

CITY OF SPRINGBORO
WARREN COUNTY
REGULAR AUDIT
JANUARY 1, 2013 – DECEMBER 31, 2013





Dave Yost • Auditor of State

Members of Council
City of Springboro
320 West Central Avenue
Springboro, Ohio 45066

We have reviewed the *Independent Auditors' Report* of the City of Springboro, Warren County, prepared by Wilson, Shannon & Snow, Inc., for the audit period January 1, 2013 through December 31, 2013. 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 Springboro is responsible for compliance with these laws and regulations.

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

Dave Yost
Auditor of State

May 19, 2014

This page intentionally left blank.

**CITY OF SPRINGBORO
WARREN COUNTY**

TABLE OF CONTENTS

TITLE

PAGE

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY <i>GOVERNMENT AUDITING STANDARDS</i>	1
--	---



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

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

To the 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 City of Springboro, Warren County, (the City) as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated May 10, 2014.

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
(740) 345-6611
1-800-523-6611
FAX (740) 345-5635

City of Springboro
Warren County
Independent Auditor's Report on Internal Control
Over Financial Reporting and on Compliance and Other Matters
Required By *Government Auditing Standards*

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 no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

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
May 10, 2014

This page intentionally left blank.

CITY OF SPRINGBORO, OHIO

Comprehensive Annual Financial Report

For the Year Ended December 31, 2013





CITY OF SPRINGBORO
320 West Central Avenue
Springboro, Ohio 45066
phone (937) 748-4343
fax (937) 748-6859

TABLE OF CONTENTS

CITY OF SPRINGBORO
WARREN COUNTY, OHIO

I INTRODUCTORY SECTION

A Letter of Transmittalv
B List of Principal Officialsxiii
C City Organizational Chartxiv
D Certificate of Achievement for Excellence in Financial Reportingxv

II FINANCIAL SECTION

A Independent Auditor’s Report1
B Management’s Discussion and Analysis.....5
C Basic Financial Statements:
 Government-wide Financial Statements:
 Statement of Net Position14
 Statement of Activities16
 Fund Financial Statements:
 Governmental Funds:
 Balance Sheet18
 Reconciliation of Total Governmental Fund Balances to Net Position
 of Governmental Activities.....20
 Statement of Revenues, Expenditures and Changes in Fund Balances22
 Reconciliation of the Statement of Revenues, Expenditures and
 Changes in Fund Balances of Governmental Funds to the Statement of
 Activities.....24
 Statement of Revenues, Expenditures and Changes in Fund Balance -
 Budget and Actual (Non-GAAP Budgetary Basis):
 General Fund25
 Proprietary Funds:
 Statement of Net Position26
 Statement of Revenues, Expenses and Changes in Fund Net Position.....30
 Statement of Cash Flows32
 Fiduciary Funds:
 Statement of Assets and Liabilities.....36
Notes to the Basic Financial Statements.....37

D Combining and Individual Fund Statements and Schedules:

Nonmajor Governmental Financial Statements:

Combining Balance Sheet.....	76
Combining Statement of Revenues, Expenditures and Changes in Fund Balances.....	77
Combining Balance Sheet – Nonmajor Special Revenue Funds.....	78
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Special Revenue Funds.....	80
Combining Balance Sheet – Nonmajor Capital Projects Funds.....	82
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Capital Projects Funds.....	83

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

Major Governmental Funds:

<i>General Fund</i>	84
<i>Debt Service Fund:</i>	
Debt Service Fund.....	89
<i>Capital Projects Funds:</i>	
Construction Fund.....	90
Income Tax Capital Improvement Fund.....	91

Nonmajor Governmental Funds:

Special Revenue Funds:

Street Maintenance and Repair Fund.....	92
State Highway Fund.....	93
Permissive Use Tax Fund.....	94
Motor Vehicle License Tax Fund.....	95
Community Oriented Policing Service (COPS) Grant Fund.....	96
Drug Law Enforcement Fund.....	97
Mayor’s Court Improvement Fund.....	98
Austin Center Municipal Public Improvement TIF Fund.....	99
South Tech Public Improvement TIF Fund.....	100
Law Enforcement Trust Fund.....	101
D.A.R.E Trust Fund.....	102

Capital Projects Funds:

 Permanent Improvement Fund103

 Land Acquisition Fund104

Fiduciary Funds – Agency Funds:

 Statement of Changes in Assets and Liabilities106

III STATISTICAL SECTION

Net Position by Component - Last Ten Years S 2

Changes in Net Position - Last Ten Years..... S 4

Fund Balances, Governmental Funds - Last Ten Years S 8

Changes in Fund Balances, Governmental Funds - Last Ten Years S 10

Income Tax Revenues by Source, Governmental Funds – Last Ten Years S 14

Income Tax Statistics - Current Year and Nine Years Ago S 17

Ratio of Outstanding Debt By Type - Last Ten Years S 18

Ratios of General Bonded Debt Outstanding - Last Ten Years S 20

Computation of Direct and Overlapping Debt Attributable to
Governmental Activities - Current Year S 23

Debt Limitations - Last Ten Years S 24

Pledged Revenue Coverage - Last Ten Years S 26

Demographic and Economic Statistics - Last Ten Years S 28

Principal Employers - Current Year and Nine Years Ago S 31

Full Time Equivalent Employees by Function - Last Ten Years S 32

Operating Indicators by Function - Last Ten Years S 34

Capital Asset Statistics by Function - Last Ten Years S 36



INTRODUCTORY SECTION





CITY OF SPRINGBORO

320 West Central Avenue • Springboro, Ohio 45066
Robyn L. Brown, Director of Finance

phone (937) 748-4343

fax (937) 748-6859

May 10, 2014

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

We are pleased to present the City of Springboro (the City) Comprehensive Annual Financial Report (CAFR) for the year ended December 31, 2013. The responsibility for both the accuracy of the presented data, and the completeness and fairness of presentation, including all disclosures, rests with the management of the City, particularly the office of the Director of Finance. This report is prepared in conformance with accounting principles generally accepted in the United States of America as set forth by the Governmental Accounting Standards Board (GASB) and other recognized authoritative sources. We believe the data is fairly presented in all material aspects and that it is presented in a manner designed to set forth the financial position and results of operations of the City as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain a reasonable understanding of the City's financial affairs have been included.

Accounting principles generally accepted in the United States of America require that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the independent auditor's report.

THE CITY

Although we became a City just thirty-five years ago, Springboro has earned the reputation as being a very progressive community. The City is located in the southwestern part of the State of Ohio, uniquely within the boundaries of two counties, Warren County and Montgomery County, Ohio. The City is a home rule municipal corporation, organized under the laws of the State of Ohio, which operates under its own Charter. The current Charter, which provides, for a Council/Manager form of government, was adopted on November 7, 1978, effective on January 1, 1979 and was amended most recently on November 4, 2009. The seven-member Council is elected to four-year terms. The Council appoints a City Manager who serves as the chief executive officer.

***Letter of Transmittal
For the Year Ended December 31, 2013***

REPORTING ENTITY AND SERVICES

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

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

The Warren County General Health District, the Greater Warren County Drug Task Force, the Miami Valley Regional Planning Commission and the Montgomery County Transportation Improvement District were determined to be jointly governed organizations and the Ohio Municipal League of Workers' Compensation Group Rating Plan was determined to be a group purchasing pool. These entities are discussed further in Notes 17 and 18 within the notes to the financial statements.

ECONOMIC OUTLOOK

Growth and development within the City of Springboro is expected to exceed the national and state average due to the City's physical location along Interstate 75 between Cincinnati and Dayton. The United States Census Bureau officially counted population in the City of Springboro on April 1, 2012 as 17,409, an increase of 5,029 from the 2000 United States Census Bureau count. The main factor contributing to this growth over a sustained period was an abundance of available building sites offering appealing terrain, location, amenities, small town atmosphere and a low crime rate. In 2013, 94 single-family residential construction permits were issued. This is a large increase from 2012 and reflective of projections that residential build-out would occur in the next few years and place population at build-out at the 23,000 figure.

Springboro is an important center for manufacturing and service industries. Metal fabrication, electronics assembly, distribution and aerospace comprise a substantial portion of the economic base in this region. Pioneer Industrial Components assembles audio components for the automobile industry. Advanced Engineering designs solutions for interiors of domestic and foreign vehicles, and Bosch Batteries develops nickel-hybrid batteries for BMW and Fiat vehicles. Thaler Machine designs and manufactures parts for the aerospace and defense industries. These few companies alone generate over 700 jobs. If you combine the employment of Springboro's three electronics parts distributors, Dalco Electronics, MCM Electronics and Parts Express International, these industry sectors generate over 1,100

CITY OF SPRINGBORO, OHIO

Letter of Transmittal For the Year Ended December 31, 2013

jobs in the City. Add to that Victory Wholesale Grocers, a national grocery distributor and Klosterman Bakery, a bread distributor, Springboro's prominence as a distribution center becomes evident.

Over 500 businesses call Springboro home, including corporate headquarters, branch offices and bustling distribution and retail/service establishments.

Since the City annexed the South Tech Business Park in 1997 and began marketing the Stolz Industrial Park and Commercial Way Industrial Park, industrial growth in Springboro has blossomed. In November 2004, the City of Springboro purchased the remaining 89 acres of land at the South Tech Business Park on the northern edge of the City. Three new businesses have purchased land from the City and have built facilities over the past few years. These three businesses are: SB Specialty Metals a fabricator of steel products; Renegade Corporation, which creates composite materials for the Joint Strike Fighter, and one of only two companies in the United State certified by DOD for their particular composite; and Children's Medical Center, which is operating an out-patient urgent care center.

The City has recently extended West Tech Boulevard 1,100 linear feet to open an additional 30 acres of property for development and the City is currently working with Mills-Morgan to develop the Ascent, a thirteen building office park, which will be marketed to business prospects interested in locating near the Austin Boulevard Interchange on Interstate 75.

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

MAJOR INITIATIVES

For the Year (2013):

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

General Capital Improvements:

In 2013, the City completed the expansion/renovations to the Public Services Facility. Construction was also completed on a Public Services storage facility at Clearcreek Park to assist in the maintenance and longevity of the equipment used, primarily by the Parks Department. A Sparc N' Go facility was constructed in the downtown area. This facility is a police sub-station for bike patrol and includes public restrooms. It also has charging stations for cell phones and equipment that can be used by pedestrian and bicycle traffic. There were also generators purchased for various City buildings to allow continued services in the event of power outages.

***Letter of Transmittal
For the Year Ended December 31, 2013***

Street Capital Improvements:

The City has an annual resurfacing and miscellaneous street repair program that is completed each year. Sidewalks were installed in various areas of the City as per the Mobility Master Plan, they include portions of Lytle Five Points Road, North SR 741, and West SR 73. Interchange improvements continued on SR73 at I-75 for the construction of a new northbound ramp off West SR 73. These improvements to this interchange will be done over several years. Improvements to Pennyroyal Road West End were completed in 2013. Improvements to a portion of Lytle Five Points Road began in 2013 and will be completed in 2014. Improvements to the intersection of SR 73 and SR 741 began in 2013 and will continue over the next few years. Improvements to Red Lion Five Points Road continued in 2013 with the purchase of right-of-ways and the improvements will be completed in 2014 (Issue II project). There was also a bollard project completed in 2013 on the southwest side of SR 73.

Park Improvements:

Improvements to Clearcreek Park continued in 2013 due to the extensive use of the park. The improvements included: installation of irrigation (Phase II); two drinking fountains were installed; improvements were made to ball diamonds; installation a storage area next to the restroom facility; and, materials were purchased for the construction of a pedestrian bridge. Some improvements were also completed at North Park, including: improvements to the basketball courts and tennis courts; installation of a poured in place surface at the playground; and installation of an asphalt drive to the amphitheater. Hazel Woods Park is 108 acres of park land and the City will work with the City of Franklin for plans to determine future use and development of the park. In 2013, design work began for the construction of a bridge over Clear Creek, which will allow for access to the park. The bridge will be completed in 2014. Improvements were also done at Community Park in 2013. There were additional benches installed, as well as playground equipment with a rubberized surface.

Water Capital Improvements:

The Tamarack Hills Water Main Replacement program continued in 2013, replacing a 6” water main with an 8” water main and will be done over several years.

Sewer Capital Improvements:

Generators were installed on the lift stations at Heatherwoode and The Farms of Heatherwoode subdivisions for continued services during power outages.

Storm Water Utility Capital Improvements:

A creek bank stabilization project was completed in 2013 along Dunnington Court.

Golf Course Improvements:

Improvements at the clubhouse continued in 2013 to maintain quality standards. These improvements included new blinds, televisions, projection screens, audio/PA system, patio table umbrellas and tinting of windows in the upstairs room of the Clubhouse. Generators were installed at Heatherwoode Clubhouse, Golf Maintenance Buildings and the pumphouse, to allow for continued services during power outages.

***Letter of Transmittal
For the Year Ended December 31, 2013***

For the Future (2014):

General Capital Improvements:

The budget for 2014 includes \$13,000 for a portion of the cost of the service garage parking lot expansion.

Street Capital Improvements:

The Mobility Master Plan was completed in 2001, which analyzed both motorized and non-motorized transportation needs and developed a capital improvement plan. The 2014 budget includes funding for \$2,187,500 of street capital improvements in various areas: \$700,000 for annual street resurfacing; \$715,000 for improvements to Clearcreek-Franklin Road, which is an Issue II project; \$13,000 for a portion of the cost of the service garage parking lot expansion; \$160,000 is designated for Lytle Five Points Road Improvements; \$254,500 is for West Factory Road Improvements; \$320,000 is for improvements to Cherry Street; and \$25,000 for the installation of various sidewalks.

Park Improvements:

The 2014 budget includes: \$100,000 designated for improvements at North Park, which includes reconstructing the entrance to the park with a wider driveway and a sidewalk connecting Tamarack Trail to North Park; \$100,000 for improvements to Clearcreek Park that includes the Phase I of an asphalt walking path around the entire park and would be completed in 2016; \$500,000 for improvements to Hazel Woods Park construct a bridge over Clearcreek; \$28,400 for improvements to Gardner Park that includes park signage and furniture elements; and \$250,000 for a SPARC N' GO Facility, which is for bicycle/pedestrian use and would accommodate senior citizen activities, as well as community meeting room needs.

Water Capital Improvements:

In 1995, the City commissioned the development of a Water Master Plan study in conjunction with the strategic planning process. This plan was updated in 1998, 2001 and 2008 to evaluate how the City's growth and development had compared to that projected in the earlier study and was updated again in 2009. The 2014 budget includes funding for \$868,000 water capital improvements as follows: \$855,000 for the replacement of a 6" water main with an 8" water main in the Tamarack Hills Subdivision; and \$13,000 for a portion of the cost of the service garage parking lot expansion.

Sewer Capital Improvements:

The City has developed a Sanitary Sewer Master Plan to address the sewer collection system and treatment plant needs for the next 20-years. This plan includes an analysis of the system and a Capital Improvement Program (CIP) to address these needs. The 2014 budget includes \$13,000 for a portion of the cost of the service garage parking lot expansion.

Storm Water Utility Capital Improvements:

The 2014 budget includes: \$13,000 for a portion of the cost of the service garage parking lot expansion; \$240,000 for bank stabilization at the golf course, along holes #10, #11 and #12; and \$241,500 for storm water capital projects to be completed in conjunction with street capital projects.

***Letter of Transmittal
For the Year Ended December 31, 2013***

Golf Course Improvements:

Heatherwoode Golf Course improvements for 2014 include: \$10,000 for emergency repairs; \$22,000 for course restrooms/shelter improvements; \$125,000 for landscaping renovations; \$30,000 for driving range improvements; and \$15,000 for clubhouse improvements.

FINANCIAL INFORMATION

Internal Control, Budgetary Control and the Accounting System

Development of the City's accounting system included substantial consideration of the adequacy of the internal accounting controls. Internal accounting controls are designed to provide reasonable but not absolute assurance of the following:

1. The City's assets are protected against loss and unauthorized use or disposition.
2. Reliable financial reports for preparing financial statements and providing accountability for assets are maintained.

The concept of reasonable assurance states that internal controls should be evaluated applying the following criteria:

1. The expense associated with providing the internal controls should not exceed the benefits likely to be derived from their implementation.
2. The evaluation of the offsetting costs and benefits involves estimates and judgment by the City administration and the Finance Department.

All internal control evaluations occur within this framework. It is the belief of the administrative and financial management personnel that the City's financial controls adequately safeguard existing assets and provide reasonable assurance of the proper recording of financial transactions.

Budgetary control is maintained at the object level for each department within each fund via legislation approved by City Council. Lower levels within each object are accounted for and reported internally. Such lower levels are referred to as line items of expenditure. Estimated amounts must be encumbered prior to final approval of purchase orders or other contracts to vendors. Encumbrances in excess of the available object level appropriations are not approved unless additional appropriations are authorized. Unencumbered appropriations return (lapse) to the unappropriated balances in the individual funds at the end of each fiscal year, which coincides with the calendar year.

***Letter of Transmittal
For the Year Ended December 31, 2013***

OTHER INFORMATION

Independent Audit:

An audit team from the Wilson, Shannon and Snow, Inc. has performed this year's audit. The independent auditor's unmodified opinion has been included in the Independent Auditor's Report.

Certificate of Achievement:

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Springboro, Ohio, for its Comprehensive Annual Financial Report for the year ended December 31, 2012. This was the twenty-fourth year that the government has achieved this prestigious award.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

Acknowledgment:

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

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



Christine A. Thompson
City Manager



Robyn L. Brown
Director of Finance



CITY OF SPRINGBORO, OHIO

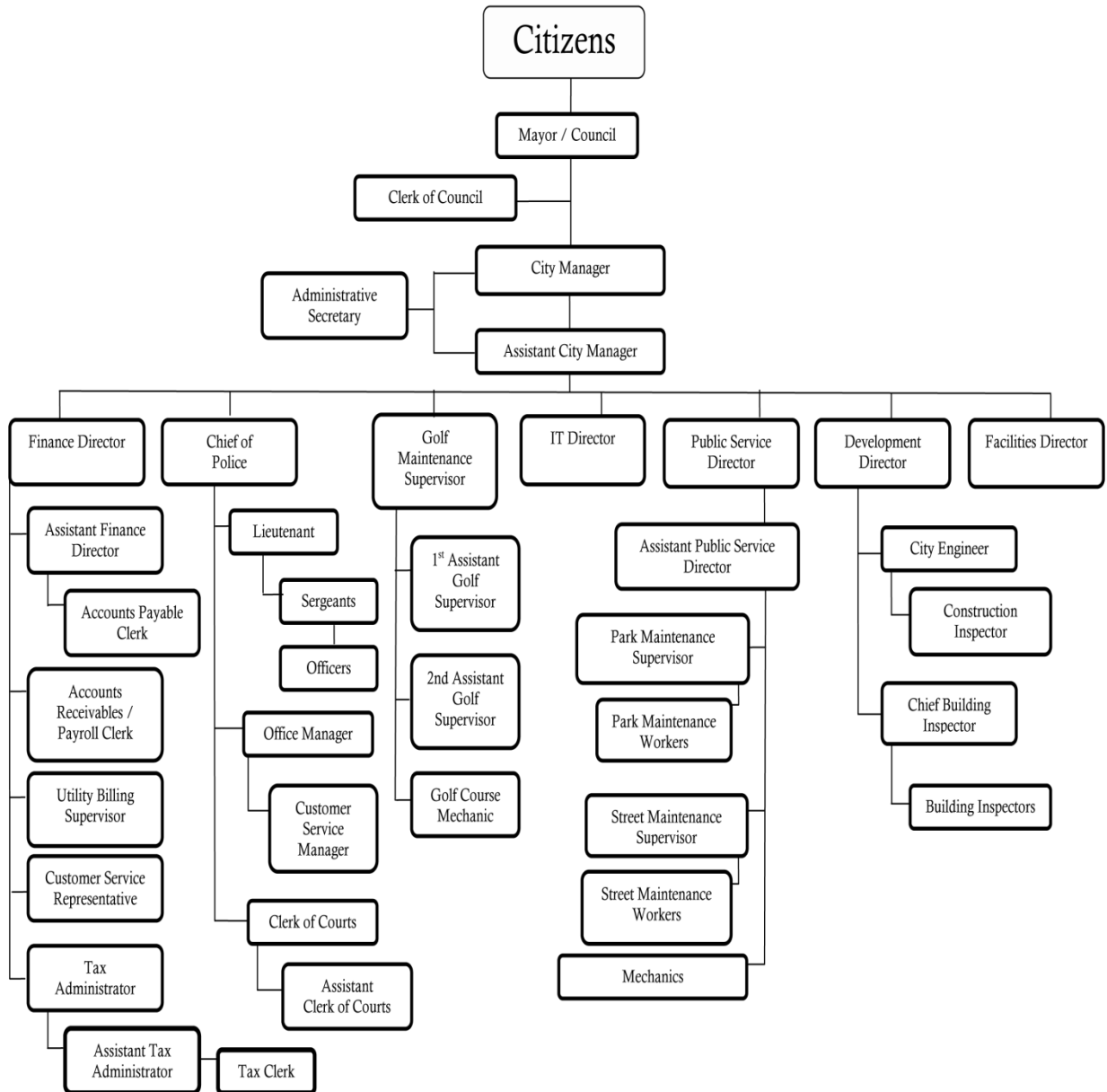
***List of Principal Officials
For the Year Ended December 31, 2013***

<i>Council</i>	<i>Title</i>	<i>Years of Service *</i>	<i>Term expires</i>
John Agenbroad	Mayor	18	December 2015
David Vomacka	Councilman Ward I	6	December 2013
Bruce Moore	Councilman Ward II	4	December 2013
Jim Chmiel	Councilman Ward III	12	December 2013
Sheila Lairson	Councilman Ward IV	8	December 2013
Becky Iverson	Councilman at Large	2	December 2015
Gary Hruska	Councilman at Large	12	December 2015

<i>Appointed Officials</i>	<i>Title</i>
Christine Thompson	City Manager
Chris Pozzuto	Assistant City Manager
Robyn Brown	Finance Director
Jeff Kruithoff	Chief of Police
Elmer Dudas	Development Director
Vincent Murphy	Public Service Director
Mike Eaton	Facilities Director
Mike Lang	IT Director
Alan Schaeffer	City Solicitor
Lori Martin	Clerk of Council
Beth Eaton	Assistant Finance Director
James Rutherford	Assistant Public Service Director
Ryan Michel	Street Maintenance Supervisor
Jonathan Brown	Park Maintenance Supervisor
Deitra Mullins	Utilities Billing Supervisor
Keith Day	Golf Maintenance Supervisor
Michelle Baker	Income Tax Administrator
Kelly Carroll	Clerk of Mayor's Court
Chad Dixon	City Engineer

* Denotes length of service with the City, not necessarily solely in the capacity which they now hold.

**City Organizational Chart
For the Year Ended December 31, 2013**





Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Springboro
Ohio**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2012

Executive Director/CEO



FINANCIAL SECTION





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

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 Springboro, Warren County, Ohio (the City), as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the Government'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 Springboro, Warren County, Ohio, as of December 31, 2013, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General fund thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

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 statements and schedules are management's responsibility, and derive from and relate 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. We also applied certain additional procedures, including comparing and reconciling statements and schedules 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, these statements and schedules are 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.

City of Springboro
Warren County
Independent Auditor's Report

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 10, 2014, 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
May 10, 2014



Management's discussion and analysis of the City of Springboro's (the City) financial performance provides an overall review of the City's financial activities for the year ended December 31, 2013. The intent of management's discussion and analysis is to look at the City's financial performance as a whole; readers should also review the transmittal letter, notes to the basic financial statements and financial statements to enhance their understanding of the City's financial performance.

FINANCIAL HIGHLIGHTS

Key financial highlights for 2013 are as follows:

- ❑ In total, net position increased \$6.2 million. Net position of governmental activities increased \$2.5 million which represents a 4.6% increase from 2012. Net position of business-type activities increased \$3.7 million or 5.9 % from 2012.
- ❑ General revenues accounted for \$13.5 million in revenue or 48% of all revenues. Program specific revenues in the form of charges for services and sales and grants and contributions accounted for 52% of total revenues of \$28.2 million.
- ❑ Total net position of governmental activities increased by \$2,543,949 in total. This increase is primarily due to increased income tax revenue, operating and capital grants and contributions.
- ❑ The City had \$12.4 million in expenses related to governmental activities; \$2.5 million of these expenses were offset by program specific charges for services and sales, grants or contributions. General revenues (primarily taxes) of \$13.5 million were adequate to provide for these programs.
- ❑ Among major funds, the general fund had \$9.5 million in revenues and \$9.5 million in expenditures and other financing uses. The general fund's fund balance decreased \$46,555.
- ❑ Net position for enterprise funds increased by \$3,677,344. This increase was the result of a reduction in expenses.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts – *management's discussion and analysis*, the *basic financial statements*, and an optional section that presents *combining statements* for nonmajor governmental funds. The basic financial statements include two kinds of statements that present different views of the City:

These statements are as follows:

1. *The Government-Wide Financial Statements* – These statements provide both long-term and short-term information about the City's overall financial status.
2. *The Fund Financial Statements* – These statements focus on individual parts of the City, reporting the City's operations in more detail than the government-wide statements.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data.

Government-wide Statements

The government-wide statements report information about the City as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the City's net position and how they have changed. Net position (the difference between the City's assets and liabilities) is one way to measure the City's financial health or position.

- Over time, increases or decreases in the City's net position are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the City you need to consider additional nonfinancial factors such as property tax base, current property tax laws, conditions of the City's streets and continued growth within the City.

The government-wide financial statements of the City are divided into two categories:

- Governmental Activities – Most of the City's program's and services are reported here including security of persons and property, public health and welfare services, leisure time activities, community environment, transportation and general government.
- Business-Type Activities – These services are provided on a charge for goods or services basis to recover all of the expenses of the goods or services provided. The City's golf course, water, sewer, trash and storm water services are reported as business-type activities.

Fund Financial Statements

The fund financial statements provide more detailed information about the City's most significant funds, not the City as a whole. Funds are accounting devices that the City uses to keep track of specific sources of funding and spending for particular purposes.

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

CITY OF SPRINGBORO, OHIO

***Management's Discussion and Analysis
For the Year Ended December 31, 2013***

Unaudited

Proprietary Funds – Proprietary funds use the same basis of accounting as business-type activities; therefore, these statements will essentially match.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the City's own programs. All of the City's fiduciary balances are reported in the separate Statement of Assets and Liabilities.

