



CITY OF **UPPER  
ARLINGTON**

## COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2001





STATE OF OHIO  
OFFICE OF THE AUDITOR

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City Council  
City of Upper Arlington  
Upper Arlington, OH 43221

We have reviewed the Independent Auditor's Report of the City of Upper Arlington, Franklin County, prepared by KPMG, for the audit period January 1, 2001 through December 31, 2001. 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 Upper Arlington is responsible for compliance with these laws and regulations.

A handwritten signature in black ink, appearing to read "Jim Petro".

JIM PETRO  
Auditor of State

July 15, 2002

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**CITY OF UPPER ARLINGTON, OHIO**

**COMPREHENSIVE  
ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED  
DECEMBER 31, 2001**

**ISSUED BY:**

**FINANCE DEPARTMENT**

**Catherine M. Armstrong, CPA, CGFM  
Director**

**Debra K. Miller, CPA  
Finance Administrator**

**Scott D. Gill, CPA  
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**Mary S. Davis  
Examiner**

**Barbara K. Podnar  
Purchasing Administrator**

**Laura A. Lynde  
Purchasing Assistant**

**Teresa L. Kennedy  
Management Assistant**

**Craig C. McClarren  
Fiscal Technician**

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**Introductory Section**



**CITY OF UPPER ARLINGTON  
 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
 FOR THE FISCAL YEAR ENDING DECEMBER 31, 2001**

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CITY OF | **UPPER ARLINGTON**

**LIST OF CITY OFFICIALS**  
**ELECTED OFFICIALS**  
*As of January 1, 2002*

President/Mayor	David A. Varda
Vice President/Vice Mayor	Paula Brooks
Council Member	Linda J. Mauger
Council Member	Timothy S. Rankin
Council Member	Clark P. Pritchett, Jr.
Council Member	Jeffrey A. Kurz
Council Member	James R. Winfree

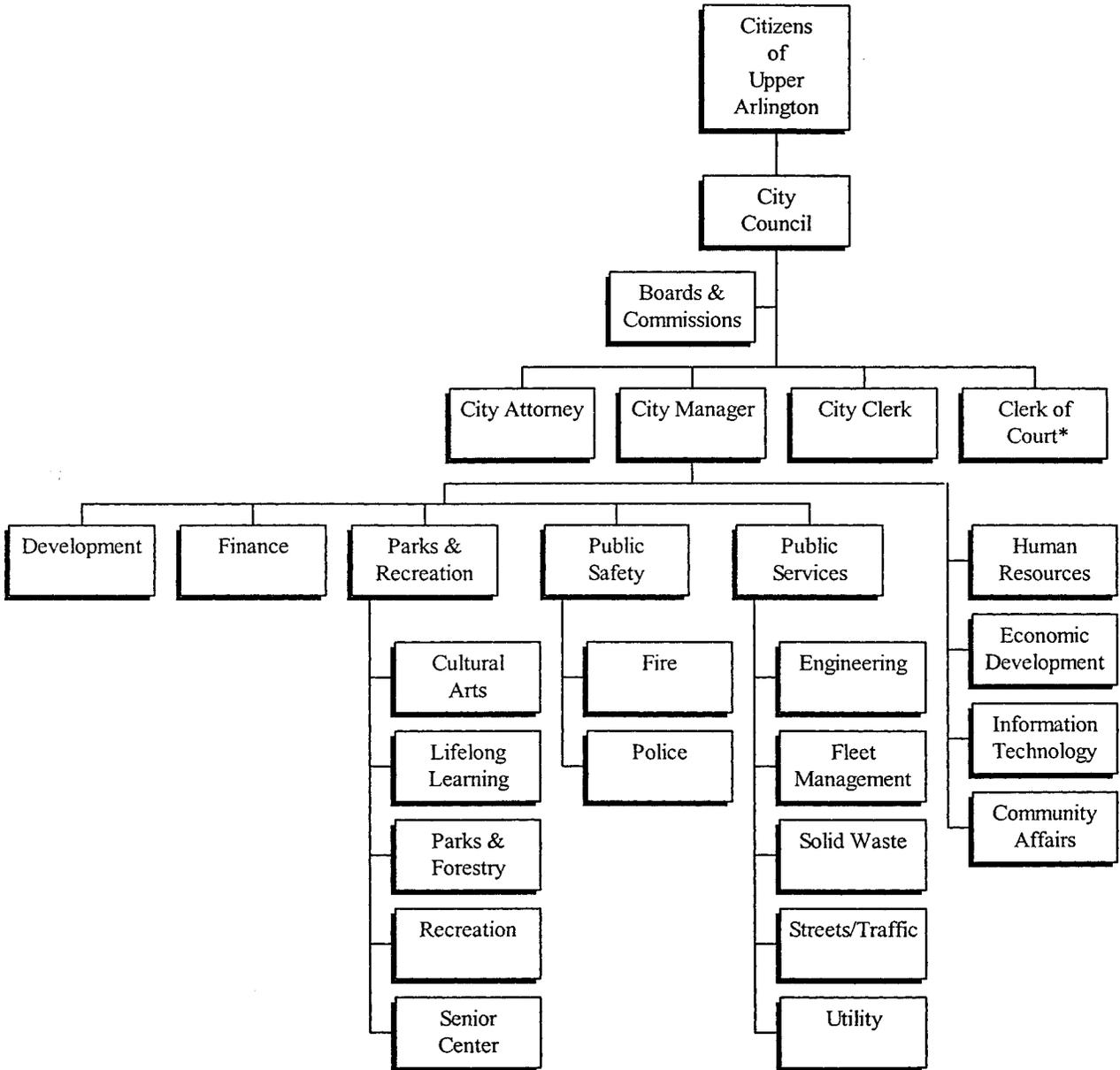
**APPOINTED OFFICIALS**

City Manager	Virginia L. Barney
City Attorney	Sharon Hunter Pfancuff
City Clerk	Margie Carvour
Clerk of Court	Cynthia J. Bitter

**EXECUTIVE STAFF**

Assistant City Manager	Bonnie A. Cross
Development Director	Dean Sivinski
Finance Director	Catherine M. Armstrong
Fire Division Chief	Mitchell Ross
Parks and Recreation Director	Joseph T. Valentino
Police Division Chief	Dwight A. Holcomb
Public Services Director	Larry Helscel
Director of Economic Development	Patricia Dalton
Information Technology Director	Scott K. Braskett

# City of Upper Arlington Organizational Chart



*\*Appointed by Mayor*

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June 3, 2002

**The Honorable David A. Varda and  
Members of City Council  
City of Upper Arlington, Ohio**

Dear Mayor Varda and Members of City Council:

The Comprehensive Annual Financial Report of the City of Upper Arlington, Ohio, for the fiscal year ending December 31, 2001, is submitted herewith. The report is presented in a manner designed to fairly present the financial position and results of operations of the City as measured by the financial activity of the various funds. The City Finance Department is responsible for the accuracy of the data presented and the completeness and fairness of the presentation.

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

### **Contents of the Report**

This report is prepared in accordance with general accepted accounting principles (GAAP) and in conformance with standards of financial reporting as established by the Governmental Accounting Standards Board (GASB) using guidelines as recommended by the Government Finance Officers Association of the United States and Canada (GFOA). Based on these guidelines, the report consists of three sections:

1. Introductory section, including the letter of transmittal of the City Manager and the Finance Director.
2. Financial section, including the financial statements of the City accompanied by our independent auditor's opinion and combining, individual fund and account group statements and schedules.
3. Statistical section, including tables of unaudited data depicting the financial history of the City for the last ten years where available, information of other governmental units overlapping the City, and other miscellaneous information.

## **Reporting Entity**

The City of Upper Arlington (City) was organized on February 8, 1941 and is a home-rule, Municipal Corporation under the laws of the State of Ohio. The City operates under a Council-Manager form of government and provides the following services as authorized by its charter: public safety, public service, parks and recreations, community development, health and sanitation.

As required by accounting principles generally accepted in the United States of America (GAAP), the accompanying general-purpose financial statements include all the organizations, activities and functions in which the City (the primary government) and its component unit exercises financial accountability. The component unit discussed below is included in the City's reporting entity because of the significance of its operations and/or financial relationship with the City.

*Blended Component Unit* – The Community Improvement Corporation (CIC) of Upper Arlington is governed by a 12-member board. For financial reporting purposes, the CIC is reported as if it were part of the City's operations because its purpose is to assist the City in the revitalization and enhancement of property within the City. The CIC is reported as a special revenue fund. Complete financial statements may be obtained from the City's Finance department.

## **Economic Condition and Outlook**

The year 2001 was a volatile year for our nation's economy. Fortunately, the City of Upper Arlington did not experience the negative economic impact experienced by many other municipalities. This is attributed to the stability of the City's major employers, namely public, non-profit and medical organizations, which typically are not as dramatically impacted by fluctuations in the economy.

Ground was broken in 2001 for a 99,000 square foot medical center due for completion in Fall 2002. The new investment associated with the project is approximately \$12,000,000. Over 100 new jobs will be created in the community. This facility should be somewhat recession-proof as well, providing orthopedic medical care for the Midwest.

In 2001, Riverside-Henderson, LLC completed a new 30,000 square foot Class A office building in Upper Arlington. Fifty percent of the available space has been leased. This is the first Class A office constructed in Upper Arlington since the 1980's and should help the City attract it's target market, higher paying office jobs. Hamilton Square, Ltd. also submitted plans for the construction of a 30,000 square foot office building. These plans have been approved, however construction has not yet commenced.

Retail vacancies at two major retail centers have continued to increase. The City is working with both property owners to encourage mixed-use redevelopment.

## **Current Year Accomplishments**

The November 2001 election included four positions on City Council. Clark P. Pritchett, Jr., James R. Winfree and Linda J. Mauger were reelected, Ms. Mauger officially beginning her first full term on Council. Joseph W. Ray decided not to run for reelection, with Jeffrey A. Kurz elected to serve his first term on Council beginning in 2002.

Upper Arlington's Master Plan was adopted March 26, 2001, following three years of planning and participation from numerous community members. The interpretation and implementation of the Master Plan will take many decades, dependent upon changing market forces as redevelopment opportunities arise, and as the needs and the desires of the community evolve.

A major initiative triggered by the Master Plan, a review of the City's Planning and Zoning Code was undertaken in 2001, coordinated by the Department of Development. Scheduled for adoption in early 2002, the Unified Development Ordinance (UDO) will merge all zoning, subdivision and related development provisions into a single ordinance, resulting in a simplified development approval process, streamlined administrative procedures and a more user-friendly process for developers.

Addressing the City's short- and long-term transportation and infrastructure needs is also a major Master Plan priority. As such, the Public Services Department spearheaded an update to the City's Transportation Plan in 2001. Scheduled for acceptance in early 2002, the proposed Transportation Plan addresses five key desires brought forward by community members during the update process: Slow down traffic; divert through traffic; build safe crosswalks for pedestrians; build sidewalks and bike paths; mix land uses and plant more trees. The proposed Transportation Plan will serve as the guiding document for the City's infrastructure needs in the coming decades.

Following the work of the original Community Center Task Force (CCTF), which made the recommendation to City Council that the City should pursue the development of a community center, a CCTF successor group was formed in March 2001 to continue its advisory role. A random telephone survey was conducted in 2001 to gauge residents' opinions on the preferred location, scope of the facilities, etc. Using funds from a private donor, the Arlington Community Team (ACT) contracted for a private fundraising feasibility study to determine what level of funding might be achieved from private donations.

The replacement levy for the Police and Fire Pension was on the ballot in May 2002 and passed with overwhelming support. This marks the sixth time this levy has passed in support of the City's Police and Fire Pension and Disability Fund.

The Municipal Services Center roof was replaced as part of facility renovations to bring this facility up to current standards. Work on the interior is scheduled to begin early 2002 to install an elevator to the lower level and make additional adjustments to meet national ADA requirements, and to create new meeting and office space.

The City launched its second generation Web site in the summer of 2001, with enhanced navigability, more timely information and an opportunity for further expansion into online services.

The City began to phase in its new merit-based compensation system for non-bargaining personnel.

### **Future Initiatives**

During its annual retreat in January 2002, City Council agreed that the City should focus on bringing resolution to the proposed community center issue with a ballot placement in November 2002. As part of this initiative, details such as the site, scope and cost of the project, and initiation of a private fundraising campaign are major elements to be implemented and/or resolved prior to the November 2002 election.

The City's street maintenance program is scheduled for its most aggressive construction season in the City's history. City Council has placed a renewed focus on addressing the City's aging infrastructure and street maintenance needs, dedicating unanticipated 2001 revenues to previously un-programmed street maintenance projects.

### **Service Efforts and Accomplishments**

The City prides itself in providing quality services to its residents. In 2001, we continued our programs that have made the quality of life in Upper Arlington the envy of other communities. Our Parks and Recreation Department continues to expand on the programs that are available to all citizens, with particular emphasis on residents. In addition to the free services available at all parks, a number of fee-for-service programs are also available, including exercise classes and summer day camp. A particular focus involves the senior citizens, with numerous programs available at the Senior Center.

Our safety forces continue to have response times that are better than the national average in responding to emergencies. In addition, proactive programs, designed to educate the community, have been very popular. These include the DARE program, Safety Town and the Fire Prevention Program.

The City has a number of advisory boards, committees and commissions to which either the Mayor or City Council will appoint residents. The members will perform functions as provided by the enabling legislation. There are presently twelve such organizations. In addition, City Council periodically establishes task forces to examine particular issues in the Community.

## **FINANCIAL INFORMATION**

### **Accounting and Administrative Internal Controls**

The City has a comprehensive accounting and budgetary information system. City management and City Council are provided with regular interim financial reports and financial analyses.

The City has implemented an internal control structure, which meets the objectives of management. In developing and revising the City's accounting and reporting control systems, consideration is given to the adequacy of internal controls to provide reasonable but not absolute assurance regarding:

1. The safeguarding of assets against loss from unauthorized use or disposition, and
2. The reliability of financial records for preparing financial statements and maintaining accountability for assets.

The concept of reasonable assurance recognizes that:

1. The cost of a control should not exceed the benefits likely to be derived, and
2. The evaluation of costs and benefits requires estimates and judgements by management.

Management believes that internal controls adequately meet the above objectives.

Members of City Council have oversight responsibilities for the selection of the independent certified public accountant, and meets with the independent auditor to review the audit and management letter. The City Council also has oversight responsibility over significant financial matters of the City.

The City Manager is responsible for executing all contracts and in conjunction with the Finance Director will keep City Council advised of the financial condition of the City. The Finance Director supervises the Finance Department, whose duties include:

1. Examination of all claims for payment and certification as to the availability of appropriations to pay claims;
2. Maintenance of accounting records, property and equipment inventories, and accounting internal controls;
3. Preparation of interim financial reports as well as the annual financial report;
4. Central purchasing and the preparation of payrolls;
5. For the collection of all revenues;
6. Custody, investment and disbursement of all city funds; and
7. Special projects as directed by the City Manager or City Council.

#### **Budgetary Control**

The City complies with the requirements of the Ohio Revised Code in the adoption of the budget. Appropriations for the operation of various City departments are established through the passage of an ordinance by City Council. Budgetary control is facilitated through the maintenance of an encumbrance system for purchase orders, and through the use of the City's automated financial system.

Budgetary authority is flexible in that the City Manager or the Finance Director may make transfers among expenditure objects and between activities within a department when considered necessary for proper administration of the City government. The City Council approves transfers between appropriation line items and between funds when the amounts are greater than \$2,500. Approval of transfers under \$2,500 have been delegated to the City Manager. The City Council may pass supplemental appropriations at any time by ordinance.

#### **General Government Functions**

The majority of City functions are performed by two operating funds. The General Fund is used for most functions. The Street Construction Maintenance and Repair Fund, a special revenue fund, is used for the repair and maintenance of City streets, traffic signals and streetlights. Equipment is purchased from the Capital Improvement Account within the General Fund, while major capital improvements are undertaken through the Capital Project Funds. Debt is paid from the General Obligation Bond Retirement Fund.

#### **Schedule of Revenues:**

Revenues from all governmental fund type operations approximated \$34,747,000. The amount of revenues from various sources, the percentage of the total, and the increase or decrease from 2000 are shown in the following schedule (in thousands of dollars or percents):

Schedule of Revenues	2001	2000	Increase (decrease)		Percent of Total	
			Dollars	Percent	2001	2000
Income Taxes	13,878	11,777	2,101	17.8%	39.9%	36.9%
Property Taxes	7,634	7,480	154	2.1%	22.0%	23.5%
Intergovernmental	3,961	3,674	287	7.8%	11.4%	11.5%
Estate taxes	4,262	3,895	367	9.4%	12.3%	12.2%
Charges for services	905	843	62	7.4%	2.6%	2.6%
Investment earnings	1,840	1,679	161	9.6%	5.3%	5.3%
Net increase (decrease) in fair value of investments	332	523	(191)	(36.5)%	1.0%	1.6%
Fines and forfeits	367	379	(12)	(3.2)%	1.0%	1.2%
Licenses and permits	307	333	(26)	(7.8)%	.9%	1.1%
Miscellaneous	1,261	1,309	(48)	(3.7)%	3.6%	4.1%
Total	34,747	31,892	2,855	9.0%	100.0%	100.0%

Income, property and estate taxes, along with intergovernmental revenues, comprise approximately 86% of the City's revenues. The City has received estate tax in excess of \$2 million for ten consecutive years with an average of \$4.6 million for the last four years. The estate tax revenue average for the last ten years is approximately \$3.6 million. The City's income tax rate is 2% of salaries and/or net profits from the operation of a business. The withholdings of the tax from salaries is the largest component of the income tax. The withholdings category makes up 73% of the total income tax received in 2001, which approximates the percentage in 2000.

Property taxes increased approximately 2.1% in 2001. Since the City is totally developed, the growth in property valuation is minimal during years where no reevaluation of property occurs. The City received \$4.2 million in estate tax for 2001. This amount is slightly higher than the \$3.9 million recorded in 2000. The estate tax will remain highly unpredictable as a revenue stream. However, a change in the tax rate, increasing the minimum taxable estate is expected to impact the tax collected by the City in the future.

Intergovernmental revenue increased to \$3.961 million from \$3.674 million. Intergovernmental revenues primarily come from the State of Ohio and include the City's share of the distribution from the Local Government Fund, a form of general revenue sharing; the City's share of gasoline tax distributions and motor vehicle license fees. Intergovernmental revenues, including some small grants, accounted for approximately 12% of the City's revenue.

Licenses and Permits revenue decreased approximately 8%. The license and permit revenue fluctuate with the amount of construction and renovation taking place in the City.

In 2001, charges for services primarily reflect the fees charged by the Parks and Recreation Department for the various programs that are provided to citizens throughout the year. There is a direct correlation between fee-based programs and the expenditures to undertake the programs, in that insufficient registrations for a program will result in its cancellation. This revenue category increased in 2001 primarily due to the expansion of the programs being offered.

Investment earnings increased 9.6% in 2001. The overall average return on investments was 5.312% in 2001. The investment earnings comprise 5.3% of the total revenue of the City.

The change in fair value of investment amount is the change between cost and fair value of the City's investments at December 31, 2001.

The Federal Reserve Board decreased short-term rates by 375 basis points throughout the year of 2001. The interest rates also began to decline in 2000, this being a complete reversal of 1999. The 2-year treasury yield curve declined throughout 2001, dropping below the Federal Reserve rate in October 2001. However, in November 2001 the treasury yield began to increase and continued to do so through the remainder of the year. The City continued the change in asset allocation from Treasury securities to various federal agency issues, as the yield spread continued to favor federal agency issues, which contributed to the year-end investment earnings remaining strong for the City.

The City intends to hold all investments to maturity. In addition, the City's portfolio has enough short-term liquidity to meet current obligations and there is little risk of a forced sale of these securities and obligations.

### **Schedule of Expenditures**

Expenditures for all governmental fund type operations totaled approximately \$28,216,000 and the expenditures for major functions of the City, the percentage of the total and the increase or decrease from 2000 are shown in the following schedule (in thousands of dollars or percents):

Schedule of Expenditures	2001	2000	Increase (decrease)		Percent of Total	
			Dollars	Percent	2001	2000
Public Safety	10,698	9,916	782	7.9%	37.9%	35.3%
General Government	6,437	6,620	(183)	(2.8)%	22.8%	23.5%
Public Services	2,383	2,019	364	18.0%	8.4%	7.1%
Parks and Recreation	2,317	1,981	336	17.0%	8.2%	7.0%
Community Development	602	492	110	22.4%	2.1%	1.8%
Health	161	138	23	16.7%	0.6%	0.5%
Capital Outlay	3,505	5,198	(1,693)	(32.6)%	12.4%	18.5%
Debt Service	2,113	1,765	348	19.7%	7.6%	6.3%
Total	28,216	28,129	87	0.3%	100.0%	100.0%

The City's overall expenditures increased in 2001 by less than 1%. However, this percentage is skewed by the capital outlay and debt service. Excluding capital outlay and debt service, expenditures increased approximately 7%. This City issued approximately \$7 million in new debt in 2001. This debt was issued for capital projects which will result in greater amounts of capital outlay being spent in 2002. The increase in the remaining categories is primarily due to wage increases as well as additional staff, mainly in Public Services and Parks & Recreation.

All of the activity of the CIC is included in the City's financial statements as a blended component unit in a special revenue fund.

The public services function includes the cost to maintain the streets, lights, and traffic signals of the City and also includes public service administration and engineering divisions.

Parks and Recreation includes the maintenance of the City's parks and the costs to provide recreation programs. Also included are funds in support of the Senior Center and the Cultural Arts activities and the Urban Forestry Program.

**Review of Fund Balances of Governmental Funds** (in thousands of dollars)

	2001	2000
Fund balances, January 1	\$30,206	\$26,925
Revenues and other sources	48,866	40,987
Expenditures and other uses	(35,155)	(37,706)
Fund balances, December 31	43,917	30,206
Reserve for encumbrances	(3,600)	(1,530)
Reserve for self-insurance	(1,727)	(1,868)
Reserve for capital equipment, debt service & improvements	(4,109)	(3,480)
Reserve for inventory	(167)	(139)
Total reservations	(9,603)	(7,017)
Unreserved fund balances	\$34,314	\$23,189

The reservations are legal restrictions on the use of funds. The reserve for encumbrances represents the portion of unexecuted purchase orders and contracts that are expected to come due in 2002 or later.

The reserve for self-insurance represents the establishment of an account that is to be maintained for liability coverage. In October 1997, the City enrolled in a pooling arrangement for liability purposes. Prior to that, the City had maintained it's own self-insurance arrangement since 1986. The reservation for self-insurance is the amount previously set aside for claims. This amount will remain until the City is satisfied that the potential for unreported claims justifies a reduction in the balance.

The reserve for capital equipment, debt service and improvements represent legal restrictions on income tax and property tax revenues. By ordinance, 13 1/3% of income tax revenues are to be dedicated for this purpose. In addition, one-half mill of property tax receipts has also been dedicated for this purpose, also by ordinance.

The reserve reflects the amount available for these purposes at the end of 2001. The funds are maintained in two general fund accounts: capital asset management and capital improvement.

**Additional Financial Information**

The City does not rely on grant funds from the federal or state governments for any functions. In 2001, the City received the following grants:

- \$10,730 – Cultural Arts grants
- \$20,000 – Ohio Department of Natural Resources

**Proprietary Operations**

The City operates four enterprise operations. One is for the collection and disposal of refuse, accounted for in the Solid Waste Fund. The other three are for the maintaining of the water, sewer and stormwater lines of the City. The user fees for water and sewer are based upon water usage by the resident. Stormwater fees are broken into two classes: class A (residential) properties are assessed a \$33.00 annual fee and class B (commercial) properties are charged based on equivalent run-off unit (ERU). The water surcharge in 2001 was \$2.25 per metered cubic foot (MCF). The sanitary sewer surcharge was \$4.65 per MCF. The stormwater class B fee in 2001 was \$14.67 per ERU.

The City also operates an internal service fund for the self-insured program of health, dental and short-term disability coverage. Each department is charged for the cost of the benefits. Transfers are made to the Employee Benefits Fund and the cost of claims and administration is paid from the fund. Also paid from the fund are life insurance and long-term disability premiums, for which the City purchases policies.

The following is a summary of the proprietary operations (in thousands of dollars):

<b>Proprietary Operations</b>	<b>2001</b>	<b>2000</b>
Operating Revenues	\$ 4,679	5,269
Operating expenses	4,508	4,476
Operating income	171	793
Non-operating revenues & expenses, net	(157)	(199)
Operating transfers-in	80	482
Net income	94	1,076
Depreciation on contributed capital	342	321

Increase in retained earnings	436	1,397
Retained earnings, beginning of year	2,984	1,587
Retained earnings, end of year	\$ 3,420	2,984

The increase in retained earnings was obtained by revenues exceeding operating expenses in 2001 and enhanced by operating transfers from other funds.

The non-operating expenses are predominately interest expense on bonds and notes issued for capital projects.

**Fiduciary Fund Types**

The Fiduciary Fund types are comprised of eight Agency Funds. Agency funds are used to account for assets held by the government as an agent for individuals, private organizations, and other governments.

**Debt Administration**

City debt, as a component of the capital funding strategy, is being maintained at realistic levels in relation to financial capacity and the defined need for public facilities and improvements. The use of City debt capacity has been planned carefully in order to accomplish significant capital improvements required by the need to maintain the City's infrastructure. The continuation of the City's Aa credit rating, ready market acceptability of debt issues and achievement of debt objectives evidence the prudent use of debt.

The debt objectives include: careful planning for capital improvements in order to maximize available funds and potential grants; dedication of a portion of the property tax millage, income tax receipts and additional resources for pay-as-you-go capital needs; provision for the issuance of new general government debt at reasonable intervals without increasing the millage for debt service; dedication of resources other than the property tax for repayment of debt; use of alternative financing sources, such as lease purchase and installment purchase; and maintenance of a favorable ratio of general obligation debt to property tax valuation for general obligation debt that is actually to be funded by property taxes.

In 2001, the City issued \$6,820,929 in general obligation debt, including issuance cost of \$42,830, at interest rates ranging from 2.9% to 4.98%. \$4,820,929 was for infrastructure improvements while \$2,000,000 was for renovating and improving the Municipal Services Building and other site improvements.

Additionally, in 2001 the City entered into a financing arrangement to purchase a safety vehicle for \$482,118. The city paid a cash deposit for the construction of such vehicle in the amount of \$120,530. The financing arrangement is recorded as an installment loan and will be repaid over five years in equal installments of \$104,247. The first payment was made in October 2001.

In 2001, the ratio of general obligation debt to property tax valuation was 1.9%, excluding the amount available in debt service funds; however, a substantial portion of the debt is being paid from sources other than the property tax.

In accordance with state statutes, the City is limited in the amount of debt that can be issued without a vote of the people, and to the amount of total debt that can be issued. The limits are 5 1/2% and 10 1/2% of assessed valuation, respectively.

For unvoted debt, the limit at the end of 2001 was \$60.9 million, and the limit for total debt was \$116.2 million. The capacity to issue additional debt at the end of 2001 was \$47 million for unvoted debt and \$98 million for total debt. Net general bonded debt per capita at the end of 2001 was \$568.78.

At the end of 2001, total general obligation bonded debt was \$19,908,965.

The City also had \$3,146,579 in outstanding loans from the Ohio Public Works Commission. The revenues of the Enterprise funds will repay these loans made for infrastructure projects.

**Cash Management**

The City is authorized by ordinance to invest in notes, bonds or other obligations of the United States or of any agency or instrumentality thereof, including repurchase agreements secured by such obligations, commercial paper; bankers acceptances; and high grade corporate bonds. Earnings on investments are credited to various funds as provided by state law and City ordinances.

Cash temporarily idle during the year was invested in overnight repurchase agreements; in U.S. Treasury Notes ranging from one year to four years to maturity; in investments in mutual funds and pools managed by the State of Ohio; and in securities issued by government agencies, including the Federal Home Loan Mortgage Corporation and Federal National Mortgage Association and in Commercial Paper. The yields on the portfolio at December 31 ranged from approximately 2.1% to 6.4%, and the average for the entire portfolio was 4.7%. In 2001, interest income amounted to \$1,956,041.

