	\$0	\$1,954,480
Other Operating Revenues	4,754	0	7,207	11,961
<i>Total Operating Revenues</i>	<u>1,051,253</u>	<u>907,981</u>	<u>7,207</u>	<u>1,966,441</u>
<b><i>Operating Expenses:</i></b>				
Personal Services	352,429	0	0	352,429
Contractual Services	54,847	277,349	20,354	352,550
Materials and Supplies	618,954	0	1,063	620,017
Claims	0	617,862	1,441	619,303
Depreciation	21,840	0	0	21,840
<i>Total Operating Expenses</i>	<u>1,048,070</u>	<u>895,211</u>	<u>22,858</u>	<u>1,966,139</u>
<i>Operating Income (Loss) Before Transfers</i>	3,183	12,770	(15,651)	302
Transfers In	0	406,009	0	406,009
Transfers Out	0	0	(406,009)	(406,009)
Change in Net Assets	3,183	418,779	(421,660)	302
Net Assets at Beginning of Year	407,647	0	1,226,379	1,634,026
<i>Net Assets at End of Year</i>	<u>\$410,830</u>	<u>\$418,779</u>	<u>\$804,719</u>	<u>\$1,634,328</u>

*City of Westerville, Ohio*  
Combining Statement of Cash Flows  
Internal Service Funds  
For the Year Ended December 31, 2011

	<u>Garage</u>	<u>Workers' Compensation Self-Insurance</u>	<u>Self- Insurance</u>	<u>Total Internal Service Funds</u>
<b><u>Increases (Decreases) in Cash and Cash Equivalents:</u></b>				
<b><u>Cash Flows from Operating Activities:</u></b>				
Internal Services Provided	\$1,046,499	\$406,009	\$0	\$1,452,508
Cash Payments for Personal Services	(356,735)	0	0	(356,735)
Cash Payments for Materials and Supplies	(613,142)	0	(1,063)	(614,205)
Cash Payments for Other Services and Charges	(52,070)	(277,349)	(20,354)	(349,773)
Cash Payments for Claims	0	0	(12,500)	(12,500)
Other Operating Revenues	4,865	0	24,272	29,137
<i>Net Cash Provided by (Used for) Operating Activities</i>	29,417	128,660	(9,645)	148,432
<b><u>Cash Flows from Non-Capital Financing Activities:</u></b>				
Transfers from Other Funds	0	406,009	0	406,009
Transfers to Other Funds	0	0	(406,009)	(406,009)
<i>Net Cash Provided by (Used for) Non-Capital Financing Activities</i>	0	406,009	(406,009)	0
<b><u>Cash Flows from Capital and Related Financing Activities:</u></b>				
Acquisition and Construction of Capital Assets	(3,018)	0	0	(3,018)
Net Increase (Decrease) in Cash and Cash Equivalents	26,399	534,669	(415,654)	145,414
Cash and Cash Equivalents at Beginning of Year	227,114	0	1,224,173	1,451,287
<i>Cash and Cash Equivalents at End of Year</i>	\$253,513	\$534,669	\$808,519	\$1,596,701
<b><u>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:</u></b>				
Operating Income (Loss)	\$3,183	\$12,770	(\$15,651)	\$302
<b><u>Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:</u></b>				
Depreciation	21,840	0	0	21,840
<b><u>Changes in Assets and Liabilities:</u></b>				
Decrease in Accounts Receivable	111	0	17,065	17,176
Increase in Due from Other Funds	0	(501,972)	0	(501,972)
Increase in Materials and Supplies Inventory	(21,832)	0	0	(21,832)
Increase in Accounts Payable	30,281	0	0	30,281
Increase (Decrease) in Claims Payable	0	617,862	(11,059)	606,803
Increase in Accrued Wages Payable	375	0	0	375
Decrease in Compensated Absences Payable	(2,142)	0	0	(2,142)
Increase in Due to Other Funds	4,021	0	0	4,021
Decrease in Intergovernmental Payable	(6,420)	0	0	(6,420)
<i>Net Cash Provided by (Used for) Operating Activities</i>	\$29,417	\$128,660	(\$9,645)	\$148,432

# *City of Westerville, Ohio*

## *Agency Fund Descriptions*

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### ***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 Changes in Assets and Liabilities  
 Agency Funds

For the Year Ended December 31, 2011

<b>Hotel Tax</b>	<i>Balance January 1, 2011</i>	<i>Additions</i>	<i>Deductions</i>	<i>Balance December 31, 2011</i>
<b>Hotel Tax</b>				
<u><i>Assets:</i></u>				
Receivables:				
Other Local Taxes	\$6,729	\$8,776	\$6,729	\$8,776
<u><i>Liabilities:</i></u>				
Accounts Payable	\$6,729	\$8,776	\$6,729	\$8,776
<b>Payroll Revolving</b>				
<u><i>Assets:</i></u>				
Equity in Pooled Cash and Cash Equivalents	\$873,173	\$903,055	\$873,173	\$903,055
<u><i>Liabilities:</i></u>				
Undistributed Monies	\$873,173	\$903,055	\$873,173	\$903,055
<b>Columbus Sewer Capacity</b>				
<u><i>Assets:</i></u>				
Equity in Pooled Cash and Cash Equivalents	\$45,172	\$58,362	\$45,172	\$58,362
<u><i>Liabilities:</i></u>				
Intergovernmental Payable	\$45,172	\$58,362	\$45,172	\$58,362
<b>State Building Standards</b>				
<u><i>Assets:</i></u>				
Equity in Pooled Cash and Cash Equivalents	\$835	\$735	\$835	\$735
<u><i>Liabilities:</i></u>				
Intergovernmental Payable	\$835	\$735	\$835	\$735
<b>Performance Bond</b>				
<u><i>Assets:</i></u>				
Equity in Pooled Cash and Cash Equivalents	\$194,388	\$198,088	\$194,388	\$198,088
<u><i>Liabilities:</i></u>				
Deposits Held and Due to Others	\$194,388	\$198,088	\$194,388	\$198,088

(continued)



**City of Westerville, Ohio**  
Combining Statement of Changes in Assets and Liabilities  
Agency Funds  
(Continued)  
For the Year Ended December 31, 2011

<b>Mayor's Court</b>	<b><i>Balance January 1, 2011</i></b>	<b><i>Additions</i></b>	<b><i>Deductions</i></b>	<b><i>Balance December 31, 2011</i></b>
<b><u>Assets:</u></b>				
Cash and Cash Equivalents with Fiscal Agents	\$11,976	\$8,725	\$11,976	\$8,725
<b><u>Liabilities:</u></b>				
Intergovernmental Payable	\$8,918	\$6,398	\$8,918	\$6,398
Deposits Held and Due to Others	3,058	2,327	3,058	2,327
<b>Total Liabilities</b>	<b>\$11,976</b>	<b>\$8,725</b>	<b>\$11,976</b>	<b>\$8,725</b>
<b><u>Public Use Fees</u></b>				
<b><u>Assets:</u></b>				
Equity in Pooled Cash and Cash Equivalents	\$23,500	\$0	\$0	\$23,500
<b><u>Liabilities:</u></b>				
Intergovernmental Payable	\$23,500	\$0	\$0	\$23,500
<b><u>TOTAL - ALL AGENCY FUNDS</u></b>				
<b><u>Assets:</u></b>				
Equity in Pooled Cash and Cash Equivalents	\$1,137,068	\$1,160,240	\$1,113,568	\$1,183,740
Cash and Cash Equivalents with Fiscal Agents	11,976	8,725	11,976	8,725
Receivables:				
Other Local Taxes	6,729	8,776	6,729	8,776
<b>Total Assets</b>	<b>\$1,155,773</b>	<b>\$1,177,741</b>	<b>\$1,132,273</b>	<b>\$1,201,241</b>
<b><u>Liabilities:</u></b>				
Accounts Payable	\$6,729	\$8,776	\$6,729	\$8,776
Undistributed Monies	873,173	903,055	873,173	903,055
Intergovernmental Payable	78,425	65,495	54,925	88,995
Deposits Held and Due to Others	197,446	200,415	197,446	200,415
<b>Total Liabilities</b>	<b>\$1,155,773</b>	<b>\$1,177,741</b>	<b>\$1,132,273</b>	<b>\$1,201,241</b>



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*City of Westerville, Ohio*

***General Governmental Capital Assets***

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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, 2011

<i>Program / Department</i>	<i>Land</i>	<i>Land Improvements</i>	<i>Buildings</i>
Security of Persons and Property			
Police	\$0	\$0	\$5,154,730
Fire	110,512	32,721	5,601,641
Communications	0	0	0
Total Security of Persons and Property	<u>110,512</u>	<u>32,721</u>	<u>10,756,371</u>
Public Health			
Cemetery Maintenance	0	60,463	173,777
Leisure Time Activities			
Parks and Recreation	6,347,084	23,733,519	22,779,922
Community Development			
Planning, Engineering and Building	0	0	5,355
Basic Utility Services			
Storm Sewer	528,954	7,469	2,439
Transportation			
Street Maintenance	0	74,594	91,252
Roads and Bridges	0	0	0
Sidewalks	0	0	0
Traffic Signal Maintenance and Repair	0	0	0
Total Transportation	<u>0</u>	<u>74,594</u>	<u>91,252</u>
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	11,170,100	55,820	6,479,346
Total General Government	<u>11,170,100</u>	<u>55,820</u>	<u>6,518,946</u>
Total General Capital Assets	18,156,650	23,964,586	40,328,062
Less Accumulated Depreciation	0	(10,439,096)	(12,511,254)
Net General Capital Assets	<u>18,156,650</u>	<u>13,525,490</u>	<u>27,816,808</u>
Internal Service Fund Capital Assets	0	0	643,155
Less Accumulated Depreciation	0	0	(524,470)
Net Internal Service Fund Capital Assets	<u>0</u>	<u>0</u>	<u>118,685</u>
Total Before Construction in Progress	<u>\$18,156,650</u>	<u>\$13,525,490</u>	<u>\$27,935,493</u>
Construction in Progress			
Total Governmental Activities Capital Assets			

<i>Furniture and Equipment</i>	<i>Vehicles</i>	<i>Infrastructure</i>	<i>Totals</i>
\$613,011	\$1,175,083	\$0	\$6,942,824
544,010	2,525,894	0	8,814,778
2,348,624	0	0	2,348,624
3,505,645	3,700,977	0	18,106,226
0	0	0	234,240
2,194,827	855,138	0	55,910,490
73,826	235,407	0	314,588
320,881	41,743	33,801,872	34,703,358
571,933	845,533	0	1,583,312
0	0	116,819,091	116,819,091
0	0	2,647,688	2,647,688
7,373,861	0	0	7,373,861
7,945,794	845,533	119,466,779	128,423,952
57,552	0	0	57,552
24,083	0	0	24,083
701,354	71,189	0	772,543
113,058	45,905	0	158,963
1,210,642	0	0	1,250,242
18,960	0	0	18,960
86,357	0	0	86,357
297,602	0	0	18,002,868
2,509,608	117,094	0	20,371,568
16,550,581	5,795,892	153,268,651	258,064,422
(9,234,751)	(3,840,660)	(11,124,677)	(47,150,438)
7,315,830	1,955,232	142,143,974	210,913,984
77,292	22,890	0	743,337
(46,252)	(12,558)	0	(583,280)
31,040	10,332	0	160,057
\$7,346,870	\$1,965,564	\$142,143,974	211,074,041
			10,962,446
			\$222,036,487

**City of Westerville, Ohio**  
Schedule of Changes in Governmental Activities Capital Assets  
By Program and Department  
For the Year Ended December 31, 2011

<i>Program / Department</i>	<i>Restated Balance 12/31/2010</i>	<i>Additions</i>	<i>Deletions</i>	<i>Balance 12/31/2011</i>
Security of Persons and Property				
Police	\$7,023,744	\$358,329	\$439,249	\$6,942,824
Fire	8,422,746	417,085	25,053	8,814,778
Communications	1,092,701	1,288,403	32,480	2,348,624
Total Security of Persons and Property	<u>16,539,191</u>	<u>2,063,817</u>	<u>496,782</u>	<u>18,106,226</u>
Public Health				
Cemetery Maintenance	95,126	139,114	0	234,240
Leisure Time Activities				
Parks and Recreation	44,833,118	11,239,435	162,063	55,910,490
Community Development				
Planning, Engineering and Building	294,719	62,643	42,774	314,588
Basic Utility Services				
Storm Sewer	34,623,669	79,689	0	34,703,358
Transportation				
Street Maintenance	1,455,203	182,424	54,315	1,583,312
Roads and Bridges	116,819,091	0	0	116,819,091
Sidewalks	2,191,083	456,605	0	2,647,688
Traffic Signal Maintenance and Repair	7,373,861	0	0	7,373,861
Total Transportation	<u>127,839,238</u>	<u>639,029</u>	<u>54,315</u>	<u>128,423,952</u>
General Government				
City Manager	49,478	19,037	10,963	57,552
Legislative	24,083	0	0	24,083
Cable TV Commission	772,543	0	0	772,543
Finance	166,107	0	7,144	158,963
Management Information Systems	1,243,822	70,992	64,571	1,250,243
Income Tax	18,960	0	0	18,960
Mayor's Court	86,357	0	0	86,357
Lands and Buildings	17,313,255	689,613	0	18,002,868
Total General Government	<u>19,674,605</u>	<u>779,642</u>	<u>82,678</u>	<u>20,371,569</u>
Total General Capital Assets	243,899,666	15,003,369	838,612	258,064,423
Less Accumulated Depreciation	(43,677,511)	(4,276,005)	(803,078)	(47,150,438)
Net General Capital Assets	<u>200,222,155</u>	<u>10,727,364</u>	<u>35,534</u>	<u>210,913,985</u>
Internal Service Fund Capital Assets	740,318	3,018	0	743,336
Less Accumulated Depreciation	(561,440)	(21,840)	0	(583,280)
Net Internal Service Fund Capital Assets	<u>178,878</u>	<u>(18,822)</u>	<u>0</u>	<u>160,056</u>
Totals Before Construction in Progress	200,401,033	10,708,542	35,534	211,074,041
Construction in Progress	11,953,196	11,316,620	12,307,370	10,962,446
Total Governmental Activities Capital Assets	<u>\$212,354,229</u>	<u>\$22,025,162</u>	<u>\$12,342,904</u>	<u>\$222,036,487</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, 2011