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

The following table provides a summary of the City's net position for 2013 compared to 2012:

	Governmental Activities		Business-type Activities		Total	
	2013	2012	2013	2012	2013	2012
Current and other assets	\$21,611,026	\$22,390,788	\$15,389,910	\$12,785,324	\$37,000,936	\$35,176,112
Capital assets, Net	51,079,905	50,253,097	77,996,940	79,098,706	129,076,845	129,351,803
Total assets	<u>72,690,931</u>	<u>72,643,885</u>	<u>93,386,850</u>	<u>91,884,030</u>	<u>166,077,781</u>	<u>164,527,915</u>
Deferred Outflows of Resources	0	0	1,529,380	1,660,055	1,529,380	1,660,055
Long-term debt outstanding	12,008,655	13,282,725	28,121,449	30,308,202	40,130,104	43,590,927
Other liabilities	2,584,951	3,861,805	489,964	608,410	3,074,915	4,470,215
Total liabilities	<u>14,593,606</u>	<u>17,144,530</u>	<u>28,611,413</u>	<u>30,916,612</u>	<u>43,205,019</u>	<u>48,061,142</u>
Deferred Inflows of Resources	778,512	724,491	0	0	778,512	724,491
Net investment in capital assets	28,524,086	39,980,429	51,515,909	50,576,992	80,039,995	90,557,421
Restricted	10,672,787	10,047,132	2,371,790	2,416,605	13,044,577	12,463,737
Unrestricted	18,121,940	4,747,303	12,417,118	9,633,876	30,539,058	14,381,179
Total net position	<u>\$57,318,813</u>	<u>\$54,774,864</u>	<u>\$66,304,817</u>	<u>\$62,627,473</u>	<u>\$123,623,630</u>	<u>\$117,402,337</u>

This space intentionally left blank.

CITY OF SPRINGBORO, OHIO

**Management's Discussion and Analysis
For the Year Ended December 31, 2013**

Unaudited

Changes in Net Position – The following table shows the changes in net position for 2013 compared to 2012:

	Governmental Activities		Business-type Activities		Total	
	2013	2012	2013	2012	2013	2012
Revenues						
Program Revenues:						
Charges for Services and Sales	\$964,931	\$1,073,837	\$11,355,270	\$11,837,466	\$12,320,201	\$12,911,303
Operating Grants and Contributions	1,181,004	726,537	0	0	1,181,004	726,537
Capital Grants and Contributions	355,511	35,347	794,448	694,590	1,149,959	729,937
Total Program Revenues	2,501,446	1,835,721	12,149,718	12,532,056	14,651,164	14,367,777
General revenues:						
Income Taxes	11,755,014	11,234,399	0	0	11,755,014	11,234,399
Property Taxes	828,996	624,866	0	0	828,996	624,866
Other Local Taxes	70,427	57,355	0	0	70,427	57,355
Payment in Lieu of Taxes	147,717	111,074	0	0	147,717	111,074
Intergovernmental, unrestricted	441,753	426,267	0	0	441,753	426,267
Investment Earnings	67,201	58,757	14,299	27,245	81,500	86,002
Miscellaneous	195,995	233,235	0	0	195,995	233,235
Gain (Loss) on Sale of Assets Held for Resale	0	65,954	0	0	0	65,954
Total General Revenues	13,507,103	12,811,907	14,299	27,245	13,521,402	12,839,152
Total Revenues	16,008,549	14,647,628	12,164,017	12,559,301	28,172,566	27,206,929
Program Expenses						
Security of Persons and Property	2,954,087	3,632,041	0	0	2,954,087	3,632,041
Public Health and Welfare Services	14,651	14,723	0	0	14,651	14,723
Leisure Time Activities	694,736	742,999	0	0	694,736	742,999
Community Environment	666,822	686,964	0	0	666,822	686,964
Transportation	3,798,401	2,439,903	0	0	3,798,401	2,439,903
General Government	3,685,441	4,760,638	0	0	3,685,441	4,760,638
Interest and Fiscal Charges	542,335	617,827	0	0	542,335	617,827
Golf Course	0	0	2,237,071	2,671,202	2,237,071	2,671,202
Water	0	0	3,140,275	3,670,617	3,140,275	3,670,617
Sewer	0	0	2,920,507	2,921,396	2,920,507	2,921,396
Trash	0	0	1,012,007	964,704	1,012,007	964,704
Storm Water	0	0	284,940	502,364	284,940	502,364
Total Expenses	12,356,473	12,895,095	9,594,800	10,730,283	21,951,273	23,625,378
Change in Net Position before transfers	3,652,076	1,752,533	2,569,217	1,829,018	6,221,293	3,581,551
Transfers	(1,108,127)	(942,176)	1,108,127	942,176	0	0
Total Change in Net Position	2,543,949	810,357	3,677,344	2,771,194	6,221,293	3,581,551
Beginning Net Position	54,774,864	53,964,507	62,627,473	59,856,279	117,402,337	113,820,786
Ending Net Position	\$57,318,813	\$54,774,864	\$66,304,817	\$62,627,473	\$123,623,630	\$117,402,337

***Management’s Discussion and Analysis
For the Year Ended December 31, 2013***

Unaudited

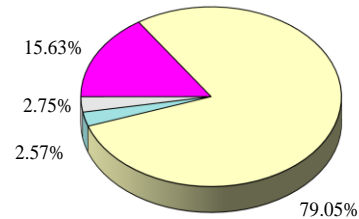
Governmental Activities

Net position of the City’s governmental activities increased by \$2,543,949. Revenues increased by \$1,360,921 in 2013 compared to 2012 and expenses and transfers decreased by \$372,671. Revenues increased across the board except for charges for services and sales and miscellaneous revenues. The increase in income tax revenue was mostly from withholding payments due to an increase in reported wages from businesses and from new businesses that started in the City. The decrease in transfers was due to a reduction in capital projects within the City because of the extensive capital projects that were done in 2012.

The City receives an income tax, which is based on 1.5% of all salaries, wages, commissions and other compensation earned from residents living within the City and from nonresidents for work done or services performed or rendered in the City.

Property taxes and income taxes made up 5.2% and 73.4% respectively of revenues for governmental activities for the City in 2013. The City’s reliance upon tax revenues is demonstrated by the following graph indicating 79.05% of total revenues from general tax revenues:

Revenue Sources	2013	Percent of Total
Intergovernmental, unrestricted	\$441,753	2.75%
Program Revenues	2,501,446	15.63%
General Tax Revenues	12,654,437	79.05%
General Other	410,913	2.57%
Total Revenue	<u>\$16,008,549</u>	<u>100.00%</u>



Business-Type Activities

Net position of the business-type activities increased by \$3,677,344. This increase was the result of lower expenses, primarily due to a reduction in capital projects within the City.

***Management's Discussion and Analysis
For the Year Ended December 31, 2013***

Unaudited

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

The City's governmental funds reported a combined fund balance of \$14,575,590, which is an increase from last year's balance of \$14,044,135. The schedule below indicates the fund balance and the total change in fund balance by fund type as of December 31, 2013 and 2012:

	Fund Balance December 31, 2013	Fund Balance December 31, 2012	Increase (Decrease)
General	\$7,947,809	\$7,994,364	(\$46,555)
Debt Service	149,414	165,952	(16,538)
Construction (Capital Project)	1,894,185	2,235,816	(341,631)
Income Tax Capital Improvement (Capital Project)	1,227,356	957,821	269,535
Other Governmental	3,356,826	2,690,182	666,644
Total	<u>\$14,575,590</u>	<u>\$14,044,135</u>	<u>\$531,455</u>

General Fund – The City's General Fund balance increase is due mainly to a decrease in the amount of transfers out of the General Fund. The City saw an increase in revenue, primarily from income tax collections. The tables that follow assist in illustrating the financial activities and balance of the General Fund:

	2013 Revenues	2012 Revenues	Increase (Decrease)
Municipal Income Taxes	\$7,697,557	\$7,353,465	\$344,092
Property and Other Taxes	666,408	611,985	54,423
Intergovernmental Revenue	415,093	482,388	(67,295)
Fines, Licenses and Permits	442,090	454,212	(12,122)
Investment Earnings	68,085	120,344	(52,259)
Special Assessments	21,420	21,686	(266)
All Other Revenue	156,937	159,905	(2,968)
Total	<u>\$9,467,590</u>	<u>\$9,203,985</u>	<u>\$263,605</u>

General Fund revenues increased compared with revenues in 2012. The majority of the increase is attributed to increased income tax collections which helped to offset decreases in most of the other revenue categories.

CITY OF SPRINGBORO, OHIO

***Management's Discussion and Analysis
For the Year Ended December 31, 2013***

Unaudited

	2013 <u>Expenditures</u>	2012 <u>Expenditures</u>	Increase (Decrease)
Security of Persons and Property	\$2,822,437	\$2,838,724	(\$16,287)
Public Health and Welfare Services	14,651	14,723	(72)
Leisure Time Activities	581,460	565,858	15,602
Community Environment	631,873	587,997	43,876
General Government	<u>3,055,264</u>	<u>2,920,248</u>	<u>135,016</u>
Total	<u><u>\$7,105,685</u></u>	<u><u>\$6,927,550</u></u>	<u><u>\$178,135</u></u>

General Fund expenditures increased by \$178,135 or 2.6% over the prior year mostly due to increased costs in the General Government function. There was only a very slight increase because City Council and staff worked together to maintain expenditures, without cutting services.

Debt Service Fund – The Debt Service Fund balance decreased this year by \$16,538 due primarily to lower transfers in in 2013.

Construction Fund - The fund balance of this fund will vary from year to year based upon the City's capital project schedules. The City maintains a five-year Capital Improvement Program, which is approved each year by City Council.

Income Tax Capital Improvement Fund - The fund balance increased \$269,535 to a balance of \$1,227,356. Higher income tax collections accounted for this increase.

The City's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund.

During the course of 2013 the City amended its General Fund budget several times, none significant.

For the General Fund, final budget basis revenue of \$8.7 million changed very little when compared to the original budget estimates. The General Fund had an adequate fund balance to cover expenditures.

The large variances between budgeted and actual figures represent higher than expected revenue collections, as previously noted and prudent financial management of expenditure outlays.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of 2013 the City had \$129,076,845 net of accumulated depreciation invested in land, improvements, infrastructure, buildings, machinery and equipment and construction in progress. Of this total, \$51,079,905 was related to governmental activities and \$77,996,940 to the business-type activities. The following table shows 2013 and 2012 balances:

	Governmental Activities		Increase (Decrease)
	2013	2012	
Land	\$16,985,252	\$16,791,055	\$194,197
Construction in Progress	608,241	1,845,898	(1,237,657)
Total Non-Depreciable Capital Assets	17,593,493	18,636,953	(1,043,460)
Improvements	2,556,196	1,268,432	1,287,764
Infrastructure	41,569,837	40,964,643	605,194
Buildings	12,355,270	11,299,219	1,056,051
Machinery and Equipment	4,110,594	3,391,759	718,835
Less: Accumulated Depreciation	(27,105,485)	(25,307,909)	(1,797,576)
Total Depreciable Capital Assets, Net	33,486,412	31,616,144	1,870,268
Totals	\$51,079,905	\$50,253,097	\$826,808

	Business-Type Activities		Increase (Decrease)
	2013	2012	
Land	\$8,685,240	\$8,685,240	\$0
Construction in Progress	7,857	79,687	(71,830)
Total Non-Depreciable Capital Assets	8,693,097	8,764,927	(71,830)
Buildings	3,693,138	3,693,138	0
Land Improvements	1,552,683	1,515,202	37,481
Infrastructure	84,429,347	84,194,414	234,933
Machinery and Equipment	2,537,897	2,316,803	221,094
Less: Accumulated Depreciation	(22,909,222)	(21,385,778)	(1,523,444)
Total Depreciable Capital Assets, Net	69,303,843	70,333,779	(1,029,936)
Totals	\$77,996,940	\$79,098,706	(\$1,101,766)

The primary increases occurred in improvements, buildings and infrastructure for governmental activities. The increase in improvements and infrastructure is relative to the growth within the City over the past ten years. The increase in buildings was due to the construction of a Sparc N' Go facility and an equipment storage facility for the Service Department. The Sparc N' Go facility is a police sub-station for bike patrol in the downtown area and includes public restrooms. It also has charging stations for cell phones and equipment that can be used by pedestrian and bicycle traffic. The largest changes in the business-type activities capital assets (other than accumulated depreciation) occurred primarily in infrastructure (i.e. replacement of small water and sewer mains to larger sizes). This is a result of the growth which has taken place within the City.

***Management's Discussion and Analysis
For the Year Ended December 31, 2013***

Unaudited

As of December 31, 2013, the City has contractual commitments of \$4,131,348 for various projects. Included in these projects are the E. Milo Beck Park, Tamarack Hills water mains replacement and the Red Lion 5 Points Roadway Improvements. Additional information on the City's capital assets can be found in Note 8.

Debt

At December 31, 2013, the City had \$39.7 million in bonds outstanding, \$3,346,266 due within one year. The following table summarizes the City's debt outstanding as of December 31, 2013 and 2012:

	<u>2013</u>	<u>2012</u>
Governmental Activities:		
Special Assessment Bonds	\$1,445,000	\$1,705,000
General Obligation Bonds	10,242,506	11,153,477
Compensated Absences	<u>321,149</u>	<u>424,248</u>
Total Governmental Activities	<u>12,008,655</u>	<u>13,282,725</u>
Business-Type Activities:		
General Obligation Bonds	\$10,179,845	\$11,043,330
Mortgage Revenue Bonds	17,830,566	19,042,376
Capital Leases Payable	0	96,063
Compensated Absences	<u>111,038</u>	<u>126,433</u>
Total Business-Type Activities	<u>28,121,449</u>	<u>30,308,202</u>
Totals	<u><u>\$40,130,104</u></u>	<u><u>\$43,590,927</u></u>

State statutes limit the amount of unvoted general obligation debt the City may issue. The aggregate amount of the City's unvoted debt is also subject to overlapping debt restrictions with other political subdivisions. The actual aggregate amount of the City's unvoted debt, when added to that of other political subdivisions within the respective counties in which Springboro lies, is limited to ten mills. At December 31, 2013, the City's outstanding debt was below the legal limit. Additional information on the City's long-term debt can be found in Note 13.

ECONOMIC FACTORS

The City's budget for 2014 is very conservative. The economic conditions over the past couple years has not had a dramatic impact on the City of Springboro. We have been fortunate to have a good residential and business base and our income tax revenue has increased. The 2014 expenditures will be maintained close to the 2013 levels. City Council wants to continue to maintain current service levels to the residents of the City, which required pursuing a way to increase revenues and/or reduce expenditures. City Council will continue to monitor the revenue stream for 2014 and if necessary, adjust expenditures accordingly.

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information contact the Finance Department by calling 937-748-4353 or writing to City of Springboro Finance Department, 320 West Central Avenue, Springboro, Ohio 45066.

CITY OF SPRINGBORO, OHIO

**Statement of Net Position
December 31, 2013**

	Governmental Activities	Business-Type Activities	Total
Assets:			
Cash and Cash Equivalents	\$ 6,202,845	\$ 4,331,765	\$ 10,534,610
Investments	6,593,363	7,102,172	13,695,535
Receivables:			
Taxes	800,552	0	800,552
Accounts	0	1,296,763	1,296,763
Intergovernmental	635,591	0	635,591
Income Taxes	2,293,881	0	2,293,881
Special Assessments	2,171,326	0	2,171,326
Inventory of Supplies at Cost	128,193	34,215	162,408
Inventory Held for Resale	0	46,390	46,390
Prepaid Items	171,488	57,459	228,947
Restricted Assets:			
Cash and Cash Equivalents	0	149,356	149,356
Cash and Cash Equivalents with Fiscal Agent	0	2,371,790	2,371,790
Assets Held for Resale	2,613,787	0	2,613,787
Non-Depreciable Capital Assets	17,593,493	8,693,097	26,286,590
Depreciable Capital Assets, Net	33,486,412	69,303,843	102,790,255
Total Assets	<u>72,690,931</u>	<u>93,386,850</u>	<u>166,077,781</u>
Deferred Outflows of Resources:			
Deferred Charge on Debt Refunding	0	1,529,380	1,529,380
Liabilities:			
Accounts Payable	684,838	108,808	793,646
Accrued Wages and Benefits	192,798	55,115	247,913
Intergovernmental Payable	149,567	88,701	238,268
Refundable Deposits	0	149,356	149,356
Accrued Interest Payable	57,748	87,984	145,732
General Obligation Notes Payable	1,500,000	0	1,500,000
Long Term Liabilities:			
Amounts Due within one year	1,250,579	2,153,702	3,404,281
Amounts Due in More Than One Year	10,758,076	25,967,747	36,725,823
Total Liabilities	<u>14,593,606</u>	<u>28,611,413</u>	<u>43,205,019</u>
Deferred Inflows of Resources:			
Property Tax Levy for Next Fiscal Year	778,512	0	778,512

CITY OF SPRINGBORO, OHIO

	Governmental Activities	Business-Type Activities	Total
Net Position:			
Net Investment in Capital Assets	28,524,086	51,515,909	80,039,995
Restricted For:			
Capital Projects	6,323,792	0	6,323,792
Debt Service	2,276,913	2,371,790	4,648,703
Security of Persons	194,638	0	194,638
Transportation	1,368,895	0	1,368,895
General Government	508,549	0	508,549
Unrestricted	18,121,940	12,417,118	30,539,058
Total Net Position	\$ 57,318,813	\$ 66,304,817	\$ 123,623,630

See accompanying notes to the basic financial statements

CITY OF SPRINGBORO, OHIO

**Statement of Activities
For the Year Ended December 31, 2013**

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
Security of Persons and Property	\$ 2,954,087	\$ 19,027	\$ 32,217	\$ 0
Public Health and Welfare Services	14,651	0	0	0
Leisure Time Activities	694,736	138,999	0	0
Community Environment	666,822	210,534	0	0
Transportation	3,798,401	344,208	1,148,787	355,511
General Government	3,685,441	252,163	0	0
Interest and Fiscal Charges	542,335	0	0	0
Total Governmental Activities	12,356,473	964,931	1,181,004	355,511
Business-Type Activities:				
Golf Course	2,237,071	1,621,898	0	0
Water	3,140,275	4,475,509	0	362,152
Sewer	2,920,507	3,963,098	0	402,826
Trash	1,012,007	1,030,615	0	0
Storm Water	284,940	264,150	0	29,470
Total Business-Type Activities	9,594,800	11,355,270	0	794,448
Totals	\$ 21,951,273	\$ 12,320,201	\$ 1,181,004	\$ 1,149,959

General Revenues:

Income Taxes
Property Taxes
Other Local Taxes
Payment in Lieu of Taxes
Intergovernmental, unrestricted
Investment Earnings
Miscellaneous

Transfers

Total General Revenues and Transfers

Change in Net Position

Net Position Beginning of Year

Net Position End of Year

See accompanying notes to the basic financial statements

CITY OF SPRINGBORO, OHIO

Net (Expense) Revenue
and Changes in Net Position

Governmental Activities	Business-Type Activities	Total
\$ (2,902,843)	\$ 0	\$ (2,902,843)
(14,651)	0	(14,651)
(555,737)	0	(555,737)
(456,288)	0	(456,288)
(1,949,895)	0	(1,949,895)
(3,433,278)	0	(3,433,278)
(542,335)	0	(542,335)
<u>(9,855,027)</u>	<u>0</u>	<u>(9,855,027)</u>
0	(615,173)	(615,173)
0	1,697,386	1,697,386
0	1,445,417	1,445,417
0	18,608	18,608
0	8,680	8,680
<u>0</u>	<u>2,554,918</u>	<u>2,554,918</u>
<u>(9,855,027)</u>	<u>2,554,918</u>	<u>(7,300,109)</u>
11,755,014	0	11,755,014
828,996	0	828,996
70,427	0	70,427
147,717	0	147,717
441,753	0	441,753
67,201	14,299	81,500
195,995	0	195,995
<u>(1,108,127)</u>	<u>1,108,127</u>	<u>0</u>
<u>12,398,976</u>	<u>1,122,426</u>	<u>13,521,402</u>
2,543,949	3,677,344	6,221,293
<u>54,774,864</u>	<u>62,627,473</u>	<u>117,402,337</u>
<u>\$ 57,318,813</u>	<u>\$ 66,304,817</u>	<u>\$ 123,623,630</u>

CITY OF SPRINGBORO, OHIO

**Balance Sheet
Governmental Funds
December 31, 2013**

	General	Debt Service	Construction	Income Tax Capital Improvement
Assets:				
Cash and Cash Equivalents	\$ 2,292,661	\$ 149,414	\$ 746,372	\$ 833,271
Investments	4,966,161	0	1,627,202	0
Receivables:				
Taxes	652,835	0	0	0
Intergovernmental	177,229	0	0	0
Income Taxes	1,529,254	0	0	764,627
Special Assessments	0	2,171,326	0	0
Inventory of Supplies, at Cost	33,205	0	0	0
Prepaid Items	160,534	0	0	0
Assets Held for Resale	0	0	123,229	0
Total Assets	\$ 9,811,879	\$ 2,320,740	\$ 2,496,803	\$ 1,597,898
Liabilities:				
Accounts Payable	\$ 56,335	\$ 0	\$ 602,618	\$ 0
Accrued Wages and Benefits Payable	173,768	0	0	0
Intergovernmental Payable	134,799	0	0	0
Accrued Interest Payable	0	0	0	0
General Obligation Notes Payable	0	0	0	0
Total Liabilities	364,902	0	602,618	0
Deferred Inflows of Resources:				
Property Tax Levy for Next Fiscal Year	630,795	0	0	0
Unavailable Amounts	868,373	2,171,326	0	370,542
Total Deferred Inflows of Resources	1,499,168	2,171,326	0	370,542
Fund Balances:				
Nonspendable	193,739	0	0	0
Restricted	0	149,414	1,894,185	1,227,356
Assigned	1,007,606	0	0	0
Unassigned	6,746,464	0	0	0
Total Fund Balances	7,947,809	149,414	1,894,185	1,227,356
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 9,811,879	\$ 2,320,740	\$ 2,496,803	\$ 1,597,898

See accompanying notes to the basic financial statements

CITY OF SPRINGBORO, OHIO

Other Governmental Funds	Total Governmental Funds
\$ 2,181,127	\$ 6,202,845
0	6,593,363
147,717	800,552
458,362	635,591
0	2,293,881
0	2,171,326
94,988	128,193
10,954	171,488
2,490,558	2,613,787
<u>\$ 5,383,706</u>	<u>\$ 21,611,026</u>
\$ 25,885	\$ 684,838
19,030	192,798
14,768	149,567
13,921	13,921
1,500,000	1,500,000
<u>1,573,604</u>	<u>2,541,124</u>
147,717	778,512
305,559	3,715,800
<u>453,276</u>	<u>4,494,312</u>
105,942	299,681
4,526,492	7,797,447
0	1,007,606
(1,275,608)	5,470,856
<u>3,356,826</u>	<u>14,575,590</u>
<u>\$ 5,383,706</u>	<u>\$ 21,611,026</u>

CITY OF SPRINGBORO, OHIO

***Reconciliation Of Total Governmental Fund Balances
To Net Position Of Governmental Activities
December 31, 2013***

Total Governmental Fund Balances		\$	14,575,590
<i>Amounts reported for governmental activities in the statement of net position are different because</i>			
Capital Assets used in governmental activities are not resources and therefore are not reported in the funds.			51,079,905
Other long-term assets are not available to pay for current-period expenditures and therefore are reported as deferred inflows of resources in the funds.			
	Income Taxes Receivable - accrual basis	1,111,627	
	Property Taxes Receivable - accrual basis	22,040	
	Special Assessments Receivable - accrual basis	2,171,326	
	Grants Receivable - accrual basis	410,807	
	Total		3,715,800
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.			
	Amounts Due Within One Year	(1,250,579)	
	Amounts Due in More Than One Year	(10,758,076)	
	Accrued Interest on Long-Term Debt	(43,827)	
	Total		(12,052,482)
<i>Net Position of Governmental Activities</i>		\$	<u>57,318,813</u>



CITY OF SPRINGBORO, OHIO

**Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2013**

	General	Debt Service	Construction	Income Tax Capital Improvement
Revenues:				
Municipal Income Tax	\$ 7,697,557	\$ 0	\$ 0	\$ 3,879,248
Property and Other Taxes	666,408	0	0	0
Payment in Lieu of Taxes	0	0	0	0
Intergovernmental Revenues	415,093	0	324,671	0
Fines, Licenses and Permits	442,090	0	0	0
Investment Earnings	68,085	0	(5,779)	0
Special Assessments	21,420	331,730	17,465	0
Donations	0	0	0	0
All Other Revenue	156,937	0	173	0
Total Revenue	9,467,590	331,730	336,530	3,879,248
Expenditures:				
Current:				
Security of Persons and Property	2,822,437	0	0	0
Public Health and Welfare Services	14,651	0	0	0
Leisure Time Activities	581,460	0	0	0
Community Environment	631,873	0	0	0
Transportation	0	0	0	0
General Government	3,055,264	0	49,122	0
Capital Outlay	0	0	3,802,085	0
Debt Service:				
Principal Retirement	0	1,150,000	0	0
Interest and Fiscal Charges	0	542,411	0	0
Total Expenditures	7,105,685	1,692,411	3,851,207	0
Excess (Deficiency) of Revenues				
Over Expenditures	2,361,905	(1,360,681)	(3,514,677)	3,879,248
Other Financing Sources (Uses):				
Transfers In	0	1,344,143	4,162,761	0
Transfers Out	(2,424,212)	0	(989,715)	(3,609,713)
Total Other Financing Sources (Uses)	(2,424,212)	1,344,143	3,173,046	(3,609,713)
Net Change in Fund Balances	(62,307)	(16,538)	(341,631)	269,535
Fund Balances at Beginning of Year	7,994,364	165,952	2,235,816	957,821
Increase (Decrease) in Inventory Reserve	15,752	0	0	0
Fund Balances End of Year	\$ 7,947,809	\$ 149,414	\$ 1,894,185	\$ 1,227,356

See accompanying notes to the basic financial statements

CITY OF SPRINGBORO, OHIO

Other Governmental Funds	Total Governmental Funds
\$ 0	\$ 11,576,805
236,949	903,357
147,717	147,717
1,204,764	1,944,528
98,901	540,991
4,895	67,201
0	370,615
1,020	1,020
392,080	549,190
<u>2,086,326</u>	<u>16,101,424</u>
66,180	2,888,617
0	14,651
0	581,460
0	631,873
975,291	975,291
325,493	3,429,879
420,021	4,222,106
0	1,150,000
25,386	567,797
<u>1,812,371</u>	<u>14,461,674</u>
273,955	1,639,750
1,152,487	6,659,391
<u>(743,878)</u>	<u>(7,767,518)</u>
<u>408,609</u>	<u>(1,108,127)</u>
682,564	531,623
2,690,182	14,044,135
<u>(15,920)</u>	<u>(168)</u>
<u>\$ 3,356,826</u>	<u>\$ 14,575,590</u>

