



CITY OF COLUMBUS, OHIO

General Purpose Financial Statements
and Individual Enterprise Funds' Financial Statements

December 31, 1999

(With Independent Auditors' Report Thereon)

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CITY OF COLUMBUS OHIO

90 WEST BROAD STREET
COLUMBUS, OHIO 43215

April 7, 2000

To the Citizens of the City of Columbus, Ohio

In addition to the General Purpose Financial Statements (GPFS) contained in this report, the City also intends to issue a Comprehensive Annual Financial Report (CAFR) as of and for the year ended December 31, 1999.

The City had issued both a GPFS and a CAFR for the years 1979 through 1998 and intends to continue this practice.

Very truly yours,

Hugh J. Dorrian
City Auditor

CITY OF COLUMBUS, OHIO

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STATE OF OHIO
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The Honorable Hugh J. Dorrian
City Auditor
City of Columbus, Ohio

We have reviewed the independent auditor's report of the City of Columbus, Franklin County, prepared by KPMG LLP, for the audit period January 1, 1999 through December 31, 1999. 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 Columbus is responsible for compliance with these laws and regulations.



JIM PETRO
Auditor of State

May 15, 2000



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Telephone 614 249 2300
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Independent Auditors' Report

The Honorable Hugh J. Dorrian
City Auditor
City of Columbus, Ohio:

We have audited the accompanying general purpose financial statements of the City of Columbus, Ohio (the City) and the combining financial statements of its Enterprise Funds as of and for the year ended December 31, 1999 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 generally accepted auditing standards 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 and combining 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 and combining 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 and combining 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, 1999, and the results of its operations and the cash flows of its proprietary fund types for the year then ended in conformity with generally accepted accounting principles. Also, in our opinion, the combining financial statements of its Enterprise Funds referred to above present fairly, in all material respects, the financial position of each of the individual Enterprise Funds of the City as of December 31, 1999, and the results of their operations and their cash flows for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated April 7, 2000 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

KPMG LLP

April 7, 2000



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CITY OF COLUMBUS, OHIO

Combined Balance Sheet—All Fund Types, Account Groups,
and Discretely Presented Component Unit

December 31, 1999

<u>Assets</u>	<u>Governmental Fund Types</u>			
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>
Cash and cash equivalents:				
Cash and investments with treasurer—Note C	\$ 102,092,201	51,686,598	114,708,598	175,539,876
Cash and investments with fiscal and escrow agents and other—Note C	-	240,466	-	-
Investments—Note C	-	27,851	3,271,158	-
Receivables (net of allowances for uncollectibles)—Note D	64,857,099	26,643,612	146,829,401	291,686
Due from other:				
Governments	-	2,451,054	-	332,340
Funds—Note E	3,219,301	344,535	-	593,964
Interfund receivables—Note E	-	-	3,242,958	-
Inventory	-	-	-	-
Deferred charges and other—Note L	-	-	11,848,020	-
Restricted assets—Note G:				
Cash and cash equivalents:				
Cash and investments with treasurer and other—Note C	-	-	-	-
Cash and cash equivalents with trustees— Note C	-	-	-	-
Investments with trustees—Note C	-	-	-	-
Accrued interest receivable—Note D	-	-	-	-
Property, plant and equipment—Note F:				
At cost	-	-	-	-
Less accumulated depreciation, where applicable	-	-	-	-
Net property, plant and equipment	-	-	-	-
Amount available in debt service fund	-	-	-	-
Amount to be provided for retirement of general long-term obligations	-	-	-	-
Total assets	<u>\$ 170,168,601</u>	<u>81,394,116</u>	<u>279,900,135</u>	<u>176,757,866</u>

Proprietary Fund Types		Fiduciary Fund Type	Account Groups		Totals (Memorandum Only)
Enterprise- Note S	Internal Service	Agency	General Fixed Assets	General Long-Term Obligations	Primary Government (carried forward)
107,250,812	18,230,013	44,635,188	-	-	614,143,286
-	-	20,273	-	-	260,739
-	-	20,350	-	-	3,319,359
47,049,639	73,275	-	-	-	285,744,712
-	-	-	-	-	2,783,394
5,973,501	6,473,197	321,511	-	-	16,926,009
-	-	-	-	-	3,242,958
13,393,337	872,773	-	-	-	14,266,110
2,860,181	-	-	-	-	14,708,201
42,844,750	-	-	-	-	42,844,750
8,213,535	-	-	-	-	8,213,535
7,532,577	-	-	-	-	7,532,577
139,827	-	20,803	-	-	160,630
1,797,212,325	39,428,449	-	671,377,858	-	2,508,018,632
(559,551,791)	(18,091,830)	-	-	-	(577,643,621)
1,237,660,534	21,336,619	-	671,377,858	-	1,930,375,011
-	-	-	-	135,216,099	135,216,099
-	-	-	-	657,400,136	657,400,136
1,472,918,693	46,985,877	45,018,125	671,377,858	792,616,235	3,737,137,506

(Continued)

CITY OF COLUMBUS, OHIO

Combined Balance Sheet—All Fund Types, Account Groups,
and Discretely Presented Component Unit (Continued)

December 31, 1999

	Totals (Memorandum Only)	Component Unit
<u>Assets</u>	Primary Government (brought forward)	<u>CMAA</u>
Cash and cash equivalents:		
Cash and investments with treasurer—Note C	\$ 614,143,286	-
Cash and investments with fiscal and escrow agents and other— Notes C	260,739	34,635,334
Investments—Note C	3,319,359	-
Receivables (net of allowances for uncollectibles)—Note D	285,744,712	3,807,590
Due from other:		
Governments	2,783,394	1,260,517
Funds—Note E	16,926,009	-
Interfund receivables—Note E	3,242,958	-
Inventory	14,266,110	-
Deferred charges and other—Note L	14,708,201	2,359,996
Restricted assets—Note G:		
Cash and cash equivalents:		
Cash and investments with treasurer and other—Note C	42,844,750	63,004,733
Cash and cash equivalents with trustees—Note C	8,213,535	-
Investments with trustees—Note C	7,532,577	15,227,319
Accrued interest receivable—Note D	160,630	-
Property, plant and equipment—Note F:		
At cost	2,508,018,632	375,411,671
Less accumulated depreciation, where applicable	(577,643,621)	(87,944,708)
Net property, plant and equipment	1,930,375,011	287,466,963
Amount available in debt service fund	135,216,099	-
Amount to be provided for retirement of general long-term obligations	657,400,136	-
Total assets	<u>\$ 3,737,137,506</u>	<u>407,762,452</u>

See accompanying notes to the general purpose financial statements.

Totals (Memorandum Only)	
Reporting Entity	
1999	1998
614,143,286	567,556,849
34,896,073	14,906,912
3,319,359	3,345,182
289,552,302	281,765,018
4,043,911	8,132,537
16,926,009	16,620,373
3,242,958	3,334,788
14,266,110	13,095,684
17,068,197	4,121,386
105,849,483	164,233,516
8,213,535	8,660,909
22,759,896	60,742,541
160,630	149,102
2,883,430,303	2,714,372,010
(665,588,329)	(612,030,401)
2,217,841,974	2,102,341,609
135,216,099	118,941,952
657,400,136	569,003,391
<u>4,144,899,958</u>	<u>3,936,951,749</u>

(Continued)

CITY OF COLUMBUS, OHIO

Combined Balance Sheet—All Fund Types, Account Groups,
and Discretely Presented Component Unit (Continued)

December 31, 1999

<u>Liabilities</u>	<u>Governmental Fund Types</u>			
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>
Accounts payable	\$ 6,146,954	7,830,491	898,969	6,284,791
Customer deposits	-	-	-	-
Due to other:				
Governments	713,000	-	-	-
Funds—Note E	1,320,733	2,536,939	448,753	3,474,519
Other	4,788,585	-	1,596,194	-
Due to primary government—Note E	-	-	-	-
Interfund payables—Note E	1,693,181	-	1,549,777	-
Payable from restricted assets:				
Accounts payable	-	-	-	-
Due to other funds—Note E	-	-	-	-
Due to other	-	-	-	-
Accrued interest payable	-	-	-	-
Deferred revenue and other—Note H	35,189,666	9,066,512	138,479,217	2,983,665
Matured bonds and interest payable—Note G	-	-	1,532,126	-
Accrued interest payable	-	-	179,000	-
Accrued wages and benefits—Note G	16,104,885	2,695,102	-	-
Accrued vacation and sick leave—Note G	-	-	-	-
Notes payable—Note G	-	-	-	-
Bonds and loans payable, net—Note G	-	-	-	-
Obligation under capitalized lease—Notes G and J	-	-	-	-
Total liabilities	65,957,004	22,129,044	144,684,036	12,742,975
<u>Equity and Other Credits</u>				
Investment in general fixed assets	-	-	-	-
Contributed capital—Note T	-	-	-	-
Retained earnings	-	-	-	-
Fund balances (deficit):				
Reserved for encumbrances	21,147,943	70,586,258	23,355,507	109,469,855
Reserved for non-current loans receivable	-	21,975,829	-	-
Unreserved:				
Designated for future years' expenditures	33,660,140	-	-	-
Undesignated	49,403,514	(33,297,015)	111,860,592	54,545,036
Total fund balance/retained earnings	104,211,597	59,265,072	135,216,099	164,014,891
Total equity and other credits—Note O	104,211,597	59,265,072	135,216,099	164,014,891
Commitments and contingencies— Notes B, G and J				
Total liabilities, equity and other credits	\$ 170,168,601	81,394,116	279,900,135	176,757,866

Proprietary Fund Types		Fiduciary Fund Type	Account Groups		Totals (Memorandum Only)
Enterprise- Note S	Internal Service	Agency	General Fixed Assets	General Long-Term Obligations	Primary Government (carried forward)
12,622,066	7,413,772	-	-	-	41,197,043
448,753	4,545,200	-	-	-	4,993,953
1,897,000	-	34,199,278	-	-	36,809,278
3,031,128	23,827	6,053,402	-	-	16,889,301
-	-	4,765,445	-	-	11,150,224
-	-	-	-	-	-
-	-	-	-	-	3,242,958
5,390,337	-	-	-	-	5,390,337
36,708	-	-	-	-	36,708
111,227	-	-	-	-	111,227
1,372,709	-	-	-	-	1,372,709
1,692,982	-	-	-	-	187,412,042
-	-	-	-	-	1,532,126
5,449,369	14,070	-	-	-	5,642,439
1,616,332	6,250,632	-	-	2,453,600	29,120,551
4,576,449	1,469,148	-	-	44,922,316	50,967,913
175,500	-	-	-	4,317,666	4,493,166
878,583,692	5,555,000	-	-	735,742,653	1,619,881,345
-	-	-	-	5,180,000	5,180,000
917,004,252	25,271,649	45,018,125	-	792,616,235	2,025,423,320
-	-	-	671,377,858	-	671,377,858
130,323,216	20,504,368	-	-	-	150,827,584
425,591,225	1,209,860	-	-	-	426,801,085
-	-	-	-	-	224,559,563
-	-	-	-	-	21,975,829
-	-	-	-	-	33,660,140
-	-	-	-	-	182,512,127
425,591,225	1,209,860	-	-	-	889,508,744
555,914,441	21,714,228	-	671,377,858	-	1,711,714,186
1,472,918,693	46,985,877	45,018,125	671,377,858	792,616,235	3,737,137,506

(Continued)

CITY OF COLUMBUS, OHIO

Combined Balance Sheet—All Fund Types, Account Groups, and Discretely Presented Component Unit (Continued)

December 31, 1999

<u>Liabilities</u>	Totals (Memorandum Only)	Component Unit
	Primary Government (brought forward)	CMAA
Accounts payable	\$ 41,197,043	2,279,095
Customer deposits	4,993,953	148,856
Due to other:		
Governments	36,809,278	-
Funds—Note E	16,889,301	-
Other	11,150,224	-
Due to primary government—Note E	-	4,000,000
Interfund payables—Note E	3,242,958	-
Payable from restricted assets:		
Accounts payable	5,390,337	5,385,487
Due to other funds—Note E	36,708	-
Due to other	111,227	-
Accrued interest payable	1,372,709	3,851,786
Deferred revenue and other—Note H	187,412,042	-
Matured bonds and interest payable—Note G	1,532,126	-
Accrued interest payable	5,642,439	-
Accrued wages and benefits—Note G	29,120,551	1,879,540
Accrued vacation and sick leave—Note G	50,967,913	-
Notes payable—Note G	4,493,166	-
Bonds and loans payable, net—Note G	1,619,881,345	154,909,681
Obligation under capitalized lease—Notes G and J	5,180,000	-
Total liabilities	2,025,423,320	172,454,445
<u>Equity and Other Credits</u>		
Investment in general fixed assets	671,377,858	-
Contributed capital—Note T	150,827,584	132,698,890
Retained earnings	426,801,085	102,609,117
Fund balances (deficit):		
Reserved for encumbrances	224,559,563	-
Reserved for non-current loans receivable	21,975,829	-
Unreserved:		
Designated for future years' expenditures	33,660,140	-
Undesignated	182,512,127	-
Total fund balance/retained earnings	889,508,744	102,609,117
Total equity and other credits—Note O	1,711,714,186	235,308,007
Commitments and contingencies—		
Notes B, G and J		
Total liabilities, equity and other credits	3,737,137,506	407,762,452

See accompanying notes to the general purpose financial statements.

Totals (Memorandum Only)	
Reporting Entity	
1999	1998
43,476,138	42,000,367
5,142,809	5,394,329
36,809,278	28,185,814
16,889,301	16,616,015
11,150,224	11,751,176
4,000,000	4,000,000
3,242,958	3,334,788
10,775,824	9,350,269
36,708	4,358
111,227	104,251
5,224,495	5,520,782
187,412,042	194,264,796
1,532,126	1,515,881
5,642,439	6,067,886
31,000,091	34,077,193
50,967,913	49,312,684
4,493,166	4,423,869
1,774,791,026	1,716,482,455
5,180,000	6,040,000
<u>2,197,877,765</u>	<u>2,138,446,913</u>
671,377,858	649,186,772
283,526,474	277,128,002
529,410,202	479,296,505
224,559,563	154,430,259
21,975,829	21,220,751
33,660,140	31,810,973
182,512,127	185,431,574
<u>992,117,861</u>	<u>872,190,062</u>
1,947,022,193	1,798,504,836
<u><u>4,144,899,958</u></u>	<u><u>3,936,951,749</u></u>

CITY OF COLUMBUS, OHIO

Combined Statement of Revenues, Expenditures and Changes in Fund Balances— All Governmental Fund Types

Year ended December 31, 1999

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
Revenues:				
Income taxes—Note M	\$ 308,222,674	-	102,740,890	-
Property taxes—Note N	34,402,910	-	-	-
Grants and subsidies	-	49,246,170	-	4,339,404
Investment income	17,821,041	1,209,826	1,578,821	4,674
Special assessments	-	-	161,423	-
Licenses and permits	11,971,768	5,453,669	-	-
Shared revenues	56,661,377	24,915,632	-	-
Charges for services	24,419,719	29,205,644	609,451	-
Fines and forfeits	12,467,680	2,746,497	-	-
Miscellaneous—Note P	4,339,618	17,136,814	10,933,816	13,422,084
Total revenues	470,306,787	129,914,252	116,024,401	17,766,162
Expenditures:				
Current:				
General government	53,326,575	11,946,992	524,177	-
Public service	46,971,032	30,443,241	-	-
Public safety	287,800,316	3,815,307	315,000	-
Trade and development	25,566,675	18,145,537	119,279	-
Health	-	34,475,654	-	-
Recreation and parks	-	55,361,521	-	-
Public utilities	-	12,327,104	-	-
Capital outlay	8,485,701	13,611,104	-	117,967,338
Debt service:				
Principal retirement and payment of obligation under capitalized lease—Note G	-	-	60,851,053	-
Interest and fiscal charges	-	-	33,976,892	1,734,539
Total expenditures	422,150,299	180,126,460	95,786,401	119,701,877
Excess (deficiency) of revenues over expenditures	48,156,488	(50,212,208)	20,238,000	(101,935,715)
Other financing sources (uses):				
Operating transfers in—Note Q	11,879,888	49,540,017	20,622,709	6,388,640
Operating transfers out—Note Q	(51,733,657)	(5,890,933)	(24,586,562)	(16,320,102)
Proceeds from bonds and long-term notes—Note G	-	-	-	163,667,537
Proceeds of refunding bonds and note	-	-	-	-
Payments to refunded bond escrow agent	-	-	-	-
Total other financing sources (uses)	(39,853,769)	43,649,084	(3,963,853)	153,736,075
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	8,302,719	(6,563,124)	16,274,147	51,800,360
Fund balances at beginning of year	95,908,878	65,828,196	118,941,952	112,214,531
Cumulative effect of change in accounting principle	-	-	-	-
Residual equity transfers	-	-	-	-
Fund balances at end of year	\$ 104,211,597	59,265,072	135,216,099	164,014,891

See accompanying notes to the general purpose financial statements.