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b><u>Revenues:</u></b>				
Property Taxes	\$3,100,000	\$2,989,599	\$2,989,599	\$0
Municipal Income Tax	24,546,354	26,300,828	26,353,822	52,994
Intergovernmental	4,955,184	6,492,821	6,142,088	(350,733)
Charges for Services	233,068	225,960	227,160	1,200
Fees, Licenses and Permits	589,100	640,849	647,313	6,464
Fines and Forfeitures	463,840	569,555	569,553	(2)
Investment Earnings	1,500,000	1,000,000	1,057,363	57,363
Other	31,120	61,062	91,148	30,086
<b>Total Revenues</b>	<b>35,418,666</b>	<b>38,280,674</b>	<b>38,078,046</b>	<b>(202,628)</b>
<b><u>Expenditures:</u></b>				
Current Operations and Maintenance				
Security of Persons and Property				
Police Department				
Police Services				
Personal Services	11,403,927	11,403,927	10,590,136	813,791
Supplies and Materials	522,964	517,045	430,135	86,910
Other Services and Charges	714,839	703,886	604,981	98,905
Capital Outlay	421,743	421,743	375,310	46,433
<b>Total Police Department</b>	<b>13,063,473</b>	<b>13,046,601</b>	<b>12,000,562</b>	<b>1,046,039</b>
Communications				
Personal Services	1,477,512	1,505,012	1,409,088	95,924
Supplies and Materials	26,739	26,597	20,709	5,888
Other Services and Charges	237,148	208,069	153,905	54,164
Capital Outlay	585,524	694,001	664,441	29,560
<b>Total Communications</b>	<b>2,326,923</b>	<b>2,433,679</b>	<b>2,248,143</b>	<b>185,536</b>
<b>Total Security of Persons and Property</b>	<b>15,390,396</b>	<b>15,480,280</b>	<b>14,248,705</b>	<b>1,231,575</b>
Public Health				
Cemetery Maintenance				
Supplies and Materials	1,950	1,950	1,372	578
Other Services and Charges	62,978	61,530	54,078	7,452
Capital Outlay	148,428	126,005	126,004	1
<b>Total Public Health</b>	<b>213,356</b>	<b>189,485</b>	<b>181,454</b>	<b>8,031</b>
Community Development				
Planning, Engineering, and Building Department				
Building, Planning and Zoning				
Personal Services	2,398,066	2,398,066	2,171,462	226,604
Supplies and Materials	93,840	92,854	68,777	24,077
Other Services and Charges	610,428	555,773	487,175	68,598
Capital Outlay	83,750	83,750	66,195	17,555
Other Financing Uses	1,000	1,000	100	900
<b>Total Community Development</b>	<b>\$3,187,084</b>	<b>\$3,131,443</b>	<b>\$2,793,709</b>	<b>\$337,734</b>

(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, 2011

(Continued)

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
Basic Utility Services				
General Public Services				
Storm Sewer Maintenance and Improvements				
Personal Services	\$518,210	\$518,210	\$503,002	\$15,208
Supplies and Materials	39,319	39,310	34,118	5,192
Other Services and Charges	191,970	191,345	131,121	60,224
Capital Outlay	8,497	8,497	5,489	3,008
Total Basic Utility Services	<u>757,996</u>	<u>757,362</u>	<u>673,730</u>	<u>83,632</u>
General Government				
City Manager				
Administration				
Personal Services	391,719	393,719	387,094	6,625
Supplies and Materials	4,566	4,467	4,395	72
Other Services and Charges	794,122	791,375	782,775	8,600
Capital Outlay	12,656	12,656	5,966	6,690
Total Administration	<u>1,203,063</u>	<u>1,202,217</u>	<u>1,180,230</u>	<u>21,987</u>
Economic Development				
Personal Services	106,443	106,443	98,989	7,454
Supplies and Materials	13,300	12,175	11,910	265
Other Services and Charges	249,434	320,470	270,359	50,111
Capital Outlay	66,800	66,800	66,800	0
Total Economic Development	<u>435,977</u>	<u>505,888</u>	<u>448,058</u>	<u>57,830</u>
Total City Manager	<u>1,639,040</u>	<u>1,708,105</u>	<u>1,628,288</u>	<u>79,817</u>
Legislative				
Personal Services	144,064	144,064	142,153	1,911
Supplies and Materials	13,700	13,700	12,808	892
Other Services and Charges	85,881	85,006	66,269	18,737
Capital Outlay	1,250	1,250	968	282
Total Legislative	<u>244,895</u>	<u>244,020</u>	<u>222,198</u>	<u>21,822</u>
Administrative Services				
Personal Services	795,586	795,586	666,089	129,497
Supplies and Materials	18,017	17,659	10,917	6,742
Other Services and Charges	597,024	592,402	533,426	58,976
Capital Outlay	43,500	43,500	20,404	23,096
Total Administrative Services	<u>1,454,127</u>	<u>1,449,147</u>	<u>1,230,836</u>	<u>218,311</u>
Management Information Systems				
Personal Services	1,141,208	1,141,208	1,029,422	111,786
Supplies and Materials	53,442	52,904	27,849	25,055
Other Services and Charges	746,728	743,128	569,222	173,906
Capital Outlay	291,650	291,650	182,805	108,845
Total Management Information Systems	<u>\$2,233,028</u>	<u>\$2,228,890</u>	<u>\$1,809,298</u>	<u>\$419,592</u>

(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, 2011

(Continued)

	Budget		Actual	Variance
	Original	Final		Positive (Negative)
Finance Department				
Administration and Accounting				
Personal Services	\$896,286	\$896,286	\$760,158	\$136,128
Supplies and Materials	27,075	26,981	23,123	3,858
Other Services and Charges	386,501	385,777	380,501	5,276
Capital Outlay	15,750	15,750	6,383	9,367
Total Administration and Accounting	1,325,612	1,324,794	1,170,165	154,629
Income Tax				
Personal Services	407,581	407,581	388,471	19,110
Supplies and Materials	40,339	39,863	24,134	15,729
Other Services and Charges	85,904	84,544	62,231	22,313
Capital Outlay	97,750	97,750	6,981	90,769
Other Financing Uses	1,300,000	1,300,000	1,109,218	190,782
Total Income Tax	1,931,574	1,929,738	1,591,035	338,703
Utility Billing Services				
Personal Services	626,105	626,105	572,324	53,781
Supplies and Materials	20,162	20,139	17,029	3,110
Other Services and Charges	116,725	115,113	105,069	10,044
Capital Outlay	22,674	22,674	12,326	10,348
Total Utility Billing Services	785,666	784,031	706,748	77,283
Mayor's Court				
Personal Services	440,294	405,294	331,440	73,854
Supplies and Materials	16,382	16,305	11,208	5,097
Other Services and Charges	375,197	397,073	396,936	137
Total Mayor's Court	831,873	818,672	739,584	79,088
Law Administration				
Personal Services	122,664	122,664	122,588	76
Other Services and Charges	497,802	497,240	493,855	3,385
Total Law Administration	620,466	619,904	616,443	3,461
Buildings and Grounds				
Personal Services	467,020	467,020	440,112	26,908
Supplies and Materials	70,750	70,750	36,764	33,986
Other Services and Charges	332,631	322,213	313,316	8,897
Capital Outlay	68,561	415,571	392,917	22,654
Total Buildings and Grounds	938,962	1,275,554	1,183,109	92,445
Total Finance Department	6,434,153	6,752,693	6,007,084	745,609
Total General Government	\$12,005,243	\$12,382,855	\$10,897,704	\$1,485,151

(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, 2011  
(Continued)

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
Debt Service				
Principal Retirement	\$638	\$665	\$665	\$0
Interest and Fiscal Charges	855	828	827	1
Total Debt Service	1,493	1,493	1,492	1
<i>Total Expenditures</i>	31,555,568	31,942,918	28,796,794	3,146,124
Excess of Revenues Over Expenditures	3,863,098	6,337,756	9,281,252	2,943,496
<b><u>Other Financing Sources (Uses):</u></b>				
Proceeds from Sale of Capital Assets	0	1,016	2,046	(1,030)
Advances - In	0	2,250,082	2,250,082	0
Advances - Out	0	(3,869,000)	(3,869,000)	0
Transfers - In	433,807	0	0	0
Transfers - Out	(5,159,511)	(5,159,511)	(5,159,511)	0
<i>Total Other Financing Sources (Uses)</i>	(4,725,704)	(6,777,413)	(6,776,383)	(1,030)
Net Change in Fund Balance	(862,606)	(439,657)	2,504,869	2,942,466
Fund Balance at Beginning of Year	16,777,564	16,947,200	16,947,200	0
Prior Year Encumbrances Carried Over	1,494,150	1,324,508	1,324,508	0
Fund Balance at End of Year	\$17,409,108	\$17,832,051	\$20,776,577	\$2,942,466

**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, 2011

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b><u>Revenues:</u></b>				
Property Taxes	\$11,100,000	\$9,173,386	\$9,173,386	\$0
Intergovernmental	1,995,100	3,332,891	3,330,635	(2,256)
Charges for Services	1,015,000	1,127,696	1,201,044	73,348
Fees, Licenses and Permits	0	50	50	0
Investment Earnings	150,000	50,000	52,842	2,842
Other	1,500	5,150	5,150	0
<i>Total Revenues</i>	<u>14,261,600</u>	<u>13,689,173</u>	<u>13,763,107</u>	<u>73,934</u>
<b><u>Expenditures:</u></b>				
Current Operations and Maintenance				
Security of Persons and Property				
Fire Department				
Operations				
Personal Services	11,733,444	11,733,444	11,282,894	450,550
Supplies and Materials	575,524	554,666	408,048	146,618
Other Services and Charges	1,095,811	1,048,097	945,130	102,967
Capital Outlay	577,256	581,508	549,756	31,752
<i>Total Expenditures</i>	<u>13,982,035</u>	<u>13,917,715</u>	<u>13,185,828</u>	<u>731,887</u>
Excess of Revenues Over (Under) Expenditures	279,565	(228,542)	577,279	805,821
<b><u>Other Financing Uses:</u></b>				
Transfers - Out	175,724	0	0	0
Net Change in Fund Balance	455,289	(228,542)	577,279	805,821
Fund Balance at Beginning of Year	3,026,039	3,106,850	3,106,850	0
Prior Year Encumbrances Carried Over	359,687	278,879	278,879	0
Fund Balance at End of Year	<u>\$3,841,015</u>	<u>\$3,157,187</u>	<u>\$3,963,008</u>	<u>\$805,821</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, 2011

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b><u>Revenues:</u></b>				
Intergovernmental	\$0	\$0	\$18,750	\$18,750
Charges for Services	3,384,626	3,879,317	3,824,631	(54,686)
Fees, Licenses and Permits	6,000	25,980	25,980	0
Other	1,500	15,502	15,195	(307)
<b>Total Revenues</b>	<b>3,392,126</b>	<b>3,920,799</b>	<b>3,884,556</b>	<b>(36,243)</b>
<b><u>Expenditures:</u></b>				
Current Operations and Maintenance				
Leisure Time Activities				
Administration				
Personal Services	688,620	646,120	595,408	50,712
Supplies and Materials	21,951	21,752	10,715	11,037
Other Services and Charges	122,649	122,222	119,510	2,712
Other Financing Uses	10,000	10,000	7,626	2,374
<b>Total Administration</b>	<b>843,220</b>	<b>800,094</b>	<b>733,259</b>	<b>66,835</b>
Services				
Personal Services	2,715,597	2,745,586	2,688,987	56,599
Supplies and Materials	236,569	231,551	215,855	15,696
Other Services and Charges	1,234,295	1,229,856	1,194,463	35,393
Capital Outlay	74,830	70,751	11,394	59,357
<b>Total Services</b>	<b>4,261,291</b>	<b>4,277,744</b>	<b>4,110,699</b>	<b>167,045</b>
Parks				
Personal Services	1,787,512	1,776,969	1,689,128	87,841
Supplies and Materials	331,374	330,830	316,991	13,839
Other Services and Charges	555,467	515,141	514,286	855
Capital Outlay	261,103	261,103	256,321	4,782
<b>Total Parks</b>	<b>2,935,456</b>	<b>2,884,043</b>	<b>2,776,726</b>	<b>107,317</b>
Senior Center				
Personal Services	605,013	605,013	538,089	66,924
Supplies and Materials	35,502	35,130	30,569	4,561
Other Services and Charges	95,201	85,099	78,220	6,879
Capital Outlay	31,587	31,587	22,029	9,558
<b>Total Senior Center</b>	<b>767,303</b>	<b>756,829</b>	<b>668,907</b>	<b>87,922</b>
Highland Pool				
Personal Services	392,023	448,923	448,838	85
Supplies and Materials	62,250	88,050	85,177	2,873
Other Services and Charges	92,257	105,823	102,830	2,993
Capital Outlay	5,000	5,000	4,837	163
<b>Total Highland Pool</b>	<b>551,530</b>	<b>647,796</b>	<b>641,682</b>	<b>6,114</b>
<b>Total Expenditures</b>	<b>9,358,800</b>	<b>9,366,506</b>	<b>8,931,273</b>	<b>435,233</b>
Excess of Revenues				
Under Expenditures	(5,966,674)	(5,445,707)	(5,046,717)	398,990
<b><u>Other Financing Sources:</u></b>				
Proceeds from Sale of Capital Assets	0	808	808	0
Transfers - In	4,371,080	4,371,080	4,371,080	0
<b>Total Other Financing Sources</b>	<b>4,371,080</b>	<b>4,371,888</b>	<b>4,371,888</b>	<b>0</b>
<b>Net Change in Fund Balance</b>	<b>(1,595,594)</b>	<b>(1,073,819)</b>	<b>(674,829)</b>	<b>398,990</b>
Fund Balance at Beginning of Year	5,348,246	5,417,536	5,417,536	0
Prior Year Encumbrances Carried Over	240,751	171,457	171,457	0
<b>Fund Balance at End of Year</b>	<b>\$3,993,403</b>	<b>\$4,515,174</b>	<b>\$4,914,164</b>	<b>\$398,990</b>

