

City of Delaware, Ohio



COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDING DECEMBER 31, 2012

PREPARED BY THE FINANCE DEPARTMENT

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Dave Yost • Auditor of State

City Council
City of Delaware
1 South Sandusky Street
Delaware, Ohio 43015

We have reviewed the *Independent Auditor's Report* of the City of Delaware, Delaware County, prepared by Wilson, Shannon & Snow, Inc., for the audit period January 1, 2012 through December 31, 2012. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The City of Delaware is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost
Auditor of State

July 29, 2013

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City of Delaware, Ohio

Comprehensive Annual Financial Report *For The Year Ended December 31, 2012*

Dean P. Stelzer – Finance Director

Prepared by the City of Delaware Finance Department

Robert Alger – City Accountant

John Hunter – Tax Administrator

Stewart Clinger – Collections

Finance

Barb Browning

Dale Wynkoop

Tax

Lory Johnson

Diane Ladd

Utility Billing

Deb Brenner

Kim Johnson

Terri Miller

Cover Pictures: From concept to [almost] reality: The concept-proposed drawing of the City's 3rd Fire Station, 303, by Architects Mull & Weithman; surrounded by construction-in-process pictures of 303 in June 2013.

City of Delaware
Finance Department

City of Delaware, Ohio
Comprehensive Annual Financial Report
For The Year Ended December 31, 2012
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June 24, 2013

Members of City Council and
Citizens of Delaware, Ohio

Ohio Revised Code requires that each public office be audited at least once every two fiscal years, except under Federal Office of Management and Budget Circular No. A-133, which may require, or has elected to have, an audit every fiscal year. The City of Delaware [the City] meets these requirements for an annual audit. This report is published to satisfy that requirement for the year ended December 31, 2012.

Responsibility for the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with City management and is based upon a comprehensive framework of internal controls that they have established for this purpose. These controls are designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that [1] the cost of a control should not exceed the benefits likely to be derived from its implementation and [2] the valuation of costs and benefits requires estimates and judgments by management. We believe the data as presented is accurate in all material respects and that it is presented in a manner designed to set forth fairly the financial position and results of operations of the City as measured by the financial activity of its various funds. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

In accordance with Ohio law, independent audits are required to be performed on all financial operations of the City. Either the Auditor of State of Ohio, or, if the Auditor permits, an independent public accounting firm conducts these audits. For 2012, the City continued its contract with the accounting firm Wilson, Shannon, & Snow, Inc. to perform these services. Their report is presented in the front of the Financial Section.

Management's Discussion and Analysis [MD&A] immediately follows the independent auditors' report and provides a narrative introduction, overview, and analysis of the basic financial statements. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it.

Reporting Entity

The City has reviewed its reporting entity definition in order to insure compliance and conformance with the Governmental Accounting Standards Board Statement Number 14, *"The Financial Reporting Entity,"* as amended by GASB Statement No. 39, *"Determining Whether Certain Organizations are Component Units"*. For financial reporting definition purposes, City management considered all agencies, departments, and organizations comprising the City of Delaware, the primary government, and its potential component units. Areas of consideration include financial accountability, ability to impose its will, financial benefit, and financial burden. The City has no component units.

City of Delaware, Ohio

The City of Delaware

The City is the seat of Delaware County, 25 miles north of downtown Columbus, the Ohio state capitol. Delaware is an independent, full service city that has retained its small town qualities while adapting to recent high levels of growth and development. Delaware County is the fastest growing county in Ohio, identified as one of the 100 fastest growing, wealthiest and most educated areas of the country. Housing in Delaware is available in older, tree-lined neighborhoods, newer modern subdivisions, condominium developments and rental complexes. The population of Delaware increased by about 40 percent between 2000 and 2010, going from just over 25,000 residents to over 35,000. An additional 7,500 housing units and 15,000 people were projected to be added in that time frame. However, current housing trends and an economic slowdown have reduced this growth.

The region was originally occupied by the Delaware Indians who shared the territory between Columbus and Lake Erie with the Mingos and other tribes. Prehistoric Hopewell Mound Builders inhabited this area even earlier. Delaware was a country village in an agricultural region in 1808. Following the War of 1812, settlers arrived at a faster pace, including the parents of Rutherford B. Hayes, 19th President of the United States, who was born in Delaware in 1822. He met his future wife at Ohio Wesleyan University in Delaware.

Prior to the Civil War, Delaware had Northern sympathies and brought the underground railway through the area. The local Africa Road owes its name to this era. During and following the War, railroads played an important role in expanding the markets of Delaware. By 1900, Delaware had its own electric street railway and an electric interurban rail line connecting the community with Columbus and Marion.

In the modern era, farming has declined steadily throughout Delaware County as residential and industrial development has flourished. The proximity to Columbus, as well as historic periods of growth and prosperity, has greatly influenced the economy of Delaware. Its history, however, is carefully preserved in its many 19th century buildings and homes, its comfortable scale and architecture and the pace of life as a home town.

The City covers over 19 square miles and has a population of some 35,000 residents. The City of Delaware provides municipal and general administrative services under the supervision of the City Manager for police protection, fire and emergency medical services, water, sewer, and refuse utility services, public works maintenance, and a wide array of parks and recreational facilities and services, engineering, planning and community development, building inspection, and community affairs. The City also maintains a county-wide municipal court under the elected offices of Judge and Clerk of Court.

City Government

Delaware was founded in 1808 and incorporated in 1816. The City is a Charter Municipal Corporation established and operated under the laws of the State of Ohio. The Charter was first adopted November 6, 1951, and established the Council/Manager form of government. Delaware City Council consists of seven elected members. Three City Council positions are elected at-large; the other four positions are elected from the four wards of the City. The regular term of every member of Council is four years. Elections of members of Council are staggered such that every other year either the three at-large positions are elected or the four ward positions are elected. At the conclusion of each bi-annual election one of the three at-large members of Council is elected Mayor, by vote of all seven members of Council, to serve a two-year term. The Mayor presides at meetings of Council and is recognized as the official head of the City for all ceremonial purposes, military purposes, and for servicing civil process.

City of Delaware, Ohio

The members of Council are the legislative authority of the City. Council enacts ordinances and resolutions relative to City services, tax levies, appropriating and borrowing money, licensing and regulating businesses and trades, and other various municipal purposes.

The City Manager is the City's chief executive officer and is appointed by Council. It is the duty of the City Manager to act as chief conservator of the peace within the City; to supervise the administration of the affairs of the City; and to see that the ordinances of the City and the laws of the State are enforced. The City Manager supervises the administration of all departments and appoints the various department heads and other City employees. He also executes all contracts, conveyances, and evidences of indebtedness of the City.

City administrative departments operating under the supervision of the City Manager include: Police, Fire, Finance, Engineering, City Attorney, City Prosecutor, Planning and Community Development, Public Works, Parks and Recreation, and Public Utilities.

Economic Conditions and Outlook

The pace of new home building continued to be below slower than the previous 10 year period. Residential building permits totaled 117 for 2012, up from 98 in 2011. These 117 permits totaled some \$24.6 million in home value. Commercial permits were 272 in number and totaled \$23.9 million in value, from 195 and \$29 million during 2011.

During 2012, Delaware County maintained the lowest unemployment in the Columbus Metro Statistical Area. With about seventy percent of the manufacturing square footage in Delaware County, the City of Delaware leads the county in manufacturing job growth. Therefore, the City continued to lead the region and state in manufacturing job growth.

While many manufacturing companies experienced job cutbacks, high-tech, alternative energy companies like Engineered Material Systems, Sky Climber and Luvata Forming saw some growth. EMS manufactures a conductive ink and glue used on CIGS flexible solar panels; Sky Climber manufactures wind turbine access equipment; and Luvata is starting to manufacture solar panel connectors.

Delaware is ready to start focusing more attention on manufacturing high-tech, alternative energy corporate clustering as an attraction strategy.

No tax abatements were negotiated during 2012. The 2012 Tax Incentive Review Council did not recommend termination of any agreements for performance failure.

Major Initiatives

Police: In 2012, the department implemented evidence bar coding. This allows them to enter, store, and track items of evidence by bar code. This improved efficiency because when they process evidence or audit the evidence room, they only have to scan the bar codes on the evidence. The software then completes the updates or reports, without each piece needing inventoried by hand.

Fire-EMS: In 2010, a 0.3% income tax increase was voted in to fund the construction, equipping, and staffing of two new fire stations to provide more efficient and effective fire protection for all areas within the growing City. Land was purchased in 2011 for two new stations one in the northwest section of the City, the other in the southeast. Design on the northwest station [303] began in 2011 and construction began toward the end of 2012, to be completed in 2013. It is anticipated that construction of the southeast station [304] will begin

City of Delaware, Ohio

around 2015. The City began hiring new firefighter/EMS personnel in 2011 and ultimately will fill approximately 18 new positions to staff the two new stations. The Department placed into service a new 100' ladder truck and paramedic ambulance in 2012, and purchased a new engine which is scheduled for delivery in January 2013.

Engineering: In 2012, the contractors completed work, which began in 2011, on the connection of Glenn Road at its current terminus at Ohio Health Blvd. to the Rt. 23 intersection terminus. This project, in conjunction with a future extension of Glenn Rd. north to Berlin Station Rd. will provide a complete connection from Rt. 23 to Berlin Station Rd.

Public Utilities: In 2012 completed design work on the new groundwater membrane water treatment plant and the rehabilitation of the City's existing surface water plant. The thirty million dollar project began construction in the October 2012. The rehabilitation of the existing water plant will take place after the completion of the groundwater plant and is expected to be completed by November 2014. These improvements are necessary to meet regulatory requirements and will increase the City's water capacity from 6.0 million gallons daily [MGD] to 7.2 MGD. In 2012, the City completed installation of a new 24-inch water transmission line and a 16-inch raw water line from the Penry Road well field to the water plant, and placed them into utilization. In 2013 the City will be constructing new storm water conveyance systems on West Lincoln Avenue and Pumphrey Terrace to help relieve street and yard flooding. The City will also construct a new 8-inch water line on Rt.23N from Hills Miller Road to Pennsylvania Avenue which will allow the City to decommission the 1880's era 16-inch water line on Rt.23.

Recreation: The City's new community center was completed in 2011 and ultimately will connect to a new National Guard armory, to be built in 2013 or 2014 on the same site. The City's center will be able to utilize Guard classrooms and drill space for recreational activities. To provide funding for the construction underway, the City issued \$20.12 million in bonds which will be paid for with tax revenues as they are collected. At the end of 2011, the City entered into a management agreement with the YMCA to manage its Jack Florance [Mingo] pool facility and recreation center, and to manage many of the City's recreational programs.

Significant 2012 City of Delaware Business Highlights

Major infrastructure investments attract companies to growing communities. The City and County have a number of projects underway and several have reached completion; the Glenn Road Extension, Peachblow/Winter Road intersection alignment, YMCA-TACC, and other projects are becoming visible and known. Although growth has slowed considerably the past couple of years, these projects continue.

Delaware's downtown has achieved some very noteworthy accomplishments over the last several years. Delaware received national Mainstreet status several years ago. The US Department of Interior certified Delaware as a Certified Local Government. In addition, Delaware was chosen by the White House in 2003 as one of the first eight Preserve America Communities.

There is low commercial vacancy in downtown Delaware. A number of restaurants have chosen Delaware as a launching pad for new ventures. Generations and Brooklyn Heights opened in 2012. The Old Bag of Nails, a popular Columbus area restaurant, chose Delaware for its tenth restaurant and first outside of the Columbus Metro area. Amato's Pizza recently completed renovations of a building to their north with an attached highly visible patio and major water fountain at the town's center (William and Sandusky). Bun's Restaurant has also completed construction of an outdoor patio/bar/dining area which has increased interest in their historic establishment. All of these restaurants have been recognized by the Columbus media as places to try. Existing eateries have flourished with all the new attention to Delaware dining.

City of Delaware, Ohio

The Mainstreet organization is currently on path to implement wayfinding signage in the downtown. With parking issues a welcomed problem, the group would like to better coordinate locating businesses and parking.

The new Glennwood Shopping Center on the City's far east side has been growing for a couple years and includes a Kohl's, Office Max, and Meijer anchor stores. Across the road, a new Aldi's and a Tire Discounters store have been constructed. Other stores and businesses are expected to build within the next several years.

The following table shows comparative average monthly employment and unemployment statistics for the indicated periods.

<u>Year</u>	<u>Employed in</u>	<u>Unemployment Rate</u>		
	<u>County</u>	<u>County</u>	<u>State</u>	<u>U.S.</u>
2003	70,600	4.0	6.2	6.0
2004	71,200	4.0	6.1	5.5
2005	72,100	4.1	6.0	5.1
2006	75,800	3.8	6.1	5.2
2007	86,630	4.0	5.6	5.1
2008	86,675	4.6	6.5	8.5
2009	85,973	6.9	10.8	10.0
2010	86,200	7.1	9.6	9.4
2011	85,754	6.7	7.4	8.1
2012	91,751	5.0	7.0	7.5

Source: Ohio Job and Family Services, US Census Bureau.

The following employers (private and public) have some of the largest work forces within the City:

Employer	Nature of Activity or Business	Approximate Number of Employees
Ohio Health-Grady Hospital	Medical services	1,500
Delaware County	County government	1,082
Associated Hygienic Products	Disposable diaper manufacturer	463
Advance Auto	Automotive parts distribution	404
PPG	Aftermarket auto finishes	359
City of Delaware	Municipal government	296
Emerson Network Power [Liebert]	High voltage UPS systems	250
Jegs High Performance	Automotive parts distribution and testing	237
Midwest Acoust a Fiber	Automotive parts manufacturing	194
Optimum Plastics	Plastic wrap manufacturing	104
North Am. Bus Industries, Inc.	Transit bus assembly & sales	89
Sam Dong	Low Oxygen Copper	86
Federal Heath Sign Company	Manufacturer of commercial signage	50
Jet Stream Corporate Center	Aviation-related business center	35
Innopak	Innovative packaging	24
Benchmark Woodworks	Specialty wood products manufacturing	21

City of Delaware, Ohio

Financial Information

The City of Delaware's accounting system is organized on a "Fund Basis". Each fund is a distinct, self-balancing account.

Development of the City's accounting system includes consideration of internal accounting controls. These controls are designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that [1] the cost of a control should not exceed the benefits likely to be derived from its implementation and [2] the valuation of costs and benefits requires estimates and judgments by management.

The City adopts its annual appropriation ordinance on or before January 1 of each year. The City Manager and the Finance Director prepare the budget legislation and submit it to City Council for their consideration and approval. All disbursements require appropriation authority. The legal level of budgetary control is at the payroll expenditures/expenses and other expenditures/expenses department level.

The Finance Director is authorized to transfer appropriations between line items, within a department or fund. Any increase in the total appropriations for a department must be approved by City Council. A purchase order is required before making any purchase over \$250.

Financial Policies

The City's budget is not a static document. It is prepared prior to the beginning of the year it represents; however, it is scrutinized by staff at least on a monthly basis for accountability. The City may budget to receive a certain amount of revenue in an account or fund, to be used for certain operations or capital improvements. However, if those revenues are not received in their entirety or at all, those appropriations are not necessarily deemed allowable expenditures. The Finance Director, City Manager, and Departmental Directors, review the budget to determine what operations or projects may be postponed, dismissed entirely, or done sooner, depending on the circumstances. In times when the economy is slow, and fee collections are decreased, this scrutinizing plays a major role in maintaining a positive budget balance.

On September 1, 2009, Moody's Investors Service announced a bond rating upgrade for the City of Delaware's General Obligation Debt from A1 to Aa3. Moody's noted the City's expanding tax base, which has exhibited stability and resilience in the current recession, healthy financial position supported by solid fiscal policies and practices and stable reserves, and a moderate debt position with substantial non general fund support for debt service as reasons for the upgrade. In March, 2010, the City's bond rating was upgraded to Aa2, based on Moody's recalibration of municipal debt to global scales.

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 Delaware for its Comprehensive Annual Financial Report for the year ended December 31, 2011. This is the tenth consecutive award the City has received for a CAFR. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

City of Delaware, Ohio

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized CAFR, whose contents conform to program standards. Such a 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. The City of Delaware Finance Department believes this current report continues to conform to the program's requirements, and it will be submitted to GFOA for review.

Acknowledgements

We would like to thank the many departments that assisted in providing information reported in this CAFR, as well as the Delaware County Auditor's Office. We would also like to recognize City Council for their continued support and commitment to responsible financial reporting.

We are pleased to present this report to the residents and taxpayers of the City of Delaware.

Sincerely,

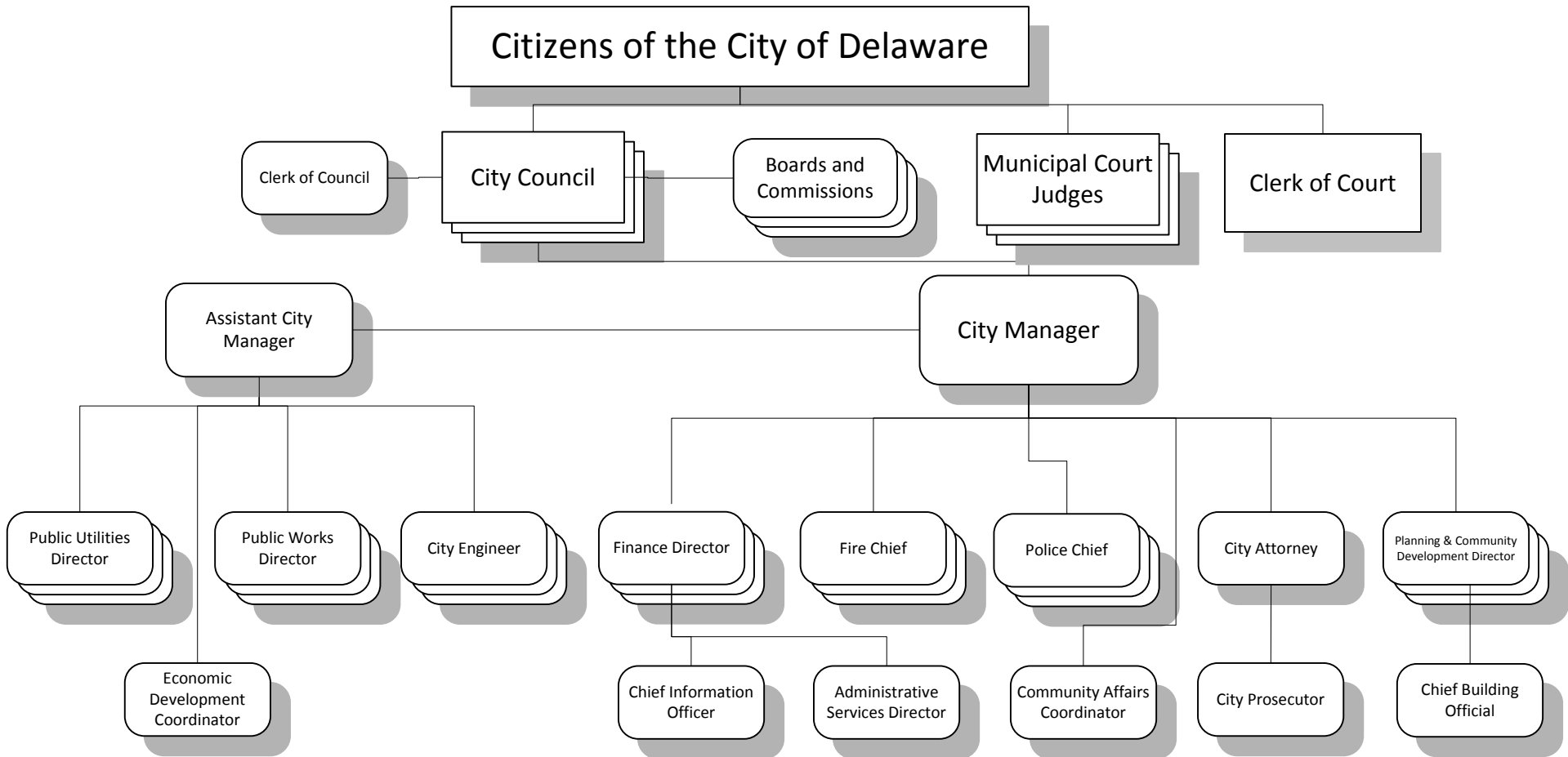


Dean P. Stelzer
Finance Director

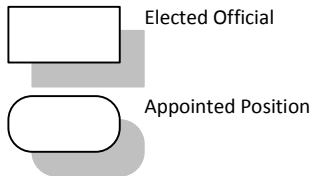


Robert L. Alger
City Accountant

City of Delaware Organizational Chart



Legend



Boards & Commissions

- Airport Commission
- Board of Zoning Appeals
- Charter Review Commission
- Civil Service Commission
- Finance Committee
- Golf Course Advisory Board
- Historic Preservation Commission
- Income Tax Board of Review
- Parks and Recreation Advisory Board
- Permanent Tax Advisory Committee
- Planning Commission
- Shade Tree Commission

**CITY OF DELAWARE,
OHIO**

CITY OF DELAWARE, OHIO

Elected and Appointed Officials

As of December 31, 2012

Elected Officials

City Council

Chris Jones --- First Ward
Lisa Keller --- Second Ward
Joe Di Genova --- Third Ward
Andrew Brush --- Fourth Ward
Carolyn Riggle --- Vice-mayor
Windell Wheeler --- Mayor
Gary Milner --- At-large

Municipal Court

David Sunderman --- Municipal Court Judge
David Gormley --- Municipal Court Judge
Cindy Dinovo --- Clerk of Court

Appointed Officials

R. Thomas Homan --- City Manager
Dan Whited --- Assistant City Manager
Darren Schulman --- City Attorney
Dean Stelzer --- Finance Director
Bill Ferrigno --- City Engineer
Allen Rothermel --- Public Works Director
Jackie Walker --- Director of Admin. Services
Brad Stanton --- Public Utilities Director
Dave Efland --- Planning & Community
Development Director
Lee Yoakum --- Community Affairs Coordinator
John Donahue --- Fire Chief
Russell Martin --- Police Chief

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Delaware
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2011

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.



Christopher P. Moynell

President

Jeffrey R. Emer

Executive Director

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City of Delaware, Ohio

Financial Section



City of Delaware
Delaware County
One South Sandusky Street
Delaware, Ohio 43015

INDEPENDENT AUDITOR'S REPORT

To the City Council:

Report on the Financial Statements

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 Delaware, Delaware County, Ohio (the City), as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes designing, implementing, and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the City's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinions.

Wilson, Shannon & Snow, Inc.

CERTIFIED PUBLIC ACCOUNTANTS
Ten West Locust Street
Newark, Ohio 43055
(740) 345-6611
1-800-523-6611
FAX (740) 345-5635

Opinion

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 Delaware, Delaware County, Ohio, as of December 31, 2012, and the respective changes in financial position and where applicable, cash flows, thereof and the respective budgetary comparisons for the General, Fire/EMS Income Tax, and Recreation Center Income Tax Funds for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Emphasis of Matter

As disclosed in Note 2, the City has implemented GASB Statement No. 63, "*Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*", and GASB Statement No. 65, "*Items Previously Reported as Assets and Liabilities*". We did not modify our opinion regarding this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require this presentation to include *Management's discussion and analysis* 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 applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, consisting of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, to the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not opine or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to opine or provide any other assurance.

Supplementary and Other Information

Our audit was conducted to opine on 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 present additional analysis and is not a required part of the basic financial statements.

The financial section's combining statements, individual fund statements and schedules, including the Schedule of Federal Award Expenditures are management's responsibility, and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected these statements and schedules to the auditing procedures we applied to the basic financial statements.

City of Delaware
Delaware County
Independent Auditor's Report

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, and other additional procedures 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 24, 2013, 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. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Wilson, Shuman & Snow, Inc.

Newark, Ohio
June 24, 2013

City of Delaware, Ohio

Management's Discussion and Analysis
For the Year Ended December 31, 2012
Unaudited

The management of the City of Delaware [the City] provides the following information as an introduction, overview, and analysis of the City's financial statements for the year ended December 31, 2012. Readers should also review the basic financial statements to further enhance their understanding of the City's financial performance.

Using this Annual Financial Report

This annual report consists of a series of financial statements and notes to those statements. The former is organized so the reader can first understand the City's financial status as a whole. The latter, and subsequent statements, provide an increasingly detailed look at specific financial conditions.

The *Statement of Net Position* and *Statement of Activities* [collectively referred to as the *government-wide statements*] provide information about the activities as an entire operating entity, presenting both an aggregate view of the City's finances and a longer-term view of those assets. Major fund statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what dollars remain for future spending. The proprietary fund's statements are prepared on the same basis as the government-wide statements.

Reporting the City as a Whole

Statement of Net Position and Statement of Activities

These government-wide statements demonstrate how the City did financially in 2012, as a whole. They are prepared on the accrual basis of accounting, similar to the way private-sector businesses prepare theirs. This basis of accounting includes all assets and liabilities, and accounts for the reporting year's revenues and expenses, regardless of when the money was received or paid.

- *The Statement of Net Position.* This statement [page 15] reports all assets and liabilities of the City as of December 31, 2012. The difference between total assets and the total liabilities is reported as "net position". Increases in net position generally indicate an improvement in financial position, while decreases may indicate a deterioration of financial position.
- *The Statement of Activities.* This statement [page 16] serves the purpose of the traditional income statement. It provides consolidated reporting of the results of all activities of the City for the year ended December 31, 2012. Changes in net position are recorded in the period in which the underlying event takes place, which may differ from the period in which cash is received or disbursed. The Statement of Activities displays the expense of the City's various programs net of related revenues, as well as a separate presentation of revenues available for general purposes.

Reporting on the City's Most Significant Funds

Fund Financial Statements

These statements provide financial position and results of the City's major funds. A fund is an accounting entity created to account for a specific activity or purpose. Major funds of the City are the General Fund, Fire/EMS Income Tax Fund, Recreation Center Income Tax Fund, Capital Improvement Fund, Glenn Road South Construction Fund, Water Fund, Sewer Fund, Storm Sewer Fund, and Refuse Fund. The creation of some funds is mandated by law and others are created by management to demonstrate financial compliance with budgetary or legal

City of Delaware, Ohio

Management's Discussion and Analysis

For the Year Ended December 31, 2012

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[continued]

requirements. Funds are classified into three broad categories: governmental funds, proprietary funds, and fiduciary funds.

- **Governmental Funds.** Governmental funds are used to account for “governmental-type” activities. Unlike the government-wide financial statements, governmental fund statements use a “flow of financial resources” measurement focus. That is to say, the operating statement of a governmental fund attempts to answer the question “Are there more or less resources that can be spent in the near futures as a result of events and transactions of the reporting period?” Increases in spendable resources are reported in the operating statement as “revenues” or “other financing sources.” Decreases in spendable resources are reported as “expenditures” or “other financing uses.” We describe the differences between governmental funds and governmental activities [reported in the Statement of Net Position and the Statement of Activities] in reconciliations presented beside the governmental fund financial statements on pages 18 and 20.

The governmental fund financial statements on pages 17 and 19 separately display the governmental funds considered to be major funds. All other governmental funds – the “nonmajor” funds – are combined into a single column. Detailed financial data for each of the non-major governmental funds is provided in combining statements in the supplementary information section of this report.

- **Proprietary Funds.** There are two types of proprietary funds: enterprise funds and internal service funds.
 - Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises for which either 1) the intent is that the costs [expenses, including depreciation] be recovered primarily through user charges, or 2) determination of net income is appropriate for management control, accountability, or other purposes.

The City's Water Fund, Sewer Fund, Storm Sewer Fund, and Refuse Fund are all considered to be major funds and are displayed separately in the proprietary fund statements on pages 24 and 25. The City has three other proprietary funds, the activities of which are combined into one column for non-major funds. Detailed financial data for those funds can be found in the combining statements in the supplementary information section of this report.

- Internal Service funds are used to account for costs of providing certain centralized services [e.g., garage rotary, info tech rotary, self insurance, worker's compensation] that the City wishes to allocate to the other departments of the government entity that use the services. An internal service fund is the appropriate accounting mechanism when it is the intent of the government to recover the full cost of providing the service through user charges to other departments.

The City's four internal service funds are combined into a single column in the proprietary fund financial statements. Detailed financial data for those funds can be found in the combining statements in the supplementary information section of this report.

- **Fiduciary Funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the City government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

City of Delaware, Ohio
 Management's Discussion and Analysis
 For the Year Ended December 31, 2012
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[continued]

A Fiduciary fund statement is on page 30 of this report.

Other Information

Notes to the Basic Financial Statements

The notes provide additional and explanatory data. They are an integral part of the basic financial statements. The notes begin on page 31 of this report.

Required Supplementary Information

In addition to the basic financial statements and notes, this report also contains required supplementary information [RSI]. RSI includes financial statements and schedules for major funds other than the general fund and major special revenue funds. This data begins on page 71.

Government-Wide Financial Analysis

Table 1 presents condensed information on net position as of December 31, 2012 and 2011.

Table 1 Net Position December 31, 2012 and 2011						
	<i>Governmental Activities</i>		<i>Business-type Activities</i>		<i>Total</i>	
	2012	2011	2012	2011	2012	2011
<i>Assets</i>						
Current and Other Assets	\$ 42,949,605	\$ 40,129,916	\$ 20,529,624	\$ 17,068,899	\$ 63,479,229	\$ 57,198,815
Capital Assets, Net	85,920,635	87,657,300	112,089,517	109,337,415	198,010,152	196,994,715
Total Assets	<u>128,870,240</u>	<u>127,787,216</u>	<u>132,619,141</u>	<u>126,406,314</u>	<u>261,489,381</u>	<u>254,193,530</u>
<i>Total Deferred Outflows of Resources</i>	23,489	0	117,054	0	140,543	0
<i>Liabilities</i>						
Current and Other Liabilities	25,362,211	23,383,097	1,916,165	1,513,196	27,278,376	24,896,293
Long-term Liabilities	31,436,759	31,232,308	49,046,761	46,979,810	80,483,520	78,212,118
Total Liabilities	<u>56,798,970</u>	<u>54,615,405</u>	<u>50,962,926</u>	<u>48,493,006</u>	<u>107,761,896</u>	<u>103,108,411</u>
<i>Total Deferred Inflows of Resources</i>	1,865,736	2,166,957	0	0	1,865,736	2,166,957
<i>Net Position</i>						
Net Investment in Capital Assets	41,488,379	44,178,679	64,265,588	63,614,360	105,753,967	107,793,039
Restricted	24,942,137	20,355,048	0	0	24,942,137	20,355,048
Unrestricted	3,798,507	6,471,127	17,507,681	14,298,948	21,306,188	20,770,075
Total Net Position	<u>\$ 70,229,023</u>	<u>\$ 71,004,854</u>	<u>\$ 81,773,269</u>	<u>\$ 77,913,308</u>	<u>\$ 152,002,292</u>	<u>\$ 148,918,162</u>

Note: 2011 format modified to reflect GASB 63 requirements.

City of Delaware, Ohio

Management's Discussion and Analysis
For the Year Ended December 31, 2012

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[continued]

Governmental current and other assets increased [7%] and capital assets decreased [2%] in 2012. Several current categories fluctuated, but the main area of change was in cash and cash equivalents, which increased \$4 million in 2012, stemming from a \$3.6 million additional bond anticipation note sale over 2011. Capital assets decreased due to disposals and depreciation. Business current and other assets increased due to an increase in operating income for 2012 of \$2.63 million over 2011. An increase in water rates and a slight increase in new construction contributed almost \$1.9 million of this increase. The 2011 internal balance of \$302 thousand, which is an amount that will be owed to the Governmental funds in future years for the Cactus Hallow land acquisition, remained at \$302 thousand for 2012.

Governmental current liabilities increased significantly, mainly due to the 2012 re-issued Bond Anticipation Notes, which were increased by \$3.6 million, for various projects including the purchase of the defunct Union Fork and Hoe land and building to serve as the City's Public Works department, the installation of a new City-wide phone system, the renovation of the Jack Florance [Mingo] Pool, the construction of a new skate park, construction of Fire Station 303, and to fund renovations of the City's Justice Center. Other current liabilities significantly decreased [contracts payable - \$839 thousand, retainage payable - \$ 458 thousand, and compensated absences-matured - \$191 thousand] over 2011. Long-term liabilities also increased slightly due to the addition of a capital lease of a firetruck, offset by bond principal payments made. Business current and other liabilities increased in 2012 with contracts and retainage payables for the water plant expansion project [\$61 thousand and \$268 thousand, respectively]. Accrued wages increased \$93 thousand over 2011. Long-term liabilities increased, largely due to the \$3.6 million loan proceeds received for the Water Treatment Plant Expansion project, offset by bond principal payments made.

Over time, net position can serve as a useful indicator of a government's financial position. Increases in net position generally indicate an improvement in financial position. At December 31, 2012, the City's assets and deferred outflows exceeded liabilities and deferred inflows by \$152 million. The City's financial position improved over 2011 by \$3 million.

By far, the largest portion of the City's net position [69.6 percent] reflects its net investment in capital assets [e.g., infrastructure, land, buildings, machinery, and equipment], less accumulated depreciation, less any related debt used to acquire those assets, that is still outstanding. The City uses these capital assets to provide services to citizens. Consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets, themselves, cannot be used to liquidate these liabilities.

A portion of the City's net position [16.4 percent] represents resources that are subject to external restriction on how they may be used. This category of net position increased to \$24.9 million at December 31, 2012 from \$20.36 million at December 31, 2011. There was no single contributing factor for the increase, although there were increases in most programs for the comparative years.

The remaining balance of unrestricted net position, \$21.3 million, is available for future use as directed by City Council.

The following, table 2, represents condensed information on the changes in net position for the years ended December 31, 2012 and 2011.

City of Delaware, Ohio

Management's Discussion and Analysis

For the Year Ended December 31, 2012

Unaudited

[continued]

	<i>Governmental Activities</i>		<i>Business-type Activities</i>		<i>Total</i>	
	2012	2011 [as restated]	2012	2011 [as restated]	2012	2011
Revenues						
Program Revenues:						
Charges for Services	\$6,141	\$6,321	\$ 18,031	\$ 15,847	\$ 24,172	\$ 22,168
Operating Grants and Contributions	557	403	14	35	571	438
Capital Grants and Contributions	3,944	3,710	1,192	725	5,136	4,435
Total Program Revenues	10,642	10,434	19,237	16,607	29,879	27,041
General Revenues:						
Property Taxes	1,705	1,686			1,705	1,686
Income Taxes	19,251	18,115			19,251	18,115
Other Taxes	70	51			70	51
Gain (Loss) on Sale of Assets	0	12			0	12
Grants and Other Contributions not Restricted to Specific Programs	1,101	2,021			1,101	2,021
Payments in Lieu of Taxes	227	669			227	669
Unrestricted Contributions	191	318			191	318
Interest Income	199	174	13	12	212	186
Miscellaneous	728	617	161	306	889	923
Total General Revenues	23,472	23,663	174	318	23,646	23,981
Total Revenues	34,114	34,097	19,411	16,925	53,525	51,022
Expenses						
General Government	4,746	4,382			4,746	4,382
Public Safety	12,794	12,327			12,794	12,327
Municipal Court	2,785	3,006			2,785	3,006
Parks & Facilities	1,849	5,761			1,849	5,761
Community Development	674	706			674	706
Airport	1,322	1,188			1,322	1,188
Public Works	10,348	5,971			10,348	5,971
Interest and Fiscal Charges	1,637	1,369			1,637	1,369
Water			\$ 4,292	\$ 4,524	4,292	4,524
Sewer			7,364	7,449	7,364	7,449
Storm Sewer			930	648	930	648
Refuse			2,707	3,137	2,707	3,137
Other Business-type Activities			258	237	258	237
Total Expenses	36,155	34,710	15,551	15,995	51,706	50,705
Special Item	1,265	0	0	0	1,265	0
Changes in Net Position	(776)	(613)	3,860	930	3,084	317
Net Position at Beginning of Year	71,005	71,618	77,913	76,983	148,918	148,601
Net Position at End of Year	\$ 70,229	\$ 71,005	\$ 81,773	\$ 77,913	\$ 152,002	\$ 148,918

City of Delaware, Ohio

Management's Discussion and Analysis

For the Year Ended December 31, 2012

Unaudited

[continued]

Program revenues represented 31 percent of total revenues for governmental funds and 99 percent of total revenues for business-type activities. Federal, state, and local funding, engineering fees, permits and other associated fees, and municipal court fees represent program revenues for governmental activities. Revenues for business-type activities are made up from utility charges to residents for water, sewer, storm sewer, and refuse, capacity fees to new customers for connecting to utility water and sewer lines, developer-contributed water and sewer lines, golf course revenues, and parking lot revenues. Program revenues for governmental activities increased slightly [2%] from 2011. *Charges for services* increased in several areas including engineering fees, airport fuel sales, and insurance premiums collected. However, revenues for this cost center decreased \$180 thousand overall, despite these increases, with the moving of recreational programs to the YMCA in 2012. This factor, alone, decreased charges for services over \$460 thousand. *Operating Grants and Contributions* were up \$154 thousand in 2012; mostly for Public Safety, Parks & Facilities and Public Works. *Capital Grants and Contributions* increased in 2012 [\$234 thousand], the majority from the recent CHIP grant [\$168 thousand] and Airport Improvement Grant [\$178 thousand]. Program Revenues in the Business-type increased 15.8% [\$2.6 million] overall in 2012. *Charges for services* increased 13.8%, caused by a 13% increase in utility rates effective in May. *Operating Grants and Contributions* decreased with the transfer of our watershed coordinator to the Water Distribution department. *Capital Grants and Contributions* [consisting mostly of developer-contributed infrastructure] increased \$467 thousand with the slight increase in development.

For General Revenues, Income tax revenues increased due to an increase in tax rates that began in 2011. The rate increased from 1.55% to 1.85% to pay for the 2 new fire stations and equipment. Tax Increment Financed [TIF] districts were approved in 2008. These will provide payments in lieu of taxes over the next 20 to 30 years. The 2 community authorities in the City began receiving their in-lieu payments directly in 2012. Therefore, this cost center decreased in 2012. Less funding was received in intergovernmental revenues from the State and County agencies. This caused a decrease in *grants and other contributions not restricted to specific programs* in 2012 of over \$900 thousand.

The major program expense for governmental activities is public safety, which includes police and fire, and accounts for 35 percent of all governmental expenses. General government expenses, 13 percent, Public Work's maintenance of the City's roads, lights, and signalization, 29 percent, and Municipal Court's expenses, which includes the Court and Clerk of Court, totaling 8 percent, are other significant governmental cost centers. For 2012, public safety expenses increased 3.8% from 2011, mostly from operations. Park & Facilities expenses decreased \$3.9 million from 2011 due to considerable maintenance costs associated with 3 of the City's parks that occurred in 2011. Also, the City turned over all recreational operations to the YMCA for 2012. Public Works expenses increased \$4.4 million in 2012. Over \$3.9 million of this increase was for depreciation on infrastructure. General government expenses increased \$364 thousand in 2012 as the prosecutor's department was moved into legal affairs, which is paid out of general government. Community Development expenses decreased by \$32 thousand for 2012. Airport operations increased in total just over \$134 thousand in 2012.

Public utility costs for water, sewer, storm sewer, and refuse account for 98 percent of the City's business-type activities and are funded primarily from charges for services. For 2012, there was a \$444 thousand decrease in expenses, over half attributable to the Water fund. Services and charges decreased \$236 thousand from 2011. Storm sewer maintenance and depreciation expense increased a total of \$243 thousand in 2012. Refuse operating costs decreased by \$430 thousand in 2012. There were litigation costs related to the landfill in 2011 which is the main reason for the decrease in 2012.

City of Delaware, Ohio

Management’s Discussion and Analysis

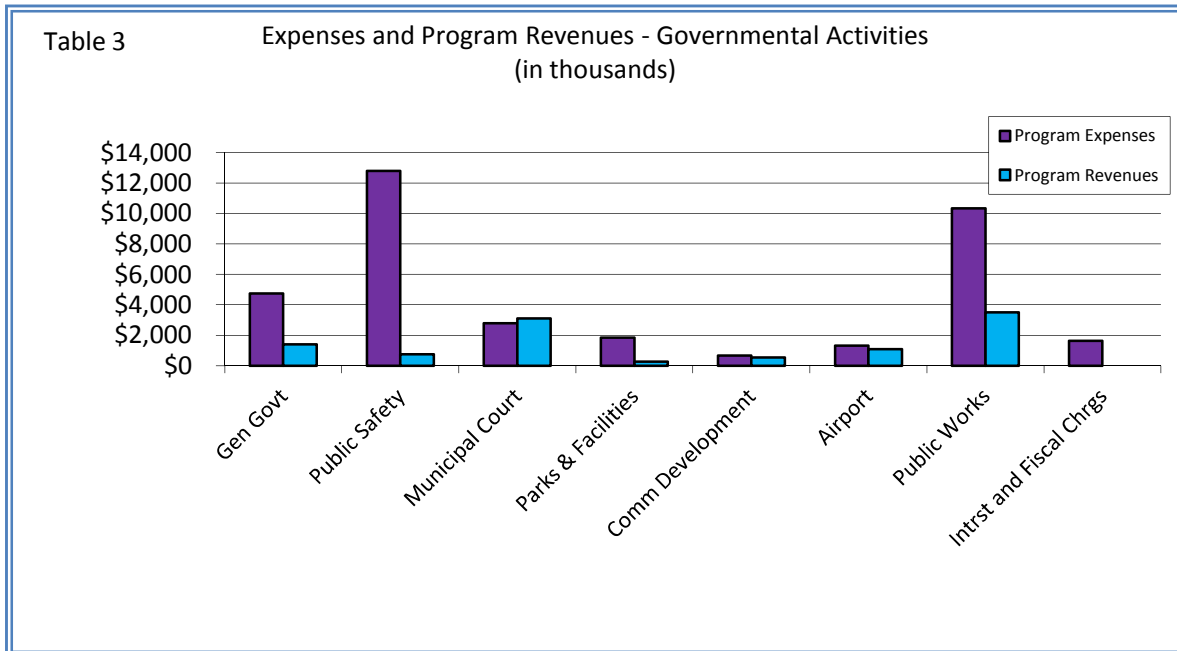
For the Year Ended December 31, 2012

Unaudited

[continued]

Governmental Activities

Table 3 indicates the total cost of services and revenues to offset those services for governmental activities. The statement of activities reflects the cost of program services and the charges for services, grants, and other contributions offsetting those services. The amount remaining identifies the cost of those services supported by general revenues such as tax revenues and unrestricted intergovernmental revenues.



From this graphic, it should be noted that for all governmental activities, approximately 69 percent of the revenues to provide these services are derived from the City’s general revenues; primarily income and property taxes, and State shared revenues. For 2012, most of the Public Works revenue was in the form of State funding and capital asset donations from developers. Community Development is funded mostly from Federal grants and repayments of outstanding Federal loans. Operations at the Airport are funded by charges for services and general revenues. Park and recreation improvements are funded mainly by income taxes, impact fees, paid by developers, and general revenue. Only the Municipal Court had net “revenue” after expenses were paid. All others were supplemented by general revenues for 2012. Following is a chart depicting the sources and percentages of the City’s general revenues.

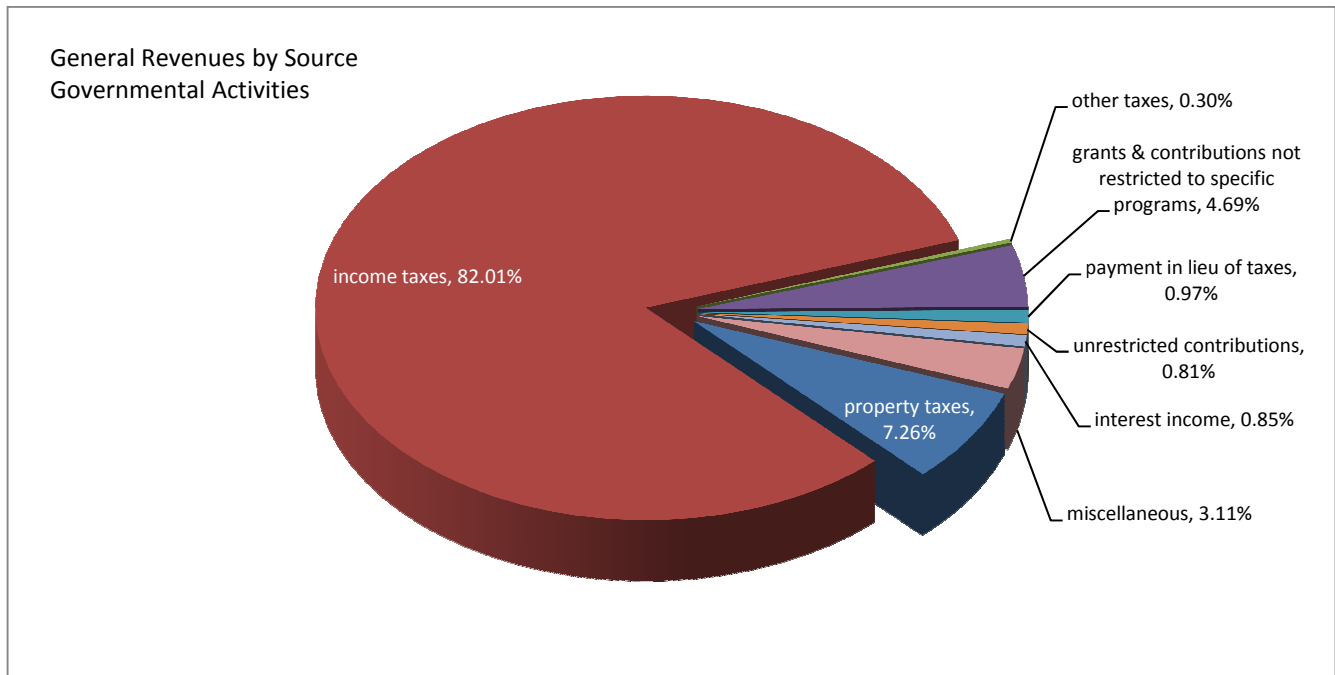
City of Delaware, Ohio

Management's Discussion and Analysis

For the Year Ended December 31, 2012

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[continued]



Governmental Funds Financial Analysis

The City's major governmental funds are the General Fund, Fire/EMS Income Tax Fund, Recreation Center Income Tax Fund, Capital Improvement Fund, and the Glenn Road South Construction fund. There is no anticipation of future fund resource limitations on any of the major governmental funds. The General Fund, Fire/EMS Income Tax Fund, and Recreation Center Income Tax Fund are all heavily funded by income taxes paid into the City by residents who work inside or outside of the City and non-residents working in the City. There was a significant change noted in fund balance and fund net position for the Fire/EMS Income Tax funds in 2012 attributed to \$2.7 million [that remained unspent at December 31] of the \$2.85 million note sale in 2012. The General Fund balance increased by approximately \$551 thousand and is attributed to the reclassification of certain funds for reporting purposes. The Parks & Recreation fund, which is merged into the General Fund for reporting, had its recreational programs operated by the YMCA beginning in 2012, so the operational costs required to run these programs is no longer a cost to the City. The Recreation Center Income Tax fund decreased by \$1.6 million as much needed maintenance on several of the City's parks continued during 2012. The Capital Improvement Fund is funded by federal and state grants and transfers from the General Fund. When grants are in high demand and short supply, as was the case again in 2012, the fund is more reliant on General Fund transfers. Transfers were just significant enough to cover expenditures and the fund balance increased slightly [just \$31] from 2011. The Glenn Road South Construction fund was initially funded in 2006 by a \$12.5 million bond anticipation note, which was rolled-over in 2007 and 2008. In 2009, this note was increased to \$18 million and at the end of 2010, as well as 2011, Glenn Road South, Middle, and North bond anticipation notes had been paid down to \$14.530 million. For 2012, a new 'section' of the Glenn Road South area was resurfaced and these notes increased to \$15.525 million. These notes are funding a project being accounted for in four different funds, so the allocation of the note proceeds will vary over the years this project is in process. As growth improved slightly, but was still slow in 2012, and development fees charged to new home owners were just enough to cover expenditures, the fund balance did manage to increase slightly.

City of Delaware, Ohio

Management's Discussion and Analysis

For the Year Ended December 31, 2012

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[continued]

Business-Type Activities Financial Analysis

The City's major business-type funds are the Water, Sewer, Storm Sewer, and Refuse funds. As a rule, these funds consistently generate sufficient revenues to cover costs, in part due to capacity fees charged to new customers and developers to hook into the City's water and sewer lines, and storm sewer and refuse fees charged to all residents and businesses. All utility rates are reviewed annually to determine whether or not rates should be increased in order to cover current expenses and to prepare for growth and there was an increase in 2012 in the Water fund of 13%. There is no increase scheduled for 2013. There are no known significant future fund resource limitations on any of the major business-type funds.

Budgetary Highlights

The City prepares an annual budget of revenues and expenditures/expenses for all funds of the City for use by City department heads and such other budgetary documents, as are required by State statute, including the annual appropriations ordinance, which is effective the first day of January. The City's most significant budgeted fund is the General Fund. The final estimated resources exceeded actual revenues by only .73%. The final appropriations increased 2.74% over original but actual expenditures were below the original appropriation and below the final appropriation by \$590 thousand [4.94%]. Broken down by program; Public Safety expenditures were 1.1% under budget, General Government expenditures were 7.2% under, and total refunds were 36.9% under budget.

Capital Assets and Debt Administration

The City's net investment in capital assets respectively for governmental and business-type activities as of December 31, 2012, was \$41.5 million and \$64.3 million. This investment in capital assets includes land, land improvements, buildings and improvements, roads, bridges, storm sewers, traffic signalization, street lighting, machinery and equipment, and water and sewer lines. There were significant changes in governmental activity capital assets and slight changes in business-type activity capital assets during 2012. The net investment in capital assets is directly affected by increases to capital assets, debt, and depreciation. For 2012, capital assets in governmental activities decreased by \$1.7 million [depreciation and disposals being greater than additions], and total debt [including notes payable and other long-term liabilities] increased \$3.8 million. For business-type activities, there were net increases to net capital assets of just over \$2.7 million and increases in debt of just under \$2.1 million. Work in process that was completed in 2012 final preparation of the new Fire Department Ladder Truck [\$1.1 million], Glenn Road Extension [\$1.47 million], and the Penry Road Wellfield [\$1.27 million]. Note 9 to the basic financial statements provides details on the capital asset activity during 2012.

At December 31, 2012, the City had several long-term obligations outstanding totaling over \$80 million. The obligations included \$46 million in bonds. Of this amount, \$21.6 million will be repaid from business-type activities. As mentioned, the City entered into a long-term loan with Ohio Water Development Authority to fund construction of the new Wastewater Treatment Facility. Proceeds totaled \$26.3 million. The improvements, completed in 2008, increased the City's wastewater treatment capacity from 5 million gallons per day to 10 million gallons per day. This additional capacity is needed to service the continued growth of the City for the next 15 to 20 years. As of December 31, 2012, \$20 million remained outstanding on the loan. The City entered into a long-term loan with OWDA in 2011 to assist in funding the completion of the Westside Transmission Main Waterline project. This loan had a year-end balance of just under \$2.1 million. In 2012, the City obtained another loan from OWDA to fund a Water Treatment Plant Rehabilitation and Expansion project. This loan will have a maximum of almost \$32 million and the project will be completed in 2014. In 2012, the City entered into 2 capital

City of Delaware, Ohio

Management's Discussion and Analysis
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leases; one for the new Fire Department Ladder Truck [\$1.1 million] and one for 2 Refuse Department Packer Trucks [\$382 thousand]. Repayment began on the ladder truck in 2012 and the balance at December 31 was just under \$980 thousand. Repayment begins in 2013 on the packers.

In addition to the debt outlined above, the City's long-term debt also includes compensated absences and pension-related obligations. Additional information on the City's long-term debt can be found in Note 10 of this report.