The City's investments are categorized to give an indication of the level of credit risk assumed by the City at December 31, 2001. Category 1 includes insured or registered investments for which the securities are held by the City's agent or the agent's trust department in the City's name. Category 2 includes uninsured and unregistered investments for which the City's agent or the agent's trust department holds the securities in the City's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the City's agent or the agent's trust department, but not in the City's name. Investments in mutual funds and pools managed by other governments are not required to be categorized. At year-end investments were as follows:

	<u>Category</u>			<u>Fair Value</u>
	<u>1</u>	<u>2</u>	<u>3</u>	
U. S. Government Securities	\$ -	1,037,500	-	\$ 1,037,500
Federal Agency Securities	-	33,424,476	-	33,424,476
Corporate Notes	-	2,044,388	-	2,044,388
U.S. Government Securities held by escrow agent		Not Applicable		361,588
STAROhio		Not Applicable		<u>9,869,131</u>
Total investments	\$ -	<u>36,506,364</u>	-	\$ <u>46,737,083</u>

In addition to the investments, \$515,506 was available in cash deposits.

### **Risk Management**

On October 1, 1997, the City established membership in the Central Ohio Risk Management Association (CORMA) Self-Insurance pool for property liability coverage. Membership in the Pool, which includes other cities, enables the City to have more control over claims and still realize any savings from the insurance pool. The City has purchased general liability insurance through CORMA, which covers claims up to \$20,000,000 with a \$100,000 deductible.

Prior to membership in CORMA, the City was self-insured for property liability coverage. The action was taken after analyzing the City's experience for losses due to liability compared to the cost of the liability coverage paid to the insurer. The City has established an account for self-insurance and has reserved approximately \$1.7 million of the general fund balance to cover liability claims. The City has purchased insurance to cover claims above \$1 million. In addition, City Council has set aside \$5 million of the City's total debt capacity to be used for catastrophic liabilities. This means that the City could issue up to \$5 million in debt if needed.

Effective January 1, 1991, the City also assumed the responsibility for paying claims associated with health coverage for City employees. The City is also self-insured for dental claims associated with dental coverage for City employees, as well as the cost of short-term disability benefits. All operating funds of the City participate in the benefit programs and make payments to the Employee Benefit Fund based on actuarial estimates of the amounts needed to pay claims. The City purchases commercial insurance for claims, which exceed \$50,000 in one year to one employee, and for claims, which exceed 125% of the annual estimated claims.

The City purchases commercial coverage for property damage to the physical facilities, including the Municipal Services Center and the three fire stations. The City also purchases fidelity bond coverage for its employees, life insurance coverage and long-term disability coverage.

### **New Accounting Pronouncement**

In June 1999, the GASB issued Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. This statement represents a dramatic change in the way state and local governments present basic financial information. This statement is effective for periods beginning after June 15, 2002, and the City has not adopted the provisions of this statement in the accompanying financial statements. Management has not completed the process of evaluating the impact that will result from adopting this statement, and therefore unable to disclose the impact that adopting the statement will have on its financial position and results of operations when such statement is adopted.

In fiscal year 2001, the City implemented GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions* and GASB Statement No. 36, *Reporting for Certain Shared Nonexchange Revenues*. These statements require the recognition of nonexchange transactions in the financial statements unless the transactions are not measurable (reasonably estimable) nor probable of collection. As a result, the following beginning receivable balances have been restated:

	General Fund	Special Revenue Fund
Receivables as previously reported	\$9,469,845	\$988,864
Restatements for GASB 33 & 36:		
Local Government Support Fund receivable	1,108,000	-
Motor vehicle tax receivable	-	409,000
Income tax receivable	472,100	-
Estate tax receivable	950,000	-
Receivables as restated	\$11,999,945	\$1,397,864

Additionally, the related deferred revenue account was appropriately restated to reflect the fact that the aforementioned amounts were measurable but not available to meet current financial needs.

### **Independent Audit**

The City is required by the Ohio Revised Code to have an audit of the financial records by an independent certified public accountant or by the Auditor of State. This requirement has been met and a copy of the auditor's opinion is included in the financial section of this report. The Finance Department is responsible for the preparation and fair presentation of the financial statements, supplemental schedules, and statistical tables contained in this 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 Upper Arlington for its comprehensive annual report for the fiscal year ended December 31, 2000.

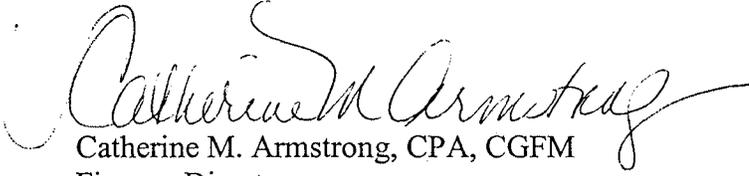
In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such reports must satisfy both accounting principles generally accepted in the United State of America and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement Program requirements, and we are submitting it to GFOA.

**Acknowledgements**

The preparation of this report could not have been accomplished without the efficient and dedicated efforts of the entire Staff of the Finance Department. We wish to express our appreciation to everyone who contributed to its preparation.

Respectfully submitted,

  
Catherine M. Armstrong, CPA, CGFM  
Finance Director

  
Virginia L. Barney  
City Manager

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Upper Arlington,  
Ohio

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2000

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



*Timothy A. Drew*  
President

*Jeffrey L. Essler*  
Executive Director

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CITY OF | **UPPER ARLINGTON**

**Financial Section**

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191 West Nationwide Boulevard  
Suite 500  
Columbus, OH 43215-2568

Telephone 614 249 2300  
Fax 614 249 2348

## Independent Auditors' Report

Members of City Council  
City of Upper Arlington, Ohio:

We have audited the accompanying general purpose financial statements of the City of Upper Arlington, Ohio (the City) for the year ended December 31, 2001 as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

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

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the City as of December 31, 2001 and the results of its operations and the cash flows of its proprietary fund types for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 16, the City adopted the provisions of Governmental Accounting Standards Board Statement No. 33, *Accounting and Reporting for Nonexchange Transactions* as of December 31, 2001.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 3, 2002 on our consideration of the City's internal control over financial reporting and on our test of its compliance with certain provisions of laws, regulations, contracts and grants. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying financial information listed as combining, individual fund and account group statements and schedules (supplemental data) in the table of contents is presented for purpose of additional analysis and is not a required part of the general purpose financial statements of the City. The supplemental data has been subjected to the auditing procedures applied in our audit of the general purpose financial statements and, in our opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

The introductory and statistical sections listed in the table of contents are also presented for the purposes of additional analysis and are not a required part of the general purpose financial statements of the City. Such additional information has not been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, accordingly, we express no opinion on it.

**KPMG LLP**

June 3, 2002



**COMBINED BALANCE SHEET**  
**ALL FUND TYPES AND ACCOUNT GROUPS**  
**December 31, 2001**  
**(with totals for December 31, 2000)**

	<u>Governmental Fund Types</u>			
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>
<b><u>ASSETS:</u></b>				
Equity in pooled cash and investments (note 3)	\$ 20,946,854	1,369,917	622,267	18,964,522
Receivables (note 4)	15,030,161	1,347,026	571,130	28,269
Inventory	102,584	64,068		
Due from other funds (note 10)				
Other assets	120,530			
Property, plant and equipment (net of depreciation, where applicable) (note 6)				
Amounts available in debt service funds				
Amount to be provided for retirement of general long-term debt				
<b>TOTAL ASSETS</b>	<b>\$ <u>36,200,129</u></b>	<b><u>2,781,011</u></b>	<b><u>1,193,397</u></b>	<b><u>18,992,791</u></b>

See accompanying notes to the general purpose financial statements.

<u>Proprietary Fund Types</u>		<u>Fiduciary Fund Type</u>	<u>Account Groups</u>		<u>Totals (Memorandum Only)</u>	
<u>Enterprise (note 8)</u>	<u>Internal Service</u>	<u>Agency</u>	<u>General Fixed Assets</u>	<u>General Long-term Obligations</u>	<u>2001</u>	<u>2000</u>
3,218,785	49,846	2,080,398			47,252,589	33,449,799
337,376					17,313,962	14,193,149
	10,536				166,652	138,855
					10,536	105,471
					120,530	34,973
14,952,419			23,398,351		38,350,770	37,560,738
				748,918	748,918	747,913
				17,787,248	17,787,248	11,706,328
<u>18,508,580</u>	<u>60,382</u>	<u>2,080,398</u>	<u>23,398,351</u>	<u>18,536,166</u>	<u>121,751,205</u>	<u>97,937,226</u>

**COMBINED BALANCE SHEET**  
**ALL FUND TYPES AND ACCOUNT GROUPS**  
**December 31, 2001**  
**(with totals for December 31, 2000)**

	<u>Governmental Fund Types</u>			
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>
<b><u>LIABILITIES:</u></b>				
Accounts payable	\$ 278,694	184,446		970,317
Due to other funds (note 10)	10,536			
Deferred revenue	11,253,591	1,129,428	444,479	
Accrued liabilities	770,030	43,909		
Accrued vacation and sick leave (note 7)	164,917			
Installment loan payable (note 7)				
Bonds and notes payable (note 7)				
Due to others				
	<hr/>	<hr/>	<hr/>	<hr/>
<b>TOTAL LIABILITIES</b>	<u>12,477,768</u>	<u>1,357,783</u>	<u>444,479</u>	<u>970,317</u>
<b><u>FUND EQUITY AND OTHER CREDITS:</u></b>				
Investment in general fixed assets				
Contributed capital				
Retained earnings				
Fund balances:				
Reserved for inventory and other assets	223,114	64,068		
Reserved for encumbrances	896,750	125,504		2,577,424
Reserved for general liability self insurance	1,726,960			
Reserved for capital equipment, debt service and improvements	3,239,592		748,918	
Unreserved	<u>17,635,945</u>	<u>1,233,656</u>	<hr/>	<u>15,445,050</u>
<b>TOTAL FUND EQUITY AND OTHER CREDITS</b>	<u>23,722,361</u>	<u>1,423,228</u>	<u>748,918</u>	<u>18,022,474</u>
<b>TOTAL LIABILITIES, FUND EQUITY AND OTHER CREDITS</b>	<b>\$ <u>36,200,129</u></b>	<b><u>2,781,011</u></b>	<b><u>1,193,397</u></b>	<b><u>18,992,791</u></b>

See accompanying notes to the general purpose financial statements.

Proprietary Fund Types		Fiduciary Fund Type	Account Groups		Totals (Memorandum Only)	
Enterprise (note 8)	Internal Service	Agency	General Fixed Assets	General Long-term Obligations	2001	2000
90,982	60,382				1,584,821	1,073,830
					10,536	105,471
177,325					13,004,823	10,583,836
102,028					915,967	1,660,761
136,616				1,753,664	2,055,197	1,919,125
				377,871	377,871	0
6,650,913				16,404,631	23,055,544	18,098,700
		2,080,398			2,080,398	886,974
<u>7,157,864</u>	<u>60,382</u>	<u>2,080,398</u>	<u>0</u>	<u>18,536,166</u>	<u>43,085,157</u>	<u>34,328,697</u>
			23,398,351		23,398,351	22,432,300
7,930,612					7,930,612	7,985,883
3,420,104					3,420,104	2,984,315
					287,182	138,855
					3,599,678	1,529,941
					1,726,960	1,868,374
					3,988,510	3,479,789
					<u>34,314,651</u>	<u>23,189,072</u>
<u>11,350,716</u>	<u>0</u>	<u>0</u>	<u>23,398,351</u>	<u>0</u>	<u>78,666,048</u>	<u>63,608,529</u>
<u>18,508,580</u>	<u>60,382</u>	<u>2,080,398</u>	<u>23,398,351</u>	<u>18,536,166</u>	<u>121,751,205</u>	<u>97,937,226</u>

**COMBINED STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
ALL GOVERNMENTAL FUND TYPES  
For the Fiscal Year Ended December 31, 2001  
(with totals for the fiscal year ended December 31, 2000)**

	<u>Governmental Fund Types</u>				<u>Totals (Memorandum Only)</u>	
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>2001</u>	<u>2000</u>
<b>REVENUES:</b>						
Income tax	\$ 13,877,775				13,877,775	11,776,958
Property taxes	6,901,592		732,251		7,633,843	7,479,554
Intergovernmental	2,687,723	1,273,705			3,961,428	3,673,534
Estate tax	4,261,767				4,261,767	3,895,389
Charges for services	542,664	362,236			904,900	842,915
Investment earnings	1,281,910	26,388		531,522	1,839,820	1,678,846
Net increase in fair value of investments	229,095	7,293		95,821	332,209	523,313
Fines and forfeits	336,795	30,544			367,339	379,326
Licenses and permits	306,492				306,492	333,064
Miscellaneous	1,195,876	65,425			1,261,301	1,309,137
<b>Total revenues</b>	<b>31,621,689</b>	<b>1,765,591</b>	<b>732,251</b>	<b>627,343</b>	<b>34,746,874</b>	<b>31,892,036</b>
<b>EXPENDITURES:</b>						
Current:						
Public safety	10,677,421	20,508			10,697,929	9,915,840
General government	6,364,708	72,246			6,436,954	6,619,799
Public services	1,041,408	1,341,640			2,383,048	2,018,615
Parks and recreation	2,005,221	311,265			2,316,486	1,981,096
Community development	601,614				601,614	492,099
Health services		161,421			161,421	137,987
Capital outlay	1,114,084	201,739		2,189,452	3,505,275	5,197,964
Debt service:						
Principal retirement	104,247		1,401,575		1,505,822	1,236,375
Interest and fiscal charges			607,592		607,592	529,065
<b>Total expenditures</b>	<b>21,908,703</b>	<b>2,108,819</b>	<b>2,009,167</b>	<b>2,189,452</b>	<b>28,216,141</b>	<b>28,128,840</b>
Excess (deficiency) of revenues over expenditures	9,712,986	(343,228)	(1,276,916)	(1,562,109)	6,530,733	3,763,196
<b>OTHER FINANCING SOURCES (USES):</b>						
Proceeds from bonds				6,778,099	6,778,099	0
Proceeds from installment loan	482,118				482,118	0
Operating transfers-in	161,581	544,871	1,277,921	4,874,912	6,859,285	9,095,185
Operating transfers-out	(6,504,953)			(434,332)	(6,939,285)	(9,577,508)
<b>Total other financing sources (uses)</b>	<b>(5,861,254)</b>	<b>544,871</b>	<b>1,277,921</b>	<b>11,218,679</b>	<b>7,180,217</b>	<b>(482,323)</b>
Excess of revenues and other financing sources over expenditures and other uses	3,851,732	201,643	1,005	9,656,570	13,710,950	3,280,873
Fund balances at beginning of year	19,870,629	1,221,585	747,913	8,365,904	30,206,031	26,925,158
Fund balances at end of year	<b>\$ 23,722,361</b>	<b>1,423,228</b>	<b>748,918</b>	<b>18,022,474</b>	<b>43,916,981</b>	<b>30,206,031</b>

See accompanying notes to the general purpose financial statements.



CITY OF | **UPPER ARLINGTON**

**COMBINED STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL - ALL GOVERNMENTAL FUND TYPES  
BUDGET BASIS (note 15)  
For the Fiscal Year Ended December 31, 2001**

	General Fund			
	Adopted Budget	Revised Budget	Actual	Variance
<b>REVENUES:</b>				
Income tax	\$ 11,303,499	13,250,000	13,392,555	142,555
Property taxes	6,490,682	6,496,401	6,499,920	3,519
Intergovernmental	2,503,886	2,503,886	2,684,750	180,864
Estate tax	2,100,000	4,000,000	4,080,219	80,219
Charges for services	500,000	500,000	542,664	42,664
Investment earnings	942,515	1,233,745	1,375,147	141,402
Fines and forfeits	335,000	335,000	345,936	10,936
Licenses and permits	500,000	500,000	490,693	(9,307)
Miscellaneous	159,000	234,000	360,817	126,817
Reimbursements	220,000	980,943	936,009	(44,934)
<b>Total revenues</b>	<b>25,054,582</b>	<b>30,033,975</b>	<b>30,708,710</b>	<b>674,735</b>
<b>EXPENDITURES:</b>				
Current:				
Public safety	10,715,461	10,878,687	10,728,573	150,114
General government	6,356,956	7,227,401	6,699,959	527,442
Public services	1,114,174	1,138,819	1,042,387	96,432
Parks and recreation	1,975,791	2,165,351	2,022,431	142,920
Community development	607,620	603,545	595,918	7,627
Health services				
Capital outlay	1,258,085	1,644,248	1,404,226	240,022
Debt service:				
Principal and interest				
<b>Total expenditures</b>	<b>22,028,087</b>	<b>23,658,051</b>	<b>22,493,494</b>	<b>1,164,557</b>
Excess (deficiency) of revenues over expenditures	3,026,495	6,375,924	8,215,216	1,839,292
<b>OTHER FINANCING SOURCES (USES):</b>				
Proceeds from bonds and notes				
Proceeds from sale of fixed assets			35,519	35,519
Operating transfers-in			161,581	161,581
Operating transfers-out	(2,738,399)	(6,496,146)	(6,496,146)	
<b>Total other financing sources (uses)</b>	<b>(2,738,399)</b>	<b>(6,496,146)</b>	<b>(6,299,046)</b>	<b>197,100</b>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	288,096	(120,222)	1,916,170	2,036,392
Fund balances at beginning of year	17,391,381	17,391,381	17,391,381	
Lapsed encumbrances	39,318	39,318	39,318	
<b>Fund balances at end of year</b>	<b>\$ 17,718,795</b>	<b>17,310,477</b>	<b>19,346,869</b>	<b>2,036,392</b>

See accompanying notes to the general purpose financial statements

Special Revenue Funds				Debt Service Funds			
Adopted Budget	Revised Budget	Actual	Variance	Adopted Budget	Revised Budget	Actual	Variance
				1,001,521	1,001,521	642,800	(358,721)
975,000	1,200,000	1,300,246	100,246				
378,103	378,103	362,271	(15,832)				
16,560	23,475	28,387	4,912				
20,000	20,000	27,410	7,410				
18,700	22,200	22,908	708				
<u>1,408,363</u>	<u>1,643,778</u>	<u>1,741,222</u>	<u>97,444</u>	<u>1,001,521</u>	<u>1,001,521</u>	<u>642,800</u>	<u>(358,721)</u>
19,142	20,692	20,689	3				
531,200	564,600	146,740	417,860				
1,274,537	1,280,934	1,226,526	54,408				
321,864	336,591	302,209	34,382				
140,000	158,716	158,716					
98,800	290,876	238,610	52,266				
				<u>2,725,460</u>	<u>2,725,460</u>	<u>2,524,898</u>	<u>200,562</u>
<u>2,385,543</u>	<u>2,652,409</u>	<u>2,093,490</u>	<u>558,919</u>	<u>2,725,460</u>	<u>2,725,460</u>	<u>2,524,898</u>	<u>200,562</u>
<u>(977,180)</u>	<u>(1,008,631)</u>	<u>(352,268)</u>	<u>656,363</u>	<u>(1,723,939)</u>	<u>(1,723,939)</u>	<u>(1,882,098)</u>	<u>(158,159)</u>
5,000	5,000	12,100	7,100				
530,190	761,253	536,063	(225,190)	1,723,939	1,723,939	1,793,652	69,713
<u>535,190</u>	<u>766,253</u>	<u>548,163</u>	<u>(218,090)</u>	<u>1,723,939</u>	<u>1,723,939</u>	<u>1,793,652</u>	<u>69,713</u>
<u>(441,990)</u>	<u>(242,378)</u>	195,895	438,273			(88,446)	(88,446)
691,344	691,344	691,344		710,712	710,712	710,712	
166,968	166,968	166,968					
<u>416,322</u>	<u>615,934</u>	<u>1,054,207</u>	<u>438,273</u>	<u>710,712</u>	<u>710,712</u>	<u>622,266</u>	<u>(88,446)</u>

**COMBINED STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL - ALL GOVERNMENTAL FUND TYPES  
BUDGET BASIS (note 15)  
For the Fiscal Year Ended December 31, 2001**

	Capital Projects Funds			
	Adopted Budget	Revised Budget	Actual	Variance
<b>REVENUES:</b>				
Income tax	\$			
Property taxes				
Intergovernmental				
Estate tax				
Charges for services				
Investment earnings	486,750	486,750	510,407	23,657
Fines and forfeits				
Licenses and permits				
Miscellaneous				
Reimbursements				
Total revenues	486,750	486,750	510,407	23,657
<b>EXPENDITURES:</b>				
Current:				
Public safety				
General government				
Public services				
Parks and recreation				
Community development				
Health services				
Capital outlay	3,288,000	5,386,470	4,153,717	1,232,753
Debt service:				
Principal and interest				
Total expenditures	3,288,000	5,386,470	4,153,717	1,232,753
Excess (deficiency) of revenues over expenditures	(2,801,250)	(4,899,720)	(3,643,310)	1,256,410
<b>OTHER FINANCING SOURCES (USES):</b>				
Proceeds from bonds and notes	5,000,000	7,000,000	6,778,099	(221,901)
Proceeds from sale of fixed assets				
Operating transfers-in	1,000,000	3,362,023	4,874,912	1,512,889
Operating transfers-out	(80,000)	(434,710)	(434,332)	378
Total other financing sources (uses)	5,920,000	9,927,313	11,218,679	1,291,366
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	3,118,750	5,027,593	7,575,369	2,547,776
Fund balances at beginning of year	7,555,367	7,555,367	7,555,367	
Lapsed encumbrances	223,834	223,834	223,834	
Fund balances at end of year	\$ 10,897,951	12,806,794	15,354,570	2,547,776

See accompanying notes to the general purpose financial statements

Total (Memorandum only)			
Adopted Budget	Revised Budget	Actual	Variance
12,305,020	14,251,521	14,035,355	(216,166)
6,490,682	6,496,401	6,499,920	3,519
3,478,886	3,703,886	3,984,996	281,110
2,100,000	4,000,000	4,080,219	80,219
878,103	878,103	904,935	26,832
1,445,825	1,743,970	1,913,941	169,971
355,000	355,000	373,346	18,346
500,000	500,000	490,693	(9,307)
177,700	256,200	383,725	127,525
220,000	980,943	936,009	(44,934)
<u>27,951,216</u>	<u>33,166,024</u>	<u>33,603,139</u>	<u>437,115</u>
10,734,603	10,899,379	10,749,262	150,117
6,888,156	7,792,001	6,846,699	945,302
2,388,711	2,419,753	2,268,913	150,840
2,297,655	2,501,942	2,324,640	177,302
607,620	603,545	595,918	7,627
140,000	158,716	158,716	
4,644,885	7,321,594	5,796,553	1,525,041
<u>2,725,460</u>	<u>2,725,460</u>	<u>2,524,898</u>	<u>200,562</u>
<u>30,427,090</u>	<u>34,422,390</u>	<u>31,265,599</u>	<u>3,156,791</u>
<u>(2,475,874)</u>	<u>(1,256,366)</u>	<u>2,337,540</u>	<u>3,593,906</u>
5,000,000	7,000,000	6,778,099	(221,901)
5,000	5,000	47,619	42,619
3,254,129	5,847,215	7,366,208	1,518,993
(2,818,399)	(6,930,856)	(6,930,478)	378
<u>5,440,730</u>	<u>5,921,359</u>	<u>7,261,448</u>	<u>1,340,089</u>
2,964,856	4,664,993	9,598,988	4,933,995
26,348,804	26,348,804	26,348,804	
430,120	430,120	430,120	
<u>29,743,780</u>	<u>31,443,917</u>	<u>36,377,912</u>	<u>4,933,995</u>

**COMBINED STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN RETAINED EARNINGS  
ALL PROPRIETARY FUND TYPES  
For the Fiscal Year ended December 31, 2001  
(with totals for the fiscal year ended December 31, 2000)**

	Enterprise (note 8)	Internal Service	Totals (Memorandum Only)	
			2001	2000
<b><u>OPERATING REVENUE:</u></b>				
Charges for services	\$ 3,045,731	1,583,520	4,629,251	5,055,754
Other	50,169		50,169	213,797
Total revenues	<u>3,095,900</u>	<u>1,583,520</u>	<u>4,679,420</u>	<u>5,269,551</u>
<b><u>OPERATING EXPENSES:</u></b>				
Personal services	1,541,788		1,541,788	1,371,980
Disposal fees	233,481		233,481	307,177
Materials and supplies	482,315		482,315	337,298
Depreciation	667,588		667,588	595,680
Insurance claims		1,583,520	1,583,520	1,864,205
Total expenses	<u>2,925,172</u>	<u>1,583,520</u>	<u>4,508,692</u>	<u>4,476,340</u>
Operating income	<u>170,728</u>	<u>0</u>	<u>170,728</u>	<u>793,211</u>
<b><u>NON-OPERATING REVENUES (EXPENSES):</u></b>				
Investment earnings	116,221		116,221	147,922
Net increase in fair value of investments	36,231		36,231	42,221
Interest expense	<u>(309,764)</u>		<u>(309,764)</u>	<u>(388,751)</u>
Total non-operating revenue (expenses)	<u>(157,312)</u>	<u>0</u>	<u>(157,312)</u>	<u>(198,608)</u>
Net income before transfers-in	13,416	0	13,416	594,603
Operating transfers-in	<u>80,000</u>		<u>80,000</u>	<u>482,323</u>
Net income	93,416	0	93,416	1,076,926
Add depreciation on fixed assets acquired by contributed capital	<u>342,373</u>		<u>342,373</u>	<u>320,738</u>
Increase in retained earnings	435,789	0	435,789	1,397,664
Beginning retained earnings	<u>2,984,315</u>	<u>0</u>	<u>2,984,315</u>	<u>1,586,651</u>
Ending retained earnings	<u>\$ 3,420,104</u>	<u>0</u>	<u>3,420,104</u>	<u>2,984,315</u>

See accompanying notes to the general purpose financial statements.



CITY OF | **UPPER ARLINGTON**

**COMBINED STATEMENT OF CASH FLOWS**  
**ALL PROPRIETARY FUND TYPES**  
**For the Fiscal Year Ended December 31, 2001**  
**(with totals for the year ended December 31, 2000)**

	Enterprise Funds	Internal Service	Totals (Memorandum Only)	
			2001	2000
<b>Cash Flows from Operating Activities:</b>				
Cash received from customers	\$ 3,329,666	1,678,455	5,008,121	4,681,288
Cash payments to suppliers for goods and services	(749,343)	(1,644,150)	(2,393,493)	(2,259,918)
Cash payments to employees for services	(1,535,334)		(1,535,334)	(1,417,799)
Net cash provided by operating activities	<u>1,044,989</u>	<u>34,305</u>	<u>1,079,294</u>	<u>1,003,571</u>
<b>Cash Flows from Noncapital Financing Activities:</b>				
Subsidy from General Fund	80,000		80,000	482,323
Net cash provided by noncapital financing activities	<u>80,000</u>	<u>0</u>	<u>80,000</u>	<u>482,323</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>				
Acquisition of capital assets	(204,467)		(204,467)	(340,842)
Principal paid on bonds and notes	(530,558)		(530,558)	(509,763)
Interest paid on bonds and notes	(277,864)		(277,864)	(298,106)
Net cash used by capital and related financing activities	<u>(1,012,889)</u>	<u>0</u>	<u>(1,012,889)</u>	<u>(1,148,711)</u>
<b>Cash Flows from Investing Activities:</b>				
Interest on investments	146,082		146,082	193,268
Net cash provided by investing activities:	<u>146,082</u>	<u>0</u>	<u>146,082</u>	<u>193,268</u>
Net increase (decrease) in cash and cash equivalents	258,182	34,305	292,487	530,451
Cash and cash equivalents at beginning of year	<u>2,960,603</u>	<u>15,541</u>	<u>2,976,144</u>	<u>2,445,693</u>
Cash and cash equivalents at end of year	\$ <u>3,218,785</u>	<u>49,846</u>	<u>3,268,631</u>	<u>2,976,144</u>

(Continued)

See accompanying notes to the general purpose financial statements.