CITY OF SPRINGBORO, 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, 2013***

Net Change in Fund Balances - Total Governmental Funds \$ 531,623

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. 875,425

The net effect of various miscellaneous transactions involving capital assets (i.e. disposals and donations) is to change net position. (48,617)

Revenues and transfers in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. (92,875)

The repayment of principal of long-term debt consumes current financial resources of governmental funds, however does not have any effect on net position. 1,170,971

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. 4,491

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. 102,931

Change in Net Position of Governmental Activities \$ 2,543,949

See accompanying notes to the basic financial statements

CITY OF SPRINGBORO, OHIO

**Statement of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
General Fund
For the Year Ended December 31, 2013**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Municipal Income Tax	\$ 7,093,553	\$ 7,093,553	\$ 7,728,498	\$ 634,945
Property and Other Taxes	695,884	695,884	666,408	(29,476)
Intergovernmental Revenue	203,148	203,148	459,028	255,880
Fines, Licenses and Permits	368,960	368,960	441,750	72,790
Investment Earnings	150,750	150,750	85,789	(64,961)
Special Assessments	25,000	25,000	21,420	(3,580)
All Other Revenues	191,000	190,250	156,251	(33,999)
Total Revenues	<u>8,728,295</u>	<u>8,727,545</u>	<u>9,559,144</u>	<u>831,599</u>
Expenditures:				
Current:				
Security of Persons and Property	3,135,302	3,054,101	2,963,621	90,480
Public Health and Welfare Services	14,651	14,651	14,651	0
Leisure Time Activities	670,295	660,396	609,652	50,744
Community Environment	728,386	791,684	689,344	102,340
General Government	3,689,536	3,717,336	3,320,521	396,815
Total Expenditures	<u>8,238,170</u>	<u>8,238,168</u>	<u>7,597,789</u>	<u>640,379</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	490,125	489,377	1,961,355	1,471,978
Other Financing Sources (Uses):				
Transfers Out	(1,800,246)	(2,442,246)	(2,424,212)	18,034
Total Other Financing Sources (Uses):	<u>(1,800,246)</u>	<u>(2,442,246)</u>	<u>(2,424,212)</u>	<u>18,034</u>
Net Change in Fund Balance	(1,310,121)	(1,952,869)	(462,857)	1,490,012
Fund Balance at Beginning of Year	6,990,575	6,990,575	6,990,575	0
Prior Year Encumbrances	388,186	388,186	388,186	0
Fund Balance at End of Year	<u>\$ 6,068,640</u>	<u>\$ 5,425,892</u>	<u>\$ 6,915,904</u>	<u>\$ 1,490,012</u>

See accompanying notes to the basic financial statements

CITY OF SPRINGBORO, OHIO

**Statement of Net Position
Proprietary Funds
December 31, 2013**

	Business-Type Activities			
	Enterprise Funds			
	Golf Course	Water	Sewer	Trash
Assets:				
<i>Current Assets:</i>				
Cash and Cash Equivalents	\$ 248,139	\$ 1,443,155	\$ 1,665,142	\$ 542,629
Investments	0	3,471,913	3,630,259	0
<i>Receivables:</i>				
Accounts	0	548,136	567,036	144,350
Inventory of Supplies at Cost	34,215	0	0	0
Inventory Held for Resale	46,390	0	0	0
Prepaid Items	5,008	29,568	17,236	3,099
<i>Total Current Assets</i>	<u>333,752</u>	<u>5,492,772</u>	<u>5,879,673</u>	<u>690,078</u>
<i>Non Current Assets:</i>				
<i>Restricted Assets:</i>				
Cash and Cash Equivalents	0	149,356	0	0
Cash and Cash Equivalents with Fiscal Agent	0	322,728	2,049,062	0
Non-Depreciable Capital Assets	7,755,718	714,729	222,650	0
Depreciable Capital Assets, Net	2,494,977	26,917,675	32,305,543	0
<i>Total Noncurrent Assets</i>	<u>10,250,695</u>	<u>28,104,488</u>	<u>34,577,255</u>	<u>0</u>
Total Assets	<u>10,584,447</u>	<u>33,597,260</u>	<u>40,456,928</u>	<u>690,078</u>
Deferred Outflows of Resources:				
Deferred Charge on Debt Refunding	255,401	395,466	878,513	0
Liabilities:				
<i>Current Liabilities:</i>				
Accounts Payable	6,275	9,355	13,883	78,122
Accrued Wages and Benefits	8,757	23,936	14,698	3,909
Intergovernmental Payable	8,499	65,633	9,393	2,774
Refundable Deposits	0	149,356	0	0
Accrued Interest Payable	5,820	31,765	50,399	0
Compensated Absences Payable - Current	1,386	8,670	7,303	544
General Obligation Bonds - Current	225,000	658,485	0	0
Mortgage Revenue Bonds - Current	0	248,993	1,002,817	0
<i>Total Current Liabilities</i>	<u>255,737</u>	<u>1,196,193</u>	<u>1,098,493</u>	<u>85,349</u>

CITY OF SPRINGBORO, OHIO

<u>Storm Water</u>	<u>Total</u>
\$ 432,700	\$ 4,331,765
0	7,102,172
37,241	1,296,763
0	34,215
0	46,390
2,548	57,459
<u>472,489</u>	<u>12,868,764</u>
0	149,356
0	2,371,790
0	8,693,097
<u>7,585,648</u>	<u>69,303,843</u>
<u>7,585,648</u>	<u>80,518,086</u>
<u>8,058,137</u>	<u>93,386,850</u>
<u>0</u>	<u>1,529,380</u>
1,173	108,808
3,815	55,115
2,402	88,701
0	149,356
0	87,984
504	18,407
0	883,485
0	1,251,810
<u>7,894</u>	<u>2,643,666</u>

(Continued)

CITY OF SPRINGBORO, OHIO

***Statement of Net Position
Proprietary Funds
December 31, 2013***

	Business-Type Activities			
	Enterprise Funds			
	Golf Course	Water	Sewer	Trash
<i>Noncurrent Liabilities:</i>				
Compensated Absences Payable	15,266	36,186	27,247	7,064
General Obligation Bonds Payable	2,065,000	7,231,360	0	0
Mortgage Revenue Bonds Payable	0	1,075,967	15,502,789	0
<i>Total Noncurrent Liabilities</i>	<u>2,080,266</u>	<u>8,343,513</u>	<u>15,530,036</u>	<u>7,064</u>
Total Liabilities	<u>2,336,003</u>	<u>9,539,706</u>	<u>16,628,529</u>	<u>92,413</u>
Net Position:				
Net Investment in Capital Assets	8,216,096	18,813,065	16,901,100	0
Restricted for:				
Debt Service	0	322,728	2,049,062	0
Unrestricted	287,749	5,317,227	5,756,750	597,665
Total Net Position	<u>\$ 8,503,845</u>	<u>\$ 24,453,020</u>	<u>\$ 24,706,912</u>	<u>\$ 597,665</u>

See accompanying notes to the basic financial statements

CITY OF SPRINGBORO, OHIO

<u>Storm Water</u>	<u>Total</u>
6,868	92,631
0	9,296,360
0	16,578,756
<u>6,868</u>	<u>25,967,747</u>
<u>14,762</u>	<u>28,611,413</u>
7,585,648	51,515,909
0	2,371,790
457,727	12,417,118
<u>\$ 8,043,375</u>	<u>\$ 66,304,817</u>

CITY OF SPRINGBORO, OHIO

**Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2013**

	Business-Type Activities		
	Enterprise Funds		
	Golf Course	Water	Sewer
Operating Revenues:			
Charges for Services	\$ 1,456,412	\$ 4,450,036	\$ 3,803,601
Sales	120,792	0	0
Other Operating Revenue	44,694	25,473	159,497
Total Operating Revenues	1,621,898	4,475,509	3,963,098
Operating Expenses:			
Personal Services	988,955	767,846	374,583
Contractual Services	435,927	1,210,102	1,240,081
Materials and Supplies	478,282	103,309	80,571
Depreciation	230,725	630,146	630,087
Total Operating Expenses	2,133,889	2,711,403	2,325,322
Operating Income (Loss)	(511,991)	1,764,106	1,637,776
Nonoperating Revenue (Expenses):			
Investment Earnings	8,685	2,987	1,724
Interest and Fiscal Charges	(103,182)	(428,872)	(595,185)
Total Nonoperating Revenues (Expenses)	(94,497)	(425,885)	(593,461)
Income (Loss) Before Transfers and Contributions	(606,488)	1,338,221	1,044,315
Transfers In	979,924	29,009	200,000
Transfers Out	0	(90,865)	(90,865)
Capital Contributions - Tap in Fees	0	362,152	402,826
Capital Contributions	0	0	0
Change in Net Position	373,436	1,638,517	1,556,276
Net Position Beginning of Year	8,130,409	22,814,503	23,150,636
Net Position End of Year	\$ 8,503,845	\$ 24,453,020	\$ 24,706,912

See accompanying notes to the basic financial statements

CITY OF SPRINGBORO, OHIO

Trash	Storm Water	Total
\$ 1,030,591	\$ 264,130	\$ 11,004,770
0	0	120,792
24	20	229,708
<u>1,030,615</u>	<u>264,150</u>	<u>11,355,270</u>
99,612	88,435	2,319,431
894,152	41,284	3,821,546
18,243	7,966	688,371
0	147,255	1,638,213
<u>1,012,007</u>	<u>284,940</u>	<u>8,467,561</u>
18,608	(20,790)	2,887,709
492	411	14,299
0	0	(1,127,239)
<u>492</u>	<u>411</u>	<u>(1,112,940)</u>
19,100	(20,379)	1,774,769
0	80,924	1,289,857
0	0	(181,730)
0	0	764,978
0	29,470	29,470
<u>19,100</u>	<u>90,015</u>	<u>3,677,344</u>
<u>578,565</u>	<u>7,953,360</u>	<u>62,627,473</u>
<u>\$ 597,665</u>	<u>\$ 8,043,375</u>	<u>\$ 66,304,817</u>

CITY OF SPRINGBORO, OHIO

**Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2013**

	Business-Type Activities		
	Enterprise Funds		
	Golf Course	Water	Sewer
<u>Cash Flows from Operating Activities:</u>			
Cash Received from Customers	\$1,577,204	\$4,434,840	\$3,771,970
Other Operating Receipts	44,694	84,875	159,497
Cash Payments for Goods and Services	(1,006,170)	(1,385,496)	(1,333,749)
Cash Payments to Employees	(1,002,955)	(796,595)	(382,323)
Net Cash Provided (Used) by Operating Activities	(387,227)	2,337,624	2,215,395
<u>Cash Flows from Noncapital Financing Activities:</u>			
Transfers In from Other Funds	979,924	29,009	200,000
Transfers Out to Other Funds	0	(90,865)	(90,865)
Net Cash Provided (Used) for Noncapital Financing Activities	979,924	(61,856)	109,135
<u>Cash Flows from Capital and Related Financing Activities:</u>			
Cash Received from Tap-in Fees in Excess of Cost	0	362,152	402,826
Acquisition and Construction of Assets	(248,726)	(69,017)	(65,796)
Principal Paid on General Obligation Bonds	(225,000)	(620,000)	0
Principal Paid on Capital Lease	(96,063)	0	0
Principal Paid on Mortgage Revenue Bonds	0	(240,000)	(890,000)
Interest Paid on All Debt	(75,132)	(409,133)	(617,344)
Net Cash Used by Capital and Related Financing Activities	(644,921)	(975,998)	(1,170,314)
<u>Cash Flows from Investing Activities:</u>			
Receipt of Interest	8,685	14,394	13,762
Purchase of Investments	0	(672,338)	(582,281)
Net Cash Provided (Used) by Investing Activities	8,685	(657,944)	(568,519)
Net Increase (Decrease) in Cash and Cash Equivalents	(43,539)	641,826	585,697
Cash and Cash Equivalents at Beginning of Year	291,678	1,273,413	3,128,507
Cash and Cash Equivalents at End of Year	\$248,139	\$1,915,239	\$3,714,204
<u>Reconciliation of Cash and Cash</u>			
<u>Equivalents per the Balance Sheet:</u>			
Cash and Cash Equivalents	\$248,139	\$1,443,155	\$1,665,142
Restricted Cash and Cash Equivalents	0	149,356	0
Restricted Cash and Cash Equivalents with Fiscal Agent	0	322,728	2,049,062
Cash and Cash Equivalents at End of Year	\$248,139	\$1,915,239	\$3,714,204

CITY OF SPRINGBORO, OHIO

<u>Trash</u>	<u>Storm Water</u>	<u>Totals</u>
\$1,018,381	\$254,919	\$11,057,314
24	20	289,110
(904,311)	(60,090)	(4,689,816)
(95,899)	(83,695)	(2,361,467)
<u>18,195</u>	<u>111,154</u>	<u>4,295,141</u>
0	80,924	1,289,857
<u>0</u>	<u>0</u>	<u>(181,730)</u>
<u>0</u>	<u>80,924</u>	<u>1,108,127</u>
0	0	764,978
0	(127,467)	(511,006)
0	0	(845,000)
0	0	(96,063)
0	0	(1,130,000)
<u>0</u>	<u>0</u>	<u>(1,101,609)</u>
<u>0</u>	<u>(127,467)</u>	<u>(2,918,700)</u>
492	411	37,744
<u>0</u>	<u>0</u>	<u>(1,254,619)</u>
<u>492</u>	<u>411</u>	<u>(1,216,875)</u>
18,687	65,022	1,267,693
<u>523,942</u>	<u>367,678</u>	<u>5,585,218</u>
<u>\$542,629</u>	<u>\$432,700</u>	<u>\$6,852,911</u>
\$542,629	\$432,700	\$4,331,765
0	0	149,356
0	0	2,371,790
<u>\$542,629</u>	<u>\$432,700</u>	<u>\$6,852,911</u>

(Continued)

CITY OF SPRINGBORO, OHIO

**Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2013**

	Business-Type Activities		
	Enterprise Funds		
	Golf Course	Water	Sewer
<u>Reconciliation of Operating Income (Loss) to Net Cash</u>			
<u>Provided (Used) by Operating Activities:</u>			
Operating Income (Loss)	(\$511,991)	\$1,764,106	\$1,637,776
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Depreciation Expense	230,725	630,146	630,087
Changes in Assets and Liabilities:			
Increase in Accounts Receivable	0	(15,196)	(31,631)
Increase in Inventory	(8,974)	0	0
Increase in Inventory Held for Resale	(7,462)	0	0
Increase in Prepaid Items	(480)	(9,028)	(7,617)
Increase (Decrease) in Accounts Payable	(75,060)	(14,754)	(5,481)
Increase (Decrease) in Accrued Wages and Benefits	(6,198)	(11,095)	(3,337)
Increase (Decrease) in Intergovernmental Payable	(4,215)	(1,736)	(1,270)
Increase in Refundable Deposits	0	8,637	0
Increase (Decrease) in Compensated Absences	(3,572)	(13,456)	(3,132)
Total Adjustments	124,764	573,518	577,619
<u>Net Cash Provided (Used) by Operating Activities</u>	<u>(\$387,227)</u>	<u>\$2,337,624</u>	<u>\$2,215,395</u>

Schedule of Noncash Investing, Capital and Financing Activities:

At December 31, 2013, the Water and Sewer Funds had outstanding liabilities of \$2,500 and \$5,841 respectively, for the purchase of certain capital assets.

During 2013, the fair value of investments decreased by \$6,197 and \$6,368 in the Water, and Sewer Funds, respectively. During 2013, the Storm Water Fund received contributed capital valued at \$29,470.

See accompanying notes to the basic financial statements

CITY OF SPRINGBORO, OHIO

<u>Trash</u>	<u>Storm Water</u>	<u>Totals</u>
\$18,608	(\$20,790)	\$2,887,709
0	147,255	1,638,213
(12,210)	(9,211)	(68,248)
0	0	(8,974)
0	0	(7,462)
(1,841)	(2,069)	(21,035)
9,923	(8,773)	(94,145)
889	1,001	(18,740)
976	826	(5,419)
0	0	8,637
1,850	2,915	(15,395)
<u>(413)</u>	<u>131,944</u>	<u>1,407,432</u>
<u>\$18,195</u>	<u>\$111,154</u>	<u>\$4,295,141</u>

CITY OF SPRINGBORO, OHIO

**Statement of Assets and Liabilities
Fiduciary Funds
December 31, 2013**

	<u>Agency Funds</u>
Assets:	
Cash and Cash Equivalents	\$ 9,583
Receivables:	
Special Assessments	<u>514,655</u>
Total Assets	<u>524,238</u>
Liabilities:	
Due to Others	520,812
Undistributed Monies	<u>3,426</u>
Total Liabilities	<u>\$ 524,238</u>

See accompanying notes to the basic financial statements

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2013***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Springboro, Ohio (the City) is a home rule municipal corporation created under the laws of the State of Ohio. The City operates under its own Charter. The current Charter, which provides for a Council - Manager form of government, was adopted November 7, 1978, became effective January 1, 1979, and was amended November 4, 2011. The six member Council and the Mayor are elected to four-year terms. The Council appoints a City Manager who serves as the chief executive officer, the head of the administrative agencies, and a law enforcement officer of the City. The City Manager appoints all of the department managers.

The financial statements are presented as of December 31, 2013 and for the year then ended and have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) applicable to local governments. The Governmental Accounting Standards Board (the GASB) is the standard-setting body for establishing governmental accounting and financial reporting principles, which are primarily set forth in the GASB's Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification).

A. Reporting Entity

The accompanying basic financial statements comply with the provisions of GASB Statement No. 14, *"The Financial Reporting Entity,"* as amended by GASB Statement No. 39, *"Determining Whether Certain Organizations are Component Units"* in that the financial statements include all organizations, activities, functions and component units for which the City (the primary government) is financially accountable. Financial accountability is defined as the appointment of a voting majority of a legally separate organization's governing body and either (1) the City's ability to impose its will over the organization, or (2) the potential that the organization will provide a financial benefit to or impose a financial burden on the City.

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

The Warren County General Health District, a jointly governed organization, provides health services within the County. The Board of Health, which consists of a representative from each of the participating governments, oversees the operation of the District. The City is not financially accountable for the District. The County Commissioners serve as the taxing authority and the County Auditor and Treasurer serve as fiscal officers. The City is associated with the Greater Warren County Drug Task Force, the Miami Valley Regional Planning Commission and the Montgomery County Transportation Improvement District also jointly governed organizations. The City is also a member of the Ohio Municipal League of Workers Compensation Group Rating Plan (GRP), an insurance purchasing pool. See Notes 16 and 17 for additional information on these organizations.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2013***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation - Fund Accounting

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

Governmental Funds

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

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

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

Construction Fund - This fund is used to account for transfers of income tax revenues and grants used for all construction projects not accounted for in the permanent improvement fund or the enterprise funds.

Income Tax Capital Improvement Fund - This fund is used to account for income tax proceeds from .5% of the City's 1.5% income tax. The funds are to be spent on capital projects at Council's discretion.

Proprietary Funds

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

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2013***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation - Fund Accounting (Continued)

Proprietary funds distinguish operating revenues and expenses from nonoperating 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. The principal operating revenues of the City's enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

Enterprise Funds - These funds are used to account for operations that are financed and operated in a manner similar to private business enterprises -- where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The City's major enterprise funds are:

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

Water Fund – This fund is used to account for the operation of the City's water service.

Sewer Fund – This fund is used to account for the operation of the City's sanitary sewer service.

Trash Fund – This fund is used to account for the operation of the City's solid waste collection and disposal service.

Storm Water Fund – This fund is used to account for the City's storm water collection system.

Fiduciary Funds

Agency Funds - These funds are used to account for assets held by a government unit as an agent for individuals, private organizations, other governmental units, and/or other funds. The City's agency funds account for donations to the Library, Mayor's court fines and special assessments collected on behalf of neighborhood associations. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2013***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation – Financial Statements

Government-wide Financial Statements – The statement of net position and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the City that are governmental and those that are considered business-type activities.

Interfund receivables and payables between governmental and business-type activities have been eliminated in the government-wide Statement of Net Position. These eliminations minimize the duplicating effect on assets and liabilities within the governmental and business-type activities total column. Interfund services provided and used are not eliminated in the process of consolidation.

The government-wide statements are prepared using the economic resources measurement focus. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the City and for each function or program of the City's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the City.

Fund Financial Statements – Fund financial statements report detailed information about the City. The focus of governmental and proprietary fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by fund type.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2013***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation – Financial Statements (Continued)

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds are a balance sheet, which generally includes only current assets and current liabilities, and a statement of revenues, expenditures and changes in fund balances, which reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

All proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the statement of net position. The statement of changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in net total position. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

D. Basis of Accounting

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

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

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements and donations. Revenue from income taxes is recognized in the period in which the income is earned and is available. Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied and the revenue is available. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specific purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2013***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Basis of Accounting (Continued)

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

Special assessment installments including related interest, which are measurable but not available at December 31, are recorded as deferred revenue. Property taxes measurable as of December 31, 2013 but which are not intended to finance 2013 operations and delinquent property taxes, whose availability is indeterminate, are recorded as deferred inflows of resources.

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

E. Budgetary Process

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

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

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2013***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process (Continued)

1. Tax Budget

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

2. Estimated Resources

The County Budget Commission reviews estimated revenue and determines if the budget substantiates a need to levy all or part of previously authorized taxes. The Budget Commission then certifies its actions to the City by September 1 of each year. As part of the certification process, the City receives an official certificate of estimated resources stating the projected receipts by fund. Prior to December 31, the City must revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year do not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriations measure. On or about January 1, the certificate of estimated resources is amended to include any unencumbered fund balances from the preceding year. The certificate may be further amended during the year if a new source of revenue is identified or if actual receipts exceed current estimates. The amounts reported on the budgetary statement reflect the amounts in the final amended official certificate of estimated resources issued during 2013.

3. Appropriations

A temporary appropriation ordinance to control expenditures may be passed on or about January 1 of each year for the period January 1 through March 31. An annual appropriation ordinance must be passed by April 1 of each year for the period January 1 through December 31. The appropriation ordinance establishes spending controls at the fund, department and object level, and may be modified during the year by ordinance of the City Council. Total fund appropriations may not exceed the current estimated resources as certified by the County Budget Commission. Expenditures may not legally exceed budgeted appropriations at the object level. The allocation of appropriations within a fund may be modified with the approval of the City Council. During 2013, several supplemental appropriations measures were necessary to budget the use of contingency funds and capital improvement projects. Administrative control is maintained through the establishment of more detailed line-item budgets. The budgetary figures which appear in the Statement of Revenues, Expenditures, and Changes in Fund Balances--Budget and Actual (Non-GAAP Budgetary Basis) for the General Fund is presented on the budgetary basis to provide a comparison of actual results to the final budget, including all amendments and modifications.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2013***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process (Continued)

4. Lapsing of Appropriations

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

5. Budgetary Basis of Accounting

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

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the General Fund:

<u>Net Change in Fund Balance</u>	
	<u>General Fund</u>
GAAP Basis (as reported)	(\$62,307)
Increase (Decrease):	
Accrued Revenues at December 31, 2013 received during 2014	(862,323)
Accrued Revenues at December 31, 2012 received during 2013	953,877
Accrued Expenditures at December 31, 2013 paid during 2014	364,902
Accrued Expenditures at December 31, 2012 paid during 2013	(479,982)
2013 Prepays for 2014	(160,534)
2012 Prepays for 2013	124,255
Outstanding Encumbrances	<u>(340,745)</u>
Budget Basis	<u><u>(\$462,857)</u></u>

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2013***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Cash and Cash Equivalents

During 2013, cash and cash equivalents included amounts in demand deposits, certificates of deposit, and in U.S. Treasury Money Market accounts in US Bank and Charles Schwab investment accounts with original maturities of less than three months.

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

G. Investments

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

H. Restricted Assets

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

I. Inventory

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

J. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2013, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2013***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. Capital Assets and Depreciation

Capital assets are defined by the City as assets with an initial, individual cost of more than \$7,500 and an estimated useful life threshold of three or more years.

1. Property, Plant and Equipment - Governmental Activities

Governmental activities capital assets are those not directly related to the business type funds. These generally are acquired or constructed for governmental activities and are recorded as expenditures in the governmental funds and are capitalized at cost (or estimated historical cost for assets not purchased in recent years). These assets are reported in the Governmental Activities column of the Government-wide Statement of Net Position, but they are not reported in the Fund Financial Statements.

Contributed capital assets are recorded at fair market value at the date received. Capital assets include land, improvements to land, buildings, building improvements, machinery, equipment and infrastructure. Infrastructure is defined as long-lived capital assets that normally are stationary in nature and normally can be preserved for a significant number of years. Examples of infrastructure include roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems.

2. Property, Plant and Equipment – Business-Type Activities

Property, plant and equipment acquired by the proprietary funds are stated at cost (or estimated historical cost), including interest capitalized during construction and architectural and engineering fees where applicable. Contributed capital assets are recorded at fair market value at the date received. These assets are reported in both the Business-Type Activities column of the Government-wide Statement of Net Position and in the respective funds.

3. Depreciation

All capital assets are depreciated, excluding land and construction in progress. Depreciation on newly acquired/constructed streets begins in the year following acquisition. Depreciation has been provided using the straight-line method over the following estimated useful lives:

<u>Description</u>	<u>Governmental and Business-Type Activities Estimated Lives (in years)</u>
Land and Land Improvements	15 - 60
Buildings	10 - 40
Infrastructure	50 - 65
Equipment	3 - 15
Utility Plant in Service	50 - 65

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2013***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. Long-Term Obligations

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

<u>Obligation</u>	<u>Fund</u>
Special Assessment Bonds	Bond Retirement Fund
General Obligation Bonds	Bond Retirement Fund, Golf Course Fund and Water Fund.
Compensated Absences	General Fund, Street Maintenance and Repair Fund, Golf Course Fund, Water Fund, Sewer Fund, Trash Fund and Storm Water Fund
Capital Lease Agreements	Golf Course Fund
Mortgage Revenue Bonds	Sewer Fund and Water Fund

M. Bond Discounts/Premiums

Bond discounts and premiums are amortized over the term of the bonds using the bonds-outstanding method, which approximates the effective interest method. Bond discounts are presented as a reduction of the face amount of bonds payable, while premiums are presented as an increase in the face amount of the bonds payable.

N. Compensated Absences

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

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

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2013***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

N. Compensated Absences (Continued)

For governmental funds, if a portion of unpaid compensated absences has matured as of year end, it is reported as an expenditure in the fund from which the individual earning the leave is paid, and a corresponding liability is reflected in the account "Compensated Absences Payable." In the government wide statement of net position, "Compensated Absences Payable" is recorded within the "Due within one year" account and the long-term portion of the liability is recorded within the "Due in more than one year" account. Compensated absences are expensed in the proprietary funds when earned and the related liability is reported within the fund.