Totals (Memorandum Only)

Reporting Entity

<u>1999</u>	<u>1998</u>
410,963,564	381,376,641
34,402,910	33,495,503
53,585,574	63,779,470
20,614,362	21,515,902
161,423	161,147
17,425,437	14,229,383
81,577,009	79,409,301
54,234,814	53,440,498
15,214,177	15,319,431
45,832,332	55,964,622
<u>734,011,602</u>	<u>718,691,898</u>
65,797,744	72,015,636
77,414,273	69,066,799
291,930,623	265,701,591
43,831,491	42,030,883
34,475,654	33,125,922
55,361,521	53,664,882
12,327,104	11,938,265
140,064,143	109,985,348
60,851,053	101,489,328
35,711,431	33,516,165
<u>817,765,037</u>	<u>792,534,819</u>
(83,753,435)	(73,842,921)
88,431,254	71,233,719
(98,531,254)	(71,233,719)
163,667,537	141,369,709
-	55,298,504
-	(30,198,504)
<u>153,567,537</u>	<u>166,469,709</u>
69,814,102	92,626,788
392,893,557	281,300,517
-	25,877,716
-	(6,911,464)
<u>462,707,659</u>	<u>392,893,557</u>

CITY OF COLUMBUS, OHIO

Combined Statement of Revenues, Expenditures and Changes in Fund Balances— Budget and Actual—General, Special Revenue and Debt Service Funds— Budget Basis—Note R

Year ended December 31, 1999

	General Fund		Variance— Favorable (unfavorable)
	Revised Budget	Actual	
Revenues:			
Income taxes	\$ 303,000,000	301,793,994	(1,206,006)
Property taxes	35,000,000	34,355,187	(644,813)
Grants and subsidies	—	—	—
Investment income	20,200,000	20,624,825	424,825
Special assessments	—	—	—
Licenses and permits	11,840,000	11,944,150	104,150
Shared revenues	55,495,000	56,661,377	1,166,377
Charges for services	23,860,000	24,000,791	140,791
Fines and forfeits	12,450,000	12,492,061	42,061
Miscellaneous	4,380,000	4,687,905	307,905
Total revenues	<u>466,225,000</u>	<u>466,560,290</u>	<u>335,290</u>
Expenditures:			
Current:			
General government	57,206,485	56,022,180	1,184,305
Public service	38,817,328	37,891,265	926,063
Public safety	295,361,483	293,546,700	1,814,783
Trade and development	27,771,981	26,697,120	1,074,861
Health	—	—	—
Recreation and parks	—	—	—
Public utilities	—	—	—
Expenditures paid through county auditor	1,000,000	606,290	393,710
Debt service:			
Principal retirement and payment of obligation under capitalized lease	—	—	—
Interest and fiscal charges	—	—	—
Total expenditures	<u>420,157,277</u>	<u>414,763,555</u>	<u>5,393,722</u>
Excess (deficiency) of revenues over expenditures	46,067,723	51,796,735	5,729,012
Other financing sources (uses):			
Operating transfers in	775,000	752,363	(22,637)
Operating transfers out	(60,008,746)	(52,319,235)	7,689,511
Total other financing sources (uses)	<u>(59,233,746)</u>	<u>(51,566,872)</u>	<u>7,666,874</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	(13,166,023)	229,863	13,395,886
Fund balances at beginning of year	69,452,283	69,452,283	—
Lapsed encumbrances	1,198,325	1,198,325	—
Fund balances (deficit) at end of year	<u>\$ 57,484,585</u>	<u>70,880,471</u>	<u>13,395,886</u>

Special Revenue Fund

Revised Budget	Actual	Variance— Favorable (unfavorable)
-	-	-
-	-	-
51,147,347	51,147,347	-
763,989	763,989	-
-	-	-
5,445,453	5,445,453	-
24,671,632	24,671,632	-
29,377,189	29,377,189	-
2,746,497	2,746,497	-
21,109,284	21,109,284	-
<u>135,261,391</u>	<u>135,261,391</u>	-
19,239,582	14,677,607	4,561,975
38,571,249	37,034,679	1,536,570
6,034,369	5,201,526	832,843
28,453,195	21,730,330	6,722,865
41,140,989	37,497,538	3,643,451
74,007,122	66,478,076	7,529,046
12,837,838	12,429,625	408,213
-	-	-
-	-	-
-	-	-
<u>220,284,344</u>	<u>195,049,381</u>	<u>25,234,963</u>
(85,022,953)	(59,787,990)	25,234,963
50,278,878	50,278,878	-
(25,527,272)	(25,679,813)	(152,541)
<u>24,751,606</u>	<u>24,599,065</u>	<u>(152,541)</u>
(60,271,347)	(35,188,925)	25,082,422
1,239,777	1,239,777	-
7,386,207	7,386,207	-
<u>(51,645,363)</u>	<u>(26,562,941)</u>	<u>25,082,422</u>

(Continued)

CITY OF COLUMBUS, OHIO

Combined Statement of Revenues, Expenditures and Changes in Fund Balances—
Budget and Actual—General, Special Revenue and Debt Service Funds—
Budget Basis—Note R (Continued)

Year ended December 31, 1999

	Debt Service Fund		Variance—
	Revised <u>Budget</u>	<u>Actual</u>	Favorable (unfavorable)
Revenues:			
Income taxes	\$ 100,623,455	100,623,455	-
Property taxes	-	-	-
Grants and subsidies	-	-	-
Investment income	1,422,423	1,422,423	-
Special assessments	161,423	161,423	-
Licenses and permits	-	-	-
Shared revenues	-	-	-
Charges for services	609,451	609,451	-
Fines and forfeits	-	-	-
Miscellaneous	99,762,855	99,762,855	-
Total revenues	202,579,607	202,579,607	-
Expenditures:			
Current:			
General government	593,626	580,535	13,091
Public service	9,075,000	9,075,000	-
Public safety	1,316,941	1,316,879	62
Trade and development	1,734,539	124,754	1,609,785
Health	-	-	-
Recreation and parks	630,000	630,000	-
Public utilities	-	-	-
Expenditures paid through county auditor	-	-	-
Debt service:			
Principal retirement and payment of obligation under capitalized lease	125,883,532	125,883,532	-
Interest and fiscal charges	69,397,501	69,393,446	4,055
Total expenditures	208,631,139	207,004,146	1,626,993
Excess (deficiency) of revenues over expenditures	(6,051,532)	(4,424,539)	1,626,993
Other financing sources (uses):			
Operating transfers in	127,967,618	127,967,618	-
Operating transfers out	(126,508,584)	(124,309,193)	2,199,391
Total other financing sources (uses)	1,459,034	3,658,425	2,199,391
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	(4,592,498)	(766,114)	3,826,384
Fund balances at beginning of year	83,877,763	83,877,763	-
Lapsed encumbrances	7,659,545	7,659,545	-
Fund balances (deficit) at end of year	\$ 86,944,810	90,771,194	3,826,384

See accompanying notes to the general purpose financial statements.

Totals (Memorandum Only)

<u>Revised Budget</u>	<u>Actual</u>	<u>Variance— Favorable (unfavorable)</u>
403,623,455	402,417,449	(1,206,006)
35,000,000	34,355,187	(644,813)
51,147,347	51,147,347	—
22,386,412	22,811,237	424,825
161,423	161,423	—
17,285,453	17,389,603	104,150
80,166,632	81,333,009	1,166,377
53,846,640	53,987,431	140,791
15,196,497	15,238,558	42,061
125,252,139	125,560,044	307,905
804,065,998	804,401,288	335,290
77,039,693	71,280,322	5,759,371
86,463,577	84,000,944	2,462,633
302,712,793	300,065,105	2,647,688
57,959,715	48,552,204	9,407,511
41,140,989	37,497,538	3,643,451
74,637,122	67,108,076	7,529,046
12,837,838	12,429,625	408,213
1,000,000	606,290	393,710
125,883,532	125,883,532	—
69,397,501	69,393,446	4,055
849,072,760	816,817,082	32,255,678
(45,006,762)	(12,415,794)	32,590,968
179,021,496	178,998,859	(22,637)
(212,044,602)	(202,308,241)	9,736,361
(33,023,106)	(23,309,382)	9,713,724
(78,029,868)	(35,725,176)	42,304,692
154,569,823	154,569,823	—
16,244,077	16,244,077	—
92,784,032	135,088,724	42,304,692

CITY OF COLUMBUS, OHIO

Combined Statement of Revenues, Expenses and Changes in Retained Earnings— All Proprietary Fund Types and Discretely Presented Component Unit

Year ended December 31, 1999

	Enterprise— Note S	Internal Service	Totals (Memorandum Only) <u>Primary Government</u>
Operating revenues:			
Charges for services	\$ 257,595,364	78,204,737	335,800,101
Other	<u>4,118,446</u>	<u>409,970</u>	<u>4,528,416</u>
Total operating revenues	261,713,810	78,614,707	340,328,517
Operating expenses:			
Personal services	61,495,806	16,721,285	78,217,091
Material and supplies	11,980,521	7,740,722	19,721,243
Contractual services	46,913,433	51,017,216	97,930,649
Purchased power	32,963,630	—	32,963,630
Depreciation	44,758,446	3,459,043	48,217,489
Other	<u>5,758,061</u>	<u>11,913</u>	<u>5,769,974</u>
Total operating expenses	<u>203,869,897</u>	<u>78,950,179</u>	<u>282,820,076</u>
Operating income (loss)	57,843,913	(335,472)	57,508,441
Nonoperating revenues (expenses):			
Investment income	7,699,660	—	7,699,660
Interest expense	(44,557,804)	(239,418)	(44,797,222)
Other, net	<u>2,176,405</u>	<u>—</u>	<u>2,176,405</u>
Net nonoperating revenues (expenses)	<u>(34,681,739)</u>	<u>(239,418)</u>	<u>(34,921,157)</u>
Income (loss) before operating transfers	23,162,174	(574,890)	22,587,284
Operating transfers in—Note Q	<u>10,100,000</u>	<u>—</u>	<u>10,100,000</u>
Net income (loss)	33,262,174	(574,890)	32,687,284
Add depreciation on fixed assets acquired by capital grants	<u>3,646,177</u>	<u>—</u>	<u>3,646,177</u>
Increase (decrease) in retained earnings	36,908,351	(574,890)	36,333,461
Retained earnings at beginning of year	<u>388,682,874</u>	<u>1,784,750</u>	<u>390,467,624</u>
Retained earnings at end of year	<u>\$ 425,591,225</u>	<u>1,209,860</u>	<u>426,801,085</u>

See accompanying notes to the general purpose financial statements.

Component Unit <u>CMAA</u>	Totals (Memorandum Only)	
	Reporting Entity	
	<u>1999</u>	<u>1998</u>
40,872,330	376,672,431	372,273,619
687,195	5,215,611	6,769,268
<u>41,559,525</u>	<u>381,888,042</u>	<u>379,042,887</u>
12,504,803	90,721,894	83,073,891
1,499,124	21,220,367	23,239,610
6,963,056	104,893,705	105,222,681
-	32,963,630	22,557,765
7,783,237	56,000,726	49,449,812
13,278	5,783,252	2,549,319
<u>28,763,498</u>	<u>311,583,574</u>	<u>286,093,078</u>
12,796,027	70,304,468	92,949,809
3,747,067	11,446,727	15,459,455
(6,906,281)	(51,703,503)	(52,828,351)
(169,534)	2,006,871	(683,920)
<u>(3,328,748)</u>	<u>(38,249,905)</u>	<u>(38,052,816)</u>
9,467,279	32,054,563	54,896,993
-	10,100,000	-
<u>9,467,279</u>	<u>42,154,563</u>	<u>54,896,993</u>
4,312,957	7,959,134	8,152,183
13,780,236	50,113,697	63,049,176
88,828,881	479,296,505	416,247,329
<u>102,609,117</u>	<u>529,410,202</u>	<u>479,296,505</u>

CITY OF COLUMBUS, OHIO

Combined Statement of Cash Flows—
All Proprietary Fund Types and Discretely Presented Component Unit

Year ended December 31, 1999

	Enterprise— <u>Note S</u>	Internal <u>Service</u>	Totals (Memorandum Only) <u>Primary Government</u>
Operating activities:			
Cash received from customers	\$ 256,216,136	—	256,216,136
Quasi external operating receipts	—	77,550,877	77,550,877
Cash paid to employees	(65,575,509)	(16,732,445)	(82,307,954)
Cash paid to suppliers	(93,537,655)	(56,875,504)	(150,413,159)
Other receipts (expenses)	608,241	84,788	693,029
Net cash provided by operating activities	<u>97,711,213</u>	<u>4,027,716</u>	<u>101,738,929</u>
Capital financing activities:			
Proceeds from sale of land	3,202,819	—	3,202,819
Purchases of property, plant and equipment	(81,268,130)	(8,048,452)	(89,316,582)
Contributed capital/contributions	2,339	—	2,339
Proceeds from issuance of bonds, loans and notes	85,780,276	750,000	86,530,276
Principal payments on notes	(81,000)	—	(81,000)
Principal payments on bonds and loans	(125,971,243)	(289,467)	(126,260,710)
Interest paid on bonds, notes and loan	(48,078,597)	(238,920)	(48,317,517)
Operating transfers in	10,100,000	—	10,100,000
Payment for deferred charges	(2,423,000)	—	(2,423,000)
Net cash used by capital and related financing activities	<u>(158,736,536)</u>	<u>(7,826,839)</u>	<u>(166,563,375)</u>
Investing activities:			
Purchase of investment securities	(13,232,610)	—	(13,232,610)
Proceeds from maturity of investment securities	12,083,063	—	12,083,063
Interest received on cash and investments	8,379,986	—	8,379,986
Net cash provided (used) by investing activities	<u>7,230,439</u>	<u>—</u>	<u>7,230,439</u>
Increase (decrease) in cash and cash equivalents	<u>(53,794,884)</u>	<u>(3,799,123)</u>	<u>(57,594,007)</u>
Cash and cash equivalents at beginning of year (including \$172,894,425 in Enterprise and Component Unit restricted accounts)	<u>212,103,981</u>	<u>22,029,136</u>	<u>234,133,117</u>
Cash and cash equivalents at end of year (including \$114,063,018 in Enterprise and Component Unit restricted accounts)	<u>\$ 158,309,097</u>	<u>18,230,013</u>	<u>176,539,110</u>

Component Unit CMAA	Totals (Memorandum Only)	
	Reporting Entity	
	1999	1998
41,401,263	297,617,399	302,748,672
-	77,550,877	65,845,097
(12,596,876)	(94,904,830)	(87,965,547)
(9,531,615)	(159,944,774)	(148,159,075)
(13,278)	679,751	7,409,759
<u>19,259,494</u>	<u>120,998,423</u>	<u>139,878,906</u>
-	3,202,819	-
(57,706,411)	(147,022,993)	(151,749,070)
13,248,354	13,250,693	21,954,656
10,865,000	97,395,276	226,920,429
-	(81,000)	(715,000)
(16,070,000)	(142,330,710)	(119,440,495)
(6,195,245)	(54,512,762)	(53,420,424)
-	10,100,000	-
(310,000)	(2,733,000)	(3,860,679)
<u>(56,168,302)</u>	<u>(222,731,677)</u>	<u>(80,310,583)</u>
-	(13,232,610)	(84,548,330)
38,305,332	50,388,395	33,766,605
4,694,712	13,074,698	15,617,400
<u>43,000,044</u>	<u>50,230,483</u>	<u>(35,164,325)</u>
<u>6,091,236</u>	<u>(51,502,771)</u>	<u>24,403,998</u>
<u>91,548,831</u>	<u>325,681,948</u>	<u>301,277,950</u>
<u>97,640,067</u>	<u>274,179,177</u>	<u>325,681,948</u>

(Continued)

CITY OF COLUMBUS, OHIO

Combined Statement of Cash Flows—
All Proprietary Fund Types and Discretely Presented Component Unit (Continued)

Year ended December 31, 1999

	Enterprise— Note S	Internal Service	Totals (Memorandum Only) <u>Primary Government</u>
Operating income (loss)	\$ 57,843,913	(335,472)	57,508,441
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	44,758,446	3,459,043	48,217,489
Amortization, net	1,253,919	—	1,253,919
Decrease (increase) in operating assets and increase (decrease) in operating liabilities:			
Receivables	(7,358,600)	3,467	(7,355,133)
Due from other funds	(629,381)	(626,847)	(1,256,228)
Inventory	(1,113,679)	(56,747)	(1,170,426)
Other	—	—	—
Accounts payable—net of items affecting property, plant and equipment	3,956,702	3,500,340	7,457,042
Customer deposits	(7,256)	(193,754)	(201,010)
Due to other funds	(226,930)	(56,674)	(283,604)
Due to other	6,976	—	6,976
Deferred revenue	(272,584)	—	(272,584)
Accrued wages and benefits	(632,316)	(1,706,058)	(2,338,374)
Accrued vacation and sick leave	132,003	40,418	172,421
Net cash provided by operating activities	\$ <u>97,711,213</u>	<u>4,027,716</u>	<u>101,738,929</u>
Supplemental Information:			
Noncash activities:			
Contributions of equipment	\$ <u>26,349</u>	<u>1,310,611</u>	<u>1,336,960</u>
Gain (loss) on disposal of assets, net	<u>2,252,405</u>	—	<u>2,252,405</u>
Change in fair value of investments	<u>(814,463)</u>	—	<u>(814,463)</u>
OWDA loan increase for capitalized interest	\$ <u>738,585</u>	—	<u>738,585</u>

See accompanying notes to the general purpose financial statements.