**COMBINED STATEMENT OF CASH FLOWS**  
**ALL PROPRIETARY FUND TYPES**  
**For the Fiscal Year Ended December 31, 2001**  
**(with totals for the year ended December 31, 2000)**

RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:	Enterprise Funds	Internal Service	Totals (Memorandum Only)	
			2,001	2000
Operating income	\$ 170,728		170,728	793,211
<b>Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:</b>				
Depreciation	667,588		667,588	595,680
Decrease (increase) in accounts receivable	281,929		281,929	(187,474)
Decrease (increase) in due from other funds		94,935	94,935	62,546
Increase (decrease) in accounts payable	26,181	(60,630)	(34,449)	(129,267)
Increase (decrease) in accrued liabilities	(39,731)		(39,731)	(67,335)
Increase (decrease) in deferred revenue	(61,706)		(61,706)	(63,790)
<b>Net cash provided by operating activities</b>	<b>\$ 1,044,989</b>	<b>34,305</b>	<b>1,079,294</b>	<b>1,003,571</b>

**Noncash Investing, Financing and Capital Activities:**

The enterprise funds received contributions of equipment in the amounts of \$287,102 and \$1,570,217 in 2001 and 2000, respectively.

See accompanying notes to the general purpose financial statements.

**Notes to General Purpose Financial Statements**  
**For the Year Ended December 31, 2001**

**(1) Reporting Entity**

The City of Upper Arlington (City) was organized on February 8, 1941 and is a home-rule, Municipal Corporation under the laws of the State of Ohio. The City operates under a Council-Manager form of government and provides the following services as authorized by its charter: public safety, public service, parks and recreations, community development, health and sanitation.

As required by accounting principles generally accepted in the United States of America (GAAP), the accompanying general-purpose financial statements include all the organizations, activities and functions in which the City (the primary government) and its component unit exercises financial accountability. The component unit discussed below is included in the City's reporting entity because of the significance of its operations or financial relationship with the City.

*Blended Component Unit* – The Community Improvement Corporation (CIC) of Upper Arlington is governed by a 12-member board. For financial reporting purposes, the CIC is reported as if it were part of the City's operations because its purpose is to assist the City in the revitalization and enhancement of property within the City. CIC is reported as a Special Revenue Fund. Complete financial statements may be obtained from the City's Finance department.

**(2) Summary of Significant Accounting Policies**

The accounting policies and financial reporting practices of the City conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. The following is a summary of its significant accounting policies:

**(a) Basis of Presentation - Fund Accounting**

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

**GOVERNMENTAL FUNDS**

**General Fund** - The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

**Notes to General Purpose Financial Statements**  
**For the Year Ended December 31, 2001**

(2) **Summary of Significant Accounting Policies (Continued)**

(a) **Basis of Presentation - Fund Accounting (Continued)**

**GOVERNMENTAL FUNDS (Continued)**

**Special Revenue Funds** - The Special Revenue Funds are used to account for revenues derived from specific taxes, grants or other restricted revenue sources. The uses and limitations of each special revenue fund are specified by City ordinance or federal and state statutes.

**Debt Service Funds** - Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general obligation long-term debt principal, interest and related costs.

**Capital Project Funds** - Capital Project Funds are used to account for financial resources used for acquisition or construction of major capital facilities (other than those financed by proprietary funds).

**PROPRIETARY FUNDS**

The City applies all Governmental Accounting Standards Board (GASB) pronouncements as well as Financial Accounting Standards Board Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements.

**Enterprise Funds** - Enterprise 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 of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

**Internal Service Fund** - The Internal Service Fund is used to account for financing services provided by one department to other departments of the City generally on a cost - reimbursement basis.

**FIDUCIARY FUNDS**

**Agency Funds** - Agency Funds are used to account for assets held by the City as an agent for individuals, private organizations, other governments and/or other funds. Agency Funds are custodial in nature and do not involve measurement of results of operations.

**Notes to General Purpose Financial Statements**  
**For the Year Ended December 31, 2001**

(2) **Summary of Significant Accounting Policies (Continued)**

(a) **Basis of Presentation - Fund Accounting (Continued)**

**ACCOUNT GROUPS**

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

**General Long-Term Obligations Account Group** - This account group is established to account for all long-term debt of the City except that accounted for in the proprietary funds.

(b) **Basis of Accounting**

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

The basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts in the financial statements. Basis of accounting relates to the timing of the measurements made.

Revenues resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded in the fiscal year in which the resources are measurable and become available. Available means the resources will be collected within the fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the City, available means expected to be received within sixty days of year-end.

Non-exchange transactions, in which the City receives value without directly giving equal value in return, included property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

**Notes to General Purpose Financial Statements**  
**For the Year Ended December 31, 2001**

**(2) Summary of Significant Accounting Policies (Continued)**

**(b) Basis of Accounting (Continued)**

Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

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 balance sheet. Fund equity (i.e., net total assets) is segregated into contributed capital and retained earnings components.

Proprietary fund-type operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net total assets.

The modified accrual basis of accounting is followed by the governmental funds and agency funds. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., when they are both measurable and available. "Measurable" means the amount of the transaction can be determined. "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the liability is incurred except for (1) principal and interest on general long-term debt obligations, which is recorded when due, (2) the non-current portions of accrued vacation and sick leave recorded in the general long-term debt account group, and (3) the portion of pension obligations and claims and judgements which will not utilize available revenues are also recorded in the general long-term debt account group.

In applying the susceptible to accrual concept to intergovernmental revenues (grants, subsidies and shared revenue), the legal and contractual requirements of the individual programs are used as guidance. There are, however, essentially two types of these revenues. In one, moneys must be expended for the specific purpose or project before any amounts will be paid to the City; therefore, revenues are recognized based upon the expenditures recorded. In the other, moneys are virtually unrestricted as to purpose of expenditure and nearly irrevocable, i.e., revocable only for failure to comply with prescribed compliance requirements, e.g., equal employment opportunity. These resources are reflected as revenues at the time of receipt or earlier if they meet the criterion of availability.

**Notes to General Purpose Financial Statements**  
**For the Year Ended December 31, 2001**

(2) **Summary of Significant Accounting Policies (Continued)**

(b) **Basis of Accounting (Continued)**

The City recognizes revenue from taxpayer-assessed taxes, net of estimated refunds, to in governmental funds in the accounting period in which they become measurable and available.

City income taxes withheld from taxpayers and received by the City within 60 days of year-end are recorded as revenues and receivables, net of estimated refunds. Income taxes other than those withheld by employers are recorded as revenues when received in cash because they are generally not measurable until actually received.

Fines and forfeits, licenses and permits and miscellaneous revenues are recorded as revenues when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as revenue when earned since they are measurable and available. Property taxes levied for collection in 2001 and uncollected at December 31, 2001 and estimated realizable delinquent property taxes are recorded as revenues to the extent cash is received during the year or soon thereafter to be used to pay liabilities of the current period. Property taxes assessed in 2001 for collection in 2002 are recorded as deferred revenue at December 31, 2001.

The accrual basis of accounting, i.e., revenues are recorded when earned and expenses are recorded when incurred, is utilized by the proprietary funds.

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

(c) **Budgetary Data**

All governmental and proprietary fund types are subject to annual expenditure budgets. City Council follows the procedures outlined below in establishing the expenditure budget data reported in the general-purpose financial statements.

1. In November, the City Manager submits to City Council an estimate of the expenditures necessary to conduct the affairs of the City for the fiscal year commencing the following January 1.
2. Budget estimates are distributed throughout the City including newspapers and libraries, and public hearings are held to obtain taxpayers comments.

**Notes to General Purpose Financial Statements**  
**For the Year Ended December 31, 2001**

**(2) Summary of Significant Accounting Policies (Continued)**

**(c) Budgetary Data (Continued)**

3. Subsequent to January 1, and after publication of the proposed budget ordinance, the budget is legally enacted through passage of the ordinance. The budget specifies expenditure amounts by object for each activity within each fund.
4. No transfers of appropriations can be made without City Council action, with the exception of certain transfers within a department's appropriation, within a fund, if the amounts are less than \$2,500. Expenditures cannot legally exceed appropriations at the object level. During 2001 various transfers of appropriations and supplemental appropriations were made in the following amounts:

General Fund	\$5,387,711
Special Revenue Funds	\$266,866
Capital Projects	\$2,453,180
Enterprise	\$179,759

5. Unencumbered appropriations lapse at year-end and encumbered appropriations are carried forward to the next fiscal year.

The City's budgetary process is based upon accounting for certain transactions on a basis other than accounting principles generally accepted in the United States of America (GAAP). To provide a meaningful comparison of actual results with the budget, the actual results of operations are presented in the Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - All Governmental Fund Types in accordance with the budget basis of accounting. Expenditures did not exceed appropriations in any individual fund.

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

1. Revenues are recorded when received in cash (budget), as opposed to when susceptible to accrual (GAAP).
2. Expenditures are recorded when paid in cash (budget), as opposed to when the liability is incurred (GAAP).
3. Encumbrances are recorded as the equivalent of expenditures (budget), as opposed to a reservation of fund balance (GAAP).

**Notes to General Purpose Financial Statements**  
**For the Year Ended December 31, 2001**

(2) **Summary of Significant Accounting Policies (Continued)**

(d) **Encumbrances**

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of moneys are recorded in order to reserve that portion of the applicable appropriation, is employed in all governmental funds. Encumbrances are reported as reservations of fund balance since they do not constitute expenditures or liabilities.

(e) **Cash and Cash Equivalents and Investments**

City funds are pooled and invested to improve cash management. Each fund type's portion of the pool is shown on the Combined Balance Sheet – All Fund Types and Account Groups as "equity in pooled cash and investments". For purposes of the statement of cash flows, the proprietary funds consider all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. Interest is allocated to funds that are required, by law, to receive interest. It is calculated on a monthly basis as a percentage of beginning fund balance to total fund balance of all City funds. Investments for the City, as well as its component unit, are reported at fair value. The State Treasurer's investment pool (STAROhio) reported value is the same as the fair value of the pool shares

(f) **Inventories**

Inventories are valued at cost using the first-in/first-out (FIFO) method. The costs of governmental fund-type inventories are recorded as expenditures when consumed rather than when purchased.

(g) **Fixed Assets - Governmental Funds**

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

Fixed assets consisting of certain improvements other than buildings, including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting, have not been capitalized since the purpose of stewardship for capital expenditures can be satisfied without recording these assets.

No depreciation has been provided on general fixed assets.

**Notes to General Purpose Financial Statements**  
**For the Year Ended December 31, 2001**

**(2) Summary of Significant Accounting Policies (Continued)**

**(h) Fixed Assets - Proprietary Fund**

Fixed assets acquired by the proprietary fund are stated at cost, or estimated historical cost. Depreciation has been provided using the straight-line method over the following estimated useful lives:

<u>Description</u>	<u>Estimated Lives (Years)</u>
Autos and trucks, computer equipment	5-8
Machinery, other equipment, furniture & fixtures	10-25
Buildings	45
Infrastructure (Water/Sewer Lines)	50

**(i) Capital Equipment, Debt Service and Improvements**

The City reserves a portion of its property and income tax revenue to fund capital improvements and debt service. The amount of General Fund balance reserved by ordinance for this purpose at December 31, 2001 was \$3,360,122.

**(j) Vacation and Sick Leave**

City employees are granted vacation and sick leave in varying amounts. In the event of termination, an employee is reimbursed for accumulated vacation.

Estimated vacation and sick leave accumulated by governmental fund type employees has been recorded in the general long-term obligations account group.

Vacation and sick leave estimated to be paid for city employees expected to retire within the next fiscal year that would normally be paid with available financial resources has been recorded in the general fund. Vacation and sick leave accumulated by proprietary fund type employees is recorded as an expense when incurred in the proprietary fund types.

The City uses the vesting method in determining the liability of sick leave recorded in the general long-term obligations account group. The timing of future payments for vacation and sick leave is dependent on many factors and therefore not readily determinable. However, management believes that sufficient resources will be made available for the payment of vacation and sick leave when such payments become due.

**Notes to General Purpose Financial Statements**  
**For the Year Ended December 31, 2001**

**(2) Summary of Significant Accounting Policies (Continued)**

**(k) Contributed Capital**

Depreciation on contributed fixed assets is allocated to contributed capital using the straight-line method over the same lives as described for the related property, plant and equipment in note 2(h). A summary of the changes in contributed capital for the year ending December 31, 2001, follows:

<u>Source</u>	<u>Solid Waste</u>	<u>Water Surcharge</u>	<u>Sewer Surcharge</u>	<u>Stormwater Utility</u>	<u>Total</u>
Fixed assets contributed	\$20,713	\$166,834	\$0	\$99,555	\$287,102
Depreciation of fixed assets acquired by contributed capital	<u>(21,959)</u>	<u>(90,502)</u>	<u>(98,173)</u>	<u>(131,739)</u>	<u>(342,373)</u>
Total additions (deletions), net	(1,246)	76,332	(98,173)	(32,184)	(55,271)
Contributed capital, January 1, 2001	1,310,318	2,702,952	2,534,285	1,438,328	7,985,883
Contributed capital, December 31, 2001	<u>\$1,309,072</u>	<u>\$2,779,284</u>	<u>\$2,436,112</u>	<u>\$1,406,144</u>	<u>\$7,930,612</u>

Additions to contributed capital consist of assets previously recorded in the general fixed asset account group or items purchased by non-enterprise funds, yet used by the respective enterprise funds as recorded above.

**(l) Comparative Data**

Comparative total data for the prior year have been presented in the accompanying financial statements to provide an understanding of overall changes in the City's financial position and operations. However, comparative data (i.e., presentation of prior year totals by fund type) have not been presented in all of the statements, since their inclusion would make the statements unduly complex and difficult to read.

**(m) Total Columns on the General Purpose Financial Statements**

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

**Notes to General Purpose Financial Statements**  
**For the Year Ended December 31, 2001**

**(2) Summary of Significant Accounting Policies (Continued)**

**(n) Statement of Cash Flows**

Cash balances of most City funds are pooled and invested (Note 3). For purposes of the Statement of Cash Flows, the enterprise fund's proportionate share of the pooled cash and investments are considered to be cash and cash equivalents, since they are available to the Proprietary Funds on demand.

**(o) New Accounting Pronouncements**

In June 1999, the GASB issued Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. This statement represents a significant change in the way state and local governments present basic financial information. This statement is effective for periods beginning after June 15, 2002, and the City has not adopted the provisions of this statement in the accompanying financial statements. Management has not completed the process of evaluating the impact that will result from adopting this statement, and therefore is unable to disclose the impact that adopting the statement will have on its financial position and results of operations when such statement is adopted.

**(3) Cash and Investments**

At December 31, 2001, the carrying value of the City's cash deposits was \$515,506, of which \$300,000 was a non-negotiable certificate of deposit. Cash balances per the banks were \$578,431. \$276,050 of the City's deposits were insured by Federal depository insurance and \$302,381 were collateralized with pooled pledged securities held by its agent in accordance with the Ohio Revised Code. All deposits are in institutions that are members of the Federal Reserve System. Additionally, in conjunction with an installment agreement entered into in 2001, the City agreed to maintain funds with an escrow agent in the amount of the purchase price (less deposit) for a new public safety vehicle. At December 31, 2001, the fair value of these investments was \$361,588.

\$17,303 included in the totals relates to the activity of the City's blended component unit.

The City is authorized by Ordinance to invest in notes, bonds or other obligations of the United States or of any agency or instrumentality thereof, including repurchase agreements secured by such obligations. Additionally the City may invest in Banker's acceptances which are eligible for purchase by the Federal Reserve System and are issued by Banks domiciled within the State of Ohio and corporate notes, bonds and commercial paper issued by corporations incorporated under the laws of the United States or any State thereof, and whose maturity does not exceed five years provided the security is rated at least A+ by Standard and Poor's and A-1 by Moody's Investor Services. Earnings on investments are credited to various funds as provided by state law and City ordinances. It is management's intent to hold all marketable investments until maturity.

**Notes to General Purpose Financial Statements**  
**For the Year Ended December 31, 2001**

**(3) Cash and Investments (Continued)**

It is the City's policy to invest in the State Treasury Asset Reserve of Ohio (STAROhio), government securities, and commercial paper. STAROhio is an investment pool managed by the State Treasurer's Office that allows governments within the State to pool their funds for investment purposes. STAROhio is not registered with the SEC as an investment company, but does operate in a manner similar to Rule 2a-7 of the Investment Company Act of 1940. Investments in STAROhio are valued at STAROhio's share price which is the price the investment could be sold for on December 31, 2001.

The City's investments are categorized to give an indication of the level of risk assumed by the City at December 31, 2001. Category 1 includes insured or registered investments or investments for which the securities are held by the City or City's agent (only if the City's agent is not also the counterparty) or the agent's trust department in the City's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparty's trust department or agent in the City's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the City's agent or the agent's trust department, but not in the City's name. Investments in pools managed by other governments (STAROhio) as well as investments with escrow agent are not required to be categorized.

	<u>Category</u>			<u>Fair Value</u>
	<u>1</u>	<u>2</u>	<u>3</u>	
U. S. Government Securities	\$ -	1,037,500	-	\$ 1,037,500
Federal Agency Securities	-	33,424,476	-	33,424,476
Corporate Notes	-	2,044,388	-	2,044,388
U.S. Government Securities held by escrow agent	Not Applicable			361,588
STAROhio	Not Applicable			<u>9,869,131</u>
Total investments	<u>\$ -</u>	<u>36,506,364</u>	<u>-</u>	<u>\$ 46,737,083</u>

**Notes to General Purpose Financial Statements**  
**For the Year Ended December 31, 2001**

**(4) Receivables**

Receivables at December 31, 2001, consist of the following:

	Property, Estate & Income Tax	Customer Accounts	Other	Total Receivables
General Fund	\$13,618,270		\$1,411,891	\$15,030,161
Special Revenue			1,347,026	1,347,026
Debt Service	571,130			571,130
Capital Projects			28,269	28,269
Enterprise		\$305,888	31,488	337,376
<b>Total</b>	<b>\$14,189,400</b>	<b>\$305,888</b>	<b>\$2,818,674</b>	<b>\$17,313,962</b>

**(5) Insurance**

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; personal injuries; and natural disasters. The City provides coverage for up to \$1,000,000 for each liability claim and \$1,000 for each property damage claim. To provide funding for potential claims, the City established by ordinance a reservation of the General Fund fund balance of \$1,726,960 for these losses. In addition, the City also passed legislation that reserves \$5,000,000 of the City's unvoted debt capacity to cover potential catastrophic claims, judgments and actions.

On October 1, 1997, the City established membership in the Central Ohio Risk Management Agency (CORMA) Self-Insurance pool, Inc. CORMA was formed pursuant to Section 2744.081 of the Ohio Revised Code. Members consist of the cities of Upper Arlington, Westerville, Pickerington and Dublin. Each member has one representative on the Board of Trustees. This Board establishes its own budget, hires and fires personnel and determines annual rates for its members. Membership in CORMA enables the City to take advantage of any economies to be realized from an insurance pool with other cities and also provides the City with more control over claims than what is normally available with traditional insurance coverage.

Coverage is limited to property coverage which provides coverage for up to \$125,000 with a \$25,000 deductible for each property liability claim. The City has purchased commercial insurance for claims, which exceed these amounts. The City has purchased general liability insurance through CORMA which covers claims up to \$20,000,000 with a \$100,000 deductible per claim. CORMA, in turn, has re-insured a portion of its insurance risk. There is no assurance that claims for all members will not exceed CORMA's assets and re-insurance.

A third party administrator processes and pays the claims. The City reports a liability when it is probable that a loss has occurred and the amount can be reasonably estimated.

**Notes to General Purpose Financial Statements**  
**For the Year Ended December 31, 2001**

**(5) Insurance (Continued)**

The City is also self-insured for the employees' health care. To account for and finance its uninsured health claims, the City established an Employee Benefit Fund (an internal service fund). All operating funds of the City participate in the program and make payments to the Employee Benefit Fund based on actuarial estimates of the amounts needed to pay prior and current year claims. The City purchases specific stop loss insurance for health care claims which exceed \$50,000 per covered individual in one year and aggregate stop loss coverage at 125% of annual estimated claims.

Settlements did not exceed insurance coverage in 1999, 2000, or 2001. There were no reductions on insurance coverage from the prior year.

The following is a schedule of the change in insurance claims for the year ended December 31, 2000 & 2001:

	2000	
	General Liability	Health Claims
Unpaid claims January 1, 2000	\$1,795	\$ 231,528
Incurred claims	154,122	1,464,660
Payment of claims	<u>(152,900)</u>	<u>(1,575,176)</u>
Unpaid claims December 31, 2000	\$3,017	\$ 121,012
	2001	
Unpaid claims January 1, 2001	\$3,017	\$ 121,012
Incurred claims	237,892	1,462,756
Payment of claims	<u>(243,916)</u>	<u>(1,644,150)</u>
Unpaid claims December 31, 2001	\$3,007	\$ 60,382

A claims liability of \$60,382 in the internal service accounts payable balance represents an estimate for incurred but unpaid claims liabilities.

The City belongs to the Ohio Municipal League Equity Rating Pool for Workers Compensation Insurance. The purpose of the pool is to achieve lower workers' compensation rates for group participants and foster cost-effective claims management skills.

**Notes to General Purpose Financial Statements**  
**For the Year Ended December 31, 2001**

(5) **Insurance (Continued)**

The pool provides for equity redistribution in which participants, depending upon their losses, may receive refunds for low losses resulting in savings for the pool, or incur additional contribution for high losses, which exceed the pool's rate. The City received refunds in the last three years in the following amounts:

1999	63,593
2000	52,000
2001	0

(6) **Fixed Assets**

Enterprise plant and equipment at December 31, 2001 consist of the following:

Buildings/Structures	\$457,976
Infrastructure (Water/Sewer Lines)	26,786,473
Machinery, equipment, furniture and fixtures	<u>1,730,248</u>
Subtotal	28,974,697
Less: accumulated depreciation	<u>(14,022,278)</u>
Total	<u>\$14,952,419</u>

A summary of changes in general fixed assets for the year ending December 31, 2001, follows:

	Balance January 1, 2001	<u>Additions</u>	<u>Deletions</u>	Balance December 31, 2001
Land	\$2,806,007			\$2,806,007
Buildings & Improvements	\$10,417,714			\$10,417,714
Machinery, equipment, furniture & fixtures	<u>\$9,208,579</u>	<u>\$1,427,736</u>	<u>\$461,685</u>	<u>\$10,174,630</u>
Total	\$22,432,300	\$1,427,736	\$461,685	\$23,398,351

\$659,469 of land included in the totals relates to the City's blended component unit.

**Notes to General Purpose Financial Statements**  
**For the Year Ended December 31, 2001**

**(7) Long-Term Obligations**

A summary of changes in long-term obligations for the year ended December 31, 2001, follows:

General Long-Term Obligations Account Group:	Balance January 1, 2001	<u>Additions</u>	<u>Deletions</u>	Balance December 31, 2001
Accrued vacation & sick leave	\$1,537,012	\$216,652		\$1,753,664
Installment loan payable	0	482,118	104,247	377,871
General obligations bonds	<u>\$10,917,229</u>	<u>6,820,929</u>	<u>1,333,527</u>	<u>\$16,404,631</u>
<b>Total General Long-term Obligations</b>	<u>\$12,454,241</u>	<u>\$7,519,699</u>	<u>\$1,437,774</u>	<u>\$18,536,166</u>

Additions and deletions of accrued vacation and sick leave are shown net since it is impracticable for the City to determine these amounts separately

Sick leave for all employees is recorded as a liability due to the extremely low (2%) employee turnover rate. City employees are granted vacation and sick leave in varying amounts. In the event of termination, an employee is reimbursed for accumulated vacation. In the event of retirement, an employee is also reimbursed for sick leave at varying amounts.

Bonds & Notes payable at December 31, 2001 are summarized below:

General Obligations Bonds:	Balance January 1, 2001	<u>Additions</u>	<u>Deletions</u>	Balance December 31, 2001
6.375% 2002 Municipal Building Improvements	\$100,000		50,000	50,000
6.375% Street Improvements	460,000		65,000	395,000
5.9% 2001 Street Resurfacing	100,000		100,000	0
5.9% 2001 Capital improvements	130,000		130,000	0
4.56% 2008 Sewer Improvement Bonds	290,000		30,000	260,000
4.01% 2006 Refunding Issue	5,035,000		885,000	4,150,000
4.57% 2017 Turkey Run Bonds	2,275,000		95,000	2,180,000
4.72% 2017 Voted Issue 4	4,709,988		146,952	4,563,036
4.68% Street Light Bonds	1,670,000		65,000	1,605,000
Variable 2016 Various Purpose Bonds (2.9%-4.9%)	0	2,000,000	30,000	1,970,000
Variable 2016 Infrastructure Improvement Bonds (2.98%-4.98%)	0	<u>4,820,929</u>	<u>85,000</u>	<u>4,735,929</u>
<b>Total General Obligation Bonds</b>	14,769,988	6,820,929	1,681,952	19,908,965
Ohio Public Works Commission Loans 3.5% Infrastructure Projects	<u>3,328,712</u>		<u>182,133</u>	<u>3,146,579</u>
<b>Total bonds and notes payable</b>	<u>\$18,098,700</u>	<u>6,820,929</u>	<u>1,864,085</u>	<u>23,055,544</u>

**Notes to General Purpose Financial Statements**  
**For the Year Ended December 31, 2001**

**(7) Long-Term Obligations (Continued)**

General obligation bonds and Ohio Public Works Commission (OPWC) loans are backed by the full faith and credit of the City. Principal and interest payments of general obligation bonds are made primarily through income tax and property tax or user fees. The bonds for Turkey Run and Sewer Improvement are being repaid by user fees from enterprise operations. Additionally, a portion of the bonds for Street Improvement (\$86,900) and the Refunding Issue (\$977,434) are also being repaid by such fees. The loans from the OPWC were made through the State Issue Two Program for infrastructure renovations. The principal and interest payments of the OPWC loans are made primarily from water and sewer surcharge fees.

In 2001, the City issued \$6,820,929 in general obligation debt, including issuance cost of \$42,830, at interest rates ranging from 2.9% to 4.98%. \$4,820,929 was for infrastructure improvements while \$2,000,000 was for renovating and improving the Municipal Services Building and other site improvements. Additionally, in 2001 the City entered into a financing arrangement to purchase a safety vehicle for \$482,118. The city paid a cash deposit for the construction of such vehicle in the amount of \$120,530. The financing arrangement is recorded as an installment loan and will be repaid over five years in equal installments of \$104,247. The first payment was made in October of 2001.

In 1998, the City issued \$7.54 million of Refunding Issue Bonds for the purpose of providing funds to advance refund and defease the existing Infrastructure bonds, Street Improvement, bonds, and Building Renovation bonds. The net proceeds of this issue were used to purchase U.S. government securities that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of the refunded debt. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the General Long-Term Debt Account Group. As of December 31, 2001, \$4,795,000 defeased bonds matured.

In November 1997, the citizens of Upper Arlington voted approval to issue \$10.1 million in general obligation bonds. \$5.1 million was issued in 1998. The remaining \$5 million was issued in 2001.

In 1999, the City was a conduit issuer of \$1.2 million in Individual Bonds for the Wellington School, a private school in Upper Arlington. The bonds were issued for renovation of the school. These bonds are not listed as part of the City's debt since the City has no obligation for the repayment of the debt.

**Notes to General Purpose Financial Statements**  
**For the Year Ended December 31, 2001**

**(7) Long-Term Obligations (Continued)**

The annual requirements to pay principal and interest subsequent to December 31, 2001 are as follows:

<u>Year Ending December 31:</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2002	\$1,745,272	1,044,107	2,789,379
2003	1,842,257	925,502	2,767,759
2004	1,902,643	852,884	2,755,527
2005	1,893,556	854,988	2,748,544
2006	1,842,153	795,716	2,637,869
And thereafter	14,207,534	4,522,333	18,729,867
	<u>\$23,433,415</u>	<u>8,995,530</u>	<u>32,428,945</u>

The Ohio Revised Code provides that the net debt of a municipal corporation, whether or not approved by the electors, shall not exceed 10.5% of the total value of all property in the municipal corporation as listed and assessed for taxation. In addition, the unvoted net debt of a municipal corporation cannot exceed 5.5% of the total taxation value of property.