O. 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 borrowings used for the acquisition, construction or improvement of those assets. As disclosed in Note 17, the City is participating in a jointly governed organization related to the Austin Road Interchange. Once this project is completed the City will not be responsible for maintaining any infrastructure improvements, therefore any debt (or any unspent debt proceeds) associated with this project is excluded from net investment in capital assets. Net position are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The City applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

P. Pensions

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

Q. Interfund Activity

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

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. In addition, interfund transfers between governmental funds are eliminated for reporting on the government-wide financial statements. Only transfers between governmental activities and business-type activities are reported on the statement of activities.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2013***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

R. Interfund Assets/Liabilities

The City reports cash overdrafts from pooled cash and cash equivalents as an interfund loan payable in the fund with the overdraft and as an interfund loan receivable in the fund(s) designated by management. The interfund loans receivable are equally offset by a fund balance reserve account which indicates that they do not constitute available expendable resources since they are not a component of net current assets. Receivables and payables resulting from transactions between funds for services provided or goods received are classified as “due from other funds” or “due to other funds” on the balance sheet. Long-term interfund loans are classified as “advances to/from other funds.” There were no outstanding interfund loans at December 31, 2013.

S. Fund Balance

In the fund financial statements, fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund balance is reported in five components – nonspendable, restricted, committed, assigned and unassigned.

Nonspendable – Nonspendable fund balance includes amounts that cannot be spent because they are either not in spendable form or legally contractually required to be maintained intact.

Restricted – Restricted fund balance consists of amounts that have constraints placed on them either externally by third parties (creditors, grantors, contributors, or laws or regulations of other governments) or by law through constitutional provisions or enabling legislation. Enabling legislation authorizes the City to assess, levy, charge or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement (compelled by external parties) that those resources be used only for the specific purposes stipulated in the legislation.

Committed – Committed fund balance consists of amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the City’s highest level of decision making authority. For the City, these constraints consist of ordinances passed by City Council. Committed amounts cannot be used for any other purpose unless the City removes or changes the specified use by taking the same type of action (ordinance) it employed previously to commit those amounts.

Assigned – Assigned fund balance consists of amounts that are constrained by the City’s intent to be used for specific purposes, but are neither restricted nor committed. The City Charter authorizes the Director of Finance to assign fund balance.

Unassigned – Unassigned fund balance consists of amounts that have not been restricted, committed or assigned to specific purposes within the General Fund as well as negative fund balances in all other governmental funds.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2013***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

S. Fund Balance (Continued)

When both restricted and unrestricted resources are available for use, it is the City's policy to use unrestricted resources first (committed, assigned and unassigned), then restricted resources as they are needed.

T. Assets Held for Resale

As part of the economic development program, the City has acquired land at the South Tech Industrial Park. The City's intent is for the land to be sold to businesses to promote economic development within the City. Transactions are conducted through the City's Land Acquisition and Construction Funds.

U. Estimates

The preparation of 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.

V. 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 Council and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during 2013.

W. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The City has one item that qualifies for reporting in this category. The deferred charge on refunding reported in the government-wide and proprietary statements of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2013**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

W. Deferred Outflows/Inflows of Resources (Continued)

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. On the government-wide statement of net position and governmental funds balance sheet, property taxes that are intended to finance future fiscal periods are reported as deferred inflows. In addition, the governmental funds balance sheet reports deferred inflows which arise only under a modified accrual basis of accounting. Accordingly, the item, unavailable amounts, is reported only in the governmental funds balance sheet. The governmental funds report unavailable amounts for property taxes, income taxes, special assessments, and state levied shared taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

NOTE 2 – FUND BALANCE CLASSIFICATION

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

Fund Balances	General	Debt Service	Construction	Income Tax Capital Improvement	Other Governmental Funds	Total Governmental Funds
Nonspendable:						
Prepaid Items	\$160,534	\$0	\$0	\$0	\$10,954	\$171,488
Supplies Inventory	33,205	0	0	0	94,988	128,193
Total Nonspendable	<u>193,739</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>105,942</u>	<u>299,681</u>
Restricted:						
Transportation Projects	0	0	0	0	977,675	977,675
Court Projects	0	0	0	0	187,214	187,214
Law Enforcement	0	0	0	0	194,638	194,638
TIF Project	0	0	0	0	335,256	335,256
Debt Service	0	149,414	0	0	0	149,414
Capital Improvements	0	0	1,894,185	1,227,356	2,831,709	5,953,250
Total Restricted	<u>0</u>	<u>149,414</u>	<u>1,894,185</u>	<u>1,227,356</u>	<u>4,526,492</u>	<u>7,797,447</u>
Assigned:						
Projected budgetary deficit	690,382	0	0	0	0	690,382
Other Purposes	317,224	0	0	0	0	317,224
Total Assigned	<u>1,007,606</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,007,606</u>
Unassigned	6,746,464	0	0	0	(1,275,608)	5,470,856
Total Fund Balances	<u>\$7,947,809</u>	<u>\$149,414</u>	<u>\$1,894,185</u>	<u>\$1,227,356</u>	<u>\$3,356,826</u>	<u>\$14,575,590</u>

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2013***

NOTE 3 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net position of governmental activities as reported in the government – wide statement of activities. The following is a detailed listing of those reconciling items that are net adjustments or a combination of several transactions:

Amount by which capital outlay exceeded depreciation in the current period:

Capital Outlay	\$2,891,311
Depreciation Expense	(2,015,886)
	<u>\$875,425</u>

Net effect of capital asset transactions:

Loss on Disposal of Capital Asset	(\$48,617)
-----------------------------------	------------

Governmental revenues not reported in the funds:

Increase in Delinquent Income Tax Revenue	\$178,209
Decrease in Delinquent Property Tax	(3,934)
Increase in Intergovernmental, unrestricted	33,740
Decrease in Special Assessment Revenue	(300,890)
	<u>(\$92,875)</u>

Net amount of long-term debt issuance and bond and lease principal payments:

General Obligation Bond Principal Payment	\$890,000
Special Assessment Bond Principal Payment	260,000
Amortization of Premium on Refunding Bonds	20,971
	<u>\$1,170,971</u>

Expenses not requiring the use of current financial resources:

Decrease in Compensated Absences Payable	\$103,099
Decrease in supplies inventory	(168)
	<u>\$102,931</u>

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2013***

NOTE 4 - CASH, CASH EQUIVALENTS AND INVESTMENTS

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

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

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

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

- United States treasury notes, bills, bonds, or any other obligation or security issued by the United States treasury or any other obligation guaranteed as to principal or interest by the United States;
- Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the federal national mortgage association, federal home loan bank, federal farm credit bank, federal home loan mortgage corporation, government national mortgage association, and student loan marketing association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
- Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
- Interim deposits in eligible institutions applying for interim funds;
- Bonds and other obligations of the State of Ohio;
- No-load money market mutual funds consisting exclusively of obligations described in the first two bullets of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions, and
- The State Treasury Asset Reserve of Ohio (STAR Ohio).

CITY OF SPRINGBORO, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2013**

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

A. Deposits

Custodial credit risk is the risk that in the event of bank failure, the City's deposits may not be returned. Protection of City cash and deposits is provided by the federal deposit insurance corporation as well as qualified securities pledged by the institution holding the assets. The City has no policy on custodial credit risk and is governed by Ohio Revised Code. Ohio Law requires that deposits be placed in eligible banks or savings and loan associations located in Ohio. Any public depository in which the City places deposits must pledge as collateral eligible securities of aggregate market value equal to the excess of deposits not insured by the Federal Deposit Insurance Corporation (FDIC). The securities pledged as collateral are pledged to a pool for each individual financial institution in amounts equal to at least 105% of the carrying value of all public deposits held by each institution. Obligations that may be pledged as collateral are limited to obligations of the United States and its agencies and obligations of any state, county, municipal corporation or other legally constituted authority of any other state, or any instrumentality of such county, municipal corporation or other authority. Collateral is held by trustees including the Federal Reserve Bank and designated third party trustees of the financial institutions.

At year end the carrying amount of the City's deposits was \$13,065,339 and the bank balance was \$13,330,981. Federal deposit insurance covered \$1,296,254 of the bank balance and \$12,034,727 was uninsured. Of the remaining uninsured bank balance, the City was exposed to custodial risk as follows:

	<u>Balance</u>
Uninsured and collateralized with securities held by the pledging institution's trust department not in the City's name	<u>\$12,034,727</u>
Total Balance	<u><u>\$12,034,727</u></u>

B. Investments

The City's investments at December 31, 2013 were as follows:

	Fair Value	Credit Rating	Investment Maturities (in Years)		
			less than 1	1-3	3-5
FHLB	\$1,219,485	Aaa, AA+	\$325,050	\$894,435	\$0
FHLMC	3,247,992	Aaa, AA+	1,080,620	2,167,372	0
FNMA	6,239,319	Aaa, AA+	537,919	5,701,400	0
FFCB	1,724,130	Aaa, AA+	0	517,261	1,206,869
FHLMC Discount Notes	699,685	Aaa, AA+	699,685	0	0
US Treasury Notes	564,924	P-1, A-1+	450,229	114,695	0
Total Investments	<u>\$13,695,535</u>		<u>\$3,093,503</u>	<u>\$9,395,163</u>	<u>\$1,206,869</u>

Credit Rating – Moody's, Standard and Poor's

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2013***

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

B. Investments (Continued)

Interest Rate Risk – The Ohio Revised Code generally limits security purchases to those that mature within five years of settlement date. The City has no policy that limits investment purchases beyond the requirements of the Ohio Revised Code.

Concentration of Credit Risk – The City places no limit on the amount the City may invest in one issuer. Of the City's total investments 8.9% are FHLB, 23.7% are FHLMC, 45.6% are FNMA, 12.6% are FFCEB, 5.1% are FHLMC Discount Notes and 4.1% are US Treasury Notes.

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. The City's investment policy states that it will diversify its investments to avoid incurring unreasonable and avoidable risks regarding specific security types or individual financial institutions. All of the City's investments are collateralized by underlying securities pledged by the investment's counterparty, not in the name of the City.

NOTE 5 - TAXES

A. Property Taxes

Property taxes include amounts levied against all real, public utility and tangible personal property located in the City. Property tax revenue received during 2013 for real and public utility property taxes represents collections of 2012 taxes. Property tax payments received during 2013 for tangible personal property (other than public utility property) is for 2013 taxes.

2013 real property taxes are levied after October 1, 2013, on assessed value as of January 1, 2013, the lien date. Assessed values are established by State law at 35 percent of the appraised value. 2013 real property taxes are collected in and intended to finance 2013.

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2013 public utility property taxes became a lien December 31, 2012, are levied after October 1, 2013, and are collected in 2013 with real property taxes.

Tangible personal property tax revenue received during 2013 (other than public utility property tax) represents the collection of 2013 taxes levied against local inter-exchange telephone companies. Tangible personal property tax on business inventory, manufacturing machinery and equipment, furniture and fixtures is no longer levied and collected. Tangible personal property taxes received from telephone companies in 2013 were levied after October 1, 2012, on the value as of December 31, 2012.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2013***

NOTE 5 – TAXES (Continued)

A. Property Taxes (Continued)

The full tax rate for all City operations for the year ended December 31, 2013, was \$1.11 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2013 property tax receipts were based are as follows: \$439,967,100 in real property assessed value and \$10,248,640 in public utility assessed value.

Real property taxes are payable annually and semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established. For 2013, the due dates were February 19 and July 15.

Tangible personal property taxes paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; paid semi-annually, the first payment is due April 30, with the remainder payable at September 20.

The County Treasurer collects property taxes on behalf of Warren County, including the City. The County Auditor periodically remits to the City its portion of the taxes collected.

Property taxes receivable represents real property taxes, public utility taxes and outstanding delinquencies which are measurable as of December 31, 2013 and for which there is an enforceable legal claim. In the General Fund and the Austin Center Municipal Public Improvement TIF Fund, the entire receivable has been offset by deferred inflows of resources since the current taxes were not levied to finance 2013 operations and the collection of delinquent taxes during the available period is not subject to reasonable estimation. On a full accrual basis, collectible delinquent property taxes have been recorded as revenue while the remainder of the receivable is deferred inflows of resources.

B. Income Tax

The City levies a tax of 1.5% on all salaries, wages, commissions and other compensation and on net profits earned within the City as well as on incomes of residents earned outside the City. In the latter case, the City allows a credit of 67% of the tax paid to another municipality to a maximum of the total amount assessed. Of the one and one-half percent income tax, one-half percent is voter approved for the sole purpose of funding capital improvements.

Employers within the City are required to withhold income tax on employees' compensation and remit the tax to the City either monthly or quarterly, as required. Corporations and other individual taxpayers are required to pay their estimated tax quarterly and file a declaration annually. Income tax proceeds are to be used for general fund operations, maintenance of equipment, new equipment/capital improvements, debt service and other governmental functions when needed, as determined by City Council. Income tax revenue for 2013 was \$11,755,014.

CITY OF SPRINGBORO, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2013**

NOTE 6 - RECEIVABLES

Receivables at December 31, 2013 consisted of income taxes, property taxes, accounts, special assessments and intergovernmental receivables arising from shared revenues. All receivables are considered collectible in full.

NOTE 7 - TRANSFERS

Following is a summary of transfers in and out for all funds for 2013:

Fund	Transfer In	Transfer Out
General Fund	\$0	\$2,424,212
Debt Service Fund	1,344,143	0
Construction Fund	4,162,761	989,715
Income Tax Capital Improvement Fund	0	3,609,713
Other Governmental Funds	1,152,487	743,878
Total Governmental Funds	<u>6,659,391</u>	<u>7,767,518</u>
Golf Course Fund	979,924	0
Water Fund	29,009	90,865
Sewer Fund	200,000	90,865
Storm Water Fund	80,924	0
Total Proprietary Funds	<u>1,289,857</u>	<u>181,730</u>
Totals	<u>\$7,949,248</u>	<u>\$7,949,248</u>

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and unrestricted revenues collected in the income tax fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; to segregate money for anticipated capital projects; to provide additional resources for current operations or debt service; and to return money to the fund from which it was originally provided once a project is completed. All transfers are considered allowable in accordance with Ohio Revised Code Sections 5705.14, 5705.15 and 5705.16.

Transfers out of the Income Tax Capital Improvement Fund to the Construction Fund, Golf Course Fund, Water Fund, Sewer Fund, Trash Fund and Storm Water Fund were for capital improvements and/or debt service on capital improvements within each of those funds. Transfers out of the General Fund: to the Other Governmental Funds was to cover street maintenance, the DARE program; to Debt Service Funds was for the General Fund's share of the debt service for outstanding debt; and to the Land Acquisition Fund for services related to paying off debt service for that fund and for the purchase of land for future development.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2013**

NOTE 8 - CAPITAL ASSETS

A. Governmental Activities Capital Assets

Summary by category of changes in governmental activities capital assets at December 31, 2013:

<i>Historical Cost:</i>	Balance at December 31, 2012	Additions	Deletions	Balance at December 31, 2013
Class				
<i>Non-depreciable Capital assets:</i>				
Land	\$16,791,055	\$194,197	\$0	\$16,985,252
Construction in Progress	1,845,898	115,989	(1,353,646)	608,241
Total Non-depreciable Capital assets	<u>18,636,953</u>	<u>310,186</u>	<u>(1,353,646)</u>	<u>17,593,493</u>
<i>Capital assets being depreciated:</i>				
Improvements	1,268,432	1,298,942	(11,178)	2,556,196
Infrastructure	40,964,643	760,826	(155,632)	41,569,837
Buildings	11,299,219	1,056,051	0	12,355,270
Machinery and Equipment	3,391,759	818,952	(100,117)	4,110,594
Total Depreciable Capital assets	<u>56,924,053</u>	<u>3,934,771</u>	<u>(266,927)</u>	<u>60,591,897</u>
Total Cost	<u>\$75,561,006</u>	<u>\$4,244,957</u>	<u>(\$1,620,573)</u>	<u>\$78,185,390</u>
<i>Accumulated Depreciation:</i>				
Class	Balance at December 31, 2012	Additions	Deletions	Balance at December 31, 2013
Improvements	(\$578,296)	(\$100,870)	\$11,178	(\$667,988)
Infrastructure	(21,020,729)	(1,454,998)	107,014	(22,368,713)
Buildings	(1,461,016)	(210,290)	8,847	(1,662,459)
Machinery and Equipment	(2,247,868)	(249,728)	91,271	(2,406,325)
Total Depreciation	<u>(\$25,307,909)</u>	<u>(\$2,015,886) *</u>	<u>\$218,310</u>	<u>(\$27,105,485)</u>
<i>Net Value:</i>	<u>\$50,253,097</u>			<u>\$51,079,905</u>

* Depreciation expenses were charged to governmental functions as follows:

Security of Persons and Property	(\$131,285)
Leisure Time Activities	(111,326)
Community Environment	(13,337)
Transportation	(1,612,662)
General Government	(147,276)
Total Depreciation Expense	<u>(\$2,015,886)</u>

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2013**

NOTE 8 - CAPITAL ASSETS (Continued)

B. Business-Type Activities Capital Assets

Summary by Category at December 31, 2013:

<i>Historical Cost:</i>	Balance at December 31, 2012	Additions	Deletions	Balance at December 31, 2013
Class				
<i>Non-depreciable Capital assets:</i>				
Land	\$8,685,240	\$0	\$0	\$8,685,240
Construction in Progress	79,687	7,857	(79,687)	7,857
Total Non-depreciable Capital Assets	<u>8,764,927</u>	<u>7,857</u>	<u>(79,687)</u>	<u>8,693,097</u>
<i>Capital assets being depreciated:</i>				
Buildings	3,693,138	0	0	3,693,138
Land Improvements	1,515,202	37,481	0	1,552,683
Infrastructure	84,194,414	234,933	0	84,429,347
Machinery and Equipment	2,316,803	335,863	(114,769)	2,537,897
Total Depreciable Capital assets	<u>91,719,557</u>	<u>608,277</u>	<u>(114,769)</u>	<u>92,213,065</u>
Total Cost	<u>\$100,484,484</u>	<u>\$616,134</u>	<u>(\$194,456)</u>	<u>\$100,906,162</u>
 <i>Accumulated Depreciation:</i>				
Class	Balance at December 31, 2012	Additions	Deletions	Balance at December 31, 2013
Buildings	(\$1,730,117)	(\$93,164)	\$0	(\$1,823,281)
Land Improvements	(1,182,230)	(66,059)	0	(1,248,289)
Infrastructure	(16,636,573)	(1,344,525)	0	(17,981,098)
Machinery and Equipment	(1,836,858)	(134,465)	114,769	(1,856,554)
Total Depreciation	<u>(\$21,385,778)</u>	<u>(\$1,638,213)</u>	<u>\$114,769</u>	<u>(\$22,909,222)</u>
 <i>Net Value:</i>	 <u>\$79,098,706</u>			 <u>\$77,996,940</u>

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2013***

NOTE 9 – DEFINED BENEFIT PENSION PLANS

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

A. Ohio Public Employees Retirement System (“OPERS”)

The following information was provided by OPERS to assist the City in complying with GASB Statement No. 27, “Accounting for Pensions by State and Local Government Employers.”

All employees of the City, except full-time uniformed police officers and full-time firefighters, participate in one of the three pension plans administered by OPERS: the Traditional Pension Plan (TP), the Member-Directed Plan (MD), and the Combined Plan (CO). The TP Plan is a cost-sharing multiple employer defined benefit pension plan. The MD Plan is 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 MD Plan members accumulate retirement assets equal to the value of member and (vested) employer contributions plus any investment earnings thereon. The CO Plan is a cost-sharing multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan. Under the CO Plan employer contributions are invested by the retirement system to provide a formula retirement benefit similar in nature to the TP Plan. Member contributions, the investment of which is self-directed by the members, accumulate retirement assets in a manner similar to the MD Plan.

OPERS provides retirement, disability, survivor and death benefits and annual cost-of-living adjustments to members of the TP Plan and CO Plan. Members of the MD Plan do not qualify for ancillary benefits, including postemployment health care benefits. Chapter 145 of the Ohio Revised Code provides statutory authority to establish and amend benefits. The Ohio Public Employees Retirement System issues a stand-alone financial report that includes financial statements and required supplementary information for OPERS. Interested parties may obtain a copy by visiting <https://www.opers.org/investments/cafr.shtml>, by making a written request to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-5601 or 1-800-222-7377.

The ORC provides statutory authority for employee and employer contributions. For 2013, employee and employer contribution rates were consistent across all three plans (TP, MD and CO). The employee contribution rate is 10.0%. The 2013 employer contribution rate for local government employer units was 14.00% of covered payroll, which is the maximum contribution rate set by State statutes. Employer contribution rates are actuarially determined. A portion of the City’s contribution is used to fund pension obligations with the remainder being used to fund health care benefits. The portion of employer contributions allocated to pension obligations for members in the Traditional and Combined Plans was 13.0% for calendar year 2013. The contribution requirements of plan members and the City are established and may be amended by the OPERS Board. The City’s contributions for pension obligations to OPERS for the years ending December 31, 2013, 2012, and 2011 were \$382,060, \$284,220 and \$286,013, respectively, which were equal to the required contributions for each year.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2013***

NOTE 9 – DEFINED BENEFIT PENSION PLANS (Continued)

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

All City full-time police officers participate in 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. Contribution requirements and benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the ORC. The Ohio Police and Fire Pension Fund issues a stand-alone financial report that includes financial statements and required supplementary information for the plan. Interested parties may obtain a copy by making a written request to 140 East Town Street, Columbus, Ohio 43215-5164, by calling (614) 228-2975, or by visiting www.op-f.org.

From January 1, 2013 through July 1, 2013, plan members were required to contribute 10.0% of their annual covered salary. From July 2, 2013 through December 31, 2013, plan members were required to contribute 10.75% of their annual covered salary. Throughout 2013, employers were required to contribute 19.5% for police officers. A portion of the City’s contribution is used to fund pension obligations with the remainder being used to fund health care benefits. The portion of employer contributions used to fund pension obligations from January 1, 2013 through May 31, 2013 was 14.81% for police officers. The portion of employer contributions used to fund pension obligations from June 1, 2013 through December 31, 2013 was 16.65% for police officers. The City’s contributions for pension obligations to the OP&F Fund for the years ending December 31, 2013, 2012, and 2011 were \$259,652, \$207,102 and \$205,571 for police officers, which were equal to the required contributions for each year.

NOTE 10 - POSTEMPLOYMENT BENEFITS

A. Ohio Public Employees Retirement System (“OPERS”)

Plan Description – OPERS administers three separate pension plans: the Traditional Pension Plan – a cost-sharing, multiple-employer defined benefit pension plan; the Member directed Plan – a defined contribution plan; and the Combined Plan – a cost sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care plan, which includes a medical plan, prescription drug program and Medicare Part B Premium reimbursement, to qualifying member 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-employment health care coverage, age-and-service retirees under the Traditional Pension and Combined Plans must have 10 or more years of qualifying Ohio service credit.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2013***

NOTE 10 - POSTEMPLOYMENT BENEFITS (Continued)

A. Ohio Public Employees Retirement System (“OPERS”) (Continued)

Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 45.

The ORC 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 ORC.

OPERS issues a stand-alone financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/investments/cafr.shtml>, by making a written request to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-5601 or 1-800-222-7377.

Funding Policy – The ORC provides the statutory authority requiring public employers to fund post-retirement health care coverage 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 2013, local government employers contributed at a rate of 14.00% of covered payroll. The ORC currently limits the employer contribution to a rate not to exceed 14.0% of covered payroll for local government employers. Active members do not make contributions to the OPEB plan.

The OPERS Postemployment Health Care plan was established under, and is administered 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 postemployment health care benefits. The portion of employer contributions allocated to health care for members in the Traditional and Combined Plans was 1.0% for calendar year 2013. The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care benefits provided by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The City's contributions for health care to the OPERS for the years ending December 31, 2013, 2012, and 2011 were \$29,389, \$113,688 and \$114,405, respectively, which were equal to the required contributions for each year.

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.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2013***

NOTE 10 - POSTEMPLOYMENT BENEFITS (Continued)

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

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

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

The ORC permits, but does not mandate, OP&F to provide OPEB benefits. Authority to establish and amend benefits is provided in Chapter 742 of the ORC.

OP&F issues a stand-alone financial report that includes financial information and required supplementary information for the plan. Interested parties may obtain a copy by making a written request to 140 East Town Street, Columbus, Ohio 43215-5164. That report is also available on OP&F’s website at www.op-f.org.

Funding Policy – The ORC provides for contribution requirements of the participating employers and of plan members to the OP&F. 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% of covered payroll for police employers. The ORC states that the employer contribution may not exceed 19.5% of covered payroll for police employer units. Active members do not make contributions to the OPEB Plan.

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For 2013, the portion of employer contributions allocated to health care was 4.69% of covered payroll from January 1, 2013 through May 31, 2013 and 2.85% of covered payroll from June 1, 2013 through December 31, 2013 police officers. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees’ primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h). The OP&F Board of Trustees also is authorized to establish requirements for contributions to the health care plan by retirees and their eligible dependents, or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

CITY OF SPRINGBORO, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2013**

NOTE 10 - POSTEMPLOYMENT BENEFITS (Continued)

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

The City's contributions for health care to the OP&F for the years ending December 31, 2013, 2012, and 2011 were \$58,870, \$109,642 and \$108,831 for police, which were equal to the required contributions for each year.

NOTE 11 - COMPENSATED ABSENCES

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

At December 31, 2013, the City's accumulated, unpaid compensated absences amounted to \$432,187, of which \$321,149 is recorded as a liability of the Governmental Activities and \$111,038 is recorded as a liability of the Business-Type Activities. The amounts are recorded as Amounts Due Within One Year and Amounts Due in More Than One Year on the Government Wide Statement of Net position.