Current Issues

The City has several bond anticipation notes outstanding, totaling \$21.6 million. These notes are for the Glenn Road Extension project notes [\$15.53 million] to extend Glenn Road from Curve Road to US23 and a note of \$6.1 million for purchase of land and a building to serve as the new Public Works facility, renovations of the City's Justice Center, a new City-wide phone system, and construction of a third fire station on the City's northwest side.

Request for Information

This financial report is designed to provide a general overview of the City's finances for all those interested. Questions concerning any of the information provided in this report or requests for additional information should be directed to Dean P. Stelzer, Finance Director, 1 South Sandusky Street, Delaware, OH 43015.

City of Delaware, Ohio

Basic Financial Statements

City of Delaware, Ohio
Statement of Net Position
December 31, 2012

	Governmental Activities	Business-Type Activities	Total
Assets			
Equity in Pooled Cash and Cash Equivalents	\$ 30,511,110	\$ 17,865,389	\$ 48,376,499
Receivables:			
Accounts (net of allowance for uncollectibles)	318,073	2,155,319	2,473,392
Income Taxes	5,028,893	0	5,028,893
Property Taxes	1,628,109	0	1,628,109
Payment in Lieu of Taxes	412,134	0	412,134
Loans	653,549	0	653,549
Internal Balances	302,637	(302,637)	0
Materials and Supplies Inventory	55,089	50,551	105,640
Prepaid Items	105,270	306,676	411,946
Restricted Assets:			
Cash and Cash Equivalents in Segregated Accounts	63,796	0	63,796
Investments in Segregated Accounts	280,081	0	280,081
Retainage	248,429	270,486	518,915
Customer Deposits	13,168	183,840	197,008
Due from Other Governments:			
Federal Government	646,060	0	646,060
State Government	852,411	0	852,411
County Government	1,112,444	0	1,112,444
Assets Held for Resale	718,352	0	718,352
Nondepreciable Capital Assets	11,745,054	10,392,627	22,137,681
Depreciable Capital Assets (net of accumulated depreciation)	74,175,581	101,696,890	175,872,471
Total Assets	128,870,240	132,619,141	261,489,381
Deferred Outflow of Resources			
Deferred Charges on Refunding	23,489	117,054	140,543
Total Deferred Outflows of Resources	23,489	117,054	140,543
Liabilities			
Accounts Payable	201,935	133,737	335,672
Accrued Wages	972,255	198,750	1,171,005
Contracts Payable	393,258	678,362	1,071,620
Due to Others	531,878	0	531,878
Accrued Interest Payable	182,742	450,990	633,732
Compensated Absences Payable-Matured	370,295	0	370,295
Claims Payable-Current	806,751	0	806,751
Payables from Restricted Assets:			
Retainage	248,429	270,486	518,915
Customer Deposits	13,168	183,840	197,008
Notes Payable	21,641,500	0	21,641,500
Long-Term Liabilities:			
Due Within One Year	2,078,408	2,137,366	4,215,774
Due in More Than One Year	29,358,351	46,909,395	76,267,746
Total Liabilities	56,798,970	50,962,926	107,761,896
Deferred Inflows of Resources			
Property Taxes	1,472,892	0	1,472,892
Unavailable	392,844	0	392,844
Total Deferred Inflows of Resources	1,865,736	0	1,865,736
Net Position			
Net Investment in Capital Assets	41,488,379	64,265,588	105,753,967
Restricted for:			
Capital Projects	5,030,818	0	5,030,818
Debt Service	103,228	0	103,228
Public Safety	6,545,389	0	6,545,389
Municipal Court	3,242,683	0	3,242,683
Public Works	2,349,304	0	2,349,304
Airport	519,123	0	519,123
Parks & Facilities	4,015,412	0	4,015,412
Community Development	2,831,082	0	2,831,082
Perpetual Care; Non-expendable	305,098	0	305,098
Unrestricted	3,798,507	17,507,681	21,306,188
Total Net Position	\$ 70,229,023	\$ 81,773,269	\$ 152,002,292

See Accompanying Notes to the Basic Financial Statements

City of Delaware, Ohio
Statement of Activities
For the Year Ended December 31, 2012

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating	Capital	Primary Government		
			Grants and Contributions	Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities:							
General Government	\$ 4,745,838	\$ 1,397,945	\$ 0	\$ 0	\$ (3,347,893)		\$ (3,347,893)
Public Safety	12,794,421	619,758	136,593	3,444	(12,034,626)		(12,034,626)
Municipal Court	2,785,258	3,108,000	0	0	322,742		322,742
Parks & Facilities	1,849,411	48,391	214,779	0	(1,586,241)		(1,586,241)
Community Development	673,941	74,930	0	455,714	(143,297)		(143,297)
Airport	1,321,930	808,333	36,767	231,669	(245,161)		(245,161)
Public Works	10,348,212	84,112	169,073	3,253,058	(6,841,969)		(6,841,969)
Interest and Fiscal Charges	1,636,456	0	0	0	(1,636,456)		(1,636,456)
Total Governmental Activities	36,155,467	6,141,469	557,212	3,943,885	(25,512,901)		(25,512,901)
Business-Type Activities:							
Water	4,292,105	6,064,510	0	378,710		\$ 2,151,115	2,151,115
Sewer	7,363,967	7,877,850	0	240,089		753,972	753,972
Storm Sewer	930,359	698,034	0	573,577		341,252	341,252
Refuse	2,707,019	3,165,678	0	0		458,659	458,659
Other Business-Type Activities:							
Golf Course	169,677	181,721	0	0		12,044	12,044
Parking Lot	74,149	43,374	0	0		(30,775)	(30,775)
Watershed	14,000	0	14,000	0		0	0
Total Business-Type Activities	15,551,276	18,031,167	14,000	1,192,376	0	3,686,267	3,686,267
Total	\$ 51,706,743	\$ 24,172,636	\$ 571,212	\$ 5,136,261	(25,512,901)	3,686,267	(21,826,634)
General Revenues							
Property Taxes Levied for:							
General Purposes					1,303,748	0	1,303,748
Public Safety					401,084	0	401,084
Income Tax Levied for:							
General Purposes					10,462,419	0	10,462,419
Public Safety					7,238,433	0	7,238,433
Parks & Facilities					1,549,818	0	1,549,818
Other Taxes					70,301	0	70,301
Grants and Contributions not Restricted to Specific							
Programs					1,101,219	0	1,101,219
Payment in Lieu of Taxes					227,225	0	227,225
Unrestricted Contributions					190,697	0	190,697
Interest Income					198,615	13,444	212,059
Miscellaneous					728,605	160,250	888,855
Total General Revenues					23,472,164	173,694	23,645,858
Special Item							
Transfer of Cemetery net position upon dissolution					1,264,906	0	1,264,906
Change in Net Position					(775,831)	3,859,961	3,084,130
Net Position Beginning of Year					71,004,854	77,913,308	148,918,162
Net Position End of Year					\$ 70,229,023	\$ 81,773,269	\$ 152,002,292

See Accompanying Notes to the Basic Financial Statements

City of Delaware, Ohio
Balance Sheet
Governmental Funds
December 31, 2012

	General	Fire/EMS Income Tax	Rec Center Income Tax	Capital Improvement	Glenn Road South Construction	Other Governmental Funds	Total Governmental Funds
Assets							
Equity in Pooled Cash and Cash Equivalents	\$ 4,804,135	\$ 5,703,006	\$ 2,864,424	\$ 1,134,596	\$ 2,993,949	\$ 7,368,714	\$ 24,868,824
Receivables:							
Income Taxes	2,721,747	1,900,609	406,537	0	0	0	5,028,893
Property Taxes	1,258,359	0	0	0	0	369,750	1,628,109
Accounts	158,654	1,044	0	140,316	0	18,059	318,073
Loans	0	0	0	0	0	653,549	653,549
Interfund	588,900	0	0	0	0	0	588,900
Advances from Other Funds	121,409	0	0	302,637	0	0	424,046
Payments in Lieu of Taxes	0	0	0	0	0	412,134	412,134
Restricted Assets:							
Retainage	0	17,898	192,933	2,893	0	34,705	248,429
Customer Deposits	0	0	0	0	0	13,168	13,168
Cash Equivalents in Segregated Accounts	0	0	0	0	0	63,796	63,796
Investments in Segregated Accounts	0	0	0	0	0	280,081	280,081
Prepaid Items	72,107	2,714	0	0	0	14,332	89,153
Material and Supplies Inventory	0	0	0	0	0	55,089	55,089
Due From:							
Federal Government	292	0	0	11,169	0	634,599	646,060
State Government	113,972	0	0	0	0	738,439	852,411
County Government	556,696	133,818	0	82,881	0	339,049	1,112,444
Other Funds	2,950	0	0	0	0	53,939	56,889
Assets Held for Resale	0	0	0	0	0	718,352	718,352
Total Assets	\$ 10,399,221	\$ 7,759,089	\$ 3,463,894	\$ 1,674,492	\$ 2,993,949	\$ 11,767,755	\$ 38,058,400
Liabilities							
Accounts Payable	\$ 72,728	\$ 20,053	\$ 29	\$ 4,017	\$ 0	\$ 82,363	\$ 179,190
Accrued Wages & Benefits	491,641	339,904	0	0	0	122,781	954,326
Contracts Payable	0	125,074	110,000	75,619	0	68,124	378,817
Interfund Payable	0	0	0	0	0	588,900	588,900
Due to Other Funds	0	0	0	0	0	56,889	56,889
Due to Others	0	0	0	0	0	531,878	531,878
Advances to Other Funds	0	75,974	0	0	0	45,435	121,409
Compensated Absences -- Matured	214,303	80,417	0	0	0	49,456	344,176
Payable from Restricted Assets:							
Retainage	0	17,898	192,933	2,893	0	34,705	248,429
Customer Deposits	0	0	0	0	0	13,168	13,168
Notes Payable	0	2,850,000	0	250,000	12,305,000	6,236,500	21,641,500
Total Liabilities	778,672	3,509,320	302,962	332,529	12,305,000	7,830,199	25,058,682
Deferred Inflows of Resources							
Property Taxes	1,137,912	0	0	0	0	334,980	1,472,892
Payments in Lieu of Taxes	0	0	0	0	0	426,038	426,038
Unavailable	1,915,662	887,979	190,020	234,366	0	1,182,790	4,410,817
Total Deferred Inflows of Resources	3,053,574	887,979	190,020	234,366	0	1,943,808	6,309,747
Fund Balances							
<i>Nonspendable Fund Balance</i>							
Perpetual Care	0	0	0	0	0	305,098	305,098
Inventories	0	0	0	0	0	55,089	55,089
Prepaid Items	72,107	2,714	0	0	0	14,332	89,153
Long-term Advances	121,409	0	0	302,637	0	0	424,046
Unclaimed Funds	0	0	0	0	0	38,779	38,779
<i>Restricted Fund Balance</i>							
Fire Department Expansion	0	3,359,076	0	0	0	0	3,359,076
Justice Center Equipment	0	0	0	0	0	64,202	64,202
Road Resurfacing and Equipment Purchases	0	0	0	804,960	0	692,428	1,497,388
Assets Held for Resale	0	0	0	0	0	718,352	718,352
Parks & Facilities Revitalization	0	0	2,970,912	0	0	103,228	3,074,140
Airport Expansion Projects	0	0	0	0	0	17,874	17,874
Community Redevelopment	0	0	0	0	0	1,089,512	1,089,512
Community Development Loans	0	0	0	0	0	653,549	653,549
Municipal Court Operations and Equipment Purchases	0	0	0	0	0	2,469,749	2,469,749
Cemetery Operations	0	0	0	0	0	32,699	32,699
<i>Committed Fund Balance</i>							
Police and Fire Donations and Expansion	0	0	0	0	0	19,827	19,827
Future Development Set-aside	300,000	0	0	0	0	428,883	728,883
Parks & Facilities Operations and Expansion	474,267	0	0	0	0	502,073	976,340
Airport Operations	0	0	0	0	0	365,332	365,332
Future Equipment Purchases	0	0	0	0	0	254,611	254,611
General Government	0	0	0	0	0	1,732	1,732
<i>Assigned Fund Balance</i>							
General Government	226,167	0	0	0	0	0	226,167
Unassigned Fund Balance	5,373,025	0	0	0	(9,311,051)	(5,833,601)	(9,771,627)
Total Fund Balances (Deficits)	6,566,975	3,361,790	2,970,912	1,107,597	(9,311,051)	1,993,748	6,689,971
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 10,399,221	\$ 7,759,089	\$ 3,463,894	\$ 1,674,492	\$ 2,993,949	\$ 11,767,755	\$ 38,058,400

See Accompanying Notes to the Basic Financial Statements

City of Delaware, Ohio

Reconciliation of Total Governmental Fund Balances to

Net Position of Governmental Activities

December 31, 2012

Total Governmental Funds Balances \$ 6,689,971

Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. 85,920,635

Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:

Income Taxes Receivable	2,336,676	
Delinquent Property Taxes Receivable	120,447	
Payments in Lieu of Taxes Receivable	426,038	
Due from Other Governments	1,560,850	
Total	<u>4,444,011</u>	4,444,011

Other deferred outflows of resources as they relate to debt obligations are not available to pay for current period expenditures in the funds:

Deferred Charge for refunding bond issue	23,489	
Total	<u>23,489</u>	23,489

Internal service funds are used by management to charge the costs of garage services, information technology, insurance, and workers compensation to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position:

Net Position at 12/31/2012	4,719,547	
Capital assets, included above	(11,937)	
Compensated absences [total], included below	88,927	
Total	<u>4,796,537</u>	4,796,537

Long-term liabilities, including bonds payable, capital leases, and accrued interest payable, are not due and payable in the current period and therefore are not reported in the funds:

Accrued Interest Payable	(182,742)	
General Obligation Bonds	(5,512,835)	
Income Tax Bonds	(18,865,000)	
Capital Lease	(979,930)	
Unamortized Bond Premiums	(200,740)	
Unamortized Bond Discount	24,058	
Pension Obligations	(275,254)	
Compensated Absences [including internal service-short term]	(5,653,177)	
Total	<u>(31,645,620)</u>	(31,645,620)

Net Position of Governmental Activities \$ 70,229,023

See Accompanying Notes to the Basic Financial Statements

City of Delaware, Ohio
Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits)
Governmental Funds
For the Year Ended December 31, 2012

	General	Fire/EMS Income Tax	Rec Center Income Tax	Capital Improvement	Glenn Road South Construction	Other Governmental Funds	Total Governmental Funds
Revenues							
Property Taxes	\$ 1,183,301	\$ 0	\$ 0	\$ 0	\$ 0	\$ 366,314	\$ 1,549,615
Income Taxes	10,291,960	7,102,865	1,521,034	0	0	24	18,915,883
Miscellaneous Taxes	70,301	0	0	0	0	0	70,301
Payments in Lieu of Taxes	0	0	0	0	0	377,639	377,639
Intergovernmental	1,281,442	3,444	0	500,185	190,047	2,030,619	4,005,737
Interest	15,416	11,457	3,033	0	106,661	62,048	198,615
Fees, Licenses and Permits	806,896	0	0	0	0	32,257	839,153
Fines and Forfeitures	73,990	0	0	0	0	2,626,099	2,700,089
Impact Fees	0	0	0	0	98,854	375,685	474,539
Charges for Services	748,543	589,092	0	39,112	0	962,853	2,339,600
Contributions and Donations	21,858	0	0	0	0	1,934	23,792
Reimbursements	21,607	713	57,748	0	0	490,633	570,701
Miscellaneous	187,300	237	0	0	0	26,300	213,837
Total Revenues	14,702,614	7,707,808	1,581,815	539,297	395,562	7,352,405	32,279,501
Expenditures							
Current:							
Public Safety							
Police/911	6,483,429	0	0	0	0	234,473	6,717,902
Fire	0	6,326,260	0	0	0	204,274	6,530,534
Muni Court	0	0	0	0	0	2,600,349	2,600,349
Other	205,862	0	0	0	0	0	205,862
Parks & Facilities	866,336	0	1,587,410	3,000	0	413,761	2,870,507
Community Development	175,632	0	0	0	0	502,336	677,968
Airport	0	0	0	0	0	806,080	806,080
Public Works	0	0	0	943,707	23,722	3,967,627	4,935,056
General Government	4,010,323	0	0	196,071	0	189,370	4,395,764
Capital Outlay	0	0	0	0	0	1,011,857	1,011,857
Debt Service:							
Principal Retirement	0	110,246	0	0	0	965,000	1,075,246
Interest and Fiscal Charges	0	15,274	0	0	178,820	1,135,595	1,329,689
Bond Issuance Costs	0	0	0	0	0	53,163	53,163
Refunds & Reimbursements	250	0	400,000	0	0	27,036	427,286
Total Expenditures	11,741,832	6,451,780	1,987,410	1,142,778	202,542	12,110,921	33,637,263
Excess of Revenues Over (Under) Expenditures	2,960,782	1,256,028	(405,595)	(603,481)	193,020	(4,758,516)	(1,357,762)
Other Financing Sources (Uses)							
Sale of Assets	5,937	18,500	0	0	0	4,349	28,786
Issuance of Bonds	0	0	0	0	0	3,395,000	3,395,000
Issuance of Capital Lease	0	1,090,176	0	0	0	0	1,090,176
Premium on Bond Issuance	0	0	0	0	0	65,710	65,710
Discount on Bond Issuance	0	0	0	0	0	(24,058)	(24,058)
Payments to Escrow Agent	0	0	0	0	0	(3,383,489)	(3,383,489)
Transfers In	0	0	0	1,550,000	0	5,254,445	6,804,445
Transfers Out	(2,415,000)	(72,000)	(1,209,222)	(946,488)	0	(2,161,735)	(6,804,445)
Total Other Financing Sources (Uses)	(2,409,063)	1,036,676	(1,209,222)	603,512	0	3,150,222	1,172,125
Special Item							
Transfer of Cemetery fund balance upon dissolution	0	0	0	0	0	306,906	306,906
Net Change in Fund Balances	551,719	2,292,704	(1,614,817)	31	193,020	(1,301,388)	121,269
Fund Balances (Deficits) Beginning of Year	6,015,256	1,069,086	4,585,729	1,107,566	(9,504,071)	3,295,136	6,568,702
Fund Balances (Deficits) End of Year	\$ 6,566,975	\$ 3,361,790	\$ 2,970,912	\$ 1,107,597	\$ (9,311,051)	\$ 1,993,748	\$ 6,689,971

See Accompanying Notes to the Basic Financial Statements

City of Delaware, 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, 2012*

Net Change in Fund Balances - Total Governmental Funds \$ 121,269

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital Outlay	4,790,165	
Donated Infrastructure	1,860,046	
Loss on Disposal	(27,678)	
Infrastructure Donated to Business-type Activities	(8,837)	
Depreciation	<u>(8,350,361)</u>	
Total		(1,736,665)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Income Tax	334,787	
Property Taxes [delinquent]	155,217	
Charges for Services	256,611	
Payments in Lieu of Taxes	(140,986)	
Intergovernmental	<u>150,412</u>	
Total		756,041

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal said debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

Refunding Bonds Issued	(3,395,000)	
Capital Lease	(1,090,176)	
Premium on Bond	(65,710)	
Discount on Bond	24,058	
Deferred Charge on Debt Refunding Bond	<u>23,489</u>	
Total		(4,503,339)

Repayment of bond and capital lease principal (\$1,075,246), payment to escrow agent (\$3,383,489), net of deferred charges (\$23,489), are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

4,435,246

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. Other related expenses do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

(253,604)

Some expenses reported in the statement of activities, such as compensated absences and police and fire past service liability which represent contractually required pension contributions, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Compensated Absences	(125,840)	
Police and Fire Past Service Liability	<u>7,215</u>	
Total		(118,625)

The internal service funds used by management to charge the the costs of garage, information technology, insurance, and workers' compensation to individual funds are not reported in the entity-wide statement of activities.

Governmental fund expenditures and related internal service fund revenues are eliminated. The change for governmental funds is shown for the year.

Change in Net Position for 2012	521,067	
Depreciation Expense, included above	7,337	
Compensated Absences, included above	<u>(4,558)</u>	
Total		<u>523,846</u>

Change in Net Position of Governmental Activities \$ (775,831)

See Accompanying Notes to the Basic Financial Statements

City of Delaware, Ohio

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual--(Budget Basis)

For the Year Ended December 31, 2012

	General Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Income Taxes	\$ 10,583,250	\$ 10,583,250	\$ 10,717,681	\$ 134,431
Property & Other Taxes	1,423,645	1,430,645	1,252,182	(178,463)
Intergovernmental	1,348,418	1,389,438	1,384,801	(4,637)
Charges For Service	247,000	562,000	730,613	168,613
Fines & Court Fees	60,000	70,000	73,966	3,966
Licenses & Permits	754,400	768,000	805,217	37,217
Interest Income	75,000	75,000	15,416	(59,584)
Reimbursements	150,000	180,000	38,670	(141,330)
Donations	0	20,000	21,000	1,000
Miscellaneous	157,000	214,000	142,480	(71,520)
Total Revenues	<u>14,798,713</u>	<u>15,292,333</u>	<u>15,182,026</u>	<u>(110,307)</u>
Expenditures:				
Current:				
Public Safety	6,901,179	6,901,179	6,826,966	74,213
General Government	4,410,184	4,542,784	4,214,412	328,372
Income Tax Refunds	425,000	425,000	243,050	181,950
Engineering Refunds	84,655	84,655	78,707	5,948
Total Expenditures	<u>11,821,018</u>	<u>11,953,618</u>	<u>11,363,135</u>	<u>590,483</u>
Excess of Revenues Over Expenditures	2,977,695	3,338,715	3,818,891	480,176
Other Financing Sources (Uses):				
Sale of Assets	0	6,000	5,937	(63)
Advances In	0	0	1,045,539	1,045,539
Advances Out	0	0	(1,000,000)	(1,000,000)
Transfers In	0	0	3,672	3,672
Transfers Out	(3,070,000)	(3,345,000)	(3,345,000)	0
Total Other Financing Sources (Uses)	<u>(3,070,000)</u>	<u>(3,339,000)</u>	<u>(3,289,852)</u>	<u>49,148</u>
Net Change in Fund Balance	(92,305)	(285)	529,039	529,324
Fund Balance at Beginning of Year:	3,671,983	3,671,983	3,671,983	0
Prior Years Encumbrances	<u>171,094</u>	<u>171,094</u>	<u>171,094</u>	<u>0</u>
Fund Balance at End of Year:	<u>\$ 3,750,772</u>	<u>\$ 3,842,792</u>	<u>\$ 4,372,116</u>	<u>\$ 529,324</u>

See Accompanying Notes to the Basic Financial Statements

City of Delaware, Ohio

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual [Budget Basis]

For the Year Ended December 31, 2012

	Fire/EMS Income Tax Fund			Variance from Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Income Taxes	\$ 7,308,886	\$ 7,308,886	\$ 7,357,166	\$ 48,280
Intergovernmental	2,500	2,500	3,444	944
Charges for Services	550,000	550,000	597,321	47,321
Reimbursements	5,000	5,000	713	(4,287)
Miscellaneous	3,500	3,500	237	(3,263)
Total Revenues	<u>7,869,886</u>	<u>7,869,886</u>	<u>7,958,881</u>	<u>88,995</u>
Expenditures:				
Current:				
Public Safety				
Personal Services	6,045,918	6,045,918	5,206,562	839,356
Materials & Supplies	253,366	313,366	294,704	18,662
Services & Charges	433,152	473,152	408,280	64,872
Refunds	0	0	152,025	(152,025)
Capital Outlay	377,190	3,403,790	2,789,192	614,598
Debt Service:				
Capital Lease Principal	170,420	170,420	110,246	60,174
Interest & Fiscal Charges	0	0	19,775	(19,775)
Total Expenditures	<u>7,280,046</u>	<u>10,406,646</u>	<u>8,980,784</u>	<u>1,425,862</u>
Excess (Deficiency) of Revenues Over Expenditures	589,840	(2,536,760)	(1,021,903)	1,514,857
Other Financing Sources (Uses):				
Issuance of Notes	0	2,850,000	2,850,000	0
Premium on Note Issuance	0	11,460	11,457	(3)
Issuance of Capital Lease	0	1,090,176	1,090,176	0
Sale of Assets	0	18,500	18,500	0
Advances Out	0	0	(22,749)	(22,749)
Transfers Out	(139,267)	(139,267)	(72,000)	67,267
Total Other Financing Sources (Uses)	<u>(139,267)</u>	<u>3,830,869</u>	<u>3,875,384</u>	<u>44,515</u>
Net Change in Fund Balance	450,573	1,294,109	2,853,481	1,559,372
Fund Balance at Beginning of Year:	56,677	56,677	56,677	0
Prior Years Encumbrances	356,736	356,736	356,736	0
Fund Balance at End of Year:	<u>\$ 863,986</u>	<u>\$ 1,707,522</u>	<u>\$ 3,266,894</u>	<u>\$1,559,372</u>

See Accompanying Notes to the Basic Financial Statements

City of Delaware, Ohio

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual [Budget Basis]

For the Year Ended December 31, 2012

	Recreation Center Income Tax			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Income Taxes	\$ 1,587,500	\$ 1,587,500	\$ 1,583,182	\$ (4,318)
Interest Income	3,500	3,500	3,033	(467)
Reimbursements	<u>0</u>	<u>58,000</u>	<u>57,749</u>	<u>(251)</u>
Total Revenues	<u>1,591,000</u>	<u>1,649,000</u>	<u>1,643,964</u>	<u>(5,036)</u>
Expenditures:				
Current:				
Parks & Recreation				
Services & Charges	663,726	663,726	542,501	121,225
Capital Outlay	3,156,956	3,156,956	2,469,729	687,227
Refunds	<u>35,000</u>	<u>35,000</u>	<u>35,850</u>	<u>(850)</u>
Total Expenditures	<u>3,855,682</u>	<u>3,855,682</u>	<u>3,048,080</u>	<u>807,602</u>
Deficiency of Revenues Over Expenditures	(2,264,682)	(2,206,682)	(1,404,116)	802,566
Other Financing Uses:				
Transfers Out	<u>(1,207,389)</u>	<u>(1,207,389)</u>	<u>(1,209,222)</u>	<u>(1,833)</u>
Total Other Financing Uses	<u>(1,207,389)</u>	<u>(1,207,389)</u>	<u>(1,209,222)</u>	<u>(1,833)</u>
Net Change in Fund Balance	(3,472,071)	(3,414,071)	(2,613,338)	800,733
Fund Balance at Beginning of Year:	4,334,520	4,334,520	4,334,520	0
Prior Years Encumbrances	<u>909,567</u>	<u>909,567</u>	<u>909,567</u>	<u>0</u>
Fund Balance at End of Year:	<u>\$ 1,772,016</u>	<u>\$ 1,830,016</u>	<u>\$ 2,630,749</u>	<u>\$ 800,733</u>

See Accompanying Notes to the Basic Financial Statements

City of Delaware, Ohio
Statement of Fund Net Position
Proprietary Funds
December 31, 2012

	Business-Type Activities					Totals	Governmental Activities - Internal Service Funds
	Water	Sewer	Storm Sewer	Refuse	Non-major Enterprise Funds		
Assets							
<i>Current Assets:</i>							
Equity in Pooled Cash and Cash Equivalents	\$ 7,900,887	\$ 6,513,350	\$ 2,312,668	\$ 1,018,060	\$ 120,424	\$ 17,865,389	\$ 5,642,286
Accounts Receivable [net of uncollectible accounts]	769,669	1,007,078	103,625	274,947	0	2,155,319	0
Materials and Supplies Inventory	27,726	22,211	0	0	614	50,551	0
Prepaid Items	30,141	47,856	208,670	19,064	945	306,676	16,117
Internal Balances	0	0	0	(302,637)	0	(302,637)	0
Total Current Assets	8,728,423	7,590,495	2,624,963	1,009,434	121,983	20,075,298	5,658,403
<i>Noncurrent Assets:</i>							
<i>Restricted Assets:</i>							
Customer Deposits	183,840	0	0	0	0	183,840	0
Retainage	264,342	6,144	0	0	0	270,486	0
<i>Capital Assets:</i>							
Nondepreciable Capital Assets	6,558,190	3,468,758	26,238	128,687	210,754	10,392,627	0
Depreciable Capital Assets, Net	29,211,846	58,671,321	12,715,255	899,418	199,050	101,696,890	11,937
Total Noncurrent Assets	36,218,218	62,146,223	12,741,493	1,028,105	409,804	112,543,843	11,937
Total Assets	44,946,641	69,736,718	15,366,456	2,037,539	531,787	132,619,141	5,670,340
Deferred Outflows of Resources							
Deferred Charges on Refunding Debt	0	117,054	0	0	0	117,054	0
Total Deferred Outflows of Resources	0	117,054	0	0	0	117,054	0
Liabilities							
<i>Current Liabilities:</i>							
Accounts Payable	18,529	37,360	8,391	69,004	453	133,737	22,745
Accrued Wages & Benefits	90,951	66,112	11,718	27,400	2,569	198,750	17,929
Contracts Payable	678,362	0	0	0	0	678,362	14,441
Compensated Absences Payable	69,128	54,524	5,334	32,119	5,214	166,319	26,119
Accrued Interest Payable	50,994	399,413	0	583	0	450,990	0
Capital Leases Payable	0	0	0	55,059	0	55,059	0
Claims Payable	0	0	0	0	0	0	111,919
Loans Payable	58,713	1,130,857	0	0	0	1,189,570	0
General Obligation Bonds Payable	109,000	317,418	0	50,000	0	476,418	0
General Income Tax Special Obligation Bonds Payable	0	245,000	0	0	0	245,000	0
Landfill Post-Closure Obligation	0	0	0	5,000	0	5,000	0
Total Current Liabilities	1,075,677	2,250,684	25,443	239,165	8,236	3,599,205	193,153
<i>Long-Term Liabilities:</i>							
<i>Payable from Restricted Assets:</i>							
Customer Deposits	183,840	0	0	0	0	183,840	0
Retainage Payable	264,342	6,144	0	0	0	270,486	0
Compensated Absences Payable	326,542	273,681	15,349	73,595	15,292	704,459	62,808
Loans Payable	5,711,475	19,026,691	0	0	0	24,738,166	0
General Obligation Bonds Payable	2,880,308	3,452,250	0	160,000	0	6,492,558	0
General Income Tax Special Obligation Bonds Payable	0	14,416,933	0	0	0	14,416,933	0
Landfill Post-Closure Obligation	0	0	0	230,000	0	230,000	0
Capital Leases Payable	0	0	0	327,279	0	327,279	0
Claims Payable	0	0	0	0	0	0	694,832
Total Long-Term Liabilities	9,366,507	37,175,699	15,349	790,874	15,292	47,363,721	757,640
Total Liabilities	10,442,184	39,426,383	40,792	1,030,039	23,528	50,962,926	950,793
Net Position							
Net Investment in Capital Assets	27,010,540	23,667,984	12,741,493	435,767	409,804	64,265,588	11,937
Restricted for Claims	0	0	0	0	0	0	4,194,459
Restricted for Other Purposes	0	0	0	0	0	0	513,151
Unrestricted	7,493,917	6,759,405	2,584,171	571,733	98,455	17,507,681	0
Total Net Position	\$ 34,504,457	\$ 30,427,389	\$ 15,325,664	\$ 1,007,500	\$ 508,259	\$ 81,773,269	\$ 4,719,547

See Accompanying Notes to the Basic Financial Statements

City of Delaware, Ohio
*Statement of Revenues,
 Expenses and Changes in Fund Net Position
 Proprietary Funds
 For the Year Ended December 31, 2012*

	Enterprise Funds					Totals	Governmental Activities - Internal Service Funds
	Water	Sewer	Storm Sewer	Refuse	Non-major Enterprise Funds		
Operating Revenues							
Charges for Services	\$ 5,049,229	\$ 6,926,874	\$ 698,034	\$ 3,165,678	\$ 225,095	\$ 16,064,910	\$ 5,652,558
Capacity Fees	992,217	950,976	0	0	0	1,943,193	0
Deposits	23,064	0	0	0	0	23,064	0
Reimbursements	4,800	0	0	0	0	4,800	168,200
Miscellaneous	72,302	51,568	0	30,174	1,406	155,450	0
<i>Total Operating Revenues</i>	<u>6,141,612</u>	<u>7,929,418</u>	<u>698,034</u>	<u>3,195,852</u>	<u>226,501</u>	<u>18,191,417</u>	<u>5,820,758</u>
Operating Expenses							
Personal Services	1,477,082	1,375,500	153,158	893,245	129,010	4,027,995	573,327
Cost of Services	588,350	660,784	0	305,718	0	1,554,852	0
Services and Charges	667,622	1,165,518	216,972	1,025,325	102,272	3,177,709	930,763
Materials and Supplies	564,589	276,693	71,907	219,169	21,513	1,153,871	193,696
Depreciation	764,477	2,156,841	488,322	253,008	5,031	3,667,679	7,337
Claims	0	0	0	0	0	0	3,594,568
<i>Total Operating Expenses</i>	<u>4,062,120</u>	<u>5,635,336</u>	<u>930,359</u>	<u>2,696,465</u>	<u>257,826</u>	<u>13,582,106</u>	<u>5,299,691</u>
<i>Operating Income (Loss)</i>	<u>2,079,492</u>	<u>2,294,082</u>	<u>(232,325)</u>	<u>499,387</u>	<u>(31,325)</u>	<u>4,609,311</u>	<u>521,067</u>
Non-Operating Revenues (Expenses)							
Intergovernmental	0	0	313,577	0	14,000	327,577	0
Interest and Fiscal Charges	(229,985)	(1,728,631)	0	(10,554)	0	(1,969,170)	0
Interest Income	8,444	4,447	0	553	0	13,444	0
<i>Total Non-Operating Revenues (Expenses)</i>	<u>(221,541)</u>	<u>(1,724,184)</u>	<u>313,577</u>	<u>(10,001)</u>	<u>14,000</u>	<u>(1,628,149)</u>	<u>0</u>
<i>Income (Loss) before Capital Contributions</i>	<u>1,857,951</u>	<u>569,898</u>	<u>81,252</u>	<u>489,386</u>	<u>(17,325)</u>	<u>2,981,162</u>	<u>521,067</u>
Capital Contributions	<u>378,710</u>	<u>240,089</u>	<u>260,000</u>	<u>0</u>	<u>0</u>	<u>878,799</u>	<u>0</u>
<i>Change in Net Position</i>	<u>2,236,661</u>	<u>809,987</u>	<u>341,252</u>	<u>489,386</u>	<u>(17,325)</u>	<u>3,859,961</u>	<u>521,067</u>
<i>Net Position Beginning of Year</i>	<u>32,267,796</u>	<u>29,617,402</u>	<u>14,984,412</u>	<u>518,114</u>	<u>525,584</u>	<u>77,913,308</u>	<u>4,198,480</u>
<i>Net Position End of Year</i>	<u>\$ 34,504,457</u>	<u>\$ 30,427,389</u>	<u>\$ 15,325,664</u>	<u>\$ 1,007,500</u>	<u>\$ 508,259</u>	<u>\$ 81,773,269</u>	<u>\$ 4,719,547</u>

See Accompanying Notes to the Basic Financial Statements

City of Delaware, Ohio
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2012

	Enterprise Funds			
	Water	Sewer	Storm Sewer	Refuse
Increase (Decrease) in Cash and Cash Equivalents				
Cash Flows from Operating Activities				
Cash Received from Customers	\$ 4,963,951	\$ 6,935,141	\$ 789,536	\$ 3,159,334
Cash Received for Premiums	0	0	0	0
Cash Received for Capacity Fees	992,217	950,976	0	0
Customer Deposits Received	23,064	0	0	0
Customer Deposits Returned	(19,678)	0	0	0
Cash Payments for Personal Services	(1,454,025)	(1,330,989)	(142,796)	(874,198)
Cash Payments for Materials and Supplies	(553,847)	(285,522)	(71,907)	(213,511)
Cash Payments for Services and Charges	(1,242,428)	(1,945,016)	(193,082)	(1,336,729)
Cash Payments for Claims	0	0	0	0
Other Cash Receipts or Payments	63,095	49,401	(16,659)	34,666
<i>Net Cash Provided by (Used in) Operating Activities</i>	<u>2,772,349</u>	<u>4,373,991</u>	<u>365,092</u>	<u>769,562</u>
Cash Flows from Noncapital Financing Activities				
Operating Grant Received from State Agency	0	0	0	0
Cash Flows from Capital and Related Financing Activities				
Acquisition and Construction of Capital Assets	(4,581,502)	(38,903)	(49,681)	(382,338)
Interest Paid on Debt Obligations	(217,139)	(1,564,662)	0	(10,838)
Principal Paid on Debt Obligations	(162,616)	(1,881,326)	0	(55,000)
Issuance of Capital Lease	0	0	0	382,338
Issuance of Refunding Bonds	0	2,915,000	0	0
Premium on Refunding Bonds	0	56,387	0	0
Discount on Refunding Bonds	0	(45,647)	0	0
Payment to Fiscal & Escrow Agent	0	(2,785,000)	0	0
Deferred Charges for Refunding Bonds	0	(117,054)	0	0
Refunding Issuance Costs	0	(23,686)	0	0
Issuance of Loan	3,629,288	0	0	0
Capital Grants Received from Federal Agency	0	0	313,577	0
<i>Net Cash Provided by (Used in) Capital and Related Financing Activities</i>	<u>(1,331,969)</u>	<u>(3,484,891)</u>	<u>263,896</u>	<u>(65,838)</u>
Cash Flows from Investing Activities				
Interest on Investments	5,305	4,447	0	553
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	1,445,685	893,547	628,988	704,277
<i>Cash and Cash Equivalents Beginning of Year</i>	<u>6,903,384</u>	<u>5,625,947</u>	<u>1,683,680</u>	<u>313,783</u>
<i>Cash and Cash Equivalents End of Year</i>	<u>\$ 8,349,069</u>	<u>\$ 6,519,494</u>	<u>\$ 2,312,668</u>	<u>\$ 1,018,060</u>
Reconciliation of Cash and Cash Equivalents per the Balance Sheet:				
Cash and Cash Equivalents	\$ 7,900,887	\$ 6,513,350	\$ 2,312,668	\$ 1,018,060
Restricted Cash and Cash Equivalents	448,182	6,144	0	0
Cash and Cash Equivalents at End of Year	<u>\$ 8,349,069</u>	<u>\$ 6,519,494</u>	<u>\$ 2,312,668</u>	<u>\$ 1,018,060</u>

See Accompanying Notes to the Basic Financial Statements

(continued)

City of Delaware, Ohio
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2012

(continued)

	<u>Other Enterprise Funds</u>	<u>Total</u>	<u>Internal Service Funds</u>
Increase (Decrease) in Cash and Cash Equivalents			
Cash Flows from Operating Activities			
Cash Received from Customers	\$ 225,093	\$ 16,073,055	\$ 1,195,607
Cash Received for Premiums	0	0	4,456,951
Cash Received for Capacity Fees	0	1,943,193	0
Customer Deposits Received	0	23,064	0
Customer Deposits Returned	0	(19,678)	0
Cash Payments for Personal Services	(129,990)	(3,931,998)	(575,873)
Cash Payments for Materials and Supplies	(19,607)	(1,144,394)	(199,819)
Cash Payments for Services and Charges	(103,397)	(4,820,652)	(897,935)
Cash Payments for Claims	0	0	(3,638,448)
Other Cash Receipts or Payments	1,378	131,881	147,850
<i>Net Cash Provided by (Used in) Operating Activities</i>	<u>(26,523)</u>	<u>8,254,471</u>	<u>488,333</u>
Cash Flows from Noncapital Financing Activities			
Operating Grant Received from State Agency	14,000	14,000	0
Cash Flows from Capital and Related Financing Activities			
Acquisition and Construction of Capital Assets	0	(5,052,424)	0
Interest Paid on Debt Obligations	0	(1,792,639)	0
Principal Paid on Debt Obligations	0	(2,098,942)	0
Issuance of Capital Lease	0	382,338	0
Issuance of Refunding Bonds	0	2,915,000	0
Premium on Refunding Bonds	0	56,387	0
Discount on Refunding Bonds	0	(45,647)	0
Payment to Fiscal & Escrow Agent	0	(2,785,000)	0
Deferred Charges for Refunding Bonds	0	(117,054)	0
Refunding Issuance Costs	0	(23,686)	0
Issuance of Loan	0	3,629,288	0
Capital Grants Received from Federal Agency	0	313,577	0
<i>Net Cash Provided by (Used in) Capital and Related Financing Activities</i>	<u>0</u>	<u>(4,618,802)</u>	<u>0</u>
Cash Flows from Investing Activities			
Interest on Investments	0	10,305	0
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	(12,523)	3,659,974	488,333
<i>Cash and Cash Equivalents Beginning of Year</i>	<u>132,947</u>	<u>14,659,741</u>	<u>5,153,953</u>
<i>Cash and Cash Equivalents End of Year</i>	<u>\$ 120,424</u>	<u>\$ 18,319,715</u>	<u>\$ 5,642,286</u>
Reconciliation of Cash and Cash Equivalents per the Balance Sheet:			
Cash and Cash Equivalents	\$ 120,424	\$ 17,865,389	\$ 5,642,286
Restricted Cash and Cash Equivalents	0	454,326	0
Cash and Cash Equivalents at End of Year	<u>\$ 120,424</u>	<u>\$ 18,319,715</u>	<u>\$ 5,642,286</u>

See Accompanying Notes to the Basic Financial Statements

(continued)

City of Delaware, Ohio
Statement of Cash Flows
Proprietary Funds (continued)
For the Year Ended December 31, 2012

	Enterprise Funds			
	Water	Sewer	Storm Sewer	Refuse
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities				
Operating Income (Loss)	\$ 2,079,492	\$ 2,294,082	\$ (232,325)	\$ 499,387
Adjustments:				
Depreciation	764,477	2,156,841	488,322	253,008
(Increase) Decrease in Assets:				
Accounts Receivable	(71,884)	8,267	91,502	(749)
Prepaid Items	0	382	0	0
Materials and Supplies Inventory	16,480	(9,915)	0	0
Increase (Decrease) in Liabilities:				
Accounts Payable	(8,394)	(2,043)	7,899	(1,037)
Contracts Payable	(40,707)	(122,879)	0	0
Accrued Wages and Benefits	51,467	32,303	7,875	1,361
Compensated Absences Payable	(28,446)	12,145	2,487	17,592
Retainage Payable	0	4,808	(668)	0
Customer Deposits	9,864	0	0	0
Claims Payable	0	0	0	0
<i>Net Cash Provided by (Used in) Operating Activities</i>	<u>\$ 2,772,349</u>	<u>\$ 4,373,991</u>	<u>\$ 365,092</u>	<u>\$ 769,562</u>

Noncash capital transactions:

The Water fund received water lines donated by developers and contributions from governmental activities with a fair value of \$378,710. These were recorded as capital assets.

The Sewer fund received sewer lines donated by developers and contributions from governmental activities with a fair value of \$240,089. These lines were recorded as capital assets.

The Storm Sewer fund received storm sewer lines donated by developers and contributions from governmental activities with a fair value of \$260,000. These lines were recorded as capital assets.

(continued)

See Accompanying Notes to the Basic Financial Statements

City of Delaware, Ohio
Statement of Cash Flows
Proprietary Funds (continued)
For the Year Ended December 31, 2012

(continued)

	<u>Other Enterprise Funds</u>	<u>Total</u>	<u>Internal Service Funds</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities			
Operating Income (Loss)	\$ (31,325)	\$ 4,609,311	\$ 521,067
Adjustments:			
Depreciation	5,031	3,667,679	7,337
(Increase) Decrease in Assets:			
Accounts Receivable	0	27,136	0
Prepaid Items	0	382	(6,476)
Materials and Supplies Inventory	958	7,523	0
Increase (Decrease) in Liabilities:			
Accounts Payable	(207)	(3,782)	(1,576)
Contracts Payable	0	(163,586)	14,441
Accrued Wages and Benefits	(62)	92,944	(423)
Compensated Absences Payable	(918)	2,860	(2,157)
Retainage Payable	0	4,140	0
Customer Deposits	0	9,864	0
Claims Payable	0	0	(43,880)
Net Cash Provided by (Used in) Operating Activities	\$ (26,523)	\$ 8,254,471	\$ 488,333

See Accompanying Notes to the Basic Financial Statements

City of Delaware, Ohio
Statement of Fiduciary Assets and Liabilities
Agency Fund
December 31, 2012

Assets

Equity in Pooled Cash and Cash Equivalents	\$	159,144
Other Taxes Receivable		120,000
Due from Other Governments		<u>2,994</u>
<i>Total Assets</i>	\$	<u><u>282,138</u></u>

Liabilities

Due to Other Governments	\$	123,299
Undistributed Assets		<u>158,839</u>
<i>Total Liabilities</i>	\$	<u><u>282,138</u></u>

See Accompanying Notes to the Basic Financial Statements

City of Delaware. Ohio

Notes to the Basic Financial Statements

December 31, 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Delaware [the City] have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

A. Reporting Entity

The City of Delaware, Ohio (the "City") is an incorporated municipality under the laws of the State of Ohio. Its charter was adopted November 6, 1951, and established the Council/Manager form of government. The City presently provides the following services as authorized by its charter: public safety, airport, public works, recreation and parks, cemetery, engineering, public health and water, sewer, storm sewer, and refuse enterprise activities.

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure the financial statements are fairly presented and complete.

The primary government consists of all funds, departments, boards and commissions that are not legally separate from the City. They comprise the City's legal entity which provides various services including a public safety department, a public works department, a grounds & facilities department, a recreation services department, a planning & community development department, a utility department, an engineering department, and a cemetery. The City is also responsible for the construction, maintenance, and repairs associated with the water and sewer lines, and the provision of water and sewer treatment services. The City Manager and City Council have direct responsibility for these services.

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; (3) the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; (4) or the City is obligated for the debt of the organization. Component units may 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.

City of Delaware. Ohio

Notes to the Basic Financial Statements

December 31, 2012

(continued)

The Delaware Municipal Court's (the "Court") activities are included within these basic financial statements as required by Governmental Accounting Standard No. 14, *The Financial Reporting Entity*, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*. The City includes the Court's cash balance and liability to others within its agency funds, and the City's share of Court fines collected and operating expenditures in the Municipal Court Fund. The City established this fund in 2002 because the County's population grew above 100,000 citizens, which requires the presiding judge and clerk to be elected by the County's voting residents. The Court serves as the Court of record and has jurisdiction within Delaware County. The City, however, has no ability to select or influence Court management and cannot dictate budget and other fiscal matters. The Court is presided over by a separately elected judge and clerk that have the authority to select and appoint all officials of the Court and to direct the Court's activity.

On February 12, 2007, Resolution 07-05 was adopted by Delaware City Council creating Delaware South New Community Authority [DSNCA], a jointly governed organization. On February 9, 2009, Resolution 09-05 was adopted by Delaware City Council creating Delaware North New Community Authority [DNNCA], a jointly governed organization. See Note 19 for further information.

On October 29, 2012, Resolution 12-47 was adopted for which the City accepted ownership of Oak Grove Cemetery. The City had deeded the cemetery to the Oak Grove Cemetery Company in 1906. The Company [renamed 'Association'] dissolved in 2012 and deeded the property back to the City.

B. Basis of Presentation - Fund Accounting

Government-Wide Financial Statements

The statement of net position and the statement of activities display information about the City as a whole. These statements distinguish between activities that are governmental in nature, which are normally supported by taxes and intergovernmental revenues; and business-type activities, which rely, to a significant extent, upon fees and charges for support. Indirect interfund and internal service fund activities are generally eliminated to avoid the "doubling-up" effect on revenues and expenses; direct expenses are not eliminated within these functional categories. Interfund services provided and used are not eliminated in the process of consolidation. The government-wide financial statements do not include the assets and liabilities of the City's agency funds.

The government-wide statements are prepared using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

The government-wide statement of net position presents the financial condition of the City at year end, displaying all assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position, the difference between these other elements. Net position is displayed in three components; net investment in capital assets, restricted, and unrestricted.

City of Delaware. Ohio

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December 31, 2012

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The *Net Investment in Capital Assets* consists of capital assets net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt also should be included in this component of net position. If there are significant unspent related debt proceeds or deferred inflows of resources at the end of the reporting period, the portion of the debt or deferred inflow of resources attributable to the unspent amount should not be included in the calculation of net investment in capital assets. Instead, that portion of the debt or deferred inflow of resources should be included in the same net position component (restricted or unrestricted) as the unspent amount.

The *Restricted* component of Net Position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Generally, a liability relates to restricted assets if the asset results from a resource flow that also results in the recognition of a liability or if the liability will be liquidated with the restricted assets reported. The Net Position is reported as restricted when constraints placed upon their use are either: (1) externally imposed by creditors [such as through debt covenants], grantors, contributors, or laws or regulations of other governments, or (2) imposed by law through constitutional provisions or enabling legislation.

The *Unrestricted* component of net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted components of net position. When both restricted and non-restricted resources are available for use, it is the City's policy to use non-restricted resources first, and then restricted resources, as they are needed.

The government-wide statement of activities presents a comparison between expenses and program revenues for each segment of the business-type activities of the City and for each governmental program. 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.

Fund Financial Statements

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental and proprietary funds are reported in separate columns in the fund financial statements. All other funds are aggregated and reported as non-major governmental or non-major enterprise funds.

The accounting policies and financial reporting practices of the City conform to accounting principles generally accepted in the United States of America for local governments as prescribed by the GASB.

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing

City of Delaware, Ohio

Notes to the Basic Financial Statements

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(continued)

accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balances/equity, revenues, and expenditures [expenses]. Fund accounting segregates funds according to the intended purpose and is used to aid management in demonstrating compliance with financial-related legal and contractual provisions.

Governmental Funds:

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

General Fund – The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. The fund balance of the General Fund is available to the City for any purpose provided it is expended or transferred according to the City's Charter and Code and the general laws and regulations of the State of Ohio.

Fire/EMS Income Tax Fund – To account for the collection and distribution of City-levied income taxes used for the Fire Department and Emergency Medical Services.

Recreation Center Income Tax Fund – To account for the collection and distribution of City-levied income taxes used for park improvements and the construction of the YMCA/Training and Community Center on the City's west side.

Capital Improvement Fund – To account for income taxes earmarked for capital improvements used for general improvement of all City facilities and operations.

Glenn Road South Construction Fund – To account for construction costs of the southern-most 8,700 feet of roadway from the Glenn Ross development to US 23 South.

Other governmental funds of the City are used to account for (a) accumulation of resources for, and payment of, general long-term debt principal, interest, and related costs; (b) financial resources to be used for the acquisition, construction, or improvement of capital facilities other than those financed by proprietary funds; and (c) for grants and other resources when used is restricted for a particular purpose.

Proprietary [Business-type] Funds:

Proprietary funds are used to account for the City's ongoing organizations and activities that are similar to those found in the private sector where the intent of the governing body is that the cost [expenses, including depreciation] of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

The City reports the following major proprietary funds:

City of Delaware. Ohio

Notes to the Basic Financial Statements

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Water Fund – Accounts for the operations of water treatment, distribution, administration, and related expenses, including capital improvements and debt service. The operations are exclusively financed by customer user charges.

Sewer Fund – Accounts for the wastewater collection, treatment, administration, and related expenses, including capital improvements and debt service. The operations are exclusively financed by customer user charges.

Storm Sewer Fund – Accounts for fees charged to residents and businesses to construct and maintain the City's storm sewers.

Refuse Fund – Accounts for the operations of the solid waste collection and recyclable materials collection systems, and related expenses including capital improvements. The operations are exclusively financed by customer user charges.

Other non-major enterprise funds are used to account for the operations of the City's golf course, parking lots, and watershed grant.

Additionally, the City reports the following fund types:

Internal Service Funds – are used to account for the financing of goods or services provided by one department of the City to other departments of the City on a cost-reimbursement basis, such as vehicle maintenance, information technology, self-insurance, and worker's compensation costs.