Component Unit CMAA	Totals (Memorandum Only)	
	Reporting Entity	
	1999	1998
12,796,027	70,304,468	92,949,809
7,783,237	56,000,726	49,449,812
-	1,253,919	775,469
(158,262)	(7,513,395)	(2,729,626)
-	(1,256,228)	(1,109,821)
-	(1,170,426)	(395,284)
200,003	200,003	196,815
(1,324,350)	6,132,692	2,531,533
(50,510)	(251,520)	313,272
-	(283,604)	(4,795,042)
-	6,976	76,962
-	(272,584)	762,270
13,349	(2,325,025)	1,891,532
-	172,421	(38,795)
<u>19,259,494</u>	<u>120,998,423</u>	<u>139,878,906</u>
-	1,336,960	2,092,503
<u>46,172</u>	<u>2,298,577</u>	<u>565,068</u>
<u>(744,484)</u>	<u>(1,558,947)</u>	<u>1,040,569</u>
<u>-</u>	<u>738,585</u>	<u>286,020</u>

CITY OF COLUMBUS, OHIO

Notes to the General Purpose Financial Statements

December 31, 1999

NOTE A—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Columbus (the City) was organized on March 3, 1834 and is a home-rule, municipal corporation under the laws of the State of Ohio. The City operates under the Council-Mayor form of government.

The accompanying general purpose financial statements comply with the provisions of Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, in that the general purpose financial statements include all the organizations, activities, functions, and component units for which the City (the reporting entity) is financially accountable. Financial accountability is defined as the appointment of a voting majority of the component unit's board, and either (1) the City's ability to impose its will over the component unit, or (2) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the City. On this basis, the reporting entity of the City includes the following services as authorized by its charter: public service, public safety, trade and development, health, recreation and parks, and public utilities (storm sewer system). In addition, the City owns and operates three major enterprise activities: a watersystem, a sanitary sewer system, and an electricity distribution system.

In August 1990, the City's Council created the Columbus Municipal Airport Authority (CMAA), a component unit of the City, as permitted by State law, to manage the City's two airports. CMAA became operational in November 1991. Although CMAA is a separate legal entity, the City discretely presents the financial statements of CMAA as a part of the reporting entity. Pursuant to GASB Statement No. 14, the City is financially accountable for CMAA in that the City continues to own all of CMAA's assets at the time of its inception; all CMAA board members are appointed by the Mayor subject to the approval of the City's Council; and a potential for financial burden exists to the City in that certain outstanding bonds of the City issued in years prior to the inception of CMAA, but for the airport's construction purposes, amounting to \$33,395,000 at December 31, 1999, continue to be general obligations of the City. CMAA pays the principal and interest due on these bonds in the form of rental payments to the City who in turn pays the bondholders. The ability of the City to impose its will on CMAA is manifest in that the City's Council can abolish CMAA via legislation of the Council. Complete financial statements of CMAA may be obtained from CMAA's administration offices at 4600 International Gateway, Columbus, Ohio 43219.

The Franklin Park Conservatory Joint Recreation District (the Conservatory District) was created by the City (Resolution 109X-90) and Franklin County (Resolution 79-90) in 1990 pursuant to authority contained in Section 755.14(B) of the Ohio Revised Code (ORC). The agreement between the City and the County that created the Conservatory District in 1990 was amended by the City (Ordinance 1794-96) and the County (Resolution 800-96) in August 1996. The amendment increased the number of members of the Board of the Conservatory District from 10 to 17. Eight members of the Board are appointed by the Mayor of the City subject to confirmation by the City's Council and six members are appointed by the County. In addition, the governor, the speaker of the house of representatives, and the president of the Senate of the State of Ohio each appoint one member to the Board pursuant to the authority contained in Section 755.14(B)(2) of the ORC. State appointed members are nonvoting members if they also serve as members of the Ohio General Assembly; no member presently serves in both roles. The Mayor of the City, therefore, does not appoint a voting majority of the Board.

The City contributed certain fixed assets to the Conservatory District at the time of its inception and has agreed to an annual operating subsidy, but subject to annual appropriation by the City's Council. The operating subsidy to the Conservatory District in 1999 was \$897,542; 36.2% of its total revenue and support (39.3% in 1998). The City's 2000 subsidy to the Conservatory District is also \$897,542. In the event of the Conservatory District's liquidation, its assets will be transferred to the City.

Because the City's Mayor does not appoint a voting majority of the Conservatory District's Board and multiple governments participate in the board appointment process, the City accounts for and reports the financial activity of

NOTE A—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

the Conservatory District as a joint venture pursuant to GASB Statement No. 14. The Conservatory District's financial activity is reported in Note U of this report. Complete financial statements may be obtained from the Conservatory District at 1777 East Broad Street, Columbus, Ohio 43203.

The accounting policies and financial reporting practices of the City conform to generally accepted accounting principles as applicable to governmental units. The following is a summary of the City's 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 (expenses). 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.

Special Revenue Funds—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 ordinances 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 long-term debt principal, interest, and related costs.

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

PROPRIETARY FUNDS

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. The City has separate enterprise funds for its water, sanitary sewer, and electricity services. In addition, airport services are provided by CMAA, a discretely presented proprietary component unit.

Internal Service Funds—Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City, generally on a cost-reimbursement basis.

NOTE A—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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. Assets held for other funds or governments include payroll taxes and other employee withholdings (which are combined into one agency fund for ease of payment) and income taxes and utility charges collected by the City on behalf of other governments. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The City does not have any trust funds.

ACCOUNT GROUPS

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

General Long-Term Obligations Account Group—This account group is established to account for all long-term obligations of the City and certain other liabilities that are not 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.

All governmental fund types and agency funds use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "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 related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year.

In applying the susceptible to accrual concept to intergovernmental revenues (i.e., grants and subsidies), the legal and contractual requirements of the numerous individual programs are used as guidance. When monies must be expended on the specific purpose or project before any amounts will be paid to the City, revenues are recognized based upon expenditures incurred.

Licenses and permits, shared revenues (which represent a portion of Ohio state taxes and license fees which are returned to the City), fines and forfeits 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 earned because they are measurable and available. Property taxes levied for collection in 1999 and uncollected at December 31, 1999 are recorded as receivables, net of an allowance for uncollectibles. Property tax revenue is recognized to the extent cash is received during the year and delinquent taxes are received within 60 days thereafter. Property taxes levied in 1999 but not due for collection until 2000 are recorded as property taxes receivable and deferred revenue.

NOTE A—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In accordance with GASB Statement No. 22, *Accounting for Taxpayer Assessed Tax Revenues in Governmental Funds*, city income tax received by the City within 60 days after year-end and attributable to tax liabilities prior to December 31, 1999 is determined to be both measurable and available, net of an allowance for income tax refunds. All other income taxes are recorded as revenues when received in cash because they are not measurable and available until actually received. The City has followed this practice for many years.

Special assessments are recorded as revenue to the extent that individual installments are due within 60 days. All other special assessment amounts are reflected as deferred revenue.

All proprietary funds are accounted for on a flow of economic resources measurement focus. The City uses enterprise funds and internal service funds but does not utilize nonexpendable trust funds and pension trust funds. With this measurement focus, all assets and liabilities associated with the operation of these funds are included on the balance sheet. Fund equity (i.e., net assets) is segregated into contributed capital and retained earnings components. Proprietary fund type operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net total assets.

Proprietary fund types utilize the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

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.

The preparation of the general purpose financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the general purpose financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(c) Budgetary Data

City Council follows the procedures outlined below in establishing the expenditure budget data reported in the general purpose financial statements:

- (1) Prior to November 15, the Mayor 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.
- (3) Subsequent to January 1, and after publication of the proposed budget ordinances, the budget is legally enacted through passage of the ordinances. The budget specifies expenditure amounts by Object Level One for each division within each fund. The objects are (1) personal services, (2) materials and supplies, (3) contractual services, (4) debt principal payments, (5) other, (6) capital outlay, (7) interest on debt, and (10) transfers.

NOTE A—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- (4) Transfers of appropriations of less than \$25,000 can be made between budget Object Level Ones within a division and fund without additional City Council action, but with responsible management approval. Transfers in excess of this amount require the approval of both City Council and the Mayor. Supplemental appropriations must be approved by City Council. During 1999, all appropriations were approved as required. Appropriations for budgeted governmental funds were as follows:

		<u>Original budget</u>	<u>Revisions</u>	<u>Revised budget</u>
General	\$	475,000,000	5,166,023	480,166,023
Special Revenue		162,684,527	83,127,089	245,811,616
Debt Service		264,046,029	71,093,694	335,139,723

- (5) The City maintains budgetary control by not permitting expenditures to exceed appropriations at the Object Level One level for each division within each fund.
- (6) Unencumbered appropriations lapse at year-end.

All General fund, Special Revenue fund and Debt Service fund expenditures, except for expenditures paid through the county auditor, have annual expenditures budgeted by City Council. Revenues and expenditures paid through the county auditor are estimated by the City Auditor in conjunction with the annual budgeting process. However, this estimate is not included or required in the budget ordinance.

Capital Project funds, pursuant to the City's charter, are not required to be budgeted annually. Capital Project funds' appropriations, after their initial appropriations by Council at the time capital monies are received (bond proceeds, etc.), remain intact until they are expended or modified by Council. Such monies are appropriated on a project level with specific identification of each project being budgeted. Budget basis financial statements for the City's Capital Project funds are not, therefore, presented in this report because such statements would not be meaningful, nor are they required.

Revenues for the General fund are estimated by the City Auditor in conjunction with the annual budgeting process. However, this estimate is not included or required in the budget ordinance.

Special Revenue fund and Debt Service fund disbursements are made only when cash is received; therefore, their revenues are not budgeted. Accordingly, the budgeted revenues presented in the accompanying general purpose financial statements for these funds represent actual revenues. Additionally, revenues for Capital Project funds and the proprietary funds are not budgeted.

The City's budgetary process is based upon accounting for certain transactions on a basis other than generally accepted accounting principles (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—General, Special Revenue and Debt Service Funds—Budget Basis in accordance with the budget basis of accounting. Budgetary 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 encumbered or 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 balances (GAAP).

NOTE A—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

CMAA's budgetary basis of accounting is maintained on a modified accrual basis. This basis of accounting differs from generally accepted accounting principles in that certain expenses are reported on a cash basis. This includes an expense classification for the debt service payable during the year or immediately after year-end and any capital assets expected to be acquired. Therefore, depreciation is not budgeted. All other revenues and expenses are maintained on the accrual basis. State statute does not require a specific budgetary basis of accounting under ORC Section 4582. CMAA has adopted this basis of accounting to comply with certain airline agreements.

(d) Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed in all funds. On the GAAP basis of accounting, encumbrances do not constitute expenditures or liabilities, but are reported as reservations of fund balances in governmental funds.

(e) Cash Equivalents

For purposes of the statement of cash flows, the Proprietary Funds consider all highly liquid investments held by trustees, with an original maturity of three months or less when purchased, to be cash equivalents. In addition, all cash and investments with treasurer are also considered to be cash equivalents because they are available to the Proprietary Funds on demand.

(f) Investments

In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, the City records all of its investments at fair value as defined in the statement.

The City does not engage in any form of derivatives, except STAROhio, or reverse repurchase agreements in the management of its investment portfolio. Only eligible investments with final maturities not greater than two years from time of purchase are permitted. The City's cash and investments are further explained in Note C.

(g) Inventory

Inventory is valued at cost utilizing the first-in, first-out method for Enterprise Funds and the average cost method for Internal Service Funds.

(h) Property, Plant and Equipment—General Fixed Assets

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 certain assets acquired prior to 1960) in the General 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, and drainage systems, have not been capitalized. Such assets normally are immovable and of value only to the City. Therefore, the purpose of stewardship for capital expenditures can be satisfied without reporting these assets.

No depreciation has been provided on general fixed assets, nor has interest been capitalized during construction.

NOTE A—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Property, Plant and Equipment—Proprietary Funds

Property, plant and equipment acquired by the proprietary funds are stated at cost (or estimated historical cost for certain assets acquired prior to 1960), including interest capitalized during construction, where applicable (see Note F). Contributed fixed assets are recorded at fair market value at the date received. Depreciation of property, plant, and equipment has been provided using the straight-line method over the following estimated useful lives:

<u>Description</u>	<u>Estimated lives (years)</u>
Autos and information processing equipment	5
Trucks	8
Equipment, furniture and fixtures	10
Heavy rescue equipment	25
Buildings, water lines and fire hydrants	40
Sewer mains	100

(j) Pensions

Governmental funds record the provision for pension cost when the obligation is incurred and will be liquidated with available and measurable resources; otherwise, those amounts are provided for in the general long-term obligations account group. Pension cost for proprietary fund types is recorded when incurred (see Note K).

(k) Insurance

With the exception of CMAA, the City assumes the liability for most property damage and personal injury risks. Judgments and claims, including those incurred but not reported as of year-end, are recorded when it is probable that an asset has been impaired or a liability has been incurred and the amount of loss can be reasonably estimated. The City insures certain of its major buildings valued over \$1 million. The policy has a \$500,000 deductible and is renewable annually with a 5-year escalation clause. Coverages were substantially the same as in 1998. No losses occurred in 1997, 1998 or 1999 that exceeded insurance coverages.

The City's division of Police operates a fleet of six jet-powered helicopters. Four of these helicopters (models M/D 500E), valued at approximately \$1,000,000 each, are insured for both hull insurance (\$950,000 per helicopter with \$100,000 deductible) and liability insurance (\$10,000,000 per occurrence; \$1,000,000 per passenger not including crew; no deductible). The other two crafts (models Bell OH-58) are insured only for the liability insurance. One accident occurred in 1998 causing the City to pay the \$100,000 deductible portion of the hull damage claim of one M/D 500E helicopter. No liability claim resulted from the accident.

Additionally, the City provides medical, dental, and vision coverage for its employees on a self-insurance basis. Expenses for claims are recorded on a current basis based on an actuarially determined charge per employee. The City accounts for such activity in an Internal Service Fund in accordance with GASB Statement No. 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*.

NOTE A—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A summary of changes in self-insurance claims liability follows:

	<u>1999</u>	<u>1998</u>	<u>1997</u>	<u>1996</u>	<u>1995</u>
	(in thousands)				
Claims liability at January 1	\$ 7,300	5,000	5,450	5,550	5,500
Incurred claims, net of favorable settlements	35,796	40,382	29,378	29,422	29,650
Claims paid	<u>(37,296)</u>	<u>(38,082)</u>	<u>(29,828)</u>	<u>(29,522)</u>	<u>(29,600)</u>
Claims liability at December 31	<u>\$ 5,800</u>	<u>7,300</u>	<u>5,000</u>	<u>5,450</u>	<u>5,550</u>

Claims are accrued based upon estimates of the claims liabilities made by management and the third-party administrator of the City. These estimates are based on past experience and current claims outstanding. Actual claims experience may differ from the estimate. An actuary was used in the determination of the current liability. This claims liability is recorded in the Internal Service Fund as accrued wages and benefits.

(l) 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 and sick leave at various rates.

Vacation and sick leave accumulated by governmental fund type employees has been recorded in the General Long-Term Obligations Account Group, except for the unused portion of an employee's prior year sick leave accrual which is recorded in the fund that ultimately disburses this accrual to the employee after year-end. Vacation and sick leave accumulated by proprietary fund type employees is recorded as an expense when earned in the proprietary fund types.

Payment of vacation and sick leave recorded in the General Long-Term Obligations Account Group is dependent upon many factors; therefore, timing of future payments is 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.

(m) Debt Issuance Costs, Premiums, Discounts, and Accounting Losses (Refundings)

For governmental fund types, bond premiums and discounts, as well as issuance costs and accounting losses on refundings, are recognized during the current period. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures. For proprietary fund types, bond premiums and discounts, as well as issuance costs and accounting losses on refundings, are deferred and amortized over the life of the bonds principally using the effective interest method.