NOTE 12 - NOTES PAYABLE

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

General Obligation Notes:	Balance December 31, 2012	Issued	(Retired)	Balance December 31, 2013
Land Acquisition Fund:				
1.25% Real Estate Acquisition	\$1,750,000	\$0	(\$1,750,000)	\$0
South Tech Public Improvement TIF Fund:				
1.50% Street Improvement B.A.N.	1,200,000	0	(1,200,000)	0
1.50% Street Improvement B.A.N.	0	1,500,000	0	1,500,000
Total General Obligation Notes	\$2,950,000	\$1,500,000	(\$2,950,000)	\$1,500,000

CITY OF SPRINGBORO, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2013**

NOTE 13 - LONG-TERM OBLIGATIONS

Long-term debt and other long-term obligations of the City at December 31, 2013 were as follows:

		Balance December 31, 2012	Issued	(Retired)	Balance December 31, 2013	Amount Due Within One Year
Business Type-Activities:						
General Obligation Bonds:						
1.0 - 3.65% Golf Course Refunding	2010	\$2,515,000	\$0	(\$225,000)	\$2,290,000	\$225,000
3.0 - 5.0% Water Capital Refunding Bond	2008	8,325,000	0	(620,000)	7,705,000	640,000
Premium on Refunding Bond	2008	203,330	0	(18,485)	184,845	18,485
Total General Obligation Bonds		<u>11,043,330</u>	<u>0</u>	<u>(863,485)</u>	<u>10,179,845</u>	<u>883,485</u>
Mortgage Revenue Bonds:						
2.00 - 4.00% Waterworks Improvement Refunding	2004	1,570,000	0	(240,000)	1,330,000	250,000
2.00 - 4.00% Discount on Waterworks Refunding	2004	(6,047)	0	1,007	(5,040)	(1,007)
2.00 -5.00% Sewer	2004	4,170,000	0	(585,000)	3,585,000	605,000
2.00 -5.00% Premium on Sewer Bond	2004	94,877	0	(5,581)	89,296	5,581
1.50 - 2.50% Sewer Refunding - 1997 Issue	2011	1,760,000	0	(280,000)	1,480,000	285,000
2.00 -5.00% Sewer Refunding - 2004 Issue	2012	10,295,000	0	(25,000)	10,270,000	30,000
2.00 -5.00% Premium on Sewer Funding - 2004	2012	1,158,546	0	(77,236)	1,081,310	77,236
Total Mortgage Revenue Bonds		<u>19,042,376</u>	<u>0</u>	<u>(1,211,810)</u>	<u>17,830,566</u>	<u>1,251,810</u>
Compensated Absences Payable		126,433	111,038	(126,433)	111,038	18,407
Capital Leases Payable		96,063	0	(96,063)	0	0
Total Business-Type Activity Long-Term Liabilities		<u>\$30,308,202</u>	<u>\$111,038</u>	<u>(\$2,297,791)</u>	<u>\$28,121,449</u>	<u>\$2,153,702</u>

This space intentionally left blank.

CITY OF SPRINGBORO, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2013**

NOTE 13 - LONG-TERM OBLIGATIONS (Continued)

		Balance December 31, 2012	Issued	(Retired)	Balance December 31, 2013	Amount Due Within One Year
Governmental Activities:						
Special Assessment Bonds:						
5.500% Various Purpose	1993	\$145,000	\$0	(\$70,000)	\$75,000	\$75,000
5.500% Various Purpose	1994	60,000	0	(30,000)	30,000	30,000
4.200 - 6.350% Pioneer Blvd. North	1994	80,000	0	(40,000)	40,000	40,000
4.200 - 5.600% Commercial Way	1997	200,000	0	(35,000)	165,000	40,000
1.500 - 5.350% Various Purpose	2003	1,220,000	0	(85,000)	1,135,000	90,000
Total Special Assessment Bonds (with Governmental Commitment)		1,705,000	0	(260,000)	1,445,000	275,000
Unvoted General Obligation Bonds:						
4.500 - 6.000% South Main St. Improvement	1997	80,000	0	(15,000)	65,000	15,000
3.000 - 5.000% Street Paving Projects	2008	630,000	0	(95,000)	535,000	100,000
3.000 - 5.000% Street Reconstruction	2008	1,895,000	0	(290,000)	1,605,000	300,000
3.000 - 5.000% Municipal Building	2008	3,870,000	0	(290,000)	3,580,000	295,000
3.000 - 5.000% Refunding Bonds	2008	515,000	0	(75,000)	440,000	80,000
2.000 - 5.000% Austin Road Interchange Bonds	2010	3,995,000	0	(125,000)	3,870,000	125,000
Premium on Bonds		168,477	0	(20,971)	147,506	20,971
Total General Obligation Bonds		11,153,477	0	(910,971)	10,242,506	935,971
Compensated Absences Payable		424,248	321,149	(424,248)	321,149	39,608
Total Governmental Activity Long-Term Liabilities		\$13,282,725	\$321,149	(\$1,595,219)	\$12,008,655	\$1,250,579

The principal amount of the City's special assessment bonds outstanding at December 31, 2013, \$1,445,000, is general obligation debt (backed by the full faith and credit of the City) that is being retired with the proceeds from special assessments levied against benefited property owners. The City is obligated to repay the debt irrespective of the amount of special assessments collected from property owners. Delinquent special assessments related to outstanding special assessment bonded debt at year end was \$18,560.

This space intentionally left blank.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2013**

NOTE 13 - LONG-TERM OBLIGATIONS (Continued)

A. Future Long-Term Financing Requirements

The City's future long-term obligation funding requirements, including principal and interest payments as of December 31, 2013, follow:

Years	General Obligation Bonds			
	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2014	\$915,000	\$425,754	\$865,000	\$403,110
2015	955,000	393,424	895,000	378,372
2016	990,000	357,602	925,000	349,938
2017	995,000	318,240	960,000	316,510
2018	1,015,000	280,090	990,000	280,560
2019-2023	2,905,000	895,525	5,360,000	706,378
2024-2028	1,035,000	429,250	0	0
2029-2033	1,285,000	178,650	0	0
Totals	<u>\$10,095,000</u>	<u>\$3,278,535</u>	<u>\$9,995,000</u>	<u>\$2,434,868</u>

Years	Special Assessment Bonds		Mortgage Revenue Bonds	
	Principal	Interest	Principal	Interest
2014	\$275,000	\$73,868	\$1,170,000	\$637,558
2015	135,000	60,650	1,205,000	600,058
2016	140,000	53,660	1,240,000	562,908
2017	150,000	46,420	1,280,000	529,017
2018	110,000	38,650	1,315,000	490,518
2019-2023	635,000	104,153	4,130,000	1,827,613
2024-2028	0	0	5,125,000	861,956
2029	0	0	1,200,000	26,250
Totals	<u>\$1,445,000</u>	<u>\$377,401</u>	<u>\$16,665,000</u>	<u>\$5,535,878</u>

B. Defeased Debt

In prior years, the City has defeased certain general obligation and other bonds by placing the proceeds of the refunding bonds in irrevocable trusts to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included on the City's financial statements. At December 31, 2013, \$3,260,000 of bonds outstanding are considered defeased.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2013***

NOTE 13 - LONG-TERM OBLIGATIONS (Continued)

B. Defeased Debt (Continued)

In September 2008, the City partially refunded \$515,000 of General Obligation Bonds for Various Purpose 1999, through the issuance of \$535,000 of General Obligation Bonds. The refunded bonds, which have an outstanding balance of \$340,000 at December 31, 2013, are not included in the City's outstanding debt since the City has in-substance satisfied its obligations through the advance refunding.

In September 2008, the City refunded \$235,000 of General Obligation Bonds for St. Rte. 741 Improvements 1996, through the issuance of \$240,000 of General Obligation Bonds. The refunded bonds, which have an outstanding balance of \$100,000 at December 31, 2013, are not included in the City's outstanding debt since the City has in-substance satisfied its obligations through the advance refunding.

In September 2008, the City refunded \$10,570,000 of Mortgage Revenue Bonds for Water 1997, through the issuance of \$10,630,000 of General Obligation Bonds. The refunded bonds, which have an outstanding balance of \$7,835,000 at December 31, 2013, are not included in the City's outstanding debt since the City has in-substance satisfied its obligations through the advance refunding.

In March 2010, the City refunded \$3,060,000 of General Obligation Bonds for Golf Course Refunding 1999, through the issuance of \$3,200,000 of General Obligation Bonds. The net proceeds of the 2012 Bonds have been invested in obligations guaranteed as to both principal and interest by the United States Government and placed in irrevocable escrow accounts which, including interest earned, will be used to pay the principal and interest on the refunded bonds. The refunded bonds, which have an outstanding balance of \$2,325,000 at December 31, 2013, are not included in the City's outstanding debt since the City has in-substance satisfied its obligations through the advance refunding.

In April 2012, the City partially refunded \$10,245,000 of Mortgage Revenue Bonds for Sewer Improvements 2004, through the issuance of \$10,295,000 of Mortgage Revenue Bonds. The refunded bonds, which have an outstanding balance of \$10,245,000 at December 31, 2013, are not included in the City's outstanding debt since the City has in-substance satisfied its obligations through the advance refunding.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2013***

NOTE 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 2013 the City contracted with several different insurance providers for various insurance coverages, as follows:

<u>Type of Coverage</u>	<u>Liability Limits</u>	<u>Deductible</u>
Property	\$76,494,241	\$1,000
Crime	250,000	1,000
Inland Marine	3,898,788	1,000
General Liability	10,000,000	0
Employee Benefits Liability	10,000,000	0
Employers Liability	10,000,000	0
Automobile Liability	10,000,000	0
Public Officials Liability	10,000,000	2,500
Police Liability	10,000,000	2,500
Employment Practices Liability	10,000,000	2,500

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.

For the year 2013, the City participated in the Ohio Municipal League of Ohio Workers' Compensation Group Rating Plan (GRP), an insurance purchasing pool (see Note 16). The intent of the GRP is to achieve the benefit of a reduced premium for the City by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participating cities is calculated as one experience and a common premium rate is applied to all cities in the GRP. Each participant pays its workers' compensation premium to the State based on the rate for the GRP rather than its individual rate. Total savings are then calculated and each participant's individual performance is compared to the overall savings of the GRP. A participant will then either receive money from or be required to contribute to the "Equity Pooling Fund." This "equity pooling" arrangement insures that each participant shares equally in the overall performance of the GRP. Participation in the GRP is limited to cities that can meet the GRP's selection criteria. The firm of Comp. Management, Inc. provides administrative, cost control and actuarial services to the GRP.

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

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2013***

NOTE 15 - CONTRACTUAL COMMITMENTS

As of December 31, 2013, the City had the following significant contractual commitments:

<u>Project</u>	<u>Remaining Contractual Commitment</u>
Tamarack Hills Water Main Replacement	\$2,092,443
E. Milo Beck Park	1,103,755
Red Lion 5 Pts. Rd. Improvements	935,150
Total	<u>\$4,131,348</u>

NOTE 16 – GROUP PURCHASING POOL

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

NOTE 17 – JOINTLY GOVERNED ORGANIZATIONS

During 2013, the City participated in the Warren County General Health District, the Greater Warren Drug Task Force, Miami Valley Regional Planning Commission and the Montgomery County Transportation Improvement District, jointly governed organizations. The following describes the relationship between these organizations and the City:

Warren County General Health District

The Warren County General Health District (the District) provides health services to the citizens within the County. The District, which consists of a representative from each of the participating governments, including the City, oversees the operation of the District. The amount the City contributed during 2013 for the operation of the District was minimal. The City does not have any financial interest in or responsibility for the District. The County Commissioners serve as the taxing authority, and the County Auditor and County Treasurer serve as the fiscal officers. Financial information may be obtained from Kathy Stephenson at the Warren County General Health District, 416 S. East Street, Lebanon, Ohio 45036.

The Greater Warren County Drug Task Force

The Greater Warren County Drug Task Force (the Task Force) is a multijurisdictional drug task force with the primary goal of combating major narcotic traffickers in Warren and Clinton Counties. It is governed by a local policy board consisting of members from local police departments, sheriff's offices, and county prosecutor's offices. Participating members contribute a fee for the operation of the task force, with each member's control over the operation limited to its representation on the Board. The City does not have any financial interest in or responsibility for the operations of the Task Force. Any information requests should be directed to P.O. Box 898, Lebanon, Ohio 45036.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2013***

NOTE 17 – JOINTLY GOVERNED ORGANIZATIONS (Continued)

Miami Valley Regional Planning Commission

The Miami Valley Regional Planning Commission (the Commission) was formed to provide planning and administrative services to approximately 71 governmental and 18 non-governmental members that constitute the full Board of Directors. Each unit of local government members pays a per capita assessment to join the Commission. Non-governmental and other governmental members pay a flat rate to cover associated Commission expenses if they are not a member. The Commission is not dependent upon the City for its existence, no debt exists, and the City does not have an equity interest or a financial responsibility for the Commission. Any information requests should be directed to One South Main St., Suite 260, Dayton, OH 45402.

Montgomery County Transportation Improvement District

The City is a participant in the Montgomery County Transportation Improvement District (the District), a statutorily created political subdivision created for the purpose of financing, constructing, maintaining, repairing and operating selected transportation projects. The District is a jointly governed entity administered by a Board of Directors that acts as a legislative body and is comprised of seven board members, of whom five are voting and two are non-voting appointed by Montgomery County and State governments. Of the seven, three are elected as officers of the District.

The City entered into a cooperative agreement with the District on December 15, 2005 which was amended on July 21, 2010 and includes Miami Township, the City of Miamisburg, and the Miamisburg City School District related to the Austin Road Interchange Project. This project is intended to enhance and facilitate traffic flow in the southern portion of Montgomery County and further simulate development of real property in the hope of expanding the employment base in the area. Each entity has agreed to borrow their predetermined respective sum as collateral for the District borrowing monies from the State Infrastructure Bank or from any other appropriate sources in an amount to pay their respective portion of the costs to be incurred for the Austin Road Interchange Project.

The District issued \$18,940,000 Transportation Improvement Special Obligation Notes, Series 2010B which matured on August 1, 2010. On July 30, 2010 the District issued \$20,335,000 Austin Road Interchange Bonds, Series 2010. These 33 year bonds were used for repayment of the note, cost of issuance of the bonds and new money for right-of-way acquisition. The responsibilities for repayment of these bonds is governed by each participating entity in the Austin Road Interchange Project and were allocated to Miami Township of \$11,520,000, City of Miamisburg of \$4,580,000, and the City of Springboro of \$4,235,000. Repayment of the City of Springboro's bonds are collateralized by Tax Increment Financing and full faith and credit of the City. Any information requests should be directed to Joseph, P. Tuss, (937) 225-6140, 1 Chamber Plaza, Fifth and Main Streets, Dayton, OH 45402.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2013***

NOTE 18 – RELATED ORGANIZATION

The Springboro Friends and Family Fund (the Fund) was incorporated on August 6, 2007 and was created to promote a spirit of good fellowship among the members, their families and dependants, and to assist others during time of health related distress. All permanent full-time employees and permanent part-time employees of the City of Springboro shall be eligible for membership in the Fund as of the date of their hiring.

The Fund shall have a Board of Directors consisting of 5 members. Three members shall be employees of the City of Springboro and two members shall be of the general public at large. The Board of Directors shall have general control over business and activities of the Fund and shall approve all requests for benefits. Although the Fund was created to benefit all employees of the City of Springboro, the City of Springboro does not have an ability to impose its will over the Fund, is not responsible for approving the Fund's annual budget, or would be responsible for any debt issued or outstanding during the course of its existence. Finally, in the event the Fund is dissolved any funds shall be remitted to the Hospice of Dayton in accordance with the Fund's by-laws.

Any requests for information should be directed to Ryan Michel, President, 220 East Mill St, Springboro, OH 45066.

NOTE 19 – FUND DEFICITS

The fund deficit at December 31, 2013 of \$1,275,608 in the South Tech Public Improvement TIF Fund (special revenue fund), is the result of recording notes payable and accruals in the individual fund balance sheet. The General Fund provides transfers, upon City Council's approval when cash is required not when accruals occur.

*COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES*

*THE FOLLOWING COMBINING STATEMENTS AND SCHEDULES
INCLUDE THE MAJOR AND NONMAJOR GOVERNMENTAL FUNDS,
AND FIDUCIARY FUNDS.*

Nonmajor Governmental Funds

Special Revenue Funds

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

Street Maintenance and Repair Fund

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

State Highway Fund

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

Permissive Use Tax Fund

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

Motor Vehicle License Tax Fund

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

Community Oriented Policing Service (COPS) Grant Fund

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

Drug Law Enforcement Fund

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

Mayor's Court Improvement Fund

To account for fees collected from each paid case in the Springboro Mayor's Court. The money may be used to purchase and improve the court computer systems.

Special Revenue Funds

Austin Center Municipal Public Improvement TIF Fund

To account for payments in lieu of taxes from Montgomery County for properties within the Austin TIF area to be used for repayment of the Austin Road Interchange Bonds and payments to the Miamisburg City School District as required per the Cooperative Agreement.

South Tech Public Improvement TIF Fund

To account for payments in lieu of taxes from Warren County for properties within the South Tech TIF area to be used for repayment of the South Tech Street Improvement Bond Anticipation Note and payments to the Springboro Community City School District as required per the Cooperative Agreement.

Law Enforcement Trust Fund

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

D.A.R.E. Trust Fund

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

Capital Projects Fund

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

Permanent Improvement Fund

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

Land Acquisition Fund

To account for purchase of land for City use or for land held for resale.

CITY OF SPRINGBORO, OHIO

**Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2013**

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets:			
Cash and Cash Equivalents	\$ 1,833,655	\$ 347,472	\$ 2,181,127
Receivables:			
Taxes	147,717	0	147,717
Intergovernmental	458,362	0	458,362
Inventory of Supplies, at Cost	94,988	0	94,988
Prepaid Items	10,954	0	10,954
Assets Held for Resale	0	2,490,558	2,490,558
Total Assets	<u>\$ 2,545,676</u>	<u>\$ 2,838,030</u>	<u>\$ 5,383,706</u>
Liabilities:			
Accounts Payable	\$ 19,564	\$ 6,321	\$ 25,885
Accrued Wages and Benefits Payable	19,030	0	19,030
Intergovernmental Payable	14,768	0	14,768
Accrued Interest Payable	13,921	0	13,921
General Obligation Notes Payable	1,500,000	0	1,500,000
Total Liabilities	<u>1,567,283</u>	<u>6,321</u>	<u>1,573,604</u>
Deferred Inflows of Resources:			
Property Tax Levy for Next Fiscal Year	147,717	0	147,717
Unavailable Amounts	305,559	0	305,559
Total Deferred Inflows of Resources	<u>453,276</u>	<u>0</u>	<u>453,276</u>
Fund Balances:			
Nonspendable	105,942	0	105,942
Restricted	1,694,783	2,831,709	4,526,492
Unassigned	(1,275,608)	0	(1,275,608)
Total Fund Balances	<u>525,117</u>	<u>2,831,709</u>	<u>3,356,826</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 2,545,676</u>	<u>\$ 2,838,030</u>	<u>\$ 5,383,706</u>

CITY OF SPRINGBORO, OHIO

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2013**

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:			
Property and Other Taxes	\$ 0	\$ 236,949	\$ 236,949
Payment in Lieu of Taxes	147,717	0	147,717
Intergovernmental Revenues	1,204,764	0	1,204,764
Fines, Licenses and Permits	21,935	76,966	98,901
Investment Earnings	5,697	(802)	4,895
Donations	1,020	0	1,020
All Other Revenue	330,047	62,033	392,080
Total Revenue	1,711,180	375,146	2,086,326
Expenditures:			
Current:			
Security of Persons and Property	66,180	0	66,180
Transportation	975,291	0	975,291
General Government	311,670	13,823	325,493
Capital Outlay	0	420,021	420,021
Debt Service:			
Interest and Fiscal Charges	7,461	17,925	25,386
Total Expenditures	1,360,602	451,769	1,812,371
Excess (Deficiency) of Revenues Over Expenditures	350,578	(76,623)	273,955
Other Financing Sources (Uses):			
Transfers In	328,000	824,487	1,152,487
Transfers Out	(743,878)	0	(743,878)
Total Other Financing Sources (Uses)	(415,878)	824,487	408,609
Net Change in Fund Balances	(65,300)	747,864	682,564
Fund Balances at Beginning of Year	606,337	2,083,845	2,690,182
Decrease in Inventory Reserve	(15,920)	0	(15,920)
Fund Balances End of Year	\$ 525,117	\$ 2,831,709	\$ 3,356,826

CITY OF SPRINGBORO, OHIO

**Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2013**

	Street Maintenance and Repair	State Highway	Permissive Use Tax	Motor Vehicle License Tax	COPS Grant
Assets:					
Cash and Cash Equivalents	\$ 574,579	\$ 229,570	\$ 3,872	\$ 64,986	\$ 138,676
Receivables:					
Taxes	0	0	0	0	0
Intergovernmental	327,985	26,593	0	103,759	0
Inventory of Supplies, at Cost	94,988	0	0	0	0
Prepaid Items	10,954	0	0	0	0
Total Assets	\$ 1,008,506	\$ 256,163	\$ 3,872	\$ 168,745	\$ 138,676
Liabilities:					
Accounts Payable	\$ 17,228	\$ 1,032	\$ 0	\$ 0	\$ 0
Accrued Wages and Benefits Payable	16,590	0	0	0	370
Intergovernmental Payable	13,260	0	0	0	1,033
Accrued Interest Payable	0	0	0	0	0
General Obligation Notes Payable	0	0	0	0	0
Total Liabilities	47,078	1,032	0	0	1,403
Deferred Inflows of Resources:					
Property Tax Levy for Next Fiscal Year	0	0	0	0	0
Unavailable Amounts	218,657	17,729	0	69,173	0
Total Deferred Inflows of Resources	218,657	17,729	0	69,173	0
Fund Balances:					
Nonspendable	105,942	0	0	0	0
Restricted	636,829	237,402	3,872	99,572	137,273
Unassigned	0	0	0	0	0
Total Fund Balances	742,771	237,402	3,872	99,572	137,273
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 1,008,506	\$ 256,163	\$ 3,872	\$ 168,745	\$ 138,676

CITY OF SPRINGBORO, OHIO

Drug Law Enforcement	Mayor's Court Improvement	Austin Center Municipal Public Improvement TIF	South Tech Public Improvement TIF	Law Enforcement Trust	DARE Trust	Total Nonmajor Special Revenue Funds
\$ 41,885	\$ 187,214	\$ 335,256	\$ 238,313	\$ 10,442	\$ 8,862	\$ 1,833,655
0	0	147,717	0	0	0	147,717
0	0	0	0	25	0	458,362
0	0	0	0	0	0	94,988
0	0	0	0	0	0	10,954
<u>\$ 41,885</u>	<u>\$ 187,214</u>	<u>\$ 482,973</u>	<u>\$ 238,313</u>	<u>\$ 10,467</u>	<u>\$ 8,862</u>	<u>\$ 2,545,676</u>
\$ 1,304	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 19,564
0	0	0	0	0	2,070	19,030
0	0	0	0	0	475	14,768
0	0	0	13,921	0	0	13,921
0	0	0	1,500,000	0	0	1,500,000
<u>1,304</u>	<u>0</u>	<u>0</u>	<u>1,513,921</u>	<u>0</u>	<u>2,545</u>	<u>1,567,283</u>
0	0	147,717	0	0	0	147,717
0	0	0	0	0	0	305,559
0	0	147,717	0	0	0	453,276
0	0	0	0	0	0	105,942
40,581	187,214	335,256	0	10,467	6,317	1,694,783
0	0	0	(1,275,608)	0	0	(1,275,608)
<u>40,581</u>	<u>187,214</u>	<u>335,256</u>	<u>(1,275,608)</u>	<u>10,467</u>	<u>6,317</u>	<u>525,117</u>
<u>\$ 41,885</u>	<u>\$ 187,214</u>	<u>\$ 482,973</u>	<u>\$ 238,313</u>	<u>\$ 10,467</u>	<u>\$ 8,862</u>	<u>\$ 2,545,676</u>

CITY OF SPRINGBORO, OHIO

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2013**

	Street Maintenance and Repair	State Highway	Permissive Use Tax	Motor Vehicle License Tax	COPS Grant
Revenues:					
Payment in Lieu of Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Intergovernmental Revenues	661,846	53,662	250,000	207,039	0
Fines, Licenses and Permits	0	0	0	0	0
Investment Earnings	4,568	686	65	276	102
Donations	0	0	0	0	0
All Other Revenue	19,490	0	0	0	12,517
Total Revenue	<u>685,904</u>	<u>54,348</u>	<u>250,065</u>	<u>207,315</u>	<u>12,619</u>
Expenditures:					
Current:					
Security of Persons and Property	0	0	0	0	28,793
Transportation	899,576	75,715	0	0	0
General Government	0	0	0	0	0
Debt Service:					
Interest and Fiscal Charges	0	0	0	0	0
Total Expenditures	<u>899,576</u>	<u>75,715</u>	<u>0</u>	<u>0</u>	<u>28,793</u>
Excess (Deficiency) of Revenues Over Expenditures	(213,672)	(21,367)	250,065	207,315	(16,174)
Other Financing Sources (Uses):					
Transfers In	300,000	0	0	0	0
Transfers Out	0	0	(250,000)	(200,000)	0
Total Other Financing Sources (Uses)	<u>300,000</u>	<u>0</u>	<u>(250,000)</u>	<u>(200,000)</u>	<u>0</u>
Net Change in Fund Balances	86,328	(21,367)	65	7,315	(16,174)
Fund Balance at Beginning of Year	672,363	258,769	3,807	92,257	153,447
Decrease in Inventory Reserve	(15,920)	0	0	0	0
Fund Balance End of Year	<u>\$ 742,771</u>	<u>\$ 237,402</u>	<u>\$ 3,872</u>	<u>\$ 99,572</u>	<u>\$ 137,273</u>

CITY OF SPRINGBORO, OHIO

Drug Law Enforcement	Mayor's Court Improvement	Austin Center Municipal Public Improvement TIF	South Tech Public Improvement TIF	Law Enforcement Trust	DARE Trust	Total Nonmajor Special Revenue Funds
\$ 0	\$ 0	\$ 147,717	\$ 0	\$ 0	\$ 0	\$ 147,717
0	0	0	0	0	32,217	1,204,764
4,928	17,007	0	0	0	0	21,935
0	0	0	0	0	0	5,697
0	0	0	0	0	1,020	1,020
0	0	293,878	3,600	562	0	330,047
<u>4,928</u>	<u>17,007</u>	<u>441,595</u>	<u>3,600</u>	<u>562</u>	<u>33,237</u>	<u>1,711,180</u>
1,304	0	0	0	0	36,083	66,180
0	0	0	0	0	0	975,291
0	18,612	15,009	278,049	0	0	311,670
0	0	0	7,461	0	0	7,461
<u>1,304</u>	<u>18,612</u>	<u>15,009</u>	<u>285,510</u>	<u>0</u>	<u>36,083</u>	<u>1,360,602</u>
3,624	(1,605)	426,586	(281,910)	562	(2,846)	350,578
0	0	0	18,000	0	10,000	328,000
0	0	(293,878)	0	0	0	(743,878)
0	0	(293,878)	18,000	0	10,000	(415,878)
3,624	(1,605)	132,708	(263,910)	562	7,154	(65,300)
36,957	188,819	202,548	(1,011,698)	9,905	(837)	606,337
0	0	0	0	0	0	(15,920)
<u>\$ 40,581</u>	<u>\$ 187,214</u>	<u>\$ 335,256</u>	<u>\$ (1,275,608)</u>	<u>\$ 10,467</u>	<u>\$ 6,317</u>	<u>\$ 525,117</u>