Fiduciary Funds – are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governments, and other funds. The City's fiduciary funds include agency funds. Agency Funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operations. These activities include funds received from the Municipal Court and passed through to the Law Library or the State Highway Patrol, funds collected from the Planning department and passed through to the State from building permits, and tax abatement collections passed through to the school districts.

C. Basis of Accounting

Governmental Funds The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets, deferred outflows, current liabilities, and deferred inflows are generally included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

Governmental fund types follow the modified accrual basis of accounting. Under this method of accounting, the City recognized revenue when it becomes both measurable and available. Measurable means the amount of the transaction can be determined. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, which for the City is

City of Delaware. Ohio

Notes to the Basic Financial Statements

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considered to be two months [60 days] after year end. Grants and entitlements must also meet timing, eligibility, and contingency requirements. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable. Principal and interest on general long-term debt are recognized as expenditures when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year.

Revenues accrued at the end of the year included income tax withholdings, hotel transient taxes, property and other taxes, intergovernmental, rents [building, parking, t-hangar], billings for services and materials, and loans. Revenues not accrued at year-end included fines, permits, and parking meter revenues because they are generally not measurable until received in cash.

Deferred Outflows/Inflows of Resources: In addition to assets, the statements of financial position will report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources [expense/expenditure] until then. For the City, deferred outflows of resources include a deferred charge on refunding reported in the government-wide statement of net position. The deferred charge resulted from the difference in carrying value of refunded debt in 2002, and its reacquisition price. This amount is being deferred and amortized over the life of the refunding debt.

In addition to liabilities, the statement of financial position reports a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources [revenue] until that time. For the City, deferred inflows of resources include property taxes and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2012, but which were levied to finance calendar year 2013 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the City, unavailable revenue includes income taxes, delinquent property taxes, and intergovernmental revenues. These amounts are deferred and recognized as an inflow of resources in the period they become available.

Because governmental funds' financial statements use a different measurement focus and basis of accounting than the government-wide statements, governmental funds' financial statements include reconciliations to the government-wide statements.

Proprietary Funds All proprietary funds [enterprise funds and internal service funds] are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and liabilities associated with the operation of these funds are included on the balance sheet.

Proprietary fund-type operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. All revenues and expenses not meeting this definition are reported as non-operating revenues and

City of Delaware. Ohio

Notes to the Basic Financial Statements

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expenses. The accrual basis of accounting is used for reporting purposes by the proprietary funds. Revenues are recognized when they are earned and expenses are recorded at the time liabilities are incurred. Unbilled service charges are recognized as revenue at year-end.

D. Budgets and Budgetary Accounting

The City's budget is adopted and modified as follows:

1. Prior to August 15, the Finance Director submits, to the County Budget Commission, an estimate of year end balances and of the next year's revenues. The Commission returns a Certificate of Estimated Resources, limiting the maximum amount the City may expend from a given fund type.
2. Prior to November 15, the City Manager submits to City Council an estimate of the expenditures necessary to conduct the affairs of the City for the year commencing the following January 1. The legal level of control is payroll expenditures/expenses and other expenditures/expenses. For reporting purposes, the City further divides "other" by their function.
3. Public hearings are held to obtain taxpayers' comments.
4. Prior to January 1 and after publication of the proposed budget ordinances, the budget is legally enacted by ordinance.
5. Shortly after January 1, the Certificate of Estimated Resources is amended to reflect the actual unencumbered balances from the preceding year and for changes in estimated resources since the original submittal.
6. Supplemental appropriations and transfers of appropriations between funds and departments must be approved by City Council. Supplemental appropriations were necessary during the year. The budget figures that appear in the budgetary comparisons represent the final appropriation amounts, including all amendments and modifications.

Expenditures cannot exceed appropriations at the legal level of control. Unencumbered appropriations lapse at year-end, and encumbered appropriations are reported as expenditures in the current year.

Encumbrance accounting is utilized in the Governmental Funds. Under encumbrance accounting, purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve a portion of the applicable appropriation, and to maintain legal compliance. Cemetery Perpetual Care Fund, Unclaimed Funds, and Municipal Court Unclaimed Fund did not have a legally adopted budget for 2012.

While reporting financial position, results of operations, and changes in fund balance/equity on the basis of accounting principles generally accepted in the United States of America (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances.

City of Delaware. Ohio

Notes to the Basic Financial Statements

December 31, 2012

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Schedules of Revenue, Expenditures, and Changes in Fund Balances – Budget and Actual (Budget Basis) – for the General Fund, Fire/EMS Income Tax Fund, and Recreation Center Income Tax Fund are presented on the budgetary basis in the Basic Financial Statements to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are that:

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);
2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis);
3. Encumbrances are recorded as the equivalent of an expenditure (budget basis) in order to determine compliance with Ohio law, and to reserve that portion of the applicable appropriation as opposed to a reservation of fund balance for governmental funds (GAAP basis); and,
4. Adjustments necessary to convert the results of operations for the year on the budget basis to the GAAP basis are as follows:

<i>Net Change in Fund Balance</i>			
	<i>General</i>	<i>Fire/EMS Income Tax</i>	<i>Rec Center Income Tax</i>
GAAP Basis	\$ 551,719	\$2,292,704	(\$ 1,614,817)
Revenue Accruals	324,209	3,089,782	62,148
Expenditure Accruals	(77,092)	(74,995)	(634,061)
Encumbrances at Year End	(226,166)	(2,454,010)	(426,608)
Funds Budgeted Elsewhere	(43,631)	0	0
Budget Basis	\$ 529,039	\$ 2,853,481	(\$ 2,613,338)

E. Cash and Investments

Cash received by the City is deposited in a central bank account. Money for all funds, except the Municipal Court and Cemetery perpetual care funds, or restricted cash for retainage or customer deposits, is maintained in the account or temporarily used to purchase investments. Individual fund integrity is maintained through City records. Each fund’s interest in the pool of cash and investments is presented as “Equity in Pooled Cash and Cash Equivalents” on the combined balance sheet. Cash equivalents refer to investments, such as those described below, which are readily converted to cash with no loss of principal.

The Ohio Revised Code authorizes the City to invest in United States and State of Ohio bonds, notes, and other obligations; bank certificates of deposit; bankers’ acceptances; commercial paper notes rated prime and issued by United States corporations; written repurchase agreements in the securities listed above provided that the fair value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days; and STAROhio.

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Notes to the Basic Financial Statements

December 31, 2012

(continued)

During the year, investments were limited to repurchase agreements and the State Treasury Asset Reserve of Ohio [STAROhio]. Except for non-participating investment contracts, investments are reported at fair value, which is based on quoted market prices. Non-participating investment contracts, such as repurchase agreements, are reported at cost.

Upon dissolution of the Oak Grove Cemetery Association, the City inherited an investment portfolio consisting of money market accounts, corporate bonds, individual common stocks, municipal bonds and stock and bond mutual funds. The cost basis of these investments was determined by the fair value at the date of the Oak Grove Cemetery Association's dissolution. For purposes of the City's basic financial statements, all investments are reported at fair value at December 31, 2012.

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

Interest income is distributed to the funds according to Ohio constitutional and statutory requirements. Interest revenue credited to the general fund during the year amounted to \$15,416, which includes \$11,566 assigned from other funds. Other major funds and other non-major governmental funds also received interest in the amounts of \$130,595 and \$62,048, respectively.

F. Materials and Supplies Inventory

On government-wide financial statements, inventories are presented at the lower of cost or market on a first-in, first-out basis and are expensed when used.

Inventories of proprietary funds are stated at the lower of cost or market on a first-in, first-out basis. Inventories of the proprietary funds are expensed when used.

G. Restricted Assets

Restricted assets represent certain resources, which are segregated from other resources of the City to reflect restricted cash held for retainage against construction contracts, customer deposits paid into the City for utilities and airport t-hangar leases, and for perpetual care money received for the Cemetery.

H. Prepaid Items

Payments made to vendors for services that will benefit periods beyond the current year-end, 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 expenditure is reported in the year in which services are consumed.

I. Interfund Assets and Liabilities

Short-term interfund loans or the short-term portion of advances are classified as “interfund receivables/payables.” Long-term interfund loans or the long-term portion of advances are classified as “advances from/to other funds.”

Amounts owed to a particular fund by another fund in the City for goods or services rendered are classified as “due from other funds/due to other funds.” These interfund transactions are eliminated on the government-wide statements.

Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances”.

J. Capital Assets

Capital assets include land, improvements to land, buildings, building improvements, machinery, equipment, infrastructure and all other assets that are used in operations and that have initial useful lives extending beyond one reporting period. Infrastructure is defined as long-lived capital assets that normally are stationary in nature and normally can be preserved for a significantly greater number of years than most capital assets. Examples of infrastructure include roads, bridges, sidewalks, and similar items.

The City further defines capital assets as assets with an initial, individual cost of more than \$2,500 and an estimated useful life in excess of five years, except for infrastructure which has a threshold of \$10,000.

All capital assets are valued at historical cost, or estimated historical cost, if actual cost is not available. Donated capital assets are valued at their fair value at the time received. Interest on constructed assets, if material, is capitalized and amortized on the straight-line basis over the estimated useful life of the asset.

When capital assets are purchased, they are capitalized and depreciated in the government-wide statements and the proprietary fund statements. Capital assets are recorded as expenditures of the current period in the governmental fund financial statements.

Depreciation: Depreciation is an element of expense resulting from the use of long-lived assets. It is measured by allocating the expected net cost of using the asset over its estimated useful life in a systematic and rational manner. Depreciation has been provided using the straight-line method over the following estimated useful lives for both Governmental and Business-Type assets:

	<i>Useful life [in years]</i>
Land Improvements	10 – 25
Vehicles (autos and trucks)	5 – 8
Machinery, Equipment, Furniture, & Fixtures	5 – 25

Buildings	25 - 50
Building Improvements	Up to 30
Infrastructure	25 – 100
Infrastructure Improvements	5 – 50

K. Bond Discounts, Premiums, and Issuance Costs

Material discounts, premiums, and issuance costs are reported as deferred charges and amortized over the life of the bond using the straight-line method. Any material discounts or premiums (1) are shown separately from the account of the bond liability, (2) are amortized using the straight-line method, and (3) are reflected as interest income or expense in the Statement of Activities.

L. Compensated Absences

The City accrues a liability for compensated absences in accordance with the provisions of GASB Statement No. 16, *Accounting for 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. Sick leave benefits are accrued as a liability using the vesting method. These benefits are accrued into and paid out of the funds the employees’ wages are paid from; primarily the General, Street Maintenance & Repair, Fire/EMS Income Tax, Airport Improvement, Municipal Court, Water, Sewer, Storm Sewer, Refuse, Golf Course, Garage Rotary, and Information Technology Rotary funds.

The liability is based on the sick leave accumulated at December 31, by those employees who are currently eligible to receive termination payments and by those employees for whom it is probable they will become eligible to receive termination benefits in the future. The amount is based on the accumulated sick leave and employees’ wage rates at year end, taking into consideration any limits specified in the City’s termination policy. These amounts are reported in governmental fund statements only if they have matured.

Payment of vacation and sick leave recorded in the government-wide financial statements is dependent upon many factors; therefore, timing of future payments is not readily determinable. Management believes that sufficient resources will be made available when payment is due. For governmental funds, the City’s liability for unpaid accumulated sick leave and vacation time is the amount to be paid using expendable available financial resources [within 60 days] and is reported as an accrued liability in the fund from which the individuals who have accumulated the unpaid compensated absences are paid in accordance with Interpretation No. 6 of the Governmental Accounting Standards Board – Recognition and Measurement of Certain Liabilities and expenditures in Governmental Fund Financial Statements.

M. Interfund Transactions

Interfund transfers during 2012, consisted of the following:

<i>Transfer from</i>	<i>Transfer to</i>		<i>Totals</i>
	<i>Major Fund</i>		
	<i>Capital Improvement</i>	<i>Other Governmental</i>	
Major Funds			
General	\$ 1,550,000	\$ 865,000	\$ 2,415,000
Fire/EMS Income Tax	0	72,000	72,000
Rec Ctr Income Tax	0	1,209,222	1,209,222
Capital Improvement	0	946,488	946,488
Other Governmental	0	2,161,735	2,161,735
Totals	\$ 1,550,000	\$ 5,254,445	\$ 6,804,445

Interfund services provided and used are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursement to a fund for expenditures/expenses initially made that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures expenses in the fund that is reimbursed.

During the course of normal operations, the City has transactions between funds, most of which are in the form of transfers of resources to provide services, construct assets, and service debt. The accompanying financial statements generally reflect such transactions as transfers. Operating subsidies are also recorded as transfers. All of the transfers described below occur on a consistent basis.

All transfers are considered in compliance with Ohio Revised Code § 5705.14 – 5705.16.

N. Fund Balance

The City reports classifications of fund equity based on the purpose for which resources were received and the level of constraint placed on the resources.

Nonspendable fund balance indicates resources that are not expected to be converted to cash because they are not in a spendable form.

Restricted fund balance are resources that have purpose constraints placed upon them by laws, regulations, creditors, grantors, or other external parties and are considered available only for the purpose for which they were received.

Committed fund balances occur when the City limits the use of unreserved resources and may be reported as committed or assigned fund balance, depending on at what level of governance the constraints were placed. At the highest level, an affirmative vote of its members, City Council may establish, modify, or rescind a fund balance *commitment*.

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Assigned fund balances occur through the City's purchasing policy; Council has given the City Manager and Finance Director the authority to constrain monies for intended purposes, which are reported as *assigned* fund balances.

All other funds in spendable form not restricted, committed, or assigned are reported as an *unassigned* fund balance.

The City applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net positions are available. The City considers committed, assigned, and unassigned fund balances, respectively, to be spent when expenditures are incurred for purposes for which any of the unrestricted fund balance classifications could be used.

O. Intergovernmental Revenues

In governmental funds, federal and state grants awarded on a non-reimbursement basis, state shared revenues, and federal entitlements are recorded as intergovernmental receivables and revenues when measurable and available. They must also meet timing, eligibility, and contingency requirements. Reimbursable-type grants are recorded as due from other governments and revenues when the related expenditures are made.

P. Estimates

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

Q. Net Position

Net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use, either through the enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net position *Restricted for Other Purposes* includes the Internal Service Rotary fund.

The City applies unrestricted resources when an expense is incurred for purposes for which restricted and unrestricted net position are available. None of the City's restricted net position was by enabling legislation at December 31, 2012.

R. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activities of the proprietary funds. For the City, these revenues are charges for services, capacity fees for the Water and

City of Delaware. Ohio

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Sewer funds, reimbursements, and miscellaneous revenues. Operating expenses are necessary costs incurred to provide the goods or services that are the primary activity of the fund.

S. Donated Infrastructure

Contributions of capital in proprietary funds [donated infrastructure] arise from outside contributions of capital assets or from grants or outside contributions of resources restricted to capital acquisitions and construction. These contributions are reported as revenue in the proprietary fund financial statements.

T. Assets Held for Resale

As part of the community development program, the City has acquired land at the site of the now razed and removed Delaware Hotel. The City's intent is to sell this land to a developer for the construction of low to moderate income housing units. Transactions occurred in the Ohio Neighborhood Stabilization Program Grant Fund.

U. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the City Administration and that are either unusual in nature or infrequent in occurrence. In 2012, the Oak Grove Cemetery Association dissolved. In accordance with Ohio Revised Code, the City reclaimed the cemetery's ownership.

2. CHANGES IN ACCOUNTING PRINCIPLES

A. Change in Accounting Principles

For fiscal year 2012, the City has implemented GASB Statement No. 60, *"Accounting and Financial Reporting for Service Concession Arrangements"*, GASB Statement No. 61, *"The Financial Reporting Entity: Omnibus—an amendment of GASB Statements No. 14 and No. 34"*, GASB Statement No. 62, *"Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements"*, GASB Statement No. 63, *"Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position"*, GASB Statement No. 64, *"Derivative Instruments: Application of Hedge Accounting Termination Provisions—an amendment of GASB Statement No. 53"*, and GASB Statement No. 65, *"Items Previously Reported as Assets and Liabilities"*.

GASB Statement No. 60 improves financial reporting by addressing issues related to service concession arrangements (SCAs), which are a type of public-private or public-public partnership and applies only to those arrangements in which specific criteria determining whether a transferor has control over the facility are met. This Statement also provides guidance for governments that are operators in an SCA. The implementation of GASB Statement No. 60 for 2012 did not have an effect on the financial statements of the City.

GASB Statement No. 61 modifies certain requirements for inclusion of component units in the financial reporting entity, amends the criteria for reporting component units as if they were part of the primary government (that is, blending) in certain circumstances, and also clarifies the reporting of equity interests in legally separate organizations. The implementation of GASB Statement No. 61 for 2012 did not have an effect on the beginning net position/fund balance of the City.

GASB Statement No. 62 incorporate into the GASB’s authoritative literature certain accounting and financial reporting guidance that is included in the following pronouncements issued on or before November 30, 1989, which does not conflict with or contradict GASB pronouncements:

1. Financial Accounting Standards Board (FASB) Statements and Interpretations
2. Accounting Principles Board Opinions
3. Accounting Research Bulletins of the American Institute of Certified Public Accountants’ (AICPA) Committee on Accounting Procedure.

The implementation of GASB Statement No. 62 did not have an effect on the on the beginning net position/fund balance of the City.

GASB Statement No. 63 provides guidance for reporting outflows of resources, deferred inflows of resources, and net position in a statement of financial position and related note disclosures. The implementation of GASB Statement No. 63 for 2012 did not have an effect on the on the beginning net position/fund balance of the City.

GASB Statement No. 64 clarifies whether an effective hedging relationship continues after the replacement of a swap counterparty or a swap counterparty’s credit support provider. This Statement sets forth criteria that establish when the effective hedging relationship continues and hedge accounting should continue to be applied. The implementation of GASB Statement No. 64 did not have an effect on the on the beginning net position/fund balance of the City.

GASB Statement No. 65 properly classifies items that were previously reported as assets and liabilities as deferred outflows of resources or deferred inflows of resources or recognizes certain items that were previously reported as assets and liabilities as outflows of resources [expenses or expenditures] or inflows of resources [revenues]. The implementation of GASB Statement No. 64 did not have an effect on the on the beginning net position/fund balance of the City.

3. COMPLIANCE AND ACCOUNTABILITY

A. Compliance

The following funds had negative cash balances at December 31, 2012 contrary to Ohio Revised Code Section 5705.10:

Nonmajor Funds	Noncompliance
CDBG Grant	(\$ 92,470)
ONSP Grant	(193,006)
CHIP Grant	(167,708)
FAA Alloc/Impr Grant	(135,716)

All of these funds are reimbursement grant funds and the reimbursements were received in January 2012. The City also did not properly post money received to required funds contrary to Ohio Revised Code Section 5705.10(C).

B. Accountability – Fund Deficits

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

<i>Major Fund</i>	
Glenn Road South Construction	(\$ 9,311,051)
<i>Nonmajor Funds</i>	
Glenn Road Bridge TIF	(2,760,501)
CHIP Grant	(167,708)
Gen Obligation Bond Retirement	(34,739)
FAA Allocation Improvements	(135,716)
Police Impact Fees	(631,375)
Municipal Impact Fees	(1,772,642)
Glenn Road North Construction	(415,571)

The fund deficits were caused by applying GAAP. The General Fund is not liable for any deficits when accruals occur.

4. CASH AND CASH EQUIVALENTS

State statutes classify monies held by the City into three categories:

1. 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.
2. Inactive deposits are public deposits that Council has identified as not required for use within the current five-year designation period 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.
3. Interim deposits are deposits of interim monies. Interim monies are those monies that 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 pass book accounts.

Protection of the City’s deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the Finance Director by the financial institution or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution.

City of Delaware. Ohio

Notes to the Basic Financial Statements

December 31, 2012

(continued)

State statute permits interim monies to 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, governmental 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 provided that the fair value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days; Bonds and other obligations of the State of Ohio;
4. No load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions; and
5. The State Treasurer's investment pool (STAR Ohio).

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 subdivisions of this State, as to which there is no default of principal, interest or coupons; and
3. Obligations of the City.

Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the Finance Director, or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian. It should be noted, however, that as of November 1, 2012, the City became responsible for the net position of the Oak Grove Cemetery upon dissolution of the Oak Grove Cemetery Association. Upon this transfer, the City also inherited the investment holdings the Cemetery had at the time. Although contrary to Ohio Revised Code Section 135 and the City's investment policy, investments held by the City at December 31, 2012 upon dissolution of the Oak Grove Cemetery Association consisted of money market accounts, corporate bonds, individual common stocks, mutual funds consisting of stocks and bonds, and municipal bonds which are considered unallowable in accordance with aforementioned provisions. However, the City is not considered noncompliant as the City was not able to execute the sale of these investments prior to December 31 based on the nature of the investments inherited, due diligence applied by the City to verify and match investments inherited to perpetual care agreements and delays associated with the transfer of the investments inherited from the applicable financial institutions. Upon resolution of these items, the City sold all investments inherited from the Oak Grove Cemetery Association in 2013.

City of Delaware. Ohio

Notes to the Basic Financial Statements

December 31, 2012

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Deposits *Custodial credit risk* is the risk that, in the event of a bank failure, the City's deposits may not be returned. The City's policy is to place deposits with major local banks approved by City Council. All deposits, are collateralized with eligible securities in amounts equal to at least 105% of the carrying value of the deposits. Such collateral, as permitted by Ohio Revised Code § 135, is held in single financial institution collateral pools at Federal Reserve Banks, or at member banks of the federal reserve system in the name of the respective depository bank, and pledged as a pool of collateral against all of the public deposits it holds or as specific collateral held at a Federal Reserve Bank in the name of the City.

At December 31, the carrying amount of the City's deposits was \$2,792,827 and the bank balance was \$5,935,108. Of the bank balance, \$617,773 was covered by Federal Deposit Insurance and \$5,317,335 was uninsured and uncollateralized. Although all statutory requirements for these deposits of money had been followed, non-compliance with federal requirements could potentially subject the City to a successful claim by the FDIC.

Restricted Assets: The City is holding \$1,059,800 in restricted assets in the City Treasury. These assets are restricted by construction contracts, as deposits for utility service and T-hangar rentals, and for perpetual care at the Cemetery. These amounts are included in the carrying amount of deposits.

Investments As of December 31, 2012, the City had the following investments, which are reported at fair value:

<i>Maturity in 6 months or less</i>	<i>Fair Value</i>
STAR Ohio [AAAm]	\$ 44,019,229
Repurchase Agreement [AAA]	2,503,306
Money Funds & Bank Deposits [FDIC]	151,646
Corporate Bonds [B1-Baa3]	76,882
Common Stocks [B2-Baa2]	39,223
Mutual Funds [Baa1]	7,384
Municipal Bonds [A2]	4,946
Total Investments	\$ 46,802,616

Interest Rate Risk As a means of limiting its exposure to fair value losses arising from rising interest rates, the City's investment policy generally limits investment maturities of two years or less.

Credit Risk The City's investments in STAR Ohio are rated AAAM by Standard & Poor's. The City currently does not have any policy pertaining strictly to the investment's credit risk. The investments underlying the City's repurchase agreement were rated AAA. All remaining investments became part of the City's upon dissolution of the Oak Grove Cemetery Association and were rated [B2 – A2] as shown in the table.

Custodial Credit Risk For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. Of the City's investment in repurchase agreements, the entire balance is collateralized by underlying securities pledged by the investment's counterparty, not in the name of the City.

City of Delaware, Ohio

Notes to the Basic Financial Statements

December 31, 2012

(continued)

Concentration of Credit Risk The City places no limits on the amount which may be invested in any one issuer. The following table includes the percentage of each investment type held by the City at December 31:

<i>Description</i>		<i>% of Total</i>
STAR Ohio	\$ 44,019,229	94.053
Repurchase Agreement	2,503,306	5.349
Money Funds & Bank Deposits	151,646	0.324
Corporate Bonds	76,882	0.164
Common Stocks	39,223	0.084
Mutual Funds	7,384	0.016
Municipal Bonds	4,946	0.011
Total Investments	<u>\$ 46,802,616</u>	<u>100.00%</u>

The following is a reconciliation of cash and investments as reported in the footnote above to cash and investments as reported on the Statement of Net Position as of December 31:

<i>Cash and Investments per footnote:</i>		<i>Cash and Investments per Statement of Net Position:</i>	
Carrying Amount of Deposits	\$ 2,792,827	Governmental Activities	\$ 31,116,584
Investments	46,802,616	Business-type Activities	18,319,715
		Fiduciary Fund	159,144
Total	<u>\$ 49,595,443</u>	Total	<u>\$ 49,595,443</u>

5. MUNICIPAL INCOME TAX

The City collects an income tax of 1.85% of City of Delaware taxable income, defined as gross wages and salaries before any deductions and profits. Filing is mandatory for all residents. Employers within the City are required to withhold tax on all employees working in the City and remit those monies on either a quarterly or monthly schedule. Employers are required to reconcile those withholdings on an annual basis.

6. PROPERTY TAX

Property taxes include amounts levied against real, public utility and tangible (used in business) property located in the City. Real property taxes collected during 2012 had lien and levy dates of January 1, 2011. One half of this tax was due February 10, 2012, with the remaining balance due on July 10, 2012. Tangible personal property tax assessments have been phased out, and amounts received in 2012 were delinquent amounts collected.

House Bill No. 66 was signed into law on June 30, 2005. This bill phased out the tax on tangible personal property of general businesses, telephone and telecommunications companies, and railroads. The tax on general business and railroad property was eliminated in calendar year 2009, and the tax on telephone and telecommunications property was eliminated in calendar year 2011. The tax was phased out by reducing

City of Delaware. Ohio

Notes to the Basic Financial Statements

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the assessment rate on the property each year. The bill replaces the revenue lost by the City due to the phasing out of the tax. In calendar years 2011-2012, the reimbursements were phased out.

Assessed values on real property are established by state law at 35 percent of appraised market value. A re-evaluation of all property is required to be completed no less than every six years. The last re-evaluation was completed in 2006. The assessed value in 2011, upon which the 2012 collections were based, was approximately \$705 million. The assessed value for 2012, upon which the 2013 collections will be based, is approximately \$670 million.

Ohio law prohibits taxation of property from all taxing authorities in excess of 1 percent of assessed value without a vote of the people. Under current procedures, the City's share is .27 percent (2.7 mills) of assessed value. Increases in the property tax rate are restricted only by voter willingness to approve such increases.

The County Treasurer collects property taxes on behalf of all taxing districts in the county, including the City of Delaware. The County Auditor periodically remits to the City its portion of the taxes collected. Taxes receivable represents *property taxes*; real and tangible personal property taxes, public utility taxes, and outstanding delinquencies, which are measurable as of December 31, 2012. Although total property tax collections for the next year are measurable, amounts to be received during the available period are not intended to finance 2012 operations.

On an accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue, while on a modified accrual basis the revenue has been reported as deferred inflows of resources – unavailable revenue.

7. RECEIVABLES

Receivables at December 31 consisted of taxes, accounts (billings for user charged services including unbilled utility services), interfund, and intergovernmental receivables arising from grants, entitlements, and shared revenues. Amounts not considered fully collectible are shown. The allowance represents an estimate of uncollectible amounts and does not represent actual cash accounts written off by management.

A summary of accounts related to utility services is as follows:

	<i>Water</i>	<i>Sewer</i>	<i>Storm Sewer</i>	<i>Refuse</i>	<i>Total</i>
Gross Receivable	\$ 806,083	\$ 1,056,742	\$ 107,737	\$ 297,116	\$ 2,267,678
Less: Allowance for Uncollectible	36,414	49,664	4,112	22,169	112,359
Net Receivable	<u>\$ 769,669</u>	<u>\$ 1,007,078</u>	<u>\$ 103,625</u>	<u>\$ 274,947</u>	<u>\$ 2,155,319</u>

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City of Delaware. Ohio
Notes to the Basic Financial Statements
 December 31, 2012
 (continued)

A summary of the principal items of intergovernmental receivables were as follows:

Governmental Activities	<i>Amount</i>
Major Funds	
General Fund	
Local Government	\$ 466,854
Homestead and Rollback	72,764
Local Agency Reimbursements	52,750
Federal Grant	292
Inheritance Tax	78,300
Total General Fund	<u>670,960</u>
Fire/EMS Income Tax Fund	
Local Agency Reimbursements	<u>133,818</u>
Capital Improvement Fund	
Road Improvement Grants	<u>94,050</u>
Total Major Funds	<u>898,828</u>
Other Governmental Funds	
Street Maintenance and Repair	579,574
State Highway	46,993
License Fee	182,956
Glenn Road Bridge TIF	13,904
Municipal Court	224,574
Court Alcohol Treatment	8,141
Police & Fire Pension	21,346
Community Development Block Grant	95,000
ONSP Grant	193,006
CHIP Grant	167,708
FAA Allocation-Improvement Grant	178,885
Total Other Governmental Funds	<u>1,712,087</u>
Total Governmental Activities	<u>\$ 2,610,915</u>

Payment in Lieu of Taxes

The City entered into several Tax Increment Financing Agreements in 2006 and 2007, which received approval from the Ohio Department of Taxation in 2008 and 2009, for the purpose of constructing several retail and commercial centers, as well as for developing residential areas.

To encourage these improvements, the companies and home owners were granted an exemption from paying any property taxes on the new construction; however, payments in lieu of taxes are made to the City in an amount equal to the real property taxes that otherwise would have been due in that current year. These payments are being used to finance public improvements and will continue over the next 20 to 30 years. A receivable has been recorded in the amount of \$412,134, which represents the amounts measurable at December 31, 2012.

8. INTERFUND BALANCES

At December 31, 2012, the General Fund had an interfund receivable in the amount of \$588,900 from other governmental funds to provide cash flow resources until revenues were received. Also, the General Fund had a due from other funds in the amount of \$2,950 from other governmental funds for allocated court costs.

The Capital Improvement Fund [which is funded by transfers from the General Fund] had an advance to the Refuse Fund for a litigated claim for the purchase of property. At December 31, 2012, the amount of this advance totaled \$302,637. On the Statement of Net Position, this amount is shown as an internal balance between the Governmental and Business-type funds.

Other governmental funds had other governmental due to other funds in the amount of \$56,889 for allocated court costs, and an interfund payable of \$588,900 for advancement of cash flow resources until a transfer of money was received.

The City reported long-term advances on the fund statements of \$121,409 at December 31, 2012. These interfund balances will be repaid as anticipated revenues are received. The amounts are as follows:

	<i>Advanced to</i>		Total
	Major Fund	Other Governmental	
	Fire/EMS Income Tax	Gen Obligation Debt	
<i>Advanced from</i> General	<u>\$75,974</u>	<u>\$45,435</u>	<u>\$121,409</u>

These amounts are not included in the government-wide statement of net position.

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City of Delaware. Ohio
Notes to the Basic Financial Statements
 December 31, 2012
 (continued)

9. CAPITAL ASSETS

Capital asset activity for the year ended December 31 was as follows:

Governmental Activities	<i>Beginning Balance</i>	<i>Additions</i>	<i>Deletions</i>	<i>Ending Balance</i>
<i>Nondepreciable Capital Assets</i>				
Land	\$ 6,642,734	\$ 892,600	\$ 0	\$ 7,535,334
Construction in progress	3,368,437	4,618,621	(3,777,338)	4,209,720
Subtotal	<u>10,011,171</u>	<u>5,511,221</u>	<u>(3,777,338)</u>	<u>11,745,054</u>
<i>Depreciable Capital Assets</i>				
Buildings & Improvements	43,679,279	593,280	0	44,272,559
Machinery & Equipment	10,021,377	1,930,824	(550,463)	11,401,738
Infrastructure	60,984,948	2,392,224	(9,376,310)	54,000,862
Subtotal	<u>114,685,604</u>	<u>4,916,328</u>	<u>(9,926,773)</u>	<u>109,675,159</u>
<i>Less Accumulated Depreciation for:</i>				
Buildings & Improvements	(14,883,362)	(1,755,698)	0	(16,639,060)
Machinery & Equipment	(8,186,383)	(629,927)	513,948	(8,302,362)
Infrastructure	(13,969,730)	(5,964,736)	9,376,310	(10,558,156)
Total Accumulated Depreciation	<u>(37,039,475)</u>	<u>(8,350,361)</u>	<u>9,890,258</u>	<u>(35,499,578)</u>
Total Depreciable Capital Assets, Net	<u>77,646,129</u>	<u>(3,434,033)</u>	<u>(36,515)</u>	<u>74,175,581</u>
Governmental Activities Capital Assets, Net	<u>\$ 87,657,300</u>	<u>\$ 2,077,188</u>	<u>(\$ 3,813,853)</u>	<u>\$ 85,920,635</u>

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City of Delaware. Ohio
Notes to the Basic Financial Statements
 December 31, 2012
 (continued)

Business-type Activities	<i>Beginning Balance</i>	<i>Additions</i>	<i>Deletions</i>	<i>Ending Balance</i>
<i>Nondepreciable Capital Assets</i>				
Land	\$ 4,503,561	\$ 0	\$ 0	\$ 4,503,561
Construction in progress	2,099,373	5,516,942	(1,727,249)	5,889,066
Subtotal	<u>6,602,934</u>	<u>5,516,942</u>	<u>(1,727,249)</u>	<u>10,392,627</u>
<i>Depreciable Capital Assets</i>				
Buildings & Improvements	48,201,448	0	0	48,201,448
Machinery & Equipment	5,674,527	449,580	(27,782)	6,096,325
Infrastructure	95,156,668	2,180,508	(678,334)	96,658,842
Subtotal	<u>149,032,643</u>	<u>2,630,088</u>	<u>(706,116)</u>	<u>150,956,615</u>
<i>Less Accumulated Depreciation for:</i>				
Buildings & Improvements	(20,573,756)	(1,244,350)	0	(21,818,106)
Machinery & Equipment	(4,346,384)	(399,032)	27,782	(4,717,634)
Infrastructure	(21,378,022)	(2,024,297)	678,334	(22,723,985)
Total Accumulated Depreciation	<u>(46,298,162)</u>	<u>(3,667,679)</u>	<u>706,116</u>	<u>(49,259,725)</u>
Total Depreciable Capital Assets, Net	<u>102,734,481</u>	<u>(1,037,591)</u>	<u>0</u>	<u>101,696,890</u>
Business-type Activities Capital Assets, Net	<u>\$ 109,337,415</u>	<u>\$ 4,479,351</u>	<u>(\$ 1,727,249)</u>	<u>\$ 112,089,517</u>

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City of Delaware. Ohio
Notes to the Basic Financial Statements
 December 31, 2012
 (continued)

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

Governmental Activities:	
General Government	\$ 446,824
Public Safety	535,887
Municipal Court	45,387
Parks & Facilities	962,585
Community Development	2,924
Airport	453,840
Public Works	5,895,577
Capital assets held by the City's internal service funds are charged to the various functions based on the usage of the assets.	7,337
Total depreciation expense – governmental activities	<u>\$ 8,350,361</u>
Business-type Activities:	
Water	\$ 764,477
Sewer	2,156,841
Storm Sewer	488,322
Refuse	253,008
Other	5,031
Total depreciation expense – business-type activities	<u>\$ 3,667,679</u>

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City of Delaware. Ohio
Notes to the Basic Financial Statements
December 31, 2012
(continued)

10. LONG TERM OBLIGATIONS AND NOTES PAYABLE

A summary of long-term obligations and notes payable for the year ended December 31, is as follows:

	<i>Balance 12/31/2011 [as restated]</i>	<i>Additions</i>	<i>Deletions</i>	<i>Balance 12/31/2012</i>	<i>Amounts Due in One Year</i>
Governmental Activities					
General Obligation Bonds	\$ 3,630,000	\$ 0	(\$3,630,000)	\$ 0	\$ 0
2002 Various Purpose Bonds – 3.77%					
General Obligation Bonds	0	3,395,000	0	3,395,000	333,582
2012 VP Refunding Bonds – 1%					
General Obligation Bonds	2,412,835	0	(295,000)	2,117,835	310,000
2006 Various Purpose Bonds – 4%					
Income Tax Bonds	19,265,000	0	(400,000)	18,865,000	430,000
2010 Park Facilities Bonds – 2%					
Capital Lease	0	1,090,176	(110,246)	979,930	149,365
2012 Fire Dept Ladder Truck – 1.83%					
Compensated absences	5,501,218	1,765,926	(1,640,086)	5,627,058	847,936
Past police & fire service liability	282,469	0	(7,215)	275,254	7,525
Total Governmental Activities Long-term Liabilities	31,091,522	6,251,102	(6,082,547)	31,260,077	2,078,408
Unamort. bond premiums-g.o.	14,864	65,710	(3,716)	76,858	
Unamort. bond premiums-inc. tax	129,513	0	(5,631)	123,882	
Unamort. bond discounts-g.o.	(3,591)	(24,058)	3,591	(24,058)	
Total Reported on Statement of Net Position	\$ 31,232,308	\$ 6,292,754	(\$ 6,088,303)	\$ 31,436,759	\$ 2,078,408
Business-type Activities					
Sewer Income Tax Special Obligation Bonds	\$ 14,855,000	\$ 0	(\$ 195,000)	\$ 14,660,000	\$245,000
2009 Southeast Highland – 3.50%					
Sewer General Obligation Bonds	3,350,000	0	(3,350,000)	0	0
2002 Swr Sys Imp & Refund Bonds – 3.38%					
Sewer General Obligation Bonds	0	2,915,000	0	2,915,000	286,418
2012 Swr Sys Imp & Refund Bonds – 1%					
Sewer General Obligation Bonds	871,274	0	(30,000)	841,274	31,000
2006 US 23 N Sewer Bonds – 4%					
Water General Obligation Bonds	3,085,892	0	(106,000)	2,979,892	109,000
2006 Kingman Hill Water Tower – 4%					
Refuse General Obligation Bonds	260,000	0	(50,000)	210,000	50,000
2006 Landfill Remediation – 4%					
Refuse Capital Lease	0	382,338	0	382,338	55,059
2012 Refuse Packers – 1.83%					
Compensated Absences	867,918	352,361	(349,501)	870,778	166,319
Postclosure Landfill Obligation	240,000	0	(5,000)	235,000	5,000
Water Loans Payable	2,197,516	3,629,288	(56,616)	5,770,188	58,713
2011/2012 OWDA Water Extension/ Expansion – 2.86-3.67%					
Sewer Loans Payable	21,248,874	0	(1,091,326)	20,157,548	1,130,857
2004 OWDA Wastewater Expansion – 3.59%					
Total Business-type Activities Long-term Liabilities	\$ 46,976,474	\$ 7,278,987	(\$ 5,233,443)	49,022,018	\$ 2,137,366
Unamort. bond premiums; Water-g.o.	12,555	0	(3,139)	9,416	
Unamort. bond premiums; Sewer-spec	2,011	0	(78)	1,933	
Unamort. bond premiums; Sewer-g.o.	4,403	56,387	(1,749)	59,041	
Unamort. bond discounts; Sewer-g.o.	(15,633)	(45,647)	15,633	(45,647)	
Total Reported on Statement of Net Position	\$ 46,979,810	\$ 7,289,727	(\$ 5,222,776)	\$ 49,046,761	\$ 2,137,366
Grand Total Long-term Obligations	\$ 78,212,118	\$ 13,582,481	(\$ 11,311,079)	\$ 80,483,520	\$ 4,215,774

City of Delaware, Ohio

Notes to the Basic Financial Statements

December 31, 2012

(continued)

	<i>Balance</i> <i>12/31/2011</i>	<i>Additions</i>	<i>Deletions</i>	<i>Balance</i> <i>12/31/2012</i>
Notes Payable				
Glenn Road South – 1 – 1.5%	\$ 12,130,000	\$ 12,305,000	(\$ 12,130,000)	\$ 12,305,000
Glenn Road Construction – 1.5%	1,520,000	530,000	(1,520,000)	530,000
Glenn Road Connector– 1.5%	880,000	2,690,000	(880,000)	2,690,000
Facilities Maintenance ¹ – 1.5%	3,500,000	6,116,500	(3,500,000)	6,116,500
<i>Total Notes Payable</i>	<u>\$ 18,030,000</u>	<u>\$ 21,641,500</u>	<u>(\$ 18,030,000)</u>	<u>\$ 21,641,500</u>

Note: All notes are Governmental
¹ This note is combined to reflect how the original note was issued.

Future Debt Service Requirements: The principal and interest requirements to retire long-term [bond] debt obligations outstanding at December 31 are:

<i>Year</i>	<i>Governmental Long-term Obligations</i>			<i>Business-type Long-term Obligations</i>		
	<i>Principal</i>	<i>Interest</i>	<i>Total</i>	<i>Principal</i>	<i>Interest</i>	<i>Total</i>
2013	\$ 1,073,582	\$505,032	\$ 1,578,614	\$ 721,418	\$ 824,536	\$ 1,545,954
2014	1,113,581	525,932	1,639,513	776,419	809,198	1,585,617
2015	1,154,272	543,389	1,697,661	879,728	791,043	1,670,771
2016	1,191,272	600,710	1,791,982	893,728	768,959	1,662,687
2017	924,652	609,258	1,533,910	858,348	745,562	1,603,910
2018-2022	5,177,641	3,661,640	8,839,281	4,683,359	3,390,292	8,073,651
2023-2027	4,728,000	2,697,547	7,425,547	3,926,000	2,587,799	6,513,799
2028-2032	6,164,835	1,468,609	7,633,444	4,517,166	1,652,904	6,170,070
2033-2037	2,850,000	194,175	3,044,175	4,350,000	638,875	4,988,875
<i>Total</i>	<u>\$ 24,377,835</u>	<u>\$ 10,806,292</u>	<u>\$ 35,184,127</u>	<u>\$ 21,606,166</u>	<u>\$ 12,209,168</u>	<u>\$ 33,815,334</u>

General Obligation Bonds: The governmental activity 2012 Various Purpose Refunding bonds were issued to refund 2002 Various Purpose bonds, which were issued to fund US 23/US 42 road improvements and for downtown City street improvements. The 2012 Sewer System Improvement & Refunding bonds originated in 1992 and were refunded the first time in 2002. They were issued to fund improvements to the City’s sewer system and for current sewer system improvements. The 2006 Various Purpose bonds were issued to fund several projects, including the construction of 3 T-hangars at the Municipal Airport, the purchase of land and buildings on Ross Street for the Grounds & Facilities department, landfill remediations at our Curve Road Landfill, construction of the Kingman Hill Water Tower, the 23 N. Sewer, and Houk Road improvements.

General Income Tax Special Obligation Bonds: Special obligation bonds were issued in 2009 to refund notes issued to fund the Southeast Highland Sewer construction that began in 2004. Principal and interest on the Bonds, unless paid from other sources, are to be paid from pledged revenues, including receipts of the City’s general income tax, and the pledged funds. Special obligation bonds were issued in 2010 to provide for City park improvements and for the construction of the YMCA/Training and Community Center on the City’s west side. Principal and interest on the Bonds are to be paid from the City’s levied 0.15% income tax.

Past Service Police and Firefighters Liability: Past service liability for police and firefighters is being paid out of the General fund over time through the year 2035. The principal and interest requirements to retire this obligation at December 31 are:

<i>Year</i>	<i>Principal</i>	<i>Interest</i>	<i>Total</i>
2013	\$ 7,525	\$ 11,619	\$ 19,144
2014	7,849	11,296	19,145
2015	8,186	10,959	19,145
2016	8,537	10,607	19,144
2017-2021	48,513	47,210	95,723
2022-2026	59,865	35,858	95,723
2027-2031	73,874	21,848	95,722
2032-2035	60,905	5,232	66,137
<i>Total</i>	<u>\$ 275,254</u>	<u>\$154,629</u>	<u>\$ 429,883</u>

Compensated Absences: Additions and deletions of accrued vacation and sick leave are shown combined. Compensated absences are recorded in the fund from which the liability will be paid.

The Ohio Revised Code (ORC) provides that the net general obligation debt of a municipal corporation, whether or not approved by the electors, shall not exceed 10.5% of the total value of all property in the municipal corporation as listed and assessed for taxation. In addition, the unvoted net debt of municipal corporations cannot exceed 5.5% of the total taxation value of property. The statutory limitations on debt are measured by a direct ratio of net debt to tax valuation and expressed in terms of a percentage. At December 31, 2012, the City's total net debt and unvoted net debt were approximately 5.1% of the total assessed value of all property within the City.

As of December 31, 2012, the City had no debt approved by the voters or Council, which had not been issued.

The aggregate amount of the City's unvoted debt is also subject to overlapping debt restrictions with Delaware County and the Delaware City School District. As of December 31, 2012 these entities have complied with the requirement that overlapping debt must not exceed 1% (10 mills) of the assessed property value.

OWDA Loans: During 2007, the City completed its loan agreement with the Ohio Water Development Authority to fund the new Wastewater Treatment Expansion Facility. This loan replaced the note issued in 2003. The loan proceeds were on a progression basis over the duration of construction, up to a maximum of \$26.17 million [plus capitalized interest] at an interest rate of 3.59%. Total proceeds to be borrowed were fully disbursed as of December 31, 2008, and OWDA finalized financing terms and repayment requirements are immediately following. In 2010, the City entered into another loan agreement with OWDA for up to \$2.225 million [plus capitalized interest] for a water-system extension on the City's far north side. The loan proceed draws was completed in 2011 and will be repaid over 25 years at an interest rate of 3.67% and OWDA financing terms and repayment requirements are immediately following. The City has 2 other OWDA funded projects; Penry Road Wellfield and the Water Treatment Expansion Project. The Wellfield project has been completed but OWDA has not yet finalized repayment requirements. The

City of Delaware, Ohio
Notes to the Basic Financial Statements
 December 31, 2012
 (continued)

Expansion project is underway, but won't be completed for a couple years. For the aforementioned projects that the terms are finalized, debt requirements are as follows:

Year	Wastewater Expansion Project			Water-System Extension Project		
	Principal	Interest	Total	Principal	Interest	Total
2013	\$ 1,130,857	\$ 713,597	\$ 1,844,454	\$ 58,713	\$ 78,037	\$ 136,750
2014	1,171,819	672,635	1,844,454	60,887	75,863	136,750
2015	1,214,265	630,189	1,844,454	63,142	73,608	136,750
2016	1,258,248	586,205	1,844,453	65,481	71,269	136,750
2017	1,303,825	540,629	1,844,454	67,906	68,844	136,750
2018-2022	7,262,693	1,959,577	9,222,270	379,170	304,579	683,749
2023-2027	6,815,841	561,972	7,377,813	454,784	228,965	683,749
2028-2032				545,476	138,273	683,749
2033-2037				445,341	33,282	478,623
Total	\$ 20,157,548	\$ 5,664,804	\$ 25,822,352	\$ 2,140,900	\$ 1,072,720	\$ 3,213,620

Capital Lease: During 2012, the City entered into a capital lease for a firetruck. This lease agreement meets the criteria of a capital lease as defined by FASB Statement No. 13, "Accounting for Leases", which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee.

Capital assets consisting of the fire department ladder truck has been capitalized in the amount of \$1,091,176. This amount represents the present value of the minimum lease payments at the time of acquisition. A corresponding liability is recorded in the government-wide financial statements. Principal payments are reflected as debt service expenditures and are paid from the Fire/EMS Income Tax fund.

The following is a schedule of the future long-term minimum lease payments required under the capital lease and the present value of the future minimum lease payments as of December 31:

Year	Principal	Interest	Total
2013	\$ 149,365	\$16,928	\$ 166,293
2014	152,120	14,173	166,293
2015	154,926	11,368	166,294
2016	157,783	8,510	166,293
2017	160,694	5,600	166,294
2018-2019	205,042	2,826	207,868
Total	\$ 979,930	\$ 59,405	\$ 1,039,335

Also in 2012, the City entered into a capital lease for 2 Packers [trash trucks] for the Refuse fund. This lease agreement meets the criteria of a capital lease as defined by FASB Statement No. 13, "Accounting for Leases", which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. Capital lease payments will be classified and reflected as debt service expenditures in the financial statements for the business-type funds. These expenditures will also be reported as debt service payments on the budgetary statements.

Capital assets consisting of equipment have been capitalized in the amount of \$382,338. This amount represents the present value of the minimum lease payments at the time of acquisition. A corresponding

City of Delaware. Ohio
Notes to the Basic Financial Statements
 December 31, 2012
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liability is recorded in the government-wide financial statements. Principal payments begin in 2013 from the Refuse fund.

The following is a schedule of the future long-term minimum lease payments required under the capital lease and the present value of the future minimum lease payments as of December 31:

<i>Year</i>	<i>Principal</i>	<i>Interest</i>	<i>Total</i>
2013	\$ 55,059	\$5,130	\$ 60,189
2014	74,713	5,538	80,251
2015	76,105	4,147	80,252
2016	77,523	2,729	80,252
2017	78,967	1,285	80,252
2018	19,971	92	20,063
<i>Total</i>	<u>\$ 382,338</u>	<u>\$ 18,921</u>	<u>\$ 401,259</u>

Notes Payable: During 2012, the City reissued a note that was outstanding as of December 31, 2011. This note was to finance improvements to Jack Florance [Mingo] Pool and the recently built Skate Park, the 8,000 square foot addition to the Justice Center, the newly installed City-wide phone system, toward the purchase of a vacant manufacturing building to use as the Public Works facility, and the Glenn Road construction project. This various purpose note is being repaid from the Capital Improvement fund, Police Impact Fees fund, Municipal Impact Fees fund, and the Glenn Road South, North, Middle, and Bridge TIF funds. A note was also reissued in 2012 for improvements being made to Peachblow Road. This is accounted for in the Glenn Road South fund.

Defeasance of Bonds: In prior years, the City defeased sewer revenue obligation bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the City's financial statements. This defeased debt was paid off in 2012.

Current Refunding

Governmental Activities: The government issued \$3,395,000 in governmental general obligation bonds with interest rates ranging from 1.0% to 2.0%. The proceeds were used to refund \$3,360,000 of outstanding 2002 general obligation bonds which had interest rates ranging from 3.85% to 4.75%. The net proceeds of \$3,383,489 (excluding a \$65,710 premium and after payment of \$77,221 in underwriting fees, discounts, and other issuance costs) were deposited in an irrevocable trust with an escrow agent to provide funds for the future debt service payment on the refunded bonds. As a result, the 2002 bonds are considered defeased and the liability for those bonds has been removed from the statement of net position.

The reacquisition price exceeded the net carrying amount of the old debt by \$23,489. This amount was recorded as a deferred outflow of resources – deferred charge on refunding and amortized over the remaining life of the refunding debt. The government advance refunded the 2002 bonds to reduce its

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Notes to the Basic Financial Statements

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total debt service payments over 10 years by \$606,325 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$557,989.

Advance Refunding

Business Type Activities: The government issued \$2,915,000 in sewer general obligation bonds with interest rates ranging from 1.0% to 2.0%. The proceeds were used to advance refund \$2,785,000 of outstanding 2002 general obligation bonds which had interest rates ranging from 4.33% to 4.65%. The net proceeds of \$2,902,054 (excluding a \$56,387 premium and after payment of \$69,333 in underwriting fees, discounts, and other issuance costs) were deposited in an irrevocable trust with an escrow agent to provide funds for the future debt service payment on the refunded bonds. As a result, the 2002 bonds are considered defeased and the liability for those bonds has been removed from the statement of net position.

The reacquisition price exceeded the net carrying amount of the old debt by \$117,054. This amount was recorded as a deferred outflow of resources – deferred charge on refunding and amortized over the remaining life of the refunding debt. The government advance refunded the 2002 bonds to reduce its total debt service payments over 10 years by \$386,377 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$355,343.