(n) Interfund Transactions

The City has the following types of transactions among funds:

- (1) *Operating Transfers*: Legally authorized transfers that are reported when incurred as "Operating transfers in" by the recipient fund and as "Operating transfers out" by the disbursing fund.
- (2) *Reimbursements*: Reimbursements of expenditures made by one fund for another that are recorded as expenditures in the reimbursing fund and as a reduction of expenditures in the reimbursed fund.
- (3) *Quasi-External Transactions*: Charges or collections for services rendered by one fund to another that are recorded as revenues of the recipient fund and expenditures or expenses of the disbursing fund.
- (4) *Residual Equity Transfers*: Transfers of equity between funds that are non-recurring or non-routine.

NOTE A—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The City's interfund receivables and payables at December 31, 1999 are presented in Note E and transfers are presented in Note Q.

(o) Contributed Capital

Proprietary fund type contributed capital is recorded at the fair market value of the related assets at the date received. Depreciation on contributed fixed assets resulting from capital grants 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 A(i). Contributed capital in the Sewer Enterprise Fund results primarily from capital grants. Contributed capital in the Water and Electricity Enterprise and the Internal Service Funds results primarily from assets contributed from other City sources.

(p) Comparative Data

Comparative total data for the reporting entity for the prior year have been presented in the accompanying general purpose financial statements and are presented only to facilitate financial analysis. However, comparative data (i.e., presentation of prior year totals by fund type) have not been presented in the general purpose financial statements because their inclusion would make the statements unduly complex and difficult to read.

(q) 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 generally accepted accounting principles, nor is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

(r) GASB Statements Nos. 33 and 34

This report does not incorporate GASB Statements Nos. 33 and 34, *Recipient Reporting for Certain Shared Nonexchange Revenues* and *Basic Financial Statements and Management Discussion and Analysis for State and Local Governments*, respectfully. The City will adopt and implement these GASB Statements at the required time. The City has not completed the process of evaluating the impact of adopting these statements, and therefore is unable to disclose the impact that adopting these statements will have on its financial position and results of operations when such statements are implemented.

NOTE B—COMMITMENTS AND CONTINGENCIES

(a) Litigation

The City is a defendant in a number of lawsuits pertaining to matters that are incidental to performing routine governmental and other functions. As of March 31, 2000, claims approximating \$233 million were outstanding against the City. Based on the current status of all these legal proceedings, it is the opinion of management that ultimate resolution of such will not have a material effect on the City's financial statements.

(b) Federal Grants

Under the terms of federal grants, periodic audits are required and certain costs may be questioned as not being appropriate expenditures under the terms of the grants. Such audits could lead to reimbursements to the grantor agencies. While questioned costs may occur, ultimate repayments required of the City have been infrequent in prior years.

(c) Franklin County Convention Facilities Authority (CFA)

The CFA is a separate and distinct entity created under the laws of Ohio. In June 1990, the CFA issued lease revenue bonds for the purpose of constructing a convention facility in downtown Columbus. Also in June

NOTE B—COMMITMENTS AND CONTINGENCIES (Continued)

1990, the City and the County of Franklin, Ohio (the County) entered into a lease/sublease arrangement with the CFA pursuant to which the City and the County leased the convention facility as tenants in common from the CFA. The City and the County subleased the facility back to the CFA. The lease requires that the City and the County each pay rent to the CFA in an amount equal to one half of the debt service on the revenue bonds. Under the sublease, the CFA is required to pay rent to the County and the City in an amount equal to such debt service. Such subrental payments are expected to be derived from the hotel/motel excise tax levied by the CFA, and if such tax is insufficient, from earnings on, and the principal amount of, certain reserve funds created in connection with the issuance of the revenue bonds. If the foregoing amounts are insufficient, the City agreed in the lease to apply that portion of the hotel/motel tax levied by the City and currently paid by the City to a convention and visitors bureau to the payment of rentals under the lease. If, after the application of the foregoing amounts, additional amounts are required to meet the City's and the County's obligations under the lease, such amounts will be paid by the City and the County, in equal shares, from their general resources, provided that their respective legislative bodies have appropriated funds for such purpose. No such payments were necessary prior to or during 1999. The lease will terminate as to the City and the County if their respective legislative bodies fail to appropriate amounts required for rentals thereunder. The total amount of these revenue bonds outstanding at December 31, 1999, including certain amounts refunded in 1992 and 1997 and additional bonds issued in 1997, was \$169.5 million net of premiums and discounts of \$21.0 million, or a gross amount of \$190.5 million.

NOTE C — CASH AND INVESTMENTS

Investment Policies: In 1997 the City adopted GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, and records all its investments at fair value. At December 31, 1999 fair value was \$2,879,555 below the City's net cost for its investments. At December 31, 1998 fair value was \$1,915,466 above net cost. Fair value is determined by quoted market prices.

The City pools its cash, except for that held by revenue bond trustees, fiscal and escrow agents, and certain debt service and trust and agency fund cash and investments, for maximum investing efficiency. Each fund type's portion of the pool is reported on the combined balance sheet as *Cash and investments with treasurer*. Earnings on the pool are allocated at the discretion of the City Council after meeting revenue bond indentures and other requirements. All statutory requirements are met in distributing earnings of the pool to various funds.

The City Codes, Chapters 325 and 321, respectively, provide for a Treasury Investment Board and a Depository Commission. Both consist of the City Treasurer, who serves as chairman and represents the City Council; the City Auditor, an independently elected official; and the Director of the Department of Finance, representing the Mayor; hence a check and balance process via the separation of powers.

Pursuant to these code sections, the City does not purchase any form of derivatives, except STAROhio. 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 Securities Exchange Commission as an investment company, but does operate in a manner similar to Rule 2a7 of the Investment Company Act of 1940. Investments in STAROhio are valued at STAROhio's share price that is the price the investment could be sold for on December 31, 1999.

Management of STAROhio states that its policy also prohibits investing in derivatives and/or engaging in the use of reverse repurchase agreements. Average days to maturity of the STAROhio portfolio at December 31, 1999 was 41.2 days. The City is prohibited from using reverse repurchase agreements and does not leverage its investment portfolio in any manner. The City purchases investments only through member banks of the Federal Reserve System or broker dealers registered with the United States Securities and Exchange Commission. The City requires broker dealers to formally apply for and be evaluated for eligibility to conduct business with the City.

NOTE C—CASH AND INVESTMENTS (Continued)

The City's investment code and practices have consistently protected the portfolio from unnecessary credit risk (safety) and market risks (liquidity) while providing a competitive yield. Only eligible investments with the remaining terms not greater than two years until final maturity are purchased. Average days to maturity of the City's investments with the Treasurer at December 31, 1999 was 263 days.

Investments as permitted by Chapter 325 of the Columbus City Code are:

- (A) Bonds, notes, or other obligations of the United States government or its Agencies for which the faith of the United States is pledged for the payment of principal and interest thereon. They are:

Obligations of the United States government:

- United States Treasury Bills
- United States Treasury Notes
- United States Treasury Bonds
- United States Treasury Strips

Obligations guaranteed by the United States government:

Federal government agencies:

- Department of Housing and Urban Development
- Farmers Home Administration
- General Service Administration
- Government National Mortgage Association
- Maritime Administration
- Washington Metropolitan Area Transit Authority

- (B) Bonds, notes, debentures, or other obligations issued by any of the federal government-sponsored enterprises listed below. They are:

- Federal Farm Credit System
- Federal Home Loan Banks
- Federal Home Loan Mortgage Corporation
- Federal National Mortgage Association

- (C) The Ohio State Treasurer's Asset Reserve Funds (STAROhio) pursuant to Ohio Revised Code 135.45;

- (D) Bonds or other obligations of the City of Columbus, Ohio;

- (E) Obligations of the State of Ohio or any municipal corporation, village, county, township or other political subdivision of the State of Ohio, as to which there is no default of principal or interest and which have been approved as to their validity by nationally recognized bond counsel.

- (F) Certificates of deposits (collateralized as described below) in eligible institutions applying for moneys as provided in Chapter 321 of Columbus City Codes; and

- (G) Repurchase agreements that are collateralized with legally authorized securities as defined in Chapter 321.08 of Columbus City Code and held in third-party safekeeping designated by the City Treasurer and in the name of the City of Columbus.

Safeguarding activities call for the City's investments with the Treasurer, except for investments with STAROhio, investments held by revenue bond trustees, fiscal and escrow agents and certain debt service, and agency funds, to be held in book entry form at federal reserve banks in the accounts of certain member banks-agents of the City who hold the investments in the City's name.

NOTE C—CASH AND INVESTMENTS (Continued)

The revenue bond agreements of the water, sanitary sewer and electric enterprises require certain cash and investments to be maintained and managed by trustees. The respective trustees, bank trust departments, invest these monies at the direction of the City Auditor pursuant to the revenue bond agreements.

All of the City's deposits and investments comply with State statutes, City ordinances and applicable bond indentures.

Deposits: The City's policy is to place deposits with major local banks (as defined by the Charter 321 of the City Code) approved by the Depository Commission. All deposits, except for deposits held by fiscal and escrow agents or trustees, are collateralized with eligible securities in amounts equal to at least 110% of the carrying value of the deposits. Such collateral, as permitted by Chapter 135 of the ORC and Chapter 321 of the Columbus City Code, is held in single financial institution collateral pools at Federal Reserve Banks, or at member banks of the federal reserve system, in the name of the respective depository bank and pledged as a pool of collateral against all of the public deposits it holds.

At December 31, 1999, the carrying amount of all City deposits, exclusive of money market funds in the amount of \$8,213,535 held by bond trustees, was \$12,541,732. Balances per the banks were \$13,625,493. Based upon criteria described in GASB Statement No. 3, *Deposits With Financial Institutions, Investments (including Repurchase Agreements) and Reverse Repurchase Agreements*, bank balances are classified in three categories of credit risk: (1) insured or collateralized with securities held by the City or by its agent in the entity's name; (2) collateralized with securities held by the pledging financial institution's trust department or agent in the City's name; and (3) uncollateralized, including any bank balance that is collateralized with securities held by the pledging financial institution, or by its trust department or agent but not in the City's name. Accordingly, the balances per the banks were either insured or uncollateralized as follows:

Risk Category		
(3)	Collateral held in single financial institution collateral pools with securities being held by the pledging financial institution's agents in the pool's name	\$ 13,015,851
(1)	Insured by Federal Deposit Insurance Corporation (FDIC)	348,903
(3)	Amount considered uncollateralized	<u>260,739</u>
	Total balances per banks	<u>\$ 13,625,493</u>

The money market funds, amounting to \$8,213,535, while held by bond trustees as the City's agents and in the City's name, are also considered uninsured. However, their disposition and availability are governed by bond ordinances and indentures.

NOTE C—CASH AND INVESTMENTS (Continued)

Investments: Based upon criteria described in GASB Statement No. 3, the City's (the primary government) investments are categorized below to give an indication of the level of custodial risk assumed by the City at year-end. Investments with STAROhio are not required to be categorized due to their nature.

Type of Investment	Category 1	Category 2	Category 3	Fair value/ carrying value	Cost, net of premium, discount and accrued interest
	Insured or registered, or securities held by the City or its agent in the City's name	Uninsured and unregistered, with securities held by the counterparty's trust department or agent in the City's name	Uninsured and unregistered, with securities held by the counterparty or its trust department or agent but not in the City's name		
U.S. government sponsored enterprises	\$ 521,128,676	—	—	521,128,676	523,617,996
U.S. government Securities	64,216,821	—	—	64,216,821	64,605,956
Bonds and notes—other	562,454	—	—	562,454	563,554
	<u>\$ 585,907,951</u>	<u>—</u>	<u>—</u>	<u>585,907,951</u>	<u>588,787,506</u>
STAROhio				<u>72,598,093</u>	<u>72,598,093</u>
	Total investments			<u>658,506,044</u>	<u>661,385,599</u>
Carrying amount of deposits:					
High yield savings account			\$ 1,000,082		
Certificates of deposit			10,000,000		
Other			<u>1,541,650</u>	12,541,732	
Money market funds held by bond trustees				8,213,535	
Cash and collection items on hand				3,516,545	
Less: City Auditor warrants payable				<u>(6,463,610)</u>	
	Total			<u>\$ 676,314,246</u>	
Per combined balance sheet:					
Cash and investments with treasurer				614,143,286	
Cash and investments with fiscal and escrow agents				260,739	
Investments, Debt Service Fund and other				3,319,359	
Restricted assets:					
Cash and investments with treasurer and other				42,844,750	
Cash and cash equivalents with trustees				8,213,535	
Investments with trustees				<u>7,532,577</u>	
	Total			<u>\$ 676,314,246</u>	

Component Unit: CMAA's (discretely presented component unit) cash and investment policies are similar in nature to that of the City's (the primary government). The carrying amount of CMAA deposits is \$1,600,727 and the bank balance was \$1,193,323 of which the FDIC insured \$275,056 (Category 1) and the remaining \$918,267 was collateralized with eligible securities in amounts equal to at least 110% of the carrying value of the deposits by the financial institution but not in CMAA's name (Category 3). In addition CMAA has \$4,340 in cash on hand at December 31, 1999 that was uncollateralized (Category 3).

CMAA's investments and custodial risk categorization at December 31, 1999 consisted of: \$15,227,319 of U.S. Treasury Notes which are included in Category 2, \$4,480,833 in a repurchase agreement included in Category 3, and \$91,554,167 of money market and STAROhio funds which are not required to be categorized due to their nature.

NOTE D—RECEIVABLES

Receivables at December 31, 1999 consist of the following:

	<u>Taxes</u>	<u>Customer and other accounts</u>	<u>Lease</u>	<u>CDA and UDAG loans</u>	<u>Special assessments</u>	<u>Accrued interest</u>	<u>Gross receivables</u>	<u>Less allowance for uncollectibles</u>	<u>Net</u>
	(in thousands)								
General	\$ 58,784	962	—	—	—	5,111	64,857	—	64,857
Special revenue	—	3,442	—	66,543	—	271	70,256	43,612	26,644
Debt service	7,631	2,804	136,435	—	695	266	147,831	1,002	146,829
Capital projects	—	510	—	—	—	—	510	218	292
Enterprise:									
Water	—	18,270	—	—	—	901	19,171	2,170	17,001
Sewer	—	23,249	—	—	671	974	24,894	780	24,114
Electricity	—	6,300	—	—	1,167	256	7,723	1,648	6,075
Total enterprise	—	47,819	—	—	1,838	2,131	51,788	4,598	47,190
Internal service Agency	—	73	—	—	—	—	73	—	73
	—	—	—	—	—	21	21	—	21
Total primary Government	66,415	55,610	136,435	66,543	2,533	7,800	335,336	49,430	285,906
Component Unit—CMAA	—	4,252	—	—	—	—	4,252	445	3,807
Total reporting Entity	\$ 66,415	59,862	136,435	66,543	2,533	7,800	339,588	49,875	289,713

Taxes receivable in the General Fund include \$35,189,666 for property taxes levied in 1999 but not due for collection until 2000, and approximately \$700,000 of delinquent property taxes. General and Debt Service taxes receivable also include income taxes receivable of \$22,894,561 and \$7,631,520, respectively, at December 31, 1999. Special Revenue Community Development Act (CDA) and Urban Development Action Grant (UDAG) loans include \$63,921,730 of CDA loans and \$2,621,379 of UDAG loans.

Substantially all receivables are due in 2000 except:

- (a) Deferred special assessment receivables in the Debt Service Fund of \$524,380, Sewer Enterprise special assessment receivables of \$641,059, and Electricity Enterprise special assessment receivables of \$1,051,923, which have not yet been recorded as revenues.
- (b) \$61,193,400 of CDA loans and \$2,525,753 of UDAG loans, not including allowance for uncollectible CDA and UDAG loans of \$43,612,640.
- (c) The Debt Service lease receivable of \$136,434,837 represents the gross amounts due under a capital lease of the City's solid waste resource recovery plant to SWACO (see Note H). The total amount of the receivable at December 31, 1999 is recorded as deferred revenue.
- (d) Debt Service customer and other accounts include a \$1,600,000 long term note receivable, \$1,520,000 of which is accounted for as deferred revenue.

The City receives funds from HUD to bring substandard housing into compliance with the City housing code under the CDA program. The UDAG program is used to finance development projects within the City. Funds received under these programs that are loaned to eligible recipients are recorded as CDA and UDAG loans receivable.