**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, 2011

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b><u>Revenues:</u></b>				
Municipal Income Tax	\$6,136,589	\$6,263,811	\$6,267,769	\$3,958
Intergovernmental	163,620	148,157	134,537	(13,620)
Charges for Services	55,000	73,685	73,685	0
<i>Total Revenues</i>	<u>6,355,209</u>	<u>6,485,653</u>	<u>6,475,991</u>	<u>(9,662)</u>
<b><u>Expenditures:</u></b>				
Capital Outlay	10,539,007	10,667,068	10,317,759	349,309
Debt Service				
Bond Issuance Costs	96,208	118,958	22,750	96,208
<i>Total Expenditures</i>	<u>10,635,215</u>	<u>10,786,026</u>	<u>10,340,509</u>	<u>445,517</u>
Excess of Revenues				
Under Expenditures	<u>(4,280,006)</u>	<u>(4,300,373)</u>	<u>(3,864,518)</u>	<u>435,855</u>
<b><u>Other Financing Sources (Uses):</u></b>				
General Obligation Bonds Issued	1,750,000	1,465,000	1,465,000	0
Transfers - Out	<u>(1,008,585)</u>	<u>(1,008,585)</u>	<u>(984,960)</u>	<u>23,625</u>
<i>Total Other Financing Sources (Uses)</i>	<u>741,415</u>	<u>456,415</u>	<u>480,040</u>	<u>23,625</u>
Net Change in Fund Balance	<u>(3,538,591)</u>	<u>(3,843,958)</u>	<u>(3,384,478)</u>	<u>459,480</u>
Fund Balance at Beginning of Year	1,390,467	1,755,091	1,755,091	0
Prior Year Encumbrances Carried Over	<u>3,005,507</u>	<u>2,640,883</u>	<u>2,640,883</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$857,383</u></u>	<u><u>\$552,016</u></u>	<u><u>\$1,011,496</u></u>	<u><u>\$459,480</u></u>

**City of Westerville, Ohio**

Schedule of Revenues, Expenditures, and Changes in Fund  
Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
**South State Street TIF Capital Projects Fund**  
For the Year Ended December 31, 2011

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b><u>Revenues:</u></b>				
Payments in Lieu of Taxes	\$1,324,488	\$395,312	\$395,312	\$0
Intergovernmental	312,380	312,381	312,381	0
<i>Total Revenues</i>	<u>1,636,868</u>	<u>707,693</u>	<u>707,693</u>	<u>0</u>
<b><u>Expenditures:</u></b>				
Capital Outlay	4,493,097	4,874,921	4,713,635	161,286
Debt Service				
Bond Issuance Costs	0	6,833	6,833	0
<i>Total Expenditures</i>	<u>4,493,097</u>	<u>4,881,754</u>	<u>4,720,468</u>	<u>161,286</u>
Excess of Revenues				
Under Expenditures	<u>(2,856,229)</u>	<u>(4,174,061)</u>	<u>(4,012,775)</u>	<u>161,286</u>
<b><u>Other Financing Sources (Uses):</u></b>				
General Obligation Bonds Issued	0	440,000	440,000	0
Proceeds from OPWC Loans	1,500,000	1,500,000	925,495	574,505
Advances - In	3,169,000	3,169,000	3,169,000	0
Advances - Out	<u>(3,169,000)</u>	<u>(1,000,000)</u>	<u>(1,000,000)</u>	<u>0</u>
<i>Total Other Financing Sources (Uses)</i>	<u>1,500,000</u>	<u>4,109,000</u>	<u>3,534,495</u>	<u>574,505</u>
Net Change in Fund Balance	(1,356,229)	(65,061)	(478,280)	735,791
Fund Balance at Beginning of Year	303,151	854,494	854,494	0
Prior Year Encumbrances Carried Over	<u>1,166,097</u>	<u>614,754</u>	<u>614,754</u>	<u>0</u>
Fund Balance at End of Year	<u>\$113,019</u>	<u>\$1,404,187</u>	<u>\$990,968</u>	<u>\$735,791</u>

**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, 2011

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b><u>Revenues:</u></b>				
Charges for Services	\$2,812,250	\$2,813,772	\$2,803,941	(\$9,831)
Capacity Charges	89,000	199,295	199,295	0
Proceeds of Bonds	1,807,000	1,075,000	1,075,000	0
Sale of Meters	17,500	17,500	14,990	(2,510)
Grants	0	670	670	0
Other	84,250	104,419	106,025	1,606
<b>Total Revenues</b>	<b>4,810,000</b>	<b>4,210,656</b>	<b>4,199,921</b>	<b>(10,735)</b>
<b><u>Expenses:</u></b>				
Personal Services				
Water Treatment	1,123,308	1,123,308	995,044	128,264
System Improvements	577,158	577,158	516,960	60,198
<b>Total Personal Service</b>	<b>1,700,466</b>	<b>1,700,466</b>	<b>1,512,004</b>	<b>188,462</b>
Supplies and Materials				
Water Treatment	499,036	491,245	388,230	103,015
System Improvements	105,161	104,460	67,638	36,822
<b>Total Supplies and Materials</b>	<b>604,197</b>	<b>595,705</b>	<b>455,868</b>	<b>139,837</b>
Other Services and Charges				
Water Treatment	636,253	614,735	542,389	72,346
System Improvements	144,593	140,689	94,697	45,992
<b>Total Other Services and Charges</b>	<b>780,846</b>	<b>755,424</b>	<b>637,086</b>	<b>118,338</b>
Capital Outlay				
Water Treatment	2,233,884	1,983,884	1,966,188	17,696
System Improvements	431,667	442,822	428,848	13,974
<b>Total Capital Outlay</b>	<b>2,665,551</b>	<b>2,426,706</b>	<b>2,395,036</b>	<b>31,670</b>
Debt Service				
Principal Retirement	587,685	587,685	587,685	0
Interest and Fiscal Charges	255,269	253,905	252,167	1,738
ODNR Debt	42,345	43,708	43,708	0
Debt Issuance Costs	0	16,857	16,857	0
<b>Total Debt Service</b>	<b>885,299</b>	<b>902,155</b>	<b>900,417</b>	<b>1,738</b>
<b>Total Expenses</b>	<b>6,636,359</b>	<b>6,380,456</b>	<b>5,900,411</b>	<b>480,045</b>
<b>Net Change in Fund Equity</b>	<b>(1,826,359)</b>	<b>(2,169,800)</b>	<b>(1,700,490)</b>	<b>469,310</b>
Fund Equity at Beginning of Year	7,104,101	7,139,665	7,139,665	0
Prior Year Encumbrances Carried Over	633,650	598,086	598,086	0
<b>Fund Equity at End of Year</b>	<b>\$5,911,392</b>	<b>\$5,567,951</b>	<b>\$6,037,261</b>	<b>\$469,310</b>

**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, 2011

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b><u>Revenues:</u></b>				
Charges for Services	\$7,499,810	\$7,506,860	\$7,444,840	(\$62,020)
Tap-In Fees	2,500	5,850	5,850	0
Capacity Charges	54,000	119,150	119,150	0
Proceeds of Bonds	820,000	0	0	0
<i>Total Revenues</i>	<u>8,376,310</u>	<u>7,631,860</u>	<u>7,569,840</u>	<u>(62,020)</u>
<b><u>Expenses:</u></b>				
Personal Services				
System Improvements	629,028	628,879	546,401	82,478
Supplies and Materials				
System Improvements	36,224	35,984	21,322	14,662
Other Services and Charges				
Sewer Treatment	8,811,591	8,267,471	8,205,223	62,248
System Improvements	233,319	167,359	107,869	59,490
Total Other Services and Charges	<u>9,044,910</u>	<u>8,434,830</u>	<u>8,313,092</u>	<u>121,738</u>
Capital Outlay				
System Improvements	1,076,820	405,017	384,453	20,564
Debt Service				
Principal Retirement	52,315	52,315	52,315	0
Interest and Fiscal Charges	52,641	52,641	41,570	11,071
Total Debt Service	<u>104,956</u>	<u>104,956</u>	<u>93,885</u>	<u>11,071</u>
<i>Total Expenses</i>	<u>10,891,938</u>	<u>9,609,666</u>	<u>9,359,153</u>	<u>250,513</u>
Net Change in Fund Equity	(2,515,628)	(1,977,806)	(1,789,313)	188,493
Fund Equity at Beginning of Year	2,834,191	3,389,268	3,389,268	0
Prior Year Encumbrances Carried Over	1,999,028	1,443,951	1,443,951	0
Fund Equity at End of Year	<u>\$2,317,591</u>	<u>\$2,855,413</u>	<u>\$3,043,906</u>	<u>\$188,493</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, 2011

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b><u>Revenues:</u></b>				
Charges for Services	\$43,237,419	\$45,069,654	\$45,133,774	\$64,120
Underground Line Charge	20,000	5,993	5,993	0
Proceeds of Bonds	4,901,910	5,745,000	5,745,000	0
Sale of Capital Assets	0	21,074	21,074	0
Sale of Meters	6,000	3,140	3,180	40
Interest	0	598	633	35
Other	85,000	133,978	134,143	165
<b>Total Revenues</b>	<b>48,250,329</b>	<b>50,979,437</b>	<b>51,043,797</b>	<b>64,360</b>
<b><u>Expenses:</u></b>				
Personal Services				
Electric System Maintenance	4,492,470	4,432,874	4,149,891	282,983
Supplies and Materials				
Electric System Maintenance	873,981	842,065	649,139	192,926
Other Services and Charges				
Purchased Power	35,025,565	36,478,770	36,428,069	50,701
Electric System Maintenance	1,583,683	1,397,509	1,169,896	227,613
<b>Total Other Services and Charges</b>	<b>36,609,248</b>	<b>37,876,279</b>	<b>37,597,965</b>	<b>278,314</b>
Capital Outlay				
Electric System Maintenance	8,621,391	8,463,375	7,834,727	628,648
Debt Service				
Principal Retirement	1,054,925	1,054,925	1,054,925	0
Interest and Fiscal Charges	1,108,783	1,108,783	1,106,964	1,819
Debt Issuance Costs	0	89,216	89,216	0
<b>Total Debt Service</b>	<b>2,163,708</b>	<b>2,252,924</b>	<b>2,251,105</b>	<b>1,819</b>
<b>Total Expenses</b>	<b>52,760,798</b>	<b>53,867,517</b>	<b>52,482,827</b>	<b>1,384,690</b>
Excess of Revenues				
Under Expenses Before Advances	(4,510,469)	(2,888,080)	(1,439,030)	1,449,050
Advances - In	0	500,000	500,000	0
Advances - Out	0	(300,000)	(300,000)	0
<b>Net Change in Fund Equity</b>	<b>(4,510,469)</b>	<b>(2,688,080)</b>	<b>(1,239,030)</b>	<b>1,449,050</b>
Fund Equity at Beginning of Year	10,026,240	10,324,542	10,324,542	0
Prior Year Encumbrances Carried Over	5,359,302	5,061,000	5,061,000	0
<b>Fund Equity at End of Year</b>	<b>\$10,875,073</b>	<b>\$12,697,462</b>	<b>\$14,146,512</b>	<b>\$1,449,050</b>

**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, 2011

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b><u>Revenues:</u></b>				
Charges for Services	\$165,000	\$165,000	\$0	(\$165,000)
Proceeds of Bonds	0	3,200,000	3,200,000	0
<b>Total Revenues</b>	<b>165,000</b>	<b>3,365,000</b>	<b>3,200,000</b>	<b>(165,000)</b>
<b><u>Expenses:</u></b>				
Supplies and Materials				
Service Operations	0	10,000	9,989	11
Other Services and Charges				
Service Operations	165,000	215,000	197,438	17,562
Capital Outlay				
System Improvements	6,649,952	9,732,353	8,125,160	1,607,193
Debt Service				
Interest and Fiscal Charges	242,529	327,039	327,039	0
Debt Issuance Costs	0	112,940	111,440	1,500
<b>Total Debt Service</b>	<b>242,529</b>	<b>439,979</b>	<b>438,479</b>	<b>1,500</b>
<b>Total Expenses</b>	<b>7,057,481</b>	<b>10,397,332</b>	<b>8,771,066</b>	<b>1,626,266</b>
Excess of Revenues				
Under Expenses Before Advances	(6,892,481)	(7,032,332)	(5,571,066)	1,461,266
Advances - In	407,529	552,040	552,040	0
Advances - Out	(165,000)	0	0	0
<b>Net Change in Fund Equity</b>	<b>(6,649,952)</b>	<b>(6,480,292)</b>	<b>(5,019,026)</b>	<b>1,461,266</b>
Fund Equity at Beginning of Year	5,115,619	5,767,629	5,767,629	0
Prior Year Encumbrances Carried Over	647,351	1,076,047	1,076,047	0
<b>Fund Equity (Deficit) at End of Year</b>	<b>(\$886,982)</b>	<b>\$363,384</b>	<b>\$1,824,650</b>	<b>\$1,461,266</b>

**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, 2011

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b><u>Revenues:</u></b>				
Intergovernmental	\$1,400,000	\$1,400,000	\$1,416,023	\$16,023
Investment Earnings	0	7	12	5
Other	0	2,878	3,009	131
<i>Total Revenues</i>	<u>1,400,000</u>	<u>1,402,885</u>	<u>1,419,044</u>	<u>16,159</u>
<b><u>Expenditures:</u></b>				
Current Operations and Maintenance				
Transportation				
Right of Way Maintenance				
Streets				
Personal Services	1,223,771	1,223,158	1,139,897	83,261
Supplies and Materials	558,887	558,869	481,869	77,000
Other Services and Charges	400,426	389,921	241,939	147,982
Capital Outlay	183,448	182,250	174,114	8,136
<i>Total Expenditures</i>	<u>2,366,532</u>	<u>2,354,198</u>	<u>2,037,819</u>	<u>316,379</u>
Excess of Revenues				
Under Expenditures	(966,532)	(951,313)	(618,775)	332,538
<b><u>Other Financing Sources:</u></b>				
Transfers - In	910,000	910,000	910,000	0
Net Change in Fund Balance	(56,532)	(41,313)	291,225	332,538
Fund Balance at Beginning of Year	675,932	688,266	688,266	0
Prior Year Encumbrances Carried Over	39,339	27,005	27,005	0
Fund Balance at End of Year	<u>\$658,739</u>	<u>\$673,958</u>	<u>\$1,006,496</u>	<u>\$332,538</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, 2011

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b><u>Revenues:</u></b>				
Intergovernmental	\$113,500	\$113,500	\$114,813	\$1,313
Investment Earnings	50	50	25	(25)
<i>Total Revenues</i>	113,550	113,550	114,838	1,288
<b><u>Expenditures:</u></b>				
Current Operations and Maintenance				
Transportation				
Right of Way Maintenance				
Highway				
Capital Outlay	5,000	5,000	5,000	0
Net Change in Fund Balance	108,550	108,550	109,838	1,288
Fund Balance at Beginning of Year	583,342	583,342	583,342	0
Fund Balance at End of Year	\$691,892	\$691,892	\$693,180	\$1,288