11. LANDFILL CLOSURES

The City closed the Cherry Street Landfill in 1975 and the Curve Road Landfill in 1990. The City properly notified the Ohio Environmental Protection Agency for both closings. Both landfills were at 100% capacity and postclosure costs reflect estimates to monitor the landfills, as required by Ohio Administrative Code §3745-27, through the year 2020. The City awarded contracts to URS Greiner Corporation for monitoring and testing the CSL and to Burgess & Niple for monitoring and testing the CRL. No assets are restricted for payment of postclosure care costs and these costs are subject to changes related to the effects of inflation, revision of laws and other variables. The costs for monitoring and testing the landfills will be expended from the Refuse fund.

12. DEFINED BENEFIT PENSION PLANS

A. Ohio Public Employees Retirement System

The City contributes to the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans, as described below:

1. The Traditional Pension Plan [TP] – a cost-sharing multiple-employer defined benefit pension plan.
2. The Member-Directed Plan [MD] – a defined contribution plan in which the member invests both member and employer contributions [employer contributions vest over five years at 20% per year]. Under the Member Directed Plan, members accumulate retirement assets equal to the value of member and [vested] employer contributions plus any investment earnings, thereon.
3. The Combined Plan [CO] – a cost-sharing multiple-employer defined benefit pension plan. Under the Combined Plan, employer contributions are invested by the retirement system to provide a

City of Delaware. Ohio

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formula retirement benefit similar in nature to the Traditional 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 Plan and Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by state statute according to Chapter 145 of the Ohio Revised Code. Ohio Public Employees Retirement System issues a stand-alone financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/investments/cafr.shtml>, by writing to OPERS, 277 East Town Street, Columbus, OH 43215-4642, or by calling 614-222-5601 or 800-222-7377.

The Ohio Revised Code provides statutory authority for member and employer contributions. For 2012, member and employer contribution rates were consistent across all three plans [TP, MD, and CO]. Separate divisions for law enforcement and public safety exist only within the Traditional Plan.

For 2012, member contribution rates were 10 percent for members in state and local classifications. Public safety and law enforcement members contributed 11.5% and 12.10%, respectively. Effective January 1, 2013, the member contribution rates for public safety and law enforcement members increase to 12.00% and 12.60%, respectively. The City's contributions to OPERS, including employee [for 2010 and 2011] and employer amounts paid by the City, for the years ended December 31, 2012, 2011, and 2010 were \$1,281,526, \$1,958,231, and \$2,052,403, respectively. The full amount has been contributed for 2012, 2011, and 2010. Beginning in 2012, employees were 100% responsible for their 10% share of the pension obligation. For the years 2010 and 2011, the City "picked up" 8.5% of the 10%.

B. Ohio Police and Fire Pension Fund

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. The Fund issues a publicly available financial report that includes financial statements and required supplementary information for the Fund. That report may be obtained by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

Plan members are required to contribute 10% of their annual covered salary to fund pension obligations and the City is required to contribute 19.5 percent for police and 24 percent for firefighters. The City paid the entire 10% employee share for all firefighters during 2012. The City also paid 8.5% of the 10% required employee contribution for fire management during 2012. Beginning in July, all police department personnel began contributing their entire required amount. Contributions are authorized by State statute. The City's contributions to OP&F, including employee and employer amounts paid by the City, for the years ended December 31, 2012, 2011, and 2010 amount was \$1,814,571, \$1,837,146, and \$1,967,508, respectively, or 100% of the required contribution for 2012, 2011, and 2010.

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In addition to the current contribution, the City pays semiannual installments to the Fund for its portion of past service costs determined at the time the Fund was established. All payments to date have been budgeted and paid from the General Fund. The Police & Fire Pension Fund [Other Governmental Fund] receives property tax revenues equal to .6 mills, which is designated for the payment of current pension liabilities. The unpaid balance of \$275,254 is included in the Statement of Net Position within the Long-Term Liabilities and is to be amortized through 2035.

13. POSTEMPLOYMENT BENEFITS

A. Ohio Public Employees Retirement Systems (OPERS)

Plan Description – Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the Traditional Pension Plan [TP] – a cost-sharing multiple-employer defined benefit pension plan; the Member-Directed Plan [MD] – a defined contribution plan; and the Combined Plan [CO] – 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 healthcare plan, which includes a medical plan, prescription drug program, and Medicare Part B premium reimbursement, to 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.

In order to qualify for post-retirement 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 recipients and qualified survivor benefit recipients is available. The health care coverage provided by the Retirement System is considered an Other Post-employment Benefit [OPEB] as described in GASB Statement No. 45.

The Ohio Revised Code permits, but does not mandate, OPERS to provide OPEB benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

Ohio Public Employees Retirement System issues a stand-alone financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/investments/cafr.shtml>, by writing to OPERS, 277 East Town Street, Columbus, OH 43215-4642, or by calling 614-222-5601 or 800-222-7377.

Funding Policy – The Ohio Revised Code provides the statutory authority requiring public employers to fund post retirement health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside for the funding of post-retirement health care benefits.

Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2012, employer contribution rate was 14 percent of covered payroll and the law enforcement employer rate was 18.10 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active members do not make contributions to the OPEB Plan.

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Notes to the Basic Financial Statements

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OPERS' Post Employment Health Care plan was established under, and is administrated in accordance with, Internal Revenue Code 401(h). 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% during calendar year 2012. The portion of employer contributions allocated to health care for members in the Combined Plan was 6.05% during calendar year 2012. Effective January 1, 2013, the portion of employer contributions allocated to healthcare was lowered to 1 percent for both plans, as recommended by the OPERS Actuary. The OPERS Board of Trustees is also authorized to establish rules for the retiree, or their surviving beneficiaries, to pay a portion of the health care benefits provided. Payment amounts vary depending on the number of covered dependents and the coverage selected.

During 2012, the portion of the City's contributions that were used to fund post-employments benefits was \$366,132.

OPERS Board of Trustees Adopt Changes to the Health Care Plan – Changes to the health care plan were adopted by the OPERS Board of Trustees on September 19, 2012, with a transition plan commencing January 1, 2014. With the recent passage of pension legislation under SB 343 and the approved health care changes, OPERS expects to be able to consistently allocate 4 percent of the employer contributions toward the health care fund after the end of the transition period.

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

Plan Description – The City contributes to the Ohio Police and Fire Pension Fund (OP&F) sponsored healthcare program, a cost-sharing multiple-employer defined postemployment healthcare plan administered by OP&F. OP&F provides healthcare 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 healthcare 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 healthcare coverage provided by OP&F meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement No. 45.

The Ohio Revised Code allows, but does not mandate OP&F to provide OPEB benefits. Authority for the OP&F Board of Trustees to provide healthcare 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, OH 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 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 percent of covered payroll for police and fire employers, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.5 percent of covered payroll for police employer units and 24 percent of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree healthcare benefits. For the year ended December 31, 2011, the employer contribution allocated to the healthcare plan was 6.75 percent of covered payroll. The amount of employer contributions allocated to the healthcare plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and also 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 healthcare 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 for the years ending December 31, 2012, 2011, and 2010 were:

	<i>Police</i>	<i>Fire</i>
2012	\$ 757,851	\$ 740,882
2011	669,679	698,866
2010	655,549	686,465

Of which, the following amounts were allocated to the healthcare plan:

	<i>Police</i>	<i>Fire</i>
2012	\$ 262,216	\$ 208,188
2011	231,709	196,381
2010	226,820	192,897

C. Deferred Compensation

City employees may participate in the Ohio Public Employees Deferred Compensation Plan. This plan was created in accordance with Internal Revenue Code Section 457. Participation is on a voluntary payroll deduction basis. The plan permits deferral of compensation until future years. According to the plan, the deferred compensation is not available until termination, retirement, death, or an unforeseeable emergency.

14. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts: theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. During 2012, the City contracted with several different insurance providers for various coverages, as follows:

Type of Coverage	Liability Limits	Deductible
Property	\$ 2,000,000	\$ 2,500
Inland Marine	2,000,000	1,000
General Liability	2,000,000	0
Automobile	1,000,000	0
Excess Liability	10,000,000	0
Public Officials Liability	1,000,000	15,000
Police Liability	1,000,000	25,000

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

15. SELF INSURANCE

The City provides medical and dental coverage for its employees and is self-insured up to a stop loss limit for the cost of providing this coverage. Under the self-insurance program, the Self-Insurance Fund (an internal service fund) provides coverage for up to a maximum of \$70,000 in any one year for each employee. The City purchases commercial insurance for claims in excess of coverage provided by the Self-Insurance Fund. The City carries \$1,000,000 of comprehensive combined single limit general liability coverage with a \$1,000 deductible, a \$1,000,000 general law enforcement liability insurance policy and \$1,000,000 public officials' liability, each with a \$5,000 deductible, as well as \$5,000,000 umbrella coverage. The City had no occurrences in which settled claims exceeded the total stop-loss coverage in any of the last three years.

All funds of the City participate in the program and make payments to the Self-Insurance Fund based on a per-employee charge. These monies are recorded as a charge for service in the Self-Insurance Fund and as an expenditure or expense, as applicable, in the disbursing fund.

The claims liability of \$806,751 reported in the internal service fund at December 31, 2012, is based on estimates in accordance with 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 Financing Omnibus", which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be accrued at the estimated ultimate cost of settling the claims. Changes in claims activity for the current and past years are as follows:

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	<i>Beginning of Year Liability</i>	<i>Current Year Claims & Changes in Estimates</i>	<i>Claims Payments</i>	<i>End of Year Liability</i>
Self-Insurance				
2011	\$ 197,439	\$ 2,856,697	(\$ 2,785,906)	\$ 268,230
2012	268,230	3,185,319	(\$3,309,892)	143,657
Workers Compensation				
2011	\$ 566,165	\$ 397,317	(\$ 381,081)	\$ 582,401
2012	582,401	409,249	(328,556)	663,094

16. SEGMENT INFORMATION - ENTERPRISE FUNDS

The City maintains three nonmajor enterprise funds to account for Golf Course, Parking Lots, and Watershed Grant activities. None of these activities is supported by revenue bonds or other revenue-backed debt instruments and, therefore, segment information is not required. See the combining statements included as part of this CAFR for detailed fund activity of the nonmajor enterprise funds.

17. CONTRACTUAL COMMITMENTS

At December 31, 2012, the City had uncompleted contracts, as follows:

<i>Description</i>	<i>Contract Amount</i>	<i>Amount Paid</i>	<i>Remaining Commitment</i>
Water Treatment Plant	\$ 30,852,788	\$ 2,584,638	\$ 28,268,150
Fire Station 303 Construction	2,393,439	80,758	2,312,681
TACC/YMCA Improvements	11,747,122	11,360,470	386,652
SR 37/Sandusky St Signalization	235,960	0	235,960
Glenn Road Extension	1,555,008	1,361,919	193,089
Airport Survey & Assessments	219,327	65,372	153,955
Sewer Grouting & Lining	258,707	116,745	141,962
Belle Avenue Industrial Sewer Project	128,734	0	128,734
Safewalks Program	122,972	26,033	96,939
Penn Ave/Sandusky/US 23 Feasibility Study	142,809	59,441	83,368
West Lincoln Storm Sewer	94,500	12,238	82,262
Video Conferencing at Fire Station 301	70,622	0	70,622
Veterans Parkway	104,686	48,368	56,318
Utility Billing Software Upgrade	28,680	0	28,680
Springfield Bridge Footpath repairs	43,500	17,875	25,625
US 23/SR 315/Stratford Rd Study	20,654	9,392	11,262
Shelter Houses Construction	806,200	796,379	9,821

Encumbrances As discussed in note 1.D, **Budgets and Budgetary Accounting**, encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash

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planning and control. At year end the amount of encumbrances expected to be honored upon performance by the vendor in the next year were as follows:

Governmental Funds	
General Fund	\$ 226,167
Fire/EMS Levy	2,454,011
Recreation Center Levy	426,608
Capital Projects	622,695
Nonmajor Governmental Funds	637,367
Total Governmental Funds	<u>4,366,848</u>
Proprietary Funds	
Water	28,522,271
Sewer	701,702
Storm Sewer	116,968
Refuse	136,552
Internal Service Funds	86,213
Total Proprietary Funds	<u>29,563,706</u>
Total	<u>\$ 33,930,554</u>

18. CONTINGENT LIABILITIES

The City is a 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.

19. JOINTLY GOVERNED ORGANIZATIONS

Delaware South New Community Authority; On February 12, 2007, the Delaware South New Community Authority [DSNCA] was created by the adoption of Resolution 07-05 by Delaware City Council, pursuant to Chapter 349 of the Ohio Revised Code. The DSNCA was established to encourage the orderly development of a well planned, diversified, and economically sound community; to encourage initiative and participation of private enterprise in this undertaking; and to encourage cooperation between the developer and the DSNCA to carry out the new community development program.

The DSNCA is governed by a seven member Board of Trustees. Delaware City Council appoints three citizen members to the Board to represent the interests of present and future residents of the District and one member to serve as a representative of local government. The Developer shall appoint three members to serve on the Board as representatives of the Developer.

The Glenn Road Extension Bond Anticipation Notes, currently reported by the City, will ultimately be reimbursed by the DSNCA. The City has agreed to construct the Glenn Road improvements on behalf of the

City of Delaware. Ohio

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(continued)

DSNCA and to carry any debt obligations until such time as the DSNCA is able to issue debt sufficient to pay any outstanding principal and interest on debt issued by the City.

Delaware North New Community Authority; On December 10, 2007, the Delaware North New Community Authority [DNNCA] was created by the adoption of Ordinance 07-103 by the Delaware City County, pursuant to Chapter 349 of the Ohio Revised Code. Like the DSNCA, the DNNCA was established to encourage the orderly development of a well planned, diversified, and economically sound community; to encourage initiative and participation of private enterprise in this undertaking; and to encourage cooperation between the developer and the DNNCA to carry out the new community development program.

The DNNCA is governed by a seven member Board of Trustees. Delaware City Council appoints three citizen members to the Board to represent the interests of present and future residents of the District and one member to serve as a representative of local government. The Developer shall appoint three members to serve on the Board as representatives of the Developer.

20. SUBSEQUENT EVENTS

In 2013, the City will reissue \$20.3 million in notes to replace the \$21.6 million outstanding at year end. These notes financed the construction of the Glenn Road extension, the construction of an addition to the Justice Center, the renovation of the Jack Florance Pool facility, the construction of the skate park at Mingo Park, the renovations to the newly acquired Public Works facility, the construction of Fire Station 303, and for the City's new phone system and software purchase.

In 2013, the City's investment portfolio, that was inherited with the dissolution of the Oak Grove Cemetery Association, was retired and officially became funds for the City's Finance Director to manage.

In 2013, the City purchased the Delaware Gazette Building located directly between City Hall and the [current] Engineering Building for just over \$209 thousand. The City is considering options on exactly how to utilize the building.

City of Delaware, Ohio

*Combining Statements and
Individual Fund Schedules*

Nonmajor Special Revenue Funds

Street Maintenance and Repair Fund – Required by the Ohio Revised Code to account for State gasoline tax and motor vehicle registration fees designated for maintenance of streets within the City.

State Highway Improvement Fund – Required by the Ohio Revised Code to account for State gasoline tax and motor vehicle registration fees designated for the maintenance of state highways within the City.

License Fee Fund – Required by the Ohio Revised Code to account for monies received from the State of Ohio for the maintenance of public roads, highways, streets and bridges within the City.

Parks and Recreation Fund – To account for fees charged for recreational activities, and park rentals, and transfers from the General Fund to be used for park and recreation purposes. For GAAP reporting purposes, this fund is combined with the General Fund.

Cemetery Fund – To account for operational revenues and expenditures to maintain the Oak Grove Cemetery.

Tree Replacement Fund – To account for fees and donations received to assist in the purchase and maintenance of trees that populate the City’s streets and neighborhoods. For GAAP reporting purposes, this fund is combined with the General Fund.

Airport Improvement Fund – To account for fuel sales, T-hangar rentals, tie-downs, miscellaneous sales, and transfers from the General Fund used to maintain the City’s Municipal Airport.

Airport T-Hangars Fund – To account for expansion T-hangar rentals used to maintain the City’s Municipal Airport T-hangars.

Court/Police Building Income Tax Fund – To account for the collection of the City’s 0.2% Building Income Tax. Proceeds to be used to build and equip the City’s Justice Center and remodel City Hall.

Airport TIF Fund – To account for payments in lieu of taxes that will be used, in part, to reimburse the General Fund for costs associated with commercial improvements made at the Municipal Airport.

Glenn Road Bridge TIF Fund – To account for costs incurred with the construction of Glenn Road 1000 feet south of the Glenn Road Railroad Bridge to a point 2000 feet north of the bridge.

Nonmajor Special Revenue Funds [continued]

Sky Climber/V&P TIF Fund – To account for payments in lieu of taxes that will be used for improvements of two of Delaware’s newest businesses.

Mill Run TIF Fund – To account for payments in lieu of taxes that will be used for improvements in the Mill Run area on the City’s east side.

Municipal Court Fund – To account for the collection and distribution of the Municipal Court’s money, collected from fines and forfeitures. The court acts as the municipal court for all of Delaware County.

IDIAM – To account for the collection of Municipal Court funds for indigent drivers interlock and alcohol monitoring devices issued to indigent defendants.

Drug Enforcement Fund – To account for a portion of money seized during drug-related arrests used in educating students in the consequences of using drugs.

Court Alcohol Treatment Fund – Required by the Ohio Revised Code to account for 50 percent of fines received by the City for convictions related to persons whose drivers license was suspended for driving under the influence of alcohol.

OMVI Enforcement and Education Fund – To account for fines imposed under Section 4511.99 (A) of the Ohio Revised Code. These monies are used to pay costs incurred in enforcing Section 4511.99 of the Ohio Revised Code, and to educate the public about laws governing the operation of a motor vehicle under the influence of alcohol and the danger thereof.

Police Judgment Fund – To account for a portion of seized money used for purchasing of equipment and for training.

Park Exaction Fees Fund – To account for developers’ fees used in park improvements.

Computer Legal Research Fund – To account for fines imposed under Section 1901.26.1 of the Ohio Revised Code to assure the efficient operation of the court by means of computerization, and to make available computerized legal research services.

Court Special Projects Fund – To account for fines imposed under Section 1901.26(B)(1) of the Ohio Revised Code to acquire and pay for special projects of the court including, but not limited to, the acquisition of additional facilities or the rehabilitation of existing facilities, the acquisition of equipment, the hiring and training of staff, community service programs, mediation or dispute resolution services, the employment of magistrates, the training and education of judges, acting judges, and magistrates, and other related services.

Nonmajor Special Revenue Funds [continued]

Indigent EMHA Fund– To account for specific costs used to fund the electronic home monitoring of indigent defendants.

Probation Services Fund – To account for specific court costs used to maintain ongoing probation services.

Police and Fire Pension Fund – To account for a voted real estate tax operating levy which pays for the accrued past service liability for police and fire disability and pension benefits.

Community Development Block Grant Fund – To account for Federal-funded housing, development, and City-wide improvement programs.

Revolving Loan Fund – To account for State of Ohio economic development funds loaned to qualified Delaware businesses. The loan payments are made available for future loans to new businesses.

Housing Program Income Fund – To account for program income generated through the subsequent sale of federally-funded houses built/renovated from CHIP grant proceeds.

Ohio Neighborhood Stabilization Program Grant Fund – [ONSP] To account for Federal/State grant money issued for the ONSP to be used, in part, to address the City’s abandoned and foreclosed homes and businesses.

Community Housing Improvement Program Fund – [CHIP] To account for Federal grant money received for improving rental and owner-occupied properties within the City.

Fire Donations Fund – To account for donations received by the City's Fire Department. The donations are used, in part, to purchase equipment for the Fire Department.

Park Donations Fund – To account for donations received by the City to help beautify and decorate the City's parks.

Police Donations Fund – To account for donations given to the City Police Department. Most of the donations are used to purchase new equipment.

Mayor’s Donations Fund – To account, in part, for donations received for marriage ceremonies performed by the Mayor.

Project Trust Fund – To account for money received from developers prior to the development of land to assure the developers provide the required elements, such as park land, water retention site, etc.

Nonmajor Special Revenue Funds [continued]

Unclaimed Funds – To account for outstanding checks that have not been cashed in a year or more.

Municipal Court Unclaimed Funds – To account for outstanding checks that have not been cashed in a year or more from the Municipal Court.

Nonmajor Debt Service Funds

General Obligation Bond Retirement Fund – To account for transfers in, interest earned, and proceeds of debt, that are utilized for the repayment of general obligation bonds of the City.

Park Improvement Bond Retirement Fund – To account for the transfers in, interest earned, and the repayment of the principle and interest toward the 2010 income tax-funded bond.

Southeast Highland Bond Retirement Fund – To account for the transfers in, interest earned, and the repayment of the principal and interest toward the 2009 bond which was issued to fund the construction of the SE Highland sewer. For GAAP reporting, this activity is reflected in the Sewer enterprise fund.

Nonmajor Capital Projects Funds

FAA Airport Expansion Fund – To account for Federal and State funds used for the relocation and expansion of the City’s Municipal Airport.

FAA Allocation Improvement Fund – To account for Federal funds used for the Automatic Weather Observation System [AWOS] installation and the replacement of the non-directional beacon [NDB].

Equipment Replacement Fund – To account for transfers from departments to provide for the future replacement of equipment.

Park Impact Fees Fund – To account for developers’ fees collected to maintain a level of service associated with the City’s parks required with the increased growth.

Police Impact Fees Fund – To account for developers’ fees collected to maintain a level of service associated with the City’s Police Department required with the increased growth.

Nonmajor Capital Projects Funds [continued]

Fire Impact Fees Fund – To account for developers’ fees collected to maintain a level of service associated with the City’s Fire Department required with the increased growth.

Municipal Impact Fees Fund – To account for fees used to expand the capacity of the City’s municipal facilities and infrastructure.

Glenn Road Middle Construction Fund – To account for costs incurred with the construction of Glenn Road from the northern point of the Glenn Ross development to 1000 feet south of the Glenn Road Railroad Bridge, and the cost of Glenn Road from a point 100 feet north of the bridge, then north to Curve Road.

Glenn Road North Construction Fund – To account for costs incurred with the construction of Glenn Road from Curve Road, then 5500 feet north to US Route 36/37.

Nonmajor Permanent Fund

Cemetery Perpetual Care Fund – To account for receiving and disbursing funds associated with the perpetual care of certain cemetery lots which are located in the City.

City of Delaware, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2012

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
Assets					
Equity in Pooled Cash and Cash Equivalents	\$ 5,702,630	\$ 113,924	\$ 1,552,160	\$ 0	\$ 7,368,714
Receivables:					
Property Taxes	369,750	0	0	0	369,750
Accounts	18,059	0	0	0	18,059
Loans	653,549	0	0	0	653,549
Payments in Lieu of Taxes	412,134	0	0	0	412,134
Restricted Assets:					
Retainage	34,705	0	0	0	34,705
Customer Deposits	13,168	0	0	0	13,168
Cash Equivalents in Segregated Accounts	38,779	0	0	25,017	63,796
Investments in Segregated Accounts	0	0	0	280,081	280,081
Prepaid Items	14,332	0	0	0	14,332
Material and Supplies Inventory	55,089	0	0	0	55,089
Due From:					
Federal Government	455,714	0	178,885	0	634,599
State Government	738,439	0	0	0	738,439
County Government	339,049	0	0	0	339,049
Other Funds	53,939	0	0	0	53,939
Assets Held for Resale	718,352	0	0	0	718,352
Total Assets	\$ 9,617,688	\$ 113,924	\$ 1,731,045	\$ 305,098	\$ 11,767,755
Liabilities					
Accounts Payable	\$ 53,459	\$ 0	\$ 28,904	\$ 0	\$ 82,363
Accrued Wages & Benefits	122,781	0	0	0	122,781
Contracts Payable	68,124	0	0	0	68,124
Interfund Payable	453,184	0	135,716	0	588,900
Due to Other Funds	56,889	0	0	0	56,889
Due to Others	531,878	0	0	0	531,878
Advances to Other Funds	0	45,435	0	0	45,435
Compensated Absences Payable-Matured	49,456	0	0	0	49,456
Payables from Restricted Assets					
Retainage	34,705	0	0	0	34,705
Customer Deposits	13,168	0	0	0	13,168
Notes Payable	2,690,000	0	3,546,500	0	6,236,500
Total Liabilities	4,073,644	45,435	3,711,120	0	7,830,199
Deferred Inflows of Resources					
Property Taxes	334,980	0	0	0	334,980
Payments in Lieu of Taxes	426,038	0	0	0	426,038
Unavailable	1,003,905	0	178,885	0	1,182,790
Total Deferred Inflows of Resources	1,764,923	0	178,885	0	1,943,808
Fund Balances					
<i>Nonspendable Fund Balance</i>					
Perpetual Care	0	0	0	305,098	305,098
Inventories	55,089	0	0	0	55,089
Prepaid Items	14,332	0	0	0	14,332
Unclaimed Funds	38,779	0	0	0	38,779
<i>Restricted Fund Balance</i>					
Justice Center Equipment	64,202	0	0	0	64,202
Road Resurfacing and Equipment Purchases	692,428	0	0	0	692,428
Assets Held for Resale	718,352	0	0	0	718,352
Parks & Facilities Revitalization	0	103,228	0	0	103,228
Airport Expansion Projects	1,653	0	16,221	0	17,874
Community Redevelopment	1,089,512	0	0	0	1,089,512
Community Development Loans	653,549	0	0	0	653,549
Municipal Court Operations and Equipment Purchases	2,469,749	0	0	0	2,469,749
Cemetery Operations	32,699	0	0	0	32,699
<i>Committed Fund Balance</i>					
Police and Fire Donations and Expansion	12,473	0	7,354	0	19,827
Future Development Set-aside	428,883	0	0	0	428,883
Parks & Facilities Operations and Expansion	68,566	0	433,507	0	502,073
Airport Operations	365,332	0	0	0	365,332
Future Equipment Purchases	0	0	254,611	0	254,611
General Government	1,732	0	0	0	1,732
<i>Unassigned Fund Balance</i>	<i>(2,928,209)</i>	<i>(34,739)</i>	<i>(2,870,653)</i>	<i>0</i>	<i>(5,833,601)</i>
Total Fund Balances	3,779,121	68,489	(2,158,960)	305,098	1,993,748
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 9,617,688	\$ 113,924	\$ 1,731,045	\$ 305,098	\$ 11,767,755

City of Delaware, Ohio
 Combining Balance Sheet
 Nonmajor Special Revenue Funds
 December 31, 2012

	Street				Airport Improvement	Airport T- Hangars	Court/Police Building Income Tax
	Maintenance & Repair	State Highway Improvement	License Fee	Cemetery			
Assets							
Equity in Pooled Cash and Cash Equivalents	\$ 349,261	\$ 36,009	\$ 150,713	\$ 18,013	\$ 211,970	\$ 186,924	\$ 882
Receivables:							
Property Taxes	0	0	0	0	0	0	0
Accounts	0	0	0	17,070	743	246	0
Loans	0	0	0	0	0	0	0
Payments in Lieu of Taxes	0	0	0	0	0	0	0
Restricted Assets:							
Retainage Accounts	0	0	0	0	0	0	0
Customer Deposits	0	0	0	0	5,284	7,884	0
Cash Equivalents in Segregated Accounts	0	0	0	0	0	0	0
Prepaid Items	0	0	0	0	10,477	0	0
Materials and Supplies Inventory	0	0	0	0	55,089	0	0
Due From:							
Federal Government	0	0	0	0	0	0	0
State Government	473,685	38,407	182,956	0	0	0	0
County Government	105,889	8,586	0	0	0	0	0
Other Funds	0	0	0	0	0	0	0
Assets Held for Resale	0	0	0	0	0	0	0
Total Assets	\$ 928,835	\$ 83,002	\$ 333,669	\$ 35,083	\$ 283,563	\$ 195,054	\$ 882
Liabilities							
Accounts Payable	\$ 20,550	\$ 0	\$ 0	\$ 616	\$ 28,219	\$ 0	\$ 0
Accrued Wages & Benefits	52,838	0	0	1,768	5,095	0	0
Contracts Payable	0	0	0	0	0	0	0
Compensated Absences Payable-Matured	32,324	0	0	0	1,237	0	0
Interfund Payable	0	0	0	0	0	0	0
Due to Other Funds	0	0	0	0	0	0	0
Due to Others	0	0	0	0	0	0	0
Payables from Restricted Assets:							
Retainage Payable	0	0	0	0	0	0	0
Customer Deposits	0	0	0	0	5,284	7,884	0
Notes Payable	0	0	0	0	0	0	0
Total Liabilities	105,712	0	0	2,384	39,835	7,884	0
Deferred Inflow of Resources							
Property Taxes	0	0	0	0	0	0	0
Payments in Lieu of Taxes	0	0	0	0	0	0	0
Unavailable	390,164	31,636	125,566	0	0	0	0
Total Deferred Inflow of Resources	390,164	31,636	125,566	0	0	0	0
Fund Balances							
<i>Nonspendable Fund Balance</i>							
Inventories	0	0	0	0	55,089	0	0
Prepaid Items	0	0	0	0	10,477	0	0
Unclaimed Funds	0	0	0	0	0	0	0
<i>Restricted Fund Balance</i>							
Justice Center Equipment	0	0	0	0	0	0	882
Road Resurfacing and Equipment Purchases	432,959	51,366	208,103	0	0	0	0
Airport Expansion Projects	0	0	0	0	0	0	0
Assets Held for Resale	0	0	0	0	0	0	0
Community Redevelopment	0	0	0	0	0	0	0
Community Development Loans	0	0	0	0	0	0	0
Municipal Court Operations and Equipment Purchases	0	0	0	0	0	0	0
Cemetery Operations	0	0	0	32,699	0	0	0
<i>Committed Fund Balance</i>							
Police and Fire Donations and Expansion	0	0	0	0	0	0	0
Future Development Set-aside	0	0	0	0	0	0	0
Parks & Facilities Operations and Expansion	0	0	0	0	0	0	0
Airport Operations	0	0	0	0	178,162	187,170	0
General Government	0	0	0	0	0	0	0
<i>Unassigned Fund Balance</i>	0	0	0	0	0	0	0
Total Fund Balances (Deficit)	432,959	51,366	208,103	32,699	243,728	187,170	882
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 928,835	\$ 83,002	\$ 333,669	\$ 35,083	\$ 283,563	\$ 195,054	\$ 882

(continued)

City of Delaware, Ohio
 Combining Balance Sheet
 Nonmajor Special Revenue Funds
 December 31, 2012

(continued)

	Airport TIF	Glenn Rd Bridge TIF	Sky Climber/ V&P TIF	Mill Run TIF	Municipal Court	IDIAM	Drug Enforcement	Court Alcohol Treatment	OMVI Enforcement & Education	Police Judgment
Assets										
Equity in Pooled Cash and Cash Equivalents	\$ 1,653	\$ 518,497	\$ 0	\$ 0	\$ 688,552	\$ 6,362	\$ 46,719	\$ 598,849	\$ 9,725	\$ 63,320
Receivables:										
Property Taxes	0	0	0	0	0	0	0	0	0	0
Accounts	0	0	0	0	0	0	0	0	0	0
Loans	0	0	0	0	0	0	0	0	0	0
Payments in Lieu of Taxes	24,639	205,818	46,431	135,246	0	0	0	0	0	0
Restricted Assets:										
Retainage Accounts	0	13,381	0	0	0	0	0	0	0	0
Customer Deposits	0	0	0	0	0	0	0	0	0	0
Cash Equivalents in Segregated Accounts	0	0	0	0	0	0	0	0	0	0
Prepaid Items	0	0	0	0	0	0	0	0	0	0
Materials and Supplies Inventory	0	0	0	0	0	0	0	0	0	0
Due From:										
Federal Government	0	0	0	0	0	0	0	0	0	0
State Government	0	13,904	0	0	0	0	0	8,141	0	0
County Government	0	0	0	0	224,574	0	0	0	0	0
Other Funds	0	0	0	0	0	1,077	18	1,815	11	0
Assets Held for Resale	0	0	0	0	0	0	0	0	0	0
Total Assets	\$ 26,292	\$ 751,600	\$ 46,431	\$ 135,246	\$ 913,126	\$ 7,439	\$ 46,737	\$ 608,805	\$ 9,736	\$ 63,320
Liabilities										
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,513	\$ 434	\$ 0	\$ 247	\$ 0	\$ 0
Accrued Wages & Benefits	0	0	0	0	63,080	0	0	0	0	0
Contracts Payable	0	57,120	0	0	0	0	0	0	0	0
Compensated Absences Payable-Matured	0	0	0	0	15,895	0	0	0	0	0
Interfund Payable	0	0	0	0	0	0	0	0	0	0
Due to Other Funds	0	0	0	0	56,889	0	0	0	0	0
Due to Others	0	531,878	0	0	0	0	0	0	0	0
Payables from Restricted Assets:										
Retainage Payable	0	13,381	0	0	0	0	0	0	0	0
Customer Deposits	0	0	0	0	0	0	0	0	0	0
Notes Payable	0	2,690,000	0	0	0	0	0	0	0	0
Total Liabilities	0	3,292,379	0	0	137,377	434	0	247	0	0
Deferred Inflow of Resources										
Property Taxes	0	0	0	0	0	0	0	0	0	0
Payments in Lieu of Taxes	24,639	219,722	46,431	135,246	0	0	0	0	0	0
Unavailable	0	0	0	0	224,574	0	0	8,141	0	0
Total Deferred Inflow of Resources	24,639	219,722	46,431	135,246	224,574	0	0	8,141	0	0
Fund Balances										
<i>Nonspendable Fund Balance</i>										
Inventories	0	0	0	0	0	0	0	0	0	0
Prepaid Items	0	0	0	0	0	0	0	0	0	0
Unclaimed Funds	0	0	0	0	0	0	0	0	0	0
<i>Restricted Fund Balance</i>										
Justice Center Equipment	0	0	0	0	0	0	0	0	0	63,320
Road Resurfacing and Equipment Purchases	0	0	0	0	0	0	0	0	0	0
Airport Expansion Projects	1,653	0	0	0	0	0	0	0	0	0
Assets Held for Resale	0	0	0	0	0	0	0	0	0	0
Community Redevelopment	0	0	0	0	0	0	0	0	0	0
Community Development Loans	0	0	0	0	0	0	0	0	0	0
Municipal Court Operations and Equipment Purchases	0	0	0	0	551,175	7,005	46,737	600,417	9,736	0
Cemetery Operations	0	0	0	0	0	0	0	0	0	0
<i>Committed Fund Balance</i>										
Police and Fire Donations and Expansion	0	0	0	0	0	0	0	0	0	0
Future Development Set-aside	0	0	0	0	0	0	0	0	0	0
Parks & Facilities Operations and Expansion	0	0	0	0	0	0	0	0	0	0
Airport Operations	0	0	0	0	0	0	0	0	0	0
General Government	0	0	0	0	0	0	0	0	0	0
<i>Unassigned Fund Balance</i>	0	(2,760,501)	0	0	0	0	0	0	0	0
Total Fund Balances (Deficit)	1,653	(2,760,501)	0	0	551,175	7,005	46,737	600,417	9,736	63,320
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 26,292	\$ 751,600	\$ 46,431	\$ 135,246	\$ 913,126	\$ 7,439	\$ 46,737	\$ 608,805	\$ 9,736	\$ 63,320

(continued)

City of Delaware, Ohio
 Combining Balance Sheet
 Nonmajor Special Revenue Funds
 December 31, 2012

(continued)

	Park Exaction Fees	Computer Legal Research	Court Special Projects	Indigent EMHA	Probation Services	Police & Fire Pension	Community Dev. Block Grant	Revolving Loan	Housing Program Income	ONSP Grant
Assets										
Equity in Pooled Cash and Cash Equivalents	\$ 68,518	\$ 238,422	\$ 638,736	\$ 0	\$ 326,933	\$ 0	\$ 0	\$ 1,063,554	\$ 24,878	\$ 0
Receivables:										
Property Taxes	0	0	0	0	0	369,750	0	0	0	0
Accounts	0	0	0	0	0	0	0	0	0	0
Loans	0	0	0	0	0	0	0	653,549	0	0
Payments in Lieu of Taxes	0	0	0	0	0	0	0	0	0	0
Restricted Assets:										
Retainage Accounts	16,992	0	0	0	0	0	0	4,332	0	0
Customer Deposits	0	0	0	0	0	0	0	0	0	0
Cash Equivalents in Segregated Accounts	0	0	0	0	0	0	0	0	0	0
Prepaid Items	0	2,100	1,755	0	0	0	0	0	0	0
Materials and Supplies Inventory	0	0	0	0	0	0	0	0	0	0
Due From:										
Federal Government	0	0	0	0	0	0	95,000	0	0	193,006
State Government	0	0	0	0	0	21,346	0	0	0	0
County Government	0	0	0	0	0	0	0	0	0	0
Other Funds	0	17,609	16,780	0	16,629	0	0	0	0	0
Assets Held for Resale	0	0	0	0	0	0	0	0	0	718,352
Total Assets	\$ 85,510	\$ 258,131	\$ 657,271	\$ 0	\$ 343,562	\$ 391,096	\$ 95,000	\$ 1,721,435	\$ 24,878	\$ 911,358
Liabilities										
Accounts Payable	\$ 0	\$ 430	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,450	\$ 0	\$ 0
Accrued Wages & Benefits	0	0	0	0	0	0	0	0	0	0
Contracts Payable	0	0	0	0	0	0	0	0	0	0
Compensated Absences Payable-Matured	0	0	0	0	0	0	0	0	0	0
Interfund Payable	0	0	0	0	0	0	92,470	0	0	193,006
Due to Other Funds	0	0	0	0	0	0	0	0	0	0
Due to Others	0	0	0	0	0	0	0	0	0	0
Payables from Restricted Assets:										
Retainage Payable	16,992	0	0	0	0	0	0	4,332	0	0
Customer Deposits	0	0	0	0	0	0	0	0	0	0
Notes Payable	0	0	0	0	0	0	0	0	0	0
Total Liabilities	16,992	430	0	0	0	0	92,470	5,782	0	193,006
Deferred Inflow of Resources										
Property Taxes	0	0	0	0	0	334,980	0	0	0	0
Payments in Lieu of Taxes	0	0	0	0	0	0	0	0	0	0
Unavailable	0	0	0	0	0	56,116	0	0	0	0
Total Deferred Inflow of Resources	0	0	0	0	0	391,096	0	0	0	0
Fund Balances										
<i>Nonspendable Fund Balance</i>										
Inventories	0	0	0	0	0	0	0	0	0	0
Prepaid Items	0	2,100	1,755	0	0	0	0	0	0	0
Unclaimed Funds	0	0	0	0	0	0	0	0	0	0
<i>Restricted Fund Balance</i>										
Justice Center Equipment	0	0	0	0	0	0	0	0	0	0
Road Resurfacing and Equipment Purchases	0	0	0	0	0	0	0	0	0	0
Airport Expansion Projects	0	0	0	0	0	0	0	0	0	0
Assets Held for Resale	0	0	0	0	0	0	0	0	0	718,352
Community Redevelopment	0	0	0	0	0	0	2,530	1,062,104	24,878	0
Community Development Loans	0	0	0	0	0	0	0	653,549	0	0
Municipal Court Operations and Equipment Purchases	0	255,601	655,516	0	343,562	0	0	0	0	0
Cemetery Operations	0	0	0	0	0	0	0	0	0	0
<i>Committed Fund Balance</i>										
Police and Fire Donations and Expansion	0	0	0	0	0	0	0	0	0	0
Future Development Set-aside	0	0	0	0	0	0	0	0	0	0
Parks & Facilities Operations and Expansion	68,518	0	0	0	0	0	0	0	0	0
Airport Operations	0	0	0	0	0	0	0	0	0	0
General Government	0	0	0	0	0	0	0	0	0	0
Unassigned Fund Balance	0	0	0	0	0	0	0	0	0	0
Total Fund Balances (Deficit)	68,518	257,701	657,271	0	343,562	0	2,530	1,715,653	24,878	718,352
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 85,510	\$ 258,131	\$ 657,271	\$ 0	\$ 343,562	\$ 391,096	\$ 95,000	\$ 1,721,435	\$ 24,878	\$ 911,358

(continued)

City of Delaware, Ohio
 Combining Balance Sheet
 Nonmajor Special Revenue Funds
 December 31, 2012

(continued)

	CHIP	Fire Donations	Park Donations	Police Donations	Mayor Donations	Project Trust	Unclaimed Funds	Municipal Court Unclaimed Funds	Total
Assets									
Equity in Pooled Cash and Cash Equivalents	\$ 0	\$ 5,042	\$ 48	\$ 7,431	\$ 1,732	\$ 439,887	\$ 0	\$ 0	\$ 5,702,630
Receivables:									
Property Taxes	0	0	0	0	0	0	0	0	369,750
Accounts	0	0	0	0	0	0	0	0	18,059
Loans	0	0	0	0	0	0	0	0	653,549
Payments in Lieu of Taxes	0	0	0	0	0	0	0	0	412,134
Restricted Assets:									
Retainage Accounts	0	0	0	0	0	0	0	0	34,705
Customer Deposits	0	0	0	0	0	0	0	0	13,168
Cash Equivalents in Segregated Accounts	0	0	0	0	0	0	16,962	21,817	38,779
Prepaid Items	0	0	0	0	0	0	0	0	14,332
Materials and Supplies Inventory	0	0	0	0	0	0	0	0	55,089
Due From:									
Federal Government	167,708	0	0	0	0	0	0	0	455,714
State Government	0	0	0	0	0	0	0	0	738,439
County Government	0	0	0	0	0	0	0	0	339,049
Other Funds	0	0	0	0	0	0	0	0	53,939
Assets Held for Resale	0	0	0	0	0	0	0	0	718,352
Total Assets	\$ 167,708	\$ 5,042	\$ 48	\$ 7,431	\$ 1,732	\$ 439,887	\$ 16,962	\$ 21,817	\$ 9,617,688
Liabilities									
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 53,459
Accrued Wages & Benefits	0	0	0	0	0	0	0	0	122,781
Contracts Payable	0	0	0	0	0	11,004	0	0	68,124
Compensated Absences Payable-Matured	0	0	0	0	0	0	0	0	49,456
Interfund Payable	167,708	0	0	0	0	0	0	0	453,184
Due to Other Funds	0	0	0	0	0	0	0	0	56,889
Due to Others	0	0	0	0	0	0	0	0	531,878
Payables from Restricted Assets:									
Retainage Payable	0	0	0	0	0	0	0	0	34,705
Customer Deposits	0	0	0	0	0	0	0	0	13,168
Notes Payable	0	0	0	0	0	0	0	0	2,690,000
Total Liabilities	167,708	0	0	0	0	11,004	0	0	4,073,644
Deferred Inflow of Resources									
Property Taxes	0	0	0	0	0	0	0	0	334,980
Payments in Lieu of Taxes	0	0	0	0	0	0	0	0	426,038
Unavailable	167,708	0	0	0	0	0	0	0	1,003,905
Total Deferred Inflow of Resources	167,708	0	0	0	0	0	0	0	1,764,923
Fund Balances									
<i>Nonspendable Fund Balance</i>									
Inventories	0	0	0	0	0	0	0	0	55,089
Prepaid Items	0	0	0	0	0	0	0	0	14,332
Unclaimed Funds	0	0	0	0	0	0	16,962	21,817	38,779
<i>Restricted Fund Balance</i>									
Justice Center Equipment	0	0	0	0	0	0	0	0	64,202
Road Resurfacing and Equipment Purchases	0	0	0	0	0	0	0	0	692,428
Airport Expansion Projects	0	0	0	0	0	0	0	0	1,653
Assets Held for Resale	0	0	0	0	0	0	0	0	718,352
Community Redevelopment	0	0	0	0	0	0	0	0	1,089,512
Community Development Loans	0	0	0	0	0	0	0	0	653,549
Municipal Court Operations and Equipment Purchases	0	0	0	0	0	0	0	0	2,469,749
Cemetery Operations	0	0	0	0	0	0	0	0	32,699
<i>Committed Fund Balance</i>									
Police and Fire Donations and Expansion	0	5,042	0	7,431	0	0	0	0	12,473
Future Development Set-aside	0	0	0	0	0	428,883	0	0	428,883
Parks & Facilities Operations and Expansion	0	0	48	0	0	0	0	0	68,566
Airport Operations	0	0	0	0	0	0	0	0	365,332
General Government	0	0	0	0	1,732	0	0	0	1,732
<i>Unassigned Fund Balance</i>	(167,708)	0	0	0	0	0	0	0	(2,928,209)
Total Fund Balances (Deficit)	(167,708)	5,042	48	7,431	1,732	428,883	16,962	21,817	3,779,121
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 167,708	\$ 5,042	\$ 48	\$ 7,431	\$ 1,732	\$ 439,887	\$ 16,962	\$ 21,817	\$ 9,617,688

City of Delaware, Ohio
Combining Balance Sheet
Nonmajor Debt Service Funds
December 31, 2012

	<i>General Obligation Bond Retirement</i>	<i>Park Improvement Bond Retirement</i>	<i>Total</i>
Assets			
Equity in Pooled Cash and Cash Equivalents	\$ 10,696	\$ 103,228	\$ 113,924
<i>Total Assets</i>	<u>10,696</u>	<u>103,228</u>	<u>113,924</u>
Liabilities			
Advances to Other Funds	<u>45,435</u>	<u>0</u>	<u>45,435</u>
<i>Total Liabilities</i>	<u>45,435</u>	<u>0</u>	<u>45,435</u>
Fund Balances			
<i>Restricted Fund Balance</i>			
Parks & Facilities Revitalization	0	103,228	103,228
<i>Unassigned Fund Balance</i>	<u>(34,739)</u>	<u>0</u>	<u>(34,739)</u>
<i>Total Fund Balances (Deficit)</i>	<u>(34,739)</u>	<u>103,228</u>	<u>68,489</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$ 10,696</u>	<u>\$ 103,228</u>	<u>\$ 113,924</u>

City of Delaware, Ohio
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2012

	<i>FAA Airport</i>	<i>FAA Airport</i>	<i>Equipment</i>	<i>Park Impact Fees</i>
	<i>Expansion</i>	<i>Allocation</i>	<i>Replacement</i>	
	<u>Expansion</u>	<u>Improvements</u>	<u>Replacement</u>	<u>Park Impact Fees</u>
Assets				
Equity in Pooled Cash and Cash Equivalents	\$ 16,221	\$ 0	\$ 283,515	\$ 433,507
Due From Federal Government	<u>0</u>	<u>178,885</u>	<u>0</u>	<u>0</u>
<i>Total Assets</i>	<u>\$ 16,221</u>	<u>\$ 178,885</u>	<u>\$ 283,515</u>	<u>\$ 433,507</u>
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	\$ 0	\$ 0	\$ 28,904	\$ 0
Interfund Payable	0	135,716	0	0
Notes Payable	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total Liabilities</i>	<u>0</u>	<u>135,716</u>	<u>28,904</u>	<u>0</u>
Deferred Inflow of Resources				
Unavailable	<u>0</u>	<u>178,885</u>	<u>0</u>	<u>0</u>
<i>Total Deferred Inflow of Resources</i>	<u>0</u>	<u>178,885</u>	<u>0</u>	<u>0</u>
Fund Balances				
<i>Restricted Fund Balance</i>				
Airport Expansion Projects	16,221	0	0	0
<i>Committed Fund Balance</i>				
Police and Fire Donations and Expansion	0	0	0	0
Parks & Facilities Operations and Expansion	0	0	0	433,507
Future Equipment Purchases	0	0	254,611	0
<i>Unassigned Fund Balance</i>	<u>0</u>	<u>(135,716)</u>	<u>0</u>	<u>0</u>
<i>Total Fund Balances (Deficit)</i>	<u>16,221</u>	<u>(135,716)</u>	<u>254,611</u>	<u>433,507</u>
<i>Total Liabilities, Deferred Inflow of Resources, and Fund Balances</i>	<u>\$ 16,221</u>	<u>\$ 178,885</u>	<u>\$ 283,515</u>	<u>\$ 433,507</u>

(continued)

City of Delaware, Ohio
 Combining Balance Sheet
 Nonmajor Capital Projects Funds
 December 31, 2012

(continued)

	<i>Police Impact Fees</i>	<i>Fire Impact Fees</i>	<i>Municipal Impact Fees</i>	<i>Glenn Rd M Construction</i>
Assets				
Equity in Pooled Cash and Cash Equivalents	\$ 302,125	\$ 7,354	\$ 310,358	\$ 84,651
Due From Federal Government	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total Assets</i>	<u>\$ 302,125</u>	<u>\$ 7,354</u>	<u>\$ 310,358</u>	<u>\$ 84,651</u>
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 0
Interfund Payable	0	0	0	0
Notes Payable	<u>933,500</u>	<u>0</u>	<u>2,083,000</u>	<u>0</u>
<i>Total Liabilities</i>	<u>933,500</u>	<u>0</u>	<u>2,083,000</u>	<u>0</u>
Deferred Inflow of Resources				
Unavailable	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total Deferred Inflow of Resources</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances:				
<i>Restricted Fund Balance</i>				
Airport Expansion Projects	0	0	0	0
<i>Committed Fund Balance</i>				
Police and Fire Donations and Expansion	0	7,354	0	0
Parks & Facilities Operations and Expansion	0	0	0	0
Future Equipment Purchases	0	0	0	0
<i>Unassigned Fund Balance</i>	<u>(631,375)</u>	<u>0</u>	<u>(1,772,642)</u>	<u>84,651</u>
<i>Total Fund Balances (Deficit)</i>	<u>(631,375)</u>	<u>7,354</u>	<u>(1,772,642)</u>	<u>84,651</u>
<i>Total Liabilities, Deferred Inflow of Resources, and Fund Balances</i>	<u>\$ 302,125</u>	<u>\$ 7,354</u>	<u>\$ 310,358</u>	<u>\$ 84,651</u>

(continued)

City of Delaware, Ohio
 Combining Balance Sheet
 Nonmajor Capital Projects Funds
 December 31, 2012

(continued)

	<i>Glenn Rd N</i>	
	<u>Construction</u>	<u>Total</u>
Assets		
Equity in Pooled Cash and Cash Equivalents	\$ 114,429	\$ 1,552,160
Due From Federal Government	<u>0</u>	<u>178,885</u>
<i>Total Assets</i>	<u>\$ 114,429</u>	<u>\$ 1,731,045</u>
Liabilities and Fund Balances		
Liabilities		
Accounts Payable	\$ 0	\$ 28,904
Interfund Payable	0	135,716
Notes Payable	<u>530,000</u>	<u>3,546,500</u>
<i>Total Liabilities</i>	<u>530,000</u>	<u>3,711,120</u>
Deferred Inflow of Resources		
Unavailable	<u>0</u>	<u>178,885</u>
<i>Total Deferred Inflow of Resources</i>	<u>0</u>	<u>178,885</u>
Fund Balances:		
<i>Restricted Fund Balance</i>		
Airport Expansion Projects	0	16,221
<i>Committed Fund Balance</i>		
Police and Fire Donations and Expansion	0	7,354
Parks & Facilities Operations and Expansion	0	433,507
Future Equipment Purchases	0	254,611
<i>Unassigned Fund Balance</i>	<u>(415,571)</u>	<u>(2,870,653)</u>
<i>Total Fund Balances (Deficit)</i>	<u>(415,571)</u>	<u>(2,158,960)</u>
<i>Total Liabilities, Deferred Inflow of Resources, and Fund Balances</i>	<u>\$ 114,429</u>	<u>\$ 1,731,045</u>

City of Delaware, Ohio

Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits)