NOTE D—RECEIVABLES (Continued)

Enterprise customer and other accounts receivable include unbilled charges for services at December 31, 1999 as follows:

	(in thousands)
Water	\$ 7,142
Sewer	9,179
Electricity	<u>2,198</u>
	<u>\$ 18,519</u>

NOTE E—DUE FROM AND DUE TO / INTERFUND RECEIVABLES AND PAYABLES

Interfund balances at December 31, 1999 consist of the following individual fund receivables and payables:

	<u>Due From</u>	<u>Due To</u>
	(in thousands)	
General	\$ <u>3,219</u>	<u>1,321</u>
Special revenue:		
Cable communications	—	4
Municipal court clerk	—	209
Community Development Act	—	6
Health	139	25
Health department grants	—	1
Storm sewer maintenance	—	120
Street construction maintenance and repair	206	257
Municipal motor vehicle tax	—	39
Treasury investment earnings	—	1,786
Golf course operations	—	18
Recreation and parks operations	—	69
Recreation and parks grants	—	3
	<u>345</u>	<u>2,537</u>
Debt service—		
General bond retirement	—	449
Capital projects:		
Parks and recreation V-95, V-99	—	11
Streets and highways V-95, V-99	—	84
Flood and storm sewer V-95, V99	—	9
Nationwide development	—	78
Flood	—	3,205
Facilities management	—	2
Development	—	8
General permanent improvement	594	4
Storm sewer	—	22
Local transportation improvement	—	10
State issue street projects	—	37
Federal-State highway engineering	—	4
	<u>594</u>	<u>3,474</u>

NOTE E—DUE FROM AND DUE TO / INTERFUND RECEIVABLES AND PAYABLES
(Continued)

	<u>Due from</u>	<u>Due to</u>
	(in thousands)	
Enterprise:		
Restricted assets and liabilities—		
Water	\$ —	20
Sewer	—	4
Electricity	—	12
Other:		
Water	1,954	632
Sewer	3,491	2,188
Electricity	529	212
	<u>5,974</u>	<u>3,068</u>
Internal service:		
Employee benefits	18	1
Fleet management	747	5
Information services	850	1
Telecommunications	25	—
Construction inspection	4,778	17
Land acquisition	55	—
	<u>6,473</u>	<u>24</u>
Agency:		
Payroll deposits	321	817
Community health care deposits	—	95
Construction inspections	—	4,545
Parade fees	—	2
Purchasing deposits	—	594
	<u>321</u>	<u>6,053</u>
	<u>\$ 16,926</u>	<u>16,926</u>

Due to/from Primary Government/Component Unit:

	<u>Due from</u>	<u>Due to</u>
	(in thousands)	
Debt service—		
Special income tax	\$ 4,000	—
Less allowance for doubtful account (see below)	(4,000)	—
Component unit—CMAA	<u>—</u>	<u>4,000</u>
	<u>\$ —</u>	<u>4,000</u>

The \$4 million due from the component unit—CMAA to the Special Income Tax Fund, a Debt Service Fund, is for past operating advances, \$1.0 million in 1983, \$1.3 million in 1986 and \$1.7 million in 1990. Although an allowance for this amount has been provided for in the Debt Service Fund, the amount remains recorded as a liability by CMAA pending an ultimate determination of the amount to be repaid, if any.

NOTE E—DUE FROM AND DUE TO / INTERFUND RECEIVABLES AND PAYABLES
(Continued)

Interfund Receivables/Payables:

	<u>Receivable</u>	<u>Payable</u>
	(in thousands)	
General	\$ —	1,693
Debt service:		
Special income tax	3,243	—
Recreation debt service	—	1,550
	<u>3,243</u>	<u>1,550</u>
	<u>\$ 3,243</u>	<u>3,243</u>

NOTE F—PROPERTY, PLANT AND EQUIPMENT

A summary of proprietary fund type property, plant and equipment at December 31, 1999 follows:

	<u>Enterprise</u>				<u>Internal Service</u>	<u>Component Unit— CMAA</u>
	<u>Water</u>	<u>Sewer</u>	<u>Electricity</u>	<u>Total</u>		
	(in thousands)					
Land	\$ 28,793	5,309	1,702	35,804	58	20,611
Buildings	157,196	37,485	4,932	199,613	2,198	135,414
Improvements other than buildings	314,531	979,897	85,032	1,379,460	2,468	126,201
Machinery and equipment	58,409	35,253	27,285	120,947	34,705	13,801
Construction in progress	18,284	43,105	—	61,389	—	79,385
	<u>577,213</u>	<u>1,101,049</u>	<u>118,951</u>	<u>1,797,213</u>	<u>39,429</u>	<u>375,412</u>
Less accumulated depreciation	<u>(227,981)</u>	<u>(285,147)</u>	<u>(46,424)</u>	<u>(559,552)</u>	<u>(18,092)</u>	<u>(87,945)</u>
	<u>\$ 349,232</u>	<u>815,902</u>	<u>72,527</u>	<u>1,237,661</u>	<u>21,337</u>	<u>287,467</u>

Construction in progress is composed of the following:

	<u>Project authori- zation (excluding capitalized interest)</u>	<u>Expended to December 31, 1999 (excluding capitalized interest)</u>	<u>Committed</u>	<u>Capitalized interest</u>
	(in thousands)			
Enterprise funds:				
Water	\$ 41,913	17,671	8,004	613
Sewer	89,644	41,323	36,028	1,782
Total enterprise	<u>\$ 131,557</u>	<u>58,994</u>	<u>44,032</u>	<u>2,395</u>
Component Unit—CMAA	<u>\$ 86,998</u>	<u>76,332</u>	<u>10,666</u>	<u>3,053</u>

NOTE F—PROPERTY, PLANT AND EQUIPMENT (Continued)

Interest capitalized during 1999 is composed of the following:

(in thousands)

Water	\$ 532	Component Unit—CMAA	\$ <u>2,018</u>
Sewer	<u>1,193</u>		
	<u>\$ 1,725</u>		

Existing resources and/or issuance of additional debt will fund construction commitments.

A summary of changes in general fixed assets follows:

	<u>Balance</u> <u>December 31, 1998</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>December 31, 1999</u>
	(in thousands)			
Land	\$ 101,387	11,687	11,355	101,719
Buildings	249,344	11,083	20,700	239,727
Improvements other than buildings	94,829	11,237	250	105,816
Machinery and equipment	<u>203,627</u>	<u>26,557</u>	<u>6,068</u>	<u>224,116</u>
	<u>\$ 649,187</u>	<u>60,564</u>	<u>38,373</u>	<u>671,378</u>

General fixed assets are funded primarily through the issuance of general obligation bonds.

NOTE G — NOTES PAYABLE AND LONG-TERM OBLIGATIONS

A summary of notes payable and long-term obligation transactions for the year ended December 31, 1999 follows:

Fund type/account group	Balance December 31, <u>1998</u>
General long-term obligations:	
Accrued pension	\$ 2,082,000
Accrued vacation and sick leave	43,439,508
General obligation notes—	
Ohio Public Works Commission Loans	3,743,029
Single Family Mortgage Revenue Note (FNMA)	599,840
General obligation bonds:	
Fixed rate	588,265,966
Variable rate	43,775,000
Revenue bonds (Tax Increment Financing)	—
Obligation under capitalized lease—Note J	<u>6,040,000</u>
Total General Long-Term Obligations	687,945,343
Enterprise:	
Water:	
General obligation bonds:	
Fixed rate	198,034,945
Variable rate	57,115,000
Revenue bonds—fixed rate	<u>62,765,000</u>
Total Water	317,914,945
Sewer:	
General obligation bonds	234,319,104
Revenue bonds:	
Fixed rate	110,025,000
Variable rate	51,600,000
OWDA/EPA Revenue Loans	<u>120,729,332</u>
Total Sewer	516,673,436
Electricity:	
General obligation notes	81,000
General obligation bonds:	
Fixed rate	29,621,499
Variable rate	10,035,000
Revenue bonds—variable rate	<u>50,300,000</u>
Total Electricity	90,037,499
Total Enterprise	924,625,880
Internal service:	
G.O. Bonds—Information Services	4,494,467
G.O. Bonds—Fleet Management	<u>600,000</u>
Total Internal Service	5,094,467
Total Primary Government Notes Payable and Long-Term Obligations	1,617,665,690
Component Unit—CMAA:	
City general obligation bonds being repaid by CMAA revenues to the City	37,960,000
Airport Improvement Revenue Bonds—fixed rate	<u>123,475,000</u>
Total Component Unit	161,435,000
Total Reporting Entity Notes Payable and Long-Term Obligations	<u>1,779,100,690</u>

<u>Additions</u>	<u>Refundings</u>	<u>Deletions</u>	<u>Refunded</u>	Balance December 31, 1999
2,453,600	-	2,082,000	-	2,453,600
1,482,808	-	-	-	44,922,316
192,537	-	206,405	-	3,729,161
-	-	11,335	-	588,505
133,425,000	-	56,488,313	-	665,202,653
-	-	3,285,000	-	40,490,000
30,050,000	-	-	-	30,050,000
-	-	860,000	-	5,180,000
<u>167,603,945</u>	<u>-</u>	<u>62,933,053</u>	<u>-</u>	<u>792,616,235</u>
-	-	14,291,460	-	183,743,485
-	-	3,140,000	-	53,975,000
-	53,885,000	3,040,000	52,660,000	60,950,000
-	53,885,000	20,471,460	52,660,000	298,668,485
-	14,285,000	18,319,897	13,300,000	216,984,207
-	-	8,435,000	-	101,590,000
-	-	-	-	51,600,000
16,086,143	-	5,603,626	-	131,211,849
<u>16,086,143</u>	<u>14,285,000</u>	<u>32,358,523</u>	<u>13,300,000</u>	<u>501,386,056</u>
175,500	-	81,000	-	175,500
2,087,218	-	3,566,260	-	28,142,457
-	-	915,000	-	9,120,000
-	-	2,700,000	-	47,600,000
<u>2,262,718</u>	<u>-</u>	<u>7,262,260</u>	<u>-</u>	<u>85,037,957</u>
<u>18,348,861</u>	<u>68,170,000</u>	<u>60,092,243</u>	<u>65,960,000</u>	<u>885,092,498</u>
750,000	-	289,467	-	4,955,000
-	-	-	-	600,000
<u>750,000</u>	<u>-</u>	<u>289,467</u>	<u>-</u>	<u>5,555,000</u>
<u>186,702,806</u>	<u>68,170,000</u>	<u>123,314,763</u>	<u>65,960,000</u>	<u>1,683,263,733</u>
-	10,865,000	4,875,000	10,555,000	33,395,000
-	-	640,000	-	122,835,000
-	10,865,000	5,515,000	10,555,000	156,230,000
<u>186,702,806</u>	<u>79,035,000</u>	<u>128,829,763</u>	<u>76,515,000</u>	<u>1,839,493,733</u>

NOTE G—NOTES PAYABLE AND LONG-TERM OBLIGATIONS (Continued)

Bonds and loans payable accounted for in the Enterprise Funds and CMAA are comprised of the following:

	Enterprise Funds			Total	CMAA
	Water	Sewer	Electricity		
			(in thousands)		
Amount per Note G—Notes Payable and Long-Term Obligations	\$ 298,668	501,386	85,038	885,092	156,230
Unamortized premium on bonds	3,434	1,273	-	4,707	27
Less: Short term notes payable	-	-	(176)	(176)	-
Less: Unamortized bond discount	(643)	(1,769)	-	(2,412)	(1,347)
Less: Unamortized deferred amount on refunding	(5,591)	(3,036)	-	(8,627)	-
Amount per Balance Sheet	\$ 295,868	497,854	84,862	878,584	154,910

The principal retirement and payment of obligations under the capitalized lease in the Debt Service Fund is comprised of the following:

	(in thousands)
General obligation notes (OPWC Loans)	\$ 207
Single Family Mortgage Revenue Note (FNMA)	11
General obligation bonds	59,773
Obligation under capitalized lease	860
Total	\$ 60,851

Proceeds from bonds and long-term notes consist of the following:

	Capital Projects Fund
	(in thousands)
OPWC notes	\$ 193
General obligation bonds, original issue	133,425
Revenue bonds, original issue	30,050
Total	\$ 163,668

NOTE G—NOTES PAYABLE AND LONG-TERM OBLIGATIONS (Continued)

Accrued Pension

Accrued pensions in the amount of \$2,453,600 represent pension costs only; employer's share payable in March 2000 and budgeted in 2000 appropriations. The amount is not payable from 1999 available funds.

Accrued Vacation and Sick Leave

City employees are granted sick leave and vacation at varying amounts and, at the time of the employee's termination are reimbursed for the unused portion at various rates. Except for the unused portion of an employee's prior year's sick leave accrual which is recorded in the fund that ultimately disburses this accrual to the employee after year end, all other accrued vacation and sick leave applicable to non-proprietary funds is recorded in the General Long-Term Obligations Account Group. Such benefits accumulated in proprietary funds are recorded as expenses when earned in the proprietary fund types. Additions and deletions of accrued vacation and sick leave are shown net because it is impracticable for the City to determine these amounts separately. This liability, exclusive of proprietary fund types, at December 31, 1999 was \$44,922,316.

Short-Term Notes

The City issues special assessment notes for certain projects where the direct citizen-beneficiary of the project shares in its costs. Upon final determination of costs, the City then converts the remaining portion of the note (the portion not paid upon project completion by the citizen-beneficiary) to bonds. All special assessment notes and bonds are general obligations of the City and are held by the Debt Service Fund. At December 31, 1999, such notes were as follows:

<u>Accounted for in:</u>	<u>Date issued</u>	<u>Maturity date</u>	<u>Interest rate</u>		<u>Amount</u>
Electricity Enterprise:	6/9/1999	6/9/2000	5%	\$	34,000
	6/9/1999	6/9/2000	5%		120,500
	6/9/1999	6/9/2000	5%		21,000
Total Electricity				\$	<u>175,500</u>

Long-Term Notes

All notes payable are backed by the full faith and credit, i.e. general obligations, of the City. Notes are generally issued in anticipation of long-term bond financing and are refinanced until such bonds are issued. There are, however, long-term notes for which the debt service will be paid from current resources. Notes included in General Long-Term Obligations are as follows.

The Ohio Public Works Commission (OPWC) extends both grants and loans to the City. In certain OPWC commitments, the agreements with OPWC provide for cash received by the City to be first considered as grant receipts. Monies received by the City after the grant commitment has been fulfilled by OPWC are then considered loans. Only the loan portion need be repaid by the City. The first two commitments from OPWC included loan monies only.

Notes in the amount of \$3,729,161 accounted for in the General Long-Term Obligations Account Group represent the amounts due on twelve loans from the Ohio Public Works Commission (OPWC) for infrastructure and storm sewer improvements. These notes are non-interest-bearing and have serial maturities, with final maturities July 1, 2021. Initial repayments of the loans began in July 1994. OPWC has committed to additional non-interest-bearing loans as shown below. Cash is provided to the City by OPWC only to the extent of project completion. Only that portion of the loan commitment actually paid to the City is recognized as a liability by the City. Repayments of these loans are made from the Debt Service Fund. OPWC loans are considered general obligations of the City.

NOTE G—NOTES PAYABLE AND LONG-TERM OBLIGATIONS (Continued)

Grant and loan commitments and loans outstanding at December 31, 1999 were as follows:

Project number	Total grant commitment	Total loan commitment	Total loaned at 12/31/99	Repaid by City		Outstanding loans at 12/31/99
				Prior to 1999	In 1999	
CC515	\$ -	200,000	200,000	50,000	10,000	140,000
CC522	-	902,277	902,277	231,473	44,720	626,084
CC814	2,278,407	55,962	55,962	4,197	2,798	48,967
CC903	2,503,277	1,347,918	1,347,918	67,396	67,396	1,213,126
CC914	2,773,435	1,051,993	1,051,993	26,300	52,600	973,093
CC019	440,743	88,935	88,935	2,223	4,446	82,266
CC017	546,095	98,600	98,600	2,465	4,930	91,205
CC015	1,621,538	351,333	351,333	8,783	17,567	324,983
CC013	360,699	57,486	57,486	-	-	57,486
CC15A	577,235	180,386	134,944	-	-	134,944
CC18A	304,654	38,955	38,955	-	1,948	37,007
CC08B	2,866,594	623,173	-	-	-	-
Total	\$ 4,997,018	4,328,403	4,328,403	392,837	206,405	3,729,161

The following table summarizes the City's future debt service requirements on its OPWC loans and loan commitments outstanding at December 31, 1999. The table assumes all loan commitments of the OPWC, as shown above, will be fulfilled.

General Long-Term Obligations Account Group OPWC Loans	
Principal	
(in thousands)	
2000	\$ 104,640
2001	233,878
2002	249,457
2003	249,457
2004	249,457
2005-2021	3,310,887
Total	\$ 4,397,776

The City participates in various affordable housing efforts. The following long-term note is not a general obligation of the City but is payable solely from mortgage payments made by the homebuyers and certain grant funds provided solely for this purpose. The City provided a 20% additional "match" to the original \$600,000 FNMA note.