**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, 2011

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b><u>Revenues:</u></b>				
Intergovernmental	\$0	\$11,546	\$11,546	\$0
Investment Earnings	0	352	393	41
Other	0	1,628	1,628	0
<i>Total Revenues</i>	<u>0</u>	<u>13,526</u>	<u>13,567</u>	<u>41</u>
<b><u>Expenditures:</u></b>				
Current Operations and Maintenance				
Security of Persons and Property				
Police Department				
Supplies and Materials	5,060	19,244	16,589	2,655
Other Services and Charges	0	4,180	3,925	255
<i>Total Expenditures</i>	<u>5,060</u>	<u>23,424</u>	<u>20,514</u>	<u>2,910</u>
Net Change in Fund Balance	(5,060)	(9,898)	(6,947)	2,951
Fund Balance at Beginning of Year	31,347	31,385	31,385	0
Prior Year Encumbrances Carried Over	4,900	4,862	4,862	0
Fund Balance at End of Year	<u>\$31,187</u>	<u>\$26,349</u>	<u>\$29,300</u>	<u>\$2,951</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, 2011

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b><u>Revenues:</u></b>				
Intergovernmental	\$310,000	\$310,000	\$308,364	(\$1,636)
Investment Earnings	175	175	33	(142)
<i>Total Revenues</i>	310,175	310,175	308,397	(1,778)
<b><u>Expenditures:</u></b>				
Current Operations and Maintenance				
Transportation				
Right of Way Maintenance				
Capital Outlay	250,000	250,000	250,000	0
Net Change in Fund Balance	60,175	60,175	58,397	(1,778)
Fund Balance at Beginning of Year	136,737	136,737	136,737	0
Fund Balance at End of Year	\$196,912	\$196,912	\$195,134	(\$1,778)

**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, 2011

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b><u>Revenues:</u></b>				
Other Local Taxes	\$10,144	\$36,289	\$36,289	\$0
<b><u>Expenditures:</u></b>				
Current Operations and Maintenance				
General Government				
Other Government				
Other Services and Charges	2,336	33,712	33,712	0
Net Change in Fund Balance	7,808	2,577	2,577	0
Fund Balance at Beginning of Year	0	0	0	0
Fund Balance at End of Year	\$7,808	\$2,577	\$2,577	\$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, 2011

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b><u>Revenues:</u></b>				
Fines and Forfeitures	\$1,455	\$3,240	\$3,240	\$0
<b><u>Expenditures:</u></b>				
Current Operations and Maintenance				
Security of Persons and Property				
Police Department				
Supplies and Materials	1,282	1,282	1,282	0
Net Change in Fund Balance	173	1,958	1,958	0
Fund Balance at Beginning of Year	10,347	10,347	10,347	0
Fund Balance at End of Year	\$10,520	\$12,305	\$12,305	\$0



**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, 2011

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b><u>Revenues:</u></b>				
Payments in Lieu of Taxes	\$1,878,499	\$2,299,434	\$2,160,496	(\$138,938)
<b><u>Expenditures:</u></b>				
Current Operations and Maintenance				
General Government				
Other Government				
Other Services and Charges	2,850,950	2,993,277	2,992,807	470
Excess of Revenues Under Expenditures	(972,451)	(693,843)	(832,311)	(138,468)
<b><u>Other Financing Sources:</u></b>				
Transfers - In	684,221	684,221	684,221	0
Net Change in Fund Balance	(288,230)	(9,622)	(148,090)	(138,468)
Fund Balance at Beginning of Year	317,721	317,721	317,721	0
Fund Balance at End of Year	\$29,491	\$308,099	\$169,631	(\$138,468)

**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, 2011

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b><u>Revenues:</u></b>				
Fines and Forfeitures	\$0	\$18,644	\$18,644	\$0
<b><u>Expenditures:</u></b>				
Current Operations and Maintenance				
General Government				
Other Government				
Supplies and Materials	0	1,000	0	1,000
Other Services and Charges	3,240	11,140	10,330	810
Capital Outlay	2,000	2,000	1,546	454
<i>Total Expenditures</i>	5,240	14,140	11,876	2,264
Net Change in Fund Balance	(5,240)	4,504	6,768	2,264
Fund Balance at Beginning of Year	31,216	31,216	31,216	0
Fund Balance at End of Year	\$25,976	\$35,720	\$37,984	\$2,264

**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, 2011

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b><u>Revenues:</u></b>				
Municipal Income Tax	\$4,197,025	\$4,480,729	\$4,482,584	\$1,855
<b><u>Expenditures:</u></b>				
	0	0	0	0
Excess of Revenues Over Expenditures	4,197,025	4,480,729	4,482,584	1,855
<b><u>Other Financing Uses:</u></b>				
Transfers - Out	(4,031,965)	(4,031,965)	(4,031,965)	0
Net Change in Fund Balance	165,060	448,764	450,619	1,855
Fund Balance at Beginning of Year	119,490	119,490	119,490	0
Fund Balance at End of Year	\$284,550	\$568,254	\$570,109	\$1,855

**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, 2011

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b><u>Revenues:</u></b>	\$0	\$0	\$0	\$0
<b><u>Expenditures:</u></b>	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, 2011

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b><u>Revenues:</u></b>				
Fines and Forfeitures	\$0	\$9,856	\$10,207	\$351
Investment Earnings	0	245	276	31
<i>Total Revenues</i>	0	10,101	10,483	382
<b><u>Expenditures:</u></b>				
Current Operations and Maintenance				
Security of Persons and Property				
Police Department				
Supplies and Materials	5,000	5,000	5,000	0
Net Change in Fund Balance	(5,000)	5,101	5,483	382
Fund Balance at Beginning of Year	19,425	19,425	19,425	0
Fund Balance at End of Year	\$14,425	\$24,526	\$24,908	\$382

**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, 2011

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b><u>Revenues:</u></b>				
Intergovernmental	\$0	\$9,931	\$9,933	\$2
Fines and Forfeitures	0	115,553	115,553	0
Investment Earnings	0	1,530	1,700	170
<i>Total Revenues</i>	0	127,014	127,186	172
<b><u>Expenditures:</u></b>				
Current Operations and Maintenance				
Security of Persons and Property				
Police Department				
Supplies and Materials	13,493	31,587	30,923	664
Other Services and Charges	578	6,031	6,031	0
Capital Outlay	70,300	70,300	70,300	0
<i>Total Expenditures</i>	84,371	107,918	107,254	664
Net Change in Fund Balance	(84,371)	19,096	19,932	836
Fund Balance at Beginning of Year	54,740	57,588	57,588	0
Prior Year Encumbrances Carried Over	73,192	70,344	70,344	0
Fund Balance at End of Year	\$43,561	\$147,028	\$147,864	\$836

**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, 2011

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b><u>Revenues:</u></b>				
Other	\$6,694	\$16,735	\$16,735	\$0
<b><u>Expenditures:</u></b>				
Current Operations and Maintenance				
Security of Persons and Property				
Police Department				
Supplies and Materials	1,076	1,076	1,076	0
Net Change in Fund Balance	5,618	15,659	15,659	0
Fund Balance at Beginning of Year	39,470	39,470	39,470	0
Fund Balance at End of Year	\$45,088	\$55,129	\$55,129	\$0

**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, 2011

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b><u>Revenues:</u></b>				
Other Local Taxes	\$494,000	\$535,802	\$533,656	(\$2,146)
<b><u>Expenditures:</u></b>				
Current Operations and Maintenance				
General Government				
Other Government				
Other Services and Charges	416,265	410,308	410,127	181
Excess of Revenues Over Expenditures	77,735	125,494	123,529	(1,965)
<b><u>Other Financing Uses:</u></b>				
Advances - Out	(242,529)	(327,040)	(327,040)	0
Net Change in Fund Balance	(164,794)	(201,546)	(203,511)	(1,965)
Fund Balance at Beginning of Year	270,958	276,915	276,915	0
Prior Year Encumbrances Carried Over	22,965	17,008	17,008	0
Fund Balance at End of Year	\$129,129	\$92,377	\$90,412	(\$1,965)



**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, 2011

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b><u>Revenues:</u></b>				
Property Taxes	\$190,573	\$184,699	\$184,699	\$0
Intergovernmental	31,642	56,889	56,552	(337)
Other	0	458	458	0
<i>Total Revenues</i>	<u>222,215</u>	<u>242,046</u>	<u>241,709</u>	<u>(337)</u>
<b><u>Expenditures:</u></b>				
Debt Service				
Principal Retirement	2,605,075	2,605,075	2,605,075	0
Interest and Fiscal Charges	1,072,663	1,126,076	1,126,016	60
<i>Total Expenditures</i>	<u>3,677,738</u>	<u>3,731,151</u>	<u>3,731,091</u>	<u>60</u>
Excess of Revenues Under Expenditures	(3,455,523)	(3,489,105)	(3,489,382)	(277)
<b><u>Other Financing Sources:</u></b>				
Transfers - In	3,465,648	3,442,023	3,442,023	0
Net Change in Fund Balance	10,125	(47,082)	(47,359)	(277)
Fund Balance at Beginning of Year	180,260	180,260	180,260	0
Fund Balance at End of Year	<u>\$190,385</u>	<u>\$133,178</u>	<u>\$132,901</u>	<u>(\$277)</u>

**City of Westerville, Ohio**

Schedule of Revenues, Expenditures, and Changes in Fund  
Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
**Africa Road Improvements Capital Projects Fund**  
For the Year Ended December 31, 2011

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b><u>Revenues:</u></b>	\$0	\$0	\$0	\$0
<b><u>Expenditures:</u></b>	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	<u>\$48</u>	<u>\$48</u>	<u>\$48</u>	<u>\$0</u>

**City of Westerville, Ohio**

Schedule of Revenues, Expenditures, and Changes in Fund  
Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
**Dempsy Road Improvement Capital Projects Fund**  
For the Year Ended December 31, 2011

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b><u>Revenues:</u></b>	\$0	\$0	\$0	\$0
<b><u>Expenditures:</u></b>				
Capital Outlay	210,166	210,165	210,165	0
Net Change in Fund Balance	(210,166)	(210,165)	(210,165)	0
Fund Balance at Beginning of Year	61,894	61,894	61,894	0
Prior Year Encumbrances Carried Over	210,166	210,166	210,166	0
Fund Balance at End of Year	\$61,894	\$61,895	\$61,895	\$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, 2011

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b><u>Revenues:</u></b>	\$0	\$0	\$0	\$0
<b><u>Expenditures:</u></b>	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	<u>\$40,000</u>	<u>\$40,000</u>	<u>\$40,000</u>	<u>\$0</u>

**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, 2011

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b><u>Revenues:</u></b>	\$0	\$0	\$0	\$0
<b><u>Expenditures:</u></b>	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	\$163,547	\$163,547	\$163,547	\$0

**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, 2011

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b><u>Revenues:</u></b>				
Intergovernmental	\$375,082	\$375,082	\$375,082	\$0
<b><u>Expenditures:</u></b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess of Revenues Over Expenditures	375,082	375,082	375,082	0
<b><u>Other Financing Uses:</u></b>				
Advances - Out	<u>(375,082)</u>	<u>(375,082)</u>	<u>(375,082)</u>	<u>0</u>
Net Change in Fund Balance	0	0	0	0
Fund Balance at Beginning of Year	<u>4,547</u>	<u>4,547</u>	<u>4,547</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$4,547</u></u>	<u><u>\$4,547</u></u>	<u><u>\$4,547</u></u>	<u><u>\$0</u></u>

**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, 2011

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b><u>Revenues:</u></b>				
Intergovernmental	\$45,843	\$258,547	\$210,504	(\$48,043)
Other	52,000	52,158	37,159	(14,999)
<i>Total Revenues</i>	<u>97,843</u>	<u>310,705</u>	<u>247,663</u>	<u>(63,042)</u>
<b><u>Expenditures:</u></b>				
Capital Outlay	5,267,326	6,589,804	6,562,977	26,827
Debt Service				
Bond Issuance Costs	0	19,722	19,722	0
<i>Total Expenditures</i>	<u>5,267,326</u>	<u>6,609,526</u>	<u>6,582,699</u>	<u>26,827</u>
Excess of Revenues Under Expenditures	(5,169,483)	(6,298,821)	(6,335,036)	(36,215)
<b><u>Other Financing Sources:</u></b>				
General Obligation Bonds Issued	0	1,270,000	1,270,000	0
Net Change in Fund Balance	(5,169,483)	(5,028,821)	(5,065,036)	(36,215)
Fund Balance at Beginning of Year	1,418,240	1,566,464	1,566,464	0
Prior Year Encumbrances Carried Over	5,039,602	4,892,931	4,892,931	0
Fund Balance at End of Year	<u>\$1,288,359</u>	<u>\$1,430,574</u>	<u>\$1,394,359</u>	<u>(\$36,215)</u>

**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, 2011

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b><u>Revenues:</u></b>	\$0	\$0	\$0	\$0
<b><u>Expenditures:</u></b>	0	0	0	0
Net Change in Fund Balance	0	0	0	0
Fund Balance at Beginning of Year	240,065	240,065	240,065	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, 2011

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b><u>Revenues:</u></b>	\$0	\$0	\$0	\$0
<b><u>Expenditures:</u></b>				
Capital Outlay	22,000	22,000	22,000	0
Net Change in Fund Balance	(22,000)	(22,000)	(22,000)	0
Fund Balance at Beginning of Year	24,963	24,963	24,963	0
Prior Year Encumbrances Carried Over	22,000	22,000	22,000	0
Fund Balance at End of Year	<u>\$24,963</u>	<u>\$24,963</u>	<u>\$24,963</u>	<u>\$0</u>

**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, 2011

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b><u>Revenues:</u></b>	\$0	\$0	\$0	\$0
<b><u>Expenditures:</u></b>				
Capital Outlay	606,500	606,350	406,158	200,192
Excess of Revenues Under Expenditures	(606,500)	(606,350)	(406,158)	200,192
<b><u>Other Financing Sources:</u></b>				
Transfers - In	450,000	450,000	450,000	0
Net Change in Fund Balance	(156,500)	(156,350)	43,842	200,192
Fund Balance at Beginning of Year	590,612	590,762	590,762	0
Prior Year Encumbrances Carried Over	90,730	90,580	90,580	0
Fund Balance at End of Year	\$524,842	\$524,992	\$725,184	\$200,192

**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, 2011

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b><u>Revenues:</u></b>	\$0	\$0	\$0	\$0
<b><u>Expenditures:</u></b>				
Capital Outlay	1,500,000	1,500,000	1,394,382	105,618
Excess of Revenues Under Expenditures	(1,500,000)	(1,500,000)	(1,394,382)	105,618
<b><u>Other Financing Sources:</u></b>				
Transfers - In	350,000	350,000	350,000	0
Net Change in Fund Balance	(1,150,000)	(1,150,000)	(1,044,382)	105,618
Fund Balance at Beginning of Year	1,869,860	1,869,860	1,869,860	0
Fund Balance at End of Year	\$719,860	\$719,860	\$825,478	\$105,618