The statutory limitations on debt are measured by a direct ratio of net debt to tax valuation and expressed in terms of a percentage. At December 31, 2001, the City's total net debt amounted to 1.78% of the total assessed value of all property within the City. The aggregate amount of the City's unvoted debt is subject to overlapping debt restrictions with Franklin County and the Upper Arlington School City. As of December 31, 2001, these entities have complied with the requirement that overlapping debt must not exceed 1% (10 mills) of assessed property value.

The City has reserved by ordinance \$5,000,000 of its unvoted net debt capacity for the purpose of funding potential self-insured losses. As of December 31, 2001, no debt had been issued for this purpose.

**(8) Segment Information-Enterprise Funds**

The City maintains four enterprise funds, which are intended to be self-supporting through user fees and surcharges for services to the public. Financial segment information as of and for the year ended December 31, 2001 is presented below:

**Notes to General Purpose Financial Statements**  
**For the Year Ended December 31, 2001**

**(8) Segment Information-Enterprise Funds (Continued)**

	Solid Waste	Water Surcharge	Sewer Surcharge	Stormwater Fund	<u>Total</u>
Operating revenue	\$1,608,683	322,848	632,288	532,081	3,095,900
Depreciation	97,799	161,826	194,712	213,251	667,588
Operating income (loss)	(2,718)	77,791	33,034	62,621	170,728
Net Income (loss)	6,712	(11,926)	5,611	93,019	93,416
Contributed capital, additions (deletions)	20,713	166,834	0	99,555	287,102
Property, plant and equipment additions	160,154	170,313	49,411	112,091	491,969
Property, plant and equipment deletions	60,034	0	16,419	0	76,453
Operating transfers-in	0	0	80,000	0	80,000
Net working capital	(66,503)	329,322	263,787	2,659,220	3,185,826
Total assets	633,994	5,564,038	5,297,170	7,013,378	18,508,580
Bonds and notes payable	0	1,865,787	2,464,995	2,320,131	6,650,913
Total liabilities	350,104	1,910,980	2,554,296	2,342,484	7,157,864
Total equity	283,890	3,653,058	2,742,874	4,670,894	11,350,716

**(9) Defined Benefit Pension Plans and Postemployment Benefits**

Substantially all non-uniformed City employees participate in a cost-sharing multiple employer Public Employee Retirement System (PERS). Police officers and firefighters participate in the Police and Firemen's Disability and Pension Fund of Ohio. All other full time employees of the City are eligible to participate in the PERS.

**(a) Retirement Plan – Safety Forces**

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

**Notes to General Purpose Financial Statements**  
**For the Year Ended December 31, 2001**

**(9) Defined Benefit Pension Plans and Postemployment Benefits (Continued)**

**(a) Retirement Plan – Safety Forces (Continued)**

**Funding Policy** – Plan members are required to contribute 10.0% of their annual covered salary, while employers are required to contribute 19.5% and 24.0% respectively for police officers and firefighters. The City's required and actual contributions to PFDPF for the years ending December 31, 2001, 2000, and 1999 were \$1,410,861, \$1,374,602 and \$1,309,613 respectively.

The employees' contributions to PFDPF for the years ended December 31, 2001, and 2000 were \$639,971 and \$716,604, respectively.

The PFDPF provides post-retirement health care coverage to any person who received or is eligible to receive a monthly benefit check or is a spouse or eligible dependent child of such person. An eligible dependent child is any child under the age of 18 whether or not the child is attending school or under the age of 22 if attending school full-time or on a two-thirds basis. The health care coverage provided by the PFDPF Retirement System is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 12. The Ohio Revised Code provides that health care cost paid from the funds of the PFDPF shall be included in the employer's contribution rate.

The Ohio Revised Code provides the statutory authority allowing the Fund's Board of Trustees to provide health care coverage to all eligible individuals. Health care funding and accounting is on a pay-as-you go basis. Currently 7.5% of covered payroll (7.25% in 2000), the Board-defined allocation, is used to pay retiree health care expenses. In addition, since July 1, 1992, most retirees have been required to contribute a portion of the cost of their health care coverage through a deduction from their monthly benefit payment.

The number of participants eligible to receive health care benefits as of December 31, 2000, the latest information available, were 12,853 for Police and 10,037 for Firefighters. The portion of the City's contributions that were used to pay post-employment benefits was approximately \$251,000 for Police and \$281,000 for Firefighters. The Fund's total health care expense for the year ending December 31, 2000 was \$106,160,054, which is net of member contributions of \$5,657,431.

**Notes to General Purpose Financial Statements**  
**For the Year Ended December 31, 2001**

**(9) Defined Benefit Pension Plans and Postemployment Benefits (Continued)**

**(b) Retirement Plan – General Employees**

**Plan Description** – All other full time employees of the City are eligible to participate in the Public Employees Retirement System of Ohio (PERS), a cost sharing multiple employer defined benefit pension plan. PERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan member beneficiaries. Chapter 145 of the Ohio Revised Code assigns the authority to establish and amend benefit provisions. PERS issues a stand-alone, publicly available comprehensive annual financial report, which includes financial statements and required supplementary information for PERS. This report may be obtained by writing to Public Employees Retirement System of Ohio, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 466-2085 or 1-800-222-PERS (7377).

**Funding Policy** – The Retirement Board instituted a temporary employer contribution rate rollback of 20% for calendar year 2000. The decision to rollback was based on a December 31, 1998 actuarial study, which indicated that actuarial assets exceed actuarial liabilities. The City and covered employees contributed at actuarially determined rates for 2001, 13.55% and 8.5%, respectively, of covered employee payroll to PERS. During 2001 and 2000, 4.3% of the City's contribution was used to fund post-employment health care benefits, available to retirees with at least ten-years of service credit.

Chapter 145 of the Ohio Revised Code assigns authority of the PERS Board to amend the funding policy. The City's required and actual contributions to PERS for the years ended December 31, 2001, 2000, 1999, and were \$936,820, \$812,712 and \$882,517 respectively.

The City's employees' contributions to PERS for the years ended December 31, 2001, and 2000 were \$594,898 and \$593,242, respectively. PERS also provides post-retirement health care coverage to age and service retirants with ten or more years of qualifying Ohio service credit and to primary survivor recipients of such retirants.

Health care coverage for disability recipients is available. The health care coverage provided by the PERS is considered an Other Postemployment Benefits (OPEB) as described in GASB Statement No. 12. A portion of each employer's contribution to PERS is set aside for the funding of post-retirement health care. The Ohio Revised Code provides the statutory authority requiring public employers to fund post-retirement health care through their contributions to PERS. The 2001 employer contribution rate was 13.55% of covered payroll; 4.3% was the portion that was used to fund health care for the year 2001.

**Notes to General Purpose Financial Statements**

**For the Year Ended December 31, 2001**

**(9) Defined Benefit Pension Plans and Postemployment Benefits (Continued)**

**(b) Retirement Plan – General Employees (Continued)**

OPEB are financed through employer contributions and investment earnings. The contributions allocated to retiree health care, along with investment income on allocated assets and periodic adjustments in health care provisions are expected to be sufficient to sustain the program indefinitely. The following assumptions and calculations are based on the system's latest Actuarial Review performed as of December 31, 2000:

Funding Method – an entry age normal actuarial cost method of valuation is used in determining the present value of OPEB. The difference between assumed and actual experience (actuarial gains and losses) becomes part of unfunded actuarial accrued liability; Assets Valuation Method – All investments are carried at market value. For actuarial valuation purposes, a smoothed market approach is used. Under this approach, assets are adjusted to reflect 25% of unrealized market appreciation or depreciation in investment assets; Investment Return – The investment assumption rate for 1999 was 7.5%; Active Employee Total Payroll – An annual increase of 4.75% compounded annually, is the base portion of the individual pay increase assumption. This assumes no change in number of active employees. Additionally, annual pay increases, over and above 4.75% base increase were assumed to range from 0.54% to 5.1%; and Health Care – Health care costs were assumed to increase 4.75% annually.

The portion of the City's contributions that were used to pay post-employment benefits was approximately \$370,000. As of December 31, 2000, the net assets available for future OPEB payments were \$11,735,900. The number of benefit recipients eligible for OPEB at December 31, 2000 was 411,076.

During 1997, PERS adopted a new calculation method for determining employer contributions applied to OPEB. Under the new method, effective January 1, 1999, employer contributions equal to 4.3% of member covered payroll, are used to fund health care expenses. Under the prior method, accrued liabilities and normal cost rates were determined for retiree health care coverage.

**(10) Due to/from Other Funds**

At December 31, 2001, the City had a total of \$105,471 in Due to/from Other Funds, as follows:

	<u>Due From</u>	<u>Due To</u>
Internal Service Fund:		
Employee Benefit Fund	\$10,536	
General Fund:		
General Operating Account		\$10,536
<b>TOTAL</b>	<b>\$10,536</b>	<b>\$10,536</b>

**Notes to General Purpose Financial Statements**  
**For the Year Ended December 31, 2001**

**(11) Income Taxes**

The City levies a tax of 2% on substantially all income earned within the City. In addition, residents of the City are required to pay City income tax on income they earn outside the City. However, a credit is allowed for income taxes paid to other municipalities.

Employers within the City are required to withhold income tax on employee compensation and remit this tax at least quarterly. Corporation and other individual taxpayers are required to pay their estimated tax quarterly and file a declaration annually.

**(12) Property Taxes**

Property taxes include amounts levied against all real, public utility and tangible (used in business) property located in the City. All property taxes are collected on behalf of the City by Franklin County. Due and collection dates, as established by Franklin County, were January 20, 2001 and June 20, 2001 for those taxes due during 2001.

Real property taxes collected during 2001 had lien and levy dates of January 1, 2000 and December 31, 2000, respectively. Real property taxes with 2001 levy dates are recorded as receivables and deferred revenue at the end of 2001. Assessed values are established by State law at 35% of appraised market value. A revaluation of all property is required to be completed no less than every six years. The last revaluation was completed in December 1996. Public utility property taxes are assessed on tangible personal property, as well as land and improvements, at true value (normally 50% of cost). Tangible personal property assessments are 25% of true value.

The assessed value, upon which the 2000 levy was based, was as follows:

Real estate	\$1,059,006,540
Public utility	\$ 18,982,270
Tangible personal	\$ 29,031,195
<b>Total</b>	<b>\$1,107,020,005</b>

Ohio law prohibits taxation of property from all taxing authorities in excess of 1% of assessed value without a vote of the people. Under current procedures, the City's share is .2% (2 mills) of assessed value. Increases in the property tax rate are restricted only by voter willingness to approve such increases. The voters passed two such issues in 1997. In March 1997, a 1-mill replacement levy to fund the Police and Firemen pensions was approved. In November 1997, a .84 mill property tax was passed to provide the issuance of \$10 million of bonds for infrastructure improvements. Total 2000 tax rate for the City for collection in 2001 was 6.39 mills including the voted increases. No property tax increases were passed by the voters in 2001.

**Notes to General Purpose Financial Statements**  
**For the Year Ended December 31, 2001**

**(12) Property Taxes (Continued)**

The County Treasurer collects property taxes on behalf of all taxing cities in the county including the City of Upper Arlington. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes may be paid on either an annual or a semi-annual basis.

**(13) Contingencies**

The City is a defendant in a number of lawsuits pertaining to matters which are incidental to performing routine governmental functions. City management is of the opinion that ultimate settlement of such claims will not result in a material adverse effect on the City's financial position as of December 31, 2001.

**(14) Individual Fund Disclosures**

The following fund had a deficit retained earnings at December 31, 2001:

Solid Waste Fund	\$1,025,182
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This deficit reflects the accrual of liabilities required by accounting principles generally accepted in the United States of America. This fund has a positive budgetary fund balance as required by Ohio law.

**Notes to General Purpose Financial Statements**  
**For the Year Ended December 31, 2001**

**(15) Budget Basis of Accounting**

Adjustments necessary to convert the results of operations and fund balances at end of year on the GAAP basis to the budget basis are as follows:

Excess (deficiency) of Revenues and Other Financing Sources over  
Expenditures and Other Uses

	General Fund	Special Revenue Fund Types	Debt Service Fund Types	Capital Projects Fund Types	Totals
GAAP Basis	\$3,851,732	201,643	1,005	9,656,570	13,710,950
Increase (decrease):					
Due to revenues:					
Received in cash during year but already accrued as Receivables (GAAP) at December 31, 2000	9,469,845	988,864	569,772	7,153	11,035,634
Accrued as receivables at December 31, 2001 but not Recognized in budget	(15,030,161)	(1,347,026)	(571,130)	(28,269)	(16,976,586)
Due to encumbrances:					
Expenditures of amounts Encumbered during year Ended December 31, 2000	682,160	160,420	-	1,081,284	1,923,864
Recognized as expenditures In budget	(1,018,105)	(290,090)	-	(3,459,179)	(4,767,374)
Due to expenditures:					
Accrued as liabilities At December 31, 2000, but not recognized in budget	(7,785,880)	(826,999)	(532,572)	(556,686)	(9,702,137)
Accrued as liabilities at December 31, 2001	12,477,768	1,357,783	444,479	970,317	15,250,347
Other assets	(124,223)	(24,104)	-	-	(148,327)
Net (increase) decrease in fair value of investments not recognized in budget	(229,095)	(7,293)	-	(95,821)	(332,209)
Funds not budgeted	(377,871)	(17,303)			(395,174)
<b>Budget Basis</b>	<b><u>1,916,170</u></b>	<b><u>195,895</u></b>	<b><u>(88,446)</u></b>	<b><u>7,575,369</u></b>	<b><u>9,598,988</u></b>

**Notes to General Purpose Financial Statements**  
**For the Year Ended December 31, 2001**

**(16) GASB Statement's No. 33 and 36**

In fiscal year 2001, the City implemented GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions* and GASB Statement No. 36, *Reporting for Certain Shared Nonexchange Revenues*. These statements require the recognition of nonexchange transactions in the financial statements unless the transactions are not measurable (reasonably estimable) nor probable of collection. As a result, the following beginning receivable balances have been restated:

	General Fund	Special Revenue Fund
Receivables as previously reported	\$9,469,845	988,864
Restatements for GASB 33 & 36:		
Local Government Support Fund receivable	1,108,000	-
Motor vehicle tax receivable	-	409,000
Income tax receivable	472,100	-
Estate tax receivable	950,000	-
Receivables as restated	\$11,999,945	1,397,864

Additionally, the related deferred revenue account was appropriately restated to reflect the fact that the aforementioned amounts were measurable but not available to meet current financial needs.

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

## **GENERAL FUND**

The General Fund receives funds which are not accounted for in any other fund of the City. The revenues are used to finance the general operations of the City.

### **GENERAL FUND ACCOUNTS**

Due to legal requirements, activities of the General Fund are accounted for in the following accounts:

#### **GENERAL OPERATING ACCOUNT**

This account is used for revenues that are not restricted as to use, and funds the general operations of the City.

#### **CAPITAL ASSET MANAGEMENT ACCOUNT**

Codified Ordinance Section 211.01 provides that 13 1/3% of net income tax collections are to be used only for the payment of obligations incurred in connection with the City's capital improvements program or for the payment of interest and principal of bonds and notes issued by the City.

#### **POLICE AND FIRE PENSION ACCOUNT**

One and six-tenths of a mill of the property tax has been set aside for the purpose of paying police and fire pensions. In accordance with state law, the funds are required to be placed in a separate account. Transfers are made to the General Operating Account to pay the cost of pensions.

#### **CAPITAL IMPROVEMENTS ACCOUNT**

The City's Charter provides that one-half mill of the property tax be used for the City's capital improvement program.

#### **SELF-INSURED LOSS ACCOUNT**

By ordinance, City Council has established this account in order to provide for a reserve to fund losses as a result of assuming the risk for general liabilities. Transfers are periodically made to the account from the General Operating Account.

**GENERAL FUND  
COMPARATIVE BALANCE SHEET  
December 31, 2001 and 2000**

	<u>2001</u>	<u>2000</u>
<b><u>ASSETS:</u></b>		
Equity in pooled cash and investments	\$ 20,946,854	18,907,059
Receivables	15,030,161	11,999,945
Other assets	120,530	
Inventory	102,584	98,891
<b>TOTAL ASSETS</b>	<b><u>36,200,129</u></b>	<b><u>31,005,895</u></b>
<b><u>LIABILITIES:</u></b>		
Accounts payable	278,694	257,868
Due To Other Funds	10,536	105,471
Deferred revenue	11,253,591	9,076,785
Accrued liabilities	770,030	1,491,730
Accrued vacation and sick leave	164,917	203,412
<b>TOTAL LIABILITIES</b>	<b><u>12,477,768</u></b>	<b><u>11,135,266</u></b>
<b><u>FUND EQUITY:</u></b>		
Fund balances:		
Reserved for inventory and other assets	223,114	98,891
Reserved for encumbrances	896,750	445,201
Reserved for general liability self insurance	1,726,960	1,868,374
Reserved for capital equipment, debt service and improvements	3,239,592	2,731,876
Unreserved	17,635,945	14,726,287
<b>TOTAL FUND EQUITY</b>	<b><u>23,722,361</u></b>	<b><u>19,870,629</u></b>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b><u>\$ 36,200,129</u></b>	<b><u>31,005,895</u></b>

**GENERAL FUND**  
**COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCE**  
**For the Fiscal Years Ended December 31, 2001 and 2000**

	<u>2001</u>	<u>2000</u>
<b><u>REVENUES:</u></b>		
Income tax	\$ 13,877,775	11,776,958
Property taxes	6,901,592	6,824,923
Intergovernmental	2,687,723	2,622,151
Estate tax	4,261,767	3,895,389
Charges for services	542,664	527,271
Investment earnings	1,281,910	1,291,730
Net Increase (Decrease) in Fair Value of Investments	229,095	418,590
Fines and forfeits	336,795	350,654
Licenses and permits	306,492	333,064
Miscellaneous	1,195,876	1,233,776
Total revenues	<u>31,621,689</u>	<u>29,274,506</u>
<b><u>EXPENDITURES:</u></b>		
Current:		
Public safety	10,677,421	9,892,547
General government	6,364,708	6,269,591
Public services	1,041,408	879,039
Parks and recreation	2,005,221	1,720,499
Community development	601,614	492,099
Capital outlay	1,114,084	1,961,081
Debt Service:		
Principal retirement	104,247	0
Total expenditures	<u>21,908,703</u>	<u>21,214,856</u>
Excess of revenues over expenditures	<u>9,712,986</u>	<u>8,059,650</u>
<b><u>OTHER FINANCING SOURCES (USES)</u></b>		
Proceeds from installment loan	482,118	0
Operating transfers-in	161,581	141,568
Operating transfers-out	(6,504,953)	(6,228,099)
Total other financing sources (uses)	<u>(5,861,254)</u>	<u>(6,086,531)</u>
Excess of revenues and other financing sources over expenditures and other uses	3,851,732	1,973,119
Fund balances at beginning of year	<u>19,870,629</u>	<u>17,897,510</u>
Fund balances at end of year	<u>\$ 23,722,361</u>	<u>19,870,629</u>

**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL - BUDGET BASIS**  
**For the Fiscal Year Ended December 31, 2001**

	2001				2000
	Adopted Budget	Revised Budget	Actual	Variance	Actual
<b>REVENUES:</b>					
Income tax	\$ 11,303,499	13,250,000	13,392,555	142,555	11,974,081
Property taxes	6,490,682	6,496,401	6,499,920	3,519	6,522,785
Intergovernmental	2,503,886	2,503,886	2,684,750	180,864	2,597,547
Estate tax	2,100,000	4,000,000	4,080,219	80,219	6,514,578
Charges for services	500,000	500,000	542,664	42,664	527,271
Investment earnings	942,515	1,233,745	1,375,147	141,402	1,326,966
Fines and forfeits	335,000	335,000	345,936	10,936	349,873
Licenses and permits	500,000	500,000	490,693	(9,307)	333,064
Miscellaneous	159,000	234,000	360,817	126,817	534,236
Reimbursements	220,000	980,943	936,009	(44,934)	434,047
<b>Total revenues</b>	<b>25,054,582</b>	<b>30,033,975</b>	<b>30,708,710</b>	<b>674,735</b>	<b>31,114,448</b>
<b>EXPENDITURES:</b>					
Current:					
Public safety	10,715,461	10,878,687	10,728,573	150,114	10,612,189
General government	6,356,956	7,227,401	6,699,959	527,442	7,160,775
Public services	1,114,174	1,138,819	1,042,387	96,432	993,418
Parks and recreation	1,975,791	2,165,351	2,022,431	142,920	1,879,995
Community development	607,620	603,545	595,918	7,627	525,563
Capital outlay	1,258,085	1,644,248	1,404,226	240,022	1,543,607
<b>Total expenditures</b>	<b>22,028,087</b>	<b>23,658,051</b>	<b>22,493,494</b>	<b>1,164,557</b>	<b>22,715,547</b>
<b>Excess of revenues over expenditures</b>	<b>3,026,495</b>	<b>6,375,924</b>	<b>8,215,216</b>	<b>1,839,292</b>	<b>8,398,901</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
Proceeds from sale of fixed assets			35,519	35,519	
Operating transfers-in			161,581	161,581	1,925,068
Operating transfers-out	(2,738,399)	(6,496,146)	(6,496,146)		(8,041,050)
<b>Total other financing sources (uses)</b>	<b>(2,738,399)</b>	<b>(6,496,146)</b>	<b>(6,299,046)</b>	<b>197,100</b>	<b>(6,115,982)</b>
<b>Excess (deficiency) of revenues and other financing sources over expenditures and other uses</b>	<b>288,096</b>	<b>(120,222)</b>	<b>1,916,170</b>	<b>2,036,392</b>	<b>2,282,919</b>
Fund balances at beginning of year	17,391,381	17,391,381	17,391,381		14,907,302
Lapsed encumbrances	39,318	39,318	39,318		201,160
<b>Fund balances at end of year</b>	<b>\$ 17,718,795</b>	<b>17,310,477</b>	<b>19,346,869</b>	<b>2,036,392</b>	<b>17,391,381</b>

**ALL GENERAL FUND ACCOUNTS  
COMBINING BALANCE SHEET  
December 31, 2001**

	General Operating Account	Capital Asset Management Account	Police and Fire Pension Account
<b><u>ASSETS:</u></b>			
Equity in pooled cash and investments	\$ 15,728,771	2,159,699	4,855
Receivables	12,553,395	264,868	1,657,213
Inventory	102,584		
Other assets			
	<hr/>	<hr/>	<hr/>
<b>TOTAL ASSETS</b>	<b>28,384,750</b>	<b>2,424,567</b>	<b>1,662,068</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<b><u>LIABILITIES:</u></b>			
Accounts payable	241,682		
Due to other funds	10,536		
Deferred revenue	9,380,561		1,407,241
Accrued liabilities	770,030		
Accrued vacation and sick leave	164,917		
	<hr/>	<hr/>	<hr/>
<b>TOTAL LIABILITIES</b>	<b>10,567,726</b>	<b>0</b>	<b>1,407,241</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<b><u>FUND EQUITY:</u></b>			
Fund balances:			
Reserved for inventory and other assets	102,584		
Reserved for encumbrances	378,002		
Reserved for self insurance			
Reserved for capital equipment, debt service and improvements		2,424,567	
Unreserved	17,336,438		254,827
	<hr/>	<hr/>	<hr/>
<b>TOTAL FUND EQUITY</b>	<b>17,817,024</b>	<b>2,424,567</b>	<b>254,827</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$ 28,384,750</b>	<b>2,424,567</b>	<b>1,662,068</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

<u>Capital Improvements Account</u>	<u>Self-Insured Loss Account</u>	<u>Communication &amp; Technology Account</u>	<u>Total</u>
1,234,742	1,724,432	94,355	20,946,854
549,150	5,535		15,030,161
120,530			102,584
<u>1,904,422</u>	<u>1,729,967</u>	<u>94,355</u>	<u>36,200,129</u>
34,005	3,007		278,694
465,789			10,536
			11,253,591
			770,030
			164,917
<u>499,794</u>	<u>3,007</u>	<u>0</u>	<u>12,477,768</u>
120,530			223,114
469,073		49,675	896,750
	1,726,960		1,726,960
815,025			3,239,592
		44,680	17,635,945
<u>1,404,628</u>	<u>1,726,960</u>	<u>94,355</u>	<u>23,722,361</u>
<u>1,904,422</u>	<u>1,729,967</u>	<u>94,355</u>	<u>36,200,129</u>

**ALL GENERAL FUND ACCOUNTS  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN ACCOUNT BALANCES  
For the Fiscal Year Ended December 31, 2001**

	<u>General Operating Account</u>	<u>Capital Asset Management Account</u>	<u>Police and Fire Pension Account</u>
<b><u>REVENUES:</u></b>			
Income tax	\$ 12,027,418	1,850,357	
Property taxes	4,550,021		1,765,768
Intergovernmental	2,687,723		
Estate tax	4,261,767		
Charges for services	542,664		
Investment earnings	1,202,042		
Net Increase in fair value of investments	206,471		
Fines and forfeits	336,795		
Licenses and permits	306,492		
Miscellaneous	1,113,286		
	<hr/>	<hr/>	<hr/>
Total revenues	<u>27,234,679</u>	<u>1,850,357</u>	<u>1,765,768</u>
<b><u>EXPENDITURES:</u></b>			
Current:			
Public safety	10,677,421		
General government	6,120,802		
Public services	1,041,408		
Parks and recreation	2,005,221		
Community development	594,960	6,654	
Capital outlay			
Debt Service:			
Principal Retirement			
	<hr/>	<hr/>	<hr/>
Total expenditures	<u>20,439,812</u>	<u>6,654</u>	<u>0</u>
Excess of revenues over expenditures	<u>6,794,867</u>	<u>1,843,703</u>	<u>1,765,768</u>
<b><u>OTHER FINANCING SOURCES (USES):</u></b>			
Proceeds from installment loan			
Operating transfers-in	161,581		
Operating transfers-out	(5,227,031)	(1,277,922)	
Interaccount transfers-in	1,654,341		
Interaccount transfers-out	(347,038)		(1,654,341)
	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	<u>(3,758,147)</u>	<u>(1,277,922)</u>	<u>(1,654,341)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	3,036,720	565,781	111,427
Fund balances at beginning of year	14,780,304	1,858,786	143,400
Fund balances at end of year	<u>\$ 17,817,024</u>	<u>2,424,567</u>	<u>254,827</u>

Capital Improvements Account	Self-Insured Loss Account	Communication & Technology Account	Total
			13,877,775
585,803			6,901,592
			2,687,723
			4,261,767
			542,664
	79,868		1,281,910
	22,624		229,095
			336,795
			306,492
2,190		80,400	1,195,876
587,993	102,492	80,400	31,621,689
			10,677,421
	243,906		6,364,708
			1,041,408
			2,005,221
			601,614
1,055,539		58,545	1,114,084
104,247			104,247
1,159,786	243,906	58,545	21,908,703
(571,793)	(141,414)	21,855	9,712,986
			482,118
482,118			161,581
			(6,504,953)
274,538		72,500	2,001,379
			(2,001,379)
756,656	0	72,500	(5,861,254)
184,863	(141,414)	94,355	3,851,732
1,219,765	1,868,374	0	19,870,629
1,404,628	1,726,960	94,355	23,722,361

**ALL GENERAL FUND ACCOUNTS  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN ACCOUNT BALANCES  
BUDGET AND ACTUAL - BUDGET BASIS  
For the Fiscal Year Ended December 31, 2001**