Nonmajor Governmental Funds

For the Year Ended December 31, 2012

	<i>Nonmajor Special Revenue Funds</i>	<i>Nonmajor Debt Service Funds</i>	<i>Nonmajor Capital Projects Funds</i>	<i>Nonmajor Permanent Fund</i>	<i>Total Nonmajor Governmental Funds</i>
Revenues					
Property Taxes	\$ 366,314	\$ 0	\$ 0	\$ 0	\$ 366,314
Income Taxes	24	0	0	0	24
Payments in Lieu of Taxes	377,639	0	0	0	377,639
Intergovernmental	2,000,625	0	29,994	0	2,030,619
Interest	24,558	3,152	34,338	0	62,048
Fees, Licenses and Permits	32,257	0	0	0	32,257
Fines and Forfeitures	2,626,099	0	0	0	2,626,099
Impact Fees	0	0	375,685	0	375,685
Charges for Services	917,853	0	45,000	0	962,853
Contributions and Donations	1,934	0	0	0	1,934
Reimbursements	467,843	22,790	0	0	490,633
Miscellaneous	26,300	0	0	0	26,300
Total Revenues	6,841,446	25,942	485,017	0	7,352,405
Expenditures					
Current:					
Public Safety					
Police/911	233,663	0	810	0	234,473
Fire	204,274	0	0	0	204,274
Muni Court	2,600,349	0	0	0	2,600,349
Parks & Facilities	413,761	0	0	0	413,761
Community Development	502,336	0	0	0	502,336
Airport	785,459	0	20,621	0	806,080
Public Works	3,961,943	0	5,684	0	3,967,627
General Government	185,969	1,593	1,808	0	189,370
Capital Outlay	0	0	1,011,857	0	1,011,857
Debt Service:					
Principal Retirement	0	965,000	0	0	965,000
Interest and Fiscal Charges	10,014	1,072,665	52,916	0	1,135,595
Bond Issuance Costs	0	53,163	0	0	53,163
Refunds & Reimbursements	27,036	0	0	0	27,036
Total Expenditures	8,924,804	2,092,421	1,093,696	0	12,110,921
Excess of Revenues Over (Under) Expenditures	(2,083,358)	(2,066,479)	(608,679)	0	(4,758,516)
Other Financing Sources (Uses)					
Sale of Assets	4,349	0	0	0	4,349
Proceeds of Bonds	0	3,395,000	0	0	3,395,000
Premium on Bond Issuance	0	65,710	0	0	65,710
Discount on Bond Issuance	0	(24,058)	0	0	(24,058)
Payments to Escrow Agent	0	(3,383,489)	0	0	(3,383,489)
Transfers In	1,310,196	2,039,499	1,904,750	0	5,254,445
Transfers Out	(2,044,945)	0	(116,790)	0	(2,161,735)
Total Other Financing Sources (Uses)	(730,400)	2,092,662	1,787,960	0	3,150,222
Special Item					
Transfer of Cemetery fund balance upon dissolution	1,808	0	0	305,098	306,906
Net Change in Fund Balances	(2,811,950)	26,183	1,179,281	305,098	(1,301,388)
Fund Balances (Deficits) Beginning of Year	6,591,071	42,306	(3,338,241)	0	3,295,136
Fund Balances (Deficits) End of Year	\$ 3,779,121	\$ 68,489	\$ (2,158,960)	\$ 305,098	\$ 1,993,748

City of Delaware, Ohio
Combining Statement of Revenues,
Expenditures and Changes in Fund Balances
(Deficits)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2012

	Street				Airport	Airport T-
	Maintenance & Repair	State Highway Improvement	License Fee	Cemetery	Improvement	Hangars
Revenues						
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Income Taxes	0	0	0	0	0	0
Payments in Lieu of Taxes	0	0	0	0	0	0
Intergovernmental	1,181,026	95,757	370,014	0	0	0
Interest	0	8	49	0	0	0
Fees, Licenses and Permits	0	0	0	0	0	0
Fines and Forfeitures	0	0	0	0	0	0
Charges for Services	0	0	0	32,261	714,282	94,051
Contributions and Donations	0	0	0	828	0	0
Reimbursements	272	30,804	0	0	36,767	0
Miscellaneous	0	0	0	1,820	9,949	0
Total Revenues	1,181,298	126,569	370,063	34,909	760,998	94,051
Expenditures						
Current:						
Public Safety						
Police/911	0	0	0	0	0	0
Fire	0	0	0	0	0	0
Muni Court	0	0	0	0	0	0
Parks & Facilities	0	0	0	14,018	0	0
Community Development	0	0	0	0	0	0
Airport	0	0	0	0	764,063	21,396
Public Works	2,030,525	100,000	280,432	0	0	0
General Government	0	0	0	0	0	0
Interest and Fiscal Charges	0	0	0	0	0	0
Refunds & Reimbursements	0	0	0	0	0	0
Total Expenditures	2,030,525	100,000	280,432	14,018	764,063	21,396
Excess of Revenues Over (Under) Expenditures	(849,227)	26,569	89,631	20,891	(3,065)	72,655
Other Financing Sources (Uses)						
Sale of Assets	4,349	0	0	0	0	0
Transfers In	845,000	0	0	10,000	10,000	0
Transfers Out	0	0	0	0	0	(79,749)
Total Other Financing Sources (Uses)	849,349	0	0	10,000	10,000	(79,749)
Special Item						
Transfer of Cemetery fund balance upon dissolution	0	0	0	1,808	0	0
Net Change in Fund Balances	122	26,569	89,631	32,699	6,935	(7,094)
Fund Balances (Deficits) Beginning of Year	432,837	24,797	118,472	0	236,793	194,264
Fund Balances (Deficits) End of Year	\$ 432,959	\$ 51,366	\$ 208,103	\$ 32,699	\$ 243,728	\$ 187,170

(continued)

City of Delaware, Ohio
*Combining Statement of Revenues,
 Expenditures and Changes in Fund Balances
 (Deficits)*
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2012

(continued)

	<i>Court/Police</i>		<i>Glenn Rd Bridge</i>	<i>Sky Climber/</i>		<i>Municipal</i>
	<i>Building</i>		<i>TIF</i>	<i>V&P TIF</i>	<i>Mill Run TIF</i>	<i>Court</i>
	<i>Income Tax</i>	<i>Airport TIF</i>				
Revenues						
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Income Taxes	24	0	0	0	0	0
Payments in Lieu of Taxes	0	24,443	172,300	46,062	134,834	0
Intergovernmental	0	0	23,588	0	0	0
Interest	0	0	23,747	0	0	0
Fees, Licenses and Permits	0	0	0	0	0	0
Fines and Forfeitures	0	0	0	0	0	1,756,339
Charges for Services	0	0	0	0	0	2,329
Contributions and Donations	0	0	0	0	0	0
Reimbursements	0	0	0	0	0	0
Miscellaneous	0	0	0	0	0	0
<i>Total Revenues</i>	<u>24</u>	<u>24,443</u>	<u>219,635</u>	<u>46,062</u>	<u>134,834</u>	<u>1,758,668</u>
Expenditures						
Current:						
Public Safety						
Police/911	0	0	0	0	0	0
Fire	0	0	0	0	0	0
Muni Court	0	0	0	0	0	2,283,088
Parks & Facilities	0	0	0	0	0	0
Community Development	0	0	0	0	0	0
Airport	0	0	0	0	0	0
Public Works	0	0	1,440,255	0	0	0
General Government	3,978	0	0	46,062	134,834	0
Interest and Fiscal Charges	0	0	10,014	0	0	0
Refunds & Reimbursements	0	22,790	0	0	0	0
<i>Total Expenditures</i>	<u>3,978</u>	<u>22,790</u>	<u>1,450,269</u>	<u>46,062</u>	<u>134,834</u>	<u>2,283,088</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(3,954)</u>	<u>1,653</u>	<u>(1,230,634)</u>	<u>0</u>	<u>0</u>	<u>(524,420)</u>
Other Financing Sources (Uses)						
Sale of Assets	0	0	0	0	0	0
Transfers In	0	0	0	0	0	432,000
Transfers Out	0	0	(1,520,000)	0	0	(13,196)
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>(1,520,000)</u>	<u>0</u>	<u>0</u>	<u>418,804</u>
Special Item						
Transfer of Cemetery fund balance upon dissolution	0	0	0	0	0	0
<i>Net Change in Fund Balances</i>	<u>(3,954)</u>	<u>1,653</u>	<u>(2,750,634)</u>	<u>0</u>	<u>0</u>	<u>(105,616)</u>
<i>Fund Balances (Deficits) Beginning of Year</i>	<u>4,836</u>	<u>0</u>	<u>(9,867)</u>	<u>0</u>	<u>0</u>	<u>656,791</u>
<i>Fund Balances (Deficits) End of Year</i>	<u>\$ 882</u>	<u>\$ 1,653</u>	<u>\$ (2,760,501)</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 551,175</u>

(continued)

City of Delaware, Ohio
 Combining Statement of Revenues,
 Expenditures and Changes in Fund Balances
 (Deficits)
 Nonmajor Special Revenue Funds
 For the Year Ended December 31, 2012

(continued)

	OMVI						
	Drug	Court Alcohol	Enforcement	Police	Park Exaction	Computer Legal	
	Enforcement	Treatment	& Education	Judgment	Fees	Research	
	IDIAM						
Revenues							
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Income Taxes	0	0	0	0	0	0	0
Payments in Lieu of Taxes	0	0	0	0	0	0	0
Intergovernmental	0	0	0	0	0	0	0
Interest	0	0	0	0	0	0	0
Fees, Licenses and Permits	0	0	0	0	0	0	0
Fines and Forfeitures	17,946	3,922	51,654	1,486	30,666	0	246,221
Charges for Services	0	0	0	0	0	0	0
Contributions and Donations	0	0	0	0	0	0	0
Reimbursements	0	0	0	0	0	400,000	0
Miscellaneous	0	277	0	0	0	0	460
Total Revenues	17,946	4,199	51,654	1,486	30,666	400,000	246,681
Expenditures							
Current:							
Public Safety							
Police/911	0	514	0	0	27,098	0	0
Fire	0	0	0	0	0	0	0
Muni Court	19,499	0	70,660	0	0	0	161,992
Parks & Facilities	0	0	0	0	0	399,743	0
Community Development	0	0	0	0	0	0	0
Airport	0	0	0	0	0	0	0
Public Works	0	0	0	0	0	0	0
General Government	0	0	0	0	0	0	0
Interest and Fiscal Charges	0	0	0	0	0	0	0
Refunds & Reimbursements	0	0	0	0	0	0	0
Total Expenditures	19,499	514	70,660	0	27,098	399,743	161,992
Excess of Revenues Over (Under) Expenditures	(1,553)	3,685	(19,006)	1,486	3,568	257	84,689
Other Financing Sources (Uses)							
Sale of Assets	0	0	0	0	0	0	0
Transfers In	0	0	0	0	0	0	0
Transfers Out	0	0	0	0	0	0	(100,000)
Total Other Financing Sources (Uses)	0	0	0	0	0	0	(100,000)
Special Item							
Transfer of Cemetery fund balance upon dissolution	0	0	0	0	0	0	0
Net Change in Fund Balances	(1,553)	3,685	(19,006)	1,486	3,568	257	(15,311)
Fund Balances (Deficits) Beginning of Year	8,558	43,052	619,423	8,250	59,752	68,261	273,012
Fund Balances (Deficits) End of Year	\$ 7,005	\$ 46,737	\$ 600,417	\$ 9,736	\$ 63,320	\$ 68,518	\$ 257,701

(continued)

City of Delaware, Ohio
Combining Statement of Revenues,
Expenditures and Changes in Fund Balances
(Deficits)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2012

(continued)

	<i>Court Special Projects</i>	<i>Indigent EMHA</i>	<i>Probation Services</i>	<i>Police & Fire Pension</i>	<i>Community Dev. Block Grant</i>	<i>Revolving Loan</i>	<i>Housing Program Income</i>
Revenues							
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 366,314	\$ 0	\$ 0	\$ 0
Income Taxes	0	0	0	0	0	0	0
Payments in Lieu of Taxes	0	0	0	0	0	0	0
Intergovernmental	0	0	0	42,234	95,000	0	0
Interest	0	0	0	0	0	754	0
Fees, Licenses and Permits	0	0	0	0	0	0	0
Fines and Forfeitures	240,445	0	277,420	0	0	0	0
Charges for Services	0	0	0	0	0	74,930	0
Contributions and Donations	0	0	0	0	0	0	0
Reimbursements	0	0	0	0	0	0	0
Miscellaneous	0	0	0	0	0	0	0
<i>Total Revenues</i>	<u>240,445</u>	<u>0</u>	<u>277,420</u>	<u>408,548</u>	<u>95,000</u>	<u>75,684</u>	<u>0</u>
Expenditures							
Current:							
Public Safety							
Police/911	0	0	0	204,274	0	0	0
Fire	0	0	0	204,274	0	0	0
Muni Court	24,398	33,611	7,101	0	0	0	0
Parks & Facilities	0	0	0	0	0	0	0
Community Development	0	0	0	0	95,000	175,774	0
Airport	0	0	0	0	0	0	0
Public Works	0	0	0	0	0	0	0
General Government	0	0	0	0	0	0	0
Interest and Fiscal Charges	0	0	0	0	0	0	0
Refunds & Reimbursements	0	0	0	0	0	0	0
<i>Total Expenditures</i>	<u>24,398</u>	<u>33,611</u>	<u>7,101</u>	<u>408,548</u>	<u>95,000</u>	<u>175,774</u>	<u>0</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>216,047</u>	<u>(33,611)</u>	<u>270,319</u>	<u>0</u>	<u>0</u>	<u>(100,090)</u>	<u>0</u>
Other Financing Sources (Uses)							
Sale of Assets	0	0	0	0	0	0	0
Transfers In	0	0	0	0	0	0	0
Transfers Out	(50,000)	0	(282,000)	0	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>(50,000)</u>	<u>0</u>	<u>(282,000)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Special Item							
Transfer of Cemetery fund balance upon dissolution	0	0	0	0	0	0	0
<i>Net Change in Fund Balances</i>	<u>166,047</u>	<u>(33,611)</u>	<u>(11,681)</u>	<u>0</u>	<u>0</u>	<u>(100,090)</u>	<u>0</u>
<i>Fund Balances (Deficits) Beginning of Year</i>	<u>491,224</u>	<u>33,611</u>	<u>355,243</u>	<u>0</u>	<u>2,530</u>	<u>1,815,743</u>	<u>24,878</u>
<i>Fund Balances (Deficits) End of Year</i>	<u>\$ 657,271</u>	<u>\$ 0</u>	<u>\$ 343,562</u>	<u>\$ 0</u>	<u>\$ 2,530</u>	<u>\$ 1,715,653</u>	<u>\$ 24,878</u>

(continued)

City of Delaware, Ohio
*Combining Statement of Revenues,
 Expenditures and Changes in Fund Balances
 (Deficits)*
Nonmajor Special Revenue Funds
 For the Year Ended December 31, 2012

(continued)

	<i>ONSP Grant</i>	<i>CHIP</i>	<i>Fire Donations</i>	<i>Park Donations</i>	<i>Police Donations</i>	<i>Mayor Donations</i>	<i>Project Trust</i>
Revenues							
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Income Taxes	0	0	0	0	0	0	0
Payments in Lieu of Taxes	0	0	0	0	0	0	0
Intergovernmental	193,006	0	0	0	0	0	0
Interest	0	0	0	0	0	0	0
Fees, Licenses and Permits	0	0	0	0	0	0	32,257
Fines and Forfeitures	0	0	0	0	0	0	0
Charges for Services	0	0	0	0	0	0	0
Contributions and Donations	0	0	0	0	6	1,100	0
Reimbursements	0	0	0	0	0	0	0
Miscellaneous	0	0	0	0	0	0	0
<i>Total Revenues</i>	<u>193,006</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>6</u>	<u>1,100</u>	<u>32,257</u>
Expenditures							
Current:							
Public Safety							
Police/911	0	0	0	0	1,777	0	0
Fire	0	0	0	0	0	0	0
Muni Court	0	0	0	0	0	0	0
Parks & Facilities	0	0	0	0	0	0	0
Community Development	63,854	167,708	0	0	0	0	0
Airport	0	0	0	0	0	0	0
Public Works	0	0	0	0	0	0	110,731
General Government	0	0	0	0	0	1,095	0
Interest and Fiscal Charges	0	0	0	0	0	0	0
Refunds & Reimbursements	0	0	0	0	0	0	0
<i>Total Expenditures</i>	<u>63,854</u>	<u>167,708</u>	<u>0</u>	<u>0</u>	<u>1,777</u>	<u>1,095</u>	<u>110,731</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>129,152</u>	<u>(167,708)</u>	<u>0</u>	<u>0</u>	<u>(1,771)</u>	<u>5</u>	<u>(78,474)</u>
Other Financing Sources (Uses)							
Sale of Assets	0	0	0	0	0	0	0
Transfers In	0	0	0	0	0	0	0
Transfers Out	0	0	0	0	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Special Item							
Transfer of Cemetery fund balance upon dissolution	0	0	0	0	0	0	0
<i>Net Change in Fund Balances</i>	<u>129,152</u>	<u>(167,708)</u>	<u>0</u>	<u>0</u>	<u>(1,771)</u>	<u>5</u>	<u>(78,474)</u>
<i>Fund Balances (Deficits) Beginning of Year</i>	<u>589,200</u>	<u>0</u>	<u>5,042</u>	<u>48</u>	<u>9,202</u>	<u>1,727</u>	<u>507,357</u>
<i>Fund Balances (Deficits) End of Year</i>	<u>\$ 718,352</u>	<u>\$ (167,708)</u>	<u>\$ 5,042</u>	<u>\$ 48</u>	<u>\$ 7,431</u>	<u>\$ 1,732</u>	<u>\$ 428,883</u>

(continued)

City of Delaware, Ohio
*Combining Statement of Revenues,
 Expenditures and Changes in Fund Balances
 (Deficits)
 Nonmajor Special Revenue Funds
 For the Year Ended December 31, 2012*

(continued)

	<i>Municipal Court</i>		
	<i>Unclaimed Funds</i>	<i>Unclaimed Funds</i>	<i>Total</i>
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 366,314
Income Taxes	0	0	24
Payments in Lieu of Taxes	0	0	377,639
Intergovernmental	0	0	2,000,625
Interest	0	0	24,558
Fees, Licenses and Permits	0	0	32,257
Fines and Forfeitures	0	0	2,626,099
Charges for Services	0	0	917,853
Contributions and Donations	0	0	1,934
Reimbursements	0	0	467,843
Miscellaneous	<u>8,329</u>	<u>5,465</u>	<u>26,300</u>
<i>Total Revenues</i>	<u>8,329</u>	<u>5,465</u>	<u>6,841,446</u>
Expenditures			
Current:			
Public Safety			
Police/911	0	0	233,663
Fire	0	0	204,274
Muni Court	0	0	2,600,349
Parks & Facilities	0	0	413,761
Community Development	0	0	502,336
Airport	0	0	785,459
Public Works	0	0	3,961,943
General Government	0	0	185,969
Interest and Fiscal Charges	0	0	10,014
Refunds & Reimbursements	<u>3,672</u>	<u>574</u>	<u>27,036</u>
<i>Total Expenditures</i>	<u>3,672</u>	<u>574</u>	<u>8,924,804</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>4,657</u>	<u>4,891</u>	<u>(2,083,358)</u>
Other Financing Sources (Uses)			
Sale of Assets	0	0	4,349
Transfers In	0	13,196	1,310,196
Transfers Out	<u>0</u>	<u>0</u>	<u>(2,044,945)</u>
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>13,196</u>	<u>(730,400)</u>
Special Item			
Transfer of Cemetery fund balance upon dissolution	<u>0</u>	<u>0</u>	<u>1,808</u>
<i>Net Change in Fund Balances</i>	4,657	18,087	(2,811,950)
<i>Fund Balances (Deficits) Beginning of Year</i>	<u>12,305</u>	<u>3,730</u>	<u>6,591,071</u>
<i>Fund Balances (Deficits) End of Year</i>	<u>\$ 16,962</u>	<u>\$ 21,817</u>	<u>\$ 3,779,121</u>

City of Delaware, Ohio
*Combining Statement of Revenues,
 Expenditures and Changes in Fund Balances
 (Deficits)
 Nonmajor Debt Service Funds
 For the Year Ended December 31, 2012*

	<i>General Obligation Bond Retirement</i>	<i>Park Improvement Bond</i>	<i>Total</i>
Revenues			
Interest	\$ 2,812	\$ 340	\$ 3,152
Reimbursements	<u>22,790</u>	<u>0</u>	<u>22,790</u>
<i>Total Revenues</i>	<u>25,602</u>	<u>340</u>	<u>25,942</u>
Expenditures			
Current:			
General Government	1,593	0	1,593
Debt Service:			
Principal Retirement	565,000	400,000	965,000
Interest and Fiscal Charges	265,276	807,389	1,072,665
Bond Issuance Costs	<u>53,163</u>	<u>0</u>	<u>53,163</u>
<i>Total Expenditures</i>	<u>885,032</u>	<u>1,207,389</u>	<u>2,092,421</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(859,430)</u>	<u>(1,207,049)</u>	<u>(2,066,479)</u>
Other Financing Sources (Uses)			
Proceeds of Bonds	3,395,000	0	3,395,000
Premium on Bond Issuance	65,710	0	65,710
Discount on Bond Issuance	(24,058)	0	(24,058)
Payments to Escrow Agent	(3,383,489)	0	(3,383,489)
Transfers In	<u>830,277</u>	<u>1,209,222</u>	<u>2,039,499</u>
<i>Total Other Financing Sources (Uses)</i>	<u>883,440</u>	<u>1,209,222</u>	<u>2,092,662</u>
<i>Net Change in Fund Balances</i>	24,010	2,173	26,183
<i>Fund Balances (Deficits) Beginning of Year</i>	<u>(58,749)</u>	<u>101,055</u>	<u>42,306</u>
<i>Fund Balances (Deficits) End of Year</i>	<u>\$ (34,739)</u>	<u>\$ 103,228</u>	<u>\$ 68,489</u>

City of Delaware, Ohio

*Combining Statement of Revenues, Expenditures and
Changes in Fund Balances (Deficits)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2012*

	<i>FAA Airport</i>				
	<i>FAA Airport</i>	<i>FAA Airport</i>	<i>Equipment</i>	<i>Park Impact</i>	<i>Police Impact</i>
	<i>Expansion</i>	<i>Allocation</i>	<i>Replacement</i>	<i>Fees</i>	<i>Fees</i>
Revenues					
Intergovernmental	\$ 0	\$ 29,994	\$ 0	\$ 0	\$ 0
Interest	0	0	0	304	10,503
Impact Fees	0	0	0	211,779	31,715
Charges for Services	0	0	0	0	0
<i>Total Revenues</i>	<u>0</u>	<u>29,994</u>	<u>0</u>	<u>212,083</u>	<u>42,218</u>
Expenditures					
Current:					
Police/911	0	0	0	0	810
Airport	0	20,621	0	0	0
Public Works	0	0	0	0	0
General Government	0	0	0	0	0
Capital Outlay	0	0	410,178	0	0
Debt Service:					
Interest and Fiscal Charges	0	0	0	0	14,835
<i>Total Expenditures</i>	<u>0</u>	<u>20,621</u>	<u>410,178</u>	<u>0</u>	<u>15,645</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>0</u>	<u>9,373</u>	<u>(410,178)</u>	<u>212,083</u>	<u>26,573</u>
Other Financing Sources (Uses)					
Transfers In	0	14,750	370,000	0	0
Transfers Out	0	0	0	(116,790)	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>14,750</u>	<u>370,000</u>	<u>(116,790)</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	0	24,123	(40,178)	95,293	26,573
<i>Fund Balances (Deficits) Beginning of Year</i>	<u>16,221</u>	<u>(159,839)</u>	<u>294,789</u>	<u>338,214</u>	<u>(657,948)</u>
<i>Fund Balances (Deficits) End of Year</i>	<u>\$ 16,221</u>	<u>\$ (135,716)</u>	<u>\$ 254,611</u>	<u>\$ 433,507</u>	<u>\$ (631,375)</u>

(continued)

City of Delaware, Ohio

*Combining Statement of Revenues, Expenditures
and Changes in Fund Balances (Deficits)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2012*

(continued)

	<i>Fire Impact Fees</i>	<i>Municipal Impact Fees</i>	<i>Glenn Rd M Construction</i>	<i>Glenn Rd N Construction</i>	<i>Total</i>
Revenues					
Intergovernmental	\$ 0	\$ 0	\$ 0	\$ 0	\$ 29,994
Interest	200	23,141	61	129	34,338
Impact Fees	61,972	70,219	0	0	375,685
Charges for Services	0	45,000	0	0	45,000
<i>Total Revenues</i>	<u>62,172</u>	<u>138,360</u>	<u>61</u>	<u>129</u>	<u>485,017</u>
Expenditures					
Current:					
Police/911	0	0	0	0	810
Airport	0	0	0	0	20,621
Public Works	0	0	0	5,684	5,684
General Government	0	1,808	0	0	1,808
Capital Outlay	601,679	0	0	0	1,011,857
Debt Service:					
Interest and Fiscal Charges	0	32,284	0	5,797	52,916
<i>Total Expenditures</i>	<u>601,679</u>	<u>34,092</u>	<u>0</u>	<u>11,481</u>	<u>1,093,696</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(539,507)</u>	<u>104,268</u>	<u>61</u>	<u>(11,352)</u>	<u>(608,679)</u>
Other Financing Sources (Uses)					
Transfers In	0	0	1,520,000	0	1,904,750
Transfers Out	0	0	0	0	(116,790)
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>1,520,000</u>	<u>0</u>	<u>1,787,960</u>
<i>Net Change in Fund Balances</i>	<u>(539,507)</u>	<u>104,268</u>	<u>1,520,061</u>	<u>(11,352)</u>	<u>1,179,281</u>
<i>Fund Balances (Deficits) Beginning of Year</i>	<u>546,861</u>	<u>(1,876,910)</u>	<u>(1,435,410)</u>	<u>(404,219)</u>	<u>(3,338,241)</u>
<i>Fund Balances (Deficits) End of Year</i>	<u>\$ 7,354</u>	<u>\$ (1,772,642)</u>	<u>\$ 84,651</u>	<u>\$ (415,571)</u>	<u>\$ (2,158,960)</u>

Combining Statements – Nonmajor Enterprise Funds

Enterprise Funds

Golf Course Fund – To account for funds received and used at the City’s Municipal Golf Course.

Parking Lots Fund – To account for funds received from the rental of City-owned parking lots and meters. The receipts are used to purchase and maintain traffic enforcement equipment, parking lots, and meters.

Watershed Grant Fund – To account for the funds received from the Environmental Protection Agency which are used to monitor and analyze the water quality of the Upper Olentangy River Watershed, used by the City to provide water to its residents.

City of Delaware, Ohio
Combining Statement of Fund Net Position
Nonmajor Enterprise Funds
December 31, 2012

	<u>Golf Course</u>	<u>Parking Lots</u>	<u>Watershed Grant</u>	<u>Total</u>
Assets				
<i>Current Assets:</i>				
Equity in Pooled Cash and Cash Equivalents	\$ 103,191	\$ 17,233	\$ 0	\$ 120,424
Materials and Supplies Inventory	614	0	0	614
Prepaid Items	945	0	0	945
<i>Total Current Assets</i>	<u>104,750</u>	<u>17,233</u>	<u>0</u>	<u>121,983</u>
<i>Noncurrent Assets:</i>				
Capital Assets:				
Nondepreciable Capital Assets	8,500	202,254	0	210,754
Depreciable Capital Assets, Net	<u>199,050</u>	<u>0</u>	<u>0</u>	<u>199,050</u>
<i>Total Noncurrent Assets</i>	<u>207,550</u>	<u>202,254</u>	<u>0</u>	<u>409,804</u>
<i>Total Assets</i>	<u>312,300</u>	<u>219,487</u>	<u>0</u>	<u>531,787</u>
Liabilities				
<i>Current Liabilities:</i>				
Accounts Payable	164	289	0	453
Accrued Wages & Benefits	2,569	0	0	2,569
Compensated Absences Payable	<u>5,214</u>	<u>0</u>	<u>0</u>	<u>5,214</u>
<i>Total Current Liabilities</i>	<u>7,947</u>	<u>289</u>	<u>0</u>	<u>8,236</u>
<i>Long-Term Liabilities:</i>				
Compensated Absences Payable	<u>15,292</u>	<u>0</u>	<u>0</u>	<u>15,292</u>
<i>Total Long-Term Liabilities</i>	<u>15,292</u>	<u>0</u>	<u>0</u>	<u>15,292</u>
<i>Total Liabilities</i>	<u>23,239</u>	<u>289</u>	<u>0</u>	<u>23,528</u>
Net Position				
Net Investment in Capital Assets	207,550	202,254	0	409,804
Unrestricted	<u>81,511</u>	<u>16,944</u>	<u>0</u>	<u>98,455</u>
<i>Total Net Position</i>	<u>\$ 289,061</u>	<u>\$ 219,198</u>	<u>\$ 0</u>	<u>\$ 508,259</u>

City of Delaware, Ohio
*Combining Statement of Revenues,
 Expenses and Changes in Fund Net Position
 Nonmajor Enterprise Funds
 For the Year Ended December 31, 2012*

	<i>Golf Course</i>	<i>Parking Lots</i>	<i>Watershed Grant</i>	<i>Total</i>
Operating Revenues				
Charges for Services	\$ 181,721	\$ 43,374	\$ 0	\$ 225,095
Miscellaneous	<u>1,406</u>	<u>0</u>	<u>0</u>	<u>1,406</u>
<i>Total Operating Revenues</i>	<u>183,127</u>	<u>43,374</u>	<u>0</u>	<u>226,501</u>
Operating Expenses				
Personal Services	129,010	0	0	129,010
Services and Charges	14,123	74,149	14,000	102,272
Materials and Supplies	21,513	0	0	21,513
Depreciation	<u>5,031</u>	<u>0</u>	<u>0</u>	<u>5,031</u>
<i>Total Operating Expenses</i>	<u>169,677</u>	<u>74,149</u>	<u>14,000</u>	<u>257,826</u>
<i>Operating Income (Loss)</i>	<u>13,450</u>	<u>(30,775)</u>	<u>(14,000)</u>	<u>(31,325)</u>
Non-Operating Revenues				
Intergovernmental	<u>0</u>	<u>0</u>	<u>14,000</u>	<u>14,000</u>
<i>Total Non-Operating Revenues</i>	<u>0</u>	<u>0</u>	<u>14,000</u>	<u>14,000</u>
<i>Change in Net Position</i>	13,450	(30,775)	0	(17,325)
<i>Net Position Beginning of Year</i>	<u>275,611</u>	<u>249,973</u>	<u>0</u>	<u>525,584</u>
<i>Net Position End of Year</i>	<u>\$ 289,061</u>	<u>\$ 219,198</u>	<u>\$ 0</u>	<u>\$ 508,259</u>

City of Delaware, Ohio
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Year Ended December 31, 2012

	Enterprise Funds			
	<i>Golf Course</i>	<i>Parking Lots</i>	<i>Watershed Grant</i>	<i>Total</i>
Increase (Decrease) in Cash and Cash Equivalents				
Cash Flows from Operating Activities				
Cash Received from Customers	\$ 181,719	\$ 43,374	\$ 0	\$ 225,093
Cash Payments for Personal Services	(129,990)	0	0	(129,990)
Cash Payments for Materials and Supplies	(19,607)	0	0	(19,607)
Cash Payments for Services and Charges	(15,285)	(74,112)	(14,000)	(103,397)
Other Cash Receipts or Payments	1,378	0	0	1,378
<i>Net Cash Provided by (Used in) Operating Activities</i>	<u>18,215</u>	<u>(30,738)</u>	<u>(14,000)</u>	<u>(26,523)</u>
Cash Flows from Noncapital Financing Activities				
Operating Grant Received from State Agency	0	0	14,000	14,000
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	18,215	(30,738)	0	(12,523)
<i>Cash and Cash Equivalents Beginning of Year</i>	<u>84,976</u>	<u>47,971</u>	<u>0</u>	<u>132,947</u>
<i>Cash and Cash Equivalents End of Year</i>	<u>\$ 103,191</u>	<u>\$ 17,233</u>	<u>\$ 0</u>	<u>\$ 120,424</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities				
Operating Income (Loss)	\$ 13,450	\$ (30,775)	\$ (14,000)	\$ (31,325)
Adjustments:				
Depreciation	5,031	0	0	5,031
(Increase) Decrease in Assets:				
Materials and Supplies Inventory	958	0	0	958
Increase (Decrease) in Liabilities:				
Accounts Payable	(244)	37	0	(207)
Accrued Wages and Benefits	(62)	0	0	(62)
Compensated Absences Payable	(918)	0	0	(918)
<i>Net Cash Provided by (Used in) Operating Activities</i>	<u>\$ 18,215</u>	<u>\$ (30,738)</u>	<u>\$ (14,000)</u>	<u>\$ (26,523)</u>

Combining Statements – Internal Service Funds

Internal Service Funds

Garage Rotary Fund – To account for the fuel, maintenance and repair for all City vehicles and machinery. The cost is allocated to the various departments.

Info Tech Rotary Fund – To account for the staff, system support, and purchases of the City's technology and GIS department. The cost is allocated to the various departments supported.

Self-insurance Fund – To account for premiums charged to various City funds for the payment of employee health care claims.

Worker's Compensation Fund – To account for the potential worker's compensation claims of the City. The City utilizes a retro-payment system where annual premiums are paid, as are retroactive claims. The City charges various departments for these premiums and payments.

City of Delaware, Ohio
Combining Statement of Fund Net Position
Internal Service Funds
December 31, 2012

	<u>Garage Rotary</u>	<u>Info Tech Rotary</u>	<u>Self-Insurance</u>	<u>Workers Compensation</u>	<u>Total</u>
Assets					
<i>Current Assets:</i>					
Equity in Pooled Cash and Cash Equivalents	\$ 328,528	\$ 315,881	\$ 3,710,467	\$ 1,287,410	\$ 5,642,286
Prepaid Items	<u>0</u>	<u>12,784</u>	<u>0</u>	<u>3,333</u>	<u>16,117</u>
<i>Total Current Assets</i>	<u>328,528</u>	<u>328,665</u>	<u>3,710,467</u>	<u>1,290,743</u>	<u>5,658,403</u>
<i>Noncurrent Assets:</i>					
<i>Capital Assets:</i>					
Depreciable Capital Assets, Net	<u>2,746</u>	<u>9,191</u>	<u>0</u>	<u>0</u>	<u>11,937</u>
<i>Total Noncurrent Assets</i>	<u>2,746</u>	<u>9,191</u>	<u>0</u>	<u>0</u>	<u>11,937</u>
<i>Total Assets</i>	<u>331,274</u>	<u>337,856</u>	<u>3,710,467</u>	<u>1,290,743</u>	<u>5,670,340</u>
Liabilities					
<i>Current Liabilities:</i>					
Accounts Payable	12,359	10,386	0	0	22,745
Accrued Wages & Benefits	7,450	10,479	0	0	17,929
Contracts Payable	0	14,441	0	0	14,441
Compensated Absences Payable	11,174	14,945	0	0	26,119
Claims Payable	<u>0</u>	<u>0</u>	<u>111,919</u>	<u>0</u>	<u>111,919</u>
<i>Total Current Liabilities</i>	<u>30,983</u>	<u>50,251</u>	<u>111,919</u>	<u>0</u>	<u>193,153</u>
<i>Long-Term Liabilities:</i>					
Compensated Absences Payable	21,317	41,491	0	0	62,808
Claims Payable	<u>0</u>	<u>0</u>	<u>31,738</u>	<u>663,094</u>	<u>694,832</u>
<i>Total Long-Term Liabilities</i>	<u>21,317</u>	<u>41,491</u>	<u>31,738</u>	<u>663,094</u>	<u>757,640</u>
<i>Total Liabilities</i>	<u>52,300</u>	<u>91,742</u>	<u>143,657</u>	<u>663,094</u>	<u>950,793</u>
Net Position					
Net Investment in Capital Assets	2,746	9,191	0	0	11,937
Restricted for Claims	0	0	3,566,810	627,649	4,194,459
Restricted for Other Purposes	<u>276,228</u>	<u>236,923</u>	<u>0</u>	<u>0</u>	<u>513,151</u>
<i>Total Net Position</i>	<u>\$ 278,974</u>	<u>\$ 246,114</u>	<u>\$ 3,566,810</u>	<u>\$ 627,649</u>	<u>\$ 4,719,547</u>

City of Delaware, Ohio
*Combining Statement of Revenues,
Expenses and Changes in Fund Net Position
Internal Service Funds
For the Year Ended December 31, 2012*

	<i>Garage Rotary</i>	<i>Info Tech Rotary</i>	<i>Self-Insurance</i>	<i>Workers Compensation</i>	<i>Total</i>
Operating Revenues					
Charges for Services	\$ 528,102	\$ 667,505	\$ 3,960,371	\$ 496,580	\$ 5,652,558
Reimbursements	<u>0</u>	<u>358</u>	<u>167,763</u>	<u>79</u>	<u>168,200</u>
<i>Total Operating Revenues</i>	<u>528,102</u>	<u>667,863</u>	<u>4,128,134</u>	<u>496,659</u>	<u>5,820,758</u>
Operating Expenses					
Personal Services	259,479	313,848	0	0	573,327
Services and Charges	18,568	325,641	577,754	8,800	930,763
Materials and Supplies	185,691	8,005	0	0	193,696
Depreciation	1,611	5,726	0	0	7,337
Claims	<u>0</u>	<u>0</u>	<u>3,185,319</u>	<u>409,249</u>	<u>3,594,568</u>
<i>Total Operating Expenses</i>	<u>465,349</u>	<u>653,220</u>	<u>3,763,073</u>	<u>418,049</u>	<u>5,299,691</u>
<i>Change in Net Position</i>	62,753	14,643	365,061	78,610	521,067
<i>Net Position Beginning of Year</i>	<u>216,221</u>	<u>231,471</u>	<u>3,201,749</u>	<u>549,039</u>	<u>4,198,480</u>
<i>Net Position End of Year</i>	<u>\$ 278,974</u>	<u>\$ 246,114</u>	<u>\$ 3,566,810</u>	<u>\$ 627,649</u>	<u>\$ 4,719,547</u>

City of Delaware, Ohio
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended December 31, 2012

	Internal Service Funds				
	<i>Garage Rotary</i>	<i>Info Tech Rotary</i>	<i>Self-Insurance</i>	<i>Workers</i>	<i>Total</i>
				<i>Compensation</i>	
Increase in Cash and Cash Equivalents					
Cash Flows from Operating Activities					
Cash Received from Customers	\$ 528,102	\$ 667,505	\$ 0	\$ 0	\$ 1,195,607
Cash Received for Premiums	0	0	3,960,371	496,580	4,456,951
Cash Payments for Personal Services	(268,159)	(307,714)	0	0	(575,873)
Cash Payments for Materials and Supplies	(190,805)	(9,014)	0	0	(199,819)
Cash Payments for Services and Charges	(19,262)	(312,469)	(557,404)	(8,800)	(897,935)
Cash Payments for Claims	0	0	(3,309,892)	(328,556)	(3,638,448)
Other Cash Receipts or Payments	0	358	147,413	79	147,850
<i>Net Cash Provided by Operating Activities</i>	<u>49,876</u>	<u>38,666</u>	<u>240,488</u>	<u>159,303</u>	<u>488,333</u>
<i>Net Increase in Cash and Cash Equivalents</i>	49,876	38,666	240,488	159,303	488,333
<i>Cash and Cash Equivalents Beginning of Year</i>	<u>278,652</u>	<u>277,215</u>	<u>3,469,979</u>	<u>1,128,107</u>	<u>5,153,953</u>
<i>Cash and Cash Equivalents End of Year</i>	<u>\$ 328,528</u>	<u>\$ 315,881</u>	<u>\$ 3,710,467</u>	<u>\$ 1,287,410</u>	<u>\$ 5,642,286</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities					
Operating Income	\$ 62,753	\$ 14,643	\$ 365,061	\$ 78,610	\$ 521,067
Adjustments:					
Depreciation	1,611	5,726	0	0	7,337
(Increase) Decrease in Assets:					
Prepaid Items	0	(6,476)	0	0	(6,476)
Increase (Decrease) in Liabilities:					
Accounts Payable	(5,774)	4,198	0	0	(1,576)
Contracts Payable	0	14,441	0	0	14,441
Accrued Wages and Benefits	(1,064)	641	0	0	(423)
Compensated Absences Payable	(7,650)	5,493	0	0	(2,157)
Claims Payable	0	0	(124,573)	80,693	(43,880)
<i>Net Cash Provided by Operating Activities</i>	<u>\$ 49,876</u>	<u>\$ 38,666</u>	<u>\$ 240,488</u>	<u>\$ 159,303</u>	<u>\$ 488,333</u>

Combining Statements –Fiduciary Fund

Agency Funds

Highway Patrol Transfer Fund – To account for money received from fines and forfeitures used to support the Delaware County Law Library.

State Building Permit Fund – To account for the allocation of permit fees collected by the City that are due to the State.

Tax Abatement Fund – To account for tax abatements from businesses paid to the Olentangy Local School District.

Municipal Court – To account for the collection and distribution of court fines and forfeitures through the Municipal Court.

City of Delaware, Ohio
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Year Ended December 31, 2012

	<i>Balance at January</i>		<i>Balance at</i>	
	<i>1, 2012</i>	<i>Additions</i>	<i>Reductions</i>	<i>December 31, 2012</i>
Highway Patrol Transfer				
Assets				
Due from Other Governments	\$ 3,665	\$ 51,327	\$ 51,998	\$ 2,994
<i>Total Assets</i>	<u>\$ 3,665</u>	<u>\$ 51,327</u>	<u>\$ 51,998</u>	<u>\$ 2,994</u>
Liabilities				
Due to Other Governments	\$ 3,665	\$ 51,327	\$ 51,998	\$ 2,994
<i>Total Liabilities</i>	<u>\$ 3,665</u>	<u>\$ 51,327</u>	<u>\$ 51,998</u>	<u>\$ 2,994</u>
State Building Permit Fund				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$ 455	\$ 4,399	\$ 4,549	\$ 305
<i>Total Assets</i>	<u>\$ 455</u>	<u>\$ 4,399</u>	<u>\$ 4,549</u>	<u>\$ 305</u>
Liabilities				
Due to Other Governments	\$ 455	\$ 4,399	\$ 4,549	\$ 305
<i>Total Liabilities</i>	<u>\$ 455</u>	<u>\$ 4,399</u>	<u>\$ 4,549</u>	<u>\$ 305</u>
Tax Abatement Fund				
Assets				
Other Taxes Receivable	\$ 240,000	\$ 0	\$ 120,000	\$ 120,000
<i>Total Assets</i>	<u>\$ 240,000</u>	<u>\$ 0</u>	<u>\$ 120,000</u>	<u>\$ 120,000</u>
Liabilities				
Due to Other Governments	\$ 240,000	\$ 0	\$ 120,000	\$ 120,000
<i>Total Liabilities</i>	<u>\$ 240,000</u>	<u>\$ 0</u>	<u>\$ 120,000</u>	<u>\$ 120,000</u>
Municipal Court				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$ 203,627	\$ 5,427,634	\$ 5,472,422	\$ 158,839
<i>Total Assets</i>	<u>\$ 203,627</u>	<u>\$ 5,427,634</u>	<u>\$ 5,472,422</u>	<u>\$ 158,839</u>
Liabilities				
Undistributed Assets	\$ 203,627	\$ 5,427,634	\$ 5,472,422	\$ 158,839
<i>Total Liabilities</i>	<u>\$ 203,627</u>	<u>\$ 5,427,634</u>	<u>\$ 5,472,422</u>	<u>\$ 158,839</u>
Totals				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$ 204,082	\$ 5,432,033	\$ 5,476,971	\$ 159,144
Other Taxes Receivable	240,000	0	120,000	120,000
Due from Other Governments	3,665	51,327	51,998	2,994
<i>Total Assets</i>	<u>\$ 447,747</u>	<u>\$ 5,483,360</u>	<u>\$ 5,648,969</u>	<u>\$ 282,138</u>
Liabilities				
Due to Other Governments	\$ 244,120	\$ 55,726	\$ 176,547	\$ 123,299
Undistributed Assets	203,627	5,427,634	5,472,422	158,839
<i>Total Liabilities</i>	<u>\$ 447,747</u>	<u>\$ 5,483,360</u>	<u>\$ 5,648,969</u>	<u>\$ 282,138</u>

City of Delaware, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual--(Budget Basis)

For the Year Ended December 31, 2012

General Fund				
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Income Taxes	\$ 10,583,250	\$ 10,583,250	\$ 10,717,681	\$ 134,431
Property & Other Taxes	1,423,645	1,430,645	1,252,182	(178,463)
Intergovernmental	1,348,418	1,389,438	1,384,801	(4,637)
Charges For Service	247,000	562,000	730,613	168,613
Fines & Court Fees	60,000	70,000	73,966	3,966
Licenses & Permits	754,400	768,000	805,217	37,217
Interest Income	75,000	75,000	15,416	(59,584)
Reimbursements	150,000	180,000	38,670	(141,330)
Donations	0	20,000	21,000	1,000
Miscellaneous	157,000	214,000	142,480	(71,520)
Total Revenues	<u>14,798,713</u>	<u>15,292,333</u>	<u>15,182,026</u>	<u>(110,307)</u>
Expenditures:				
Current:				
Public Safety				
Police				
Personal Services	6,142,100	6,145,800	6,094,327	51,473
Materials & Supplies	182,560	178,860	182,748	(3,888)
Services & Charges	307,162	307,162	289,731	17,431
Capital Outlay	21,107	21,107	17,601	3,506
Prosecutor				
Services & Charges	250	250	0	250
General Admin. - Street Lighting				
Services & Charges	<u>248,000</u>	<u>248,000</u>	<u>242,559</u>	<u>5,441</u>
Total Public Safety	<u>6,901,179</u>	<u>6,901,179</u>	<u>6,826,966</u>	<u>74,213</u>
General Government				
Council				
Personal Services	41,373	44,873	44,496	377
Materials & Supplies	200	200	135	65
Services & Charges	8,760	8,760	5,882	2,878
Capital Outlay	1,000	1,000	0	1,000
City Manager's Office				
Personal Services	300,066	300,066	296,388	3,678
Materials & Supplies	1,500	1,500	770	730
Services & Charges	89,818	102,318	101,641	677
Administrative Services				
Personal Services	194,549	194,549	190,518	4,031
Materials & Supplies	1,554	1,554	1,406	148
Services & Charges	86,421	86,421	71,299	15,122

(continued)

City of Delaware, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual--(Budget Basis)

For the Year Ended December 31, 2012

	General Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Economic Development				
Personal Services	47,095	52,095	49,030	3,065
Materials & Supplies	200	200	15	185
Services & Charges	32,346	32,346	24,296	8,050
Reimbursements	115,000	115,000	108,890	6,110
Legal Affairs				
Personal Services	499,792	499,792	493,018	6,774
Materials & Supplies	5,150	5,150	4,173	977
Services & Charges	25,463	25,463	19,574	5,889
Finance				
Personal Services	639,772	639,772	609,974	29,798
Materials & Supplies	25,129	25,129	18,275	6,854
Services & Charges	215,585	215,585	205,042	10,543
Capital Outlay	1,000	1,000	0	1,000
General Administration				
Services & Charges	297,041	297,041	260,464	36,577
Refunds	73,539	73,539	29,860	43,679
Capital Outlay	7,500	7,500	1,700	5,800
Risk Management				
Services & Charges	209,626	215,626	194,883	20,743
Planning & Community Development				
Personal Services	427,854	427,854	405,504	22,350
Materials & Supplies	10,377	15,197	11,832	3,365
Services & Charges	96,420	94,920	91,102	3,818
Refunds	28,872	28,872	21,267	7,605
Engineering				
Personal Services	497,140	497,140	488,292	8,848
Materials & Supplies	13,537	13,537	8,263	5,274
Services & Charges	89,760	189,760	151,626	38,134
Capital Outlay	1,213	1,213	1,213	0
Municipal Building & Grounds Maintenance				
Personal Services	82,384	82,384	80,555	1,829
Materials & Supplies	21,092	23,972	24,629	(657)
Services & Charges	222,056	221,456	198,400	23,056
Total General Government	4,410,184	4,542,784	4,214,412	328,372

(continued)

City of Delaware, Ohio

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual--(Budget Basis)

For the Year Ended December 31, 2012

	General Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Income Tax Refunds	425,000	425,000	243,050	181,950
Engineering Refunds	84,655	84,655	78,707	5,948
Total Expenditures	<u>11,821,018</u>	<u>11,953,618</u>	<u>11,363,135</u>	<u>590,483</u>
Excess of Revenues Over Expenditures	2,977,695	3,338,715	3,818,891	480,176
Other Financing Sources (Uses):				
Sale of Assets	0	6,000	5,937	(63)
Advances In	0	0	1,045,539	1,045,539
Advances Out	0	0	(1,000,000)	(1,000,000)
Transfers In	0	0	3,672	3,672
Transfers Out	<u>(3,070,000)</u>	<u>(3,345,000)</u>	<u>(3,345,000)</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>(3,070,000)</u>	<u>(3,339,000)</u>	<u>(3,289,852)</u>	<u>49,148</u>
Net Change in Fund Balance	(92,305)	(285)	529,039	529,324
Fund Balance at Beginning of Year:	3,671,983	3,671,983	3,671,983	0
Prior Years Encumbrances	<u>171,094</u>	<u>171,094</u>	<u>171,094</u>	<u>0</u>
Fund Balance at End of Year:	<u>\$ 3,750,772</u>	<u>\$ 3,842,792</u>	<u>\$ 4,372,116</u>	<u>\$ 529,324</u>

City of Delaware, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual [Budget Basis]

For the Year Ended December 31, 2012

	Special Revenue Fund: Fire/EMS Income Tax			Variance from Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Income Taxes	\$ 7,308,886	\$ 7,308,886	\$ 7,357,166	\$ 48,280
Intergovernmental	2,500	2,500	3,444	944
Charges for Services	550,000	550,000	597,321	47,321
Reimbursements	5,000	5,000	713	(4,287)
Miscellaneous	3,500	3,500	237	(3,263)
Total Revenues	<u>7,869,886</u>	<u>7,869,886</u>	<u>7,958,881</u>	<u>88,995</u>
Expenditures:				
Current:				
Public Safety				
Personal Services	6,045,918	6,045,918	5,206,562	839,356
Materials & Supplies	253,366	313,366	294,704	18,662
Services & Charges	433,152	473,152	408,280	64,872
Refunds	0	0	152,025	(152,025)
Capital Outlay	377,190	3,403,790	2,789,192	614,598
Debt Service:				
Capital Lease Principal	170,420	170,420	110,246	60,174
Interest & Fiscal Charges	0	0	19,775	(19,775)
Total Expenditures	<u>7,280,046</u>	<u>10,406,646</u>	<u>8,980,784</u>	<u>1,425,862</u>
Excess (Deficiency) of Revenues Over Expenditures	589,840	(2,536,760)	(1,021,903)	1,514,857
Other Financing Sources (Uses):				
Issuance of Notes	0	2,850,000	2,850,000	0
Premium on Note Issuance	0	11,460	11,457	(3)
Issuance of Capital Lease	0	1,090,176	1,090,176	0
Sale of Assets	0	18,500	18,500	0
Advances Out	0	0	(22,749)	(22,749)
Transfers Out	(139,267)	(139,267)	(72,000)	67,267
Total Other Financing Sources (Uses)	<u>(139,267)</u>	<u>3,830,869</u>	<u>3,875,384</u>	<u>44,515</u>
Net Change in Fund Balance	450,573	1,294,109	2,853,481	1,559,372
Fund Balance at Beginning of Year:	56,677	56,677	56,677	0
Prior Years Encumbrances	356,736	356,736	356,736	0
Fund Balance at End of Year:	<u>\$ 863,986</u>	<u>\$ 1,707,522</u>	<u>\$3,266,894</u>	<u>\$1,559,372</u>

City of Delaware, Ohio*Schedule of Revenues, Expenditures, and Changes in Fund Balance**Budget and Actual [Budget Basis]**For the Year Ended December 31, 2012*