**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, 2011

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b><u>Revenues:</u></b>	\$0	\$0	\$0	\$0
<b><u>Expenditures:</u></b>	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	<u>\$1,239</u>	<u>\$1,239</u>	<u>\$1,239</u>	<u>\$0</u>

**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, 2011

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b><u>Revenues:</u></b>	\$0	\$0	\$0	\$0
<b><u>Expenditures:</u></b>	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, 2011

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b><u>Revenues:</u></b>	\$0	\$0	\$0	\$0
<b><u>Expenditures:</u></b>	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	<u>\$101,579</u>	<u>\$101,579</u>	<u>\$101,579</u>	<u>\$0</u>

**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, 2011

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b><u>Revenues:</u></b>				
Payments in Lieu of Taxes	\$0	\$40,886	\$40,886	\$0
<b><u>Expenditures:</u></b>	0	0	0	0
Net Change in Fund Balance	0	40,886	40,886	0
Fund Balance at Beginning of Year	90,252	90,252	90,252	0
Fund Balance at End of Year	<u>\$90,252</u>	<u>\$131,138</u>	<u>\$131,138</u>	<u>\$0</u>

**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, 2011

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b><u>Revenues:</u></b>				
Payments in Lieu of Taxes	\$258,083	\$613,347	\$613,347	\$0
<b><u>Expenditures:</u></b>				
Capital Outlay	0	105,000	103,725	1,275
Excess of Revenues Over Expenditures	258,083	508,347	509,622	1,275
<b><u>Other Financing Uses:</u></b>				
Advances - Out	(258,083)	(375,000)	(375,000)	0
Net Change in Fund Balance	0	133,347	134,622	1,275
Fund Balance at Beginning of Year	66,075	66,075	66,075	0
Fund Balance at End of Year	\$66,075	\$199,422	\$200,697	\$1,275



**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, 2011

	<u>Budget</u>		Actual	Variance Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b><u>Revenues:</u></b>				
Payments in Lieu of Taxes	\$69,686	\$138,527	\$138,527	\$0
Intergovernmental	1,112,814	1,057,988	1,057,988	0
<i>Total Revenues</i>	1,182,500	1,196,515	1,196,515	0
<b><u>Expenditures:</u></b>				
Capital Outlay	2,474,194	3,249,195	3,181,594	67,601
Excess of Revenues Under Expenditures	(1,291,694)	(2,052,680)	(1,985,079)	67,601
<b><u>Other Financing Sources (Uses):</u></b>				
Proceeds from OPWC Loan	700,659	700,659	491,704	(208,955)
Advances - In	0	775,000	775,000	0
Advances - Out	(1,000,000)	(2,000,000)	(1,000,000)	1,000,000
<i>Total Other Financing Sources (Uses)</i>	(299,341)	(524,341)	266,704	791,045
Net Change in Fund Balance	(1,591,035)	(2,577,021)	(1,718,375)	858,646
Fund Balance at Beginning of Year	648,169	648,169	648,169	0
Prior Year Encumbrances Carried Over	2,474,195	2,474,195	2,474,195	0
Fund Balance at End of Year	<u>\$1,531,329</u>	<u>\$545,343</u>	<u>\$1,403,989</u>	<u>\$858,646</u>

**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, 2011

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b><u>Revenues:</u></b>				
Payments in Lieu of Taxes	\$30,888	\$19,765	\$19,765	\$0
<b><u>Expenditures:</u></b>				
	0	0	0	0
Excess of Revenues Over Expenditures	30,888	19,765	19,765	0
<b><u>Other Financing Uses:</u></b>				
Transfers - Out	(30,888)	(30,888)	(30,888)	0
Net Change in Fund Balance	0	(11,123)	(11,123)	0
Fund Balance at Beginning of Year	27,292	27,292	27,292	0
Fund Balance at End of Year	\$27,292	\$16,169	\$16,169	\$0

**City of Westerville, Ohio**

Schedule of Revenues, Expenditures, and Changes in Fund  
Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
**Perimeter Road Improvements Capital Projects Fund**  
For the Year Ended December 31, 2011

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b><u>Revenues:</u></b>				
Fees, Licenses and Permits	\$14,000	\$34,200	\$34,200	\$0
<b><u>Expenditures:</u></b>	0	0	0	0
Net Change in Fund Balance	14,000	34,200	34,200	0
Fund Balance at Beginning of Year	125,332	125,332	125,332	0
Fund Balance at End of Year	\$139,332	\$159,532	\$159,532	\$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, 2011

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b><u>Revenues:</u></b>				
Charges for Services	\$2,405,400	\$2,405,400	\$2,368,553	(\$36,847)
<b><u>Expenses:</u></b>				
Personal Services				
Refuse Operations	98,656	98,656	96,896	1,760
Supplies and Materials				
Refuse Operations	2,550	2,550	2,550	0
Other Services and Charges				
Refuse Operations	2,462,737	2,458,904	2,422,386	36,518
Capital Outlay				
Refuse Operations	1,982	1,982	1,707	275
<i>Total Expenses</i>	<u>2,565,925</u>	<u>2,562,092</u>	<u>2,523,539</u>	<u>38,553</u>
Net Change in Fund Equity	(160,525)	(156,692)	(154,986)	1,706
Fund Equity at Beginning of Year	392,860	396,683	396,683	0
Prior Year Encumbrances Carried Over	<u>187,631</u>	<u>183,808</u>	<u>183,808</u>	<u>0</u>
Fund Equity at End of Year	<u>\$419,966</u>	<u>\$423,799</u>	<u>\$425,505</u>	<u>\$1,706</u>

**City of Westerville, Ohio**

Schedule of Revenues, Expenses, and Changes in Fund  
Equity - Budget (Non-GAAP Budgetary Basis) and Actual  
**Garage Internal Service Fund**  
For the Year Ended December 31, 2011

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b><u>Revenues:</u></b>				
Charges for Services	\$1,030,900	\$1,071,579	\$1,046,499	(\$25,080)
Other	3,500	4,865	4,865	0
<i>Total Revenues</i>	<u>1,034,400</u>	<u>1,076,444</u>	<u>1,051,364</u>	<u>(25,080)</u>
<b><u>Expenses:</u></b>				
Personal Services				
Garage Operations	363,577	363,577	356,735	6,842
Supplies and Materials				
Garage Operations	580,167	665,297	656,007	9,290
Other Services and Charges				
Garage Operations	76,760	75,459	56,661	18,798
Capital Outlay				
Garage Operations	5,503	5,503	4,953	550
<i>Total Expenses</i>	<u>1,026,007</u>	<u>1,109,836</u>	<u>1,074,356</u>	<u>35,480</u>
Net Change in Fund Equity	8,393	(33,392)	(22,992)	10,400
Fund Equity at Beginning of Year	215,634	221,805	221,805	0
Prior Year Encumbrances Carried Over	11,480	5,309	5,309	0
Fund Equity at End of Year	<u>\$235,507</u>	<u>\$193,722</u>	<u>\$204,122</u>	<u>\$10,400</u>

**City of Westerville, Ohio**  
Schedule of Revenues, Expenses, and Changes in Fund  
Equity - Budget (Non-GAAP Budgetary Basis) and Actual  
**Workers Compensation Self-Insurance Internal Service Fund**  
For the Year Ended December 31, 2011

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b><u>Revenues:</u></b>				
Charges for Services	\$0	\$406,009	\$406,009	\$0
<b><u>Expenses:</u></b>				
Other Services and Charges				
Self-Insurance	82,653	280,949	280,826	123
Excess of Revenues Over (Under) Expenses	(82,653)	125,060	125,183	123
Transfers - In	406,009	406,009	406,009	0
Net Change in Fund Equity	323,356	531,069	531,192	123
Fund Equity at Beginning of Year	0	0	0	0
Fund Equity at End of Year	<u>\$323,356</u>	<u>\$531,069</u>	<u>\$531,192</u>	<u>\$123</u>

**City of Westerville, Ohio**

Schedule of Revenues, Expenses, and Changes in Fund  
Equity - Budget (Non-GAAP Budgetary Basis) and Actual  
**Self-Insurance Internal Service Fund**  
For the Year Ended December 31, 2011

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b><u>Revenues:</u></b>				
Other	\$0	\$24,272	\$24,272	\$0
<b><u>Expenses:</u></b>				
Supplies and Materials				
Self-Insurance	0	1,063	1,063	0
Other Services and Charges				
Self-Insurance	14,122	53,564	53,564	0
Capital Outlay				
Self-Insurance	12,500	12,500	12,500	0
<b>Total Expenses</b>	<b>26,622</b>	<b>67,127</b>	<b>67,127</b>	<b>0</b>
Excess of Revenues Under Expenses	(26,622)	(42,855)	(42,855)	0
Transfers - Out	(406,009)	(406,009)	(406,009)	0
Net Change in Fund Equity	(432,631)	(448,864)	(448,864)	0
Fund Equity at Beginning of Year	1,197,550	1,205,813	1,205,813	0
Prior Year Encumbrances Carried Over	26,622	18,360	18,360	0
Fund Equity at End of Year	<b>\$791,541</b>	<b>\$775,309</b>	<b>\$775,309</b>	<b>\$0</b>



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# City of Westerville, Ohio

## Statistical Tables

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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>	176-185
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>	186-199
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>	200-205
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>	206-207
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>	208-213
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 Nine Years  
 (accrual basis of accounting)

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
<i>Governmental Activities:</i>				
Invested in Capital Assets, Net of Related Debt (1)	\$43,583,753	\$53,450,973	\$60,621,053	\$174,424,267
Restricted (2)	23,469,787	22,014,550	17,713,068	16,207,725
Unrestricted (2)	24,341,745	22,517,201	25,208,439	27,408,591
<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>
<i>Business-Type Activities:</i>				
Invested in Capital Assets, Net of Related Debt	66,100,531	66,883,895	69,957,465	73,070,150
Unrestricted	36,087,428	32,615,367	29,543,305	27,293,331
<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>
<i>Primary Government:</i>				
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	60,429,173	55,132,568	54,751,744	54,701,922
<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 the roads and bridges infrastructure from 1980 through 2003 in that year.
- (2) The large decrease of Restricted Net Assets and increase in Unrestricted Net Assets for 2010 was a result of the implementation of GASB 54.

<i>2007</i>	<i>2008</i>	<i>2009</i>	<i>2010</i>	<i>2011</i>
\$175,905,966	\$177,018,595	\$179,020,723	\$186,423,811	\$189,865,503
23,599,432	25,592,016	24,859,638	9,041,410	14,417,704
23,773,944	23,755,848	25,806,809	41,266,072	44,614,691
223,279,342	226,366,459	229,687,170	236,731,293	248,897,898
73,089,932	71,935,551	67,786,210	70,184,446	69,813,339
28,615,958	29,588,665	30,202,436	32,019,131	34,678,959
101,705,890	101,524,216	97,988,646	102,203,577	104,492,298
248,995,898	248,954,146	246,806,933	256,608,257	259,678,842
23,599,432	25,592,016	24,859,638	9,041,410	14,417,704
52,389,902	53,344,513	56,009,245	73,285,203	79,293,650
\$324,985,232	\$327,890,675	\$327,675,816	\$338,934,870	\$353,390,196

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

	2003	2004	2005	2006
<b>Program Revenues:</b>				
Governmental Activities:				
Charges for Services and Sales:				
Security of Persons and Property	\$120,874	\$233,947	\$121,914	\$78,934
Public Health	41,681	35,246	37,320	27,696
Leisure Time Activities	2,657,185	2,733,907	3,015,018	2,872,625
Community Development	687,798	884,132	839,071	964,288
Transportation	27,840	524	84,625	39,600
General Government	721,914	887,454	920,985	817,796
Operating Grants, Contributions and Interest	4,576,376	4,594,674	4,827,917	4,703,862
Capital Grants, Contributions and Interest	4,433,334	3,580,626	2,922,366	2,543,228
<i>Total Governmental Activities Program Revenues</i>	<u>13,267,002</u>	<u>12,950,510</u>	<u>12,769,216</u>	<u>12,048,029</u>
Business-Type Activities:				
Charges for Services:				
Water	3,417,030	3,447,858	3,847,391	3,394,398
Sewer	3,919,162	4,636,563	5,333,784	5,837,587
Electric	21,308,910	23,758,104	28,482,231	30,976,955
Community Data Center	0	0	0	0
Refuse	1,678,786	1,716,930	1,850,321	1,924,673
Swimming Pool (3)	379,970	330,189	406,581	403,826
Operating Grants, Contributions and Interest	29,433	897,426	0	1,180
Capital Grants, Contributions and Interest	620,769	2,796,036	1,642,537	1,806,312
<i>Total Business-Type Activities Program Revenues</i>	<u>31,354,060</u>	<u>37,583,106</u>	<u>41,562,845</u>	<u>44,344,931</u>
<i>Total Primary Government Program Revenues</i>	<u>44,621,062</u>	<u>50,533,616</u>	<u>54,332,061</u>	<u>56,392,960</u>
<b>Expenses:</b>				
Governmental Activities:				
Current:				
Security of Persons and Property	17,861,792	18,294,807	21,059,425	20,547,925
Public Health	53,158	64,095	57,364	51,609
Leisure Time Activities	6,393,207	8,241,110	8,268,953	8,304,966
Community Development	2,104,386	2,311,744	2,381,720	2,290,453
Basic Utility Services	294,465	280,901	395,574	308,478
Transportation	1,698,334	3,193,662	3,097,704	5,402,240
General Government	8,941,895	8,482,028	9,484,791	9,724,111
Interest and Fiscal Charges	1,340,456	1,446,681	1,371,225	1,299,571
<i>Total Governmental Activities Expenses</i>	<u>38,687,693</u>	<u>42,315,028</u>	<u>46,116,756</u>	<u>47,929,353</u>
Business Type Activities:				
Water	2,328,572	4,060,430	3,171,504	3,138,646
Sewer	4,612,333	4,789,093	5,041,390	5,641,950
Electric	19,205,055	29,445,916	31,124,552	32,346,965
Community Data Center (1)	0	0	0	0
Refuse	1,689,437	1,711,896	1,921,206	1,941,027
Swimming Pool (3)	419,286	438,847	465,973	514,499
<i>Total Business-Type Activities Expenses</i>	<u>28,254,683</u>	<u>40,446,182</u>	<u>41,724,625</u>	<u>43,583,087</u>
<i>Total Primary Government Expenses</i>	<u>\$66,942,376</u>	<u>\$82,761,210</u>	<u>\$87,841,381</u>	<u>\$91,512,440</u>