	General Operating Account			
	Adopted Budget	Revised Budget	Actual	Variance
<b>REVENUES:</b>				
Income tax	\$ 9,796,366	11,500,000	11,606,895	106,895
Property taxes	4,283,000	4,283,000	4,290,641	7,641
Intergovernmental	2,503,886	2,503,886	2,684,750	180,864
Estate tax	2,100,000	4,000,000	4,080,219	80,219
Charges for services	500,000	500,000	542,664	42,664
Investment earnings	869,250	1,144,290	1,284,852	140,562
Fines and forfeits	335,000	335,000	345,936	10,936
Licenses and permits	500,000	500,000	490,693	(9,307)
Miscellaneous	105,000	180,000	280,417	100,417
Reimbursements	220,000	978,799	933,819	(44,980)
Total revenues	<u>21,212,502</u>	<u>25,924,975</u>	<u>26,540,886</u>	<u>615,911</u>
<b>EXPENDITURES:</b>				
Current:				
Public safety	10,715,461	10,878,687	10,728,573	150,114
General government	6,256,956	6,974,347	6,456,043	518,304
Public services	1,114,174	1,138,819	1,042,387	96,432
Parks and recreation	1,975,791	2,165,351	2,022,431	142,920
Community development	607,620	603,545	595,918	7,627
Capital outlay				
Total expenditures	<u>20,670,002</u>	<u>21,760,749</u>	<u>20,845,352</u>	<u>915,397</u>
Excess (deficiency) of revenues over expenditures	<u>542,500</u>	<u>4,164,226</u>	<u>5,695,534</u>	<u>1,531,308</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from sale of fixed assets			35,519	35,519
Operating transfers-in			161,581	161,581
Operating transfers-out	(1,530,190)	(5,218,224)	(5,218,224)	
Interaccount transfers-in	1,658,607	1,658,607	1,654,341	(4,266)
Interaccount transfers-out	(324,538)	(347,038)	(347,038)	
Total other financing sources (uses)	<u>(196,121)</u>	<u>(3,906,655)</u>	<u>(3,713,821)</u>	<u>192,834</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	346,379	257,571	1,981,713	1,724,142
Fund balances at beginning of year	13,044,965	13,044,965	13,044,965	
Lapsed encumbrances	36,914	36,914	36,914	
Fund balances at end of year	<u>\$ 13,428,258</u>	<u>13,339,450</u>	<u>15,063,592</u>	<u>1,724,142</u>

Capital Asset Management Account				Police and Fire Pension Account			
Adopted Budget	Revised Budget	Actual	Variance	Adopted Budget	Revised Budget	Actual	Variance
1,507,133	1,750,000	1,785,660	35,660	1,658,607	1,664,326	1,659,197	(5,129)
<u>1,507,133</u>	<u>1,750,000</u>	<u>1,785,660</u>	<u>35,660</u>	<u>1,658,607</u>	<u>1,664,326</u>	<u>1,659,197</u>	<u>(5,129)</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>1,507,133</u>	<u>1,750,000</u>	<u>1,785,660</u>	<u>35,660</u>	<u>1,658,607</u>	<u>1,664,326</u>	<u>1,659,197</u>	<u>(5,129)</u>
<u>(1,208,209)</u>	<u>(1,277,922)</u>	<u>(1,277,922)</u>		<u>(1,658,607)</u>	<u>(1,658,607)</u>	<u>(1,654,341)</u>	<u>4,266</u>
<u>(1,208,209)</u>	<u>(1,277,922)</u>	<u>(1,277,922)</u>	<u>0</u>	<u>(1,658,607)</u>	<u>(1,658,607)</u>	<u>(1,654,341)</u>	<u>4,266</u>
298,924	472,078	507,738	35,660	0	5,719	4,856	(863)
1,651,732 227	1,651,732 227	1,651,732 227					
<u>1,950,883</u>	<u>2,124,037</u>	<u>2,159,697</u>	<u>35,660</u>	<u>0</u>	<u>5,719</u>	<u>4,856</u>	<u>(863)</u>

**ALL GENERAL FUND ACCOUNTS  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES  
 AND CHANGES IN ACCOUNT BALANCES  
 BUDGET AND ACTUAL - BUDGET BASIS  
 For the Fiscal Year Ended December 31, 2001**

	Capital Improvements Account			
	Adopted Budget	Revised Budget	Actual	Variance
<b>REVENUES:</b>				
Income tax	\$			
Property taxes	549,075	549,075	550,082	1,007
Intergovernmental				
Estate tax				
Charges for services				
Investment earnings				
Fines and forfeits				
Licenses and permits				
Miscellaneous				
Reimbursements		2,144	2,190	46
Total revenues	549,075	551,219	552,272	1,053
<b>EXPENDITURES:</b>				
Current:				
Public safety				
General government				
Public services				
Parks and recreation				
Community development				
Capital outlay	1,154,085	1,517,748	1,296,006	221,742
Total expenditures	1,154,085	1,517,748	1,296,006	221,742
Excess (deficiency) of revenues over expenditures	(605,010)	(966,529)	(743,734)	222,795
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from sale of fixed assets				
Operating transfers-in				
Operating transfers-out				
Interaccount transfers-in	274,538	274,538	274,538	
Interaccount transfers-out				
Total other financing sources (uses)	274,538	274,538	274,538	0
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	(330,472)	(691,991)	(469,196)	222,795
Fund balances at beginning of year	839,254	839,254	839,254	
Lapsed encumbrances	2,177	2,177	2,177	
Fund balances at end of year	\$ 510,959	149,440	372,235	222,795

Self-Insured Loss Account				Communications and Technology Account			
Adopted Budget	Revised Budget	Actual	Variance	Adopted Budget	Revised Budget	Actual	Variance
73,265	89,455	90,295	840				
				54,000	54,000	80,400	26,400
<u>73,265</u>	<u>89,455</u>	<u>90,295</u>	<u>840</u>	<u>54,000</u>	<u>54,000</u>	<u>80,400</u>	<u>26,400</u>
100,000	253,054	243,916	9,138				
				104,000	126,500	108,220	18,280
<u>100,000</u>	<u>253,054</u>	<u>243,916</u>	<u>9,138</u>	<u>104,000</u>	<u>126,500</u>	<u>108,220</u>	<u>18,280</u>
<u>(26,735)</u>	<u>(163,599)</u>	<u>(153,621)</u>	<u>9,978</u>	<u>(50,000)</u>	<u>(72,500)</u>	<u>(27,820)</u>	<u>44,680</u>
				50,000	72,500	72,500	
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>50,000</u>	<u>72,500</u>	<u>72,500</u>	<u>0</u>
(26,735)	(163,599)	(153,621)	9,978	0	0	44,680	44,680
1,855,430	1,855,430	1,855,430		0	0	0	
<u>1,828,695</u>	<u>1,691,831</u>	<u>1,701,809</u>	<u>9,978</u>	<u>0</u>	<u>0</u>	<u>44,680</u>	<u>44,680</u>

(continued)

**ALL GENERAL FUND ACCOUNTS  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN ACCOUNT BALANCES  
BUDGET AND ACTUAL - BUDGET BASIS  
For the Fiscal Year Ended December 31, 2001**

	Total			
	Adopted Budget	Revised Budget	Actual	Variance
<b>REVENUES:</b>				
Income tax	\$ 11,303,499	13,250,000	13,392,555	142,555
Property taxes	6,490,682	6,496,401	6,499,920	3,519
Intergovernmental	2,503,886	2,503,886	2,684,750	180,864
Estate tax	2,100,000	4,000,000	4,080,219	80,219
Charges for services	500,000	500,000	542,664	42,664
Investment earnings	942,515	1,233,745	1,375,147	141,402
Fines and forfeits	335,000	335,000	345,936	10,936
Licenses and permits	500,000	500,000	490,693	(9,307)
Miscellaneous	159,000	234,000	360,817	126,817
Reimbursements	220,000	980,943	936,009	(44,934)
<b>Total revenues</b>	<u>25,054,582</u>	<u>30,033,975</u>	<u>30,708,710</u>	<u>674,735</u>
<b>EXPENDITURES:</b>				
Current:				
Public safety	10,715,461	10,878,687	10,728,573	150,114
General government	6,356,956	7,227,401	6,699,959	527,442
Public services	1,114,174	1,138,819	1,042,387	96,432
Parks and recreation	1,975,791	2,165,351	2,022,431	142,920
Community development	607,620	603,545	595,918	7,627
Capital outlay	1,258,085	1,644,248	1,404,226	240,022
<b>Total expenditures</b>	<u>22,028,087</u>	<u>23,658,051</u>	<u>22,493,494</u>	<u>1,164,557</u>
Excess (deficiency) of revenues over expenditures	<u>3,026,495</u>	<u>6,375,924</u>	<u>8,215,216</u>	<u>1,839,292</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from sale of fixed assets	0	0	35,519	35,519
Operating transfers-in	0	0	161,581	161,581
Operating transfers-out	(2,738,399)	(6,496,146)	(6,496,146)	0
Interaccount transfers-in	1,983,145	2,005,645	2,001,379	(4,266)
Interaccount transfers-out	(1,983,145)	(2,005,645)	(2,001,379)	4,266
<b>Total other financing sources (uses)</b>	<u>(2,738,399)</u>	<u>(6,496,146)</u>	<u>(6,299,046)</u>	<u>197,100</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	288,096	(120,222)	1,916,170	2,036,392
Fund balances at beginning of year	17,391,381	17,391,381	17,391,381	
Lapsed encumbrances	39,318	39,318	39,318	
<b>Fund balances at end of year</b>	<u>\$ 17,718,795</u>	<u>17,310,477</u>	<u>19,346,869</u>	<u>2,036,392</u>



CITY OF | **UPPER ARLINGTON**

**GENERAL OPERATING ACCOUNT  
SCHEDULE OF EXPENDITURES  
BUDGET AND ACTUAL - BUDGET BASIS  
For the Fiscal Year Ended December 31, 2001**

	<u>Adopted Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance</u>
<b><u>PUBLIC SAFETY</u></b>				
Police Department				
Personal services	\$ 4,761,179	4,803,447	4,684,608	118,839
Other than personal services	239,000	250,200	221,538	28,662
Total Police Department	<u>5,000,179</u>	<u>5,053,647</u>	<u>4,906,146</u>	<u>147,501</u>
Fire Department				
Personal services	5,481,722	5,582,329	5,581,137	1,192
Other than personal services	233,560	242,711	241,290	1,421
Total Fire Department	<u>5,715,282</u>	<u>5,825,040</u>	<u>5,822,427</u>	<u>2,613</u>
<b>TOTAL PUBLIC SAFETY</b>	10,715,461	10,878,687	10,728,573	150,114
<b><u>GENERAL GOVERNMENT</u></b>				
Department of Public Services				
Personal services	588,251	586,982	585,669	1,313
Other than personal services	212,000	228,300	224,785	3,515
Total Department of Public Services	<u>800,251</u>	<u>815,282</u>	<u>810,454</u>	<u>4,828</u>
City Manager				
Personal services	681,983	691,601	686,366	5,235
Other than personal services	199,300	195,750	155,513	40,237
Total City Manager	<u>881,283</u>	<u>887,351</u>	<u>841,879</u>	<u>45,472</u>
Finance Department				
Personal services	603,976	600,043	590,045	9,998
Other than personal services	108,000	108,000	99,742	8,258
Total Finance Department	<u>711,976</u>	<u>708,043</u>	<u>689,787</u>	<u>18,256</u>
City Council				
Personal services	35,808	38,808	38,671	137
Other than personal services	8,000	5,000	4,883	117
Total City Council	<u>43,808</u>	<u>43,808</u>	<u>43,554</u>	<u>254</u>
City Clerk				
Personal services	270,499	268,752	266,913	1,839
Other than personal services	7,500	9,500	8,573	927
Total City Clerk	<u>277,999</u>	<u>278,252</u>	<u>275,486</u>	<u>2,766</u>
City Attorney				
Personal services	517,408	514,786	490,669	24,117
Other than personal services	39,250	39,250	38,533	717
Total City Attorney	<u>556,658</u>	<u>554,036</u>	<u>529,202</u>	<u>24,834</u>

**GENERAL OPERATING ACCOUNT  
SCHEDULE OF EXPENDITURES  
BUDGET AND ACTUAL - BUDGET BASIS  
For the Fiscal Year Ended December 31, 2001**

	Adopted Budget	Revised Budget	Actual	Variance
Mayor's Court				
Personal services	\$ 115,421	114,547	113,129	1,418
Other than personal services	202,825	186,927	102,604	84,323
Total Mayor's Court	318,246	301,474	215,733	85,741
Facilities Maintenance				
Personal services	123,327	121,580	107,918	13,662
Other than personal services	780,875	967,805	893,150	74,655
Total Facilities Maintenance	904,202	1,089,385	1,001,068	88,317
Data Processing				
Personal services	294,533	282,041	274,502	7,539
Other than personal services	252,000	329,725	328,955	770
Total Data Processing	546,533	611,766	603,457	8,309
General Administration				
Personal services	326,000	121,000	104,082	16,918
Other than personal services	890,000	1,563,950	1,341,341	222,609
Total General Administration	1,216,000	1,684,950	1,445,423	239,527
<b>TOTAL GENERAL GOVERNMENT</b>	6,256,956	6,974,347	6,456,043	518,304
<b><u>PUBLIC SERVICES</u></b>				
Department of Public Services				
Personal services	\$ 1,069,749	1,088,195	1,001,785	86,410
Other than personal services	44,425	50,624	40,602	10,022
Total Department of Public Services	1,114,174	1,138,819	1,042,387	96,432
<b>TOTAL PUBLIC SERVICES</b>	1,114,174	1,138,819	1,042,387	96,432
<b><u>PARKS AND RECREATION</u></b>				
Parks and Recreation Department				
Personal services	1,485,541	1,495,154	1,407,330	87,824
Other than personal services	490,250	670,197	615,101	55,096
Total Parks and Recreation Department	1,975,791	2,165,351	2,022,431	142,920
<b>TOTAL PARKS AND RECREATION</b>	1,975,791	2,165,351	2,022,431	142,920
<b><u>COMMUNITY DEVELOPMENT</u></b>				
Department of Development				
Personal services	532,320	531,424	529,994	1,430
Other than personal services	75,300	72,121	65,924	6,197
Total Department of Development	607,620	603,545	595,918	7,627
<b>TOTAL COMMUNITY DEVELOPMENT</b>	607,620	603,545	595,918	7,627
<b>TOTAL EXPENDITURES</b>	\$ 20,670,002	21,760,749	20,845,352	915,397

**CAPITAL ASSET MANAGEMENT FUND  
SCHEDULE OF EXPENDITURES  
BUDGET AND ACTUAL - BUDGET BASIS  
For the Fiscal Year Ended December 31, 2001**

	<u>Adopted Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance</u>
<b><u>CAPITAL OUTLAY</u></b>				
Department of Public Service				
Capital Outlay	\$			0
Total Department of Public Service	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL CAPITAL OUTLAY</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL EXPENDITURES</b>	<u>\$ 0</u>	<u>0</u>	<u>0</u>	<u>0</u>

**CAPITAL IMPROVEMENTS ACCOUNT  
SCHEDULE OF EXPENDITURES  
BUDGET AND ACTUAL - BUDGET BASIS  
For the Fiscal Year Ended December 31, 2001**

	Adopted Budget	Revised Budget	Actual	Variance
<b><u>CAPITAL OUTLAY</u></b>				
Police Department	\$ 67,500	264,700	79,512	185,188
Fire Department	448,320	610,404	595,111	15,293
Parks and Recreation	123,100	118,100	112,322	5,778
Department of Public Service	800			
Streets	304,500	304,500	292,709	11,791
Fleet Maintenance	21,600	25,200	21,726	3,474
Development Department	18,265	18,844	18,843	1
Data Processing	170,000	176,000	175,783	217
<b>TOTAL CAPITAL OUTLAY</b>	<u>1,154,085</u>	<u>1,517,748</u>	<u>1,296,006</u>	<u>221,742</u>
<b>TOTAL EXPENDITURES</b>	<u>\$ 1,154,085</u>	<u>1,517,748</u>	<u>1,296,006</u>	<u>221,742</u>

**SELF-INSURED LOSS ACCOUNT  
SCHEDULE OF EXPENDITURES  
BUDGET AND ACTUAL - BUDGET BASIS  
For the Fiscal Year Ended December 31, 2001**

	<u>Adopted Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance</u>
<b><u>GENERAL GOVERNMENT</u></b>				
General Administration				
Other than personal services	\$ 100,000	253,054	243,916	9,138
Total General Administration	100,000	253,054	243,916	9,138
<b>TOTAL GENERAL GOVERNMENT</b>	<u>100,000</u>	<u>253,054</u>	<u>243,916</u>	<u>9,138</u>
<b>TOTAL EXPENDITURES</b>	<u>\$ 100,000</u>	<u>253,054</u>	<u>243,916</u>	<u>9,138</u>

**COMMUNICATIONS AND TECHNOLOGY FUND  
SCHEDULE OF EXPENDITURES  
BUDGET AND ACTUAL - BUDGET BASIS  
For the Fiscal Year Ended December 31, 2001**

	<u>Adopted Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance</u>
<b><u>CAPITAL OUTLAY</u></b>				
Department of Data Processing				
Capital Outlay	\$ 104,000	126,500	108,220	18,280
Total Department of Public Service	<u>104,000</u>	<u>126,500</u>	<u>108,220</u>	<u>18,280</u>
<b>TOTAL CAPITAL OUTLAY</b>	<u>104,000</u>	<u>126,500</u>	<u>108,220</u>	<u>18,280</u>
<b>TOTAL EXPENDITURES</b>	<u>\$ 104,000</u>	<u>126,500</u>	<u>108,220</u>	<u>18,280</u>

## **SPECIAL REVENUE FUNDS**

### **STREET CONSTRUCTION MAINTENANCE AND REPAIR FUND**

Required by Ohio Revised Code Sections 4501.04 and 5735.27 to account for receipts from the licensing of motor vehicles and receipts from fuel taxes. The funds are used for the construction, maintenance and repair of the City's streets.

### **LAW ENFORCEMENT FUND**

Established pursuant to Ohio Revised Section 2933.43 for the deposit of moneys received from the seizure of tangible property relinquished in accordance with the Contraband Seizure Forfeiture Act. Funds are used solely for law enforcement purposes.

### **TREE PLANTING FUND**

Established pursuant to C.O. Section 158.05 to receive money given to the Tree Commission. Expenditures are to be made for the furtherance of tree planting and care and related arboricultural activities, subject to appropriations made by City Council.

### **ENFORCEMENT EDUCATION FUND**

Established in 1995 pursuant to C.O. Section 225.03, the revenue of this Fund derived from Operating a Motor Vehicle While Intoxicated (OMVI) convictions, is used to pay the costs incurred in both enforcing and informing the public of the laws governing operation of a motor vehicle while under the influence of alcohol.

### **BOARD OF HEALTH FUND**

Established in 1995, this Fund is used to pay the cost of activities provided by the Board of Health. The Board is independent of the City. Funds are transferred from the General Fund. The money is used to pay the contract with the Franklin County Board of Health who provides general health services to the City. Also funded are Board of Health recommendations of other supporting community health agencies.

### **TAX INCENTIVE REVIEW FUND**

Created by C.O. 225.07 to received required fees and pay administrative expenses associated with tax incentive agreements.

### **LAW ENFORCEMENT BLOCK GRANT FUND**

Established in 1997 pursuant to C. O. 137.11, the Law Enforcement Block Grant Fund was created to account for the Department of Justice grant to be used solely for law enforcement. The City must provide matching funds that total one-ninth of the funds received by the Justice Department. Each grant must be spent within 24 months or returned to the Justice Department. No balance sheet for this fund is presented.

### **MAYOR'S COURT COMPUTER FUND**

Established in 1995 pursuant to C.O. Section 171.05, a \$3.00 fee is collected on each case in Mayor's Court to be used to pay the cost of computerization of the Mayor's Court and for computerized legal research services.

### **LIFE LONG LEARNING AND LEISURE FUND**

The Life Long Learning and Leisure Fund created by C.O. Section 225.02, accounts for the operations of continuing education classes.

### **CIVIL SERVICE FUND**

Established in 1995 pursuant to C.O. Section 225.04, this Fund is used to pay the expenses associated with the Civil Service Commission. The money is transferred from the General Fund and used to pay the Civil Service Commission Secretary and the cost of tests that are required for promotional examinations.

### **CLERK OF COURT FUND**

Enacted by C.O. 171.06, the Clerk of Courts Fund was created to account for fees established by the Rules of Court. The revenue is to be used to pay the cost of computerization of the Clerk of Courts' office. The current fee is \$3.00.

### **ECONOMIC DEVELOPMENT VENTURE FUND**

Established by C.O. 225.06 effective January, 1999 for stimulating investment in Upper Arlington by providing incentives and maintaining an attractive economic climate for business and expansion and new business recruitment.

### **NEIGHBORHOOD LIGHTING FUND**

This fund is used to account for the maintenance of neighborhood lights of which a yearly maintenance fee is charged.

### **COMMUNITY IMPROVEMENT CORPORATION (CIC)**

The Community Improvement Corporation is a blended component unit included within the City's financial statements. The CIC is a separate 501(c)6 established to support the City's economic development efforts.

**SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
December 31, 2001**

	Street Construction Maintenance and Repair Fund	Law Enforcement Fund	Tree Planting Fund	Enforcement Education Fund
<b><u>ASSETS:</u></b>				
Equity in pooled cash and investments	\$ 203,411	279,681	3,803	7,756
Receivables	1,345,689	809		
Inventory	64,068			
<b>TOTAL ASSETS</b>	<b>\$ 1,613,168</b>	<b>280,490</b>	<b>3,803</b>	<b>7,756</b>
<b><u>LIABILITIES:</u></b>				
Accounts payable	\$ 8,675	161,523		
Deferred Revenue	1,129,428			
Accrued liabilities	39,954			
<b>TOTAL LIABILITIES</b>	<b>1,178,057</b>	<b>161,523</b>	<b>0</b>	<b>0</b>
<b><u>FUND EQUITY:</u></b>				
Fund balances:				
Reserved for inventory	64,068			
Reserved for encumbrances	20,545	14,192		
Unreserved	350,498	104,775	3,803	7,756
<b>TOTAL FUND EQUITY</b>	<b>435,111</b>	<b>118,967</b>	<b>3,803</b>	<b>7,756</b>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$ 1,613,168</b>	<b>280,490</b>	<b>3,803</b>	<b>7,756</b>

Exhibit B-1  
(Continued)

Board of Health Fund	Tax Incentive Review Fund	Mayor's Court Computer Fund	Life Long Learning and Leisure Fund	Civil Service Fund	Clerk of Court Fund	Economic Development Venture Fund
567	3,500	54,953	73,160 140	57,542	50,478	487,309
<u>567</u>	<u>3,500</u>	<u>54,953</u>	<u>73,300</u>	<u>57,542</u>	<u>50,478</u>	<u>487,309</u>
			12,160	500		
			3,955			
<u>0</u>	<u>0</u>	<u>0</u>	<u>16,115</u>	<u>500</u>	<u>0</u>	<u>0</u>
			0		0	75,000
<u>567</u>	<u>3,500</u>	<u>54,953</u>	<u>57,185</u>	<u>57,042</u>	<u>50,478</u>	<u>412,309</u>
<u>567</u>	<u>3,500</u>	<u>54,953</u>	<u>57,185</u>	<u>57,042</u>	<u>50,478</u>	<u>487,309</u>
<u>567</u>	<u>3,500</u>	<u>54,953</u>	<u>73,300</u>	<u>57,542</u>	<u>50,478</u>	<u>487,309</u>

**SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
December 31, 2001**

	Neighborhood Lighting Fund	Community Improvement Corporation Fund	Totals	
			2001	2000
<b><u>ASSETS:</u></b>				
Equity in pooled cash and investments	130,454	17,303	1,369,917	1,053,472
Receivables	388		1,347,026	1,397,864
Inventory			64,068	39,964
<b>TOTAL ASSETS</b>	<b>130,842</b>	<b>17,303</b>	<b>2,781,011</b>	<b>2,491,300</b>
<b><u>LIABILITIES:</u></b>				
Accounts payable	1,588		184,446	55,910
Deferred Revenue			1,129,428	1,144,448
Accrued liabilities			43,909	69,357
<b>TOTAL LIABILITIES</b>	<b>1,588</b>	<b>0</b>	<b>1,357,783</b>	<b>1,269,715</b>
<b><u>FUND EQUITY:</u></b>				
Fund balances:				
Reserved for inventory			64,068	39,964
Reserved for encumbrances	15,767		125,504	295,345
Unreserved	113,487	17,303	1,233,656	886,276
<b>TOTAL FUND EQUITY</b>	<b>129,254</b>	<b>17,303</b>	<b>1,423,228</b>	<b>1,221,585</b>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>130,842</b>	<b>17,303</b>	<b>2,781,011</b>	<b>2,491,300</b>



CITY OF | **UPPER ARLINGTON**

**SPECIAL REVENUE FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCE**  
**For the Fiscal Year Ended December 31, 2000**

	Street Construction Maintenance & Repair Fund	Law Enforcement Fund	Tree Planting Fund	Enforcement Education Fund	Board of Health Fund
<b>REVENUES:</b>					
Intergovernmental	\$ 1,273,705				
Charges for services	910		3,243		
Investment earnings	7,723	12,437			
Net Increase (Decrease) in fair value of investm	2,668	3,669			
Fines and Forfeits				3,134	
Miscellaneous		20,735			
<b>Total revenues</b>	<b>1,285,006</b>	<b>36,841</b>	<b>3,243</b>	<b>3,134</b>	<b>0</b>
<b>EXPENDITURES:</b>					
Current:					
Public safety		17,769		98	
General Government					
Public services	1,278,481				
Parks and Recreation			2,146		
Health Services				2,705	158,716
Capital outlay		201,739			
<b>Total expenditures</b>	<b>1,278,481</b>	<b>219,508</b>	<b>2,146</b>	<b>2,803</b>	<b>158,716</b>
Excess (deficiency) of revenues over expendi	6,525	(182,667)	1,097	331	(158,716)
<b>OTHER FINANCING SOURCES (USES):</b>					
Operating transfers-in					158,716
Operating transfers-out					
<b>Total other financing sources (uses)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>158,716</b>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	6,525	(182,667)	1,097	331	
<b>Fund balances at beginning of year</b>	<b>428,586</b>	<b>301,634</b>	<b>2,706</b>	<b>7,425</b>	<b>567</b>
<b>Fund balance at end of year</b>	<b>\$ 435,111</b>	<b>118,967</b>	<b>3,803</b>	<b>7,756</b>	<b>567</b>

Tax Incentive Reivew Fund	Law Enforcement Grant Fund	Mayor's Court Computer Fund	Life Long Learning & Leisure Fund	Civil Service Fund	Clerk of Court Fund	Economic Development Venture Fund
			298,303			
		14,574			12,836	
<u>2,750</u>						
<u>2,750</u>	<u>0</u>	<u>14,574</u>	<u>298,303</u>	<u>0</u>	<u>12,836</u>	<u>0</u>
	2,641	105		42,401	2,049	27,691
			309,119			
<u>0</u>	<u>2,641</u>	<u>105</u>	<u>309,119</u>	<u>42,401</u>	<u>2,049</u>	<u>27,691</u>
<u>2,750</u>	<u>(2,641)</u>	<u>14,469</u>	<u>(10,816)</u>	<u>(42,401)</u>	<u>10,787</u>	<u>(27,691)</u>
750				55,000		321,597
<u>750</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>55,000</u>	<u>0</u>	<u>321,597</u>
3,500	(2,641)	14,469	(10,816)	12,599	10,787	293,906
<u>0</u>	<u>2,641</u>	<u>40,484</u>	<u>68,001</u>	<u>44,443</u>	<u>39,691</u>	<u>193,403</u>
<u><u>3,500</u></u>	<u><u>0</u></u>	<u><u>54,953</u></u>	<u><u>57,185</u></u>	<u><u>57,042</u></u>	<u><u>50,478</u></u>	<u><u>487,309</u></u>

**SPECIAL REVENUE FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCE**  
**For the Fiscal Year Ended December 31, 2001**

	Neighborhood Lighting Fund	Community Improvement Corporation Fund	Totals	
			2001	2000
<b>REVENUES:</b>				
Intergovernmental	\$		1,273,705	1,051,383
Charges for services	59,780		362,236	315,644
Investment earnings	5,558	670	26,388	22,267
Net Increase (Decrease) in fair value of investments	956		7,293	9,126
Fines and Forfeits			30,544	28,672
Miscellaneous		41,940	65,425	74,296
Total revenues	66,294	42,610	1,765,591	1,501,388
<b>EXPENDITURES:</b>				
Current:				
Public safety			20,508	23,293
General Government			72,246	350,208
Public services	29,044	34,115	1,341,640	1,139,576
Parks and Recreation			311,265	260,597
Health Services			161,421	137,987
Capital outlay			201,739	46,123
Total expenditures	29,044	34,115	2,108,819	1,957,784
Excess (deficiency) of revenues over expenditures	37,250	8,495	(343,228)	(456,396)
<b>OTHER FINANCING SOURCES (USES):</b>				
Operating transfers-in		8,808	544,871	572,749
Operating transfers-out				(264)
Total other financing sources (uses)	0	8,808	544,871	572,485
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	37,250	17,303	201,643	116,089
Fund balances at beginning of year	92,004	0	1,221,585	1,105,496
Fund balance at end of year	\$ 129,254	17,303	1,423,228	1,221,585