	Special Revenue Fund: Recreation Center Income Tax			Variance
	Original Budget	Final Budget	Actual	from Final Budget
Revenues:				
Income Taxes	\$ 1,587,500	\$ 1,587,500	\$ 1,583,182	\$ (4,318)
Interest Income	3,500	3,500	3,033	(467)
Reimbursements	0	58,000	57,749	(251)
Total Revenues	<u>1,591,000</u>	<u>1,649,000</u>	<u>1,643,964</u>	<u>(5,036)</u>
Expenditures:				
Current:				
Parks & Recreation				
Services & Charges	663,726	663,726	542,501	121,225
Capital Outlay	3,156,956	3,156,956	2,469,729	687,227
Refunds	35,000	35,000	35,850	(850)
Total Expenditures	<u>3,855,682</u>	<u>3,855,682</u>	<u>3,048,080</u>	<u>807,602</u>
Excess (Deficiency) of Revenues Over Expenditures	(2,264,682)	(2,206,682)	(1,404,116)	802,566
Other Financing Uses:				
Transfers Out	<u>(1,207,389)</u>	<u>(1,207,389)</u>	<u>(1,209,222)</u>	<u>(1,833)</u>
Total Other Financing Uses	<u>(1,207,389)</u>	<u>(1,207,389)</u>	<u>(1,209,222)</u>	<u>(1,833)</u>
Net Change in Fund Balance	(3,472,071)	(3,414,071)	(2,613,338)	800,733
Fund Balance at Beginning of Year:	4,334,520	4,334,520	4,334,520	0
Prior Years Encumbrances	<u>909,567</u>	<u>909,567</u>	<u>909,567</u>	<u>0</u>
Fund Balance at End of Year:	<u>\$ 1,772,016</u>	<u>\$ 1,830,016</u>	<u>\$ 2,630,749</u>	<u>\$ 800,733</u>

City of Delaware, Ohio

Schedule of Revenues, Expenditures and Changes In Fund Balance

Budget and Actual [Budget Basis]

For the Year Ended December 31, 2012

	Capital Projects Fund:			
	Capital Improvements			Variance from Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Intergovernmental	\$ 1,553,500	\$ 1,883,500	\$ 726,475	\$(1,157,025)
Charges for Service	93,195	93,195	39,112	(54,083)
Reimbursements	50,000	50,000	0	(50,000)
Total Revenues	<u>1,696,695</u>	<u>2,026,695</u>	<u>765,587</u>	<u>(1,261,108)</u>
Expenditures:				
Current:				
General Government				
Capital Outlay	2,359,716	2,764,716	1,947,440	817,276
Debt Service:				
Principal Retirement	350,000	350,000	350,000	0
Total Expenditures	<u>2,709,716</u>	<u>3,114,716</u>	<u>2,297,440</u>	<u>817,276</u>
Deficiency of Revenues Over Expenditures	(1,013,021)	(1,088,021)	(1,531,853)	(443,832)
Other Financing Sources (Uses):				
Issuance of Notes	250,000	250,000	250,000	0
Transfers In	1,470,237	1,470,237	1,550,000	79,763
Transfers Out	(946,488)	(946,488)	(946,488)	0
Total Other Financing Sources (Uses)	<u>773,749</u>	<u>773,749</u>	<u>853,512</u>	<u>79,763</u>
Net Change in Fund Balance	(239,272)	(314,272)	(678,341)	(364,069)
Fund Balance at Beginning of Year:	660,944	660,944	660,944	0
Prior Years Encumbrances	532,191	532,191	532,191	0
Fund Balance at End of Year:	<u>\$ 953,863</u>	<u>\$ 878,863</u>	<u>\$ 514,794</u>	<u>\$ (364,069)</u>

City of Delaware, Ohio

Schedule of Revenues, Expenditures and Changes In Fund Balance

Budget and Actual [Budget Basis]

For the Year Ended December 31, 2012

	Capital Projects Fund: Glenn Road South Construction			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Impact Fees	\$ 50,000	\$ 90,000	\$ 98,854	\$ 8,854
Intergovernmental	0	0	190,047	190,047
Community Authority Charges	125,000	125,000	0	(125,000)
Interest Income	2,500	2,500	2,454	(46)
Total Revenues	<u>177,500</u>	<u>217,500</u>	<u>291,355</u>	<u>73,855</u>
Expenditure:				
Current:				
Public Works				
Services & Charges	6,595	6,595	23,801	(17,206)
Debt Service:				
Principal Retirement	12,050,000	12,115,458	12,130,000	(14,542)
Interest & Fiscal Charges	217,084	217,084	178,820	38,264
Total Expenditures	<u>12,273,679</u>	<u>12,339,137</u>	<u>12,332,621</u>	<u>6,516</u>
Deficiency of Revenues Over Expenditures	(12,096,179)	(12,121,637)	(12,041,266)	80,371
Other Financing Sources:				
Issuance of Notes	12,100,000	12,100,000	12,305,000	205,000
Premium on Note Issuance	0	0	104,207	104,207
Transfers In	575,000	575,000	0	(575,000)
Total Other Financing Sources	<u>12,675,000</u>	<u>12,675,000</u>	<u>12,409,207</u>	<u>(265,793)</u>
Net Change in Fund Balance	578,821	553,363	367,941	(185,422)
Fund Balance at Beginning of Year:	2,619,413	2,619,413	2,619,413	0
Prior Years Encumbrances	6,595	6,595	6,595	0
Fund Balance at End of Year:	<u>\$ 3,204,829</u>	<u>\$ 3,179,371</u>	<u>\$ 2,993,949</u>	<u>\$ (185,422)</u>

City of Delaware, Ohio
Schedule of Revenues, Expenses, and Changes in Fund Equity
Budget and Actual [Budget Basis]
For the Year Ended December 31, 2012

	Enterprise Fund: Water			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Charges For Service	\$ 4,897,750	\$ 4,897,750	\$ 4,963,951	\$ 66,201
Capacity Fees	650,000	950,000	992,217	42,217
Interest Income	6,000	6,000	5,305	(695)
Water Deposits	50,000	50,000	23,064	(26,936)
Reimbursements	0	5,000	4,800	(200)
Miscellaneous	96,132	99,132	85,696	(13,436)
Total Revenues	5,699,882	6,007,882	6,075,033	67,151
Expenses:				
Administration				
Personal Services	218,129	227,379	226,056	1,323
Materials & Supplies	550	550	336	214
Services & Charges	230,687	231,687	228,958	2,729
Refunds	7,400	7,400	7,723	(323)
Treatment				
Personal Services	634,104	649,104	640,023	9,081
Materials & Supplies	415,447	415,447	363,904	51,543
Services & Charges	624,349	622,349	580,811	41,538
Capital Outlay	7,500	7,500	4,553	2,947
Distribution				
Personal Services	621,762	621,762	587,946	33,816
Materials & Supplies	175,152	175,152	138,323	36,829
Services & Charges	295,002	295,002	274,463	20,539
Refunds	40,000	40,000	19,678	20,322
Capital Outlay	31,500	31,500	17,200	14,300
Capital Projects				
Services & Charges	125,000	125,000	0	125,000
Capital Outlay	30,988,961	35,173,961	33,311,177	1,862,784
Debt Service				
Principal Retirement	209,000	209,000	162,616	46,384
Interest & Fiscal Charges	294,005	294,005	217,139	76,866
Total Expenses	34,918,548	39,126,798	36,780,906	2,345,892
Excess (Deficiency) Of Revenues Over Expenses	(29,218,666)	(33,118,916)	(30,705,873)	2,413,043
Other Financing Sources:				
Issuance of Loan	27,970,000	27,970,000	3,629,288	(24,340,712)
Total Other Financing Sources	27,970,000	27,970,000	3,629,288	(24,340,712)
Net Change in Fund Equity	(1,248,666)	(5,148,916)	(27,076,585)	(21,927,669)
Fund Equity at Beginning of Year:	4,947,965	4,947,965	4,947,965	0
Prior Years Encumbrances	1,955,419	1,955,419	1,955,419	0
Fund Equity at End of Year:	\$ 5,654,718	\$ 1,754,468	\$ (20,173,201)	\$ (21,927,669)

City of Delaware, Ohio

Schedule of Revenues , Expenses, and Changes in Fund Equity

Budget and Actual [Budget Basis]

For the Year Ended December 31, 2012

	Enterprise Fund: Sewer			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Charges For Service	\$ 6,548,218	\$ 6,695,218	\$ 6,935,141	\$ 239,923
Capacity Fees	735,000	1,110,000	950,976	(159,024)
Interest Income	7,900	7,900	4,229	(3,671)
Miscellaneous	5,000	12,000	51,568	39,568
Total Revenues	<u>7,296,118</u>	<u>7,825,118</u>	<u>7,941,914</u>	<u>116,796</u>
Expenses:				
Administration				
Personal Services	134,495	142,495	142,091	404
Materials & Supplies	1,300	1,300	414	886
Services & Charges	311,510	311,510	299,986	11,524
Refunds	4,000	4,000	2,167	1,833
Treatment				
Personal Services	851,908	854,908	849,646	5,262
Materials & Supplies	240,924	246,625	233,359	13,266
Services & Charges	1,096,201	1,091,201	1,070,203	20,998
Capital Outlay	30,200	30,200	12,430	17,770
Collection				
Personal Services	347,295	347,295	339,252	8,043
Materials & Supplies	97,323	101,660	68,136	33,524
Services & Charges	281,499	281,499	242,986	38,513
Capital Outlay	45,350	45,350	31,638	13,712
Capital Projects				
Capital Outlay	1,004,964	1,704,964	1,011,991	692,973
Debt Service				
Principal Retirement	1,691,328	1,691,328	1,686,326	5,002
Interest & Fiscal Charges	940,970	940,970	935,153	5,817
Refunding Bond Issuance Costs	0	23,686	23,686	0
Total Expenses	<u>7,079,267</u>	<u>7,818,991</u>	<u>6,949,464</u>	<u>869,527</u>
Excess of Revenues Over Expenses	216,851	6,127	992,450	986,323
Other Financing Sources (Uses):				
Issuance of Refunding Bonds	0	0	2,915,000	2,915,000
Premium on Refunding Bonds	0	0	56,387	56,387
Transfers Out	(865,954)	(865,954)	(831,474)	34,480
Payment to Fiscal & Escrow Agent	0	(2,902,054)	(2,902,054)	0
Discount on Refunding Bonds	0	(45,647)	(45,647)	0
Total Other Financing Sources (Uses)	<u>(865,954)</u>	<u>(3,813,655)</u>	<u>(807,788)</u>	<u>3,005,867</u>
Net Change in Fund Equity	(649,103)	(3,807,528)	184,662	3,992,190
Fund Equity at Beginning of Year:	5,226,168	5,226,168	5,226,168	0
Prior Years Encumbrances	330,815	330,815	330,815	0
Fund Equity at End of Year:	\$ 4,907,880	\$ 1,749,455	\$ 5,741,645	\$ 3,992,190

City of Delaware, Ohio

Schedule of Revenues, Expenses, and Changes in Fund Equity

Budget and Actual [Budget Basis]

For the Year Ended December 31, 2012

	Enterprise Fund: Storm Sewer			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Intergovernmental	\$ 0	\$ 315,000	\$ 313,577	\$ (1,423)
Charges For Service	767,500	767,500	789,536	22,036
Total Revenues	<u>767,500</u>	<u>1,082,500</u>	<u>1,103,113</u>	<u>20,613</u>
Expenses:				
Operations				
Personal Services	143,596	143,596	142,796	800
Materials & Supplies	44,791	44,791	38,417	6,374
Services & Charges	200,465	200,465	97,153	103,312
Refunds	1,000	1,000	507	493
Capital Outlay	20,971	20,971	12,154	8,817
Capital Projects				
Services & Charges	59,914	59,914	59,914	0
Refunds	17,555	17,555	16,152	1,403
Capital Outlay	<u>1,177,300</u>	<u>1,640,300</u>	<u>224,001</u>	<u>1,416,299</u>
Total Expenses	<u>1,665,592</u>	<u>2,128,592</u>	<u>591,094</u>	<u>1,537,498</u>
Net Change in Fund Equity	(898,092)	(1,046,092)	512,019	1,558,111
Fund Equity at Beginning of Year:	1,606,256	1,606,256	1,606,256	0
Prior Years Encumbrances	<u>77,425</u>	<u>77,425</u>	<u>77,425</u>	<u>0</u>
Fund Equity at End of Year:	<u>\$ 785,589</u>	<u>\$ 637,589</u>	<u>\$ 2,195,700</u>	<u>\$ 1,558,111</u>

City of Delaware, Ohio
Schedule of Revenues, Expenses, and Changes in Fund Equity
Budget and Actual [Budget Basis]
For the Year Ended December 31, 2012

	Enterprise Fund:			Variance from Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Charges For Service	\$ 3,156,312	\$ 3,165,000	\$ 3,159,334	\$ (5,666)
Interest Income	500	500	553	53
Miscellaneous	15,000	23,500	35,769	12,269
Total Revenues	<u>3,171,812</u>	<u>3,189,000</u>	<u>3,195,656</u>	<u>6,656</u>
Expenses:				
Administration				
Services & Charges	159,128	159,128	154,735	4,393
Refunds	0	0	1,103	(1,103)
Capital Outlay	42,075	42,075	29,856	12,219
Collection				
Personal Services	562,189	562,189	549,643	12,546
Materials & Supplies	164,309	170,788	167,568	3,220
Services & Charges	1,208,779	1,208,779	1,166,057	42,722
Capital Outlay	211,227	593,727	384,985	208,742
Recycling				
Personal Services	331,221	335,721	333,095	2,626
Materials & Supplies	64,073	64,073	60,969	3,104
Services & Charges	104,557	104,557	92,477	12,080
Capital Outlay	14,000	14,000	8,943	5,057
Debt Service				
Principal Retirement	50,000	50,000	50,000	0
Interest & Fiscal Charges	10,838	10,838	10,838	0
Total Expenses	<u>2,922,396</u>	<u>3,315,875</u>	<u>3,010,269</u>	<u>305,606</u>
Excess (Deficiency) Of Revenues Over Expenses	249,416	(126,875)	185,387	312,262
Other Financing Sources (Uses):				
Issuance of Capital Lease	0	0	382,338	382,338
Transfers Out	(185,237)	(185,237)	0	185,237
Total Other Financing Sources (Uses)	<u>(185,237)</u>	<u>(185,237)</u>	<u>382,338</u>	<u>567,575</u>
Net Change in Fund Equity	64,179	(312,112)	567,725	879,837
Fund Equity at Beginning of Year:	202,702	202,702	202,702	0
Prior Years Encumbrances	111,081	111,081	111,081	0
Fund Equity at End of Year:	<u>\$ 377,962</u>	<u>\$ 1,671</u>	<u>\$ 881,508</u>	<u>\$ 879,837</u>

City of Delaware, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual [Budget Basis]

For the Year Ended December 31, 2012

	Special Revenue Fund: Street Maintenance & Repair			Variance from Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Intergovernmental	\$ 1,220,000	\$ 1,220,000	\$ 1,190,030	\$ (29,970)
Reimbursements	1,000	1,000	272	(728)
Miscellaneous	500	500	0	(500)
Total Revenues	<u>1,221,500</u>	<u>1,221,500</u>	<u>1,190,302</u>	<u>(31,198)</u>
Expenditures:				
Current:				
Public Works				
Administration				
Personal Services	559,524	580,524	577,504	3,020
Materials & Supplies	7,903	15,357	13,526	1,831
Services & Charges	60,687	60,687	57,940	2,747
Street Division				
Personal Services	490,618	490,618	455,411	35,207
Materials & Supplies	403,299	408,092	371,070	37,022
Services & Charges	134,559	134,559	133,494	1,065
Capital Outlay	2,500	2,500	2,240	260
Traffic Division				
Personal Services	303,205	303,205	291,015	12,190
Materials & Supplies	119,057	120,446	111,427	9,019
Services & Charges	61,386	61,386	41,595	19,791
Capital Outlay	11,780	11,780	10,362	1,418
Total Expenditures	<u>2,154,518</u>	<u>2,189,154</u>	<u>2,065,584</u>	<u>123,570</u>
Deficiency of Revenues Over Expenditures	(933,018)	(967,654)	(875,282)	92,372
Other Financing Sources :				
Sale of Assets	500	4,500	4,349	(151)
Transfers In	842,365	842,365	845,000	2,635
Total Other Financing Sources	<u>842,865</u>	<u>846,865</u>	<u>849,349</u>	<u>2,484</u>
Net Change in Fund Balance	(90,153)	(120,789)	(25,933)	94,856
Fund Balance at Beginning of Year:	275,905	275,905	275,905	0
Prior Years Encumbrances	47,243	47,243	47,243	0
Fund Balance at End of Year:	<u>\$ 232,995</u>	<u>\$ 202,359</u>	<u>\$ 297,215</u>	<u>\$ 94,856</u>

City of Delaware, Ohio*Schedule of Revenues, Expenditures, and Changes in Fund Balance**Budget and Actual [Budget Basis]**For the Year Ended December 31, 2012*

	Special Revenue Fund: State Highway Improvement			Variance
	Original Budget	Final Budget	Actual	from Final Budget
Revenues:				
Intergovernmental	\$ 100,820	\$ 100,820	\$ 96,488	\$ (4,332)
Interest Income	50	50	8	(42)
Reimbursements	0	31,000	30,804	(196)
Total Revenues	<u>100,870</u>	<u>131,870</u>	<u>127,300</u>	<u>(4,570)</u>
Expenditures:				
Current:				
Public Works				
Capital Outlay	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>0</u>
Total Expenditures	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>0</u>
Net Change in Fund Balance	870	31,870	27,300	(4,570)
Fund Balance at Beginning of Year:	<u>8,709</u>	<u>8,709</u>	<u>8,709</u>	<u>0</u>
Fund Balance at End of Year:	<u>\$ 9,579</u>	<u>\$ 40,579</u>	<u>\$ 36,009</u>	<u>\$ (4,570)</u>

City of Delaware, Ohio*Schedule of Revenues, Expenditures, and Changes in Fund Balance**Budget and Actual [Budget Basis]**For the Year Ended December 31, 2012*

	Special Revenue Fund:			
	License Fee			
	Original	Final		Variance
	Budget	Budget	Actual	from Final
				Budget
Revenues:				
Intergovernmental	\$ 367,200	\$ 367,200	\$ 368,546	\$ 1,346
Interest Income	150	150	49	(101)
Total Revenues	<u>367,350</u>	<u>367,350</u>	<u>368,595</u>	<u>1,245</u>
Expenditures:				
Current:				
Public Works				
Capital Outlay	<u>642,425</u>	<u>672,425</u>	<u>532,259</u>	<u>140,166</u>
Total Expenditures	<u>642,425</u>	<u>672,425</u>	<u>532,259</u>	<u>140,166</u>
Net Change in Fund Balance	(275,075)	(305,075)	(163,664)	141,411
Fund Balance at Beginning of Year:	36,952	36,952	36,952	0
Prior Years Encumbrances	<u>277,425</u>	<u>277,425</u>	<u>277,425</u>	<u>0</u>
Fund Balance at End of Year:	<u>\$ 39,302</u>	<u>\$ 9,302</u>	<u>\$ 150,713</u>	<u>\$ 141,411</u>

City of Delaware, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual [Budget Basis]

For the Year Ended December 31, 2012

	Special Revenue Fund:			Variance from Final Budget
	Parks & Recreation			
	Original Budget	Final Budget	Actual	
Revenues:				
Charges For Service	\$ 0	\$ 0	\$ 180	\$ 180
Reimbursements	0	0	858	858
Miscellaneous	20,000	20,000	11,698	(8,302)
Total Revenues	20,000	20,000	12,736	(7,264)
Expenditures:				
Current:				
Parks & Recreation				
Grounds & Facilities Maintenance				
Personal Services	524,492	524,492	477,931	46,561
Materials & Supplies	55,800	64,737	62,083	2,654
Services & Charges	166,750	179,750	152,916	26,834
Refunds	500	500	0	500
Capital Outlay	1,000	1,000	0	1,000
Recreational Services				
Personal Services	11,478	11,478	1,442	10,036
Services & Charges	190,000	190,000	185,047	4,953
Programs				
Materials & Supplies	2,300	2,300	2,299	1
Services & Charges	3,027	3,027	2,879	148
Refunds	0	0	50	(50)
Total Expenditures	955,347	977,284	884,647	92,637
Deficiency of Revenues				
Over Expenditures	(935,347)	(957,284)	(871,911)	85,373
Other Financing Sources:				
Sale of Assets	100	100	0	(100)
Transfers In	550,000	750,000	885,000	135,000
Total Other Financing Sources	550,100	750,100	885,000	134,900
Net Change in Fund Balance	(385,247)	(207,184)	13,089	220,273
Fund Balance at Beginning of Year:	402,111	402,111	402,111	0
Prior Years Encumbrances	10,577	10,577	10,577	0
Fund Balance at End of Year:	\$ 27,441	\$ 205,504	\$ 425,777	\$ 220,273

City of Delaware, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual [Budget Basis]
For the Year Ended December 31, 2012

	Special Revenue Fund: Cemetery			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Charges For Service	\$ 0	\$ 9,000	\$ 15,192	\$ 6,192
Miscellaneous	0	1,000	1,820	820
Donations	0	500	828	328
Total Revenues	<u>0</u>	<u>10,500</u>	<u>17,840</u>	<u>7,340</u>
Expenditures:				
Current:				
Cemetery				
Personal Services	0	14,978	10,338	4,640
Materials & Supplies	0	2,750	1,550	1,200
Services & Charges	0	17,172	190	16,982
Refunds	0	500	0	500
Total Expenditures	<u>0</u>	<u>35,400</u>	<u>12,078</u>	<u>23,322</u>
Deficiency of Revenues Over Expenditures	0	(24,900)	5,762	30,662
Other Financing Sources:				
Transfers In	0	0	10,000	10,000
Total Other Financing Sources	<u>0</u>	<u>0</u>	<u>10,000</u>	<u>10,000</u>
Net Change in Fund Balance	0	(24,900)	15,762	40,662
Fund Balance at Beginning of Year:	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year:	<u>\$ 0</u>	<u>\$ (24,900)</u>	<u>\$ 15,762</u>	<u>\$ 40,662</u>

City of Delaware, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual [Budget Basis]

For the Year Ended December 31, 2012

	Special Revenue Fund: Tree Replacement			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Intergovernmental	\$ 0	\$ 0	\$ 8,625	\$ 8,625
Charges For Service	0	0	15,700	15,700
Miscellaneous	7,500	7,500	7,200	(300)
Total Revenues	<u>7,500</u>	<u>7,500</u>	<u>31,525</u>	<u>24,025</u>
Expenditures:				
Current:				
Parks & Recreation				
Materials & Supplies	1,250	1,250	824	426
Services & Charges	58,200	58,200	51,790	6,410
Refunds	0	0	250	(250)
Capital Outlay	15,000	15,000	14,455	545
Total Expenditures	<u>74,450</u>	<u>74,450</u>	<u>67,319</u>	<u>7,131</u>
Deficiency of Revenues Over Expenditures	(66,950)	(66,950)	(35,794)	31,156
Other Financing Sources:				
Transfers In	45,000	45,000	45,000	0
Total Other Financing Sources	<u>45,000</u>	<u>45,000</u>	<u>45,000</u>	<u>0</u>
Net Change in Fund Balance	(21,950)	(21,950)	9,206	31,156
Fund Balance at Beginning of Year:	40,273	40,273	40,273	0
Prior Years Encumbrances	7,700	7,700	7,700	0
Fund Balance at End of Year:	<u>\$ 26,023</u>	<u>\$ 26,023</u>	<u>\$ 57,179</u>	<u>\$ 31,156</u>

City of Delaware, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual [Budget Basis]

For the Year Ended December 31, 2012

	Special Revenue Fund: Airport Improvement			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Charges For Service	\$ 601,345	\$ 695,200	\$ 714,170	\$ 18,970
Reimbursements	34,000	36,769	36,767	(2)
Miscellaneous	2,085	2,285	9,949	7,664
Total Revenues	<u>637,430</u>	<u>734,254</u>	<u>760,886</u>	<u>26,632</u>
Expenditures:				
Current:				
Airport				
Personal Services	157,279	157,279	147,370	9,909
Materials & Supplies	387,484	456,234	464,864	(8,630)
Services & Charges	187,104	187,104	177,693	9,411
Refunds	1,500	1,500	838	662
Capital Outlay	6,300	6,300	5,689	611
Total Expenditures	<u>739,667</u>	<u>808,417</u>	<u>796,454</u>	<u>11,963</u>
Deficiency of Revenues Over Expenditures	(102,237)	(74,163)	(35,568)	38,595
Other Financing Sources:				
Transfers In	10,000	10,000	10,000	0
Total Other Financing Sources	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>0</u>
Net Change in Fund Balance	(92,237)	(64,163)	(25,568)	38,595
Fund Balance at Beginning of Year:	207,248	207,248	207,248	0
Prior Years Encumbrances	<u>3,052</u>	<u>3,052</u>	<u>3,052</u>	<u>0</u>
Fund Balance at End of Year:	<u>\$ 118,063</u>	<u>\$ 146,137</u>	<u>\$ 184,732</u>	<u>\$ 38,595</u>

City of Delaware, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual [Budget Basis]

For the Year Ended December 31, 2012

	Special Revenue Fund: Airport T-Hangars			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Charges For Service	\$ 91,100	\$ 91,100	\$ 94,416	\$ 3,316
Total Revenues	<u>91,100</u>	<u>91,100</u>	<u>94,416</u>	<u>3,316</u>
Expenditures:				
Current:				
Airport				
Services & Charges	20,500	20,500	20,062	438
Refunds	<u>1,250</u>	<u>1,250</u>	<u>1,046</u>	<u>204</u>
Total Expenditures	<u>21,750</u>	<u>21,750</u>	<u>21,108</u>	<u>642</u>
Excess of Revenues Over Expenditures	69,350	69,350	73,308	3,958
Other Financing (Uses):				
Transfers Out	<u>(79,749)</u>	<u>(79,749)</u>	<u>(79,749)</u>	<u>0</u>
Total Other Financing (Uses)	<u>(79,749)</u>	<u>(79,749)</u>	<u>(79,749)</u>	<u>0</u>
Net Change in Fund Balance	(10,399)	(10,399)	(6,441)	3,958
Fund Balance at Beginning of Year:	<u>201,249</u>	<u>201,249</u>	<u>201,249</u>	<u>0</u>
Fund Balance at End of Year:	<u>\$ 190,850</u>	<u>\$ 190,850</u>	<u>\$ 194,808</u>	<u>\$ 3,958</u>

City of Delaware, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual [Budget Basis]

For the Year Ended December 31, 2012

	Special Revenue Fund:			
	Court/Police Building Income Tax			
	Original	Final		Variance
	Budget	Budget	Actual	from Final
	<u>Budget</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>
Revenues:				
Income Taxes	\$ 50	\$ 50	\$ 72	\$ 22
Total Revenues	<u>50</u>	<u>50</u>	<u>72</u>	<u>22</u>
Expenditures:				
Current:				
Public Safety				
Services & Charges	<u>4,478</u>	<u>4,478</u>	<u>3,978</u>	<u>500</u>
Total Expenditures	<u>4,478</u>	<u>4,478</u>	<u>3,978</u>	<u>500</u>
Net Change in Fund Balance	(4,428)	(4,428)	(3,906)	522
Fund Balance at Beginning of Year:	810	810	810	0
Prior Years Encumbrances	<u>3,978</u>	<u>3,978</u>	<u>3,978</u>	<u>0</u>
Fund Balance at End of Year:	<u>\$ 360</u>	<u>\$ 360</u>	<u>\$ 882</u>	<u>\$ 522</u>

City of Delaware, Ohio*Schedule of Revenues, Expenditures, and Changes in Fund Balance**Budget and Actual [Budget Basis]**For the Year Ended December 31, 2012*

	Special Revenue Fund:			
	Airport TIF			
	Original	Final		Variance
	Budget	Budget	Actual	from Final
				Budget
Revenues:				
Payments in Lieu of Taxes	\$ 22,790	\$ 24,450	\$ 24,443	\$ (7)
Total Revenues	<u>22,790</u>	<u>24,450</u>	<u>24,443</u>	<u>(7)</u>
Expenditures:				
Current:				
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess of Revenues Over Expenditures	22,790	24,450	24,443	(7)
Other Financing (Uses):				
Advances Out	<u>(22,790)</u>	<u>(22,790)</u>	<u>(22,790)</u>	<u>0</u>
Total Other Financing (Uses)	<u>(22,790)</u>	<u>(22,790)</u>	<u>(22,790)</u>	<u>0</u>
Net Change in Fund Balance	0	1,660	1,653	(7)
Fund Balance at Beginning of Year:	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year:	<u>\$ 0</u>	<u>\$ 1,660</u>	<u>\$ 1,653</u>	<u>\$ (7)</u>

City of Delaware, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual [Budget Basis]

For the Year Ended December 31, 2012

	Special Revenue Fund: Glenn Road Bridge TIF			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Payments in Lieu of Taxes	\$ 285,000	\$ 285,000	\$ 172,300	\$ (112,700)
Intergovernmental	19,100	23,650	23,588	(62)
Interest Income	350	850	1,103	253
Total Revenues	<u>304,450</u>	<u>309,500</u>	<u>196,991</u>	<u>(112,509)</u>
Expenditures:				
Current:				
Public Works				
Services & Charges	104,550	104,550	187,254	(82,704)
Capital Outlay	1,500,000	1,500,000	1,498,005	1,995
Debt Service:				
Principal Retirement	1,638,575	1,638,575	1,520,000	118,575
Interest & Fiscal Charges	60,000	60,000	10,014	49,986
Total Expenditures	<u>3,303,125</u>	<u>3,303,125</u>	<u>3,215,273</u>	<u>87,852</u>
Excess (Deficiency) of Revenues Over Expenditures	(2,998,675)	(2,993,625)	(3,018,282)	(24,657)
Other Financing Sources:				
Issuance of Notes	0	2,700,000	2,690,000	(10,000)
Issuance of Bonds	2,700,000	0	0	0
Premium on Note Issuance	1,000	25,000	22,644	(2,356)
Total Other Financing Sources	<u>2,701,000</u>	<u>2,725,000</u>	<u>2,712,644</u>	<u>(12,356)</u>
Net Change in Fund Balance	(297,675)	(268,625)	(305,638)	(37,013)
Fund Balance at Beginning of Year:	639,877	639,877	639,877	0
Prior Years Encumbrances	4,550	4,550	4,550	0
Fund Balance at End of Year:	<u>\$ 346,752</u>	<u>\$ 375,802</u>	<u>\$ 338,789</u>	<u>\$ (37,013)</u>

City of Delaware, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual [Budget Basis]

For the Year Ended December 31, 2012

	Special Revenue Fund: Sky Climber/V&P TIF			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Payments in Lieu of Taxes	\$ 50,000	\$ 50,000	\$ 46,062	\$ (3,938)
Total Revenues	<u>50,000</u>	<u>50,000</u>	<u>46,062</u>	<u>(3,938)</u>
Expenditures:				
Current:				
General Government				
Reimbursements	<u>50,000</u>	<u>50,000</u>	<u>46,062</u>	<u>3,938</u>
Total Expenditures	<u>50,000</u>	<u>50,000</u>	<u>46,062</u>	<u>3,938</u>
Net Change in Fund Balance	0	0	0	0
Fund Balance at Beginning of Year:	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year:	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

City of Delaware, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual [Budget Basis]

For the Year Ended December 31, 2012

	Special Revenue Fund:			
	Mill Run TIF			
	Original	Final		Variance
	Budget	Budget	Actual	from Final
				Budget
Revenues:				
Payments in Lieu of Taxes	\$ 165,000	\$ 165,000	\$ 134,834	\$ (30,166)
Total Revenues	<u>165,000</u>	<u>165,000</u>	<u>134,834</u>	<u>(30,166)</u>
Expenditures:				
Current:				
General Government				
Reimbursements	<u>165,000</u>	<u>165,000</u>	<u>134,834</u>	<u>30,166</u>
Total Expenditures	<u>165,000</u>	<u>165,000</u>	<u>134,834</u>	<u>30,166</u>
Net Change in Fund Balance	0	0	0	0
Fund Balance at Beginning of Year:	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year:	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

City of Delaware, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual [Budget Basis]

For the Year Ended December 31, 2012

	Special Revenue Fund:			Variance from Final Budget
	Municipal Court			
	Original Budget	Final Budget	Actual	
Revenues:				
Fines & Court Fees	\$ 1,776,602	\$ 1,776,602	\$ 1,733,349	\$ (43,253)
Charges for Service	226,500	226,500	223,907	(2,593)
Reimbursements	33,611	33,611	33,611	0
Miscellaneous	21,414	21,414	2,844	(18,570)
Total Revenues	<u>2,058,127</u>	<u>2,058,127</u>	<u>1,993,711</u>	<u>(64,416)</u>
Expenditures:				
Current:				
Public Safety				
Court Administration				
Personal Services	1,109,544	1,109,544	1,092,260	17,284
Materials & Supplies	19,331	19,331	7,734	11,597
Services & Charges	31,883	31,883	15,490	16,393
Clerk of Court				
Personal Services	1,193,041	1,193,041	1,146,442	46,599
Materials & Supplies	24,489	24,489	12,705	11,784
Services & Charges	65,467	65,467	50,974	14,493
Total Expenditures	<u>2,443,755</u>	<u>2,443,755</u>	<u>2,325,605</u>	<u>118,150</u>
Deficiency of Revenues Over Expenditures	(385,628)	(385,628)	(331,894)	53,734
Other Financing Sources (Uses):				
Transfers In	432,000	432,000	432,000	0
Transfers Out	0	0	(13,196)	(13,196)
Total Other Financing Sources (Uses)	<u>432,000</u>	<u>432,000</u>	<u>418,804</u>	<u>(13,196)</u>
Net Change in Fund Balance	46,372	46,372	86,910	40,538
Fund Balance at Beginning of Year:	464,756	464,756	464,756	0
Prior Years Encumbrances	5,783	5,783	5,783	0
Fund Balance at End of Year:	<u>\$ 516,911</u>	<u>\$ 516,911</u>	<u>\$ 557,449</u>	<u>\$ 40,538</u>

City of Delaware, Ohio*Schedule of Revenues, Expenditures, and Changes in Fund Balance**Budget and Actual [Budget Basis]**For the Year Ended December 31, 2012*

	Special Revenue Fund:			
	IDIAM			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Fines & Court Fees	\$ 20,000	\$ 20,000	\$ 19,827	\$ (173)
Total Revenues	<u>20,000</u>	<u>20,000</u>	<u>19,827</u>	<u>(173)</u>
Expenditures:				
Current:				
Public Safety				
Court Administration				
Services & Charges	<u>22,580</u>	<u>22,580</u>	<u>19,582</u>	<u>2,998</u>
Total Expenditures	<u>22,580</u>	<u>22,580</u>	<u>19,582</u>	<u>2,998</u>
Net Change in Fund Balance	(2,580)	(2,580)	245	2,825
Fund Balance at Beginning of Year:	3,537	3,537	3,537	0
Prior Years Encumbrances	<u>2,580</u>	<u>2,580</u>	<u>2,580</u>	<u>0</u>
Fund Balance at End of Year:	<u>\$ 3,537</u>	<u>\$ 3,537</u>	<u>\$ 6,362</u>	<u>\$ 2,825</u>

City of Delaware, Ohio*Schedule of Revenues, Expenditures, and Changes in Fund Balance**Budget and Actual [Budget Basis]**For the Year Ended December 31, 2012*

	Special Revenue Fund: Drug Enforcement			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Fines & Court Fees	\$ 5,500	\$ 5,500	\$ 3,945	\$ (1,555)
Miscellaneous	<u>0</u>	<u>0</u>	<u>277</u>	<u>277</u>
Total Revenues	<u>5,500</u>	<u>5,500</u>	<u>4,222</u>	<u>(1,278)</u>
Expenditures:				
Current:				
Public Safety				
Services & Charges	10,000	10,000	0	10,000
Capital Outlay	<u>33,503</u>	<u>33,503</u>	<u>514</u>	<u>32,989</u>
Total Expenditures	<u>43,503</u>	<u>43,503</u>	<u>514</u>	<u>42,989</u>
Net Change in Fund Balance	(38,003)	(38,003)	3,708	41,711
Fund Balance at Beginning of Year:	<u>43,011</u>	<u>43,011</u>	<u>43,011</u>	<u>0</u>
Fund Balance at End of Year:	<u>\$ 5,008</u>	<u>\$ 5,008</u>	<u>\$ 46,719</u>	<u>\$ 41,711</u>

City of Delaware, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual [Budget Basis]

For the Year Ended December 31, 2012

	Special Revenue Fund: Court Alcohol Treatment			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Fines & Court Fees	\$ 50,000	\$ 50,000	\$ 52,191	\$ 2,191
Total Revenues	<u>50,000</u>	<u>50,000</u>	<u>52,191</u>	<u>2,191</u>
Expenditures:				
Current:				
Public Safety				
Services & Charges	<u>72,500</u>	<u>72,500</u>	<u>70,595</u>	<u>1,905</u>
Total Expenditures	<u>72,500</u>	<u>72,500</u>	<u>70,595</u>	<u>1,905</u>
Net Change in Fund Balance	(22,500)	(22,500)	(18,404)	4,096
Fund Balance at Beginning of Year:	614,753	614,753	614,753	0
Prior Years Encumbrances	<u>2,500</u>	<u>2,500</u>	<u>2,500</u>	<u>0</u>
Fund Balance at End of Year:	<u>\$ 594,753</u>	<u>\$ 594,753</u>	<u>\$ 598,849</u>	<u>\$ 4,096</u>

City of Delaware, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual [Budget Basis]

For the Year Ended December 31, 2012

	Special Revenue Fund: OMVI Enforcement & Education			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Fines & Court Fees	\$ 3,000	\$ 3,000	\$ 1,596	\$ (1,404)
Total Revenues	<u>3,000</u>	<u>3,000</u>	<u>1,596</u>	<u>(1,404)</u>
Expenditures:				
Current:				
Public Safety				
Services & Charges	2,000	2,000	0	2,000
Capital Outlay	<u>5,844</u>	<u>5,844</u>	<u>0</u>	<u>5,844</u>
Total Expenditures	<u>7,844</u>	<u>7,844</u>	<u>0</u>	<u>7,844</u>
Net Change in Fund Balance	(4,844)	(4,844)	1,596	6,440
Fund Balance at Beginning of Year:	<u>8,129</u>	<u>8,129</u>	<u>8,129</u>	<u>0</u>
Fund Balance at End of Year:	<u>\$ 3,285</u>	<u>\$ 3,285</u>	<u>\$ 9,725</u>	<u>\$ 6,440</u>

City of Delaware, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual [Budget Basis]

For the Year Ended December 31, 2012

	Special Revenue Fund:			
	Police Judgment			
	Original	Final		Variance
	Budget	Budget	Actual	from Final
				Budget
Revenues:				
Miscellaneous	\$ 7,500	\$ 30,000	\$ 30,666	\$ 666
Total Revenues	<u>7,500</u>	<u>30,000</u>	<u>30,666</u>	<u>666</u>
Expenditures:				
Current:				
Public Safety				
Services & Charges	12,000	12,000	4,471	7,529
Capital Outlay	<u>49,576</u>	<u>49,576</u>	<u>32,136</u>	<u>17,440</u>
Total Expenditures	<u>61,576</u>	<u>61,576</u>	<u>36,607</u>	<u>24,969</u>
Net Change in Fund Balance	(54,076)	(31,576)	(5,941)	25,635
Fund Balance at Beginning of Year:	50,952	50,952	50,952	0
Prior Years Encumbrances	<u>18,073</u>	<u>18,073</u>	<u>18,073</u>	<u>0</u>
Fund Balance at End of Year:	<u>\$ 14,949</u>	<u>\$ 37,449</u>	<u>\$ 63,084</u>	<u>\$ 25,635</u>

City of Delaware, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual [Budget Basis]

For the Year Ended December 31, 2012

	Special Revenue Fund: Park Exaction Fees			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Reimbursements	\$ 538,000	\$ 538,000	\$ 400,000	\$(138,000)
Total Revenues	<u>538,000</u>	<u>538,000</u>	<u>400,000</u>	<u>(138,000)</u>
Expenditures:				
Current:				
Parks & Recreation				
Services & Charges	5,000	5,000	0	5,000
Capital Outlay	<u>612,181</u>	<u>612,181</u>	<u>414,881</u>	<u>197,300</u>
Total Expenditures	<u>617,181</u>	<u>617,181</u>	<u>414,881</u>	<u>202,300</u>
Net Change in Fund Balance	(79,181)	(79,181)	(14,881)	64,300
Fund Balance at Beginning of Year:	68,261	68,261	68,261	0
Prior Years Encumbrances	<u>14,181</u>	<u>14,181</u>	<u>14,181</u>	<u>0</u>
Fund Balance at End of Year:	<u>\$ 3,261</u>	<u>\$ 3,261</u>	<u>\$ 67,561</u>	<u>\$ 64,300</u>

City of Delaware, Ohio*Schedule of Revenues, Expenditures, and Changes in Fund Balance**Budget and Actual [Budget Basis]**For the Year Ended December 31, 2012*

	Special Revenue Fund: Computer Legal Research			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Fines & Court Fees	\$ 250,000	\$ 250,000	\$ 246,895	\$ (3,105)
Miscellaneous	<u>0</u>	<u>0</u>	<u>460</u>	<u>460</u>
Total Revenues	<u>250,000</u>	<u>250,000</u>	<u>247,355</u>	<u>(2,645)</u>
Expenditures:				
Current:				
Public Safety				
Services & Charges	111,578	111,578	78,383	33,195
Capital Outlay	<u>138,234</u>	<u>138,234</u>	<u>91,267</u>	<u>46,967</u>
Total Expenditures	<u>249,812</u>	<u>249,812</u>	<u>169,650</u>	<u>80,162</u>
Other Financing (Uses):				
Transfers Out	<u>(100,000)</u>	<u>(100,000)</u>	<u>(100,000)</u>	<u>0</u>
Total Other Financing (Uses)	<u>(100,000)</u>	<u>(100,000)</u>	<u>(100,000)</u>	<u>0</u>
Net Change in Fund Balance	(99,812)	(99,812)	(22,295)	77,517
Fund Balance at Beginning of Year:	209,981	209,981	209,981	0
Prior Years Encumbrances	<u>49,812</u>	<u>49,812</u>	<u>49,812</u>	<u>0</u>
Fund Balance at End of Year:	<u>\$ 159,981</u>	<u>\$ 159,981</u>	<u>\$ 237,498</u>	<u>\$ 77,517</u>

City of Delaware, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual [Budget Basis]

For the Year Ended December 31, 2012

	Special Revenue Fund: Court Special Projects			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Fines & Court Fees	\$ 250,000	\$ 250,000	\$ 242,167	\$ (7,833)
Total Revenues	<u>250,000</u>	<u>250,000</u>	<u>242,167</u>	<u>(7,833)</u>
Expenditures:				
Current:				
Public Safety				
Services & Charges	37,000	37,000	22,111	14,889
Capital Outlay	<u>40,000</u>	<u>40,000</u>	<u>7,266</u>	<u>32,734</u>
Total Expenditures	<u>77,000</u>	<u>77,000</u>	<u>29,377</u>	<u>47,623</u>
Excess of Revenues Over Expenditures	173,000	173,000	212,790	39,790
Other Financing (Uses):				
Transfers Out	<u>(50,000)</u>	<u>(50,000)</u>	<u>(50,000)</u>	<u>0</u>
Total Other Financing (Uses)	<u>(50,000)</u>	<u>(50,000)</u>	<u>(50,000)</u>	<u>0</u>
Net Change in Fund Balance	123,000	123,000	162,790	39,790
Fund Balance at Beginning of Year:	470,946	470,946	470,946	0
Prior Years Encumbrances	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>	<u>0</u>
Fund Balance at End of Year:	<u>\$ 598,946</u>	<u>\$ 598,946</u>	<u>\$ 638,736</u>	<u>\$ 39,790</u>

City of Delaware, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual [Budget Basis]

For the Year Ended December 31, 2012

	Special Revenue Fund: Indigent EMHA			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures:				
Current:				
Public Safety				
Services & Charges	0	33,611	33,611	0
Total Expenditures	0	33,611	33,611	0
Net Change in Fund Balance	0	(33,611)	(33,611)	0
Fund Balance at Beginning of Year:	33,611	33,611	33,611	0
Fund Balance at End of Year:	\$ 33,611	\$ 0	\$ 0	\$ 0

City of Delaware, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual [Budget Basis]

For the Year Ended December 31, 2012

	Special Revenue Fund:			Variance from Final Budget
	Probation Services			
	Original Budget	Final Budget	Actual	
Revenues:				
Fines & Court Fees	\$ 300,000	\$ 300,000	\$ 281,439	\$ (18,561)
Total Revenues	<u>300,000</u>	<u>300,000</u>	<u>281,439</u>	<u>(18,561)</u>
Expenditures:				
Current:				
Public Safety				
Services & Charges	17,000	17,000	7,101	9,899
Capital Outlay	<u>1,000</u>	<u>1,000</u>	<u>0</u>	<u>1,000</u>
Total Expenditures	<u>18,000</u>	<u>18,000</u>	<u>7,101</u>	<u>10,899</u>
Excess of Revenues Over Expenditures	282,000	282,000	274,338	(7,662)
Other Financing (Uses):				
Transfers Out	<u>(282,000)</u>	<u>(282,000)</u>	<u>(282,000)</u>	<u>0</u>
Total Other Financing (Uses)	<u>(282,000)</u>	<u>(282,000)</u>	<u>(282,000)</u>	<u>0</u>
Net Change in Fund Balance	0	0	(7,662)	(7,662)
Fund Balance at Beginning of Year:	<u>334,595</u>	<u>334,595</u>	<u>334,595</u>	<u>0</u>
Fund Balance at End of Year:	<u>\$ 334,595</u>	<u>\$ 334,595</u>	<u>\$ 326,933</u>	<u>\$ (7,662)</u>

City of Delaware, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual [Budget Basis]

For the Year Ended December 31, 2012

	Special Revenue Fund: Police and Fire Pension			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Property and Other Taxes	\$ 394,000	\$ 372,200	\$ 366,313	\$ (5,887)
Intergovernmental	<u>44,500</u>	<u>44,620</u>	<u>42,233</u>	<u>(2,387)</u>
Total Revenues	<u>438,500</u>	<u>416,820</u>	<u>408,546</u>	<u>(8,274)</u>
Expenditures:				
Current:				
Public Safety				
Personal Services	<u>438,500</u>	<u>408,546</u>	<u>408,546</u>	<u>0</u>
Total Expenditures	<u>438,500</u>	<u>408,546</u>	<u>408,546</u>	<u>0</u>
Net Change in Fund Balance	0	8,274	0	(8,274)
Fund Balance at Beginning of Year:	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year:	<u>\$ 0</u>	<u>\$ 8,274</u>	<u>\$ 0</u>	<u>\$ (8,274)</u>

City of Delaware, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual [Budget Basis]

For the Year Ended December 31, 2012

	Special Revenue Fund: Community Development Block Grant			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Intergovernmental	\$ 199,000	\$ 199,000	\$ 104,000	\$ (95,000)
Total Revenues	<u>199,000</u>	<u>199,000</u>	<u>104,000</u>	<u>(95,000)</u>
Expenditures:				
Current:				
Community Development				
Services & Charges	18,900	18,900	18,900	0
Capital Outlay	<u>76,765</u>	<u>76,765</u>	<u>76,100</u>	<u>665</u>
Total Expenditures	<u>95,665</u>	<u>95,665</u>	<u>95,000</u>	<u>665</u>
Net Change in Fund Balance	103,335	103,335	9,000	(94,335)
Fund Deficit at Beginning of Year:	(102,135)	(102,135)	(102,135)	0
Prior Years Encumbrances	<u>665</u>	<u>665</u>	<u>665</u>	<u>0</u>
Fund Balance (Deficit) at End of Year:	<u>\$ 1,865</u>	<u>\$ 1,865</u>	<u>\$ (92,470)</u>	<u>\$ (94,335)</u>

City of Delaware, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual [Budget Basis]

For the Year Ended December 31, 2012

	Special Revenue Fund: Revolving Loan			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Charges For Service	\$ 227,560	\$ 517,320	\$ 506,420	\$ (10,900)
Interest Income	150	150	754	604
Total Revenues	<u>227,710</u>	<u>517,470</u>	<u>507,174</u>	<u>(10,296)</u>
Expenditures:				
Current:				
Community Development				
Services & Charges	77,877	77,877	51,560	26,317
Capital Outlay	<u>750,000</u>	<u>750,000</u>	<u>127,639</u>	<u>622,361</u>
Total Expenditures	<u>827,877</u>	<u>827,877</u>	<u>179,199</u>	<u>648,678</u>
Net Change in Fund Balance	(600,167)	(310,407)	327,975	638,382
Fund Balance at Beginning of Year:	727,828	727,828	727,828	0
Prior Years Encumbrances	<u>2,877</u>	<u>2,877</u>	<u>2,877</u>	<u>0</u>
Fund Balance at End of Year:	<u>\$ 130,538</u>	<u>\$ 420,298</u>	<u>\$ 1,058,680</u>	<u>\$ 638,382</u>

City of Delaware, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual [Budget Basis]

For the Year Ended December 31, 2012

	Special Revenue Fund: Housing Program Income			Variance
	Original Budget	Final Budget	Actual	from Final Budget
Revenues:				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures:				
Current:				
Community Development				
Capital Outlay	18,000	18,000	0	18,000
Total Expenditures	18,000	18,000	0	18,000
Net Change in Fund Balance	(18,000)	(18,000)	0	18,000
Fund Balance at Beginning of Year:	24,878	24,878	24,878	0
Fund Balance at End of Year:	\$ 6,878	\$ 6,878	\$ 24,878	\$ 18,000

City of Delaware, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual [Budget Basis]

For the Year Ended December 31, 2012

	Special Revenue Fund: Ohio Neighborhood Stabilization Program			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Intergovernmental	\$ 321,000	\$ 440,000	\$ 127,007	\$ (312,993)
Total Revenues	<u>321,000</u>	<u>440,000</u>	<u>127,007</u>	<u>(312,993)</u>
Expenditures:				
Current:				
Community Development				
Services & Charges	38,639	45,639	38,639	7,000
Capital Outlay	<u>204,160</u>	<u>310,925</u>	<u>204,159</u>	<u>106,766</u>
Total Expenditures	<u>242,799</u>	<u>356,564</u>	<u>242,798</u>	<u>113,766</u>
Net Change in Fund Balance	78,201	83,436	(115,791)	(199,227)
Fund Balance (Deficit) at Beginning of Year:	(240,771)	(240,771)	(240,771)	0
Prior Years Encumbrances	<u>163,556</u>	<u>163,556</u>	<u>163,556</u>	<u>0</u>
Fund Balance (Deficit) at End of Year:	<u>\$ 986</u>	<u>\$ 6,221</u>	<u>\$ (193,006)</u>	<u>\$ (199,227)</u>

City of Delaware, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual [Budget Basis]

For the Year Ended December 31, 2012

	Special Revenue Fund:			
	Community Housing Improvement Program			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Intergovernmental	\$ 544,000	\$ 544,000	\$ 0	\$ (544,000)
Total Revenues	<u>544,000</u>	<u>544,000</u>	<u>0</u>	<u>(544,000)</u>
Expenditures:				
Current:				
Community Development				
Services & Charges	336,000	336,000	264,985	71,015
Capital Outlay	<u>208,000</u>	<u>208,000</u>	<u>12,875</u>	<u>195,125</u>
Total Expenditures	<u>544,000</u>	<u>544,000</u>	<u>277,860</u>	<u>266,140</u>
Net Change in Fund Balance	0	0	(277,860)	(277,860)
Fund Balance at Beginning of Year:	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance (Deficit) at End of Year:	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (277,860)</u>	<u>\$ (277,860)</u>