2007	2008	2009	2010	2011
\$248,491	\$201,340	\$735,687	\$1,338,292	\$1,420,275
25,950	37,892	26,276	25,714	31,390
3,061,612	3,138,743	2,852,525	3,255,867	3,836,368
823,959	941,293	672,744	818,791	644,144
45,000	22,500	309,016	48,600	107,885
781,310	690,699	657,456	740,332	620,632
4,921,913	5,600,521	5,497,164	5,582,071	5,607,392
790,970	164,846	130,359	3,562,453	1,380,241
10,699,205	10,797,834	10,881,227	15,372,120	13,648,327
3,536,123	2,958,745	2,843,926	3,446,317	3,026,833
6,829,737	6,955,790	7,091,758	7,552,773	7,595,336
34,701,328	37,127,200	40,106,709	45,120,183	45,044,529
0	0	0	0	260
1,919,708	1,951,752	2,161,353	2,384,386	2,378,371
459,245	446,827	435,176	0	0
58,780	0	0	0	0
667,160	425,262	78,865	582,892	76,310
48,172,081	49,865,576	52,717,787	59,086,551	58,121,639
58,871,286	60,663,410	63,599,014	74,458,671	71,769,966
21,913,868	23,812,277	24,919,134	26,338,118	27,331,663
62,869	56,156	53,989	79,239	117,232
8,225,686	8,837,447	6,005,577	7,149,210	7,471,158
2,401,588	2,434,545	2,357,182	2,781,118	2,672,231
1,104,555	1,193,430	1,187,441	1,245,063	1,292,044
6,690,507	3,988,338	12,433,936	12,254,959	9,475,825
8,939,908	11,437,810	12,019,757	12,754,058	14,459,348
1,231,338	1,184,204	899,935	946,382	1,073,030
50,570,319	52,944,207	59,876,951	63,548,147	63,892,531
3,335,846	3,700,446	3,703,468	3,902,340	3,626,720
6,488,261	7,138,180	7,497,641	7,441,991	7,584,989
34,790,162	37,048,202	42,847,705	40,057,863	41,870,782
0	0	0	103,162	1,106,301
1,920,950	2,137,563	2,228,911	2,442,963	2,504,275
462,304	515,415	515,398	315,206	0
46,997,523	50,539,806	56,793,123	54,263,525	56,693,067
\$97,567,842	\$103,484,013	\$116,670,074	\$117,811,672	\$120,585,598

(Continued)

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

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
<b>Net (Expense) / Revenue:</b>				
Governmental Activities	(\$25,420,691)	(\$29,364,518)	(\$33,347,540)	(\$35,881,324)
Business-Type Activities	3,099,377	(2,863,076)	(161,780)	761,844
<i>Total Primary Government Net Assets</i>	<u>(22,321,314)</u>	<u>(32,227,594)</u>	<u>(33,509,320)</u>	<u>(35,119,480)</u>
<b>General Revenues and Transfers:</b>				
Governmental Activities:				
Property Taxes Levied for:				
General Purposes	3,064,515	3,158,862	3,133,506	3,633,506
Fire	7,321,671	7,485,143	7,260,582	7,588,375
Debt Service	346,546	478,843	381,885	451,365
Municipal Income Taxes Levied for:				
General Purposes	14,507,687	14,879,559	16,208,734	17,027,641
Parks and Recreation	3,392,022	3,477,793	3,854,039	4,015,810
Capital Improvement (4)	0	0	0	0
Other Local Taxes (2)	0	0	0	423,190
Grants and Entitlements not Restricted to Specific Programs	5,177,486	4,787,086	5,778,664	4,828,247
Unrestricted Investment Earnings	1,549,328	1,339,752	1,725,206	3,550,908
Payments in Lieu of Taxes	219,691	294,277	505,051	990,236
Other	45,945	50,642	75,587	94,763
Transfers	(6,702)	0	(15,878)	0
<i>Total Governmental Activities</i>	<u>35,618,189</u>	<u>35,951,957</u>	<u>38,907,376</u>	<u>42,604,041</u>
Business-Type Activities:				
Unrestricted Investment Earnings	68,536	47,236	16,338	12,812
Other	101,583	127,143	131,072	89,107
Transfers	6,702	0	15,878	0
<i>Total Business-Type Activities</i>	<u>176,821</u>	<u>174,379</u>	<u>163,288</u>	<u>101,919</u>
Change in Net Assets:				
Governmental Activities	10,197,498	6,587,439	5,559,836	6,722,717
Business-Type Activities	3,276,198	(2,688,697)	1,508	863,763
<i>Total Primary Government</i>	<u>\$13,473,696</u>	<u>\$3,898,742</u>	<u>\$5,561,344</u>	<u>\$7,586,480</u>

- (1) The Community Data Center Fund originated in 2010
- (2) Prior to 2006, Other Local Taxes were reported as part of Property Taxes
- (3) The swimming pool is no longer presented as an enterprise fund. It is now reported within the Parks and Recreation Operating Special Revenue Fund.
- (4) The General Capital Improvement Fund now directly receipts a percentage of income tax rather than receiving transfers from the General Fund.

<i>2007</i>	<i>2008</i>	<i>2009</i>	<i>2010</i>	<i>2011</i>
(\$39,871,114)	(\$42,146,373)	(\$48,995,724)	(\$48,176,027)	(\$50,244,204)
1,174,558	(674,230)	(4,075,336)	4,823,026	1,428,572
(38,696,556)	(42,820,603)	(53,071,060)	(43,353,001)	(48,815,632)
3,212,914	3,063,892	3,040,208	3,061,901	3,055,796
7,495,299	6,981,668	6,893,177	7,035,668	9,407,517
97,622	135,795	187,731	189,112	188,737
17,755,394	18,730,035	29,002,095	31,525,987	26,205,288
4,218,641	4,377,305	3,854,332	4,298,320	4,596,666
0	0	0	0	7,214,875
452,842	491,884	505,053	546,232	584,447
5,392,820	5,214,556	5,172,682	5,501,341	5,811,570
4,755,384	3,803,114	1,284,620	922,228	1,914,882
1,711,131	2,269,090	2,239,257	2,607,974	3,859,808
17,826	175,774	408,414	547,024	160,995
0	(9,623)	(271,134)	(125,000)	(589,772)
45,109,873	45,233,490	52,316,435	56,110,787	62,410,809
49,622	146,363	4,226	1,223	633
118,229	336,570	264,406	222,095	269,744
0	9,623	271,134	125,000	589,772
167,851	492,556	539,766	348,318	860,149
5,238,759	3,087,117	3,320,711	7,934,760	12,166,605
1,342,409	(181,674)	(3,535,570)	5,171,344	2,288,721
\$6,581,168	\$2,905,443	(\$214,859)	\$13,106,104	\$14,455,326

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

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
<b>General Fund</b>				
Nonspendable	\$0	\$0	\$0	\$0
Committed	0	0	0	0
Assigned	0	0	0	0
Unassigned	0	0	0	0
Reserved	4,281,968	4,224,161	6,945,451	5,520,107
Unreserved	<u>20,102,695</u>	<u>18,928,266</u>	<u>14,339,936</u>	<u>17,763,200</u>
<i>Total General Fund</i>	<u>24,384,663</u>	<u>23,152,427</u>	<u>21,285,387</u>	<u>23,283,307</u>
<b>All Other Governmental Funds</b>				
Nonspendable	0	0	0	0
Restricted	0	0	0	0
Committed	0	0	0	0
Assigned	0	0	0	0
Unassigned	0	0	0	0
Reserved	2,654,691	8,706,933	4,562,592	3,300,041
Unreserved, Undesignated (Deficit)				
Reported in:				
Special Revenue Funds	10,453,257	13,357,816	14,130,666	13,863,104
Debt Service Funds	86,435	33,638	89,866	99,873
Capital Projects Funds	<u>7,438,290</u>	<u>4,659,444</u>	<u>3,045,822</u>	<u>1,066,589</u>
<i>Total All Other Governmental Funds</i>	<u>20,632,673</u>	<u>26,757,831</u>	<u>21,828,946</u>	<u>18,329,607</u>
<i>Total Governmental Funds</i>	<u>\$45,017,336</u>	<u>\$49,910,258</u>	<u>\$43,114,333</u>	<u>\$41,612,914</u>

(1) The swimming pool is no longer presented as an enterprise fund. It is now reported within the Parks and Recreation Operating Special Revenue Fund.

Note: During 2011, the City implemented GASB Statement No. 54.



<i>2006</i>	<i>2007</i>	<i>2008</i>	<i>2009</i>	<i>2010 (1)</i>	<i>2011</i>
\$0	\$0	\$0	\$0	\$8,690,430	\$11,992,605
0	0	0	0	0	43,757
0	0	0	0	1,444,761	328,829
0	0	0	0	22,542,017	26,072,265
10,415,540	10,382,188	9,696,963	8,074,046	0	0
15,156,954	17,127,003	18,649,355	21,871,346	0	0
<u>25,572,494</u>	<u>27,509,191</u>	<u>28,346,318</u>	<u>29,945,392</u>	<u>32,677,208</u>	<u>38,437,456</u>
0	0	0	0	222,858	284,166
0	0	0	0	11,790,797	10,275,285
0	0	0	0	7,917,957	9,448,941
0	0	0	0	3,921,876	1,735,505
0	0	0	0	(7,885,719)	(7,748,391)
2,638,377	1,375,144	2,323,104	3,733,775	0	0
15,274,266	16,100,108	16,951,764	13,269,120	0	0
199,513	121,383	74,435	82,826	0	0
(2,202,362)	(1,515,003)	(1,259,399)	(544,687)	0	0
<u>15,909,794</u>	<u>16,081,632</u>	<u>18,089,904</u>	<u>16,541,034</u>	<u>15,967,769</u>	<u>13,995,506</u>
<u>\$41,482,288</u>	<u>\$43,590,823</u>	<u>\$46,436,222</u>	<u>\$46,486,426</u>	<u>\$48,644,977</u>	<u>\$52,432,962</u>

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

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
<b>Revenues:</b>				
Property Taxes	\$8,006,605	\$10,430,292	\$10,748,595	\$10,445,069
Municipal Income Taxes	17,044,400	17,779,422	18,359,467	19,989,848
Other Local Taxes	58,460	363,723	362,261	392,450
Payments in Lieu of Taxes	0	219,691	294,277	419,948
Intergovernmental	8,549,939	10,068,502	12,338,083	12,771,663
Charges for Services	2,750,166	2,714,383	3,370,392	3,219,498
Fees, Licenses and Permits	1,169,884	852,988	867,242	1,204,137
Fines and Forfeitures	503,779	569,604	499,091	505,907
Investment Earnings	3,171,205	1,548,105	1,325,301	1,458,133
Other	264,280	167,963	148,019	223,105
<i>Total Revenues</i>	<u>41,263,399</u>	<u>44,714,673</u>	<u>48,312,728</u>	<u>50,629,758</u>
<b>Expenditures:</b>				
Current:				
Security of Persons and Property	16,240,667	17,042,390	18,492,909	19,390,459
Public Health	43,072	46,113	55,412	49,572
Leisure Time Activities	5,225,703	5,765,100	6,202,645	6,491,507
Community Development	2,037,680	2,054,743	2,260,454	2,332,143
Basic Utility Services	308,077	257,312	232,736	323,997
Transportation	1,645,043	1,674,169	2,495,398	3,325,763
General Government	7,267,158	8,189,150	9,423,507	8,994,886
Capital Outlay	6,723,329	8,171,645	12,671,378	8,069,949
Debt Service:				
Principal Retirement	1,535,842	1,547,532	1,830,887	1,922,915
Interest and Fiscal Charges	1,322,991	1,321,680	1,444,627	1,369,138
Issuance Costs	0	120,875	0	0
<i>Total Expenditures</i>	<u>42,349,562</u>	<u>46,190,709</u>	<u>55,109,953</u>	<u>52,270,329</u>
Excess of Revenues Over (Under) Expenditures	<u>(1,086,163)</u>	<u>(1,476,036)</u>	<u>(6,797,225)</u>	<u>(1,640,571)</u>
<b>Other Financing Sources (Uses):</b>				
General Obligation Bonds Issued	0	6,500,000	0	0
OPWC Loans Issued	0	0	0	0
Premium on Debt Issued	0	0	0	0
Discount on Debt Issued	0	(39,984)	0	0
Proceeds From Sale of Capital Assets	13,696	0	1,300	155,030
Payment to Refunded Bond Escrow Agent	0	0	0	0
Transfers - In	11,238,364	13,428,670	10,686,542	9,800,829
Transfers - Out	(11,438,364)	(13,435,372)	(10,686,542)	(9,816,707)
<i>Total Other Financing Sources (Uses)</i>	<u>(186,304)</u>	<u>6,453,314</u>	<u>1,300</u>	<u>139,152</u>
<i>Prior Period Adjustments</i>	<u>1,115,730</u>	<u>(84,356)</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	<u>(\$156,737)</u>	<u>\$4,892,922</u>	<u>(\$6,795,925)</u>	<u>(\$1,501,419)</u>
<i>Debt Service as a Percentage of Noncapital Expenditures</i>	8.0%	7.6%	8.1%	7.6%

2006	2007	2008	2009	2010	2011
\$11,227,471	\$10,761,808	\$10,065,032	\$10,200,505	\$10,250,347	\$12,347,684
21,232,835	21,801,514	23,194,224	32,424,966	35,745,993	37,442,625
345,566	444,698	477,009	498,791	516,475	682,087
860,139	1,641,597	1,949,200	2,049,303	2,598,174	3,274,530
10,655,342	10,442,132	11,117,361	10,620,493	12,981,581	13,431,523
3,543,986	3,540,980	3,670,381	3,330,955	4,961,753	5,334,848
716,669	810,696	808,069	724,489	790,783	706,186
515,463	653,108	551,037	575,686	753,569	709,742
3,180,412	4,780,748	3,927,531	1,395,987	959,177	1,948,322
229,739	178,036	175,002	408,534	227,740	170,444
52,507,622	55,055,317	55,934,846	62,229,709	69,785,592	76,047,991
20,252,931	21,498,778	23,003,087	24,328,138	26,448,962	26,969,586
46,945	67,269	53,589	51,422	82,426	179,322
7,466,748	7,007,948	7,229,515	7,420,917	8,353,292	8,636,282
2,252,948	2,387,252	2,421,397	2,401,381	2,761,688	2,685,053
325,564	532,666	571,237	508,432	563,587	651,873
2,157,229	2,319,041	2,183,713	2,293,288	2,816,796	2,154,857
9,470,124	11,026,743	10,901,565	11,765,733	12,707,473	13,938,717
7,588,335	4,934,906	3,874,933	12,265,032	18,121,004	17,857,481
1,783,929	1,590,622	1,658,981	1,879,016	1,987,377	2,605,740
1,297,711	1,227,015	1,181,804	963,957	945,390	1,126,843
0	4,482	0	765,874	107,914	49,305
52,642,464	52,596,722	53,079,821	64,643,190	74,895,909	76,855,059
(134,842)	2,458,595	2,855,025	(2,413,481)	(5,110,317)	(807,068)
0	380,000	0	18,160,735	7,015,000	3,175,000
0	0	0	0	0	1,417,199
0	11,117	0	1,017,054	543,380	0
0	0	0	0	0	0
5,669	4,582	0	242,000	10,374	2,854
0	0	0	(16,742,935)	0	0
10,823,630	10,328,138	11,924,221	19,936,821	20,155,971	10,207,324
(10,823,630)	(10,328,138)	(11,933,847)	(20,149,990)	(20,280,971)	(10,207,324)
5,669	395,699	(9,626)	2,463,685	7,443,754	4,595,053
(1,453)	(745,759)	0	(318,322)	143,436	0
(\$130,626)	\$2,108,535	\$2,845,399	(\$268,118)	\$2,476,873	\$3,787,985
6.8%	5.8%	5.7%	4.9%	4.8%	5.9%