CITY OF SPRINGBORO, OHIO

**Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2013**

	Permanent Improvement	Land Acquisition	Total Nonmajor Capital Projects Funds
Assets:			
Cash and Cash Equivalents	\$ 347,158	\$ 314	\$ 347,472
Assets Held for Resale	0	2,490,558	2,490,558
Total Assets	<u>\$ 347,158</u>	<u>\$ 2,490,872</u>	<u>\$ 2,838,030</u>
Liabilities:			
Accounts Payable	\$ 6,321	\$ 0	\$ 6,321
Total Liabilities	<u>6,321</u>	<u>0</u>	<u>6,321</u>
Fund Balances:			
Restricted	340,837	2,490,872	2,831,709
Total Fund Balances	<u>340,837</u>	<u>2,490,872</u>	<u>2,831,709</u>
Total Liabilities and Fund Balances	<u>\$ 347,158</u>	<u>\$ 2,490,872</u>	<u>\$ 2,838,030</u>

CITY OF SPRINGBORO, OHIO

***Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2013***

	Permanent Improvement	Land Acquisition	Total Nonmajor Capital Projects Funds
Revenues:			
Property and Other Taxes	\$ 236,949	\$ 0	\$ 236,949
Fines, Licenses and Permits	76,966	0	76,966
Investment Earnings	0	(802)	(802)
All Other Revenue	62,033	0	62,033
Total Revenue	<u>375,948</u>	<u>(802)</u>	<u>375,146</u>
Expenditures:			
Current:			
General Government	13,823	0	13,823
Capital Outlay	268,074	151,947	420,021
Debt Service:			
Interest and Fiscal Charges	0	17,925	17,925
Total Expenditures	<u>281,897</u>	<u>169,872</u>	<u>451,769</u>
Excess (Deficiency) of Revenues Over Expenditures	94,051	(170,674)	(76,623)
Other Financing Sources (Uses):			
Transfers In	57,487	767,000	824,487
Total Other Financing Sources (Uses)	<u>57,487</u>	<u>767,000</u>	<u>824,487</u>
Net change in Fund Balances	151,538	596,326	747,864
Fund Balances at Beginning of Year	<u>189,299</u>	<u>1,894,546</u>	<u>2,083,845</u>
Fund Balances End of Year	<u>\$ 340,837</u>	<u>\$ 2,490,872</u>	<u>\$ 2,831,709</u>

CITY OF SPRINGBORO, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – General Fund
For the Year Ended December 31, 2013**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Municipal Income Taxes	\$ 7,093,553	\$ 7,093,553	\$ 7,728,498	\$ 634,945
Property and Other Taxes	695,884	695,884	666,408	(29,476)
Intergovernmental Revenues	203,148	203,148	459,028	255,880
Fines, Licenses and Permits	368,960	368,960	441,750	72,790
Investment Earnings	150,750	150,750	85,789	(64,961)
Special Assessments	25,000	25,000	21,420	(3,580)
All Other Revenues	191,000	190,250	156,251	(33,999)
Total Revenues	<u>8,728,295</u>	<u>8,727,545</u>	<u>9,559,144</u>	<u>831,599</u>
Expenditures:				
Security of Persons and Property:				
Police Department:				
Personal Services	2,412,029	2,358,900	2,323,406	35,494
Materials and Supplies	188,121	193,137	182,355	10,782
Contractual Services	163,062	140,874	119,179	21,695
Total Police Department	<u>2,763,212</u>	<u>2,692,911</u>	<u>2,624,940</u>	<u>67,971</u>
Police Dispatcher:				
Personal Services	210,950	195,050	185,366	9,684
Materials and Supplies	4,500	5,500	2,730	2,770
Contractual Services	10,599	9,599	1,758	7,841
Total Police Dispatcher	<u>226,049</u>	<u>210,149</u>	<u>189,854</u>	<u>20,295</u>
Street Lighting:				
Contractual Services	132,322	137,322	135,117	2,205
Total Street Lighting	<u>132,322</u>	<u>137,322</u>	<u>135,117</u>	<u>2,205</u>
Civil Defense:				
Contractual Services	2,600	2,600	2,591	9
Total Civil Defense	<u>2,600</u>	<u>2,600</u>	<u>2,591</u>	<u>9</u>

(Continued)

CITY OF SPRINGBORO, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – General Fund
For the Year Ended December 31, 2013***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Prisoner Care:				
Contractual Services	11,119	11,119	11,119	0
Total Prisoner Care	11,119	11,119	11,119	0
Total Security of Persons and Property	3,135,302	3,054,101	2,963,621	90,480
Public Health and Welfare:				
Health Board:				
Contractual Services	14,651	14,651	14,651	0
Total Public Health and Welfare	14,651	14,651	14,651	0
Leisure Time Activities:				
Park Maintenance:				
Personal Services	430,225	417,025	398,030	18,995
Contractual Services	109,373	105,199	86,077	19,122
Materials and Supplies	90,845	98,320	88,922	9,398
Total Park Maintenance	630,443	620,544	573,029	47,515
Library Services:				
Contractual Services	39,852	39,852	36,623	3,229
Total Library Services	39,852	39,852	36,623	3,229
Total Leisure Time Activities	670,295	660,396	609,652	50,744
Community Environment:				
Planning and Zoning:				
Personal Services	13,700	13,700	11,183	2,517
Contractual Services	95,350	95,350	89,136	6,214
Materials and Supplies	200	200	0	200
Total Planning and Zoning	109,250	109,250	100,319	8,931
Engineering:				
Personal Services	111,800	110,700	104,899	5,801
Contractual Services	63,268	63,487	27,991	35,496
Materials and Supplies	9,000	9,000	8,292	708
Total Engineering	184,068	183,187	141,182	42,005

(Continued)

CITY OF SPRINGBORO, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – General Fund
For the Year Ended December 31, 2013**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Economic Development:				
Personal Services	2,350	2,350	1,161	1,189
Contractual Services	159,478	174,278	153,726	20,552
Materials and Supplies	300	300	0	300
Total Economic Development	162,128	176,928	154,887	22,041
Building Inspection:				
Personal Services	179,200	228,300	223,773	4,527
Contractual Services	86,740	86,073	61,237	24,836
Materials and Supplies	7,000	7,946	7,946	0
Total Building Inspection	272,940	322,319	292,956	29,363
Total Community Environment	728,386	791,684	689,344	102,340
General Government:				
City Council:				
Personal Services	156,024	151,524	140,478	11,046
Contractual Services	89,654	89,684	74,826	14,858
Materials and Supplies	5,483	5,483	3,717	1,766
Total City Council	251,161	246,691	219,021	27,670
City Manager:				
Personal Services	127,100	132,243	126,555	5,688
Contractual Services	107,929	111,979	108,541	3,438
Materials and Supplies	1,000	800	414	386
Total City Manager	236,029	245,022	235,510	9,512
Assistant City Manager:				
Personal Services	78,300	83,007	79,218	3,789
Contractual Services	45,953	45,953	31,896	14,057
Materials and Supplies	1,000	1,000	650	350
Total Assistant City Manager	125,253	129,960	111,764	18,196
Computer Administration:				
Personal Services	84,025	84,025	80,208	3,817
Contractual Services	51,100	51,100	41,177	9,923
Materials and Supplies	55,160	60,160	55,262	4,898
Total Computer Administration	190,285	195,285	176,647	18,638

(Continued)

CITY OF SPRINGBORO, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – General Fund
For the Year Ended December 31, 2013***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Finance Department:				
Personal Services	168,250	170,750	161,052	9,698
Contractual Services	82,890	82,890	62,289	20,601
Materials and Supplies	1,500	1,500	419	1,081
Total Finance Department	252,640	255,140	223,760	31,380
Mayor's Court:				
Personal Services	66,700	67,680	60,021	7,659
Contractual Services	77,900	78,420	76,477	1,943
Materials and Supplies	500	500	26	474
Total Mayor's Court	145,100	146,600	136,524	10,076
Income Tax:				
Personal Services	191,900	191,900	180,123	11,777
Contractual Services	771,091	695,840	661,986	33,854
Materials and Supplies	1,000	1,251	1,251	0
Total Income Tax	963,991	888,991	843,360	45,631
Legal Administration:				
Contractual Services	50,202	50,202	40,202	10,000
Total Legal Administration	50,202	50,202	40,202	10,000
Volunteer Services:				
Contractual Services	4,000	4,000	0	4,000
Total Volunteer Services	4,000	4,000	0	4,000
Building and Land:				
Personal Services	646,654	676,205	675,416	789
Contractual Services	620,531	639,550	481,740	157,810
Materials and Supplies	82,353	118,353	97,360	20,993
Total Building and Land	1,349,538	1,434,108	1,254,516	179,592

(Continued)

CITY OF SPRINGBORO, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – General Fund
For the Year Ended December 31, 2013**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Miscellaneous:				
Contractual Services	104,299	104,299	66,625	37,674
Materials and Supplies	17,038	17,038	12,592	4,446
Total Miscellaneous	<u>121,337</u>	<u>121,337</u>	<u>79,217</u>	<u>42,120</u>
Total General Government	<u>3,689,536</u>	<u>3,717,336</u>	<u>3,320,521</u>	<u>396,815</u>
Total Expenditures	<u>8,238,170</u>	<u>8,238,168</u>	<u>7,597,789</u>	<u>640,379</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	490,125	489,377	1,961,355	1,471,978
Other Financing Sources (Uses):				
Transfers Out	<u>(1,800,246)</u>	<u>(2,442,246)</u>	<u>(2,424,212)</u>	<u>18,034</u>
Total Other Financing Sources (Uses)	<u>(1,800,246)</u>	<u>(2,442,246)</u>	<u>(2,424,212)</u>	<u>18,034</u>
Net Change in Fund Balance	(1,310,121)	(1,952,869)	(462,857)	1,490,012
Fund Balance at Beginning of Year	6,990,575	6,990,575	6,990,575	0
Prior Year Encumbrances	<u>388,186</u>	<u>388,186</u>	<u>388,186</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 6,068,640</u>	<u>\$ 5,425,892</u>	<u>\$ 6,915,904</u>	<u>\$ 1,490,012</u>

CITY OF SPRINGBORO, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – Debt Service Fund
For the Year Ended December 31, 2013***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Special Assessments	\$ 319,000	\$ 331,730	\$ 12,730
Total Revenues	<u>319,000</u>	<u>331,730</u>	<u>12,730</u>
Expenditures:			
Debt Service:			
Principal Retirement	4,100,000	4,100,000	0
Interest and Fiscal Charges	582,175	582,175	0
Total Expenditures	<u>4,682,175</u>	<u>4,682,175</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,363,175)	(4,350,445)	12,730
Other Financing Sources (Uses):			
Transfers In	4,333,907	4,333,907	0
Total Other Financing Sources (Uses)	<u>4,333,907</u>	<u>4,333,907</u>	<u>0</u>
Net Change in Fund Balance	(29,268)	(16,538)	12,730
Fund Balance at Beginning of Year	165,952	165,952	0
Fund Balance at End of Year	<u>\$ 136,684</u>	<u>\$ 149,414</u>	<u>\$ 12,730</u>

CITY OF SPRINGBORO, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – Capital Project Fund
For the Year Ended December 31, 2013**

CONSTRUCTION FUND			
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenues	\$ 546,400	\$ 324,671	\$ (221,729)
Special Assessments	20,000	17,465	(2,535)
All Other Revenues	10,000	173	(9,827)
Total Revenues	<u>576,400</u>	<u>342,309</u>	<u>(234,091)</u>
Expenditures:			
General Government:			
Contractual Services	73,057	72,594	463
Total General Government	<u>73,057</u>	<u>72,594</u>	<u>463</u>
Capital Outlay	5,389,450	5,348,650	40,800
Total Expenditures	<u>5,462,507</u>	<u>5,421,244</u>	<u>41,263</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,886,107)	(5,078,935)	(192,828)
Other Financing Sources (Uses):			
Transfers In	3,565,336	4,162,761	597,425
Transfers Out	(989,715)	(989,715)	0
Total Other Financing Sources (Uses)	<u>2,575,621</u>	<u>3,173,046</u>	<u>597,425</u>
Net Change in Fund Balance	(2,310,486)	(1,905,889)	404,597
Fund Balance at Beginning of Year	82,914	82,914	0
Prior Year Encumbrances	2,304,129	2,304,129	0
Fund Balance at End of Year	<u>\$ 76,557</u>	<u>\$ 481,154</u>	<u>\$ 404,597</u>

CITY OF SPRINGBORO, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – Capital Project Fund
For the Year Ended December 31, 2013**

INCOME TAX CAPITAL IMPROVEMENT FUND			
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
	<u>Final Budget</u>	<u>Actual</u>	<u>(Negative)</u>
Revenues:			
Municipal Income Taxes	\$ 3,633,000	\$ 3,894,718	\$ 261,718
Total Revenues	<u>3,633,000</u>	<u>3,894,718</u>	<u>261,718</u>
Expenditures:			
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,633,000	3,894,718	261,718
Other Financing Sources (Uses):			
Transfers Out	<u>(3,610,149)</u>	<u>(3,609,713)</u>	<u>436</u>
Total Other Financing Sources (Uses)	<u>(3,610,149)</u>	<u>(3,609,713)</u>	<u>436</u>
Net Change in Fund Balance	22,851	285,005	262,154
Fund Balance at Beginning of Year	<u>548,266</u>	<u>548,266</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 571,117</u>	<u>\$ 833,271</u>	<u>\$ 262,154</u>

CITY OF SPRINGBORO, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2013**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenues	\$ 624,100	\$ 658,976	\$ 34,876
Investment Earnings	1,900	4,568	2,668
All Other Revenues	0	19,490	19,490
Total Revenues	<u>626,000</u>	<u>683,034</u>	<u>57,034</u>
Expenditures:			
Transportation:			
Personal Services	586,407	550,765	35,642
Materials and Supplies	476,544	392,650	83,894
Contractual Services	169,632	142,087	27,545
Total Expenditures	<u>1,232,583</u>	<u>1,085,502</u>	<u>147,081</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(606,583)	(402,468)	204,115
Other Financing Sources (Uses):			
Transfers In	300,000	300,000	0
Total Other Financing Sources (Uses)	<u>300,000</u>	<u>300,000</u>	<u>0</u>
Net Change in Fund Balance	(306,583)	(102,468)	204,115
Fund Balance at Beginning of Year	322,360	322,360	0
Prior Year Encumbrances	191,287	191,287	0
Fund Balance at End of Year	<u>\$ 207,064</u>	<u>\$ 411,179</u>	<u>\$ 204,115</u>

CITY OF SPRINGBORO, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2013***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenues	\$ 47,500	\$ 53,430	\$ 5,930
Investment Earnings	2,000	686	(1,314)
Total Revenues	<u>49,500</u>	<u>54,116</u>	<u>4,616</u>
Expenditures:			
Transportation:			
Contractual Services	30,000	28,717	1,283
Capital Outlay	210,550	92,600	117,950
Total Expenditures	<u>240,550</u>	<u>121,317</u>	<u>119,233</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(191,050)	(67,201)	123,849
Fund Balance at Beginning of Year	191,321	191,321	0
Prior Year Encumbrances	60,550	60,550	0
Fund Balance at End of Year	<u>\$ 60,821</u>	<u>\$ 184,670</u>	<u>\$ 123,849</u>

CITY OF SPRINGBORO, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2013***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
PERMISSIVE USE TAX FUND			
Revenues:			
Intergovernmental Revenues	\$ 249,975	\$ 250,000	\$ 25
Investment Earnings	25	65	40
Total Revenues	<u>250,000</u>	<u>250,065</u>	<u>65</u>
Expenditures:			
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	250,000	250,065	65
Other Financing Sources (Uses):			
Transfers Out	<u>(250,000)</u>	<u>(250,000)</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>(250,000)</u>	<u>(250,000)</u>	<u>0</u>
Net Change in Fund Balance	0	65	65
Fund Balance at Beginning of Year	<u>3,807</u>	<u>3,807</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 3,807</u>	<u>\$ 3,872</u>	<u>\$ 65</u>

CITY OF SPRINGBORO, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2013***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
MOTOR VEHICLE LICENSE TAX FUND			
Revenues:			
Intergovernmental Revenues	\$ 190,675	\$ 206,603	\$ 15,928
Investment Earnings	325	276	(49)
Total Revenues	<u>191,000</u>	<u>206,879</u>	<u>15,879</u>
Expenditures:			
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	191,000	206,879	15,879
Other Financing Sources (Uses):			
Transfers Out	<u>(200,000)</u>	<u>(200,000)</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>(200,000)</u>	<u>(200,000)</u>	<u>0</u>
Net Change in Fund Balance	(9,000)	6,879	15,879
Fund Balance at Beginning of Year	<u>58,107</u>	<u>58,107</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 49,107</u>	<u>\$ 64,986</u>	<u>\$ 15,879</u>

CITY OF SPRINGBORO, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2013***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Investment Earnings	\$ 0	\$ 102	\$ 102
All Other Revenues	10,000	12,517	2,517
Total Revenues	<u>10,000</u>	<u>12,619</u>	<u>2,619</u>
Expenditures:			
Security of Persons and Property:			
Personal Services	56,172	30,403	25,769
Materials and Supplies	430	0	430
Contractual Services	895	816	79
Total Expenditures	<u>57,497</u>	<u>31,219</u>	<u>26,278</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(47,497)	(18,600)	28,897
Fund Balance at Beginning of Year	<u>157,276</u>	<u>157,276</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 109,779</u>	<u>\$ 138,676</u>	<u>\$ 28,897</u>

CITY OF SPRINGBORO, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2013***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Fines, Licenses and Permits	\$ 0	\$ 4,928	\$ 4,928
Total Revenues	<u>0</u>	<u>4,928</u>	<u>4,928</u>
Expenditures:			
Security of Persons and Property:			
Capital Outlay	12,000	5,761	6,239
Total Expenditures	<u>12,000</u>	<u>5,761</u>	<u>6,239</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(12,000)	(833)	11,167
Fund Balance at Beginning of Year	<u>36,957</u>	<u>36,957</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 24,957</u>	<u>\$ 36,124</u>	<u>\$ 11,167</u>

CITY OF SPRINGBORO, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2013***

MAYOR'S COURT IMPROVEMENT FUND

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Fines, Licenses and Permits	\$ 15,200	\$ 16,953	\$ 1,753
Total Revenues	<u>15,200</u>	<u>16,953</u>	<u>1,753</u>
Expenditures:			
General Government:			
Materials and Supplies	1,500	1,054	446
Contractual Services	10,541	5,110	5,431
Capital Outlay	12,459	12,448	11
Total Expenditures	<u>24,500</u>	<u>18,612</u>	<u>5,888</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(9,300)	(1,659)	7,641
Fund Balance at Beginning of Year	187,798	187,798	0
Fund Balance at End of Year	<u>\$ 178,498</u>	<u>\$ 186,139</u>	<u>\$ 7,641</u>

CITY OF SPRINGBORO, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2013***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Payment in Lieu of Taxes	\$ 93,600	\$ 147,717	\$ 54,117
All Other Revenues	293,878	293,878	0
Total Revenues	<u>387,478</u>	<u>441,595</u>	<u>54,117</u>
Expenditures:			
General Government:			
Contractual Services	19,500	15,009	4,491
Total Expenditures	<u>19,500</u>	<u>15,009</u>	<u>4,491</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	367,978	426,586	58,608
Other Financing Sources (Uses):			
Transfers Out	(293,878)	(293,878)	0
Total Other Financing Sources (Uses)	<u>(293,878)</u>	<u>(293,878)</u>	<u>0</u>
Net Change in Fund Balance	74,100	132,708	58,608
Fund Balance at Beginning of Year	202,548	202,548	0
Fund Balance at End of Year	<u>\$ 276,648</u>	<u>\$ 335,256</u>	<u>\$ 58,608</u>

CITY OF SPRINGBORO, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2013***

SOUTH TECH PUBLIC IMPROVEMENT TIF FUND

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
All Other Revenues	\$ 3,600	\$ 3,600	\$ 0
Total Revenues	<u>3,600</u>	<u>3,600</u>	<u>0</u>
Expenditures:			
General Government:			
Contractual Services	6,395	6,395	0
Capital Outlay	490,721	490,721	0
Total Expenditures	<u>497,116</u>	<u>497,116</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(493,516)	(493,516)	0
Other Financing Sources (Uses):			
General Obligation Notes Issued	1,500,000	1,500,000	0
Premium on General Obligation Notes Issued	0	11,160	11,160
Transfers In	18,000	18,000	0
Transfers Out	(1,218,000)	(1,217,950)	50
Total Other Financing Sources (Uses)	<u>300,000</u>	<u>311,210</u>	<u>11,210</u>
Net Change in Fund Balance	(193,516)	(182,306)	11,210
Fund Balance at Beginning of Year	4,628	4,628	0
Prior Year Encumbrances	204,563	204,563	0
Fund Balance at End of Year	<u>\$ 15,675</u>	<u>\$ 26,885</u>	<u>\$ 11,210</u>

CITY OF SPRINGBORO, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2013***

LAW ENFORCEMENT TRUST FUND			
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
All Other Revenues	\$ 450	\$ 562	\$ 112
Total Revenues	<u>450</u>	<u>562</u>	<u>112</u>
Expenditures:			
Security of Persons and Property:			
Materials and Supplies	5,000	0	5,000
Contractual Services	3,000	0	3,000
Total Expenditures	<u>8,000</u>	<u>0</u>	<u>8,000</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,550)	562	8,112
Fund Balance at Beginning of Year	9,880	9,880	0
Fund Balance at End of Year	<u>\$ 2,330</u>	<u>\$ 10,442</u>	<u>\$ 8,112</u>

CITY OF SPRINGBORO, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2013***

DARE TRUST FUND			
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenues	\$ 30,000	\$ 32,217	\$ 2,217
Donations	600	1,115	515
Total Revenues	<u>30,600</u>	<u>33,332</u>	<u>2,732</u>
Expenditures:			
Security of Persons and Property:			
Personal Services	44,700	41,915	2,785
Materials and Supplies	7,925	7,865	60
Contractual Services	200	0	200
Total Expenditures	<u>52,825</u>	<u>49,780</u>	<u>3,045</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(22,225)	(16,448)	5,777
Other Financing Sources (Uses):			
Transfers In	10,000	10,000	0
Total Other Financing Sources (Uses)	<u>10,000</u>	<u>10,000</u>	<u>0</u>
Net Change in Fund Balance	(12,225)	(6,448)	5,777
Fund Balance at Beginning of Year	11,264	11,264	0
Prior Year Encumbrances	2,090	2,090	0
Fund Balance at End of Year	<u>\$ 1,129</u>	<u>\$ 6,906</u>	<u>\$ 5,777</u>

CITY OF SPRINGBORO, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Fund
For the Year Ended December 31, 2013***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
PERMANENT IMPROVEMENT FUND			
Revenues:			
Property and Other Taxes	\$ 225,000	\$ 236,949	\$ 11,949
Intergovernmental Revenues	28,400	0	(28,400)
Fines, Licenses and Permits	4,900	76,966	72,066
All Other Revenues	300	63,306	63,006
Total Revenues	<u>258,600</u>	<u>377,221</u>	<u>118,621</u>
Expenditures:			
General Government:			
Contractual Services	<u>33,165</u>	<u>32,803</u>	<u>362</u>
Total General Government	<u>33,165</u>	<u>32,803</u>	<u>362</u>
Capital Outlay	<u>412,697</u>	<u>412,076</u>	<u>621</u>
Total Expenditures	<u>445,862</u>	<u>444,879</u>	<u>983</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(187,262)	(67,658)	119,604
Other Financing Sources (Uses):			
Transfers In	<u>172,400</u>	<u>57,487</u>	<u>(114,913)</u>
Total Other Financing Sources (Uses)	<u>172,400</u>	<u>57,487</u>	<u>(114,913)</u>
Net Change in Fund Balance	(14,862)	(10,171)	4,691
Fund Balance at Beginning of Year	179,164	179,164	0
Prior Year Encumbrances	8,862	8,862	0
Fund Balance at End of Year	<u>\$ 173,164</u>	<u>\$ 177,855</u>	<u>\$ 4,691</u>

CITY OF SPRINGBORO, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Fund
For the Year Ended December 31, 2013**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Total Revenues	\$ 0	\$ 0	\$ 0
Expenditures:			
Capital Outlay	152,185	151,947	238
Total Expenditures	152,185	151,947	238
Excess (Deficiency) of Revenues Over (Under) Expenditures	(152,185)	(151,947)	238
Other Financing Sources (Uses):			
General Obligation Notes Issued	495,125	0	(495,125)
Transfers In	271,875	767,000	495,125
Transfers Out	(1,771,814)	(1,771,814)	0
Total Other Financing Sources (Uses)	(1,004,814)	(1,004,814)	0
Net Change in Fund Balance	(1,156,999)	(1,156,761)	238
Fund Balance at Beginning of Year	1,157,075	1,157,075	0
Fund Balance at End of Year	\$ 76	\$ 314	\$ 238

Fiduciary Funds

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

Agency Funds

Library Donation Fund

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

Mayor's Court Fund

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

Special Assessment Fund

To account for special assessments collected from property owners and remitted to various homeowners associations.