City of Delaware, Ohio*Schedule of Revenue, Expenditures, and Changes in Fund Balance**Budget and Actual [Budget Basis]**For the Year Ended December 31, 2012*

	Special Revenue Fund:			
	Fire Donations			
	Original	Final		Variance
	Budget	Budget	Actual	From Final
				Budget
Revenues:				
Donations	\$ 500	\$ 500	\$ 0	\$ (500)
Total Revenues	<u>500</u>	<u>500</u>	<u>0</u>	<u>(500)</u>
Expenditures:				
Current:				
Public Safety				
Materials & Supplies	<u>4,000</u>	<u>4,000</u>	<u>0</u>	<u>4,000</u>
Total Expenditures	<u>4,000</u>	<u>4,000</u>	<u>0</u>	<u>4,000</u>
Net Change in Fund Balance	(3,500)	(3,500)	0	3,500
Fund Balance at Beginning of Year:	<u>5,042</u>	<u>5,042</u>	<u>5,042</u>	<u>0</u>
Fund Balance at End of Year:	<u>\$ 1,542</u>	<u>\$ 1,542</u>	<u>\$ 5,042</u>	<u>\$ 3,500</u>

City of Delaware, Ohio

Schedule of Revenue, Expenditures, and Changes in Fund Balance

Budget and Actual [Budget Basis]

For the Year Ended December 31, 2012

	Special Revenue Fund:			
	Park Donations			
	Original Budget	Final Budget	Actual	Variance From Final Budget
Revenues:				
Donations	\$ 0	\$ 1,000	\$ 0	\$ (1,000)
Total Revenues	<u>\$ 0</u>	<u>\$ 1,000</u>	<u>\$ 0</u>	<u>\$ (1,000)</u>
Expenditures:				
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	0	1,000	0	(1,000)
Fund Balance at Beginning of Year:	<u>49</u>	<u>49</u>	<u>49</u>	<u>0</u>
Fund Balance at End of Year:	<u>\$ 49</u>	<u>\$ 1,049</u>	<u>\$ 49</u>	<u>\$ (1,000)</u>

City of Delaware, Ohio*Schedule of Revenue, Expenditures, and Changes in Fund Balance**Budget and Actual [Budget Basis]**For the Year Ended December 31, 2012*

	Special Revenue Fund:			
	Police Donations			
	Original Budget	Final Budget	Actual	Variance From Final Budget
Revenues:				
Donations	\$ 0	\$ 0	\$ 6	\$ 6
Total Revenues	<u>0</u>	<u>0</u>	<u>6</u>	<u>6</u>
Expenditures:				
Current:				
Public Safety				
Materials & Supplies	0	0	431	(431)
Capital Outlay	<u>9,000</u>	<u>9,000</u>	<u>1,346</u>	<u>7,654</u>
Total Expenditures	<u>9,000</u>	<u>9,000</u>	<u>1,777</u>	<u>7,223</u>
Net Change in Fund Balance	(9,000)	(9,000)	(1,771)	7,229
Fund Balance at Beginning of Year:	<u>9,202</u>	<u>9,202</u>	<u>9,202</u>	<u>0</u>
Fund Balance at End of Year:	<u>\$ 202</u>	<u>\$ 202</u>	<u>\$ 7,431</u>	<u>\$ 7,229</u>

City of Delaware, Ohio*Schedule of Revenue, Expenditures, and Changes in Fund Balance**Budget and Actual [Budget Basis]**For the Year Ended December 31, 2012*

	Special Revenue Fund: Mayor's Donations			
	Original Budget	Final Budget	Actual	Variance From Final Budget
Revenues:				
Donations	\$ 1,000	\$ 1,300	\$ 1,100	\$ (200)
Total Revenues	<u>1,000</u>	<u>1,300</u>	<u>1,100</u>	<u>(200)</u>
Expenditures:				
Current:				
General Government				
Services & Charges	<u>1,200</u>	<u>1,200</u>	<u>1,095</u>	<u>105</u>
Total Expenditures	<u>1,200</u>	<u>1,200</u>	<u>1,095</u>	<u>105</u>
Net Change in Fund Balance	(200)	100	5	(95)
Fund Balance at Beginning of Year:	<u>1,727</u>	<u>1,727</u>	<u>1,727</u>	<u>0</u>
Fund Balance at End of Year:	<u>\$ 1,527</u>	<u>\$ 1,827</u>	<u>\$ 1,732</u>	<u>\$ (95)</u>

City of Delaware, Ohio*Schedule of Revenue, Expenditures, and Changes in Fund Balance**Budget and Actual [Budget Basis]**For the Year Ended December 31, 2012*

	Special Revenue Fund: Project Trust			
	Original Budget	Final Budget	Actual	Variance From Final Budget
Revenues:				
Developers' Fees	\$ 22,500	\$ 32,500	\$ 32,257	\$ (243)
Total Revenues	<u>22,500</u>	<u>32,500</u>	<u>32,257</u>	<u>(243)</u>
Expenditures:				
Current:				
Community Development				
Capital Outlay	<u>180,000</u>	<u>180,000</u>	<u>110,731</u>	<u>69,269</u>
Total Expenditures	<u>180,000</u>	<u>180,000</u>	<u>110,731</u>	<u>69,269</u>
Net Change in Fund Balance	(157,500)	(147,500)	(78,474)	69,026
Fund Balance at Beginning of Year:	<u>507,357</u>	<u>507,357</u>	<u>507,357</u>	<u>0</u>
Fund Balance at End of Year:	<u>\$ 349,857</u>	<u>\$ 359,857</u>	<u>\$ 428,883</u>	<u>\$ 69,026</u>

City of Delaware, Ohio

Schedule of Revenue, Expenditures, and Changes in Fund Balance

Budget and Actual [Budget Basis]

For the Year Ended December 31, 2012

	Debt Service Fund: General Obligation Bond Retirement			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Interest Income	\$ 0	\$ 0	\$ 57	\$ 57
Total Revenues	<u>0</u>	<u>0</u>	<u>57</u>	<u>57</u>
Expenditures:				
Debt Service:				
Services & Charges	55,533	55,533	5,092	50,441
Principal Retirement	652,000	652,000	565,000	87,000
Interest & Fiscal Charges	389,278	389,278	265,276	124,002
Issuance Cost Refunding Bonds	0	53,163	53,163	0
Total Expenditures	<u>1,096,811</u>	<u>1,149,974</u>	<u>888,531</u>	<u>261,443</u>
Deficiency of Revenues Over Expenditures	(1,096,811)	(1,149,974)	(888,474)	261,500
Other Financing Sources:				
Issuance of Refunding Bonds	0	0	3,395,000	3,395,000
Premium on Note Issuance	0	0	2,755	2,755
Premium on Refunding Bonds	0	0	65,710	65,710
Transfers In	1,100,000	1,100,000	830,277	(269,723)
Payment to Fiscal & Escrow Agent	0	(3,383,489)	(3,383,489)	0
Discount on Refunding Bonds	0	(24,058)	(24,058)	0
Total Other Financing Sources	<u>1,100,000</u>	<u>(2,307,547)</u>	<u>886,195</u>	<u>3,193,742</u>
Net Change in Fund Balance	3,189	(3,457,521)	(2,279)	3,455,242
Fund Balance at Beginning of Year:	6,615	6,615	6,615	0
Prior Years Encumbrances	<u>5,533</u>	<u>5,533</u>	<u>5,533</u>	<u>0</u>
Fund Balance (Deficit) at End of Year:	<u>\$ 15,337</u>	<u>\$ (3,445,373)</u>	<u>\$ 9,869</u>	<u>\$ 3,455,242</u>

City of Delaware, Ohio

Schedule of Revenue, Expenditures, and Changes in Fund Balance

Budget and Actual [Budget Basis]

For the Year Ended December 31, 2012

	Debt Service Fund: Park Improvement Bond Retirement			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Interest Income	\$ 0	\$ 0	\$ 340	\$ 340
Total Revenues	<u>0</u>	<u>0</u>	<u>340</u>	<u>340</u>
Expenditures:				
Debt Service:				
Principal Retirement	400,000	400,000	400,000	0
Interest & Fiscal Charges	<u>807,389</u>	<u>807,389</u>	<u>807,389</u>	<u>0</u>
Total Expenditures	<u>1,207,389</u>	<u>1,207,389</u>	<u>1,207,389</u>	<u>0</u>
Deficiency of Revenues Over Expenditures	(1,207,389)	(1,207,389)	(1,207,049)	340
Other Financing Sources:				
Transfers In	<u>1,209,222</u>	<u>1,209,222</u>	<u>1,209,222</u>	<u>0</u>
Total Other Financing Sources	<u>1,209,222</u>	<u>1,209,222</u>	<u>1,209,222</u>	<u>0</u>
Net Change in Fund Balance	1,833	1,833	2,173	340
Fund Balance at Beginning of Year:	<u>101,055</u>	<u>101,055</u>	<u>101,055</u>	<u>0</u>
Fund Balance at End of Year:	<u>\$ 102,888</u>	<u>\$ 102,888</u>	<u>\$ 103,228</u>	<u>\$ 340</u>

City of Delaware, Ohio

Schedule of Revenue, Expenditures, and Changes in Fund Balance

Budget and Actual [Budget Basis]

For the Year Ended December 31, 2012

	Debt Service Fund: Southeast Highland Bond Retirement			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Interest Income	\$ 0	\$ 0	\$ 218	\$ 218
Total Revenues	<u>0</u>	<u>0</u>	<u>218</u>	<u>218</u>
Expenditures:				
Debt Service:				
Principal Retirement	195,000	195,000	195,000	0
Interest & Fiscal Charges	<u>629,509</u>	<u>629,509</u>	<u>629,509</u>	<u>0</u>
Total Expenditures	<u>824,509</u>	<u>824,509</u>	<u>824,509</u>	<u>0</u>
Deficiency of Revenues Over Expenditures	(824,509)	(824,509)	(824,291)	218
Other Financing Sources:				
Transfers In	<u>828,351</u>	<u>828,351</u>	<u>831,474</u>	<u>3,123</u>
Total Other Financing Sources	<u>828,351</u>	<u>828,351</u>	<u>831,474</u>	<u>3,123</u>
Net Change in Fund Balance	3,842	3,842	7,183	3,341
Fund Balance at Beginning of Year:	<u>68,964</u>	<u>68,964</u>	<u>68,964</u>	<u>0</u>
Fund Balance at End of Year:	<u>\$ 72,806</u>	<u>\$ 72,806</u>	<u>\$ 76,147</u>	<u>\$ 3,341</u>

City of Delaware, Ohio

Schedule of Revenues, Expenditures and Changes In Fund Balance

Budget and Actual [Budget Basis]

For the Year Ended December 31, 2012

	Capital Projects Fund: FAA Airport Expansion			Variance
	Original Budget	Final Budget	Actual	from Final Budget
Revenues:				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures:				
Total Expenditures	0	0	0	0
Net Change in Fund Balance	0	0	0	0
Fund Balance at Beginning of Year:	<u>16,221</u>	<u>16,221</u>	<u>16,221</u>	<u>0</u>
Fund Balance at End of Year:	<u>\$ 16,221</u>	<u>\$ 16,221</u>	<u>\$ 16,221</u>	<u>\$ 0</u>

City of Delaware, Ohio*Schedule of Revenues, Expenditures and Changes In Fund Balance**Budget and Actual [Budget Basis]**For the Year Ended December 31, 2012*

	Capital Projects Fund: FAA Airport Allocation/Improvement			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Intergovernmental	\$ 480,250	\$ 560,000	\$ 29,994	\$(530,006)
Total Revenues	<u>480,250</u>	<u>560,000</u>	<u>29,994</u>	<u>(530,006)</u>
Expenditures:				
Current:				
Airport				
Services & Charges	0	0	219,328	(219,328)
Capital Outlay	<u>520,877</u>	<u>555,877</u>	<u>144,159</u>	<u>411,718</u>
Total Expenditures	<u>520,877</u>	<u>555,877</u>	<u>363,487</u>	<u>192,390</u>
Excess (Deficiency) of Revenues Over Expenditures	(40,627)	4,123	(333,493)	(337,616)
Other Financing Sources:				
Transfers In	<u>14,750</u>	<u>14,750</u>	<u>14,750</u>	<u>0</u>
Total Other Financing Sources	<u>14,750</u>	<u>14,750</u>	<u>14,750</u>	<u>0</u>
Net Change in Fund Balance	(25,877)	18,873	(318,743)	(337,616)
Fund Balance (Deficit) at Beginning of Year:	(159,839)	(159,839)	(159,839)	0
Prior Years Encumbrances	<u>188,910</u>	<u>188,910</u>	<u>188,910</u>	<u>0</u>
Fund Balance (Deficit) at End of Year:	<u>\$ 3,194</u>	<u>\$ 47,944</u>	<u>\$ (289,672)</u>	<u>\$(337,616)</u>

City of Delaware, Ohio

Schedule of Revenues, Expenditures and Changes In Fund Balance

Budget and Actual [Budget Basis]

For the Year Ended December 31, 2012

	Capital Projects Fund: Equipment Replacement			Variance from Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures:				
Current:				
Capital Outlay	458,445	476,445	412,364	64,081
Total Expenditures	458,445	476,445	412,364	64,081
Deficiency of Revenues Over Expenditures	(458,445)	(476,445)	(412,364)	64,081
Other Financing Sources:				
Transfers In	370,000	370,000	370,000	0
Total Other Financing Sources	370,000	370,000	370,000	0
Net Change in Fund Balance	(88,445)	(106,445)	(42,364)	64,081
Fund Balance at Beginning of Year:	254,462	254,462	254,462	0
Prior Years Encumbrances	40,327	40,327	40,327	0
Fund Balance at End of Year:	\$ 206,344	\$ 188,344	\$ 252,425	\$ 64,081

City of Delaware, Ohio*Schedule of Revenues, Expenditures and Changes In Fund Balance**Budget and Actual [Budget Basis]**For the Year Ended December 31, 2012*

	Capital Projects Fund: Park Impact Fees			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Impact Fees	\$ 150,000	\$ 220,000	\$ 211,779	\$ (8,221)
Interest Income	<u>1,000</u>	<u>1,000</u>	<u>304</u>	<u>(696)</u>
Total Revenues	<u>151,000</u>	<u>221,000</u>	<u>212,083</u>	<u>(8,917)</u>
Expenditures:				
Current:				
Parks & Recreation				
Capital Outlay	<u>25,000</u>	<u>25,000</u>	<u>0</u>	<u>25,000</u>
Total Expenditures	<u>25,000</u>	<u>25,000</u>	<u>0</u>	<u>25,000</u>
Excess of Revenues Over Expenditures	126,000	196,000	212,083	16,083
Other Financing (Uses):				
Transfers Out	<u>(116,790)</u>	<u>(116,790)</u>	<u>(116,790)</u>	<u>0</u>
Total Other Financing (Uses)	<u>(116,790)</u>	<u>(116,790)</u>	<u>(116,790)</u>	<u>0</u>
Net Change in Fund Balance	9,210	79,210	95,293	16,083
Fund Balance at Beginning of Year:	<u>338,214</u>	<u>338,214</u>	<u>338,214</u>	<u>0</u>
Fund Balance at End of Year:	<u>\$ 347,424</u>	<u>\$ 417,424</u>	<u>\$ 433,507</u>	<u>\$ 16,083</u>

City of Delaware, Ohio

Schedule of Revenues, Expenditures and Changes In Fund Balance

Budget and Actual [Budget Basis]

For the Year Ended December 31, 2012

	Capital Projects Fund: Police Impact Fees			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Impact Fees	\$ 0	\$ 35,000	\$ 31,715	\$ (3,285)
Interest Income	<u>0</u>	<u>0</u>	<u>216</u>	<u>216</u>
Total Revenues	<u>0</u>	<u>35,000</u>	<u>31,931</u>	<u>(3,069)</u>
Expenditures:				
Current:				
Public Safety				
Services & Charges	0	0	810	(810)
Debt Service:				
Principal Retirement	1,050,000	1,050,000	991,750	58,250
Interest & Fiscal Charges	<u>14,835</u>	<u>14,835</u>	<u>14,835</u>	<u>0</u>
Total Expenditures	<u>1,064,835</u>	<u>1,064,835</u>	<u>1,007,395</u>	<u>57,440</u>
Deficiency of Revenues Over Expenditures	(1,064,835)	(1,029,835)	(975,464)	54,371
Other Financing Sources (Uses):				
Issuance of Bonds	933,500	0	0	0
Issuance of Notes	0	933,500	933,500	0
Premium on Note Issuance	0	10,287	10,287	0
Transfers Out	<u>(41,000)</u>	<u>(41,000)</u>	<u>0</u>	<u>41,000</u>
Total Other Financing Sources (Uses)	<u>892,500</u>	<u>902,787</u>	<u>943,787</u>	<u>41,000</u>
Net Change in Fund Balance	(172,335)	(127,048)	(31,677)	95,371
Fund Balance at Beginning of Year:	<u>333,802</u>	<u>333,802</u>	<u>333,802</u>	<u>0</u>
Fund Balance at End of Year:	<u>\$ 161,467</u>	<u>\$ 206,754</u>	<u>\$ 302,125</u>	<u>\$ 95,371</u>

City of Delaware, Ohio

Schedule of Revenues, Expenditures and Changes In Fund Balance

Budget and Actual [Budget Basis]

For the Year Ended December 31, 2012

	Capital Projects Fund: Fire Impact Fees			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Impact Fees	\$ 50,000	\$ 50,000	\$ 61,972	\$ 11,972
Interest Income	250	250	200	(50)
Total Revenues	<u>50,250</u>	<u>50,250</u>	<u>62,172</u>	<u>11,922</u>
Expenditure:				
Current:				
Public Safety				
Capital Outlay	2,461,680	761,680	765,538	(3,858)
Total Expenditures	<u>2,461,680</u>	<u>761,680</u>	<u>765,538</u>	<u>(3,858)</u>
Deficiency of Revenues Over Expenditures	(2,411,430)	(711,430)	(703,366)	8,064
Other Financing Sources (Uses):				
Issuance of Notes	2,000,000	2,000,000	0	(2,000,000)
Transfers Out	(25,000)	(25,000)	0	25,000
Total Other Financing Sources (Uses)	<u>1,975,000</u>	<u>1,975,000</u>	<u>0</u>	<u>(1,975,000)</u>
Net Change in Fund Balance	(436,430)	1,263,570	(703,366)	(1,966,936)
Fund Balance at Beginning of Year:	546,708	546,708	546,708	0
Prior Years Encumbrances	161,680	161,680	161,680	0
Fund Balance at End of Year:	<u>\$ 271,958</u>	<u>\$ 1,971,958</u>	<u>\$ 5,022</u>	<u>\$ (1,966,936)</u>

City of Delaware, Ohio

Schedule of Revenues, Expenditures and Changes In Fund Balance

Budget and Actual [Budget Basis]

For the Year Ended December 31, 2012

	Capital Projects Fund: Municipal Impact Fees			Variance from Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Impact Fees	\$ 60,000	\$ 75,000	\$ 70,219	\$ (4,781)
Miscellaneous	0	0	45,000	45,000
Interest Income	1,000	1,000	186	(814)
Total Revenues	<u>61,000</u>	<u>76,000</u>	<u>115,405</u>	<u>39,405</u>
Expenditure:				
Current:				
General Government				
Services & Charges	0	0	1,808	(1,808)
Debt Service:				
Principal Retirement	2,158,250	2,158,250	2,158,250	0
Interest & Fiscal Charges	33,284	33,284	32,284	1,000
Total Expenditures	<u>2,191,534</u>	<u>2,191,534</u>	<u>2,192,342</u>	<u>(808)</u>
Deficiency of Revenues Over Expenditures	(2,130,534)	(2,115,534)	(2,076,937)	38,597
Other Financing Sources (Uses):				
Issuance of Bonds	2,100,000	0	0	0
Issuance of Notes	0	2,100,000	2,083,000	(17,000)
Premium on Note Issuance	0	23,000	22,955	(45)
Transfers In	45,000	45,000	0	(45,000)
Transfers Out	(85,000)	(85,000)	0	85,000
Total Other Financing Sources (Uses)	<u>2,060,000</u>	<u>2,083,000</u>	<u>2,105,955</u>	<u>22,955</u>
Net Change in Fund Balance	(70,534)	(32,534)	29,018	61,552
Fund Balance at Beginning of Year:	<u>281,340</u>	<u>281,340</u>	<u>281,340</u>	<u>0</u>
Fund Balance at End of Year:	<u>\$ 210,806</u>	<u>\$ 248,806</u>	<u>\$ 310,358</u>	<u>\$ 61,552</u>

City of Delaware, Ohio

Schedule of Revenues, Expenditures and Changes In Fund Balance

Budget and Actual [Budget Basis]

For the Year Ended December 31, 2012

	Capital Projects Fund: Glenn Road Middle Construction			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Interest Income	\$ 0	\$ 0	\$ 61	\$ 61
Total Revenues	<u>0</u>	<u>0</u>	<u>61</u>	<u>61</u>
Expenditure:				
Debt Service:				
Interest & Fiscal Charges	<u>3,889</u>	<u>3,889</u>	<u>0</u>	<u>3,889</u>
Total Expenditures	<u>3,889</u>	<u>3,889</u>	<u>0</u>	<u>3,889</u>
Excess (Deficiency) of Revenues Over Expenditures	(3,889)	(3,889)	61	3,950
Other Financing Sources (Uses):				
Issuance of Notes	500,000	500,000	0	(500,000)
Transfers Out	<u>(575,000)</u>	<u>(575,000)</u>	<u>0</u>	<u>575,000</u>
Total Other Financing Sources (Uses)	<u>(75,000)</u>	<u>(75,000)</u>	<u>0</u>	<u>75,000</u>
Net Change in Fund Balance	(78,889)	(78,889)	61	78,950
Fund Balance at Beginning of Year:	<u>84,590</u>	<u>84,590</u>	<u>84,590</u>	<u>0</u>
Fund Balance at End of Year:	<u><u>\$ 5,701</u></u>	<u><u>\$ 5,701</u></u>	<u><u>\$ 84,651</u></u>	<u><u>\$ 78,950</u></u>

City of Delaware, Ohio

Schedule of Revenues, Expenditures and Changes In Fund Balance

Budget and Actual [Budget Basis]

For the Year Ended December 31, 2012

	Capital Projects Fund: Glenn Road North Construction			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Community Authority Charges	\$ 96,948	\$ 96,948	\$ 0	\$ (96,948)
Interest Income	<u>225</u>	<u>225</u>	<u>129</u>	<u>(96)</u>
Total Revenues	<u>97,173</u>	<u>97,173</u>	<u>129</u>	<u>(97,044)</u>
Expenditure:				
Current:				
Public Works				
Services & Charges	2,500	2,500	5,684	(3,184)
Debt Service:				
Principal Retirement	1,500,000	1,500,000	880,000	620,000
Interest & Fiscal Charges	<u>5,798</u>	<u>5,798</u>	<u>5,797</u>	<u>1</u>
Total Expenditures	<u>1,508,298</u>	<u>1,508,298</u>	<u>891,481</u>	<u>616,817</u>
Deficiency of Revenues Over Expenditures	(1,411,125)	(1,411,125)	(891,352)	519,773
Other Financing Sources:				
Issuance of Notes	<u>1,200,000</u>	<u>1,200,000</u>	<u>530,000</u>	<u>(670,000)</u>
Total Other Financing Sources	<u>1,200,000</u>	<u>1,200,000</u>	<u>530,000</u>	<u>(670,000)</u>
Net Change in Fund Balance	(211,125)	(211,125)	(361,352)	(150,227)
Fund Balance at Beginning of Year:	473,281	473,281	473,281	0
Prior Years Encumbrances	<u>2,500</u>	<u>2,500</u>	<u>2,500</u>	<u>0</u>
Fund Balance at End of Year:	<u>\$ 264,656</u>	<u>\$ 264,656</u>	<u>\$ 114,429</u>	<u>\$ (150,227)</u>

City of Delaware, Ohio*Schedule of Revenues, Expenses, and Changes in Fund Equity**Budget and Actual [Budget Basis]**For the Year Ended December 31, 2012*

	Enterprise Fund: Golf Course			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Charges For Service	\$ 157,500	\$ 184,500	\$ 181,719	\$ (2,781)
Miscellaneous	3,500	3,500	1,406	(2,094)
Total Revenues	<u>161,000</u>	<u>188,000</u>	<u>183,125</u>	<u>(4,875)</u>
Expenses:				
Personal Services	127,284	130,784	129,990	794
Materials & Supplies	24,900	24,900	17,632	7,268
Services & Charges	24,445	24,445	15,285	9,160
Refunds	400	400	28	372
Capital Outlay	4,975	4,975	1,975	3,000
Total Expenses	<u>182,004</u>	<u>185,504</u>	<u>164,910</u>	<u>20,594</u>
Net Change in Fund Equity	(21,004)	2,496	18,215	15,719
Fund Equity at Beginning of Year:	83,001	83,001	83,001	0
Prior Years Encumbrances	<u>1,975</u>	<u>1,975</u>	<u>1,975</u>	<u>0</u>
Fund Equity at End of Year:	<u>\$ 63,972</u>	<u>\$ 87,472</u>	<u>\$ 103,191</u>	<u>\$ 15,719</u>

City of Delaware, Ohio

Schedule of Revenues, Expenses, and Changes in Fund Equity

Budget and Actual [Budget Basis]

For the Year Ended December 31, 2012

	Enterprise Fund: Parking Lots			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Charges For Service	\$ 42,665	\$ 44,615	\$ 43,374	\$ (1,241)
Total Revenues	<u>42,665</u>	<u>44,615</u>	<u>43,374</u>	<u>(1,241)</u>
Expenses:				
Services & Charges	49,200	49,200	44,112	5,088
Capital Outlay	<u>0</u>	<u>30,000</u>	<u>30,000</u>	<u>0</u>
Total Expenses	<u>49,200</u>	<u>79,200</u>	<u>74,112</u>	<u>5,088</u>
Net Change in Fund Equity	(6,535)	(34,585)	(30,738)	3,847
Fund Equity at Beginning of Year:	<u>47,971</u>	<u>47,971</u>	<u>47,971</u>	<u>0</u>
Fund Equity at End of Year:	<u>\$ 41,436</u>	<u>\$ 13,386</u>	<u>\$ 17,233</u>	<u>\$ 3,847</u>

City of Delaware, Ohio

Schedule of Revenues, Expenses, and Changes in Fund Equity

Budget and Actual [Budget Basis]

For the Year Ended December 31, 2012

	Enterprise Fund: Watershed Grant			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Intergovernmental	\$ 26,250	\$ 26,250	\$ 14,000	\$ (12,250)
Total Revenues	<u>26,250</u>	<u>26,250</u>	<u>14,000</u>	<u>(12,250)</u>
Expenses:				
Services & Charges	<u>26,250</u>	<u>26,250</u>	<u>14,000</u>	<u>12,250</u>
Total Expenses	<u>26,250</u>	<u>26,250</u>	<u>14,000</u>	<u>12,250</u>
Net Change in Fund Equity	0	0	0	0
Fund Equity at Beginning of Year:	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Equity at End of Year:	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

City of Delaware, Ohio

Schedule Of Revenues , Expenses, And Changes In Fund Equity

Budget And Actual [Budget Basis]

For The Year Ended December 31, 2012

	Internal Service Fund: Garage Rotary			
	Original Budget	Final Budget	Actual	Variance From Final Budget
Revenues:				
Charges For Services	\$ 528,102	\$ 528,102	\$ 528,102	\$ 0
Total Revenues	<u>528,102</u>	<u>528,102</u>	<u>528,102</u>	<u>0</u>
Expenses:				
Personal Services	304,268	304,268	268,159	36,109
Materials & Supplies	300,355	301,390	243,757	57,633
Services & Charges	<u>24,818</u>	<u>24,818</u>	<u>19,762</u>	<u>5,056</u>
Total Expenses	<u>629,441</u>	<u>630,476</u>	<u>531,678</u>	<u>98,798</u>
Net Change in Fund Equity	(101,339)	(102,374)	(3,576)	98,798
Fund Equity At Beginning Of Year:	210,548	210,548	210,548	0
Prior Years Encumbrances	<u>68,104</u>	<u>68,104</u>	<u>68,104</u>	<u>0</u>
Fund Equity At End Of Year:	<u>\$ 177,313</u>	<u>\$ 176,278</u>	<u>\$ 275,076</u>	<u>\$ 98,798</u>

City of Delaware, Ohio

Schedule Of Revenues , Expenses, And Changes In Fund Equity

Budget And Actual [Budget Basis]

For The Year Ended December 31, 2012

	Internal Service Fund: Information Technology Rotary			
	Original Budget	Final Budget	Actual	Variance From Final Budget
Revenues:				
Charges For Service	\$ 713,874	\$ 713,874	\$ 667,505	\$ (46,369)
Reimbursements	0	0	358	358
Total Revenues	<u>713,874</u>	<u>713,874</u>	<u>667,863</u>	<u>(46,011)</u>
Expenses:				
Technology				
Personal Services	306,223	281,223	227,211	54,012
Materials & Supplies	3,054	3,054	1,821	1,233
Services & Charges	7,850	32,850	25,260	7,590
Capital Outlay	7,200	7,200	7,010	190
Support				
Materials & Supplies	1,509	1,509	1,684	(175)
Services & Charges	279,363	279,363	277,830	1,533
Capital Outlay	32,607	32,607	23,825	8,782
Geographical Information Systems				
Personal Services	82,035	82,035	80,503	1,532
Materials & Supplies	900	900	0	900
Services & Charges	18,500	18,500	15,114	3,386
Total Expenses	<u>739,241</u>	<u>739,241</u>	<u>660,258</u>	<u>78,983</u>
Net Change in Fund Equity	(25,367)	(25,367)	7,605	32,972
Fund Equity At Beginning Of Year:	261,763	261,763	261,763	0
Prior Years Encumbrances	<u>15,452</u>	<u>15,452</u>	<u>15,452</u>	<u>0</u>
Fund Equity At End Of Year:	<u>\$ 251,848</u>	<u>\$ 251,848</u>	<u>\$ 284,820</u>	<u>\$ 32,972</u>

City of Delaware, Ohio

Schedule Of Revenues , Expenses, And Changes In Fund Equity

Budget And Actual [Budget Basis]

For The Year Ended December 31, 2012

	Internal Service Fund: Self-Insurance			Variance From Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Charges For Service	\$ 4,000,000	\$ 4,000,000	\$ 3,960,371	\$ (39,629)
Reimbursements	50,000	165,000	167,763	2,763
Total Revenues	<u>4,050,000</u>	<u>4,165,000</u>	<u>4,128,134</u>	<u>(36,866)</u>
Expenses:				
Services & Charges	537,000	537,000	557,403	(20,403)
Claims	3,345,000	3,345,000	3,309,893	35,107
Refunds	<u>28,000</u>	<u>28,000</u>	<u>20,350</u>	<u>7,650</u>
Total Expenses	<u>3,910,000</u>	<u>3,910,000</u>	<u>3,887,646</u>	<u>22,354</u>
Net Change in Fund Equity	140,000	255,000	240,488	(14,512)
Fund Equity At Beginning Of Year:	<u>3,469,979</u>	<u>3,469,979</u>	<u>3,469,979</u>	<u>0</u>
Fund Equity At End Of Year:	<u><u>\$ 3,609,979</u></u>	<u><u>\$ 3,724,979</u></u>	<u><u>\$ 3,710,467</u></u>	<u><u>\$ (14,512)</u></u>

City of Delaware, Ohio

Schedule Of Revenues , Expenses, And Changes In Fund Equity

Budget And Actual [Budget Basis]

For The Year Ended December 31, 2012

	Internal Service Fund: Worker's Compensation			Variance From Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Charges For Service	\$ 505,320	\$ 505,320	\$ 496,580	\$ (8,740)
Reimbursements	0	0	79	79
Total Revenues	<u>505,320</u>	<u>505,320</u>	<u>496,659</u>	<u>(8,661)</u>
Expenses:				
Services & Charges	<u>697,260</u>	<u>697,260</u>	<u>339,056</u>	<u>358,204</u>
Total Expenses	<u>697,260</u>	<u>697,260</u>	<u>339,056</u>	<u>358,204</u>
Net Change in Fund Equity	(191,940)	(191,940)	157,603	349,543
Fund Equity At Beginning Of Year:	1,127,847	1,127,847	1,127,847	0
Prior Years Encumbrances	<u>260</u>	<u>260</u>	<u>260</u>	<u>0</u>
Fund Equity At End Of Year:	<u>\$ 936,167</u>	<u>\$ 936,167</u>	<u>\$ 1,285,710</u>	<u>\$ 349,543</u>

City of Delaware, Ohio

Statistical Section

This part of the City of Delaware’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 government’s overall financial health.

Contents	Page
<i>Financial Trends</i>	171
These schedules contain trend information to help the reader understand how the government’s financial performance and well-being have changed over time.	
<i>Revenue Capacity</i>	176
These schedules contain information to help the reader assess the government’s most significant local revenue source; Income Tax.	
<i>Debt Capacity</i>	182
These schedules present information to help the reader assess the affordability of the government’s current levels of outstanding debt and the government’s ability to issue additional debt in the future.	
<i>Demographic and Economic Information</i>	187
These schedules offer demographic and economic indicators to help the reader understand the environment within which the government’s financial activities take place.	
<i>Operating Information</i>	189
These schedules contain service and infrastructure data to help the reader understand how the information in the government’s financial report relates to the services the government 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.

Schedule 1

City of Delaware, Ohio
 Net Position by Component,
 Last Ten Years

	Year									
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009 [as restated]</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
<i>[accrual basis of accounting]</i>										
Governmental Activities										
Net Investment in Capital Assets	\$ 48,786,426	\$ 53,734,712	\$ 36,119,949	\$ 35,015,936	\$ 40,627,934	\$ 44,510,126	\$ 42,217,131	\$ 49,555,182	\$ 44,178,679	\$ 41,488,379
Restricted	7,178,436	6,499,267	5,345,258	5,759,898	9,577,121	8,888,379	12,481,627	27,692,345	20,355,048	24,942,137
Unrestricted	2,049,620	(983,729)	8,243,880	13,704,954	8,657,196	9,232,749	10,388,349	(5,629,421)	6,471,127	3,798,507
Total Governmental Activities Net Position	<u>\$ 58,014,482</u>	<u>\$ 59,250,250</u>	<u>\$ 49,709,087</u>	<u>\$ 54,480,788</u>	<u>\$ 58,862,251</u>	<u>\$ 62,631,254</u>	<u>\$ 65,087,107</u>	<u>\$ 71,618,106</u>	<u>\$ 71,004,854</u>	<u>\$ 70,229,023</u>
Business-Type Activities										
Net Investment in Capital Assets	\$ 36,005,376	\$ 40,280,555	\$ 30,575,792	\$ 56,663,776	\$ 59,276,013	\$ 62,280,398	\$ 62,909,728	\$ 64,221,470	\$ 63,614,360	\$ 64,265,588
Unrestricted	16,211,765	12,326,691	32,735,271	14,695,814	14,708,083	14,658,030	13,503,282	12,761,428	14,298,948	17,507,681
Total Business-Type Activities Net Position	<u>\$ 52,217,141</u>	<u>\$ 52,607,246</u>	<u>\$ 63,311,063</u>	<u>\$ 71,359,590</u>	<u>\$ 73,984,096</u>	<u>\$ 76,938,428</u>	<u>\$ 76,413,010</u>	<u>\$ 76,982,898</u>	<u>\$ 77,913,308</u>	<u>\$ 81,773,269</u>
Primary Government										
Net Investment in Capital Assets	\$ 84,791,802	\$ 94,015,267	\$ 66,695,741	\$ 91,679,712	\$ 99,903,947	\$ 106,790,524	\$ 105,126,859	\$ 113,776,652	\$ 107,793,039	\$ 105,753,967
Restricted	7,178,436	6,499,267	5,345,258	5,759,898	9,577,121	8,888,379	12,481,627	27,692,345	20,355,048	24,942,137
Unrestricted	18,261,385	11,342,962	40,979,151	28,400,768	23,365,279	23,890,779	23,891,631	7,132,007	20,770,075	21,306,188
Total Primary Government Net Position	<u>\$ 110,231,623</u>	<u>\$ 111,857,496</u>	<u>\$ 113,020,150</u>	<u>\$ 125,840,378</u>	<u>\$ 132,846,347</u>	<u>\$ 139,569,682</u>	<u>\$ 141,500,117</u>	<u>\$ 148,601,004</u>	<u>\$ 148,918,162</u>	<u>\$ 152,002,292</u>

Schedule 2

City of Delaware, Ohio
 Changes in Net Position,
 Last Ten Years
[accrual basis of accounting]

	Year									
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009 [as restated]</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Expenses¹										
Governmental Activities:										
General Government	\$ 4,439,942	\$ 5,954,344	\$ 5,696,978	\$ 6,008,692	\$ 5,597,600	\$ 5,673,407	\$ 4,319,605	\$ 4,709,782	\$ 4,381,295	\$ 4,745,838
Public Safety	7,602,437	8,737,027	9,008,365	10,353,575	10,571,167	11,524,263	11,814,941	12,162,111	12,327,103	12,794,421
Municipal Court	2,689,667	2,938,634	2,358,227	2,370,261	2,636,439	3,173,354	3,167,772	3,116,508	3,005,899	2,785,258
Parks & Recreation	1,447,946	1,497,378	1,555,662	1,472,748	1,512,507	1,765,238	1,686,291	1,810,642	5,761,615	1,849,411
Community Development	166,605	552,172	1,269,899	948,545	427,025	445,970	78,974	290,966	705,895	673,941
Airport	975,137	846,752	1,097,678	1,025,762	1,082,282	1,213,569	1,125,084	1,134,052	1,187,418	1,321,930
Public Works	2,142,969	2,032,793	2,602,443	3,099,066	3,599,331	4,681,247	3,890,814	3,876,541	5,971,273	10,348,212
Interest and Charges	311,973	282,549	427,008	864,700	966,999	909,767	551,336	1,389,592	1,369,537	1,636,456
Total Governmental Activities Expenses	<u>19,776,676</u>	<u>22,841,649</u>	<u>24,016,260</u>	<u>26,143,349</u>	<u>26,393,350</u>	<u>29,386,815</u>	<u>26,634,817</u>	<u>28,490,194</u>	<u>34,710,035</u>	<u>36,155,467</u>
Business-Type Activities:										
Water	3,824,527	3,728,993	4,608,834	3,953,015	3,390,558	4,948,492	4,262,902	3,932,733	4,523,921	4,292,105
Sewer	4,257,567	8,199,201	4,312,244	4,518,766	6,436,978	7,043,539	8,200,691	7,458,354	7,449,457	7,363,967
Storm Sewer ²	n/a	n/a	1,112,564	741,292	629,824	666,681	699,321	608,410	648,000	930,359
Refuse	1,932,540	2,107,979	2,543,973	2,451,294	2,506,714	2,621,832	2,465,141	3,231,835	3,136,616	2,707,019
Other Business-Type Activities	238,771	227,703	212,033	282,615	243,723	237,816	315,875	256,076	236,782	257,826
Total Business-Type Activities	<u>10,253,405</u>	<u>14,263,876</u>	<u>12,789,648</u>	<u>11,946,982</u>	<u>13,207,797</u>	<u>15,518,360</u>	<u>15,943,930</u>	<u>15,487,408</u>	<u>15,994,776</u>	<u>15,551,276</u>
Total Primary Government Expenses	<u>\$ 30,030,081</u>	<u>\$ 37,105,525</u>	<u>\$ 36,805,908</u>	<u>\$ 38,090,331</u>	<u>\$ 39,601,147</u>	<u>\$ 44,905,175</u>	<u>\$ 42,578,747</u>	<u>\$ 43,977,602</u>	<u>\$ 50,704,811</u>	<u>\$ 51,706,743</u>
Program Revenues										
Governmental Activities:										
Charges for Services:										
General Government	\$ 326,268	\$ 861,893	\$ 1,525,298	\$ 651,023	\$ 1,750,636	\$ 940,558	\$ 848,521	\$ 811,028	\$ 938,452	\$ 1,397,945
Public Safety	972,490	971,644	1,082,643	1,039,665	635,824	638,080	678,647	714,196	897,278	619,758
Municipal Court	2,042,104	1,896,059	2,235,526	2,351,132	2,558,368	2,371,950	3,111,673	3,114,000	3,143,978	3,108,000
Parks & Facilities	207,361	245,291	265,264	267,985	367,014	422,942	412,909	497,698	474,276	48,391
Community Development	0	0	16,085	93,471	43,761	47,056	37,733	32,709	30,613	74,930
Airport	369,913	385,671	524,526	591,341	648,524	725,862	591,902	638,253	734,904	808,333
Public Works	706,908	720,427	388,800	0	0	159,407	100,522	8,321	101,739	84,112
Operating Grants and Contributions	1,147,921	970,510	798,258	1,071,113	767,520	1,432,856	786,367	754,091	402,615	557,212
Capital Grants and Contributions	8,387,277	3,490,805	6,036,615	4,852,213	5,085,496	5,471,180	3,250,089	7,224,661	3,710,470	3,943,885
Total Governmental Activities Program Revenues	<u>14,160,242</u>	<u>9,542,300</u>	<u>12,873,015</u>	<u>10,917,943</u>	<u>11,857,143</u>	<u>12,209,891</u>	<u>9,818,363</u>	<u>13,794,957</u>	<u>10,434,325</u>	<u>10,642,566</u>

Year

	2003	2004	2005	2006	2007	2008	2009 [as restated]	2010	2011	2012
Business-Type Activities:										
Charges for Services:										
Water	4,281,133	4,281,930	4,442,117	4,252,033	4,394,712	4,678,500	3,995,280	4,472,717	4,845,877	6,064,510
Sewer	5,166,648	5,607,457	5,549,206	5,235,430	5,547,183	6,739,840	6,416,812	6,816,959	6,994,836	7,877,850
Storm Sewer ²	n/a	n/a	736,246	745,718	679,704	753,136	774,379	771,881	794,557	698,034
Refuse	1,922,633	2,028,058	2,196,242	2,307,315	2,416,904	2,525,397	2,833,424	2,917,011	3,032,084	3,165,678
Other Activities	196,634	212,556	223,711	229,534	235,988	234,060	229,472	207,711	179,110	225,095
Operating Grants and Contributions	100,000	0	0	0	26,250	135,000	35,000	35,000	35,000	14,000
Capital Grants and Contributions	2,419,111	2,060,010	2,984,965	4,082,046	1,548,355	2,615,142	865,839	639,290	725,476	1,192,376
Total Business-Type Activities Program Revenues	14,086,159	14,190,011	16,132,487	16,852,076	14,849,096	17,681,075	15,150,206	15,860,569	16,606,940	19,237,543
Total Primary Government Program Revenues	\$ 28,246,401	\$ 23,732,311	\$ 29,005,502	\$ 27,770,019	\$ 26,706,239	\$ 29,890,966	\$ 24,968,569	\$ 29,655,526	\$ 27,041,265	\$ 29,880,109
Net (Expense)/Revenue										
Governmental Activities	\$ (5,616,434)	\$ (13,299,349)	\$ (11,143,245)	\$ (15,225,406)	\$ (14,536,207)	\$ (17,176,924)	\$ (16,816,454)	\$ (14,695,237)	\$ (24,275,710)	\$ (25,512,901)
Business-Type Activities	3,832,754	(73,865)	3,342,839	4,905,094	1,641,299	2,162,715	(793,724)	373,161	612,164	3,686,267
Total Primary Government Net Expense	\$ (1,783,680)	\$ (13,373,214)	\$ (7,800,406)	\$ (10,320,312)	\$ (12,894,908)	\$ (15,014,209)	\$ (17,610,178)	\$ (14,322,076)	\$ (23,663,546)	\$ (21,826,634)
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Taxes										
Property Taxes	\$ 1,393,088	\$ 1,412,269	\$ 1,473,996	\$ 1,715,499	\$ 1,793,182	\$ 1,849,164	\$ 1,825,092	\$ 1,752,804	\$ 1,685,641	\$ 1,704,832
Income Taxes ³	9,866,116	10,550,673	11,462,224	12,182,520	13,420,687	14,077,081	14,938,237	15,558,058	18,114,605	19,250,670
Other Taxes	985,386	66,055	79,176	71,016	57,116	64,531	62,339	54,465	51,455	70,301
Gain (Loss) on Sale of Assets	0	0	0	0	0	758,080	20,837	97,639	12,345	0
Grants and Contributions not Restricted to Specific Programs	1,413,575	2,101,340	1,676,817	2,227,802	1,906,545	2,365,978	1,599,125	2,544,655	2,021,199	1,101,219
Payments in Lieu of Taxes	0	0	0	0	0	947,129	243,756	581,505	669,138	227,225
Unrestricted Contributions	0	0	0	0	0	632,655	217,878	300,975	317,683	190,697
Interest Income	163,845	219,904	608,037	1,510,900	1,130,374	711,891	240,559	172,788	173,744	198,615
Miscellaneous	641,604	256,714	198,615	877,320	609,766	218,147	124,484	163,347	616,648	728,605
Total Governmental Activities	14,463,614	14,606,955	15,498,865	18,585,057	18,917,670	21,624,656	19,272,307	21,226,236	23,662,458	23,472,164
Special Item										
Transfer of Cemetery net position upon dissolution	\$ 0	0	0	0	0	0	0	0	0	1,264,906
Business-Type Activities:										
Interest Income	159,525	271,658	715,454	1,188,877	889,996	619,542	31,687	14,255	11,818	13,444
Gain on Sale of Assets	0	0	0	0	0	0	14,858	0	0	0
Miscellaneous	107,323	192,312	175,736	63,347	93,211	203,529	221,761	182,472	306,428	160,250
Total Business-Type Activities	266,848	463,970	891,190	1,252,224	983,207	823,071	268,306	196,727	318,246	173,694
Total Primary Government	\$ 14,730,462	\$ 15,070,925	\$ 16,390,055	\$ 19,837,281	\$ 19,900,877	\$ 22,447,727	\$ 19,540,613	\$ 21,422,963	\$ 23,980,704	\$ 24,910,764
Change in Net Position										
Governmental Activities	\$ 8,847,180	\$ 1,307,606	\$ 4,355,620	\$ 3,359,651	\$ 4,381,463	\$ 4,447,732	\$ 2,455,853	\$ 6,530,999	\$ (613,252)	\$ (775,831)
Business-Type Activities	4,099,602	390,105	4,234,029	6,157,318	2,624,506	2,985,786	(525,418)	569,888	930,410	3,859,961
Total Primary Government	\$ 12,946,782	\$ 1,697,711	\$ 8,589,649	\$ 9,516,969	\$ 7,005,969	\$ 7,433,518	\$ 1,930,435	\$ 7,100,887	\$ 317,158	\$ 3,084,130

¹ In 2009, Municipal Court related expenses have been reported separately from Public Safety. Prior years have been restated, accordingly.

² Storm Sewer fund was reclassified as an Enterprise fund beginning 2005.

³ Beginning in 2011, Income tax refunds are not reflected as General Government expenses, but rather as reduction in Income Tax revenues.

Schedule 3

City of Delaware, Ohio

Fund Balances, Governmental Funds,
Last Ten Years

[modified accrual basis of accounting]	Year									
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
General Fund										
Nonspendable	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 241,848	\$ 193,516
Committed	0	0	0	0	0	0	0	0	733,570	774,267
Assigned	0	0	0	0	0	0	0	0	171,094	226,167
Unassigned	0	0	0	0	0	0	0	0	4,868,744	5,373,025
Reserved	226,809	213,391	269,444	210,664	194,256	146,602	311,399	283,192	0	0
Unreserved	<u>2,456,378</u>	<u>3,113,297</u>	<u>3,729,728</u>	<u>3,320,589</u>	<u>4,636,153</u>	<u>4,329,430</u>	<u>3,363,482</u>	<u>4,269,038</u>	0	0
Total General Fund	<u>\$ 2,683,187</u>	<u>\$ 3,326,688</u>	<u>\$ 3,999,172</u>	<u>\$ 3,531,253</u>	<u>\$ 4,830,409</u>	<u>\$ 4,476,032</u>	<u>\$ 3,674,881</u>	<u>\$ 4,552,230</u>	<u>\$ 6,015,256</u>	<u>\$ 6,566,975</u>
All Other Governmental Funds										
Nonspendable	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,467,320	\$ 718,649
Restricted	0	0	0	0	0	0	0	0	11,029,429	12,976,541
Committed	0	0	0	0	0	0	0	0	2,163,710	1,572,458
Unassigned	0	0	0	0	0	0	0	0	(14,107,013)	(15,144,652)
Reserved	1,372,275	1,253,020	2,778,059	4,919,173	3,148,272	3,286,888	2,260,622	12,632,020	0	0
Unreserved, Reported In:										
Special Revenue Funds	3,140,296	3,539,715	3,541,396	2,493,707	4,554,423	3,617,503	4,367,987	9,161,840	0	0
Debt Service Funds	0	0	(318,829)	(194,149)	(164,215)	(95,031)	(40,584)	65,486	0	0
Capital Project Funds	<u>1,506,675</u>	<u>371,534</u>	<u>(2,099,828)</u>	<u>(1,716,753)</u>	<u>(8,441,470)</u>	<u>(9,670,311)</u>	<u>(10,265,440)</u>	<u>(11,336,439)</u>	0	0
Total All Other Governmental Funds	<u>\$ 6,019,246</u>	<u>\$ 5,164,269</u>	<u>\$ 3,900,798</u>	<u>\$ 5,501,978</u>	<u>\$ (902,990)</u>	<u>\$ (2,860,951)</u>	<u>\$ (3,677,415)</u>	<u>\$ 10,522,907</u>	<u>\$ 553,446</u>	<u>\$ 122,996</u>

Schedule 4

City of Delaware, Ohio

Changes in Fund Balances, Governmental Funds,

Last Ten Years

[modified accrual basis of accounting]

	Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Revenues										
Taxes [see Schedule 5]	\$ 11,859,111	\$ 11,786,991	\$ 12,908,446	\$ 13,803,188	\$ 15,294,360	\$ 15,833,459	\$ 16,447,243	\$ 17,360,032	\$ 20,172,350	\$ 20,535,799
Intergovernmental	4,355,608	4,543,844	5,354,783	4,712,298	5,498,301	4,411,719	4,420,892	8,915,679	4,566,345	4,005,737
Payments in Lieu of Taxes	0	0	0	0	0	144,180	123,249	626,716	658,991	377,639
Interest	163,845	219,904	608,037	1,510,900	1,130,374	711,891	240,559	172,788	173,744	198,615
Fees, Licenses, and Permits	741,570	1,235,725	1,293,068	812,802	695,102	911,800	649,967	717,855	772,584	839,153
Fines and Forfeitures	1,900,594	1,621,581	2,099,499	2,185,519	2,272,295	2,170,171	2,745,278	2,718,732	2,718,941	2,700,089
Impact Fees	893,389	732,316	716,595	671,769	635,868	947,185	313,320	282,074	317,812	474,539
Charges for Services	1,705,364	3,036,944	2,954,540	2,009,778	3,066,440	2,236,182	2,262,787	2,373,599	2,949,115	2,339,600
Miscellaneous Revenues	857,642	434,934	182,596	924,699	478,365	575,290	588,769	653,928	709,914	808,330
Total Revenues	22,477,123	23,612,239	26,117,564	26,630,953	29,071,105	27,941,877	27,792,064	33,821,403	33,039,796	32,279,501
Expenditures										
Public Safety										
Police/911	4,070,244	4,648,003	4,601,572	5,308,311	5,747,008	6,082,182	6,711,910	6,535,526	6,410,160	6,717,902
Fire	3,438,285	3,923,493	3,826,612	4,302,064	4,437,377	4,827,021	5,021,164	5,207,654	6,701,280	6,530,534
Municipal Court	1,794,277	1,907,380	1,831,658	1,991,201	2,116,629	2,541,708	2,774,856	2,517,600	2,419,095	2,600,349
Other	457,304	507,569	491,003	354,756	507,724	555,251	647,593	669,365	628,891	205,862
Parks & Facilities	1,203,380	1,285,589	1,253,301	1,322,053	1,342,676	1,476,899	2,454,881	8,749,976	10,769,217	2,870,507
Community Development	456,969	548,626	1,266,499	937,467	414,304	449,766	144,508	273,568	707,277	677,968
Airport	535,025	501,920	554,198	703,117	632,474	735,271	687,147	716,795	980,685	806,080
Public Works	2,213,029	2,726,141	2,059,117	2,083,994	2,337,900	3,878,769	2,797,245	6,389,734	3,764,992	4,935,056
General Government	4,020,113	5,048,933	5,336,851	5,536,024	5,374,168	5,385,890	4,145,850	4,436,391	4,555,490	4,395,764
Capital Outlay	2,504,776	2,764,706	2,421,987	6,950,049	9,842,843	3,919,563	3,217,430	917,033	2,365,391	1,011,857
Refunds	0	0	5,908	1,477	0	0	0	0	26,409	427,286
Debt Service										
Principal	178,000	250,775	272,551	279,293	523,889	540,976	563,915	1,063,900	895,000	1,075,246
Interest and Charges	320,187	245,922	305,161	622,553	959,636	984,232	759,014	1,538,929	1,334,689	1,382,852
Total Expenditures	21,191,589	24,359,057	24,226,418	30,392,359	34,236,628	31,377,528	29,925,513	39,016,471	41,558,576	33,637,263
Excess of Revenues Over/(Under)										
Expenditures	1,285,534	(746,818)	1,891,146	(3,761,406)	(5,165,523)	(3,435,651)	(2,133,449)	(5,195,068)	(8,518,780)	(1,357,762)
Other Financing Sources (Uses)										
Issuance of Bonds	0	0	0	3,720,000	0	0	0	20,120,000	0	3,395,000
Issuance of Notes	0	475,000	0	0	0	0	0	0	0	0
Premium on Bond Issuance	0	0	0	0	0	0	0	140,775	0	65,710
Proceeds of Capital Lease	0	60,342	0	0	59,791	0	0	0	0	1,090,176
Payment to Refunding Agent	0	0	0	0	0	0	0	0	0	(3,383,489)
Discount on Bond Issuance	0	0	0	0	0	0	0	0	0	(24,058)
Sale of Assets ¹	0	0	0	0	0	1,123,313	37,085	11,964	12,345	28,786
Transfers In	3,763,354	3,411,829	5,915,144	8,449,668	5,744,361	5,671,567	5,804,230	6,121,095	5,155,407	6,804,445
Transfers Out	(3,763,354)	(3,411,829)	(5,915,144)	(8,453,298)	(5,744,361)	(5,671,567)	(5,804,230)	(6,121,095)	(5,155,407)	(6,804,445)
Total Other Financing Sources (Uses)	0	535,342	0	3,716,370	59,791	1,123,313	37,085	20,272,739	12,345	1,172,125
Special Item										
Transfer of Cemetery Fund Balance upon dissolution	0	0	0	0	0	0	0	0	0	306,906
Net Change in Fund Balances	\$ 1,285,534	\$ (211,476)	\$ 1,891,146	\$ (45,036)	\$ (5,105,732)	\$ (2,312,338)	\$ (2,096,364)	\$ 15,077,671	\$ (8,506,435)	\$ 121,269
Debt Service as a Percentage of										
Noncapital Expenditures [restated] ²	2.89%	2.46%	2.63%	3.91%	8.11%	6.10%	5.27%	9.88%	7.07%	8.52%

¹ Due to materiality, Sale of Assets was reported in Miscellaneous Revenues until 2008.