CITY OF | **UPPER ARLINGTON**

**SPECIAL REVENUE FUNDS  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL - BUDGET BASIS  
 For the Fiscal Year Ended December 31, 2001**

	Street Construction Maintenance and Repair Fund			
	Adopted Budget	Revised Budget	Actual	Variance
<b><u>REVENUES:</u></b>				
Intergovernmental	\$ 975,000	1,200,000	1,300,246	100,246
Charges for services				
Investment earnings	1,085	8,000	8,918	918
Fines and forfeits				
Miscellaneous	15,000	10,000	8,388	(1,612)
Total revenues	<u>991,085</u>	<u>1,218,000</u>	<u>1,317,552</u>	<u>99,552</u>
<b><u>EXPENDITURES:</u></b>				
Current:				
Public safety				
General government				
Public services	1,224,537	1,230,934	1,177,647	53,287
Parks and recreation				
Health services				
Capital outlay		22,000	20,538	1,462
Total expenditures	<u>1,224,537</u>	<u>1,252,934</u>	<u>1,198,185</u>	<u>54,749</u>
Excess (deficiency) of revenues over expenditures	<u>(233,452)</u>	<u>(34,934)</u>	<u>119,367</u>	<u>154,301</u>
<b><u>OTHER FINANCING SOURCES (USES):</u></b>				
Proceeds from sale of fixed assets				
Operating transfers-in	225,190	225,190		(225,190)
Total other financing sources (uses)	<u>225,190</u>	<u>225,190</u>	<u>0</u>	<u>(225,190)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	(8,262)	190,256	119,367	(70,889)
Fund balances at beginning of year	21,286	21,286	21,286	
Lapsed encumbrances	38,454	38,454	38,454	
Fund balances at end of year	<u>\$ 51,478</u>	<u>249,996</u>	<u>179,107</u>	<u>(70,889)</u>

Law Enforcement Fund				Tree Planting Fund			
Budget	Revised Budget	Actual	Variance	Budget	Revised Budget	Actual	Variance
				2,500	2,500	3,243	743
12,275	12,275	14,200	1,925				
	8,500	8,635	135				
12,275	20,775	22,835	2,060	2,500	2,500	3,243	743
16,500	18,050	18,048	2				
				2,500	2,500	2,146	354
55,800	222,976	215,262	7,714				
72,300	241,026	233,310	7,716	2,500	2,500	2,146	354
(60,025)	(220,251)	(210,475)	9,776	0	0	1,097	1,097
5,000	5,000	12,100	7,100				
5,000	5,000	12,100	7,100	0	0	0	0
(55,025)	(215,251)	(198,375)	16,876	0	0	1,097	1,097
298,673	298,673	298,673		2,706	2,706	2,706	
243,648	83,422	100,298	16,876	2,706	2,706	3,803	1,097

**SPECIAL REVENUE FUNDS  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL - BUDGET BASIS  
 For the Fiscal Year Ended December 31, 2001**

	Enforcement Education Fund			
	Budget	Revised Budget	Actual	Variance
<b><u>REVENUES:</u></b>				
Intergovernmental				
Charges for services				
Investment earnings				
Fines and forfeits				
Miscellaneous	1,200	1,200	3,135	1,935
Total revenues	1,200	1,200	3,135	1,935
<b><u>EXPENDITURES:</u></b>				
Current:				
Public safety				
General government	1,200	1,300	98	1,202
Public services				
Parks and recreation				
Health services				
Capital outlay	0	2,900	2,705	195
Total expenditures	1,200	4,200	2,803	1,397
Excess (deficiency) of revenues over expenditures	0	(3,000)	332	3,332
<b><u>OTHER FINANCING SOURCES (USES):</u></b>				
Proceeds from sale of fixed assets				
Operating transfers-in				
Total other financing sources (uses)	0	0	0	0
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	0	(3,000)	332	3,332
Fund balances at beginning of year	7,425	7,425	7,425	
Lapsed encumbrances				
Fund balances at end of year	\$ 7,425	4,425	7,757	3,332

Board of Health Fund				Law Enforcement Block Grant Fund			
Budget	Revised Budget	Actual	Variance	Budget	Revised Budget	Actual	Variance
0	0	0	0	0	0	0	0
				2,642	2,642	2,641	1
140,000	158,716	158,716					
140,000	158,716	158,716	0	2,642	2,642	2,641	1
(140,000)	(158,716)	(158,716)	0	(2,642)	(2,642)	(2,641)	1
140,000	158,716	158,716	0				0
140,000	158,716	158,716	0	0	0	0	0
0	0	0	0	(2,642)	(2,642)	(2,641)	1
567	567	567		2,641	2,641	2,641	
567	567	567	0	(1)	(1)	0	1

**SPECIAL REVENUE FUNDS  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL - BUDGET BASIS  
 For the Fiscal Year Ended December 31, 2001**

	Mayor's Court Computer Fund			
	Budget	Revised Budget	Actual	Variance
<b><u>REVENUES:</u></b>				
Intergovernmental				
Charges for services				
Investment earnings				
Fines and forfeits	12,000	12,000	14,574	2,574
Miscellaneous				
<b>Total revenues</b>	<u>12,000</u>	<u>12,000</u>	<u>14,574</u>	<u>2,574</u>
<b><u>EXPENDITURES:</u></b>				
Current:				
Public safety				
General government				
Public services				
Parks and recreation				
Health services				
Capital outlay	43,000	43,000	105	42,895
<b>Total expenditures</b>	<u>43,000</u>	<u>43,000</u>	<u>105</u>	<u>42,895</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(31,000)</u>	<u>(31,000)</u>	<u>14,469</u>	<u>45,469</u>
<b><u>OTHER FINANCING SOURCES (USES)</u></b>				
Proceeds from sale of fixed assets				
Operating transfers-in				
<b>Total other financing sources (uses)</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Excess (deficiency) of revenues and other financing sources over expenditures and other uses</b>	<u>(31,000)</u>	<u>(31,000)</u>	<u>14,469</u>	<u>45,469</u>
<b>Fund balances at beginning of year</b>	40,484	40,484	40,484	
<b>Lapsed encumbrances</b>				
<b>Fund balances at end of year</b>	<u>\$ 9,484</u>	<u>9,484</u>	<u>54,953</u>	<u>45,469</u>

Life Long Learning And Leisure Fund				Civil Service Fund			
Budget	Revised Budget	Actual	Variance	Budget	Revised Budget	Actual	Variance
315,603	315,603	299,382	(16,221)				
<u>315,603</u>	<u>315,603</u>	<u>299,382</u>	<u>(16,221)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
				25,000	58,300	56,902	1,398
319,364	334,091	300,063	34,028				
<u>319,364</u>	<u>334,091</u>	<u>300,063</u>	<u>34,028</u>	<u>25,000</u>	<u>58,300</u>	<u>56,902</u>	<u>1,398</u>
<u>(3,761)</u>	<u>(18,488)</u>	<u>(681)</u>	<u>17,807</u>	<u>(25,000)</u>	<u>(58,300)</u>	<u>(56,902)</u>	<u>1,398</u>
				25,000	55,000	55,000	
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>25,000</u>	<u>55,000</u>	<u>55,000</u>	<u>0</u>
(3,761)	(18,488)	(681)	17,807	0	(3,300)	(1,902)	1,398
58,378	58,378	58,378		59,443	59,443	59,443	
15,082	15,082	15,082					
<u>69,699</u>	<u>54,972</u>	<u>72,779</u>	<u>17,807</u>	<u>59,443</u>	<u>56,143</u>	<u>57,541</u>	<u>1,398</u>

**SPECIAL REVENUE FUNDS  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL - BUDGET BASIS  
 For the Fiscal Year Ended December 31, 2001**

	Clerk of Courts Fund			
	Budget	Revised Budget	Actual	Variance
<b><u>REVENUES:</u></b>				
Intergovernmental				
Charges for services				
Investment earnings				
Fines and forfeits	8,000	8,000	12,836	4,836
Miscellaneous				
<b>Total revenues</b>	<u>8,000</u>	<u>8,000</u>	<u>12,836</u>	<u>4,836</u>
<b><u>EXPENDITURES:</u></b>				
Current:				
Public safety				
General government	5,000	5,000	2,049	2,951
Public services				
Parks and recreation				
Health services				
Capital outlay				
<b>Total expenditures</b>	<u>5,000</u>	<u>5,000</u>	<u>2,049</u>	<u>2,951</u>
Excess (deficiency) of revenues over expenditu	<u>3,000</u>	<u>3,000</u>	<u>10,787</u>	<u>7,787</u>
<b><u>OTHER FINANCING SOURCES (USES)</u></b>				
Proceeds from sale of fixed assets				
Operating transfers-in				
<b>Total other financing sources (uses)</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	3,000	3,000	10,787	7,787
<b>Fund balances at beginning of year</b>	38,695	38,695	38,695	
<b>Lapsed encumbrances</b>	996	996	996	
<b>Fund balances at end of year</b>	<u>\$ 42,691</u>	<u>42,691</u>	<u>50,478</u>	<u>7,787</u>

Economic Development Venture Fund				Neighborhood Lighting Fund			
Budget	Revised Budget	Actual	Variance	Budget	Revised Budget	Actual	Variance
				60,000	60,000	59,646	(354)
				3,200	3,200	5,269	2,069
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>63,200</u>	<u>63,200</u>	<u>64,915</u>	<u>1,715</u>
500,000	500,000	87,691	412,309	50,000	50,000	48,879	1,121
<u>500,000</u>	<u>500,000</u>	<u>87,691</u>	<u>412,309</u>	<u>50,000</u>	<u>50,000</u>	<u>48,879</u>	<u>1,121</u>
<u>(500,000)</u>	<u>(500,000)</u>	<u>(87,691)</u>	<u>412,309</u>	<u>13,200</u>	<u>13,200</u>	<u>16,036</u>	<u>2,836</u>
<u>140,000</u>	<u>321,597</u>	<u>321,597</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>140,000</u>	<u>321,597</u>	<u>321,597</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
(360,000)	(178,403)	233,906	412,309	13,200	13,200	16,036	2,836
65,974	65,974	65,974		95,072	95,072	95,072	
112,429	112,429	112,429		7	7	7	
<u>(181,597)</u>	<u>0</u>	<u>412,309</u>	<u>412,309</u>	<u>108,279</u>	<u>108,279</u>	<u>111,115</u>	<u>2,836</u>

**SPECIAL REVENUE FUNDS  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL - BUDGET BASIS  
 For the Fiscal Year Ended December 31, 2001**

	Tax Incentive Review Fund			
	Budget	Revised Budget	Actual	Variance
<b><u>REVENUES:</u></b>				
Intergovernmental				
Charges for services				
Investment earnings				
Fines and forfeits				
Miscellaneous	2,500	2,500	2,750	250
Total revenues	2,500	2,500	2,750	250
<b><u>EXPENDITURES:</u></b>				
Current:				
Public safety				
General government				
Public services				
Parks and recreation				
Health services				
Capital outlay				
Total expenditures	0	0	0	0
Excess (deficiency) of revenues over expenditures	2,500	2,500	2,750	250
<b><u>OTHER FINANCING SOURCES (USES)</u></b>				
Proceeds from sale of fixed assets				
Operating transfers-in		750	750	
Total other financing sources (uses)	0	750	750	0
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	2,500	3,250	3,500	250
<b>Fund balances at beginning of year</b>	0	0	0	
<b>Lapsed encumbrances</b>				
<b>Fund balances at end of year</b>	\$ 2,500	3,250	3,500	250

Total			
Budget	Revised Budget	Actual	Variance
975,000	1,200,000	1,300,246	100,246
378,103	378,103	362,271	(15,832)
16,560	23,475	28,387	4,912
20,000	20,000	27,410	7,410
18,700	22,200	22,908	708
<u>1,408,363</u>	<u>1,643,778</u>	<u>1,741,222</u>	<u>97,444</u>
19,142	20,692	20,689	3
531,200	564,600	146,740	417,860
1,274,537	1,280,934	1,226,526	54,408
321,864	336,591	302,209	34,382
140,000	158,716	158,716	0
98,800	290,876	238,610	52,266
<u>2,385,543</u>	<u>2,652,409</u>	<u>2,093,490</u>	<u>558,919</u>
<u>(977,180)</u>	<u>(1,008,631)</u>	<u>(352,268)</u>	<u>656,363</u>
5,000	5,000	12,100	7,100
530,190	761,253	536,063	(225,190)
<u>535,190</u>	<u>766,253</u>	<u>548,163</u>	<u>(218,090)</u>
(441,990)	(242,378)	195,895	438,273
691,344	691,344	691,344	
166,968	166,968	166,968	
<u>416,322</u>	<u>615,934</u>	<u>1,054,207</u>	<u>438,273</u>

**STREET CONSTRUCTION MAINTENANCE AND REPAIR FUND**  
**SCHEDULE OF EXPENDITURES**  
**BUDGET AND ACTUAL - BUDGET BASIS**  
**For the Fiscal Year Ended December 31, 2001**

	<u>Adopted Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance</u>
<b><u>PUBLIC SERVICES</u></b>				
Department of Public Services				
Personal Services	\$ 903,737	900,135	899,262	873
Other Than Personal Services	<u>320,800</u>	<u>330,799</u>	<u>278,385</u>	<u>52,414</u>
<b>TOTAL PUBLIC SERVICES</b>	<u>1,224,537</u>	<u>1,230,934</u>	<u>1,177,647</u>	<u>53,287</u>
<b><u>CAPITAL OUTLAY</u></b>				
Department of Public Services		<u>22,000</u>	<u>20,538</u>	<u>1,462</u>
<b>TOTAL EXPENDITURES</b>	<u>\$ 1,224,537</u>	<u>1,252,934</u>	<u>1,198,185</u>	<u>54,749</u>

**LAW ENFORCEMENT FUND  
 SCHEDULE OF EXPENDITURES  
 BUDGET AND ACTUAL - BUDGET BASIS  
 For the Fiscal Year Ended December 31, 2001**

	<u>Adopted Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance</u>
<b><u>PUBLIC SAFETY</u></b>				
Police Department				
Other Than Personal Services	\$ <u>16,500</u>	<u>18,050</u>	<u>18,048</u>	<u>2</u>
<b>TOTAL PUBLIC SAFETY</b>	<u>16,500</u>	<u>18,050</u>	<u>18,048</u>	<u>2</u>
<b><u>CAPITAL OUTLAY</u></b>				
Police Department	<u>55,800</u>	<u>222,976</u>	<u>215,262</u>	<u>7,714</u>
<b>TOTAL EXPENDITURES</b>	<u>\$ <u>72,300</u></u>	<u>241,026</u>	<u>233,310</u>	<u>7,716</u>

**TREE PLANTING FUND  
SCHEDULE OF EXPENDITURES  
BUDGET AND ACTUAL - BUDGET BASIS  
For the Fiscal Year Ended December 31, 2001**

	<u>Adopted Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance</u>
<b><u>PARKS AND RECREATION</u></b>				
Parks and Recreation Department Other Than Personal Services	\$ 2,500	2,500	2,146	354
<b>TOTAL PARKS AND RECREATION</b>	<u>2,500</u>	<u>2,500</u>	<u>2,146</u>	<u>354</u>
<b>TOTAL EXPENDITURES</b>	<u>\$ 2,500</u>	<u>2,500</u>	<u>2,146</u>	<u>354</u>

**ENFORCEMENT EDUCATION FUND  
SCHEDULE OF EXPENDITURES  
BUDGET AND ACTUAL - BUDGET BASIS  
For the Fiscal Year Ended December 31, 2001**

	<u>Adopted Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance</u>
<b><u>GENERAL GOVERNMENT</u></b>				
Police Department	\$			
Other Than Personal Services		100	98	2
Mayor's Court				
Other Than Personal Services	<u>1,200</u>	<u>1,200</u>	<u>          </u>	<u>1,200</u>
<b>TOTAL GENERAL GOVERNMENT</b>	<u>1,200</u>	<u>1,300</u>	<u>98</u>	<u>1,202</u>
<b><u>CAPITAL OUTLAY</u></b>				
Police Department	<u>0</u>	<u>2,900</u>	<u>2,705</u>	<u>195</u>
<b>TOTAL EXPENDITURES</b>	<u>\$ 1,200</u>	<u>4,200</u>	<u>2,803</u>	<u>1,397</u>

**BOARD OF HEALTH FUND  
SCHEDULE OF EXPENDITURES  
BUDGET AND ACTUAL - BUDGET BASIS  
For the Fiscal Year Ended December 31, 2001**

	<u>Adopted Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance</u>
<b><u>HEALTH SERVICES</u></b>				
Health Department				
Other Than Personal Services	\$ <u>140,000</u>	<u>158,716</u>	<u>158,716</u>	<u>0</u>
<b>TOTAL HEALTH SERVICES</b>	<u>140,000</u>	<u>158,716</u>	<u>158,716</u>	<u>0</u>
<b>TOTAL EXPENDITURES</b>	\$ <u><u>140,000</u></u>	<u><u>158,716</u></u>	<u><u>158,716</u></u>	<u><u>0</u></u>

**LAW ENFORCEMENT GRANT FUND  
SCHEDULE OF EXPENDITURES  
BUDGET AND ACTUAL - BUDGET BASIS  
For the Fiscal Year Ended December 31, 2001**

	<u>Adopted Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance</u>
<b><u>GENERAL GOVERNMENT</u></b>				
Police Department				
Other Than Personal Services	\$ <u>2,642</u>	<u>2,642</u>	<u>2,641</u>	<u>1</u>
<b>TOTAL PUBLIC SAFETY</b>	\$ <u><u>2,642</u></u>	<u><u>2,642</u></u>	<u><u>2,641</u></u>	<u><u>1</u></u>

**MAYOR'S COURT COMPUTER FUND  
SCHEDULE OF EXPENDITURES  
BUDGET AND ACTUAL - BUDGET BASIS  
For the Fiscal Year Ended December 31, 2001**

	<u>Adopted Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance</u>
<b><u>CAPITAL OUTLAY</u></b>				
Mayor's Court	\$ 43000	43,000	105	42,895
<b>TOTAL EXPENDITURES</b>	<u>\$ 43000</u>	<u>43,000</u>	<u>105</u>	<u>42,895</u>

**LIFE LONG LEARNING AND LEISURE  
SCHEDULE OF EXPENDITURES  
BUDGET AND ACTUAL - BUDGET BASIS  
For the Fiscal Year Ended December 31, 2001**

	<u>Adopted Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance</u>
<b><u>PARKS AND RECREATION</u></b>				
Parks and Recreation Department				
Personal Services	\$ 140,064	160,341	132,210	28,131
Other Than Personal Services	<u>179,300</u>	<u>173,750</u>	<u>167,853</u>	<u>5,897</u>
<b>TOTAL PARKS AND RECREATION</b>	<u>319,364</u>	<u>334,091</u>	<u>300,063</u>	<u>34,028</u>
<b>TOTAL EXPENDITURES</b>	<u>\$ 319,364</u>	<u>334,091</u>	<u>300,063</u>	<u>34,028</u>

**CIVIL SERVICE FUND  
SCHEDULE OF EXPENDITURES  
BUDGET AND ACTUAL - BUDGET BASIS  
For the Fiscal Year Ended December 31, 2001**

	<u>Adopted Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance</u>
<b><u>GENERAL GOVERNMENT</u></b>				
General Administration				
Other Than Personal Services	\$ 25,000	58,300	56,902	1,398
<b>TOTAL GENERAL GOVERNMENT</b>	<u>25,000</u>	<u>58,300</u>	<u>56,902</u>	<u>1,398</u>
<b>TOTAL EXPENDITURES</b>	<u>\$ 25,000</u>	<u>58,300</u>	<u>56,902</u>	<u>1,398</u>

**CLERK OF COURTS FUND  
SCHEDULE OF EXPENDITURES  
BUDGET AND ACTUAL - BUDGET BASIS  
For the Fiscal Year Ended December 31, 2001**

	<u>Adopted Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance</u>
<b><u>GENERAL GOVERNMENT</u></b>				
Mayor's Court				
Other Than Personal Services	\$ <u>5,000</u>	<u>5,000</u>	<u>2,049</u>	<u>2,951</u>
<b>TOTAL GENERAL GOVERNMENT</b>	<u>5,000</u>	<u>5,000</u>	<u>2,049</u>	<u>2,951</u>
<b>TOTAL EXPENDITURES</b>	<u>\$ 5,000</u>	<u>5,000</u>	<u>2,049</u>	<u>2,951</u>

**ECONOMIC DEVELOPMENT VENTURE FUND  
SCHEDULE OF EXPENDITURES  
BUDGET AND ACTUAL - BUDGET BASIS  
For the Fiscal Year Ended December 31, 2001**

	<u>Adopted Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance</u>
<b><u>GENERAL GOVERNMENT</u></b>				
Economic Development				
Other Than Personal Services	\$ <u>500,000</u>	<u>500,000</u>	<u>87,691</u>	<u>412,309</u>
<b>TOTAL GENERAL GOVERNMENT</b>	<b>\$ <u>500,000</u></b>	<b><u>500,000</u></b>	<b><u>87,691</u></b>	<b><u>412,309</u></b>

**NEIGHBORHOOD LIGHTING FUND  
SCHEDULE OF EXPENDITURES  
BUDGET AND ACTUAL - BUDGET BASIS  
For the Fiscal Year Ended December 31, 2001**

	<u>Adopted Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance</u>
<b><u>PUBLIC SERVICES</u></b>				
Department of Public Services Other Than Personal Services	\$ <u>50,000</u>	<u>50,000</u>	<u>48,879</u>	<u>1,121</u>
<b>TOTAL PUBLIC SERVICES</b>	<u>50,000</u>	<u>50,000</u>	<u>48,879</u>	<u>1,121</u>
<b>TOTAL EXPENDITURES</b>	\$ <u><u>50,000</u></u>	<u><u>50,000</u></u>	<u><u>48,879</u></u>	<u><u>1,121</u></u>

**TAX INCENTIVE REVIEW FUND  
 SCHEDULE OF EXPENDITURES  
 BUDGET AND ACTUAL - BUDGET BASIS  
 For the Fiscal Year Ended December 31, 2001**

	<u>Adopted Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance</u>
<b><u>GENERAL GOVERNMENT</u></b>				
City Manager's Department				
Other Than Personal Services	\$ _____	_____	_____	0
<b>TOTAL GENERAL GOVERNMENT</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL EXPENDITURES</b>	<u>\$ 0</u>	<u>0</u>	<u>0</u>	<u>0</u>

**DEBT SERVICE FUND**

**GENERAL OBLIGATION BOND RETIREMENT FUND**

To account for retirement of debt issued by the City, the fund receives property tax and other receipts. Funds are used for the payment of interest and principal on outstanding debt.

**DEBT SERVICE FUND  
COMPARATIVE BALANCE SHEET  
GENERAL OBLIGATION BOND RETIREMENT FUND  
December 31, 2001 and 2000**

	<u>2001</u>	<u>2000</u>
<b><u>ASSETS:</u></b>		
Equity in pooled cash and investments	\$ 622,267	710,713
Receivables	571,130	569,772
<b>TOTAL ASSETS</b>	<b>\$ 1,193,397</b>	<b>1,280,485</b>
<b><u>LIABILITIES:</u></b>		
Deferred revenue	\$ 444,479	532,572
<b>TOTAL LIABILITIES</b>	<b>444,479</b>	<b>532,572</b>
<b><u>FUND EQUITY:</u></b>		
Fund balance:		
Unreserved	748,918	747,913
<b>TOTAL FUND EQUITY</b>	<b>748,918</b>	<b>747,913</b>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$ 1,193,397</b>	<b>1,280,485</b>

**DEBT SERVICE FUND  
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE  
GENERAL OBLIGATION BOND RETIREMENT FUND  
For the Fiscal Years Ended December 31, 2001 and 2000**

	<u>2001</u>	<u>2000</u>
<b><u>REVENUES:</u></b>		
Property taxes	\$ 732,251	654,631
Total revenues	<u>732,251</u>	<u>654,631</u>
<b><u>EXPENDITURES:</u></b>		
Debt service:		
Principal retirement	1,401,575	1,236,375
Interest and fiscal charges	<u>607,592</u>	<u>529,065</u>
Total expenditures	<u>2,009,167</u>	<u>1,765,440</u>
Deficiency of revenues over expenditures	<u>(1,276,916)</u>	<u>(1,110,809)</u>
<b><u>OTHER FINANCING SOURCES (USES):</u></b>		
Operating transfers-in	<u>1,277,921</u>	<u>1,208,734</u>
Total other financing sources	<u>1,277,921</u>	<u>1,208,734</u>
Excess of revenues and other financing sources over expenditures and other uses	1,005	97,925
<b>Fund balances at beginning of year</b>	<u>747,913</u>	<u>649,988</u>
<b>Fund balances at end of year</b>	<u>\$ <u>748,918</u></u>	<u><u>747,913</u></u>



CITY OF | **UPPER ARLINGTON**

## **CAPITAL PROJECTS FUNDS**

### **BONDED IMPROVEMENT FUND**

Sources of revenue are the proceeds of bonds and notes issued for the purpose of undertaking the construction and repair of capital facilities including infrastructure. Funds are used to pay the cost of the improvements.

### **INFRASTRUCTURE IMPROVEMENT FUND**

Created by C.O. 137.10, the Infrastructure Improvement Fund was created to account for a seven year capital project program. Resources are obtained from an annual fund transfer from the General Fund.

### **ESTATE TAX CAPITAL PROJECTS FUND**

Created by C.O. 137.12, this fund is used to account for estate tax revenues in excess of \$2.1 million for the purpose of capital needs.