*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>Total Individual</i>	<i>Percentage of Total</i>
	<i>Withholding</i>	<i>Percentage of Total</i>	<i>Non-Withholding</i>	<i>Percentage of Total</i>		
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	78	3,259,250	9	31,055,416	88
2011	29,499,167	80	3,299,326	9	32,798,493	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>
\$1,288,482	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	35,460,190
4,305,597	12	37,104,090

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

<i>Year</i>	<i>General Fund</i>	<i>General Capital Improvement Fund</i>	<i>Subtotal</i>	<i>Parks and Recreation Income Tax Allocation Fund</i>	<i>Total</i>	<i>Percentage Increase</i>
2002	\$13,784,049	\$0	\$13,784,049.00	\$3,260,351	\$17,044,400	0.20%
2003	14,411,457	0	14,411,457	3,367,965	17,779,422	4.31%
2004	14,881,251	0	14,881,251	3,478,216	18,359,467	3.26%
2005	16,150,394	0	16,150,394	3,839,454	19,989,848	8.88%
2006	17,179,148	0	17,179,148	4,053,687	21,232,835	6.22%
2007	17,617,377	0	17,617,377	4,184,137	21,801,514	2.68%
2008	18,799,543	0	18,799,543	4,394,681	23,194,224	6.39%
2009 (1)	28,511,168	0	28,511,168	3,913,798	32,424,966	39.80%
2010	31,457,462	0	31,457,462	4,288,531	35,745,993	10.24%
2011 (2)	26,157,152	6,760,583	32,917,735	4,524,890	37,442,625	4.75%

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

(2) The City began receipting a percentage of the General Fund's income tax receipts into the General Capital Improvement Fund in 2011, this percentage is determined annually, in 2011 the allocation was 20% of the 1.75% received by the General Fund.

*City of Westerville, Ohio*  
Principal Income Taxpayers - Withholding Accounts  
2011 and 2002

<i>Range of Withholding Amount</i>	<i>2011</i>		<i>2002</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	31.8%	3	24.9%
\$300,001 - 500,000	8	10.6%	1	2.7%
\$100,001 - 300,000	30	16.4%	8	12.6%
\$55,001 - 100,000	23	6.3%	16	9.8%
Total	69	65.1%	28	50.0%
All Others	2,958	34.9%	2,856	50.0%
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		Assessed Value	Estimated Actual Value
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
2011	856,921,260	210,851,470	3,050,779,229	7,554,090	8,584,193

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>	
\$74,734,200	\$311,392,500	\$879,308,140	\$2,572,958,603	3417.50%	\$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
0	0	1,075,326,820	3,059,363,422	35.15	13.32

*City of Westerville, Ohio*  
Principal Property Taxpayers  
2011 and 2002

<i>Taxpayer</i>	<i>2011 (1)</i>			<i>2002 (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>
<u>Public Utilities:</u>						
Columbus Southern Power Co.	\$4,825,910	1	0.4488%	-	-	-
Columbia Gas of Ohio, Inc.	2,325,560	2	0.2163%	-	-	-
Nextel West Corporation	-	-	-	10,143,870	1	1.1536%
Ohio Bell Telephone Co.	-	-	-	5,904,070	2	0.6714%
<u>Real Estate:</u>						
Banc One Management Corporation	8,968,750	1	0.8340%	18,469,610	1	2.1005%
NRI Brookside LLC	8,072,920	2	0.7507%	11,376,130	2	1.2938%
Wells Reit II	5,799,990	3	0.5394%	-	-	-
Maxtown Communities LLC	5,250,000	4	0.4882%	-	-	-
Meijer Stores Limited Partnership	4,930,670	5	0.4585%	-	-	-
Altair Realty LTD	3,596,950	6	0.3345%	-	-	-
Westerville Plaza LP	2,974,660	7	0.2766%	2,699,960	6	0.3071%
Westerville Square, Inc.	3,116,590	8	0.2898%	2,622,520	7	0.2982%
HCRA Properties I, LLC	2,647,480	9	0.2462%	-	-	-
Brookside Associates, LLC	2,451,770	10	0.2280%	3,972,520	4	0.4518%
Spectrum Equities LLC	-	-	-	3,325,010	5	0.3781%
St. Anns Hospital of Columbus, Inc.	-	-	-	7,565,320	3	0.8604%
John W. Messmore TR	-	-	-	2,275,010	8	0.2587%
Health Care & Retirement Corp. of America	-	-	-	2,253,030	9	0.2562%
Kimco Westerville 178 Inc.	-	-	-	2,141,270	10	0.2435%
<u>Tangible Personal Property: (3)</u>						
Banc One Corporation	-	-	-	20,496,660	1	2.3310%
Comdisco, Inc.	-	-	-	5,362,780	2	0.6099%
IBM Credit Corporation	-	-	-	2,846,400	3	0.3237%
Exel Logistics, Inc.	-	-	-	2,182,110	4	0.2482%
Roush Equipment Company, Inc.	-	-	-	2,022,370	5	0.2300%
Time Warner Entertainment Co. LP	-	-	-	1,758,750	6	0.2000%
West-Camp Press, Inc.	-	-	-	1,573,660	7	0.1790%
Americitech New Media Corporation	-	-	-	1,346,360	8	0.1531%
Hitachi Data Systems Corporation	-	-	-	1,234,980	9	0.1404%
Robin Enterprises Company	-	-	-	1,116,900	10	0.1270%
Totals	55,900,780		5.1985%	112,689,290		12.8157%
All Others	1,019,426,040		94.8015%	766,618,850		87.1843%
Total Property Assessed Valuation	<u>\$1,075,326,820</u>		<u>100.0000%</u>	<u>\$879,308,140</u>		<u>100.0000%</u>

Sources: (1) Franklin and Delaware County Auditors

(2) Franklin County Auditor

(3) General business tangible personal property was phased out beginning in 2006.



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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>
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
2011	11,009,837	10,296,326	93.52	194,320	3,509,908

- (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><b>Total Tax Collections</b></i>	<i><b>Percentage of Total Tax Collections to Total Tax Levy (3)</b></i>	<i><b>Outstanding Delinquent Taxes (4)</b></i>	<i><b>Percentage of Outstanding Delinquent Taxes to Total Tax Levy (3)</b></i>
\$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
14,000,554	95.28	713,511	6.48

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

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
<b>Unvoted Millage</b>				
Operating	<u>\$2.65</u>	<u>\$2.65</u>	<u>\$2.65</u>	<u>\$2.65</u>
<b>Voted Millage - By Levy</b>				
1976 Bond				
Residential/Agricultural Real	0.06	0.05	0.06	0.00
Commercial/Industrial and Public Utility Real	0.06	0.05	0.06	0.00
General Business and Public Utility Personal	0.06	0.05	0.06	0.00
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	1.20	1.07	1.07	1.06
Commercial/Industrial and Public Utility Real	1.23	1.14	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	0.52	0.52	0.52
Commercial/Industrial and Public Utility Real	0.69	0.64	0.64	0.63
General Business and Public Utility Personal	1.20	1.20	1.20	1.20
1983 Fire				
Residential/Agricultural Real	0.59	0.52	0.52	0.52
Commercial/Industrial and Public Utility Real	0.70	0.65	0.65	0.64
General Business and Public Utility Personal	1.20	1.20	1.20	1.20
1985 Bond				
Residential/Agricultural Real	0.34	0.30	0.27	0.25
Commercial/Industrial and Public Utility Real	0.34	0.30	0.27	0.25
General Business and Public Utility Personal	0.34	0.30	0.27	0.25
1986 Fire				
Residential/Agricultural Real	1.23	1.09	1.09	1.08
Commercial/Industrial and Public Utility Real	1.47	1.37	1.37	1.36
General Business and Public Utility Personal	2.40	2.40	2.40	2.40
1995 Fire				
Residential/Agricultural Real	1.70	1.51	1.51	1.50
Commercial/Industrial and Public Utility Real	1.76	1.63	1.63	1.62
General Business and Public Utility Personal	2.10	2.10	2.10	2.10

<i>2006</i>	<i>2007</i>	<i>2008</i>	<i>2009</i>	<i>2010</i>	<i>2011</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
0.92	0.91	0.91	0.92	0.92	0.92
1.11	1.09	1.13	1.11	1.11	1.11
3.60	3.60	3.60	3.60	3.60	3.60
0.45	0.45	0.45	0.45	0.45	0.45
0.62	0.61	0.63	0.62	0.62	0.62
1.20	1.20	1.20	1.20	1.20	1.20
0.45	0.45	0.45	0.45	0.45	0.45
0.63	0.62	0.64	0.63	0.63	0.63
1.20	1.20	1.20	1.20	1.20	1.20
0.27	0.00	0.00	0.00	0.00	0.00
0.27	0.00	0.00	0.00	0.00	0.00
0.27	0.00	0.00	0.00	0.00	0.00
0.93	0.93	0.93	0.94	0.94	0.94
1.33	1.31	1.36	1.33	1.33	1.33
2.40	2.40	2.40	2.40	2.40	2.40
1.29	1.29	1.29	1.30	1.30	1.30
1.58	1.56	1.62	1.58	1.59	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)

	2002	2003	2004	2005
<b>1996 Fire and EMS</b>				
Residential/Agricultural Real	0.29	0.25	0.25	0.25
Commercial/Industrial and Public Utility Real	0.30	0.27	0.27	0.27
General Business and Public Utility Personal	0.35	0.35	0.35	0.35
<b>2002 Fire and EMS</b>				
Residential/Agricultural Real	0.00	3.02	3.02	3.01
Commercial/Industrial and Public Utility Real	0.00	3.15	3.15	3.14
General Business and Public Utility Personal	3.40	3.40	3.40	3.40
<b>2002 Bond</b>				
Residential/Agricultural Real	0.00	0.00	0.23	0.20
Commercial/Industrial and Public Utility Real	0.00	0.00	0.23	0.20
General Business and Public Utility Personal	0.00	0.00	0.20	0.20
<b>2010 Fire and EMS</b>				
Residential/Agricultural Real	0.00	0.00	0.00	0.00
Commercial/Industrial and Public Utility Real	0.00	0.00	0.00	0.00
General Business and Public Utility Personal	0.00	0.00	0.00	0.00
<b>Total Voted Millage By Type of Property</b>				
Residential/Agricultural Real	6.60	8.93	9.14	8.99
Commercial/Industrial and Public Utility Real	7.15	9.80	10.01	9.85
General Business and Public Utility Personal	15.25	15.20	15.38	15.30
<b>Total Voted and Unvoted Millage By Type of Property</b>				
Residential/Agricultural Real	9.25	11.58	11.79	11.64
Commercial/Industrial and Public Utility Real	9.80	12.45	12.66	12.50
General Business and Public Utility Personal	17.90	17.85	18.03	17.95
<b>Overlapping Rates By Taxing District</b>				
<b>School District</b>				
Residential/Agricultural Real	38.81	35.45	35.37	40.69
Commercial/Industrial and Public Utility Real	37.43	35.20	34.98	40.33
General Business and Public Utility Personal	63.40	63.20	63.20	68.01
<b>Library</b>				
Residential/Agricultural Real	0.00	0.71	0.71	0.71
Commercial/Industrial and Public Utility Real	0.00	0.74	0.73	0.73
General Business and Public Utility Personal	0.80	0.80	0.80	0.80
<b>County</b>				
Residential/Agricultural Real	0.31-2.71	0.28-3.09	0.27-3.07	0.27-3.06
Commercial/Industrial and Public Utility Real	0.40-3.05	0.38-3.30	0.38-3.31	0.38-3.34
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.