CITY OF SPRINGBORO, OHIO

***Statement Of Changes In Assets And Liabilities
Agency Funds
For the Year Ended December 31, 2013***

	Balance December 31, 2012	Additions	Deductions	Balance December 31, 2013
<u>Library Donation Fund</u>				
Assets:				
Cash and Cash Equivalents	\$6,269	\$5,394	(\$5,506)	\$6,157
Total Assets	<u>\$6,269</u>	<u>\$5,394</u>	<u>(\$5,506)</u>	<u>\$6,157</u>
Liabilities:				
Due to Others	\$6,269	\$5,394	(\$5,506)	\$6,157
Total Liabilities	<u>\$6,269</u>	<u>\$5,394</u>	<u>(\$5,506)</u>	<u>\$6,157</u>
<u>Mayor's Court Fund</u>				
Assets:				
Cash and Cash Equivalents	\$4,481	\$317,939	(\$318,994)	\$3,426
Total Assets	<u>\$4,481</u>	<u>\$317,939</u>	<u>(\$318,994)</u>	<u>\$3,426</u>
Liabilities:				
Undistributed Monies	\$4,481	\$317,939	(\$318,994)	\$3,426
Total Liabilities	<u>\$4,481</u>	<u>\$317,939</u>	<u>(\$318,994)</u>	<u>\$3,426</u>
<u>Special Assessment Fund</u>				
Assets:				
Special Assessments Receivable	\$254,597	\$317,724	(\$57,666)	\$514,655
Total Assets	<u>\$254,597</u>	<u>\$317,724</u>	<u>(\$57,666)</u>	<u>\$514,655</u>
Liabilities:				
Due to Others	\$254,597	\$317,724	(\$57,666)	\$514,655
Total Liabilities	<u>\$254,597</u>	<u>\$317,724</u>	<u>(\$57,666)</u>	<u>\$514,655</u>
<u>Total Agency Funds:</u>				
Assets:				
Cash and Cash Equivalents	\$10,750	\$323,333	(\$324,500)	\$9,583
Special Assessments Receivable	254,597	317,724	(57,666)	514,655
Total Assets	<u>\$265,347</u>	<u>\$641,057</u>	<u>(\$382,166)</u>	<u>\$524,238</u>
Liabilities:				
Due to Others	\$260,866	\$323,118	(\$63,172)	\$520,812
Undistributed Monies	4,481	317,939	(318,994)	3,426
Total Liabilities	<u>\$265,347</u>	<u>\$641,057</u>	<u>(\$382,166)</u>	<u>\$524,238</u>

STATISTICAL SECTION



STATISTICAL TABLES

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

Contents

Financial Trends	S 2 – S 13
These schedules contain trend information to help the reader understand how the City’s financial position has changed over time.	
Revenue Capacity	S 14 – S 17
These schedules contain information to help the reader understand and assess the factors affecting the City’s ability to generate its most significant local revenue sources, the property tax and the income tax.	
Debt Capacity	S 18 – S 27
These schedules present information to help the reader assess the affordability of the City’s current levels of outstanding debt and the City’s ability to issue additional debt in the future.	
Economic and Demographic Information	S 28 – S 31
These schedules offer economic and demographic indicators to help the reader understand the environment within which the City’s financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.	
Operating Information	S 32 – S 39
These schedules contain service and infrastructure data to help the reader understand how the information in the City’s financial report relates to the services the City’s provides and the activities it performs.	
Sources Note:	
Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.	

City of Springboro

*Net Position by Component
Last Ten Years
(accrual basis of accounting)*

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Governmental Activities:				
Net Investment in Capital Assets	\$26,779,476	\$26,884,114	\$27,213,897	\$29,738,654
Restricted	5,917,872	10,161,903	10,981,263	11,542,608
Unrestricted	7,560,929	8,593,613	9,523,096	8,809,701
Total Governmental Activities Net Position	<u>\$40,258,277</u>	<u>\$45,639,630</u>	<u>\$47,718,256</u>	<u>\$50,090,963</u>
Business-type Activities:				
Net Investment in Capital Assets	\$41,799,090	\$48,700,584	\$46,543,923	\$48,566,261
Restricted	2,465,210	1,988,424	2,080,999	2,186,063
Unrestricted	10,390,664	6,795,398	7,879,343	8,746,907
Total Business-type Activities Net Position	<u>\$54,654,964</u>	<u>\$57,484,406</u>	<u>\$56,504,265</u>	<u>\$59,499,231</u>
Primary Government:				
Net Investment in Capital Assets	\$68,578,566	\$75,584,698	\$73,757,820	\$78,304,915
Restricted	8,383,082	12,150,327	13,062,262	13,728,671
Unrestricted	17,951,593	15,389,011	17,402,439	17,556,608
Total Primary Government Net Position	<u>\$94,913,241</u>	<u>\$103,124,036</u>	<u>\$104,222,521</u>	<u>\$109,590,194</u>

Source: Finance Director's Office

City of Springboro

2008	2009	2010	2011	2012	2013
\$28,928,245	\$33,359,772	\$35,279,823	\$36,427,139	\$39,980,429	\$28,524,086
12,587,110	11,179,852	11,019,862	10,242,352	10,047,132	10,672,787
9,194,739	5,717,437	7,290,300	7,448,349	4,747,303	18,121,940
<u>\$50,710,094</u>	<u>\$50,257,061</u>	<u>\$53,589,985</u>	<u>\$54,117,840</u>	<u>\$54,774,864</u>	<u>\$57,318,813</u>
\$49,184,865	\$49,189,885	\$49,691,654	\$50,089,838	\$50,576,992	\$51,515,909
2,525,520	2,491,880	2,504,293	2,356,441	2,416,605	2,371,790
9,099,578	7,476,070	6,663,660	8,034,076	9,633,876	12,417,118
<u>\$60,809,963</u>	<u>\$59,157,835</u>	<u>\$58,859,607</u>	<u>\$60,480,355</u>	<u>\$62,627,473</u>	<u>\$66,304,817</u>
\$78,113,110	\$82,549,657	\$84,971,477	\$86,516,977	\$90,557,421	\$80,039,995
15,112,630	13,671,732	13,524,155	12,598,793	12,463,737	13,044,577
18,294,317	13,193,507	13,953,960	15,482,425	14,381,179	30,539,058
<u>\$111,520,057</u>	<u>\$109,414,896</u>	<u>\$112,449,592</u>	<u>\$114,598,195</u>	<u>\$117,402,337</u>	<u>\$123,623,630</u>

City of Springboro

Changes in Net Position Last Ten Years (accrual basis of accounting)

	2004	2005	2006	2007
Expenses				
Governmental Activities:				
Security of Persons and Property	\$2,514,444	\$2,640,056	\$2,630,222	\$2,697,240
Public Health and Welfare Services	8,965	8,780	10,647	11,518
Leisure Time Activities	453,041	509,990	507,364	534,363
Community Environment	607,037	768,207	693,745	736,720
Transportation	1,848,412	1,878,604	1,922,942	2,194,691
General Government	3,470,693	4,174,898	4,087,878	4,076,554
Interest and Fiscal Charges	410,280	505,312	492,472	466,493
<i>Total Governmental Activities Expenses</i>	<u>9,312,872</u>	<u>10,485,847</u>	<u>10,345,270</u>	<u>10,717,579</u>
Business-type Activities:				
Golf Course	2,357,184	2,136,737	2,503,701	2,641,012
Water	3,026,472	3,108,710	3,463,779	3,349,609
Sewer	2,451,894	3,410,660	3,202,723	3,000,301
Trash	591,690	777,021	768,894	796,749
Storm Water	14,092	198,394	216,285	182,234
<i>Total Business-type Activities Expenses</i>	<u>8,441,332</u>	<u>9,631,522</u>	<u>10,155,382</u>	<u>9,969,905</u>
<i>Total Primary Government Expenses</i>	<u>\$17,754,204</u>	<u>\$20,117,369</u>	<u>\$20,500,652</u>	<u>\$20,687,484</u>
Program Revenues				
Governmental Activities:				
Charges for Services				
Security of Persons and Property	\$4,572	\$56,722	\$51,861	\$32,256
Leisure Time Activities	210,156	162,396	84,870	46,106
Community Environment	367,699	363,826	207,017	190,536
Transportation	9,276	11,465	5,392	0
General Government	1,055,041	1,185,351	1,205,212	1,275,011
Operating Grants and Contributions	761,155	931,375	800,017	950,410
Capital Grants and Contributions	368,056	2,021,941	301,873	587,717
<i>Total Governmental Activities Program Revenues</i>	<u>2,775,955</u>	<u>4,733,076</u>	<u>2,656,242</u>	<u>3,082,036</u>

City of Springboro

2008	2009	2010	2011	2012	2013
\$2,982,330	\$3,020,400	\$3,103,506	\$3,084,811	\$3,632,041	\$2,954,087
14,060	15,274	15,066	14,697	14,723	14,651
626,883	557,517	571,511	610,141	742,999	694,736
582,985	629,165	649,925	550,746	686,964	666,822
2,492,616	2,350,862	2,375,477	2,269,438	2,439,903	3,798,401
5,399,004	8,932,219	4,960,892	4,309,581	4,760,638	3,685,441
433,470	755,444	740,529	671,891	617,827	542,335
<u>12,531,348</u>	<u>16,260,881</u>	<u>12,416,906</u>	<u>11,511,305</u>	<u>12,895,095</u>	<u>12,356,473</u>
3,250,865	2,544,726	2,638,443	2,450,840	2,671,202	2,237,071
3,437,672	3,575,866	3,641,434	3,296,748	3,670,617	3,140,275
3,371,521	3,347,830	3,279,192	3,056,852	2,921,396	2,920,507
806,723	963,583	1,227,847	959,687	964,704	1,012,007
305,909	340,633	237,611	308,484	502,364	284,940
<u>11,172,690</u>	<u>10,772,638</u>	<u>11,024,527</u>	<u>10,072,611</u>	<u>10,730,283</u>	<u>9,594,800</u>
<u>\$23,704,038</u>	<u>\$27,033,519</u>	<u>\$23,441,433</u>	<u>\$21,583,916</u>	<u>\$23,625,378</u>	<u>\$21,951,273</u>
\$37,942	\$45,540	\$58,947	\$49,435	\$16,979	\$19,027
22,687	35,404	34,264	32,481	293,221	138,999
85,520	83,011	113,003	105,801	200,293	210,534
291	35,075	2,725	274,693	291,661	344,208
1,373,883	1,520,630	1,674,928	277,137	271,683	252,163
1,072,511	942,623	991,710	938,552	726,537	1,181,004
1,124,572	1,346,957	1,293,808	1,146,666	35,347	355,511
<u>3,717,406</u>	<u>4,009,240</u>	<u>4,169,385</u>	<u>2,824,765</u>	<u>1,835,721</u>	<u>2,501,446</u>

(continued)

City of Springboro

Changes in Net Position Last Ten Years (accrual basis of accounting)

	2004	2005	2006	2007
Business-type Activities:				
Charges for Services				
Golf Course	2,256,350	2,181,616	1,749,643	1,719,244
Water	2,737,202	3,197,131	2,897,468	3,244,071
Sewer	1,752,509	2,239,458	2,118,810	2,243,482
Trash	686,131	828,675	831,763	840,248
Storm Water	189,852	235,912	222,619	225,774
Capital Grants and Contributions	2,638,394	2,515,267	3,576,737	1,171,053
<i>Total Business-type Activities Program Revenues</i>	<u>10,260,438</u>	<u>11,198,059</u>	<u>11,397,040</u>	<u>9,443,872</u>
<i>Total Primary Government Program Revenues</i>	<u>13,036,393</u>	<u>15,931,135</u>	<u>14,053,282</u>	<u>12,525,908</u>
Net (Expense)/Revenue				
Governmental Activities	(6,536,917)	(5,752,771)	(7,689,028)	(7,635,543)
Business-type Activities	1,819,106	1,566,537	1,241,658	(526,033)
<i>Total Primary Government Net (Expense)/Revenue</i>	<u>(\$4,717,811)</u>	<u>(\$4,186,234)</u>	<u>(\$6,447,370)</u>	<u>(\$8,161,576)</u>
General Revenues and Other Changes in Net Position				
Governmental Activities:				
Income Taxes	\$7,280,875	\$9,341,580	\$9,008,615	\$9,654,160
Property Taxes	585,395	605,193	629,933	763,912
Other Local Taxes	59,379	80,126	79,746	87,807
Payment in Lieu of Taxes	0	157,646	473,153	384,014
Intergovernmental, unrestricted	761,646	558,942	566,082	564,359
Investment Earnings	398,038	317,708	478,662	770,851
Miscellaneous	744,882	416,746	326,437	357,341
Gain (Loss) on Sale of Assets Held for Resale	0	0	0	437,706
Transfers	(590,874)	(743,817)	(1,586,000)	(3,011,900)
<i>Total Governmental Activities</i>	<u>9,239,341</u>	<u>10,734,124</u>	<u>9,976,628</u>	<u>10,008,250</u>
Business-type Activities:				
Investment Earnings	35,864	627,827	607,060	509,099
Transfers	590,874	743,817	1,586,000	3,011,900
<i>Total Business-type Activities</i>	<u>626,738</u>	<u>1,371,644</u>	<u>2,193,060</u>	<u>3,520,999</u>
<i>Total Primary Government</i>	<u>\$9,866,079</u>	<u>\$12,105,768</u>	<u>\$12,169,688</u>	<u>\$13,529,249</u>
Change in Net Position				
Governmental Activities	\$2,702,424	\$4,981,353	\$2,287,600	\$2,372,707
Business-type Activities	2,445,844	2,938,181	3,434,718	2,994,966
<i>Total Primary Government Change in Net Position</i>	<u>\$5,148,268</u>	<u>\$7,919,534</u>	<u>\$5,722,318</u>	<u>\$5,367,673</u>

Source: Finance Director's Office

City of Springboro

2008	2009	2010	2011	2012	2013
2,081,195	1,759,451	1,923,208	1,815,148	1,974,536	1,621,898
3,084,379	2,879,239	3,090,718	3,703,654	4,892,729	4,475,509
2,494,398	2,403,702	2,640,345	3,184,400	3,847,960	3,963,098
922,152	889,922	945,873	919,731	931,295	1,030,615
242,065	240,027	253,925	93,911	190,946	264,150
523,074	282,629	485,025	360,540	694,590	794,448
<u>9,347,263</u>	<u>8,454,970</u>	<u>9,339,094</u>	<u>10,077,384</u>	<u>12,532,056</u>	<u>12,149,718</u>
<u>13,064,669</u>	<u>12,464,210</u>	<u>13,508,479</u>	<u>12,902,149</u>	<u>14,367,777</u>	<u>14,651,164</u>
(8,813,942)	(12,251,641)	(8,247,521)	(8,686,540)	(11,059,374)	(9,855,027)
<u>(1,825,427)</u>	<u>(2,317,668)</u>	<u>(1,685,433)</u>	<u>4,773</u>	<u>1,801,773</u>	<u>2,554,918</u>
<u>(\$10,639,369)</u>	<u>(\$14,569,309)</u>	<u>(\$9,932,954)</u>	<u>(\$8,681,767)</u>	<u>(\$9,257,601)</u>	<u>(\$7,300,109)</u>
\$9,678,509	\$9,640,943	\$10,481,235	\$9,595,447	\$11,234,399	\$11,755,014
691,809	720,042	702,808	636,375	624,866	828,996
83,684	70,232	56,322	67,699	57,355	70,427
381,409	538,388	550,819	217,620	111,074	147,717
453,943	646,503	505,227	506,161	426,267	441,753
625,240	309,102	169,589	108,369	58,757	67,201
366,047	503,598	385,479	296,839	233,235	195,995
0	0	93,974	(59,560)	65,954	0
<u>(2,847,568)</u>	<u>(630,200)</u>	<u>(1,365,008)</u>	<u>(1,585,560)</u>	<u>(942,176)</u>	<u>(1,108,127)</u>
<u>9,433,073</u>	<u>11,798,608</u>	<u>11,580,445</u>	<u>9,783,390</u>	<u>11,869,731</u>	<u>12,398,976</u>
288,591	35,340	22,197	30,415	27,245	14,299
<u>2,847,568</u>	<u>630,200</u>	<u>1,365,008</u>	<u>1,585,560</u>	<u>942,176</u>	<u>1,108,127</u>
<u>3,136,159</u>	<u>665,540</u>	<u>1,387,205</u>	<u>1,615,975</u>	<u>969,421</u>	<u>1,122,426</u>
<u>\$12,569,232</u>	<u>\$12,464,148</u>	<u>\$12,967,650</u>	<u>\$11,399,365</u>	<u>\$12,839,152</u>	<u>\$13,521,402</u>
\$619,131	(\$453,033)	\$3,332,924	\$1,096,850	\$810,357	\$2,543,949
<u>1,310,732</u>	<u>(1,652,128)</u>	<u>(298,228)</u>	<u>1,620,748</u>	<u>2,771,194</u>	<u>3,677,344</u>
<u>\$1,929,863</u>	<u>(\$2,105,161)</u>	<u>\$3,034,696</u>	<u>\$2,717,598</u>	<u>\$3,581,551</u>	<u>\$6,221,293</u>

City of Springboro

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

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
General Fund				
Nonspendable	\$0	\$0	\$0	\$0
Assigned	0	0	0	0
Unassigned	0	0	0	0
Reserved	451,350	256,689	307,002	304,124
Unreserved	<u>3,178,124</u>	<u>4,106,407</u>	<u>4,595,923</u>	<u>5,432,893</u>
<i>Total General Fund</i>	<u>3,629,474</u>	<u>4,363,096</u>	<u>4,902,925</u>	<u>5,737,017</u>
All Other Governmental Funds				
Nonspendable	\$0	\$0	\$0	\$0
Restricted	0	0	0	0
Unassigned	0	0	0	0
Reserved	932,104	5,232,418	5,302,224	5,091,688
Unreserved, Undesignated, Reported in:				
Special Revenue Funds	547,372	822,349	1,277,471	983,802
Debt Service Funds	0	0	0	0
Capital Projects Funds	<u>(3,859,964)</u>	<u>(1,784,381)</u>	<u>(232,619)</u>	<u>909,425</u>
<i>Total All Other Governmental Funds</i>	<u>(2,380,488)</u>	<u>4,270,386</u>	<u>6,347,076</u>	<u>6,984,915</u>
<i>Total Governmental Funds</i>	<u><u>\$1,248,986</u></u>	<u><u>\$8,633,482</u></u>	<u><u>\$11,250,001</u></u>	<u><u>\$12,721,932</u></u>

Source: Finance Director's Office

Note: The City implemented GASB 54 in 2011 which established new fund balance classifications for governmental funds.

City of Springboro

2008	2009	2010	2011	2012	2013
\$0	\$0	\$0	\$118,633	\$141,708	\$193,739
0	0	0	356,126	328,242	1,007,606
0	0	0	8,809,769	7,524,414	6,746,464
467,125	458,766	452,474	0	0	0
5,724,981	5,967,265	7,488,980	0	0	0
<u>6,192,106</u>	<u>6,426,031</u>	<u>7,941,454</u>	<u>9,284,528</u>	<u>7,994,364</u>	<u>7,947,809</u>
\$0	\$0	\$0	\$105,578	\$115,026	\$105,942
0	0	0	6,058,316	6,947,280	7,797,447
0	0	0	(298,460)	(1,012,535)	(1,275,608)
6,520,184	7,300,879	5,710,045	0	0	0
1,115,267	(2,663,656)	1,259,760	0	0	0
0	0	0	0	0	0
6,898,355	(1,259,533)	(10,441)	0	0	0
<u>14,533,806</u>	<u>3,377,690</u>	<u>6,959,364</u>	<u>5,865,434</u>	<u>6,049,771</u>	<u>6,627,781</u>
<u>\$20,725,912</u>	<u>\$9,803,721</u>	<u>\$14,900,818</u>	<u>\$15,149,962</u>	<u>\$14,044,135</u>	<u>\$14,575,590</u>

City of Springboro

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

	2004	2005	2006	2007
Revenues:				
Municipal Income Taxes	\$7,312,583	\$9,119,941	\$8,951,015	\$9,706,915
Property Tax	644,774	682,471	716,356	802,737
Payment in Lieu of Taxes	0	157,646	473,153	384,014
Intergovernmental Revenues	1,450,786	2,035,269	1,445,957	1,268,711
Charges for Services	825,777	924,184	890,655	961,574
Fines, Licenses and Permits	802,255	806,742	627,877	542,849
Investment Earnings	398,038	317,708	478,662	770,851
Special Assessments	432,914	382,752	477,898	350,886
Donations	7,873	8,209	8,787	9,434
Payments from Developers	0	0	0	0
All Other Revenue	691,314	423,325	298,314	330,195
Total Revenue	12,566,314	14,858,247	14,368,674	15,128,166
Expenditures:				
Current:				
Security of Persons and Property	2,474,163	2,516,280	2,508,433	2,613,876
Public Health and Welfare Services	8,965	8,780	10,647	11,518
Leisure Time Activities	342,388	387,963	380,019	418,201
Community Environment	589,764	750,053	679,947	725,553
Transportation	646,669	623,135	561,958	813,735
General Government	3,383,311	4,032,228	3,532,737	3,943,581
Capital Outlay	7,466,196	1,833,003	1,925,812	1,524,581
Debt Service:				
Principal Retirement	562,513	605,986	543,625	569,708
Interest and Fiscal Charges	436,819	509,976	498,708	472,490
Total Expenditures	15,910,788	11,267,404	10,641,886	11,093,243
Excess (Deficiency) of Revenues Over Expenditures	(3,344,474)	3,590,843	3,726,788	4,034,923

City of Springboro

2008	2009	2010	2011	2012	2013
\$9,729,065	\$9,388,476	\$9,710,970	\$10,362,125	\$11,029,649	\$11,576,805
800,270	808,536	741,189	702,381	686,985	903,357
381,409	538,388	550,819	217,620	111,074	147,717
1,632,075	1,970,660	2,490,006	2,026,299	2,031,769	1,944,528
980,683	1,231,045	1,325,282	0	0	0
366,726	391,751	507,841	406,845	540,093	540,991
625,240	222,636	149,940	150,895	122,346	67,201
509,359	411,661	384,934	402,343	407,512	370,615
7,032	7,588	6,673	770	965	1,020
972,412	0	0	0	0	0
703,199	502,665	364,291	572,759	721,702	549,190
<u>16,707,470</u>	<u>15,473,406</u>	<u>16,231,945</u>	<u>14,842,037</u>	<u>15,652,095</u>	<u>16,101,424</u>
2,818,460	2,902,211	2,855,621	2,879,485	2,935,104	2,888,617
14,060	15,274	15,066	14,697	14,723	14,651
434,357	463,693	463,880	500,822	565,858	581,460
583,002	629,695	608,100	531,565	587,997	631,873
883,759	1,032,978	996,012	802,889	798,160	975,291
4,435,165	8,552,889	4,421,751	3,914,962	4,026,518	3,429,879
4,615,996	10,288,484	2,812,497	2,499,123	4,975,287	4,222,106
599,817	1,146,115	1,180,000	1,115,000	1,375,000	1,150,000
608,577	766,936	737,543	680,895	618,544	567,797
<u>14,993,193</u>	<u>25,798,275</u>	<u>14,090,470</u>	<u>12,939,438</u>	<u>15,897,191</u>	<u>14,461,674</u>
1,714,277	(10,324,869)	2,141,475	1,902,599	(245,096)	1,639,750

(Continued)

City of Springboro

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

	2004	2005	2006	2007
Other Financing Sources (Uses):				
Gain (Loss) on Sale of Assets Held for Resale	0	0	315,000	437,706
Other Financing Sources - Capital Leases	73,827	0	0	0
Issuance of Special Assessment Bonds	0	0	0	0
Issuance of General Obligation Bonds	0	0	0	0
Refunding General Obligation Bonds	0	0	0	0
Premium on General Obligation Bonds	0	0	0	0
Premium on Refunding Bonds	0	0	0	0
Payment to Refunded Bond Escrow Agent	0	0	0	0
Transfers In	2,713,152	3,911,840	3,907,388	2,761,928
Transfers Out	(3,319,127)	(4,655,657)	(5,333,388)	(5,773,828)
Total Other Financing Sources (Uses)	<u>(532,148)</u>	<u>(743,817)</u>	<u>(1,111,000)</u>	<u>(2,574,194)</u>
Net Change in Fund Balance	<u><u>(\$3,876,622)</u></u>	<u><u>\$2,847,026</u></u>	<u><u>\$2,615,788</u></u>	<u><u>\$1,460,729</u></u>
Debt Service as a Percentage of Noncapital Expenditures	13.42%	13.42%	13.58%	12.22%

Source: Finance Director's Office

City of Springboro

2008	2009	2010	2011	2012	2013
0	0	93,974	(59,560)	65,954	0
0	0	0	0	0	0
0	0	0	0	0	0
8,900,000	0	4,235,000	0	0	0
775,000	0	0	0	0	0
232,146	0	0	0	0	0
20,215	0	0	0	0	0
(785,500)	0	0	0	0	0
2,497,919	4,816,392	2,589,995	5,036,406	8,258,341	6,659,391
(5,345,487)	(5,446,592)	(3,955,003)	(6,621,966)	(9,200,517)	(7,767,518)
6,294,293	(630,200)	2,963,966	(1,645,120)	(876,222)	(1,108,127)
<u>\$8,008,570</u>	<u>(\$10,955,069)</u>	<u>\$5,105,441</u>	<u>\$257,479</u>	<u>(\$1,121,318)</u>	<u>\$531,623</u>
13.18%	12.33%	16.43%	16.70%	16.33%	14.85%

City of Springboro

Income Tax Revenues by Source, Governmental Funds Last Ten Years

Tax year	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Income Tax Rate	1.50%	1.50%	1.50%	1.50%
Estimated Personal Income	\$546,416,000	\$567,729,000	\$602,762,000	\$620,374,000
Total Tax Collected	\$7,086,005	\$9,300,710	\$8,193,357	\$9,960,281
Income Tax Receipts				
Withholding	4,752,968	5,419,613	5,086,290	5,935,297
Percentage	67%	58%	62%	60%
Corporate	777,214	720,866	749,040	1,039,162
Percentage	11%	8%	9%	10%
Individuals	1,555,823	3,160,231	2,358,027	2,985,822
Percentage	22%	34%	29%	30%
Income Tax by Business Type				
Industrial	\$1,435,267	\$1,463,903	\$1,449,585	\$1,447,450
Education/Government	364,682	367,225	365,954	380,932
Service	889,236	833,096	861,166	992,999
Retail	403,940	370,263	387,102	392,700
Medical	206,807	245,175	225,991	262,250
Construction	45,306	54,523	49,915	55,556
Financial	96,354	111,192	103,773	127,922
Restaurants	180,124	189,199	184,661	192,051
Miscellaneous	28,343	31,913	30,128	31,396
Total Tax	<u>\$3,650,060</u>	<u>\$3,666,489</u>	<u>\$3,658,275</u>	<u>\$3,883,256</u>

Source: City Income Tax Department

City of Springboro

2008	2009	2010	2011	2012	2013
1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
\$654,241,733	\$628,251,333	\$644,179,933	\$693,039,667	\$736,575,600	\$783,695,333
\$9,813,626	\$9,423,770	\$9,662,699	\$10,395,595	\$11,048,634	\$11,755,430
6,118,077	5,955,246	5,991,024	6,497,945	6,806,365	7,193,224
62%	64%	62%	63%	61%	60%
955,291	690,695	818,146	979,952	1,180,319	1,336,470
10%	7%	8%	9%	11%	11%
2,740,258	2,777,829	2,853,529	2,917,698	3,061,950	3,225,736
28%	29%	30%	28%	28%	27%
\$1,494,079	\$1,264,935	\$1,402,155	\$1,453,710	\$1,554,758	\$1,584,384
422,883	473,948	425,921	477,010	471,988	474,856
1,116,287	991,385	1,033,557	1,083,425	1,106,856	1,069,197
397,920	445,666	412,095	485,974	506,473	509,623
322,173	455,691	346,705	605,814	711,101	835,690
58,918	36,375	50,283	41,463	60,934	71,349
142,226	66,987	112,378	70,622	68,846	78,547
208,443	216,565	205,686	218,327	212,341	243,657
41,401	51,767	41,521	53,562	52,443	66,008
<u>\$4,204,330</u>	<u>\$4,003,319</u>	<u>\$4,030,301</u>	<u>\$4,489,907</u>	<u>\$4,745,740</u>	<u>\$4,933,310</u>