	Issue Date	Maturity Date	Interest Rate	Outstanding at 12/31/99
Non-enterprise: Federal National Mortgage Association (FNMA) Single Family Mortgage Revenue Note	8/11/98	9/1/09	6.63%	\$ 588,505

NOTE G—NOTES PAYABLE AND LONG-TERM OBLIGATIONS (Continued)

Long-Term Summary

Long-term debt payable at December 31, 1999 is summarized below:

	<u>Years of issue</u>	<u>Year due through</u>	<u>Interest Rate</u>	<u>Weighted average interest rate</u>	<u>Amount</u> (in thousands)
General obligation notes— Ohio Public Works Commission Loans	1993-1998	2021	0%	0%	\$ 3,729
Revenue notes— Federal National Mortgage Association	1998	2009	6.63%	6.63%	589
General obligation bonds:					
Non-Enterprise:					
Fixed rate	1961-1999	2020	3.25% to 12.375%	5.48%	665,203
Variable rate	1995-1996	2017	2.05% to 5.30%	3.16%	40,490
Enterprise bonds:					
Water:					
Fixed rate	1961-1998	2019	3.50% to 12.375%	5.74%	183,743
Variable rate	1995-1996	2017	2.05% to 5.30%	3.16%	53,975
Sewer	1961-1999	2019	4.86% to 12.375%	5.92%	216,984
Electricity:					
Fixed rate	1980-1999	2013	4.63% to 12.375%	5.56%	28,142
Variable rate	1996	2009	2.05% to 5.30%	3.16%	9,120
Internal Service—Information services	1994-1999	2010	4.59% to 5.34%	4.87%	4,955
Internal Service—Fleet Management	1998	2019	4.53%	4.53%	600
Revenue bonds:					
Non-Enterprise	1999	2024	5.00%	5.00%	30,050
Water (series 1991)	1991	2001	5.60% to 5.85%	5.74%	7,065
Water (series 1999)	1999	2010	3.15% to 5.00%	4.74%	53,885
Sewer (series 1992)	1992	2008	5.50% to 6.40%	6.07%	101,590
Sewer (series 1994 variable interest rate)	1994	2011	2.10% to 5.40%	3.22%	51,600
			Variable (5.40% at year-end)		
Electricity (series 1984 variable interest rate)	1984	2009	2.75% to 3.65%	3.23%	47,600
			Variable (3.65% at year-end)		
OWDA/EPA loans—Sewer Component Unit—CMAA:	1977-1999	2022	3.54% to 6.75%	4.20%	131,212
General obligation bonds	1971-1999	2008	5.75% to 12.25%	6.52%	33,395
Revenue bonds	1994, 1998	2028	4.50% to 5.96%	5.27%	122,835
Total long-term debt					\$ <u>1,786,762</u>

Variable Interest Rate Bonds

The variable interest rate bonds were issued, pursuant to ordinances adopted by Council, in the Electricity Enterprise in 1984 and 1996; Sewer Enterprise in 1994; Water Enterprise in 1995 and 1996; and Non-enterprise in 1995 and 1996, respectively. The 1984 Electricity (monthly interest rate mode) and the 1994 Sewer (weekly interest rate mode) bonds are revenue bonds. The Water Enterprise, the 1996 Electricity Enterprise, and the Non-enterprise bonds are variable rate, weekly interest rate mode, general obligation bonds. The proceeds of the bonds were used to provide funds for certain capital improvements, retire certain bonds and notes previously issued by the City, establish bond reserve funds, where required, in accordance with trust agreements, and pay costs incurred to issue the bonds.

NOTE G—NOTES PAYABLE AND LONG-TERM OBLIGATIONS (Continued)

Interest on the variable interest rate bonds is paid at various times as specified in the trust agreements relating to such bonds, at rates determined by the remarketing agent and the City after reviewing the rates of similar municipal issues. The bonds may be put at the discretion of the holders at a price equal to principal plus accrued interest on any interest payment date or such other dates as specified in the trust agreements. The remarketing agent is authorized to use its best efforts to sell the put bonds at a price equal to 100% of the principal amount.

The Electricity variable interest rate revenue bonds, \$47.6 million, are enhanced by an irrevocable bank letter of credit. Under this letter of credit, the trustee or the remarketing agent is entitled to draw up to an amount sufficient to pay the purchase price of bonds tendered for purchase and not remarketed. If proceeds of the letter of credit are applied to purchase bonds, the bonds are required to be delivered to the bank that issued the letter of credit. During the time such bonds are held by the bank, such bonds bear interest at the bank's prime rate; currently 8.50%. If funds were drawn on the letter of credit because all \$47.6 million of the variable interest rate Electricity revenue bonds were "put" and not resold, the City's future debt service requirements for the Electricity Enterprise Fund revenue bonds would increase, as shown in the table on the next page, assuming a 8.50% interest rate as of December 31, 1999. The City is obligated to substitute equal or better security upon its expiration or the bonds secured by the letter of credit must be redeemed. In 1996 the City acquired a new letter of credit issued by the Union Bank of Switzerland for these bonds that expires April 1, 2002.

The variable rate general obligation bonds are accounted for in the General Long-Term Obligation Account Group (\$40,490,000); the Water Enterprise Fund (\$53,975,000); and the Electricity Enterprise Fund (\$9,120,000). These bonds are enhanced by an Initial Liquidity Facility provided by Westdeutsche Landesbank Girozentrale—New York Branch (West L-B).

Under the Initial Liquidity Facility, subject to certain terms and conditions set forth therein, West L-B agrees to make funds available to purchase bonds that are tendered or required to be tendered for purchase and not remarketed or for which remarketing proceeds are not delivered. The Initial Liquidity Facility on the 1995 variable rate general obligation bonds and the 1996 variable rate general obligation bonds will expire on June 15, 2004 and December 15, 2001, respectively, subject to earlier termination in accordance with its terms, but may be extended or replaced. Extension of the termination date, if the City requests, is at the option of West L-B. The immediate termination or suspension of West L-B's obligation to purchase bonds under the Initial Liquidity Facility does not result in acceleration of the bonds. West L-B is not obligated to pay the principal or redemption price of or interest on the bonds under any circumstances, but is obligated only to purchase bonds upon the tender thereof, subject to the terms and provisions of the Initial Liquidity Facility.

If West L-B should be required to purchase these bonds, the City would be required to pay West L-B interest at the higher of the West L-B's prime rate or 2% over the Federal Funds rate. This increased interest, at an assumed interest rate of 8.50%, is reflected in the following table as Debt Service Fund, Water Enterprise Fund, and Electricity Enterprise Fund general obligation bonds.

The Sewer variable interest rate revenue bonds, \$51.6 million, carry no letter of credit or liquidity enhancements. If a put bond proves to be unremarketable by the remarketing agent, the City is required by statute to buy the bond into its own portfolio. While a specific interest rate is not required of the Sewer variable interest rate bonds if purchased into the City's investment portfolio, the following table also assumes an 8.50% rate for these bonds.

NOTE G—NOTES PAYABLE AND LONG-TERM OBLIGATIONS (Continued)

Additional interest the City would have to pay if the variable rate bonds are purchased by the banks at 8.50% interest:

Year ending December 31:	Debt Service Fund General Obligation Bonds	Enterprise Funds			
		Water	Sewer	Electricity	
		General Obligation Bonds	Revenue Bonds	Revenue Bonds	General Obligation Bonds
		(in thousands)			
2000	\$ 2,157	2,816	2,723	2,467	487
2001	1,982	2,648	2,723	2,305	438
2002	1,806	2,480	2,723	2,128	389
2003	1,631	2,313	2,723	1,933	340
2004	1,490	2,145	2,723	1,717	292
2005-2009	5,338	8,209	13,200	4,523	729
2010-2014	1,825	4,021	1,918	—	—
2015 and thereafter	65	471	—	—	—
	<u>\$ 16,294</u>	<u>25,103</u>	<u>28,733</u>	<u>15,073</u>	<u>2,675</u>

The City may, at its option, convert the variable rate bond issues to a fixed rate. Furthermore, the bonds may be called at the discretion of the City under specified procedures on any interest payment date.

Future Debt Service

The following tables summarize the City's future debt service requirements on its outstanding bonds, long-term notes, and OWDA/EPA loans and loan commitments as of December 31, 1999 assuming current interest rates on variable rate debt (in thousands):

Year ending December 31:	Non-Proprietary General Long-Term Obligations			Internal Service General Long-Term Obligations	
	Bonds	Notes	Interest	Bonds	Interest
	2000	\$ 58,839	105	38,078	520
2001	63,634	234	34,800	600	232
2002	60,950	249	31,428	600	203
2003	59,432	249	28,162	590	176
2004	57,723	249	24,973	605	147
2005-2009	240,546	1,248	80,653	2,265	330
2010-2014	136,074	1,219	31,412	225	53
2015 and thereafter	58,545	845	9,458	150	17
	<u>\$ 735,743</u>	<u>4,398</u>	<u>278,964</u>	<u>5,555</u>	<u>1,415</u>

Year ending December 31:	Enterprise funds				
	Water		Sewer		
	Bonds	Interest	Bonds	OWDA/EPA	Interest
2000	\$ 22,498	14,853	28,883	2,907	22,348
2001	22,733	13,614	29,797	6,315	23,127
2002	23,053	12,340	30,349	8,173	22,861
2003	22,328	11,156	30,390	8,328	20,693
2004	21,457	10,019	30,756	8,317	18,504
2005-2009	104,661	32,850	134,845	42,791	61,820
2010-2014	58,883	10,887	68,384	48,364	23,736
2015 and thereafter	23,055	2,102	16,770	43,447	7,401
	<u>\$ 298,668</u>	<u>107,821</u>	<u>370,174</u>	<u>168,642</u>	<u>200,490</u>

NOTE G—NOTES PAYABLE AND LONG-TERM OBLIGATIONS (Continued)

Year ending December 31:	Enterprise funds (continued)		Component Unit-CMAA	
	Electricity		Bonds	Interest
	Bonds	Interest		
2000	\$ 7,533	3,289	5,635	8,444
2001	8,026	2,946	6,290	8,021
2002	8,278	2,589	6,745	7,642
2003	7,983	2,244	7,400	7,235
2004	8,248	1,922	7,490	6,806
2005-2009	42,609	4,782	23,640	29,078
2010-2014	2,185	148	19,515	23,787
2015 and thereafter	—	—	79,515	29,926
	<u>\$ 84,862</u>	<u>17,920</u>	<u>156,230</u>	<u>120,939</u>

The variable interest rate bonds are included in the future debt service requirements based on their stated maturity dates at the weighted average interest rates for 1999. Although these bonds may be payable upon demand (as described previously), the City intends to repay these issues in accordance with the respective redemption schedules.

Restricted Assets

In conjunction with the issuance of the Water, Sewer, and Electricity revenue bonds, the City entered into various trust agreements with commercial banks. These trust agreements require that the City establish various funds for the cost of construction and replacement of property and equipment and repayment of debt. The restricted asset balances in the Enterprise Funds segregate funds held by the City from funds held by trustees in accordance with the trust agreements. Enterprise restricted assets consisted of the following at December 31, 1999:

Restricted assets—	Water	Sewer	Electricity	Total Enterprise	Component
					Unit—CMAA
(in thousands)					
Held by the City and CMAA—					
Construction funds	\$ 32,816	1,210	5,818	39,844	43,352
Funds due to City, including interest	—	—	—	—	6,945
Debt service funds	—	—	—	—	12,559
Customer deposits	—	—	—	—	148
Replacement reserve fund	—	—	3,000	3,000	—
Held by trustees—					
Construction Funds	—	—	—	—	9,562
Debt service funds	1,416	5,931	8,399	15,746	5,666
Accrued interest receivable on investments	5	18	117	140	—
Total restricted assets	<u>\$ 34,237</u>	<u>7,159</u>	<u>17,334</u>	<u>58,730</u>	<u>78,232</u>

Except for accrued interest receivable, restricted assets consist of cash, cash equivalents, and investments. In addition, these trust agreements require the City to pledge net revenues (defined in the trust agreement as revenues less operating and maintenance expenses) of the Water and Sewer Enterprise Funds and all revenue and special funds of the Electricity Enterprise Fund to the payment of the principal and interest on the respective bonds when due.

In the opinion of management, the City has complied with all bond covenants.

NOTE G—NOTES PAYABLE AND LONG-TERM OBLIGATIONS (Continued)

Matured Bonds and Interest

Matured bonds and interest payable include \$896,000 and \$636,126 respectively at December 31, 1999; \$865,000 and \$650,881 at December 31, 1998.

OWDA

Loans payable to the Ohio Water Development Authority (OWDA/EPA), \$131,211,849 are revenue obligations incurred to help finance sewerage treatment plants and are to be repaid from charges for sewerage services.

CMAA

All general obligation bonds including those bonds (\$33,395,000) being repaid by CMAA revenues to the City are backed by the full faith and credit of the City. However, it is the City's policy to pay debt service on general obligation bonds issued for enterprise purposes from the revenues of the respective enterprise fund. General obligation bonds being repaid by CMAA revenues to the City, while reported by the City as general obligation bonds, are reported in the CMAA's component unit financial statements as long-term debt. Accordingly, such debt is reported in the respective enterprise funds and CMAA. Deficiencies, if any, will be paid from the City's Debt Service Fund. All such CMAA obligations to the City have been paid when due.

In August 1994, CMAA issued \$37,160,000 of Airport Improvement Revenue Bonds, Series 1994A, dated August 1, 1994 with a final maturity date of January 1, 2024. \$35,545,000 of these bonds remain outstanding at December 31, 1999 and carry interest rates ranging from 5.10% to 6.25%.

CMAA issued additional Airport Improvement Revenue Bonds, Series 1998A and 1998B, dated February 1, 1998, in the total amount of \$87,290,000; all of which remain outstanding at December 31, 1999. The 1998 bonds carry interest rates ranging from 4.50% to 5.25% and have a final maturity date of January 1, 2028.

The 1994 bonds and the 1998 bonds are payable solely from CMAA revenues. The bonds are not senior debt to amounts owed to the City but are equal in liability status, or on parity with amounts owed the City.

Legal Debt Margins

The ORC provides that the total net debt (as defined in the ORC) of a municipal corporation, whether or not approved by the electors, shall not exceed 10.5% of the total value of all property in the municipal corporation as listed and assessed for taxation. In addition, the unvoted net debt of municipal corporations cannot exceed 5.5% of the total taxation value of property. The statutory limitations on debt are measured by the ratio of net debt to tax valuation and expressed in terms of a percentage. At December 31, 1999, the City's total net debt amounted to 4.59% of the total assessed value of all property within the City and unvoted net debt amounted to 0.82% of the total assessed value of all property within the City. The City had a legal debt margin for total debt of \$732,253,994 and a legal debt margin for unvoted debt of \$580,812,399. The aggregate amount of the City's unvoted debt is also subject to overlapping debt restrictions with other political subdivisions.

NOTE G—NOTES PAYABLE AND LONG-TERM OBLIGATIONS (Continued)

Voted Debt Authority

Various amounts and purposes of debt were authorized (voted) by the City's voters in May 1991, November 1995 and November 1999. The remaining unissued amounts and purposes of these authorizations are shown in the following table.

	<u>Date authorized</u>	<u>Total authorized</u>	<u>Issued in 1991-1998</u> (in thousands)	<u>Issued in 1999</u>	<u>Unissued as of 12/31/99</u>
Sanitary sewer systems	1991	\$ 325,000	215,330	985	108,685
Public safety	1995	29,300	13,360	11,095	4,845
Streets and highways	1995	130,700	89,655	41,045	-
Electricity	1995	20,000	19,090	910	-
Refuse collection	1995	14,500	9,665	2,820	2,015
Public safety	1999	28,255	-	-	28,255
Recreations and parks	1999	59,375	-	12,715	46,660
Refuse collection	1999	10,675	-	-	10,675
Streets and highways	1999	203,720	-	1,015	202,705
Health	1999	30,500	-	23,050	7,450
Electricity	1999	28,330	-	1,115	27,215
Storm sewers	1999	30,000	-	17,710	12,290
Water System	1999	200,000	-	-	200,000
		<u>\$ 1,110,355</u>	<u>347,100</u>	<u>112,460</u>	<u>650,795</u>

Bonds identified above as Sanitary sewer system, Electricity facilities, and Water system are accounted for in the respective enterprise funds. Other bonds are accounted for in General Long-Term Obligation Account Group.