**CAPITAL PROJECTS FUND  
COMBINING BALANCE SHEET  
December 31, 2001**

	Bonded Improvement	Infrastructure Improvement	Estate Tax Capital Projects	Totals	
				2001	2000
<b>ASSETS:</b>					
Equity in pooled cash and investments	\$ 5,888,672	1,583,633	11,492,217	18,964,522	8,915,437
Receivables			28,269	28,269	7,153
<b>TOTAL ASSETS</b>	<b>\$ 5,888,672</b>	<b>1,583,633</b>	<b>11,520,486</b>	<b>18,992,791</b>	<b>8,922,590</b>
<b>LIABILITIES:</b>					
Accounts payable	960,256	10,061	0	970,317	556,686
<b>TOTAL LIABILITIES</b>	<b>960,256</b>	<b>10,061</b>	<b>0</b>	<b>970,317</b>	<b>556,686</b>
<b>FUND EQUITY:</b>					
Fund balances:					
Reserved for encumbrances	2,443,600	118,577	15,247	2,577,424	789,395
Unreserved	2,484,816	1,454,995	11,505,239	15,445,050	7,576,509
<b>TOTAL FUND EQUITY (Deficit)</b>	<b>4,928,416</b>	<b>1,573,572</b>	<b>11,520,486</b>	<b>18,022,474</b>	<b>8,365,904</b>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$ 5,888,672</b>	<b>1,583,633</b>	<b>11,520,486</b>	<b>18,992,791</b>	<b>8,922,590</b>

**CAPITAL PROJECTS FUND**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCE**  
**For the Fiscal Year Ended December 31, 2001**

	Bonded Improvement	Infrastructure Improvement	Estate Tax Capital	Totals	
				2001	2000
<b>REVENUES:</b>					
Investment earnings	\$ 98,049		433,473	531,522	364,849
Net Increase in fair value of investments			95,821	95,821	95,597
Miscellaneous				0	1,065
Total revenues	<u>98,049</u>	<u>0</u>	<u>529,294</u>	<u>627,343</u>	<u>461,511</u>
<b>EXPENDITURES:</b>					
Capital outlay	<u>1,622,984</u>	<u>362,890</u>	<u>203,578</u>	<u>2,189,452</u>	<u>3,190,760</u>
Total expenditures	<u>1,622,984</u>	<u>362,890</u>	<u>203,578</u>	<u>2,189,452</u>	<u>3,190,760</u>
Excess (deficiency) of revenues over expenditure	<u>(1,524,935)</u>	<u>(362,890)</u>	<u>325,716</u>	<u>(1,562,109)</u>	<u>(2,729,249)</u>
<b>OTHER FINANCING SOURCES (USES):</b>					
Proceeds from bonds	6,778,099			6,778,099	0
Operating Transfers-in		926,631	3,948,281	4,874,912	7,172,134
Operating Transfers-out	<u>(354,332)</u>	<u>(80,000)</u>	<u>0</u>	<u>(434,332)</u>	<u>(3,349,145)</u>
Total other financing sources (uses)	<u>6,423,767</u>	<u>846,631</u>	<u>3,948,281</u>	<u>11,218,679</u>	<u>3,822,989</u>
Excess(deficiency) of revenues and other financing sources over expenditures and other uses	4,898,832	483,741	4,273,997	9,656,570	1,093,740
Fund balances at beginning of year	29,584	1,089,831	7,246,489	8,365,904	7,272,164
Fund balance at end of year	<u>\$ 4,928,416</u>	<u>1,573,572</u>	<u>11,520,486</u>	<u>18,022,474</u>	<u>8,365,904</u>

**CAPITAL PROJECTS FUNDS  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL - BUDGET BASIS  
 For the Fiscal Year Ended December 31, 2001**

	Bonded Improvement Fund			
	Adopted Budget	Revised Budget	Actual	Variance
<b>REVENUES:</b>				
Investment earnings	\$ 250,000	250,000	98,049	(151,951)
Total revenues	250,000	250,000	98,049	(151,951)
<b>EXPENDITURES:</b>				
Current:				
Public Services				
Capital Outlay	2,500,000	4,448,500	3,954,437	494,063
Total expenditures	2,500,000	4,448,500	3,954,437	494,063
Excess (deficiency) of revenues over expenditures	(2,250,000)	(4,198,500)	(3,856,388)	342,112
<b>OTHER FINANCING SOURCES (USES):</b>				
Proceeds of bonds	5,000,000	7,000,000	6,778,099	(221,901)
Transfer-in				
Transfer-out		(354,710)	(354,332)	378
Total other financing sources (uses)	5,000,000	6,645,290	6,423,767	(221,523)
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	2,750,000	2,446,790	2,567,379	120,589
Fund balances at beginning of year				
Lapsed encumbrances	6,000	6,000	6,000	
Fund balances at end of year	\$ 2,756,000	2,452,790	2,573,379	120,589

Infrastructure Improvement Fund				Estate Tax Capital Projects			
Adopted Budget	Revised Budget	Actual	Variance	Adopted Budget	Revised Budget	Actual	Variance
				236,750	236,750	412,358	175,608
0	0	0	0	236,750	236,750	412,358	175,608
750,000	897,500	196,810	700,690	38,000	40,470	2,470	38,000
750,000	897,500	196,810	700,690	38,000	40,470	2,470	38,000
(750,000)	(897,500)	(196,810)	700,690	198,750	196,280	409,888	213,608
750,000	750,000	926,631	176,631	250,000	2,612,023	3,948,281	1,336,258
(80,000)	(80,000)	(80,000)					
670,000	670,000	846,631	176,631	250,000	2,612,023	3,948,281	1,336,258
(80,000)	(227,500)	649,821	877,321	448,750	2,808,303	4,358,169	1,549,866
633,949	633,949	633,949		6,921,418	6,921,418	6,921,418	
171,226	171,226	171,226		46,608	46,608	46,608	
725,175	577,675	1,454,996	877,321	7,416,776	9,776,329	11,326,195	1,549,866

**CAPITAL PROJECTS FUNDS**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL - BUDGET BASIS**  
**For the Fiscal Year Ended December 31, 2001**

	Totals			
	Adopted Budget	Revised Budget	Actual	Variance
<b>REVENUES:</b>				
Investment earnings	486,750	486,750	510,407	23,657
 Total revenues	 486,750	 486,750	 510,407	 23,657
<b>EXPENDITURES:</b>				
Current:				
Public Services				
Capital outlay	3,288,000	5,386,470	4,153,717	1,232,753
 Total expenditures	 3,288,000	 5,386,470	 4,153,717	 1,232,753
 Excess (deficiency) of revenues over expenditures	 (2,801,250)	 (4,899,720)	 (3,643,310)	 1,256,410
<b>OTHER FINANCING SOURCES (USES):</b>				
Proceeds of bonds	5,000,000	7,000,000	6,778,099	(221,901)
Transfer-in	1,000,000	3,362,023	4,874,912	1,512,889
Transfer-out	(80,000)	(434,710)	(434,332)	378
Total other financing sources (uses)	5,920,000	9,927,313	11,218,679	1,291,366
 Excess (deficiency) of revenues and other financing sources over expenditures and other uses	 3,118,750	 5,027,593	 7,575,369	 2,547,776
<b>Fund balances at beginning of year</b>	7,555,367	7,555,367	7,555,367	
<b>Lapsed encumbrances</b>	223,834	223,834	223,834	
<b>Fund balances at end of year</b>	<u>10,897,951</u>	<u>12,806,794</u>	<u>15,354,570</u>	<u>2,547,776</u>

**BONDED IMPROVEMENT FUND  
SCHEDULE OF EXPENDITURES  
BUDGET AND ACTUAL - BUDGET BASIS  
For the Fiscal Year Ended December 31, 2001**

	<u>Adopted Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance</u>
<b><u>CAPITAL OUTLAY</u></b>				
General Government	\$	1,948,500	1,493,681	454,819
Department of Public Services	<u>2,500,000</u>	<u>2,500,000</u>	<u>2,460,756</u>	<u>39,244</u>
<b>TOTAL CAPITAL OUTLAY</b>	<u>2,500,000</u>	<u>4,448,500</u>	<u>3,954,437</u>	<u>494,063</u>
<b>TOTAL EXPENDITURES</b>	\$ <u><u>2,500,000</u></u>	<u><u>4,448,500</u></u>	<u><u>3,954,437</u></u>	<u><u>494,063</u></u>

**INFRASTRUCTURE IMPROVEMENT FUND  
SCHEDULE OF EXPENDITURES  
BUDGET AND ACTUAL - BUDGET BASIS  
For the Fiscal Year Ended December 31, 2001**

	<u>Adopted Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance</u>
<b><u>CAPITAL OUTLAY</u></b>				
Parks & Recreation	\$ 317,500	317,500	196,358	121,142
Department of Public Services	<u>432,500</u>	<u>580,000</u>	<u>452</u>	<u>579,548</u>
<b>TOTAL CAPITAL OUTLAY</b>	<u>750,000</u>	<u>897,500</u>	<u>196,810</u>	<u>700,690</u>
<b>TOTAL EXPENDITURES</b>	<u>\$ 750,000</u>	<u>897,500</u>	<u>196,810</u>	<u>700,690</u>

**ESTATE TAX CAPITAL PROJECTS FUND  
SCHEDULE OF EXPENDITURES  
BUDGET AND ACTUAL - BUDGET BASIS  
For the Fiscal Year Ended December 31, 2001**

	<u>Adopted Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance</u>
<b><u>CAPITAL OUTLAY</u></b>				
Parks & Recreation	\$ 38,000	38,000	0	38,000
Department of Public Services		<u>2,470</u>	<u>2,470</u>	<u>0</u>
<b>TOTAL CAPITAL OUTLAY</b>	<u>38,000</u>	<u>40,470</u>	<u>2,470</u>	<u>38,000</u>
<b>TOTAL EXPENDITURES</b>	<u>\$ 38,000</u>	<u>40,470</u>	<u>2,470</u>	<u>38,000</u>



CITY OF | **UPPER ARLINGTON**

## **ENTERPRISE FUNDS**

### **SOLID WASTE FUND**

Revenues are generated from the refuse collection fees charged to the City's residents. Expenditures are for operating costs and capital equipment.

### **WATER SURCHARGE FUND**

For the purpose of paying the cost of maintaining the City's water distribution system, a surcharge is applied to the consumption of water by all users within the City. Established pursuant to C.O. Section 137.07, funds may be used for the construction and reconstruction of the water distribution system, including the repair/replacement of fire hydrants.

### **SANITARY SEWER SURCHARGE FUND**

For the purpose of paying the cost of maintaining the City's sanitary sewer system, a surcharge is applied to the consumption of water by all users within the City. Established pursuant to C.O. Section 137.06, funds may be used for enlargement or replacement of the system and construction and reconstruction of main and interceptor sewers.

### **STORMWATER MANAGEMENT FUND**

Pursuant to C.O. Section 937.13, all revenues from stormwater drainage service charges, permit and inspection fees, direct charges and investment earnings are deposited into this fund. Funds are used to pay the operating expenses of the stormwater management utility, including the purchase of capital equipment, and capital improvements, including the payment of principal and interest on debt issued for such purposes.

**ENTERPRISE FUNDS  
COMBINING BALANCE SHEET  
December 31, 2001**

	<u>Solid Waste</u>	<u>Water Surcharge</u>	<u>Sanitary Sewer Surcharge</u>
<b><u>ASSETS:</u></b>			
Equity in pooled cash and investments	\$ 116,623	284,357	173,399
Receivables	80,744	77,061	150,512
Other assets			
Property, plant and equipment (net of depreciation, where applicable)	<u>436,627</u>	<u>5,202,620</u>	<u>4,973,259</u>
<b>TOTAL ASSETS</b>	<u><u>633,994</u></u>	<u><u>5,564,038</u></u>	<u><u>5,297,170</u></u>
<b><u>LIABILITIES:</u></b>			
Accounts payable	18,959	28,242	43,209
Deferred revenue	177,325		
Accrued liabilities	67,586	3,854	16,915
Accrued vacation and sick leave	86,234	13,097	29,177
Bonds and notes payable		<u>1,865,787</u>	<u>2,464,995</u>
<b>TOTAL LIABILITIES</b>	<u><u>350,104</u></u>	<u><u>1,910,980</u></u>	<u><u>2,554,296</u></u>
<b><u>FUND EQUITY:</u></b>			
Contributed capital	1,309,072	2,779,284	2,436,112
(Accumulated deficit) retained earnings	<u>(1,025,182)</u>	<u>873,774</u>	<u>306,762</u>
<b>TOTAL FUND EQUITY</b>	<u><u>283,890</u></u>	<u><u>3,653,058</u></u>	<u><u>2,742,874</u></u>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<u><u>\$ 633,994</u></u>	<u><u>5,564,038</u></u>	<u><u>5,297,170</u></u>

Stormwater Management Fund	Totals	
	2001	2000
2,644,406	3,218,785	2,960,603
29,059	337,376	627,415
		34,973
<u>4,339,913</u>	<u>14,952,419</u>	<u>15,128,438</u>
<u>7,013,378</u>	<u>18,508,580</u>	<u>18,751,429</u>
572	90,982	82,354
	177,325	239,031
13,673	102,028	99,674
8,108	136,616	178,701
<u>2,320,131</u>	<u>6,650,913</u>	<u>7,181,471</u>
<u>2,342,484</u>	<u>7,157,864</u>	<u>7,781,231</u>
1,406,144	7,930,612	7,985,883
<u>3,264,750</u>	<u>3,420,104</u>	<u>2,984,315</u>
<u>4,670,894</u>	<u>11,350,716</u>	<u>10,970,198</u>
<u>7,013,378</u>	<u>18,508,580</u>	<u>18,751,429</u>

**ENTERPRISE FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENSES**  
**AND CHANGES IN RETAINED EARNINGS**  
**For the Fiscal Year Ended December 31, 2001**  
**(with totals for the year ended December 31, 2000)**

	Solid Waste	Water Surcharge
<b><u>OPERATING REVENUES:</u></b>		
Charges for services	\$ 1,558,514	322,848
Other	50,169	0
	1,608,683	322,848
<b><u>OPERATING EXPENSES:</u></b>		
Personal services	1,033,392	49,854
Disposal fees	233,481	
Materials and supplies	246,729	33,377
Depreciation	97,799	161,826
	1,611,401	245,057
Total expenses		
Operating income	(2,718)	77,791
<b><u>NON-OPERATING REVENUES (EXPENSES):</u></b>		
Interest on investments	7,899	
Net Increase in the Fair Value of Investments	1,531	
Interest expense		(89,717)
Total non-operating revenues (expenses)	9,430	(89,717)
Net income before transfers-in	6,712	(11,926)
Transfers-in		
Net income	6,712	(11,926)
Add depreciation on fixed assets acquired by contributed capital	21,959	90,502
Increase (decrease) in retained earnings	28,671	78,576
<b>Beginning (accumulated deficit) retained earnings</b>	<b>(1,053,853)</b>	<b>795,198</b>
<b>Ending (accumulated deficit) retained earnings</b>	<b>\$ (1,025,182)</b>	<b>873,774</b>

Sanitary Sewer Surcharge	Stormwater Management Fund	Totals	
		2001	2000
632,288	532,081	3,045,731	3,379,970
0	0	50,169	25,376
632,288	532,081	3,095,900	3,405,346
269,445	189,097	1,541,788	1,371,980
135,097	67,112	233,481	307,177
194,712	213,251	482,315	337,298
599,254	469,460	667,588	595,680
33,034	62,621	2,925,172	2,612,135
	108,322	170,728	793,211
	34,700		
(107,423)	(112,624)	116,221	147,922
(107,423)	30,398	36,231	42,221
(74,389)	93,019	(309,764)	(388,751)
80,000		(157,312)	(198,608)
5,611	93,019	13,416	594,603
98,173	131,739	80,000	482,323
103,784	224,758	93,416	1,076,926
202,978	3,039,992	342,373	320,738
306,762	3,264,750	435,789	1,397,664
		2,984,315	1,586,651
		3,420,104	2,984,315

**ENTERPRISE FUNDS  
COMBINING STATEMENT OF CASH FLOWS  
For the Fiscal Year Ended December 31, 2001**

	Solid Waste	Water Surcharge
<b>Cash Flows from Operating Activities:</b>		
Cash received from customers	\$ 1,641,967	356,649
Cash payments to suppliers for goods and services	(513,623)	(32,341)
Cash payments to employees for services	(1,043,865)	(47,337)
Net cash provided by operating activities	84,479	276,971
<b>Cash Flows from Noncapital Financing Activities:</b>		
Subsidy from General Fund		
Net cash provided by noncapital financing activities		0
<b>Cash Flows from Capital and Related Financing Activities:</b>		
Acquisition of capital assets	(139,441)	(3,479)
Principal paid on bonds and notes		(192,803)
Interest paid on bonds and notes		(70,558)
Net cash used by capital and related financing activities	(139,441)	(266,840)
<b>Cash Flows from Investing Activities:</b>		
Interest on investments	8,546	
Net cash provided by investing activities	8,546	
<b>Net increase (decrease) in cash and cash equivalents</b>	(46,416)	10,131
<b>Cash and cash equivalents at beginning of year</b>	163,039	274,226
<b>Cash and cash equivalents at end of year</b>	\$ 116,623	284,357
 <b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:</b>		
Operating income	\$ (2,718)	77,791
<b>Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:</b>		
Depreciation	97,799	161,826
(Increase) decrease in accounts receivable	79,527	34,325
Increase (decrease) in accounts payable	13,984	2,096
Increase (decrease) in accrued liabilities	(42,407)	933
Increase (decrease) in deferred revenue	(61,706)	
<b>Net cash provided by operating activities</b>	\$ 84,479	276,971

Noncash Investing, Financing and Capital Activities:  
The enterprise funds received contributions of equipment in the amounts of \$287,502 and \$1,570,217, in 2001 and 2000 respectively.

Sanitary Sewer Surcharge	Stormwater Management Fund	Totals	
		2001	2000
802,024	529,026	3,329,666	3,154,082
(131,645)	(71,734)	(749,343)	(684,742)
<u>(262,986)</u>	<u>(181,146)</u>	<u>(1,535,334)</u>	<u>(1,417,799)</u>
<u>407,393</u>	<u>276,146</u>	<u>1,044,989</u>	<u>1,051,541</u>
<u>80,000</u>		<u>80,000</u>	<u>482,323</u>
<u>80,000</u>		<u>80,000</u>	<u>482,323</u>
(49,411)	(12,136)	(204,467)	(340,842)
(214,435)	(123,320)	(530,558)	(509,763)
<u>(99,346)</u>	<u>(107,960)</u>	<u>(277,864)</u>	<u>(298,106)</u>
<u>(363,192)</u>	<u>(243,416)</u>	<u>(1,012,889)</u>	<u>(1,148,711)</u>
	<u>137,536</u>	<u>146,082</u>	<u>193,268</u>
	<u>137,536</u>	<u>146,082</u>	<u>193,268</u>
124,201	170,266	258,182	578,421
<u>49,198</u>	<u>2,474,140</u>	<u>2,960,603</u>	<u>2,382,182</u>
<u>173,399</u>	<u>2,644,406</u>	<u>3,218,785</u>	<u>2,960,603</u>
33,034	62,621	170,728	793,211
194,712	213,251	667,588	595,680
169,379	(1,302)	281,929	(187,474)
10,891	(790)	26,181	(18,751)
(623)	2,366	(39,731)	(67,335)
		<u>(61,706)</u>	<u>(63,790)</u>
<u>407,393</u>	<u>276,146</u>	<u>1,044,989</u>	<u>1,051,541</u>

**ENTERPRISE FUNDS  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL - BUDGET BASIS  
For the Fiscal Year Ended December 31, 2001**

	Solid Waste Fund			
	Adopted Budget	Revised Budget	Actual	Variance
<b>REVENUES:</b>				
Charges for services	\$ 1,552,500	1,552,500	1,580,036	27,536
Investment earnings	8,875	11,295	8,546	(2,749)
Other revenue	1,361	51,500	61,931	10,431
<b>Total revenues</b>	<b>1,562,736</b>	<b>1,615,295</b>	<b>1,650,513</b>	<b>35,218</b>
<b>EXPENDITURES:</b>				
Current:				
Public services	1,480,987	1,577,384	1,509,182	68,202
Capital outlay	116,000	116,000	106,601	9,399
<b>Total expenditures</b>	<b>1,596,987</b>	<b>1,693,384</b>	<b>1,615,783</b>	<b>77,601</b>
Excess (deficiency) of revenues over expenditures	(34,251)	(78,089)	34,730	112,819
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfer-in	0	17,900	0	(17,900)
Transfer-out				
<b>Total other financing (uses)</b>	<b>0</b>	<b>17,900</b>	<b>0</b>	<b>(17,900)</b>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	(34,251)	(60,189)	34,730	94,919
<b>Fund balances at beginning of year</b>	<b>60,188</b>	<b>60,188</b>	<b>60,188</b>	
<b>Lapsed encumbrances</b>	<b>3,772</b>	<b>3,772</b>	<b>3,772</b>	
<b>Fund balances at end of year</b>	<b>\$ 29,709</b>	<b>3,771</b>	<b>98,690</b>	<b>94,919</b>

Water Surcharge Fund				Sanitary Sewer Surcharge Fund			
Adopted Budget	Revised Budget	Actual	Variance	Adopted Budget	Revised Budget	Actual	Variance
337,500	337,500	356,649	19,149	662,100	662,100	800,953	138,853
				18,000	3,300	1,071	(2,229)
<u>337,500</u>	<u>337,500</u>	<u>356,649</u>	<u>19,149</u>	<u>680,100</u>	<u>665,400</u>	<u>802,024</u>	<u>136,624</u>
218,233	218,124	198,851	19,273	583,325	582,451	570,580	11,871
4,000	4,000	3,479	521	64,000	64,000	55,829	8,171
<u>222,233</u>	<u>222,124</u>	<u>202,330</u>	<u>19,794</u>	<u>647,325</u>	<u>646,451</u>	<u>626,409</u>	<u>20,042</u>
<u>115,267</u>	<u>115,376</u>	<u>154,319</u>	<u>38,943</u>	<u>32,775</u>	<u>18,949</u>	<u>175,615</u>	<u>156,666</u>
				80,000	80,000	80,000	0
<u>(143,859)</u>	<u>(143,859)</u>	<u>(143,859)</u>	<u>0</u>	<u>(140,591)</u>	<u>(140,591)</u>	<u>(140,591)</u>	<u>0</u>
<u>(143,859)</u>	<u>(143,859)</u>	<u>(143,859)</u>	<u>0</u>	<u>(60,591)</u>	<u>(60,591)</u>	<u>(60,591)</u>	<u>0</u>
(28,592)	(28,483)	10,460	38,943	(27,816)	(41,642)	115,024	156,666
261,860	261,860	261,860		41,760	41,760	41,760	
<u>233,268</u>	<u>233,377</u>	<u>272,320</u>	<u>38,943</u>	<u>13,944</u>	<u>118</u>	<u>156,784</u>	<u>156,666</u>

**ENTERPRISE FUNDS  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL - BUDGET BASIS  
 For the Fiscal Year Ended December 31, 2001**

		Stormwater Management Fund			
		Adopted Budget	Revised Budget	Actual	Variance
<b><u>REVENUES:</u></b>					
Charges for services	\$	520,000	520,000	529,440	9,440
Investment earnings		95,300	100,000	123,238	23,238
Other revenue					
Total revenues		<u>615,300</u>	<u>620,000</u>	<u>652,678</u>	<u>32,678</u>
<b><u>EXPENDITURES:</u></b>					
Current:					
Public services		259,613	259,933	259,592	341
Capital outlay		7,500	91,525	10,228	81,297
Total expenditures		<u>267,113</u>	<u>351,458</u>	<u>269,820</u>	<u>81,638</u>
Excess (deficiency) of revenues over expenditures		<u>348,187</u>	<u>268,542</u>	<u>382,858</u>	<u>114,316</u>
<b><u>OTHER FINANCING SOURCES (USES):</u></b>					
Transfer-in					0
Transfer-out		(231,280)	(231,280)	(231,280)	0
Total other financing (uses)		<u>(231,280)</u>	<u>(231,280)</u>	<u>(231,280)</u>	<u>0</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses		116,907	37,262	151,578	114,316
<b>Fund balances at beginning of year</b>		2,449,906	2,449,906	2,449,906	
<b>Lapsed encumbrances</b>					
<b>Fund balances at end of year</b>	\$	<u><u>2,566,813</u></u>	<u><u>2,487,168</u></u>	<u><u>2,601,484</u></u>	<u><u>114,316</u></u>

Totals			
Adopted Budget	Revised Budget	Actual	Variance
3,072,100	3,072,100	3,267,078	194,978
104,175	111,295	131,784	20,489
19,361	54,800	63,002	8,202
<u>3,195,636</u>	<u>3,238,195</u>	<u>3,461,864</u>	<u>223,669</u>
2,542,158	2,637,892	2,538,205	99,687
191,500	275,525	176,137	99,388
<u>2,733,658</u>	<u>2,913,417</u>	<u>2,714,342</u>	<u>199,075</u>
461,978	324,778	747,522	422,744
80,000	97,900	80,000	(17,900)
(515,730)	(515,730)	(515,730)	0
<u>(435,730)</u>	<u>(417,830)</u>	<u>(435,730)</u>	<u>(17,900)</u>
26,248	(93,052)	311,792	404,844
2,813,714	2,813,714	2,813,714	
3,772	3,772	3,772	
<u>2,843,734</u>	<u>2,724,434</u>	<u>3,129,278</u>	<u>404,844</u>

**SOLID WASTE FUND  
SCHEDULE OF EXPENDITURES  
BUDGET AND ACTUAL - BUDGET BASIS  
For the Fiscal Year Ended December 31, 2001**

	<u>Adopted Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance</u>
<b><u>PUBLIC SERVICES</u></b>				
Department of Public Services				
Personal Services	\$ 1,095,187	1,091,584	1,043,865	47,719
Other Than Personal Services	<u>385,800</u>	<u>485,800</u>	<u>465,317</u>	<u>20,483</u>
<b>TOTAL PUBLIC SERVICES</b>	1,480,987	1,577,384	1,509,182	68,202
<b><u>CAPITAL OUTLAY</u></b>				
Department of Public Services	<u>116,000</u>	<u>116,000</u>	<u>106,601</u>	<u>9,399</u>
<b>TOTAL EXPENDITURES</b>	<u>\$ 1,596,987</u>	<u>1,693,384</u>	<u>1,615,783</u>	<u>77,601</u>

**WATER SURCHARGE FUND  
SCHEDULE OF EXPENDITURES  
BUDGET AND ACTUAL - BUDGET BASIS  
For the Fiscal Year Ended December 31, 2001**

	<u>Adopted Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance</u>
<b><u>PUBLIC SERVICES</u></b>				
Department of Public Services				
Personal Services	\$ 48,455	48,346	47,337	1,009
Other Than Personal Services	<u>169,778</u>	<u>169,778</u>	<u>151,514</u>	<u>18,264</u>
<b>TOTAL PUBLIC SERVICES</b>	<u>218,233</u>	<u>218,124</u>	<u>198,851</u>	<u>19,273</u>
<b><u>CAPITAL OUTLAY</u></b>				
Department of Public Services	<u>4,000</u>	<u>4,000</u>	<u>3,479</u>	<u>521</u>
<b>TOTAL EXPENDITURES</b>	<u>\$ 222,233</u>	<u>222,124</u>	<u>202,330</u>	<u>19,794</u>

**SANITARY SEWER SURCHARGE FUND  
SCHEDULE OF EXPENDITURES  
BUDGET AND ACTUAL - BUDGET BASIS  
For the Fiscal Year Ended December 31, 2001**

	<u>Adopted Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance</u>
<b><u>PUBLIC SERVICES</u></b>				
Department of Public Services				
Personal Services	\$ 255,736	263,012	262,986	26
Other Than Personal Services	<u>327,589</u>	<u>319,439</u>	<u>307,594</u>	<u>11,845</u>
<b>TOTAL PUBLIC SERVICES</b>	583,325	582,451	570,580	11,871
<b><u>CAPITAL OUTLAY</u></b>				
Department of Public Services	<u>64,000</u>	<u>64,000</u>	<u>55,829</u>	<u>8,171</u>
<b>TOTAL EXPENDITURES</b>	<u>\$ 647,325</u>	<u>646,451</u>	<u>626,409</u>	<u>20,042</u>

**STORMWATER MANAGEMENT FUND  
SCHEDULE OF EXPENDITURES  
BUDGET AND ACTUAL - BUDGET BASIS  
For the Fiscal Year Ended December 31, 2001**

	<u>Adopted Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance</u>
<b><u>PUBLIC SERVICES</u></b>				
Department of Public Services				
Personal Services	\$ 170,763	181,408	181,146	262
Other Than Personal Services	<u>88,850</u>	<u>78,525</u>	<u>78,446</u>	<u>79</u>
<b>TOTAL PUBLIC SERVICES</b>	259,613	259,933	259,592	341
<b><u>CAPITAL OUTLAY</u></b>				
Department of Public Services	<u>7,500</u>	<u>91,525</u>	<u>10,228</u>	<u>81,297</u>
<b>TOTAL EXPENDITURES</b>	<u>\$ 267,113</u>	<u>351,458</u>	<u>269,820</u>	<u>81,638</u>



CITY OF | **UPPER ARLINGTON**

## **INTERNAL SERVICE FUND**

### **EMPLOYEE BENEFIT FUND**

Pursuant to Codified Ordinances Section 137.05, moneys are deposited into the fund for the purpose of paying the cost of employee benefits, including but not limited to health care, prescriptions, dental care, life insurance, and long and short-term disability benefits. Revenues come from the proportionate cost of employee benefits contained in the operating budgets of departments of other funds, third party reimbursements and refunds for employee benefits.