City of Springboro

Income Tax Statistics Current Year and Nine Years Ago

Calendar Year 2013

Income Level	Number of Filers	Percent of Total	Local Taxable Income	Percent of Income
\$0 - \$19,999	4,176	45.80%	\$14,949,522	2.74%
20,000 - 49,999	1,179	12.93%	39,951,036	7.32%
50,000 - 74,999	868	9.52%	54,073,044	9.91%
75,000 - 99,999	785	8.61%	68,302,001	12.52%
Over 100,000	2,110	23.14%	368,176,747	67.51%
Total	9,118	100.00%	\$545,452,350	100.00%

Local Taxes Paid by Residents

Taxes Paid to Springboro

Taxes Credited to Other Municipalities

Tax Dollars

\$3,225,736

1,826,856

\$5,052,592

Calendar Year 2004

Income Level	Number of Filers	Percent of Total	Local Taxable Income	Percent of Income
\$0 - \$19,999	2,214	32.31%	\$12,553,770	2.74%
20,000 - 49,999	1,253	18.28%	43,491,761	9.48%
50,000 - 74,999	942	13.75%	59,240,756	12.92%
75,000 - 99,999	850	12.40%	73,968,344	16.13%
Over 100,000	1,594	23.26%	269,298,563	58.73%
Total	6,853	100.00%	\$458,553,194	100.00%

Local Taxes Paid by Residents

Taxes Paid to Springboro

Taxes Credited to Other Municipalities

Tax Dollars

\$4,318,721

2,559,727

\$6,878,448

Source: City Income Tax Department

City of Springboro

Ratio of Outstanding Debt By Type Last Ten Years

	2004	2005	2006	2007
Governmental Activities ⁽¹⁾				
Special Assessment Bonds Payable	\$3,724,000	\$3,515,000	\$3,296,000	\$3,070,000
Unvoted General Obligation Bonds Payable	2,791,150	2,490,950	2,180,750	1,852,100
Capital Leases	150,100	53,314	38,890	23,832
Business-type Activities ⁽¹⁾				
Mortgage Revenue Bonds Payable	\$38,096,644	\$37,012,203	\$35,672,762	\$34,293,321
General Obligation Bonds Payable	3,928,577	3,759,626	3,585,675	3,400,174
Capital Leases	296,712	200,210	120,279	57,809
Total Primary Government	<u>\$48,987,183</u>	<u>\$47,031,303</u>	<u>\$44,894,356</u>	<u>\$42,697,236</u>
Population ⁽²⁾				
City of Springboro	16,687	16,935	17,980	18,094
Outstanding Debt Per Capita	\$2,936	\$2,777	\$2,497	\$2,360
Income ⁽³⁾				
Personal (in thousands)	546,416	589,338	665,979	696,782
Percentage of Personal Income	8.97%	7.98%	6.74%	6.13%

Sources:

(1) Source: Finance Director's Office

(2) US Bureau of Census, Population Division

(3) US Department of Commerce, Bureau of Economic Analysis

(a) Per Capita Income is only available by County, Total Personal Income is a calculation

City of Springboro

2008	2009	2010	2011	2012	2013
\$2,833,000	\$2,595,000	\$2,360,000	\$2,100,000	\$1,705,000	\$1,445,000
10,646,861	9,729,208	13,001,555	12,128,902	11,153,477	10,242,506
8,115	0	0	0	0	0
\$22,298,880	\$21,329,439	\$20,329,998	\$19,165,557	\$19,042,376	\$17,830,566
13,522,197	12,834,107	11,855,661	11,886,815	11,043,330	10,179,845
340,600	282,030	223,708	161,792	96,063	0
<u>\$49,649,653</u>	<u>\$46,769,784</u>	<u>\$47,770,922</u>	<u>\$45,443,066</u>	<u>\$43,040,246</u>	<u>\$39,697,917</u>
18,121	17,871	17,409	17,409	17,409	17,409
\$2,740	\$2,617	\$2,744	\$2,610	\$2,472	\$2,280
709,546	696,755	703,602	745,419	791,796	791,796
7.00%	6.71%	6.79%	6.10%	5.44%	5.01%

City of Springboro

Ratios of General Bonded Debt Outstanding Last Ten Years

Year	2004	2005	2006	2007
Population ⁽¹⁾	16,687	16,935	17,980	18,094
Assessed Value ⁽²⁾	\$421,610,140	\$436,014,232	\$502,197,960	\$504,055,570
General Bonded Debt ⁽³⁾				
General Obligation Bonds	\$6,719,727	\$6,250,576	\$5,766,425	\$5,252,274
Resources Available to Pay Principal ⁽⁴⁾	\$16,181	\$126,482	\$401,568	\$463,997
Net General Bonded Debt	\$6,703,546	\$6,124,094	\$5,364,857	\$4,788,277
Ratio of Net Bonded Debt to Estimated Actual Value	1.59%	1.40%	1.07%	0.95%
Net Bonded Debt per Capita	\$401.72	\$361.62	\$298.38	\$264.63

Source:

- (1) U.S. Bureau of Census of Population
- (2) Warren County Auditor
- (3) Includes all general obligation bonded debt
- (4) Includes only Debt Service funds available for general obligation bonded debt.

City of Springboro

2008	2009	2010	2011	2012	2013
18,121	17,871	17,409	17,409	17,409	17,409
\$502,452,780	\$455,700,530	\$461,465,512	\$464,866,000	\$450,215,740	\$453,795,120
\$24,169,058	\$22,563,315	\$24,857,216	\$24,015,717	\$22,196,807	\$20,422,351
\$690,035	\$957,269	\$1,084,280	\$160,734	\$165,952	\$149,414
\$23,479,023	\$21,606,046	\$23,772,936	\$23,854,983	\$22,030,855	\$20,272,937
4.67%	4.74%	5.15%	5.13%	4.89%	4.47%
\$1,295.68	\$1,209.00	\$1,365.55	\$1,370.27	\$1,265.49	\$1,164.51



City of Springboro

*Computation of Direct and Overlapping
Debt Attributable to Governmental Activities
December 31, 2013*

<u>Jurisdiction</u>	<u>Gross Debt Outstanding</u>	<u>Percentage Applicable to the City of Springboro</u>	<u>Amount Applicable to the City of Springboro</u>
Direct:			
City of Springboro	\$11,687,506 (1)	100.00%	\$11,687,506
Overlapping:			
Warren County	27,884,206	8.95%	<u>2,495,636</u>
		Subtotal	<u>2,495,636</u>
		Total	<u><u>\$14,183,142</u></u>

Source: Warren County Auditor's Office

(1) Includes all Governmental Activity long-term debt instruments.

Percentages determined by dividing each overlapping subdivisions' assessed valuation within the City by the subdivisions' total assessed valuation.

City of Springboro

Debt Limitations Last Ten Years

	2004	2005	2006	2007
<u>Total Debt</u>				
Net Assessed Valuation	\$421,610,140	\$436,014,232	\$502,197,960	\$504,055,570
Legal Debt Limitation (%) (1)	10.50%	10.50%	10.50%	10.50%
Legal Debt Limitation (\$) (1)	44,269,065	45,781,494	52,730,786	52,925,835
City Debt Outstanding (2)	9,341,150	7,220,950	6,460,750	4,552,100
Less: Applicable Debt Service Fund Amounts	<u>(16,181)</u>	<u>(126,482)</u>	<u>(401,568)</u>	<u>(463,997)</u>
Net Indebtedness Subject to Limitation	<u>9,324,969</u>	<u>7,094,468</u>	<u>6,059,182</u>	<u>4,088,103</u>
Overall Legal Debt Margin	<u><u>\$34,944,096</u></u>	<u><u>\$38,687,026</u></u>	<u><u>\$46,671,604</u></u>	<u><u>\$48,837,732</u></u>
<u>Unvoted Debt</u>				
Net Assessed Valuation	\$421,610,140	\$436,014,232	\$502,197,960	\$504,055,570
Legal Debt Limitation (%) (1)	5.50%	5.50%	5.50%	5.50%
Legal Debt Limitation (\$) (1)	23,188,558	23,980,783	27,620,888	27,723,056
City Debt Outstanding (2)	9,341,150	7,220,950	6,460,750	4,552,100
Less: Applicable Debt Service Fund Amounts	<u>(16,181)</u>	<u>(126,482)</u>	<u>(401,568)</u>	<u>(463,997)</u>
Net Indebtedness Subject to Limitation	<u>9,324,969</u>	<u>7,094,468</u>	<u>6,059,182</u>	<u>4,088,103</u>
Overall Legal Debt Margin	<u><u>\$13,863,589</u></u>	<u><u>\$16,886,315</u></u>	<u><u>\$21,561,706</u></u>	<u><u>\$23,634,953</u></u>

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

(2) City Debt Outstanding includes Non Self-Supporting General Obligation Bonds and Notes only.
Enterprise Debt is not considered in the computation of the Legal Debt Margin.

Source: Finance Director's Office

City of Springboro

2008	2009	2010	2011	2012	2013
\$502,452,780	\$455,700,530	\$461,465,512	\$464,866,000	\$450,215,740	\$453,795,120
10.50%	10.50%	10.50%	10.50%	10.50%	10.50%
52,757,542	47,848,556	48,453,879	48,810,930	47,272,653	47,648,488
13,346,861	16,372,208	15,501,555	12,128,902	11,153,477	10,242,506
(690,035)	(957,269)	(1,084,280)	(160,734)	(165,952)	(149,414)
<u>12,656,826</u>	<u>15,414,939</u>	<u>14,417,275</u>	<u>11,968,168</u>	<u>10,987,525</u>	<u>10,093,092</u>
<u>\$40,100,716</u>	<u>\$32,433,617</u>	<u>\$34,036,604</u>	<u>\$36,842,762</u>	<u>\$36,285,128</u>	<u>\$37,555,396</u>
\$502,452,780	\$455,700,530	\$461,465,512	\$464,866,000	\$450,215,740	\$453,795,120
5.50%	5.50%	5.50%	5.50%	5.50%	5.50%
27,634,903	25,063,529	25,380,603	25,567,630	24,761,866	24,958,732
13,346,861	16,372,208	15,501,555	12,128,902	11,153,477	10,242,506
(690,035)	(957,269)	(1,084,280)	(160,734)	(165,952)	(149,414)
<u>12,656,826</u>	<u>15,414,939</u>	<u>14,417,275</u>	<u>11,968,168</u>	<u>10,987,525</u>	<u>10,093,092</u>
<u>\$14,978,077</u>	<u>\$9,648,590</u>	<u>\$10,963,328</u>	<u>\$13,599,462</u>	<u>\$13,774,341</u>	<u>\$14,865,640</u>

City of Springboro

Pledged Revenue Coverage Last Ten Years

	2004	2005	2006	2007
Water System Bonds (1 a)				
Gross Revenues (2)	\$2,741,352	\$3,334,461	\$3,071,933	\$3,489,537
Direct Operating Expenses (3)	1,722,922	1,840,597	2,181,422	2,092,356
Net Revenue Available for Debt Service	1,018,430	1,493,864	890,511	1,397,181
Annual Debt Service Requirement	1,329,476	1,298,390	1,326,057	1,301,242
Coverage	0.77	1.15	0.67	1.07
Sewer System Bonds (1 b)				
Gross Revenues (2)	\$1,751,800	\$2,684,569	\$2,483,615	\$2,493,083
Direct Operating Expenses (3)	1,617,297	2,025,640	1,880,995	1,545,645
Net Revenue Available for Debt Service	134,503	658,929	602,620	947,438
Annual Debt Service Requirement	380,528	1,512,549	1,644,532	1,627,008
Coverage	0.35	0.44	0.37	0.58
Special Assessment Bonds (4)				
Special Assessment Collections	\$432,914	\$382,752	\$477,898	\$350,886
Debt Service				
Principal	183,000	209,000	219,000	226,000
Interest	220,314	191,359	181,963	171,571
Coverage	1.07	0.96	1.19	0.88

- (1) The Mortgage Revenue Bonds were issued as follows:
- (a) The Water system Mortgage Revenue Bonds were issued in 2004, in the amount of \$3,255,000
 - (b) The Sewer system Mortgage Revenue Bonds were issued in 2004, in the amount of \$18,310,000 Partially defeased in 2012.
 - (b) The Sewer system Mortgage Revenue Bonds were issued in 2011, in the amount of \$2,040,000.
 - (b) The Sewer system Mortgage Revenue Bonds were issued in 2012, in the amount of \$10,295,000.
- (2) Gross revenues include operating revenues plus interest income.
- (3) Direct operating expenses include operating expenses less depreciation.
- (4) This includes several different Special Assessment Bond issues.

Source: City Finance Director's Office

City of Springboro

2008	2009	2010	2011	2012	2013
\$3,252,627	\$2,897,513	\$3,100,393	\$3,716,585	\$4,902,949	\$4,478,496
2,189,111	2,390,341	2,460,853	2,121,551	2,571,976	2,081,257
1,063,516	507,172	639,540	1,595,034	2,330,973	2,397,239
1,301,142	294,272	298,601	294,801	298,051	295,708
0.82	1.72	2.14	5.41	7.82	8.11
\$2,612,246	\$2,423,160	\$2,654,117	\$3,202,051	\$3,864,985	\$3,964,822
1,683,534	1,659,795	1,750,014	1,644,881	1,849,513	1,695,235
928,712	763,365	904,103	1,557,170	2,015,472	2,269,587
1,625,816	1,627,332	1,619,455	1,631,378	1,328,452	1,507,344
0.57	0.47	0.56	0.95	1.52	1.51
\$509,359	\$411,661	\$384,934	\$402,343	\$407,512	\$370,615
237,000	238,000	235,000	260,000	265,000	260,000
160,339	148,330	135,728	123,295	109,318	88,268
1.28	1.07	1.04	1.05	1.09	1.06

City of Springboro

Demographic and Economic Statistics Last Ten Years

Calendar Year	2004	2005	2006	2007
Population (1)				
City of Springboro (a)	16,687	16,935	17,980	18,094
Warren County	158,383	196,622	196,622	196,622
Income (2) (a)				
Total Personal (in thousands)	546,416	589,338	665,979	696,782
County Per Capita	32,745	34,800	37,040	38,509
Unemployment Rate (3)				
Federal	6.0%	5.5%	4.6%	4.6%
State	6.1%	6.0%	5.5%	5.6%
Warren County	4.5%	4.4%	4.9%	4.6%
Civilian Work Force Estimates (3)				
State	5,875,300	5,900,400	5,934,000	5,976,500
Warren County	99,200	100,200	105,600	107,800
Employment Distribution by Occupation (4)				
Industrial	2,743	2,333	1,889	2,360
Education/Government	905	926	1,120	987
Service	3,249	3,768	3,358	3,711
Retail	1,899	1,974	1,868	1,956
Medical	671	767	799	792
Construction	152	143	96	141
Financial	244	266	260	259
Restaurants	2,246	2,426	2,749	2,514
Miscellaneous	315	339	391	353

Sources:

(1) US Bureau of Census of Population

(a) City of Springboro Community Development Department

(2) US Department of Commerce, Bureau of Economic Analysis information is only available through 2011 for the presentation of 2012 statistics, the City is using the latest information available.

(a) Total Personal Income is a calculation based on the County's Per Capita Income, which is the only information available.

(3) State Department of Labor Statistics

(4) Source: City Income Tax Department

City of Springboro

2008	2009	2010	2011	2012	2013
18,121	17,871	17,409	17,409	17,409	17,409
196,622	196,622	212,693	212,693	212,693	212,693
709,546	696,755	703,602	745,419	791,796	791,796
39,156	38,988	40,416	42,818	45,482	45,482
5.8%	9.3%	9.6%	8.9%	8.1%	7.4%
6.6%	10.2%	10.1%	8.6%	7.2%	7.4%
5.5%	8.8%	8.9%	7.6%	6.3%	6.3%
5,986,400	5,970,200	5,897,600	5,806,000	5,747,900	5,698,900
108,500	109,300	108,300	109,200	109,100	110,200
2,259	2,314	2,312	2,390	2,386	2,137
1,099	1,195	1,100	1,122	1,096	1,109
3,963	3,869	2,295	2,270	2,317	2,174
1,961	1,919	1,528	1,448	1,409	1,615
913	1,023	1,235	1,499	1,534	1,741
128	119	127	110	212	190
271	274	157	176	170	172
2,569	2,534	1,991	1,828	1,917	2,384
376	390	355	332	339	356



City of Springboro

Principal Employers Current Year and Nine Years Ago

Employer	Nature of Business	2013		
		Number of Employees	Rank	Percentage of Total Employment
Springboro Community Schools	Education	874	1	7.68%
DLM Springboro, LLC	Grocery Store	331	2	2.91%
Hillspring Rehabilitation Center	Nursing Home	307	3	2.70%
Sourcelink Ohio, LLC	Industry	296	4	2.60%
Kroger Limited Partnership	Grocery Store	257	5	2.26%
Miami Valley Dinner Theatre	Dinner Theatre	222	6	1.95%
Dayton Metro YMCA	YMCA Center	220	7	1.93%
Kmart	Retail	181	8	
General Dynamics Armament	Industry	169	9	1.49%
Victory Wholesale Grocers	Industry	166	10	1.46%
Total		<u>3,023</u>		
Total Employment within the City		<u><u>11,878</u></u>		

Employer	Nature of Business	2004		
		Number of Employees	Rank	Percentage of Total Employment
Springboro Community Schools	Education	730	1	5.06%
Pioneer Automotive Tech, Inc	Industry	621	2	4.30%
Commercial Data Center, Inc	Industry	492	3	3.41%
Miami Valley Dinner Theatre	Dinner Theatre	408	4	2.83%
DLM Springboro, LLC	Grocery Store	359	5	2.49%
Kroger Limited Partnership	Grocery Store	281	6	1.95%
Gayston Corp	Industry	264	7	1.83%
Hillspring Rehabilitation Center	Nursing Home	249	8	1.73%
Continental Transport, Inc	Industry	219	9	1.52%
Dayton Metro YMCA	YMCA Center	218	10	1.51%
Total		<u>3,841</u>		
Total Employment within the City		<u><u>14,428</u></u>		

Sources:

Source: City Income Tax Department

City of Springboro

Full Time Equivalent Employees by Function Last Ten Years

	2004	2005	2006	2007	2008
Governmental Activities					
General Government					
Finance	5.50	5.50	5.50	6.00	6.00
Income Tax	2.50	2.50	2.50	2.50	2.50
Mayor's Court	2.00	2.00	2.00	2.00	2.00
City Manager's Office	3.00	3.00	3.00	3.00	3.00
Computer Administration	1.00	1.00	1.00	1.00	1.00
Council/Clerk of Council	1.50	1.50	1.50	1.50	1.50
Security of Persons and Property					
Police	23.00	23.00	23.00	25.00	26.00
Dispatch	7.00	7.00	7.00	6.00	5.00
Transportation					
Street	7.00	7.00	7.00	6.50	6.50
Leisure Time Activities					
Parks and Recreation	5.25	5.25	6.25	6.25	6.25
Community Environment					
Economic Development	0.00	0.00	0.00	0.00	0.00
Engineering	2.00	2.00	2.00	2.00	2.00
Building and Zoning	7.00	7.00	6.00	6.00	5.00
Business-Type Activities					
Utilities					
Water	5.50	5.50	5.50	4.50	4.50
Sewer	1.50	1.50	1.50	1.50	1.50
Trash	1.00	1.00	1.00	1.00	1.00
Golf Maintenance	0.00	0.00	0.00	11.00	11.00
<i>Total Employees</i>	<u>74.75</u>	<u>74.75</u>	<u>74.75</u>	<u>85.75</u>	<u>84.75</u>

Method: 1.00 for each full-time, 0.50 for each part-time and 0.25 for each seasonal employee

Source: Finance Director's Office

City of Springboro

2009	2010	2011	2012	2013
6.00	6.00	6.00	6.00	5.50
2.50	3.00	3.00	3.00	3.00
2.00	2.50	2.50	1.50	2.00
3.00	3.00	3.00	3.00	3.00
1.00	1.50	1.00	1.00	1.00
1.50	4.50	4.50	4.50	4.50
26.00	26.00	26.00	26.00	26.00
5.00	4.00	4.00	4.00	4.00
6.50	7.75	7.25	7.25	9.50
6.25	7.25	9.50	11.00	10.00
0.00	0.00	0.00	0.00	0.00
2.00	3.50	3.50	3.50	2.50
5.00	2.50	2.50	2.50	3.50
4.50	5.00	5.00	5.00	2.00
1.50	1.00	1.00	1.00	1.00
1.00	0.00	0.00	0.00	0.00
11.00	10.00	8.75	9.25	9.00
<u>84.75</u>	<u>87.50</u>	<u>87.50</u>	<u>88.50</u>	<u>86.50</u>

City of Springboro

Operating Indicators by Function Last Ten Years

	2004	2005	2006	2007	2008
Governmental Activities					
General Government					
Court					
Number of Criminal Cases	260	372	329	101	425
Number of Traffic Cases	1,596	1,678	2,014	1,895	1,900
Number of Citations	1,836	1,841	2,121	1,996	1,872
Number of Offenses	2,027	2,160	2,460	2,364	2,072
Number of Open Cases	459	562	526	522	569
Licenses and Permits					
Number of Residential Building Permits	210	140	80	42	14
Number of Commercial Building Permits	94	127	25	16	14
Number of Residential Building Inspections	7,504	4,639	3,369	1,934	956
Number of Commercial Building Inspections	1,797	2,420	1,442	1,176	667
Security of Persons and Property					
Police					
Number of Calls for Service	9,830	13,512	15,569	15,345	14,470
Number of Criminal Arrests	628	704	776	910	696
Number of DUI Arrests	103	154	112	120	88
Number of Traffic Accidents	357	372	381	318	346
Transportation					
Street					
Number of Streets Resurfaced	7	17	11	7	24
Community Environment					
Number of New Jobs	550	690	495	422	215
Business-Type Activities					
Golf Course					
Number of Rounds	37,189	35,412	34,554	33,380	38,606
Water					
Number of Service Connections	6,423	6,994	7,104	7,452	7,457
Daily Average Consumption (MGD)	1.976	2.050	1.920	2.270	2.270
Peak Daily Consumption (MGD)	4.118	4.630	4.124	4.300	4.300
Sewer					
Number of Service Connections	6,327	6,951	6,992	7,012	7,047
Daily Average Sewage Treatment (MGD)	2.171	2.226	2.406	2.310	2.310
Trash					
Number of Customers Served	5,266	6,814	6,928	6,950	6,985

Source: Finance Director's Office

City of Springboro

2009	2010	2011	2012	2013
389	424	425	364	445
2,245	2,384	1,605	1,729	1,631
2,376	2,773	1,943	2,005	1,915
2,612	3,037	2,170	2,253	2,178
568	679	655	704	771
19	25	24	67	95
2	3	8	6	4
979	1,106	1,218	2,226	2,650
465	745	594	747	579
18,215	18,622	17,311	18,597	16,458
747	1,104	917	807	677
106	110	113	105	129
217	303	296	250	265
25	4	15	5	12
97	104	121	94	115
39,722	38,124	32,301	37,522	31,308
7,382	7,412	7,506	7,713	7,743
1,960	2,250	2,300	2,420	2,525
3,620	4,350	4,400	4,450	4,520
7,566	7,608	7,734	8,211	8,241
2,000	2,380	2,400	2,120	2,350
5,603	5,686	5,672	5,743	5,822

City of Springboro

Capital Asset Statistics by Function Last Ten Years

	2004	2005	2006	2007	2008
Governmental Activities					
General Government					
Public Land and Buildings					
Land (acres)	637	650	645	619	613
Buildings	13	15	15	14	14
Licensed Vehicles	7	6	8	7	7
Library	1	1	1	1	1
Security of Persons and Property					
Police					
Stations	1	1	1	1	1
Vehicles	15	19	21	18	21
Transportation					
Street					
Number of Paved Streets	345	357	360	364	365
Total Paved Miles	86	88	89	90	90
Street Lights	117	117	117	117	117
Signal Controlled Intersections	13	13	13	14	15
Licensed Vehicles	16	14	16	16	16
Leisure Time Activities					
Parks and Recreation					
Land (acres)	212	228	228	228	232
Buildings	8	9	10	11	11
Parks	4	4	4	4	4
Playgrounds	2	3	3	4	4
Tennis Courts	4	4	4	4	4
Skate Board Park	1	1	1	1	1
Baseball/Softball Diamonds	7	8	8	8	8
Basketball Courts	2	2	2	2	2
Soccer Fields	6	6	6	6	6
Licensed Vehicles	3	3	6	6	6

City of Springboro

2009	2010	2011	2012	2013
613	610	608	594	594
14	14	14	14	15
7	7	9	7	8
1	1	1	1	1
1	1	1	1	1
20	20	20	21	25
366	366	366	366	368
91	91	91	91	91
117	117	117	118	118
16	16	16	17	17
16	16	16	18	16
232	232	232	387	495
11	11	11	11	11
4	4	4	4	5
4	4	4	4	5
4	4	4	4	4
1	1	0	0	0
9	9	10	10	10
2	2	2	2	2
6	6	8	8	8
6	6	6	4	4

(Continued)

City of Springboro

Capital Asset Statistics by Function Last Ten Years

	2004	2005	2006	2007	2008
Business-Type Activities					
Golf Course / Clubhouse					
Land (acres)	188	188	188	188	188
Buildings	10	11	11	11	11
Golf Carts	80	80	80	84	84
Licensed Vehicles	1	1	1	1	1
Utilities					
Water					
Water Towers	3	3	4	4	4
Waterlines (Miles)	83	86	89	0	0
Water Treatment Plant	1	1	1	1	1
Buildings	3	3	3	3	3
Licensed Vehicles	5	9	10	9	9
Pump Stations	5	5	5	5	0
Storage Capacity (thousands of gallons)	4,100,000	4,100,000	5,100,000	5,100,000	5,100,000
Sewer					
Sewage Treatment Plant	1	1	1	1	1
Buildings	3	3	7	7	7
Licensed Vehicles	0	0	1	5	2
Sewerlines (Miles)	71	74	76	0	0
Lift Stations	10	10	10	9	8

Source: Finance Director's Office

City of Springboro

<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
188	188	188	188	188
11	11	11	11	11
84	84	84	78	78
1	1	1	1	1
4	4	4	4	4
0	0	0	0	0
1	1	1	1	1
3	3	3	3	3
12	12	12	12	12
4	4	4	4	4
5,100,000	5,100,000	5,100,000	5,100,000	5,100,000
1	1	1	1	1
7	7	7	7	7
2	3	4	4	4
0	0	0	0	0
8	8	8	8	8





Dave Yost • Auditor of State

CITY OF SPRINGBORO

WARREN COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
MAY 29, 2014**