Conduit Type Debt

During 1984 and 1987, the City issued \$1.3 million and \$29.9 million, respectively, in library building revenue bonds in conjunction with the Public Library of Columbus and Franklin County, later renamed the Columbus Metropolitan Library (Library). In 1994, the City issued \$2,225,000 in library improvement revenue bonds in conjunction with the Worthington Public Library, another separate and distinct political subdivision. The site of this Worthington Public Library building, however, is located within the geographic boundaries of the City of Columbus. The proceeds of the bonds were used to construct and expand library facilities that were leased to the Board of Trustees of the respective libraries. The lessees make lease payments directly to the revenue bond trustees in an amount equal to the revenue bond payments. In the event of default on the lease payments, the City's liability is limited to surrendering possession of the library facilities to the trustees. The revenue bonds do not constitute a debt or a pledge of the faith and credit of the City and, accordingly, are not reflected in the accompanying general purpose financial statements. In 1992, the Library, with approval from the City, advance refunded the 1987 revenue bonds. As of December 31, 1997, none of these defeased bonds were outstanding. All payments of principal and interest were made when due. Bonds remaining outstanding at December 31, 1999 are as follows:

<u>Title</u>	<u>Issue date</u>	<u>Interest rates</u>	<u>Original amount</u>	<u>Outstanding at December 31, 1999</u>	<u>Final maturity date</u>
City of Columbus, Ohio Library Improvement Revenue Refunding Bonds, Series 1992 (Board of Trustees of Columbus Metropolitan Library—Lessee)	October 1, 1992	2.90% to 5.20%	22,225,000	2,885,000	October 1, 2000
City of Columbus, Ohio Library Improvement Revenue Bonds, Series 1994 (Board of Trustees of the Worthington Public Library—Lessee)	August 1, 1994	4.35% to 6.15%	2,225,000	1,765,000	January 1, 2015
			<u>\$ 25,750,000</u>	<u>4,650,000</u>	

NOTE G—NOTES PAYABLE AND LONG-TERM OBLIGATIONS (Continued)

A description of all of the City's advance refunded, defeased, bonds with remaining outstanding amounts follows:

Description of defeased bonds	Interest rate %	Date issued	Date defeased	Redemp- tion or call date	Original amount	Amount retired or not sub- ject to refunding	Amount refunded (in thousands)	Defeased amount redeemed	Amount outstanding at December 31, 1999
General Long-Term Obligations Account Group:									
Parks, Recreation and Zoo No. 13(L)- G.O.	6.75	7/1/89	2/15/93	7/1/99	\$ 6,500	860	5,640	5,640	(3)
Storm Sewer #11(L)- G.O.	7.0	7/1/89	2/15/93	7/1/99	2,275	220	2,055	2,055	(3)
Facilities Renovation and Expansion #3(L)-G.O.	6.875	7/1/89	2/15/93	7/1/99	1,500	250	1,250	1,250	(3)
Expressway and Street Improv. #16(U)- G.O.	7.0	7/1/89	2/15/93	7/1/99	3,400	340	3,060	3,060	(3)
Parks, Recreation and Zoo No. 14(U)- G.O.	6.875	7/1/89	2/15/93	7/1/99	3,100	410	2,690	2,690	(3)
Refuse-Coal Fired Power Plant No. 4(L)-G.O.	6.875	7/1/89	2/15/93	7/1/99	1,000	160	840	840	(3)
Sanitation Facilities No. 2(L)-G.O.	6.25 to 9.25	3/1/89	3/15/93	3/1/99	2,700	720	1,980	1,980	(3)
Facilities Renovation and Expan. #2(L)- G.O.	6.25 to 9.25	3/1/89	3/15/93	3/1/99	1,800	600	1,200	1,200	(3)
Parks, Recreation Improv. #10(U)- G.O.	6.00 to 9.00	3/1/89	3/15/93	3/1/99	6,090	1,620	4,470	4,470	(3)
Various Purpose Series 1991-1(U)-G.O.	6.00 to 9.00	6/15/91	3/15/93	9/15/99, 00&01	73,280	4,065	69,215	28,470	40,745 (1)
Various Purpose Series 1991-2(L)-G.O.	5.70 to 8.60	6/15/91	3/15/93	9/15/99, 00&01	19,745	1,520	18,225	10,660	7,565 (1)
Refuse-Coal Fired Power Plant No. 3(L)-G.O.	6.25 to 9.25	3/1/89	3/15/93	3/1/99	1,220	365	855	855	(3)

NOTE G—NOTES PAYABLE AND LONG-TERM OBLIGATIONS (Continued)

<u>Description of defeased bonds</u>	<u>Interest rate %</u>	<u>Date issued</u>	<u>Date defeased</u>	<u>Redemp- tion or call date</u>	<u>Original amount</u>	<u>Amount retired or not sub- ject to refunding</u>	<u>Amount refunded</u>	<u>Defeased amount redeemed</u>	<u>Amount outstanding at December 31, 1999</u>
General Long-Term Obligations Account Group (Continued):									
Various Purpose Series 1991-3(U)—G.O.	5.50 to 6.40	11/1/91	1/15/98	11/1/01	\$ 10,795	4,840	5,955	—	5,955 (1)
Various Purpose Series 1991-4(L)—G.O.	5.50 to 6.20	11/1/91	1/15/98	11/1/01	2,600	1,620	980	—	980 (1)
Various Purpose Series 1992-1(U)—G.O.	5.90 to 6.30	3/1/92	1/15/98	3/1/02	5,110	2,955	2,155	—	2,155 (1)
Streets & Highways 1992 (L)—G.O.	6.20 to 6.50	3/1/92	1/15/98	3/1/02	500	225	275	—	275 (1)
Various Purpose Series 1992-2 (U)—G.O.	5.80 to 6.00	7/1/92	1/15/98	7/1/02	11,355	6,785	4,570	—	4,570 (1)
Various Purpose Series 1992-3 (L)—G.O.	5.90 to 6.25	7/1/92	1/15/98	7/1/02	5,815	4,960	855	—	855 (1)
Various Purpose Series 1992-4 (U)—G.O.	5.70 to 6.00	11/1/92	1/15/98	5/1/03	5,895	3,465	2,430	—	2,430 (1)
Various Purpose Series 1992-5 (L)—G.O.	5.70 to 6.00	11/1/92	1/15/98	5/1/03	4,145	3,065	1,080	—	1,080 (1)
Various Purpose Series 1994-1 (L)—G.O.	5.70 to 6.00	5/15/94	1/15/98	5/15/04	38,110	28,805	9,305	—	9,305 (1)

NOTE G—NOTES PAYABLE AND LONG-TERM OBLIGATIONS (Continued)

<u>Description of defeased bonds</u>	<u>Interest rate %</u>	<u>Date issued</u>	<u>Date defeased</u>	<u>Redemption or call date</u>	<u>Original amount</u>	<u>Amount retired or not subject to refunding</u>	<u>Amount refunded</u>	<u>Defeased amount redeemed</u>	<u>Amount Outstanding at December 31, 1999</u>
							(in thousands)		
Water Enterprise Fund:									
Waterworks Enlargement No. 41 (L)—G.O.	6.75	7/1/89	2/15/93	7/1/99	\$ 11,600	1,160	10,440	10,440	— (3)
Waterworks Enlargement No. 42 (U)—G.O.	6.00 to 9.00	6/15/91	3/15/93	9/15/99, 00&01	38,070	1,900	36,170	13,310	22,860 (1)
Waterworks Enlargement No. 43 (U)—G.O.	5.80 to 6.40	11/1/91	1/15/98	11/1/01	8,840	3,960	4,880	—	4,880 (1)
Waterworks Enlargement No. 44 (U)—G.O.	5.60 to 6.00	11/1/92	1/15/98	5/1/03	45,830	22,900	22,930	—	22,930 (1)
Water System Revenue Refunding Bonds, Series 1991	6.00 to 6.375	12/1/91	4/15/99	11/1/01	72,695	20,035	52,660	—	52,660 (1)
Sewer Enterprise Fund:									
Sewer Improvement No. 25 (L)—G.O.	6.75	7/1/89	2/15/93	7/1/99	54,100	5,410	48,690	48,690	— (3)
Sewer Improvement No. 24 (L)—G.O.	6.25 to 9.25	3/1/89	3/15/93	3/1/99	17,000	3,400	13,600	13,600	— (3)
Sewer Improvement No. 26 (U)—G.O.	6.00	6/15/91	11/15/93	9/15/11	101,320	96,250	5,070	—	5,070 (1)(2)
Sewer Improvement No. 26 (U)—G.O.	6.00 to 6.875	6/15/91	4/8/94	9/15/05, 06, 07, 08, 09 & 10	96,250	65,845	30,405	—	30,405 (1)(2)
Sewer Improvement No. 26 (U)—G.O.	6.50 to 6.75	6/15/91	1/15/98	9/15/01	65,845	50,650	15,195	—	15,195 (1)
Sewer Improvement No. 28 (U)—G.O.	5.60 to 6.00	11/1/92	1/15/98	5/1/03	28,300	14,150	14,150	—	14,150 (1)
Sewer Improvement No. 27 (E-U) Refunding Bonds—G.O.	6.00 to 6.30	12/15/91	3/15/99	2/15/02	22,420	9,120	13,300	—	13,300 (1)

NOTE G—NOTES PAYABLE AND LONG-TERM OBLIGATIONS (Continued)

Description of defeased bonds	Interest rate %	Date issued	Date defeased	Redemption or call Date	Original amount	Amount retired or not subject to refunding	Amount refunded	Defeased amount redeemed	Amount Outstanding at December 31, 1999
							(in thousands)		
Electricity Enterprise Fund:									
Street Lighting and Elect. Distr. No. 25(L)—G.O.	6.875	7/1/89	2/15/93	7/1/99	\$ 1,000	130	870	870	— (3)
	6.00 to 9.00								
Str. Light & Distr. No. 24(U)—G.O.	9.00	3/1/89	3/15/93	3/1/99	3,680	980	2,700	2,700	— (3)
	6.25 to 9.25								
Str. Light & Distr. No. 23(L)—G.O.	9.25	3/1/89	3/15/93	3/1/99	3,270	860	2,410	2,410	— (3)
	6.00 to 9.00								
Various Purpose Series 1991-1 (U)—G.O.	9.00	6/15/91	3/15/93	9/15/99, 00 & 01	1,300	105	1,195	755	440 (1)
	5.70 to 8.60								
Various Purpose Series 1991-2 (L)—G.O.	8.60	6/15/91	3/15/93	9/15/99, 00 & 01	1,060	70	990	490	500 (1)
	5.80								
Various Purpose Series 1992-2 (U)—G.O.	5.80	7/1/92	1/15/98	7/1/02	495	450	45	—	45 (1)
CMAA:									
	7.00 to 7.25								
Municipal Airport No. 28 (P.A)—G.O.	7.25	3/1/89	9/1/99	9/1/99	20,330	11,290	9,040	9,040	— (4)
	6.875								
Municipal Airport No. 29 (P.A)—G.O.	6.875	7/1/89	9/1/99	9/1/99	3,000	1,485	1,515	1,515	— (4)

- (1) Monies providing for the payment of these outstanding bonds, both principal and interest are held by escrow agents who will redeem such bonds on their maturity or call dates. These monies and corresponding liabilities, since the bonds are defeased and not considered a liability of the City, are not included in the City's financial statements.
- (2) These defeasances apply to these maturities only. These bonds are not called. The City has escrowed money for principal and interest to their final maturities, 9/15/2005, 06, 07, 08, 09, 10 and 11. The City does however reserve the right to call these bonds on 9/15/01.
- (3) These bonds were redeemed by the escrow agent on the various redemption /call dates in 1999. At December 31, 1999 all of these bonds have been presented to the paying agent for payment.
- (4) Represents current refundings; all refunded bonds were redeemed.

NOTE G—NOTES PAYABLE AND LONG-TERM OBLIGATIONS (Continued)

Tax Increment Financing Districts (TIF)

The City, pursuant to the Ohio Revised Code and City ordinances, has established nine TIF's. A TIF represents a geographic area wherein property values created after the commencement date of the TIF are exempt, in whole or in part, from property taxes. Owners of such property, however, must pay amounts equal to the property taxes, known as "in lieu of payments" as though the TIF had not been established. These "in lieu of payments" are then dedicated to the payments for various public improvements within or adjacent to the TIF area. However, payments from one of the TIF's will assist the City in paying for certain public improvements in an area remote from the TIF area. Property values existing before the commencement date of a TIF continue to be subjected to property taxes.

"In lieu of payments" received by the City in 1999 were \$967,755 (\$84,063 in 1998, the first year of such collections) and are accounted for in the Debt Service Fund since these monies are intended to pay principal and interest on bonds whose proceeds will be used to construct public improvements. The City made no expenditures in 1998. Expenditures for public improvements in 1999, and accounted for in Capital Projects Funds, were \$37,032,246. Corresponding fixed assets are accounted for in the City's infrastructure accounts and are not capitalized in these financial statements.

TIF's have a longevity of the shorter period of 30 years or until the public improvements are paid for. The property tax exemption then ceases, "in Lieu of payments" cease and property taxes then apply to the property values.

Advance Refundings and Defeasances

On March 15, 1999 the City advance refunded and defeased certain bonds accounted for in the Sewer Enterprise Fund. The City accounted for this advance refunding in accordance with GASB Statement No. 23. The advance refunding resulted in a difference between the reacquisition price (\$14,176,489) and the carrying amount of the old debt (\$13,017,626) of \$1,158,863. This difference is reported in the general purpose financial statements with unamortized bond discount amortized to operations within the Sewer Enterprise Fund over the remaining life of the refunding (new) bonds, which equates to the remaining life of the refunded (old) bonds using the effective interest method. This advance refunding will reduce the Sewer Enterprise Fund's debt service payments over the next 14 years by \$1,048,919 for an economic gain, present value savings of \$779,257.

On April 15, 1999 the City advance refunded and defeased certain bonds accounted for in the Water Enterprise Fund. The City accounted for this 1999 advance refunding in accordance with GASB Statement No. 23. The April 15, 1999 advance refunding resulted in a difference between the reacquisition price (\$55,844,557) and the carrying amount of the old debt (\$51,813,917) of \$4,030,640. This difference is reported in the general purpose financial statements with unamortized bond premium to be amortized to operations within the Water Enterprise Fund over the remaining life of the refunding (new) bonds, which equates to the remaining life of the refunded (old) bonds using the effective interest method.

By completing the April 15, 1999 advance refunding, the City will reduce its Water Enterprise Fund's debt service payments over the next 12 years by \$4,630,895 for an economic gain, present value savings of \$3,611,575.

NOTE G—NOTES PAYABLE AND LONG-TERM OBLIGATIONS (Continued)

The deferred amounts on the refundings were calculated as follows:

	April 15, 1999	March 15, 1999
Reacquisition price:		
Proceeds from sale of new bonds	\$ 56,267,783	14,296,910
Bond issuance costs	<u>(423,226)</u>	<u>(120,421)</u>
Amount paid to escrow agent for refunding	55,844,557	14,176,489
Net carrying amount of old bonds	—	13,017,626
Deferred amount on refunding	<u>\$ 4,030,640</u>	<u>1,158,863</u>

Nominal savings, economic gain and present value savings were calculated as follows:

Refunded (old) bonds		
Principal	\$ 52,660,000	13,300,000
Interest	<u>26,599,984</u>	<u>6,687,132</u>
	79,259,984	19,987,132
Refunding (new) bonds		
Principal	53,885,000	14,285,000
Interest	<u>20,836,274</u>	<u>4,658,068</u>
	74,721,274	18,943,068
Unadjusted reduction in debt service	4,538,710	1,044,064
Accrued interest received	<u>92,185</u>	<u>4,855</u>
Adjusted reduction in debt service	<u>\$ 4,630,895</u>	<u>1,048,919</u>
Economic gain-present value of adjusted reduction in debt service	<u>\$ 3,611,575</u>	<u>779,257</u>
Present value rate-true interest cost of new bonds	4.25%	4.29%
Interest rate borne by old bonds	6.00%-6.375%	6.00%-6.30%

Current Refunding

On July 1, 1999, the City called and refunded certain general obligation airport bonds in the amount of \$10,555,000. The new refunding bonds, after capitalizing various issuance costs, were in the amount of \$10,865,000. This current refunding, accounted for in the City's discretely presented component unit CMAA, will reduce the debt service payments over the next nine years by \$765,868 for an economic gain, present value savings of \$609,989.

NOTE G—NOTES PAYABLE AND LONG-TERM OBLIGATIONS (Continued)

The deferred amount on the current refunding was calculated as follows:

	July 1, 1999 Component Unit— <u>CMAA</u>
Reacquisition price:	
Old bonds outstanding	\$ 10,555,000
Call premium on old bonds	180,800
Interest on old bonds	17,359
Funds required to refund old debt	<u>10,753,159</u>
Net carrying amount of old bonds	10,555,000
Deferred amount on refunding	<u>\$ 198,159</u>

Nominal savings, economic gain and present value savings were calculated as follows:

Refunded (old) bonds	
Principal	\$ 10,555,000
Interest	3,123,158
	<u>13,678,158</u>
Refunding (new) bonds	
Principal	10,865,000
Interest	2,065,878
	<u>12,930,878</u>
Unadjusted reduction in debt service	747,280
Accrued interest received	18,588
Adjusted reduction in debt service	<u>\$ 765,868</u>
Economic gain-present value of adjusted reduction in debt service	<u>\$ 609,989</u>
Present value rate-true interest cost of new bonds	4.78%
Interest rate borne by old bonds	6.875%-7.25%

NOTE H—ELECTRICITY ENTERPRISE OPERATIONS

During 1999, the Electricity Enterprise Fund received approximately 23.0% (23.8% in 1998) of its charges for services from other funds of the City for electric power. The City, via the bond indenture, has pledged to the holders of the Variable Rate Demand Electric System Revenue Bonds—Series 1984 (Note G) to retain these City divisions as customers of the Electricity Enterprise thereby ensuring a customer base for the enterprise.