² Restated to use corrected capital outlay amount in calculation.

Schedule 5

City of Delaware, Ohio

Tax Revenues by Source, Governmental Funds,
Last Ten Years

[modified accrual basis of accounting]

<i>Year</i>	<i>Property</i>	<i>Income</i>	<i>Other</i>	<i>Total</i>
2003	1,393,088	9,832,755	633,268	11,859,111
2004	1,412,269	10,271,309	103,413	11,786,991
2005	1,473,996	11,319,280	115,170	12,908,446
2006	1,715,499	11,980,011	107,678	13,803,188
2007	1,793,182	13,408,017	93,161	15,294,360
2008	1,849,164	13,919,764	64,531	15,833,459
2009	1,825,092	14,559,812	62,339	16,447,243
2010	1,752,804	15,552,763	54,465	17,360,032
2011	1,685,641	18,435,254	51,455	20,172,350
2012	1,549,615	18,915,883	70,301	20,535,799
Change 2003 to 2012	13.16%	103.07%	-72.18%	80.47%

Schedule 6

City of Delaware, Ohio

Assessed Value and Actual Value of Taxable Property,
Last Ten Years

[in Thousands of Dollars]

Collection Year Ended December 31	Real Property					Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
	Residential Property	Commercial Property	Public Utility	Personal Property					
2003	\$ 330,107	\$ 139,991	\$ 13,168	\$ 71,399	\$ 554,666	2.70	\$ 1,624,421	34.15 %	
2004	350,985	154,571	13,402	62,877	581,835	2.70	1,734,245	33.55	
2005	377,678	150,328	13,416	72,441	613,863	2.70	1,836,683	33.42	
2006	457,358	159,383	13,542	56,820	687,103	2.70	2,028,089	33.88	
2007	494,524	155,988	12,805	41,101	704,418	2.70	2,059,595	34.20	
2008	513,443	163,712	12,838	24,704	714,697	2.70	2,070,223	34.52	
2009	511,997	168,759	15,848	734	697,338	2.70	2,015,746	34.59	
2010	510,295	178,094	16,594	362	705,345	2.70	2,040,441	34.57	
2011	515,519	171,692	18,815	0	706,026	2.70	2,017,217	35.00	
2012	482,997	166,853	20,058	0	669,908	2.70	1,914,024	35.00	

Source: Delaware County Auditor's Office

Schedule 7

City of Delaware, Ohio

Direct and Overlapping Property Tax Rates,
Last Ten Years

[rate per \$1,000 of assessed value]

<i>Collection</i>	<i>City of Delaware</i>			<i>Overlapping Rates</i> ¹			<i>Total Direct & Overlapping Rates</i>
	<i>General Fund</i>	<i>Police & Fire Pension</i>	<i>Total Direct</i>	<i>County</i>	<i>School District</i>	<i>Other</i>	
2003	2.10	0.60	2.70	5.61	64.97	4.05	77.33
2004	2.10	0.60	2.70	5.61	64.73	4.02	77.06
2005	2.10	0.60	2.70	5.61	67.96	3.99	80.26
2006	2.10	0.60	2.70	5.98	67.18	3.98	79.84
2007	2.10	0.60	2.70	6.10	67.76	3.97	80.53
2008	2.10	0.60	2.70	6.10	67.10	3.96	79.86
2009	2.10	0.60	2.70	6.30	67.42	3.94	80.36
2010	2.10	0.60	2.70	7.09	66.83	4.93	81.55
2011	2.10	0.60	2.70	7.10	66.91	4.90	81.61
2012	2.10	0.60	2.70	7.10	76.38	4.90	91.08

Source: Delaware County Auditor's Office

Note: The City's basic property tax rate may be increased only by a majority vote of the City's residents.

¹ Overlapping rates are those of local and county governments that apply to property owners within the City of Delaware. Not all overlapping rates apply to all Delaware property owners: annexed properties may still pay township taxes in addition to City taxes.

Schedule 8

City of Delaware, Ohio

Principal Property Tax Payers,
Current Year and Ten Years Ago

Taxpayer	<u>2012</u>			<u>2002</u>		
	<i>Taxable Assessed</i>		<i>Percentage of</i>	<i>Taxable</i>		<i>Percentage of</i>
	<i>Value</i>	<i>Rank</i>	<i>Total City</i>	<i>Assessed Value</i>	<i>Rank</i>	<i>Total City</i>
			<i>Taxable</i>			<i>Taxable</i>
			<i>Assessed Value</i>	<i>Assessed Value</i>		<i>Assessed Value</i>
Columbus Southern Power Co.	\$ 15,922,000	1	2.38 %	\$ 7,961,569	1	1.61 %
Crown Group, Ltd.	4,757,050	2	0.71	1,746,850	14	0.35
Kroger Company	4,121,860	3	0.62	1,698,795	15	0.34
Willow Brook Christian	4,063,730	4	0.61	4,230,380	6	0.86
USPG Portfolio Two, LLC	3,995,900	5	0.60	4,693,395	3	0.95
Bowtown Apartments, Inc.	3,958,290	6	0.59	4,974,200	2	1.01
SARBG Delaware, LTD	3,773,700	7	0.56	4,594,765	4	0.93
Dominion Homes, Inc	3,551,390	8	0.53	—	—	—
Grady Memorial Hospital	3,231,620	9	0.48	—	—	—
Long Real Estate, Inc.	3,210,430	10	0.48	3,051,650	7	0.62
Columbia Gas of Ohio	2,674,160	11	0.40	—	—	—
Troy Farm Acquisition	2,621,120	12	0.39	—	—	—
Western Auto Supply	—	—	—	2,434,075	10	0.49
PPG Industries	—	—	—	2,785,125	9	0.56
Hayes Colony LTD	—	—	—	2,234,855	12	0.45
Liebert NA Inc	—	—	—	2,271,500	11	0.46
Buehler Food Markets Inc	—	—	—	1,635,025	17	0.33
Glimcher Properties	—	—	—	4,413,150	5	0.90
Olentangy Building & Development LTD	—	—	—	2,794,400	8	0.57
DMI Distribution	—	—	—	1,826,125	13	0.37
Nippert Electrical Products, Co.	—	—	—	1,647,695	16	0.33
	<u>\$ 55,881,250</u>		<u>8.35 %</u>	<u>\$ 54,993,554</u>		<u>11.13 %</u>

Source: Delaware County Auditor's Office.

Schedule 9

City of Delaware, Ohio
 Property Tax Levies and Collections,
 Last Ten Years

<i>Tax Year/ Collection Year</i>	<i>Total Tax Levy</i>	<i>Current Tax Collections¹</i>	<i>Percentage of Current Collections to Current Levy</i>	<i>Delinquent Tax Collections²</i>	<i>Total Tax Collections</i>	<i>Percentage of Total Collections to Total Tax Levy</i>
2002/2003	\$ 1,296,642	\$ 1,234,797	95.23 %	\$ 61,652	\$1,296,449	99.99 %
2003/2004	1,580,882	1,515,521	95.87	43,562	1,559,083	98.62
2004/2005	1,608,059	1,592,740	99.05	15,061	1,607,801	99.98
2005/2006	1,680,176	1,603,236	95.42	44,870	1,648,106	98.09
2006/2007	1,748,691	1,690,890	96.69	49,908	1,740,798	99.55
2007/2008	1,883,475	1,807,518	95.97	72,451	1,879,969	99.81
2008/2009	1,832,785	1,771,209	96.64	58,723	1,829,932	99.84
2009/2010	1,856,229	1,753,217	94.45	51,149	1,804,366	97.21
2010/2011	1,854,135	1,776,838	95.83	70,062	1,846,900	99.61
2011/2012	1,762,460	1,715,093	97.31	43,714	1,758,807	99.79

¹ State reimbursement of homestead and rollback exemptions are included.

² The County does not identify delinquent collections by tax year.

Source: Delaware County Auditor's Office, City of Delaware Finance Department

Schedule 10

City of Delaware, Ohio

Income Tax Revenue by Source,

Last Ten Years

*[modified accrual basis of
accounting, in thousands of dollars]*

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Income Tax Rate	1.40%	1.40%	1.40%	1.40%	1.40%	1.40%	1.55%	1.55%	1.85%	1.85%
Business Accounts	\$ 634	\$ 811	\$ 951	\$ 1,138	\$ 1,337	\$ 1,794	\$ 1,270	\$ 1,264	\$ 1,338	\$ 1,516
<i>Percentage of Total</i>	6.45%	7.90%	8.40%	9.50%	9.97%	12.89%	8.72%	8.13%	7.26%	8.01%
Residential Accounts	1,777	1,880	2,385	2,597	2,749	2,886	3,213	3,425	3,775	3,933
<i>Percentage of Total</i>	18.07%	18.30%	21.07%	21.68%	20.50%	20.73%	22.07%	22.02%	20.48%	20.79%
Withholding Accounts	7,422	7,580	7,983	8,245	9,322	9,240	10,077	10,864	13,322	13,467
<i>Percentage of Total</i>	75.48%	73.80%	70.53%	68.82%	69.53%	66.38%	69.21%	69.85%	72.26%	71.19%
Total Income Tax Revenues	<u>\$ 9,833</u>	<u>\$ 10,271</u>	<u>\$ 11,319</u>	<u>\$ 11,980</u>	<u>\$ 13,408</u>	<u>\$ 13,920</u>	<u>\$ 14,560</u>	<u>\$ 15,552</u>	<u>\$ 18,435</u>	<u>\$ 18,916</u>

Source: City of Delaware Tax Department

Passage of levy in 2008 increased rate by .15% for recreation improvements.

Passage of levy in 2010 increased rate by .3% for fire/ems improvements.

Note: Years 2005, 2007, 2011 changed to reflect modified accrual basis.

Schedule 11

City of Delaware, Ohio
 Ratios of Outstanding Debt by Type,
 Last Ten Years
[dollars in thousands, except per capita]

Year	Governmental Activities				Business-Type Activities					Total Primary Government	Percentage of Personal Income ¹	Per Capita ¹
	General Obligation Bonds	Income Tax Revenue Bonds	Special Assessment Bonds	Capital Leases	Water Bonds	Sewer Bonds	General Obligation Bonds	Loans Payable	Capital Leases			
2003	\$ 5,505	\$ 0	\$ 233	\$ 0	\$ 0	\$ 0	\$ 7,290	\$ 0	\$ 0	\$ 13,028	1.83 %	\$ 449
2004	5,290	0	202	56	0	0	6,840	4,985	38	17,411	2.35	580
2005	5,070	0	169	36	0	0	6,380	18,593	24	30,272	3.86	961
2006	8,565	0	135	16	0	0	10,930	23,199	11	42,856	5.35	1,339
2007	8,093	0	99	60	0	0	10,297	25,222	0	43,771	5.34	1,347
2008	7,608	0	62	41	0	0	9,647	24,251	0	41,609	4.90	1,244
2009	7,103	0	23	21	0	15,150	8,976	23,245	0	54,518	6.24	1,594
2010	6,583	19,620	0	0	0	15,020	7,982	22,202	0	71,407	7.94	2,040
2011	6,043	19,265	0	0	0	14,855	7,567	23,446	0	71,176	7.86	2,034
2012	5,513	18,865	0	980	0	14,660	6,946	25,928	0	72,892	9.97	2,056

Note: Details regarding the City's outstanding debt can be found in the Notes to the Financial Statements.

¹ See Schedule 16 for personal income and population data.

Sources: City of Delaware Finance Department, Economic Development Department

Schedule 12

City of Delaware, Ohio

Ratios of General Bonded Debt Outstanding,
Last Ten Years

[dollars in thousands, except per capita]

<i>Year</i>	<i>General Obligation Bonds</i>	<i>Less: Amounts Available in Debt Service Fund</i>	<i>Total</i>	<i>Percentage of Estimated Actual Taxable Value of Property¹</i>	<i>Per Capita²</i>
2003	\$ 12,795	\$ 89	\$ 12,706	0.78 %	\$ 438
2004	12,130	77	12,053	0.69	402
2005	11,450	157	11,293	0.61	364
2006	19,495	9	19,486	0.96	609
2007	18,390	0	18,390	0.89	566
2008	17,255	0	17,255	0.83	516
2009	16,079	0	16,079	0.80	471
2010	14,565	0	14,565	0.71	416
2011	13,610	0	13,610	0.67	389
2012	12,459	0	12,459	0.65	351

Note: Further details regarding the City's outstanding debt can be found in the Notes to the Financial Statements. The amounts were restated to include both governmental and business-type bonds.

¹ See Schedule 6 for property value data.

² Population data can be found in Schedule 16.

Schedule 13

City of Delaware, Ohio

Direct and Overlapping Governmental Activities Debt,
As of December 31, 2012

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable¹</u>	<u>Share of Overlapping Debt</u>
Outstanding General Obligation Debt; County Subtotal, Overlapping Debt	\$ 36,657,876	10.95%	\$ 4,014,037 <u>4,014,037</u>
City of Delaware direct debt			<u>25,357,764</u>
Total Direct and Overlapping Debt			<u><u>\$ 29,371,801</u></u>

Sources: Debt outstanding and assessed value data used to estimate applicable percentages provided by the County Auditor.

Note: 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 of Delaware. 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. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

¹ The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the county's taxable assessed value that is within the City's boundaries and dividing it by the county's total taxable assessed value.

Schedule 14

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

[dollars in thousands]

	Year																			
	2003		2004		2005		2006		2007		2008		2009		2010		2011		2012	
	<i>voted:</i>	<i>unvoted:</i>	<i>voted:</i>	<i>unvoted:</i>	<i>voted:</i>	<i>unvoted:</i>	<i>voted:</i>	<i>unvoted:</i>	<i>voted:</i>	<i>unvoted:</i>	<i>voted:</i>	<i>unvoted:</i>	<i>voted:</i>	<i>unvoted:</i>	<i>voted:</i>	<i>unvoted:</i>	<i>voted:</i>	<i>unvoted:</i>	<i>voted:</i>	<i>unvoted:</i>
Debt Limit	\$ 58,081	\$ 30,424	\$ 60,492	\$ 31,686	\$ 59,543	\$ 28,849	\$ 63,328	\$ 29,098	\$ 66,514	\$ 30,987	\$ 67,373	\$ 31,638	\$ 73,220	\$ 38,354	\$ 74,061	\$ 38,794	\$ 74,133	\$ 38,831	\$ 70,340	\$ 36,845
Total Net Debt Applicable to Limit	6,793	6,793	8,202	8,202	13,109	13,109	21,476	21,476	25,261	25,261	25,210	25,210	29,310	29,310	33,175	33,175	31,640	31,640	34,190	34,190
Legal Debt Margin	\$ 51,288	\$ 23,631	\$ 52,290	\$ 23,484	\$ 46,434	\$ 15,740	\$ 41,852	\$ 7,622	\$ 41,253	\$ 5,726	\$ 42,163	\$ 6,428	\$ 43,910	\$ 9,044	\$ 40,886	\$ 5,619	\$ 42,493	\$ 7,191	\$ 36,150	\$ 2,655
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	88.30%	77.67%	86.44%	74.11%	77.98%	54.56%	66.09%	26.19%	62.02%	18.48%	62.58%	20.32%	59.97%	23.58%	55.21%	14.48%	57.32%	18.52%	51.39%	7.21%

Legal Debt Margin Calculation for Year 2012

	<i>Voted limit:</i>	<i>Unvoted Limit:</i>
Assessed value	10.5%	5.5%
Debt limit [% of assessed value]	\$ 669,908	\$ 669,908
Debt applicable to limit:		
General Obligation Debt	\$ 34,190	
Less amount set aside for repayment of general obligation debt.	<u>0</u>	
Total Net Debt Applicable to Limit	<u>34,190</u>	<u>34,190</u>
Legal Debt Margin	<u>\$ 36,150</u>	<u>\$ 2,655</u>

Note: Under state finance law, the City's outstanding general obligation debt should not exceed 10.5% of total assessed property value for voted debt, nor 5.5% of the total for unvoted debt. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation

Schedule 15

City of Delaware, Ohio
Pledged-Revenue Coverage,
Last Ten Years

[dollars in thousands]

Fiscal Year	Water Revenue Bonds & Loans						Sewer Revenue Bonds & Loans					
	Water Charges and Other ¹	Less: Operating ²	Net Available Revenue	Debt Service			Sewer Charges and Other ¹	Less: Operating ²	Net Available Revenue	Debt Service		
		Principal	Interest	Coverage	Principal	Interest		Coverage				
2003	\$ 2,805	\$ 3,351	\$ (546)	\$ 0	\$ 0	—	\$ 3,518	\$ 2,826	\$ 692	\$ 0	\$ 0	—
2004	N/A	N/A	N/A	0	0	—	N/A	N/A	N/A	0	0	—
2005	N/A	N/A	N/A	0	0	—	N/A	N/A	N/A	0	0	—
2006	N/A	N/A	N/A	0	0	—	N/A	N/A	N/A	0	0	—
2007	N/A	N/A	N/A	0	0	—	5,171	3,052	2,119	1,121	195	1.61
2008	N/A	N/A	N/A	0	0	—	5,866	3,312	2,554	874	892	1.45
2009	N/A	N/A	N/A	0	0	—	5,971	3,050	2,921	1,541	1,631	0.92
2010	N/A	N/A	N/A	0	0	—	6,309	3,223	3,086	1,723	1,697	0.90
2011	4,351	3,208	1,143	27	41	16.81	6,426	3,238	3,188	1,663	1,229	1.10
2012	5,158	3,298	1,860	57	80	13.58	6,983	3,478	3,505	1,851	1,518	1.04

Fiscal Year	Special Assessment Bonds				Income Tax Bonds			
	Assessments Collections	Debt Service			Income Tax Collections	Debt Service		
		Principal	Interest	Coverage		Principal	Interest	Coverage
2003	\$ 38	\$ 28	\$ 15	0.88	\$ 0	\$ 0	\$ 0	\$ 0
2004	37	31	14	0.82	0	0	0	0
2005	36	33	12	0.80	0	0	0	0
2006	37	34	10	0.84	0	0	0	0
2007	36	36	8	0.82	0	0	0	0
2008	38	37	6	0.88	0	0	0	0
2009	35	39	4	0.81	0	0	0	0
2010	21	23	1	0.88	1,226	500	648	1.07
2011	0	0	0	—	1,508	355	392	2.02
2012	N/A	N/A	N/A	—	1,557	400	385	1.98

Note: Details regarding the City's outstanding debt can be found in the Notes to the Financial Statements.

¹ Charges and Other Revenues do not include Capacity Fees or Contributed Assets.

² Operating Expenses do not include Depreciation or Debt Service.

Schedule 16

City of Delaware, Ohio

Demographic and Economic Statistics,
Last Ten Years

<i>Year</i>	<i>Population</i> ¹	<i>Personal Income</i> <i>[thousands of dollars]</i>	<i>Per Capita Personal</i> <i>Income</i> ¹	<i>School Enrollment</i> ²	<i>Unemployment</i> <i>Rate</i> ³
2003	29,000	\$ 712,240	\$ 24,560	4,499	3.80
2004	30,012	741,867	24,719	4,487	3.70
2005	31,000	771,280	24,880	4,614	3.20
2006	32,000	801,312	25,041	4,683	3.80
2007	32,500	819,130	25,204	4,686	4.00
2008	33,440	848,306	25,368	4,837	3.90
2009	34,168	872,412	25,533	4,800	7.80
2010	35,000	899,465	25,699	5,185	7.10
2011	35,011	905,560	25,865	5,272	6.42
2012	35,450	926,083	26,124	5,272	5.50

Sources: U.S Census Bureau, Bureau of Economic Analysis, Delaware City Schools

¹ "Population estimates and Projections", published by the U.S. Department of Commerce, Bureau of the Census, when available. When unavailable, estimates are interpolated based on increases in construction of single and double family homes.

² Delaware City School District

³ Ohio Bureau of Employment Services, Civilian Labor Force Research and Statistics Estimates

Schedule 17

City of Delaware, Ohio

Principal Business Withholdings Taxpayers,
Current Year and Ten Years Ago

Employer	2012					2002				
	<i>Taxes Paid</i> ¹	<i>Rank</i>	<i>Total Business</i> ¹	<i>Percentage of Total City</i> ²		<i>Taxes Paid</i>	<i>Rank</i>	<i>Percentage of Total Business</i>	<i>Percentage of Total City</i>	
The Kroger Company	\$ 969,437	1	7.20 %	5.12 %		\$ 78,306	13	1.13 %	0.85 %	
Delaware County Auditor	754,682	2	5.60	3.99		355,674	2	5.14	3.87	
Delaware City Board of Education	514,197	3	3.82	2.72		304,634	3	4.40	3.32	
Liebert North America, Inc.	500,981	4	3.72	2.65		209,738	8	3.03	2.28	
Grady Memorial Hospital	480,980	5	3.57	2.54		244,384	6	3.53	2.66	
Ohio Wesleyan University	465,965	6	3.46	2.46		285,580	4	4.13	3.11	
State of Ohio	408,651	7	3.03	2.16		267,272	5	3.86	2.91	
PPG Industries Ohio, Inc.	392,868	8	2.92	2.08		420,945	1	6.09	4.58	
City of Delaware	316,548	9	2.35	1.67		173,732	8	2.51	1.89	
Honda of America Mfg., Inc.	278,672	10	2.07	1.47		211,900	7	3.06	2.31	
AHP	240,664	11	1.79	1.27		—	—	—	—	
Advance Stores Co. Inc.	232,701	12	1.73	1.23		125,320	10	1.81	1.36	
Jegs Automotive	212,587	13	1.58	1.12		113,461	11	1.64	1.23	
Olentangy Schools	169,216	14	1.26	0.89		—	—	—	—	
Healthworks, Inc.	161,432	15	1.20	0.85		—	—	—	—	
International Paper Co. [Willamette; 2002]	136,274	16	1.01	0.72		60,046	16	0.87	0.65	
Liberty Castings Co [General Castings; 2002]	119,645	17	0.89	0.63		85,476	12	1.24	0.93	
Midwest Acoust-a-Fiber	110,816	18	0.82	0.59		75,849	14	1.10	0.83	
Willow Brook Christian	106,313	19	0.79	0.56		—	—	—	—	
Sam Dong Ohio Inc	103,039	20	0.77	0.54		—	—	—	—	
	<u>\$ 6,675,668</u>		<u>49.58 %</u>	<u>35.26 %</u>		<u>\$ 3,077,497</u>		<u>43.56 %</u>	<u>32.79 %</u>	

¹As compared to total business withholdings for the year from Schedule 10.

²As compared to total taxes received for the year from Schedule 10.

Source: City of Delaware Tax Department

Schedule 18

City of Delaware, Ohio

Full-time Equivalent City Government Employees by Function

Last Ten Years

Function	<i>Year</i>									
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
General Government	44.4	52.3	55.4	53.0	52.5	50.5	48.5	48.5	47.5	45.5
Public Safety										
Police										
Officers	40.0	43.0	45.0	47.0	48.0	50.0	50.0	48.0	52.0	52.0
Civilians	18.0	18.0	18.0	18.0	18.0	18.0	16.7	7.5	8.5	8.5
Fire										
Firefighters and Officers	43.2	42.7	44.7	46.7	47.7	46.0	45.0	44.0	44.0	56.0
Civilians	1.0	1.0	1.0	1.0	1.0	1.0	2.7	1.5	1.5	1.5
Municipal Court	29.0	29.0	27.0	28.0	28.0	34.0	35.0	35.0	35.0	35.0
Prosecutor	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	6.0
Parks & Facilities	14.6	18.0	18.6	17.6	17.6	20.7	20.7	20.7	20.7	8.9
Community Development	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Airport	1.7	2.8	2.8	2.8	2.8	3.0	3.0	3.0	2.5	2.5
Public Works ¹	24.7	24.7	21.3	19.0	20.0	20.0	19.0	19.0	18.0	18.0
Water	17.7	17.7	17.7	19.6	19.6	18.5	17.0	17.0	17.5	17.8
Sewer	17.0	17.5	17.5	18.0	18.0	18.5	15.5	15.9	15.9	15.9
Refuse	11.6	12.0	12.0	12.0	12.0	13.0	13.0	13.0	13.0	13.0
Storm Sewer	—	—	2.4	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Golf Course	3.4	3.4	3.4	3.4	3.4	3.4	3.4	3.4	3.4	3.4
Garage	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Information Technology	3.0	3.0	3.0	3.5	3.5	4.5	4.0	4.8	4.8	4.8
Total	<u>279.3</u>	<u>295.1</u>	<u>299.8</u>	<u>301.6</u>	<u>304.1</u>	<u>313.1</u>	<u>305.5</u>	<u>293.3</u>	<u>296.3</u>	<u>295.8</u>

¹ Beginning in 2005, Storm Sewer is no longer part of Public Works; it is now listed separately.

Source: City of Delaware's annual budget reports.

Schedule 19

City of Delaware, Ohio

Operating Indicators by Function,

Last Ten Years

Function	<i>Year</i>									
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Public Safety										
Police										
Arrests	2,546	2,577	2,625	3,086	3,414	3,565	3,084	3,321	3,040	2,760
Traffic Violations	1,824	2,611	2,736	3,204	4,535	3,866	2,637	2,271	1,664	1,934
Parking Tickets	4,567	3,490	4,304	4,666	3,954	4,444	2,239	2,109	2,764	4,114
Fire										
Emergency Responses	3,539	3,375	3,619	3,916	4,282	4,795	4,674	4,470	4,761	2,928
Fires Extinguished	108	98	90	87	128	116	129	104	133	103
Inspections	750	2,054	2,812	2,406	1,318	1,020	1,019	1,049	1,218	817
Parks & Facilities										
Pool memberships	340	372	352	372	909	831	894	928	824	n/a
Airport										
Fuel sales 100 LL [low-lead] <i>[in gallons]</i>	48,860	47,287	52,860	60,387	62,232	47,015	41,902	45,996	44,379	45,552
Fuel sales Jet A <i>[in gallons]</i>	43,195	57,789	58,379	48,471	47,696	51,786	58,594	57,695	57,959	66,611
Public Works										
Lane miles of roads built/donated	4.8	1.0	5.0	2.4	1.1	1.1	2.0	0.43	0.35	0.89
Street lights installed/donated	103	24	81	100	247	247	111	13	11	25
Water										
Average daily consumption <i>[thousands of gallons]</i>	3,730	3,580	3,473	3,391	3,500	3,450	3,473	3,648	3,774	3,661
Miles of lines donated	5.1	1.0	4.7	5.8	1.5	1.5	1.1	0.57	0.08	0.92
Sewer										
Miles of lines donated	7.2	4.1	4.6	7.6	1.7	1.7	1.0	0.84	0.03	0.74
Refuse										
Average monthly tonnage-collected recyclable materials	132	91	92	96	88	91	101	122	107	122
Average monthly tonnage-collected solid waste materials	1,164	1,231	1,197	1,211	1,239	1,281	1,194	1,209	1,248	1,198
Average monthly tonnage-collected yard waste materials ¹				156	123	147	131	120	145	124
Golf Course										
Memberships sold	70	71	69	69	76	72	60	57	52	61

¹Yard waste materials data available from 2006 to current.

Source: City of Delaware Staff/Department Heads

Schedule 20

City of Delaware, Ohio
 Capital Asset Statistics by Function,
 Last Ten Years

Function	<i>Year</i>									
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Public Safety										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Cruisers	12	12	13	13	13	13	13	13	13	13
SRO Cars						2	2	2	2	2
Fire										
Stations	2	2	2	2	2	2	2	2	2	2
Fire Trucks	8	8	8	8	8	8	8	8	8	8
Ambulances	3	3	3	4	4	4	4	4	4	4
Parks & Facilities										
Parks	13	14	16	19	19	19	22	22	23	24
Acreage	200	204	218	300	300	300	352	352	366	368
Cemeteries	0	0	0	0	0	0	0	0	0	1
Public Works										
Miles of Streets	140	141	146	151	152	170	172	172	172	177
Street Lights	1,003	1,027	1,108	1,208	1,455	1,505	1,616	1,629	1,629	1,678
Dump Trucks/ Snow Plows	7	8	9	11	12	12	14	14	14	14
Water										
Miles of Water Distribution	130	131	158	164	166	168	169	170	174	175
Sewer										
Miles of Sanitary Sewerline	119	123	128	136	138	152	153	154	156	157
Refuse										
Solid Waste Removal Trucks	8	8	9	10	9	9	8	8	8	8
Recycling Trucks	4	4	3	3	3	4	6	6	6	6

Source: City of Delaware Staff/Department Heads

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CITY OF DELAWARE
DELAWARE COUNTY
SINGLE AUDIT
JANUARY 1, 2012 – DECEMBER 31, 2012



**CITY OF DELAWARE
DELAWARE COUNTY**

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CITY OF DELAWARE
DELAWARE COUNTY

FEDERAL AWARDS EXPENDITURES SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2012

Federal Grantor/ <i>Pass Through Grantor/ Program Grant Title</i>	Pass Through Entity Number	CFDA Number	Expenditures
U.S. Department of Transportation; Federal Aviation Administration (FAA):			
Airport Improvement Program (Direct)	3-39-0032-1812	20.106	\$ 66,531
Airport Improvement Program (Direct)	3-39-0032-1609	20.106	114,599
Total U.S. Department of Transportation (FAA)			<u>181,130</u>
U.S. Department of Transportation; Federal Highway Administration			
<i>Passed through Mid-Ohio Regional Planning Commission:</i>			
Highway Planning and Construction	79366	20.205	32,610
Highway Planning and Construction	80105	20.205	110,954
Highway Planning and Construction	80824	20.205	25,945
Total U.S. Department of Transportation (FHA)			<u>169,509</u>
U.S. Environmental Protection Agency:			
<i>Passed through Ohio Environmental Protection Agency:</i>			
Nonpoint Source Implementation Grant	C997550011	66.460	294,368
Total U.S. Environmental Protection Agency			<u>294,368</u>
U.S. Department of Housing and Urban Development:			
<i>Passed through Ohio Department of Development:</i>			
Community Development Block Grant	A-F-11-2BE-1	14.228	95,000
Community Development Block Grant	A-Z-08-112-1	14.228	243,387
Community Development Block Grant	A-C-11-2BE-1	14.228	47,333
<i>Total Community Development Block Grant</i>			<u>385,720</u>
HOME Improvement Partnership Program	A-C-11-2BE-2	14.239	120,376
Total U.S. Department of Housing and Urban Development			<u>506,096</u>
Total Federal Awards Expenditures			<u>\$ 1,151,103</u>

The accompanying notes are an integral part of this Schedule.

**CITY OF DELAWARE
DELAWARE COUNTY**

**NOTES TO THE FEDERAL AWARDS EXPENDITURES SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2012**

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

The accompanying Federal Awards Expenditures Schedule (the Schedule) is a summary of the activity of the City's Federal award programs. The Schedule has been prepared on the cash basis of accounting.

NOTE B - MATCHING REQUIREMENTS

Certain Federal programs require the City to contribute non-Federal funds (matching funds) to support the Federally-funded programs. The City has complied with the matching requirements. The expenditure of non-Federal funds is not included on the Schedule.

NOTE C - REVOLVING LOAN PROGRAMS

The City has established a revolving loan program to provide low-interest loans to businesses to create jobs for persons from low-moderate income households. The Federal Department of Housing and Urban Development (HUD) grants money for these loans to the City, passed through the Ohio Department of Development. The Schedule reports loans made and administrative costs as disbursements on the Schedule. Subsequent loans are subject to the same compliance requirements imposed by HUD as the initial loans. These loans are collateralized by the underlying property.

Activity in the revolving loan program during 2012 as follows:

	<u>Amount</u>
Beginning loans receivable balance as of January 1, 2012	\$1,085,039
Loans made	0
Loan principal repaid	<u>(431,490)</u>
Ending loans receivable balance as of December 31, 2012	<u>\$653,549</u>
Cash balance on hand in the revolving loan fund as of December 31, 2012	<u>\$1,063,554</u>

The table above reports loans receivable at gross and is current on all outstanding balances.



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

City of Delaware
Delaware County
One South Sandusky Street
Delaware, Ohio 43015

To City Council:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Delaware, Delaware County, (the City) as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated wherein we noted the City adopted GASB Statement No.'s 63 and 65.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinions on the financial statements, but not to the extent necessary to opine on the effectiveness of the City's internal control. Accordingly, we have not opined on it.

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 a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the City's financial statements. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

Wilson, Shannon & Snow, Inc.

CERTIFIED PUBLIC ACCOUNTANTS
Ten West Locust Street
Newark, Ohio 43055
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FAX (740) 345-5635

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, opining 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 an instance of noncompliance or another matter we must report under *Government Auditing Standards* which is described in the accompanying schedule of findings and questioned costs as item 2012-01.

We also noted other matters not requiring inclusion in this report that we have reported to the City's management in a letter dated June 24, 2013.

Entity's Response to Findings

The City's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the City's response and, accordingly, we express no opinion on it.

Purpose of this Report

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Wilson, Shuman & Snow, Inc.

Newark, Ohio
June 24, 2013



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY OMB CIRCULAR A-133**

City of Delaware
Delaware County
One South Sandusky Street
Delaware, Ohio 43015

To City Council:

Report on Compliance for Each Major Federal Program

We have audited the City of Delaware's, Delaware County (the City) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that could directly and materially affect each of the City of Delaware's major federal programs for the year ended December 31, 2012. The *Summary of Audit Results* in the accompanying schedule of findings and questioned costs identifies the City's major federal programs.

Management's Responsibility

The City's Management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to opine on the City's compliance for each of the City's major federal programs based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for financial audits included in the Comptroller General of the United States' *Government Auditing Standards*; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. These standards and OMB Circular A-133 require us to plan and perform the audit to reasonably assure whether noncompliance with the applicable compliance requirements referred to above that could directly and materially affect a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe our audit provides a reasonable basis for our compliance opinion on the City's major programs. However, our audit does not provide a legal determination of the City's compliance.

Wilson, Shannon & Snow, Inc.

CERTIFIED PUBLIC ACCOUNTANTS
Ten West Locust Street
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Opinion on Each Major Federal Program

In our opinion, the City of Delaware, Delaware County complied, in all material respects with the compliance requirements referred to above that could directly and materially affects each of its major federal programs for the year ended December 31, 2012.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance which OMB Circular A-133 requires us to report, described in the accompanying schedule of findings and questioned costs as item 2012-02. This finding did not require us to modify our compliance opinion on each major federal program.

The City's response to our noncompliance finding is described in the accompanying schedule of findings and questioned costs. We did not audit the City's response and, accordingly, we express no opinion on it.

Report on Internal Control over Compliance

The City's management is responsible for establishing and maintaining effective internal control over compliance with the applicable compliance requirements referred to above. In planning and performing our compliance audit, we considered the City's internal control over compliance with the applicable requirements that could directly and materially affect a major federal program, to determine our auditing procedures appropriate for opining on each major federal program's compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not to the extent needed to opine on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the Government's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, when performing their assigned functions, to prevent, or to timely detect and correct, noncompliance with a federal program's applicable compliance requirement. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a federal program compliance requirement will not be prevented, or timely detected and corrected. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with federal program's applicable compliance requirement that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies, described in the accompanying schedule of findings and questioned costs as items 2012-02 and 2012-03.

The City's responses to the internal control over compliance findings we identified are described in the accompanying schedule of findings and questioned costs. We did not audit the City's responses and, accordingly, we express no opinion on them.

We also noted other matters not requiring inclusion in this report that we have reported to the City's management in a letter dated June 24, 2013.

This report only describes the scope of our tests of internal control over compliance and the results of this testing based on OMB Circular A-133 requirements. Accordingly, this report is not suitable for any other purpose.

Report on Federal Awards Expenditures Schedule

We have also 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 Delaware, Delaware County (the City) as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our unmodified report thereon dated June 24, 2013, wherein we noted the City adopted GASB Statement No.'s 63 and 65. We conducted our audit to opine on the City's basic financial statements. The accompanying federal awards expenditures schedule presents additional analysis required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and is not a required part of the basic financial statements. The schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records management used to prepare the basic financial statements. We subjected this schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this schedule 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 schedule is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Wilson, Shuman & Snow, Inc.

Newark, Ohio
June 24, 2013

**CITY OF DELAWARE
DELAWARE COUNTY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A-133 §.505
DECEMBER 31, 2012**

1. SUMMARY OF AUDITOR'S RESULTS
--

<i>(d)(I)(i)</i>	Type of Financial Statement Opinion	Unqualified
<i>(d)(I)(ii)</i>	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
<i>(d)(I)(ii)</i>	Were there any other significant deficiencies reported at the financial statement level (GAGAS)?	No
<i>(d)(I)(iii)</i>	Was there any reported material non-compliance at the financial statement level (GAGAS)?	Yes
<i>(d)(I)(iv)</i>	Were there any material internal control weakness conditions reported for major federal programs?	No
<i>(d)(I)(iv)</i>	Were there any other significant deficiencies reported for major federal programs?	Yes
<i>(d)(I)(v)</i>	Type of Major Program's Compliance Opinion	Unqualified
<i>(d)(I)(vi)</i>	Are there any reportable findings under § .510?	Yes
<i>(d)(I)(vii)</i>	Major Programs (list):	Community Development Block Grants CFDA #14.228 Nonpoint Source Implementation Grant, CFDA #66.460
<i>(d)(I)(viii)</i>	Dollar Threshold: Type A\B Programs	Type A: > \$300,000 Type B: all others
<i>(d)(I)(ix)</i>	Low Risk Auditee?	No

**CITY OF DELAWARE
DELAWARE COUNTY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A-133 §.505
DECEMBER 31, 2012**

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

Finding Number	2012-01
----------------	---------

Ohio Revised Code Section 5705.10(C) states that all revenue derived from a special levy shall be credited to a special fund for the purpose for which the levy was made. In addition, all revenue derived from a source other than the general property tax and which the law prescribes shall be used for a particular purpose and is to be paid into a special fund for such purpose.

The City improperly recorded the December 2012 Cents per Gallon distribution within the General Fund and the Excess IRP distribution within the License Fee Fund instead of the Street Construction, Maintenance & Repair and State Highway Improvement Funds contrary to the requirements of the Ohio Revised Code which resulted in the following differences:

	General Fund	Street Construction, Maintenance & Repair Fund	State Highway Improvement Fund	License Fee Fund
Cents Per Gallon Required Allocation	\$0	\$29,894	\$2,424	\$0
Excess IRP Required Allocation	0	1,938	157	0
Recorded by the City	32,318	0	0	2,095
Overstated (Understated)	\$32,318	(\$31,832)	(\$2,581)	\$2,095

The adjustments identified above and recorded by the City resulted in a decrease in fund balance of \$32,218 and \$2,095 within the General and License Fee Funds, respectively, and an increase in fund balance of \$31,832 and \$2,581 within the Street Construction, Maintenance & Repair and State Highway Improvements Funds, respectively.

In addition, Ohio Revised Code Section 5705.10 in part requires that money paid into any fund shall be expended only after such fund receives monies to cover expenditures. The following funds had negative cash balances at December 31, 2012:

Funds	Negative Cash Balance
Community Development Block Grant Fund	\$92,470
Ohio Neighborhood Stabilization Program Grant Fund	193,006
Community Housing Improvement Program	167,708
FAA Airport Allocation/Improvement	135,716

The City has spent monies not available to that fund and thus causing noncompliance. No fund should have a negative cash fund balance throughout the year or at year end.

We recommend the City monitor established internal control procedures to verify that all revenues are posted to the correct funds and revenue account codes specific to avoid noncompliance in accordance with Ohio Revised Code Section 5705.10(C). We recommend that the City properly expend monies only after funds have been received and subsequent to proper appropriation. If funds are anticipated, but not yet received and expenditures are necessary, the City should advance or transfer funds from the General Fund with proper Council approval to avoid noncompliance with Ohio Revised Code Section 5705.10 specific to negative cash balances.

**CITY OF DELAWARE
DELAWARE COUNTY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A-133 §.505
DECEMBER 31, 2012**

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

Finding Number	2012-01(Continued)
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Official's Response: The misposting noted was an oversight on the part of the employee responsible for posting revenues of the City to our accounting system. In as much as the error occurred in December, subsequent identification of the error was after our system was closed out for the year.

The City operates on a reimbursement basis for most grant funds the City receives. The funds noted above are all Grant Funds for which the City, subsequent to expending money, received grant reimbursements. The City believes that advancing funds from the General Fund to each Grant Fund prior to expending money creates inefficiencies in operations and also reduces internal controls over timely reimbursement of grant funds. City Council approves all grants the City enters into and also appropriates the funds necessary to carry out the grant purpose. The Finance Committee of City Council is aware of the City's grant reimbursement procedure and concurs with the process used.

3. FINDINGS FOR FEDERAL AWARDS AND QUESTIONED COSTS
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Finding Number	2012-02
CFDA Title and Number	Nonpoint Source Implementation Grant, CFDA #66.460
Federal Award Number/Year	2011
Federal Agency	U.S. Environmental Protection Agency
Pass-Through Agency	Ohio Environmental Protection Agency

Allowable Costs/Cost Principles/Cash Management/Matching, Level of Effort & Earmarking/Reporting - Noncompliance Finding/Questioned Cost/Significant Deficiency

Ohio Environmental Protection Agency Clean Water Act Section 319 Grant Agreement, Article 4 "Accounting/Records/Retention/Access/Audit – Supporting Records" required the City be responsible for expenditure of grant monies awarded and for maintaining adequate supporting records and documentation for such expenditures, consistent with generally accepted accounting practices. Support records and documentation, which shall include contracts, invoices, vouchers and other data as appropriate, shall provide:

- a. An accurate, current and complete accounting of all financial transactions for the project;
- b. Identification of the source and expenditure of grant monies awarded under grant agreement;
- c. Control and accountability for all grant monies awarded under the grant agreement, property and other assets and written assurance that grant monies awarded under the grant agreement are solely for the authorized purpose;
- d. A comparison of actual costs versus budgeted amounts;
- e. Procedures for determining allowable, allocable and reasonable costs;
- f. A systematic method to resolve audit findings and recommendations; and
- g. Procedures to ensure prompt disbursement of grant monies awarded under the grant agreement, upon receipt of such monies.

**CITY OF DELAWARE
DELAWARE COUNTY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A-133 §.505
DECEMBER 31, 2012**

3. FINDINGS FOR FEDERAL AWARDS AND QUESTIONED COSTS
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Finding Number	2012-02 (Continued)
CFDA Title and Number	Nonpoint Source Implementation Grant, CFDA #66.460
Federal Award Number/Year	2011
Federal Agency	U.S. Environmental Protection Agency
Pass-Through Agency	Ohio Environmental Protection Agency

Allowable Costs/Cost Principles/Cash Management/Matching, Level of Effort & Earmarking/Reporting - Noncompliance Finding/Questioned Cost/Significant Deficiency (Continued)

Based on our audit we identified discrepancies between the Request for Payment certifying the final project costs submitted by the City to the Ohio Environmental Protection Agency (OEPA). Furthermore, the City was unable to provide the underlying detail to support the final project costs remitted to the OEPA contrary to the requirements of the grant agreement. Variances identified are provided as follows:

	Reported By City	Actual	Questioned Cost
Total Project Costs	\$367,961	\$358,879	
Less: Unsupported Personnel Costs – Period 10/01/11 – 03/30/12	0	(6,389)	
Total Allowable Costs	367,961	352,490	
Federal Reimbursement %	80%	80%	
 Eligible Federal Reimbursement	 \$294,368	 \$281,992	 \$12,376

Based on the differences identified above, it appears the City was reimbursed for unallowable costs which resulted in a questioned cost of \$12,376.

Although we were able to satisfy ourselves with the total project costs associated with the project which would include the local match, the City was unable to reconcile to the local match requirement certified to the OEPA of \$73,593.

We recommend the City properly maintain supporting documentation for costs in order to determine the amounts subject to Federal reimbursement are accurate and agree to underlying supporting documentation, which would also include requirements to meet the local match requirements of the respective federal grant program.

Official's Response: It appears there were two discrepancies noted regarding the amount of grant funds requested for reimbursement for the Ohio EPA Clean Water Act Section 319 Grant. The first discrepancy was the City's inability to produce a copy of one of the in-house time sheets submitted for reimbursement. A copy of the document was apparently not made or kept. We will request a copy of the missing document from the Ohio EPA office that approved the disbursement. The second discrepancy noted was caused by the City utilizing an easement estimate amount higher than a cap established by the Grant Agreement. It is the City's contention that the higher amount was approved by Ohio EPA, but in fact did exceed an original \$15,000 maximum amount. We will follow-up on establishing the correct documentation for the grant funds received and any amounts not substantiated will be returned to the granting agency.

**CITY OF DELAWARE
DELAWARE COUNTY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A-133 §.505
DECEMBER 31, 2012**

3. FINDINGS FOR FEDERAL AWARDS AND QUESTIONED COSTS
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Finding Number	2012-03
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Accuracy of the Federal Awards Expenditures Schedule – Significant Deficiency

Office of Management and Budget (OMB) Circular A-133 Subpart C, §__.310(b) Federal Awards Expenditures Schedule states that the auditee shall prepare a Federal Awards Expenditure Schedule (the Schedule) for the period covered by the auditee's financial statements. While not required, the auditee may choose to provide information requested by Federal awarding agencies and pass-through entities to make the schedule easier to use. For example, when a Federal program has multiple award years, the auditee may list the amount of Federal awards expended for each award year separately. At a minimum, the Schedule shall:

1. List individual Federal programs by Federal agency. For Federal programs included in a cluster of programs, list individual Federal programs within a cluster of programs. For Research & Development grants, total Federal awards expended shall be shown either by individual award or by Federal agency and major subdivision within the Federal agency. For example, the National Institutes of Health is a major subdivision in the Department of Health and Human Services.
2. For Federal awards received as a sub-recipient, the name of the pass-through entity and identifying number assigned by the pass-through entity shall be included.
3. Provide total Federal awards expended for each individual Federal program and the Catalog of Federal Domestic Assistance (CFDA) number or other identifying number when the CFDA information is not available.
4. Include notes that describe the significant accounting policies used in preparing the Schedule.
5. To the extent practical, pass-through entities should identify in the Schedule the total amount provided to sub-recipients from each Federal program.
6. Include, in either the Schedule or a note to the Schedule, the value of the Federal awards expended in the form of non-cash assistance, the amount of insurance in effect during the year, and loans or loan guarantees outstanding at year end. While not required, it is preferable to present this information in the Schedule.

We identified the following adjustments to the City's 2012 Federal Awards Expenditures Schedule:

- The Nonpoint Source Implementation Grant, CFDA #66.460, is a reimbursement type grant awarded to the City in 2010. The City expended Federal funds in 2011 and received Federal reimbursement of \$294,368 from the Ohio Environmental Protection Agency in 2012. Since this grant is considered a reimbursement type grant, the City inappropriately omitted these expenditures from the 2011 Schedule and therefore an adjustment was necessary to report these Federal expenditures on the City's 2012 Schedule.
- The Schedule presented for audit included HOME Improvement Partnership Program Federal funds, CFDA #14.239, as Community Development Block Grant, CFDA #14.228, Federal expenditures. An audit adjustment of \$120,376 was necessary to properly present HOME Improvement Partnership Program Federal expenditures on the Schedule.

The adjustments identified above totaled \$414,744.

**CITY OF DELAWARE
DELAWARE COUNTY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A-133 §.505
DECEMBER 31, 2012**

3. FINDINGS FOR FEDERAL AWARDS AND QUESTIONED COSTS
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Finding Number	2012-03 (Continued)
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Accuracy of the Federal Awards Expenditures Schedule – Significant Deficiency (Continued)

To reduce the risk of inaccurate reporting of Federal expenditures and noncompliance with OMB Circular A-133, Subpart C, §__.310(b), we recommend the Schedule be reviewed after preparation and tied to the underlying accounting records for completeness and accuracy.

Official's Response: The City will implement the recommendation of the auditor and undertake a higher level review of the Federal Awards Expenditures Schedule to help ensure the accuracy of the original un-audited report.

**CITY OF DELAWARE
DELAWARE COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
OMB CIRCULAR A-133 §.505
DECEMBER 31, 2012**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain</i>
2011-01	Ohio Revised Code Section 5705.10 requires no fund should have a negative cash balance.	No	Repeated as Finding 2012-01.



Dave Yost • Auditor of State

CITY OF DELAWARE

DELAWARE 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
AUGUST 13, 2013