**INTERNAL SERVICE FUND  
COMPARATIVE BALANCE SHEET  
EMPLOYEE BENEFIT FUND  
December 31, 2001 and 2000**

	<u>2001</u>	<u>2000</u>
<b><u>ASSETS:</u></b>		
Equity in pooled cash and investments	\$ 49,846	15,541
Due From Other Funds	10,536	105,471
<b>TOTAL ASSETS</b>	<b>\$ <u>60,382</u></b>	<b><u>121,012</u></b>
<b><u>LIABILITIES:</u></b>		
Accounts payable	\$ 60,382	121,012
<b>TOTAL LIABILITIES</b>	<b><u>60,382</u></b>	<b><u>121,012</u></b>
<b><u>FUND EQUITY:</u></b>		
Retained earnings	<u>0</u>	<u>0</u>
<b>TOTAL FUND EQUITY</b>	<b><u>0</u></b>	<b><u>0</u></b>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$ <u>60,382</u></b>	<b><u>121,012</u></b>

**INTERNAL SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
EMPLOYEE BENEFIT FUND  
BUDGET AND ACTUAL - BUDGET BASIS  
For the Fiscal Year Ended December 31, 2001**

	Adopted Budget	Revised Budget	Actual	Variance
<b>REVENUES:</b>				
Miscellaneous	\$	195,958	1,618	(194,340)
Charges for services	<u>1,761,834</u>	<u>1,565,876</u>	<u>1,676,837</u>	<u>110,961</u>
Total revenues	<u>1,761,834</u>	<u>1,761,834</u>	<u>1,678,455</u>	<u>(83,379)</u>
<b>EXPENDITURES:</b>				
Current:				
General government	<u>1,659,129</u>	<u>1,659,129</u>	<u>1,644,150</u>	<u>14,979</u>
Total expenditures	<u>1,659,129</u>	<u>1,659,129</u>	<u>1,644,150</u>	<u>14,979</u>
Excess (deficiency) of revenues over expenditures	<u>102,705</u>	<u>102,705</u>	<u>34,305</u>	<u>(68,400)</u>
Fund balances at beginning of year	<u>15,541</u>	<u>15,541</u>	<u>15,541</u>	
Fund balances at end of year	<u>\$ <u>118,246</u></u>	<u>118,246</u>	<u>49,846</u>	<u>(68,400)</u>



CITY OF | **UPPER ARLINGTON**

## **AGENCY FUNDS**

### **RETURNABLE BONDS FUND**

To account for moneys deposited by citizens for traps, barricade fees, etc., that are to be returned.

### **UNCLAIMED FUNDS**

To account for moneys owed to citizens that cannot be immediately located.

### **CONSTRUCTION WITHHOLDING FUND**

To hold the ten percent withholding required by construction contracts until acceptance of the project.

### **MAYOR'S COURT FUND**

To receive fines and forfeitures from citizens as a result of violating City laws.

### **UPPER ARLINGTON SWIMMING POOLS FUND**

To account for the balance of funds on deposit with the City of Upper Arlington due to the Trustees of the Upper Arlington Swimming pools.

### **FLEX BENEFITS FUND**

The Flex Benefits Fund accounts for funds on deposits for payment of Employee's health care claims by a third party administrator.

### **PAYROLL CLEARING FUND**

To account for payroll and deduction checks of employees.

### **REVOLVING FUND**

To account for miscellaneous deposits of funds collected by the City and due to other governments.

**AGENCY FUNDS  
COMPARATIVE BALANCE SHEET  
December 31, 2001 and 2000**

		<u>2001</u>	<u>2000</u>
<b>ASSETS:</b>			
Equity in pooled cash and investments	\$	<u>2,080,398</u>	<u>886,974</u>
<b>TOTAL ASSETS</b>	<b>\$</b>	<b><u>2,080,398</u></b>	<b><u>886,974</u></b>
<b>LIABILITIES:</b>			
Due to others	\$	<u>2,080,398</u>	<u>886,974</u>
<b>TOTAL LIABILITIES</b>	<b>\$</b>	<b><u>2,080,398</u></b>	<b><u>886,974</u></b>

**AGENCY FUNDS**  
**COMBINING STATEMENT OF CHANGES IN**  
**ASSETS AND LIABILITIES**  
**For the Fiscal Year Ended December 31, 2001**

	Balances Jan. 1, 2001	Additions	Deductions	Balances Dec. 31, 2001
<b>RETURNABLE BONDS</b>				
<b>Assets</b>				
Cash and investments	\$ 29,783	24,735	21,813	32,705
<b>Liabilities</b>				
Due to others	\$ 29,783	24,735	21,813	32,705
<b>UNCLAIMED FUNDS</b>				
<b>Assets</b>				
Cash and investments	\$ 15,646	3,706	127	19,225
<b>Liabilities</b>				
Due to others	\$ 15,646	3,706	127	19,225
<b>CONSTRUCTION WITHHOLDING</b>				
<b>Assets</b>				
Cash and investments	\$ 211,816	72,961	229,650	55,127
<b>Liabilities</b>				
Due to others	\$ 211,816	72,961	229,650	55,127
<b>MAYOR'S COURT</b>				
<b>Assets</b>				
Cash and investments	\$ 39,407	208,223	215,733	31,897
<b>Liabilities</b>				
Due to others	\$ 39,407	208,223	215,733	31,897
<b>UPPER ARLINGTON SWIMMING POOLS</b>				
<b>Assets</b>				
Cash and investments	\$ 432,790	431,024	355,425	508,389
<b>Liabilities</b>				
Due to others	\$ 432,790	431,024	355,425	508,389
<b>FLEX BENEFITS FUND</b>				
<b>Assets</b>				
Cash and investments	\$ 21,270	26,850	21,270	26,850
<b>Liabilities</b>				
Due to others	\$ 21,270	26,850	21,270	26,850
<b>PAYROLL CLEARING FUND</b>				
<b>Assets</b>				
Cash and investments	\$ 101,379	7,301,172	6,046,239	1,356,312
<b>Liabilities</b>				
Due to others	\$ 101,379	7,301,172	6,046,239	1,356,312
<b>REVOLVING FUND</b>				
<b>Assets</b>				
Cash and investments	\$ 34,883	68,963	53,953	49,893
<b>Liabilities</b>				
Due to others	\$ 34,883	68,963	53,953	49,893
<b>TOTAL AGENCY FUNDS</b>				
<b>Assets</b>				
Cash and investments	\$ 886,974	8,137,634	6,944,210	2,080,398
<b>Liabilities</b>				
Due to others	\$ 886,974	8,137,634	6,944,210	2,080,398



CITY OF | **UPPER ARLINGTON**

## **GENERAL FIXED ASSETS ACCOUNT GROUP**

This account group is established to account for fixed assets of the City other than those accounted for in proprietary funds.

**GENERAL FIXED ASSETS ACCOUNT GROUP  
COMPARATIVE BALANCE SHEET  
December 31, 2001 and 2000**

	<u>2001</u>	<u>2000</u>
<b><u>ASSETS:</u></b>		
Property, plant and equipment	\$ 23,398,351	22,432,300
<b>TOTAL ASSETS</b>	<u>23,398,351</u>	<u>22,432,300</u>
<b><u>FUND EQUITY:</u></b>		
Investment in general fixed assets	23,398,351	22,432,300
<b>TOTAL FUND EQUITY</b>	\$ <u>23,398,351</u>	<u>22,432,300</u>

**SCHEDULE OF GENERAL FIXED ASSETS  
BY FUNCTION  
As of December 31, 2001**

<u>FUNCTION</u>	<u>Land</u>	<u>Buildings and Improvements</u>	<u>Machinery, Equipment and Fixtures</u>	<u>Total</u>
Public safety	\$ 219,896	1,611,801	4,690,243	6,521,940
General government	793,069	2,285,238	2,036,923	5,115,230
Public services	128,751	4,851,758	2,234,749	7,215,258
Parks and recreation	1,664,291	1,668,917	1,139,521	4,472,729
Community development	<u>0</u>	<u>0</u>	<u>73,194</u>	<u>73,194</u>
<b>TOTAL GENERAL FIXED ASSETS</b>	<b>\$ <u>2,806,007</u></b>	<b><u>10,417,714</u></b>	<b><u>10,174,630</u></b>	<b><u>23,398,351</u></b>

**SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS  
BY FUNCTION**

**For the Fiscal Year Ended December 31, 2001**

<b>FUNCTION</b>	General Fixed Assets 1-1-01	Net Additions	Net Deletions	Net Transfers	General Fixed Assets 12-31-2001
Public safety	\$ 5,892,095	745,490	95,784	(19,861)	6,521,940
General government	5,046,690	151,313	88,622	5,849	5,115,230
Public services	7,092,452	303,719	196,465	15,552	7,215,258
Parks and recreation	4,335,933	205,815	72,932	3,913	4,472,729
Community development	65,130	21,399	7,882	(5,453)	73,194
<b>TOTAL GENERAL FIXED ASSETS</b>	<b>\$ 22,432,300</b>	<b>1,427,736</b>	<b>461,685</b>	<b>0</b>	<b>23,398,351</b>

**SCHEDULE OF GENERAL FIXED ASSETS  
BY FUNDING SOURCE  
As of December 31, 2001**

<u>SOURCE</u>	<u>2001</u>
General fixed assets purchased prior to January 1, 1987	\$ 7,243,312
General Fund revenues	7,542,026
Special Revenue Funds revenues	2,844,452
Capital lease	672,755
Bond proceeds	5,013,297
Donations	<u>82,509</u>
<b>TOTAL GENERAL FIXED ASSETS</b>	<b>\$ <u>23,398,351</u></b>



CITY OF | **UPPER ARLINGTON**

## **GENERAL LONG-TERM OBLIGATIONS ACCOUNT GROUP**

This account group is established to account for all long-term debt of the City except that accounted for in the proprietary funds.

**GENERAL LONG-TERM OBLIGATIONS  
ACCOUNT GROUP  
COMPARATIVE BALANCE SHEET  
December 31, 2001 and 2000**

	<u>2001</u>	<u>2000</u>
<b><u>ASSETS:</u></b>		
Amount available in debt service funds	\$ 748,918	747,913
Amount to be provided for retirement of general long-term obligations	<u>17,787,248</u>	<u>11,706,328</u>
<b>TOTAL ASSETS</b>	<b>\$ <u>18,536,166</u></b>	<b><u>12,454,241</u></b>
<b><u>LIABILITIES:</u></b>		
Accrued vacation and sick leave	\$ 1,753,664	1,537,012
Installment loan payable	377,871	0
Bonds payable	<u>16,404,631</u>	<u>10,917,229</u>
<b>TOTAL LIABILITIES</b>	<b>\$ <u>18,536,166</u></b>	<b><u>12,454,241</u></b>



CITY OF | **UPPER ARLINGTON**

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**Statistical Section**

**General Governmental Expenditure by Function  
Last Ten Years  
(All Governmental Fund Types)**

<u>Fiscal Year</u>	<u>Public Safety</u>	<u>General Government</u>	<u>Public Services</u>	<u>Parks and Recreation</u>	<u>Community Development</u>	<u>Health</u>	<u>Capital Outlay</u>	<u>Debt Service</u>	<u>Total</u>
1992	7,916,155	4,177,842	2,412,849	1,798,279	561,703	137,723	3,760,481	2,132,050	22,897,082
1993	8,344,094	5,926,274	2,249,946	1,912,418	577,750	151,392	3,074,259	1,980,606	24,216,739
1994	8,963,329	5,143,635	2,363,810	2,140,063	598,093	192,027	2,725,113	1,828,866	23,954,936
1995	8,823,084	4,545,731	2,228,412	2,340,395	584,402	162,474	445,707	1,810,040	20,940,245
1996	9,557,755	5,075,901	1,834,849	1,868,871	559,622	152,860	554,714	1,801,842	21,406,414
1997	8,878,570	4,917,977	1,813,259	1,927,825	557,421	118,922	2,271,254	1,502,953	21,988,181
1998	9,533,696	5,149,758	1,841,950	2,008,057	550,421	120,688	4,931,346	8,998,268	33,134,184
1999	10,349,664	6,054,366	1,950,505	2,078,885	566,864	108,552	4,168,235	1,768,708	27,045,779
2000	9,915,840	6,619,799	2,018,615	1,981,096	492,099	137,987	5,197,964	1,765,440	28,128,840
2001	10,697,929	6,436,954	2,383,048	2,316,486	601,614	161,421	3,505,275	2,113,414	28,216,141

Source: Finance Department, City of Upper Arlington

**General Revenues by Source  
Last Ten Years  
(All Governmental Fund Types)**

Fiscal Year	Income Taxes	Property Taxes	Inter Governmental	Estate Taxes	Charges For Services	Investment Earnings	Fines And Forfeitures	Licenses And Permits	Miscellaneous(1)	Increase (Decrease) in Fair Value of Investments (2)	Total
1992	7,670,196	4,369,426	3,067,770	2,384,006	319,867	1,220,905	260,781	151,705	529,946		19,974,602
1993	8,255,474	4,778,177	2,951,850	2,806,590	325,449	763,689	254,130	285,442	764,865		21,185,666
1994	7,953,375	5,388,055	3,090,712	2,668,587	471,932	594,245	232,771	291,057	708,154		21,398,888
1995	8,355,598	5,373,884	3,285,785	2,184,447	650,470	592,224	266,337	227,973	686,069		21,622,787
1996	8,205,419	5,441,146	3,540,056	2,406,737	742,135	597,948	233,653	399,084	1,072,212		22,638,390
1997	8,079,010	5,875,318	3,609,192	4,888,658	753,938	836,797	262,009	342,816	1,028,810		25,676,548
1998	9,406,931	7,519,363	3,364,427	4,687,336	777,985	1,500,726	279,149	268,601	1,369,356	315,157	29,489,031
1999	12,313,204	6,685,315	3,379,685	5,641,678	840,531	1,319,607	317,521	298,740	1,178,745	(636,407)	31,338,619
2000	11,776,958	7,479,554	3,673,534	3,895,389	842,915	1,678,846	379,326	333,064	1,309,137	523,313	31,892,036
2001	13,877,775	7,633,843	3,961,428	4,261,767	904,900	1,839,820	367,339	306,492	1,261,301	332,209	34,746,874

Notes:  
 (1) Includes special assessments  
 (2) 1998 was the first year for this revenue category which records unrealized gains on investments in accordance with GASB Statement No. 31.  
 Source: Finance Department, City of Upper Arlington

### Property Tax Levies and Collections Last Ten Years

Fiscal Year	Total Tax Levy	Current Tax Collections	Percent Of Levy Collected	Delinquent Tax Collections	Total Tax Collections	Percent of Total Tax Collections To Tax Levy	Percent of Delinquent Taxes to Tax Levy
1992	4,319,484	4,251,731	98.43%	70,749	4,322,480	100.00%	3.32%
1993	4,747,095	4,670,370	98.38%	87,111	4,757,481	100.22%	3.27%
1994	5,317,615	5,239,310	98.53%	107,526	5,346,836	100.55%	2.61%
1995	5,344,932	5,285,826	98.89%	83,737	5,369,563	100.46%	2.73%
1996	5,412,824	5,347,189	98.79%	76,001	5,423,190	100.19%	3.04%
1997	6,013,241	5,773,906	96.02%	96,416	5,870,322	97.62%	5.74%
1998	6,946,627	6,827,432	98.28%	296,137	7,123,569	102.55%	3.44%
1999	6,412,472	6,313,867	98.46%	157,309	6,471,176	100.92%	3.35%
2000	6,923,375	6,823,885	98.56%	129,453	6,953,338	100.43%	8.94%
2001	6,931,261	6,763,017	97.57%	164,082	6,927,099	99.94%	12.72%

Source: Office of the County Auditor, Franklin County, Ohio

**Assessed and Estimated Actual Value of Taxable Property  
Last Ten Years**

Tax Year	<u>Real Property &amp; Public Utility</u>		<u>Tangible Personal Property</u>		Total Assessed Value
	Assessed Value	Estimated Actual Value (1)	Assessed Value	Estimated Actual Value	
1992	724,312,280	2,069,463,657	22,918,091	88,146,504	747,230,371
1993	836,321,350	2,389,489,571	23,262,806	93,051,224	859,584,156
1994	839,485,790	2,398,530,829	26,530,456	106,121,824	866,016,246
1995	842,038,480	2,405,824,229	29,186,722	116,746,888	871,225,202
1996	955,600,450	2,730,287,000	38,912,009	155,648,036	994,512,459
1997	959,512,370	2,741,463,914	45,182,344	180,729,376	1,004,694,714
1998	964,348,230	2,755,280,657	56,148,837	224,595,348	1,020,497,067
1999	1,067,428,160	3,049,794,743	34,396,677	137,586,708	1,101,824,837
2000	1,071,543,820	3,061,553,771	31,888,687	127,554,748	1,103,432,507
2001	1,077,988,810	3,079,968,029	29,031,195	116,124,780	1,107,020,005

## Notes:

(1) Real property and public utility property are assessed at 35% of appraised value.

Source: Office of the County Auditor, Franklin County, Ohio

**Property Tax Rates - All Direct and Overlapping Governments**  
**Last Ten Years**  
**Property Tax Rates per \$1,000 of Assessed Valuation**

Tax Year	<u>City of Upper Arlington</u>					<u>Other Governments</u>			
	General Fund	Debt Retirement	Police and Fire Pensions	Capital Improvement	Total	School District	County	Library	Total
1992	4.90	0.36	0.60	0.50	6.36	68.15	12.42	-	86.93
1993	3.90	0.36	1.60	0.50	6.36	68.15	14.87	-	89.38
1994	3.90	0.28	1.60	0.50	6.28	74.65	14.57	1.00	96.50
1995	3.90	0.29	1.60	0.50	6.29	78.12	14.82	1.00	100.23
1996	3.90	0.27	1.60	0.50	6.27	78.12	14.82	1.00	100.21
1997	3.90	0.84	1.60	0.50	6.84	77.86	15.22	1.00	100.92
1998	3.90	0.42	1.60	0.50	6.42	84.03	17.54	1.00	108.99
1999	3.90	0.39	1.60	0.50	6.39	83.95	17.64	1.00	108.98
2000	3.90	0.39	1.60	0.50	6.39	83.32	17.64	1.00	108.35
2001	3.90	0.76	1.60	0.50	6.76	89.52	17.64	1.00	114.92

**Ratio of Net General Bonded Debt to  
Assessed Value and Net Bonded Debt Per Capita  
Last Ten Years**

Tax Year	Assessed Value (1)	Gross General Bonded Debt (2)	Less Debt Service Fund	Net General Bonded Debt	Ratio of Net General Bonded Debt to Assessed Value	Estimated Population (3)	Net General Bonded Debt Per Capita
1992	747,230,371	15,470,000	1,449,677	14,020,323	1.88	34,128	410.82
1993	859,584,156	14,605,000	268,950	14,336,050	1.67	34,279	418.22
1994	866,016,246	13,205,000	3,826	13,201,174	1.53	34,279	385.11
1995	871,225,202	11,740,000	10,880	11,729,120	1.35	35,700	328.55
1996	994,512,459	10,205,000	22,658	10,182,342	1.02	35,686	285.33
1997	1,004,694,714	9,045,000	32,602	9,012,398	0.90	35,686	252.55
1998	1,020,497,067	17,849,988	558,936	17,291,052	1.69	35,686	484.53
1999	1,101,824,837	16,339,988	649,988	15,690,000	1.42	35,686	439.67
2000	1,103,432,507	14,769,988	747,913	14,022,075	1.27	33,686	416.26
2001	1,107,020,005	19,908,965	748,918	19,160,047	1.73	33,686	568.78

## Notes:

(1) Assessed value from Table 4

(2) Amounts excluded Bond Anticipation Notes

(3) Population estimates for 2000 are from the U.S. Census Bureau.

Other estimates are prepared by the City of Upper Arlington.

**Computation of Legal Debt Margin  
December 31, 2001**

Total Assessed Valuation		<u>\$1,107,020,005</u>
Overall Debt Limitation:		
10 1/2% of assessed valuation		116,237,101
Gross bonded indebtedness	19,908,965	
Less: Amount available in debt service fund	<u>748,918</u>	
Net debt within limitation		<u>19,160,047</u>
Legal debt margin within 10 1/2% limitation		<u>\$97,077,054</u>
Unvoted Debt Limitation:		
5 1/2% of assessed valuation		\$60,886,100
Gross bonded indebtedness	19,908,965	
Less: Debt outside limitations	<u>4,563,036</u>	
Debt within limitation		15,345,929
Less: Amount available in debt service fund		748,918
Net debt within limitation		<u>14,597,011</u>
Legal debt margin within 5 1/2% limitation		<u>\$46,289,089</u>

Source: Finance Department, City of Upper Arlington

**Computation of Direct and Overlapping Debt  
December 31, 2001**

	<u>Assessed Valuation</u>	<u>Net Outstanding</u>	<u>Percent Overlapping</u>	<u>Amount Applicable To City of Upper Arlington</u>
Direct -				
City of Upper Arlington	\$1,107,020,005	<u>\$19,160,047</u>	100.00%	<u>\$19,160,047</u>
Overlapping:				
Upper Arlington Schools	1,123,905,205	40,009,366	98.15%	39,269,193
Dublin Schools	2,139,189,944	168,415,988	0.18%	303,149
Franklin County	22,111,413,575	<u>159,537,300</u>	5.01%	<u>7,992,819</u>
		<u>367,962,654</u>		<u>47,565,161</u>
Total		<u><u>\$387,122,701</u></u>		<u><u>\$66,725,208</u></u>

Sources: Office of the County Auditor, Franklin County, Ohio

**Ratio of Annual Debt Service Expenditures for  
General Bonded Debt to Total General Expenditures  
Last Ten Years**

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>	<u>Total General Expenditures</u>	<u>Percentage of Debt Service to General Expenditures</u>
1992	1,255,000	942,629	2,197,629	22,897,082	9.60%
1993	1,330,000	924,574	2,254,574	24,216,739	9.31%
1994	1,400,000	877,402	2,277,402	23,954,936	9.51%
1995	1,465,000	799,257	2,264,257	20,940,245	10.81%
1996	1,535,000	717,194	2,252,194	21,406,414	10.52%
1997	1,160,000	630,418	1,790,418	21,988,181	8.14%
1998	1,445,000	643,906	2,088,906	33,134,183	6.30%
1999	1,510,000	774,447	2,284,446	27,045,779	8.45%
2000	1,570,000	710,617	2,280,617	28,128,840	8.11%
2001	1,681,952	845,017	2,526,970	28,216,141	8.96%

Source: Finance Department, City of Upper Arlington

**Demographic Statistics  
Last Five Census**

<u>Year</u>	<u>Population</u>	<u>Occupied Households</u>	<u>Total Dwelling Units</u>	<u>Persons Per Household</u>	<u>Median Income</u>
1960	28,486	8,503	8,868	3.35	11,915
1970	38,630	12,311	12,642	3.13	17,971
1980	35,648	13,542	13,902	3.06	32,184
1990	34,128	13,956	14,376	2.40	53,140
2000	33,686	13,985	14,432	2.39	62,787

Source: U.S. Census Bureau, Census 2000

## Property Value, Construction, and Bank Deposits Last Ten Years

Fiscal Year	Residential (1)		Commercial (1)		Total		Bank Deposits (2)	Property Value (3)
	No. of Permits	Value	No. of Permits	Value	No. of Permits	Total Value		
1992	379	15,125,405	74	2,574,175	453	17,699,580	16,698,307,000	2,069,463,657
1993	437	18,491,005	71	4,741,002	508	23,232,007	18,074,036,000	2,389,489,571
1994	406	18,259,982	45	3,595,709	451	21,855,691	19,048,525,000	2,474,332,131
1995	271	10,659,878	64	3,684,361	335	14,344,239	20,065,000,000	2,405,824,229
1996	275	15,539,650	69	27,766,303	344	43,305,953	20,601,499,000	2,730,287,000
1997	292	15,318,859	82	12,655,046	374	27,973,905	19,077,211,000	2,741,463,914
1998	296	13,263,492	76	7,688,901	372	20,952,393	41,599,732,000	2,755,280,657
1999	331	26,774,877	88	4,576,772	419	31,351,649	39,568,044,000	3,049,794,743
2000	306	26,702,623	55	11,994,250	361	38,696,873	36,931,205,000	3,061,553,771
2001	302	24,392,481	54	22,630,527	356	47,022,738	39,056,316,000	3,079,968,029

## Sources:

(1) City of Upper Arlington, Development Department

(2) Total deposits of all banks headquartered in Franklin County (includes national and state chartered banks.) State of Ohio Department of Commerce, Banks Division

(3) Office of the County Auditor, Franklin County, Ohio

## Principal Property Taxpayers December 31, 2001

	Assessed Valuation	% of Total Assessed Valuation
<u>Real Property &amp; Public Utility</u>		
1. Columbus & Southern Power Company	\$10,874,710	0.98
2. Ohio Bell Telephone Company	7,323,340	0.66
3. First Community Village	6,597,510	0.60
4. RRC Acquisitions, Inc.	6,068,240	0.55
5. UAP-Columbus JV	5,237,050	0.47
6. Compuserve, Inc.	5,085,320	0.46
7. New Plan Financing Inc.	3,274,250	0.30
8. Scioto Country Club, Inc.	3,238,030	0.29
9. Kimco Development Corp.	2,712,500	0.25
10. Lazarus Real Estate II Inc.	2,100,010	0.19
Total	\$52,510,960	4.56
<u>Tangible Personal Property</u>		
1. Uunet Technologies Inc.	\$6,174,540	0.56
2. America Online Inc.	3,043,510	0.27
3. Time Warner Entertainment Co., LP	1,980,950	0.18
4. Rich's Department Stores Inc.	1,230,680	0.11
5. Circuit City Stores Inc.	940,380	0.08
6. Kroger Company	582,650	0.05
7. BOAHC Inc.	416,090	0.04
8. Wild Oats Market Inc.	385,800	0.03
9. Ameritech New Media Inc.	380,820	0.03
10. Stein Mart	335,130	0.03
Total	\$15,470,550	1.38

Source: Office of the County Auditor, Franklin County, Ohio

## Miscellaneous Statistics

Date of Incorporation	February 8, 1941
Form of Government	Council-City Manager
Area	9.7 sq. miles
Population	33,686
Dwellings	14,432
Median Family Income	62,787
Median Age	42.6
Retail Business	
Shopping Centers	8 with 241 stores
Grocery Stores	5
Restaurants	40
Gas Stations	8
Financial Institutions	21
Churches	16
Fire Protection	
Number of Stations	3
Pieces of equipment	23
Number of personnel	65
Police Protection	
Number of stations	1
Pieces of equipment	25
Number of personnel	60
Parks and Recreation	
Number of parks	17 (180 acres)
Swimming pools	3
Baseball and softball field	21
Tennis courts	36
Shuffleboard courts	8
Senior center	1
Education	
Public Schools	
Elementary	5
Middle	2
High	1
Parochial	2
Private	1
Total enrollment	5,545
Full-Time Employees	257

**Special Assessment Billings and Collections  
Last Ten Years**

<u>Fiscal Year</u>	<u>Assessment Billings</u>	<u>Assessment Collections</u>
1992	62,011	67,915
1993	32,300	27,540
1994	24,768	19,949
1995	33,831	27,366
1996	34,739	28,793
1997	38,222	46,495
1998	41,176	42,846
1999	278,861	275,593
2000	357,762	307,461
2001	288,991	242,909

Source: Office of the County Auditor, Franklin County, Ohio



CITY OF | **UPPER**  
**ARLINGTON**

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**Independent Auditors' Report on Compliance and Internal Control  
Over Financial Reporting Based on an Audit of Financial Statements  
Performed in Accordance With *Government Auditing Standards***

Members of City Council  
City of Upper Arlington, Ohio

and

The Honorable Jim Petro  
Auditor of State

We have audited the general purpose financial statements of the City of Upper Arlington, Ohio (the City) as of and for the year ended December 31, 2001, and have issued our report thereon dated June 3, 2002. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Compliance**

As part of obtaining reasonable assurance about whether the City's general purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of general purpose financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the City's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended for the information of the City's Council and management and the Ohio Auditor of State and is not intended to be and should not be used by anyone other than those specified parties.

KPMG LLP

June 3, 2002



STATE OF OHIO  
OFFICE OF THE AUDITOR  

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JIM PETRO, AUDITOR OF STATE

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Facsimile 614-466-4490

**CITY OF UPPER ARLINGTON**

**FRANKLIN COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
AUGUST 6, 2002**