<i>2006</i>	<i>2007</i>	<i>2008</i>	<i>2009</i>	<i>2010</i>	<i>2011</i>
0.22	0.22	0.22	0.22	0.22	0.22
0.27	0.26	0.27	0.27	0.27	0.27
0.35	0.35	0.35	0.35	0.35	0.35
2.59	2.58	2.58	2.60	2.60	2.60
3.07	3.02	3.13	3.07	3.08	3.08
3.40	3.40	3.40	3.40	3.40	3.40
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	0.20
0.00	0.00	0.00	0.00	0.00	2.60
0.00	0.00	0.00	0.00	0.00	2.60
0.00	0.00	0.00	0.00	0.00	2.60
7.92	7.53	7.57	7.68	7.68	10.28
9.68	9.17	9.52	9.41	9.43	12.03
15.32	14.95	14.99	15.05	15.05	17.65
10.57	10.18	10.22	10.33	10.33	12.93
12.33	11.82	12.17	12.06	12.08	14.68
17.97	17.60	17.64	17.70	17.70	20.30
35.70	41.54	41.54	42.28	50.28	50.29
39.02	44.11	45.08	44.81	52.93	53.48
67.31	72.50	72.50	73.00	73.00	72.95
0.61	0.61	0.80	0.80	0.80	0.80
0.72	0.72	0.80	0.78	0.79	0.80
0.80	0.80	0.80	0.80	0.80	0.80
0.23-2.61	0.23-2.60	0.23-2.60	0.41-3.50	0.64-3.50	0.64-3.50
0.37-3.21	0.37-3.21	0.37-3.22	0.53-3.39	0.70-3.40	0.71-3.43
0.65-3.50	0.65-3.50	0.65-3.50	0.65-3.50	0.75-3.50	0.75-3.50

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

Year		Governmental Activities				Business-Type Activities			
		General Obligation Bonds	Notes Payable	Police Pension Liability	OPWC Loans	General Obligation Bonds	Revenue Bonds	Notes Payable	ODNR Debt
2002	(4)	\$26,870,005	\$394,687	\$24,051	\$0	\$8,283,716	\$0	\$0	\$1,944,810
2003	(4)	31,882,473	296,015	23,576	0	7,687,798	0	0	1,910,896
2004	(4)	30,152,752	197,343	23,081	0	6,790,925	0	0	1,875,889
2005	(4)	28,429,696	0	22,564	0	6,284,181	0	1,350,000	1,839,754
2006	(4)	26,648,305	0	22,025	0	5,750,772	0	7,925,000	1,802,455
2007	(4)	25,451,222	0	21,463	0	23,750,018	0	0	1,763,954
2008	(4)	23,794,270	0	20,877	0	22,564,982	0	2,233,000	1,724,213
2009	(4)	24,251,797	0	20,266	0	27,933,619	0	0	1,683,191
2010	(5)	29,723,874	0	19,629	0	29,292,097	5,745,540	0	1,640,847
2011	(4)	30,140,774	0	18,964	1,417,199	34,378,369	8,922,263	0	1,597,139

(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>Percentage of Debt to Personal Income</i>	<i>Debt Per Capita</i>
\$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
76,474,708	3,059,363,422	36,203	1,595,289	4.79%	2,112

**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>
2002	(3)	\$35,153,721	\$2,572,958,603	35,908	1.37%	\$978.99
2003	(3)	39,570,271	2,749,268,561	36,018	1.44%	1,098.62
2004	(3)	36,943,677	2,782,802,415	36,069	1.33%	1,024.25
2005	(3)	34,713,877	2,769,605,742	36,325	1.25%	955.65
2006	(3)	32,399,077	3,123,085,749	36,517	1.04%	887.23
2007	(3)	49,201,240	3,175,772,833	36,569	1.55%	1,345.44
2008	(3)	46,359,252	3,064,071,044	37,845	1.51%	1,224.98
2009	(3)	52,185,416	3,056,851,631	37,879	1.71%	1,377.69
2010	(4)	59,015,971	3,082,394,230	36,120	1.91%	1,633.89
2011	(3)	64,519,143	3,059,363,422	36,203	2.11%	1,782.15

(1) Includes all general obligation debt of governmental and business-type activities

(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  
Resources have not been externally restricted for the repayment of debt

**City of Westerville, Ohio**  
 Computation of Direct and Overlapping Governmental Debt  
 December 31, 2011

<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	\$30,140,774	100.00%	\$30,140,774
Police Pension Liability	18,964	100.00%	18,964
OPWC Loans	1,417,199	100.00%	1,417,199
	<u>31,576,937</u>		<u>31,576,937</u>
Overlapping:			
Westerville City School District			
General Obligation Bonds	117,246,852	43.20%	50,650,640
Franklin County			
General Obligation Bonds	276,862,000	3.86%	10,686,873
Special Obligation Bonds And Notes	38,195,000	3.86%	1,474,327
OPWC Loans	7,368,000	3.86%	284,405
Total Overlapping Debt	<u>439,671,852</u>		<u>63,096,245</u>
Grand Total	<u>\$471,248,789</u>		<u>\$94,673,182</u>

(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>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Total Assessed Valuation	<u>\$879,308,140</u>	<u>\$950,494,929</u>	<u>\$961,634,784</u>	<u>\$964,233,368</u>
Overall debt limitation - 10.5% of assessed valuation	<u>92,327,355</u>	<u>99,801,968</u>	<u>100,971,652</u>	<u>101,244,504</u>
Net Debt Subject to Limitation (General Obligation Bonds)	26,870,005	31,921,620	30,189,900	28,464,845
Less amount available in the debt service fund	<u>(86,435)</u>	<u>(33,638)</u>	<u>(89,866)</u>	<u>(99,873)</u>
Total Net Debt Subject to Limitation	<u>26,783,570</u>	<u>31,887,982</u>	<u>30,100,034</u>	<u>28,364,972</u>
Legal debt margin within 10.5% limitation	<u>\$65,543,785</u>	<u>\$67,913,986</u>	<u>\$70,871,618</u>	<u>\$72,879,532</u>
Legal Debt Margin as a Percentage of the Debt Limit	71.0%	68.0%	70.2%	72.0%
Unvoted debt limitation 5.5% of assessed valuation	<u>\$48,361,948</u>	<u>\$52,277,221</u>	<u>\$52,889,913</u>	<u>\$53,032,835</u>
Net Debt Subject to Limitation (General Obligation Bonds)	26,870,005	31,921,620	30,189,900	28,464,845
Less amount available in the debt service fund	<u>(86,435)</u>	<u>(33,638)</u>	<u>(89,866)</u>	<u>(99,873)</u>
Total Net Debt Subject to Limitation	<u>26,783,570</u>	<u>31,887,982</u>	<u>30,100,034</u>	<u>28,364,972</u>
Legal debt margin within 10% limitation	<u>\$21,578,378</u>	<u>\$20,389,239</u>	<u>\$22,789,879</u>	<u>\$24,667,863</u>
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limitation	44.6%	39.0%	43.1%	46.5%

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

<i>2006</i>	<i>2007</i>	<i>2008</i>	<i>2009</i>	<i>2010</i>	<i>2011</i>
\$1,081,565,488	\$1,097,357,874	\$1,065,069,846	\$1,071,046,200	\$1,083,162,100	\$1,075,326,820
113,564,376	115,222,577	111,832,334	112,459,851	113,732,021	112,909,316
26,681,455	25,471,395	23,813,000	23,352,395	28,380,655	28,950,580
(199,513)	(121,383)	(74,435)	(82,826)	(180,259)	(132,900)
26,481,942	25,350,012	23,738,565	23,269,569	28,200,396	28,817,680
\$87,082,434	\$89,872,565	\$88,093,769	\$89,190,282	\$85,531,625	\$84,091,636
76.7%	78.0%	78.8%	79.3%	75.2%	74.5%
\$59,486,102	\$60,354,683	\$58,578,842	\$58,907,541	\$59,573,916	\$59,142,975
26,681,455	25,471,395	23,813,000	23,352,395	28,380,655	28,950,580
(199,513)	(121,383)	(74,435)	(82,826)	(180,259)	(132,900)
26,481,942	25,350,012	23,738,565	23,269,569	28,200,396	28,817,680
\$33,004,160	\$35,004,671	\$34,840,277	\$35,637,972	\$31,373,520	\$30,325,295
55.5%	58.0%	59.5%	60.5%	52.7%	51.3%

*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>
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	8.6%	9.5%	9.4%
2011	(5)	36,203	1,595,289	44,065	14,833	7.6%	8.1%	8.3%

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

2011 and 2002

<i>Employer</i>	<i>2011</i>			<i>2002</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	6,365	1	10.8%	4,630	1	8.2%
Mount Carmel Health Systems	2,618	2	4.4%	2,063	3	3.6%
Westerville City Schools	2,274	3	3.8%	2,188	2	3.9%
Otterbein College	1,895	4	3.2%	1,461	4	2.6%
CMS Subsidiary	1,343	5	2.3%	1,412	5	2.5%
Alliance Data Systems Inc	999	6	1.7%	1,219	6	2.2%
Inchord Communications/Gerbig Snell	808	7	1.4%	445	-	0.8%
City of Westerville	843	8	1.4%	843	7	1.5%
Heartland Employment	756	9	1.3%	653	11	1.2%
Worthington Cylinder	666	10	1.1%	727	10	1.3%
1-800 Flowers (Cheryl's Cookies)	-	-	-	801	8	1.4%
Meijer Stores	-	-	-	768	9	1.4%
Total Employees	18,567		31.4%	17,210		30.4%
All Other Employers	40,632		68.6%	39,323		69.6%
Total Employment within the City	59,199		100.0%	56,533		100.0%

Source: City Income Tax Department

**City of Westerville, Ohio**  
City Government Employees by Function/Program  
Last Seven 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 *	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**	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

\* The Department of Administrative Services was created in 2008

\*\* The Swimming Pool was reclassified as part of Parks & Recreation in Leisure Time Activities as of January 1, 2010

Source: City Payroll Records. Reflects the number of filled approved positions/Full Time Equivalents.

2008		2009		2010		2011	
<i>Full-Time</i>	<i>All</i>	<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	89.00	106.00
87.00	92.00	88.00	93.00	89.00	93.00	89.00	94.00
17.00	26.00	16.00	21.00	16.00	20.00	16.00	20.00
194.00	219.00	195.00	223.00	195.00	223.00	194.00	220.00
8.00	8.00	7.00	8.00	7.00	8.00	6.00	7.00
19.05	286.05	21.75	269.75	22.75	332.75	21.75	330.70
19.25	38.25	19.25	42.25	19.25	37.25	19.25	47.25
6.45	15.45	7.60	17.60	6.00	14.00	6.00	17.05
52.75	347.75	55.60	337.60	55.00	392.00	53.00	401.00
24.00	27.00	26.00	31.00	24.00	27.00	24.00	27.00
6.95	7.95	6.95	7.95	5.95	10.95	6.10	6.10
14.05	21.38	14.05	16.38	14.05	15.38	15.30	21.63
1.00	9.00	1.00	8.00	1.00	8.00	1.00	8.00
3.25	3.25	4.00	4.00	4.00	4.00	4.00	4.00
8.75	8.75	10.00	10.00	8.00	8.00	9.00	11.00
23.00	28.00	22.00	31.00	22.00	28.00	23.00	29.00
10.00	10.00	11.00	12.00	11.00	12.00	11.00	13.00
3.00	5.00	3.00	6.00	3.00	5.66	4.00	4.67
0.00	2.00	0.00	2.00	0.00	2.34	0.00	3.33
7.00	7.00	6.00	6.00	6.00	6.00	6.00	6.00
56.00	73.00	57.00	79.00	55.00	74.00	58.00	79.00
18.25	25.58	17.75	23.08	17.75	22.08	16.55	19.82
7.55	7.89	7.05	10.39	7.05	8.39	5.80	6.15
1.10	1.10	1.10	1.10	1.10	1.10	1.10	1.15
45.00	47.00	46.00	48.00	44.00	45.00	43.00	47.00
1.25	58.25	1.40	62.40	N/A	N/A	N/A	N/A
5.10	5.10	5.10	5.10	4.10	4.10	4.15	4.15
78.25	144.92	78.40	150.07	74.00	80.67	70.60	78.27
426.00	841.00	433.00	845.00	423.00	823.00	421.00	833.00

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

<i>Function/Program</i>	<i>2002</i>	<i>2003</i>	<i>2004</i>	<i>2005</i>
<b>General Government:</b>				
<b>Active Income Tax Accounts</b>				
Individual	NA	NA	17,026	16,844
Business	NA	NA	2,475	2,615
Withholding	NA	NA	2,744	2,894
<b>Clerk of Courts:</b>				
Mayor's Court Cases	7,387	7,966	8,004	7,338
<b>Security of Persons and Property - Police</b>				
Police calls	67,736	65,805	63,042	58,852
Physical Arrests	206	297	346	357
Citations	5,560	5,956	5,600	5,532
Parking Violations	652	752	683	552
<b>Security of Persons and Property - Fire</b>				
EMT Calls	3,920	3,557	3,319	3,600
Fire Calls	2,437	2,385	2,986	2,986
Total Calls	6,357	5,942	6,305	6,586
<b>Leisure Time Activities:</b>				
Swimming Pool Revenues *	\$441,705	\$380,711	\$330,281	\$406,640
Parks & Recreation Revenues	\$2,434,829	\$2,600,032	\$2,813,641	\$3,016,530

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

Source: Department annual reports

NA - Information not available

<i>2006</i>	<i>2007</i>	<i>2008</i>	<i>2009</i>	<i>2010 (1)</i>	<i>2011 (1)</i>
16,737	16,883	16,704	16,259	16,534	16,588
2,689	2,724	2,644	2,597	2,542	2,504
3,361	3,365	3,490	2,814	2,806	2,748
8,117	7,496	8,656	8,826	9,252	9,232
63,453	61,391	59,998	57,423	65,260	65,649
346	447	421	438	434	617
5,849	5,612	6,843	6,880	6,200	5,767
619	470	814	475	595	481
3,701	3,683	4,548	5,018	5,063	5,127
2,680	2,833	2,336	3,024	3,537	2,331
6,381	6,516	6,884	8,042	8,600	7,458
\$403,979	\$459,366	\$446,935	\$435,176	N/A	N/A
\$3,545,571	\$3,083,129	\$3,436,256	\$2,858,613	\$3,264,040	\$3,876,200

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

<i>Function/Program</i>	<i>2002</i>	<i>2003</i>	<i>2004</i>	<i>2005</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	32	32
Developed Acres	350.584	392.862	442.477	446.477
Undeveloped Acres	3.060	3.060	12.920	12.920
Greenways Acreage	82.583	87.204	87.204	93.134
Number of Aquatic Centers	2	2	2	2
Number of Miles: Bike/Walk Trails	15.290	16.370	18.020	22.610
Number of Community Program Centers	2	2	2	2
Number of Senior Centers	1	1	1	1
Number of Playground Sites	10	11	12	13
Number of Skate Parks	0	0	1	1
Number of BMX Tracks	0	0	1	1
Number of Cultural/Historic Sites	3	3	3	3
Number of Athletic Fields	46	47	48	48
Number of Tennis Courts	11	11	11	11
Number of Basketball/Multi Courts	8	9	9	9
Number of Dog Parks	0	0	0	1
Basic Utility Services:				
Miles of Water Mains	170	171	178	178
Miles of Sanitary Sewers	142	143	150	153
Miles of Storm Sewers	134	135	140	140
Miles of Electric Lines	239	242	251	261
Transportation:				
Miles of Streets	147	148	150	151
Number of Street Lights	3,084	3,212	3,437	3,744

Source: City capital asset records

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

<i>2006</i>	<i>2007</i>	<i>2008</i>	<i>2009</i>	<i>2010</i>	<i>2011</i>
1	1	1	1	1	1
1	1	1	1	1	1
3	3	3	3	3	3
33	39	44	45	47	48
446.477	446.827	559.490	574.760	577.892	577.892
12.920	12.920	18.606	18.606	3.060	18.088
93.134	93.134	93.134	93.134	112.311	112.311
2	2	2	2	2	2
22.740	25.090	25.090	25.690	26.050	27.780
2	2	2	2	2	2
1	1	1	1	1	1
13	13	13	13	14	15
1	1	1	1	1	1
1	1	1	1	1	1
3	3	3	3	4	4
50	48	48	48	50	50
11	11	11	11	11	11
11	11	11	11	11	9
1	1	1	1	1	1
174	190	190	190	190	190
155	162	162	163	163	163
146	147	147	147	147	147
269	270	271	271	271	272
152	152	152	152	152	152
4,002	4,019	4,019	4,134	4,134	3,930



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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  
JULY 24, 2012