Included in receivables (Note D) in the Debt Service Fund is \$136,434,837 representing amounts due from the Solid Waste Authority of Central Ohio (SWACO). On April 1, 1993, the City leased to SWACO an electricity-generating, solid waste recovery plant and related transfer stations (the Plant). The annual lease payments to the City were to be in the amount of the related debt service requirements. SWACO paid these rental payments to the City in a timely manner; \$13,090,425 in 1993 and \$16,922,903 in 1994. The lease resulted in the removal of certain real and personal property assets from the Electricity Enterprise Fund with costs in the amount of \$202,000,000. The lease was accounted for as a capital lease in accordance with

NOTE H—ELECTRICITY ENTERPRISE OPERATIONS (Continued)

Due to a series of federal court decisions and U.S. E.P.A. decisions, the Plant ceased operations in 1994. Negotiations continue seeking alternative uses of the Plant. Because the asset underlying the lease was no longer a functioning asset the lease was transferred from the Electricity Enterprise Fund to the Debt Service Fund in 1994. General obligations bonds related to the construction of the underlying assets were also transferred, in 1994, from the Electricity Enterprise Fund to the General Long-Term Obligations Account Group. Revenue bonds related to construction of the underlying asset remain as a liability of the Electricity Enterprise Fund because total revenues of the enterprise are pledged in support of these bonds. All lease receivable amounts not received within 60 days after year-end have been accounted for as deferred revenue in the Debt Service Fund.

In 1998 and again in 1999, the City and SWACO amended the lease, the third and fourth modifications. Essentially, the City agreed to reduce the amount due from SWACO to the City to an amount equal to 65% of debt service and associated bond costs required for the City's general obligation and Electricity Enterprise revenue bonds from January 1, 1995 to the bonds' final maturity in 2010. SWACO agreed to impose a new fee on garbage originating throughout the SWACO boundaries, primarily Franklin County, Ohio. Proceeds from this new fee should produce approximately \$5 million cash annually to be paid in total to the City. The City, rather than pay cash to SWACO for residential type garbage picked up by City garbage trucks, would grant a credit to SWACO against the new amount due by SWACO to the City. This credited amount would approximate an additional \$2.3 million annually. This new fee applies to all garbage originating within SWACO boundaries regardless of whether the garbage is disposed of (tipped) at SWACO's landfill or not. This new fee was authorized by SWACO in December 1998 to be effective at various dates in 1999. SWACO also agreed to remit to the City all profits from the landfill operations, after maintaining certain reserves and other miscellaneous revenues. This amendment resulted in a reduction of the City's receivable of \$88,018,678, from \$230,924,474 at December 31, 1997 to \$142,905,796 at December 31, 1998. Because the receivable was offset by deferred revenue, there were no adverse results on available economic resources.

SWACO operates a landfill and agrees to continue to operate the landfill in a manner that ensures that disposal capacity in the Franklin County Landfill will be available to the City and to residents through, at a minimum, the year 2025. The City continues to agree to dispose of all garbage collected by the City at the SWACO landfill. In 1999, the City paid SWACO \$10.3 million for landfill tipping fees.

The lease of the Plant between the City and SWACO extends to March 31, 2010 with automatic renewals of 5-year terms at annual rentals of \$100,000, unless SWACO chooses not to renew.

All deficiencies in lease payments from SWACO will be subsidized by the City from the Electricity Enterprise Fund for debt service requirements on the revenue bonds and from the Debt Service Fund for debt service requirements on the general obligation bonds. It is the opinion of management that the City is fully capable of meeting the debt service requirements of these bonds.

NOTE H—ELECTRICITY ENTERPRISE OPERATIONS (Continued)

A reconciliation of the debt service on the City's bonds related to the SWACO agreement to the City's receivables and deferred revenue at December 31, 1999 follows:

Debt service 1/1/95-12/31/99	\$ 89,751,312
Projected debt service:	
2000-2010	166,465,824
Less 2000 principal maturity paid to revenue bond trustee in 9-12/1999	(1,000,000)
Less debt service prorated to Alum Creek transfer station vacated by SWACO (2000-2004)	(437,615)
Less debt service reserve fund held by trustee	(7,000,000)
Less maintenance reserve fund held by trustee	(3,000,000)
Total debt service	<u>\$ 244,779,521</u>
65% of total debt service	\$ 159,106,689
Less payments made by SWACO:	
1995-1998	(19,724,000)
1999	(4,826,117)
Less credits, in lieu of payments:	
Retired facility fee – 1999	(1,728,730)
Environmental costs:	
1998	(332,848)
1999	(209,567)
Interest due on deferred payments:	
1998	2,479,314
1999	1,670,096
Amount due from SWACO to City (Note D)	<u>\$ 136,434,837</u>

Debt service for 1995 through 1999 includes actual principal and interest on the general obligation bonds and principal and interest on the revenue bonds paid to the revenue bond trustee. Also included are associated bond costs: letter of credit fees, trustee fees and remarketing agent fees. Total principal, interest and associated bond costs are then reduced by interest earned and collected by the revenue bond trustee. Estimated amounts for years 2000 to 2010 include actual principal and interest on the general obligation bonds, actual principal and estimated interest (monthly mode variable interest rates) remaining to be paid to the revenue bond trustee and estimated associated bond costs.

The City's Electricity Enterprise (Enterprise) celebrated its 100th year of operation in 1999. The Enterprise presently serves 3,649 commercial customers and 9,411 residential customers and in 1999 had operating revenues of \$47.4 million. The Ohio legislature, as did some other states, enacted legislation deregulating certain aspects of the electricity industry. The ultimate effects of such legislation are unknown at present.

In 1999 the City, from its Debt Service Fund, transferred \$10.1 million to the Electricity Enterprise Fund to assist in meeting its operating requirements. The City intends, at present, to continue to support and operate its Electricity Enterprise.

NOTE I—PROPERTY LEASED TO OTHERS

The City leased to others in 1985, an office building known as the old, old post office. The City has no net investment in this lease because the City's purchase price of \$3 million for the building was entirely recovered by a lease payment received at the lease's inception. The initial lease term is for 20 years with a 20-year renewal term at \$100 per year. The lessee may then purchase the property at its then fair market value or continue to lease it for up to 55 additional years.

The City leases certain real property, together with buildings and improvements located thereon, to the Columbus Zoological Park Association (the Zoo). The lease, with annual rental payments of \$1 per year, an extension of earlier leases that began in 1970, commenced June 23, 1989 and expires June 23, 2004. The Zoo uses and occupies the premises solely for zoological, conservation, educational, research and recreational purposes. The City accounts for these assets in the General Fixed Assets Account Group. Animals at the Zoo are not owned by the City.

See also Note H regarding assets leased to SWACO by the City.

NOTE J—LEASE COMMITMENTS AND LEASED ASSET

The City leases a significant amount of property and equipment under one-year operating leases. Total rental expenditures on such leases for the year ended December 31, 1999 were approximately \$5.6 million. The City also leases a building under a capitalized lease. The cost of this building, \$19.8 million, is included in the General Fixed Assets Account Group and the related liability in the General Long-Term Obligations Account Group.

The following is a schedule of future minimum lease payments under the capitalized lease together with the present value of the net minimum lease payments as of December 31, 1999:

Year ending December 31:	
2000	\$ 1,358,750
2001	1,268,450
2002	1,178,150
2003	1,087,850
2004	1,007,025
2005	<u>915,675</u>
Total minimum lease payments	6,815,900
Less—amount representing interest at 12.5%	<u>(1,635,900)</u>
Present value of net minimum lease payments	\$ <u>5,180,000</u>

NOTE K—PENSION PLANS

Police and fire personnel participate in the statewide Police and Firemen's Disability and Pension Fund of Ohio (P&F). All other City employees participate in the statewide Public Employees Retirement System of Ohio (PERS). Both P&F and PERS are cost sharing, multiple-employer public employee retirement systems administered by their respective Retirement Boards, consisting of 6 members elected by representative groups and 3 statutory members. The total payroll for the City's employees for the year ended December 31, 1999 was \$352.0 million. Of this amount, \$157.4 million was covered by P&F, \$189.0 million was covered by PERS and \$5.6 million was not subject to pension benefit calculations.

Employer and employee required contributions to P&F and PERS are established by the Ohio Revised Code (ORC) and are based on percentages of covered employees' gross salaries, as defined. In addition to paying the employer's share as required by the ORC, the City pays a portion of the employee's share.

Required contributions to P&F and PERS are used to fund pension obligations and health care programs. All rates and their respective proportionate shares remained the same in 1999 as in 1998. Rates required attributable to 1999 payroll costs are summarized as follows:

	Percentage of covered payroll—January 1, 1999 to December 31, 1999				
	Employee share			Employer share	Total
	Paid by City	Paid by employee	Total		
Police	6.5	3.5	10.0%	19.5%	29.5%
Fire	8.5	1.5	10.0%	24.0%	34.0%
PERS:					
Full time	8.5	-	8.5%	13.55%	22.05%
Part time	6.0	2.5	8.5%	13.55%	22.05%

PERS has provided the following information to the City in order to assist the City in complying with GASB Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers* (Statement No. 27).

- A. PERS is a cost-sharing multiple-employer defined benefit pension plan.
- B. PERS provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries.
- C. Authority to establish and amend benefits is provided by state statute per Chapter 145 of the ORC.
- D. PERS issues a stand-alone financial report. Interested parties may obtain a copy by making a written request to PERS at: 277 East Town Street, Columbus, Ohio 43215-4642 or calling (614) 466-2085 or 1-800-222-PERS (7377).
- E. The ORC provides statutory authority for employee and employer contributions. The employee contribution rates are 8.5% for employees other than law enforcement. Law enforcement employees contribute 9.0% for covered salary. The 1999 employer contribution rate for state employers was 13.31% of covered payroll. For local government employer units the rate was 13.55% of covered payroll. The law enforcement employer rate was 16.70% of covered payroll. (The City does not employ law enforcement officers who are members of PERS.)

NOTE K—PENSION PLANS (Continued)

- F. Required employer contributions are equal to 100% of the dollar amount billed to each employer. Those required amounts for the past five years have been:

	<u>Employee share paid by employee</u>	<u>Employee share paid by City</u>	<u>Employer share paid by City</u>	<u>Total paid by City</u>
	(in thousands)			
1999	\$304	15,758	25,612	41,370
1998	292	14,772	24,015	38,787
1997	282	13,875	22,566	36,441
1996	291	13,316	21,691	35,007
1995	291	12,594	20,538	33,132

Participants in PERS may retire, at any age with 30 years of service, at age 60 with a minimum of five years of credited service, and at age 55 with a minimum of 25 years of service. Those individuals retiring with less than 30 years of service or less than age 65 receive reduced retirement benefits. Eligible employees are entitled to a retirement benefit, payable monthly for life, equal to 2.1% of their final average salary for each year of credited service up to 30 years. Employees are entitled to 2.5% of their final average salary for each year of service over 30 years. Final average salary is the employee's average salary over the highest three years of earnings. Benefits fully vest upon reaching five years of service. PERS also provides death and disability benefits. Benefits are established by the ORC.

PERS has provided the following information pertaining to other postemployment benefits for health care costs in order to assist the City in complying with *GASB Statement No. 12, Disclosure of Information on Postemployment Benefits Other Than Pension Benefits by State and Local Government Employers* (Statement No. 12).

- A. PERS provides postretirement health care coverage to age and service retirants with 10 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 retirement system 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 statutory authority for employer contributions. The 1999 employer contribution rate for government employer units was 13.55% of covered payroll; 4.2% was the portion that was used to fund health care.
- B. The Ohio Revised Code provides the statutory authority requiring public employers to fund postretirement health care through their contributions to PERS.
- C. OPEB are financed through employer contributions and investment earnings thereon. The contributions allocated to retiree health and Medicare, along with investment income on allocated assets and periodic adjustments in health care provisions are expected to be sufficient to sustain the program indefinitely.
- D. Expenditures for OPEB during 1999 were \$523,599,349. As of December 31, 1999, the unaudited estimated net assets available for future OPEB payments were \$9,870,285,641. The number of benefit recipients eligible for OPEB at December 31, 1999 was 118,062.
- E. During 1997, the Retirement Board adopted a new calculation method for determining employer contributions applied to OPEB. Under the new method, effective January 1, 1998, employer contributions, equal to 4.2% 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.

NOTE K—PENSION PLANS (Continued)

P&F has provided the following information to the City in order to assist the City in complying with Statement No. 27.

- A. P&F is a cost-sharing multiple-employer defined benefit pension plan.
- B. P&F provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries.
- C. Authority to establish and amend benefits is provided by state statute per Chapter 742 of the ORC.
- D. P&F issues a stand-alone financial report. Interested parties may obtain a copy by making a written request to P&F at: 140 East Town Street, Columbus, Ohio 43215-5164 or by calling (614) 228-2975.
- E. The ORC provides statutory authority for employee and employer contributions. The required contributions are:

	<u>Employees</u>	<u>Employer</u>
Police	10%	19.5%
Fire	10%	24.0%

- F. Required employer contributions are equal to 100% of the dollar amount billed to each employer. The required amounts for the past five years have been:

<u>Year</u>	<u>Employee share paid by employee</u>	<u>Employee share paid by City</u> (in thousands)	<u>Employer share paid by City</u>	<u>Total paid by City</u>
Police:				
1999	\$ 3,218	5,976	17,934	23,910
1998	3,030	5,627	16,880	22,507
1997	2,855	5,342	15,984	21,326
1996	3,088	4,632	15,054	19,686
1995	2,968	4,133	13,848	17,981
Fire:				
1999	982	5,565	15,700	21,265
1998	925	5,242	14,801	20,043
1997	882	5,001	14,119	19,120
1996	800	4,536	12,806	17,342
1995	761	4,313	12,177	16,490

Participants in P&F may retire at age 48 with at least 25 years of credited service or at age 62 with at least 15 years of credited service and are entitled to an annual retirement benefit, payable in monthly installments for life, equal to 2.5% of annual earnings for each of the first 20 years of credited service, 2.0% for each of the next five years of credited service, and 1.5% for each year of service thereafter. However, this normal retirement benefit is not to exceed 72% of the member's average annual salary of the three years during which the total earnings were greatest. Members become vested in certain benefits after 15 years of service and become vested in full normal retirement benefits after 25 years of service. P&F also provides a \$1,000 lump-sum death benefits payment in addition to survivor and disability benefits. Benefits are established by the ORC.

P&F has provided the following information pertaining to other postemployment benefits for health care costs in order to assist the City in complying with Statement No. 12.

NOTE K—PENSION PLANS (Continued)

- A. P&F provides postretirement 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 2/3 basis. The health care coverage provided by the retirement system is considered an Other Postemployment Benefits (OPEB) as described in GASB Statement No. 12. The Ohio Revised Code provides that the health care cost paid from the fund of P&F shall be included in the employer's contribution rate. The total police employer contribution rate is 19.5% of covered payroll and the total firefighter employer contribution rate is 24% of covered payroll.
- B. The ORC provides the statutory authority allowing P&F's Board of Trustees (Board) to provide health care coverage to all eligible individuals.
- C. Health care funding and accounting is on a pay-as-you-go basis. A percentage of covered payroll, as defined by the Board, is used to pay retiree health care expenses. The Board defined allocation was 6.5% and 7.0% of covered payroll in 1998 and 1999, respectively. The allocation is 7.25% in 2000. 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.
- D. The total health care expense paid by the retirement plan was \$78,596,790, net of member contributions of \$5,331,515, for the year ended December 31, 1998. Eligible benefit recipients totaled 11,424 for police and 9,186 for fire. Based on the portion of each employer's contribution to P&F set aside for funding of postretirement health care, as described above, the City's contribution for 1999 allocated to postretirement care was approximately \$6.4 million for police and \$4.6 million for fire.

There are no post-employment benefits provided by the City other than those provided through PERS and P&F.

The liability for past service costs at the time PERS was established was assumed by the State of Ohio; therefore, it is not a liability of the City. The liability for past service costs at the time P&F was established was paid by the City to P&F in January 1994. The City is current on all of its required pension fund contributions.

NOTE L—DEFERRED CHARGES AND OTHER

Deferred charges represent various assets resulting from events where capitalization is the proper method of accounting. The substance of the balances are comprised of the following:

- In order to avoid potential Y2K problems, the City, on December 30, 1999, paid to Depository Trust Company (DTC) debt service on City bonds due on January 1, 2000, normally paid on the first business day of the year. DTC held these funds until January 3, 2000 at which time the funds were then paid to the bondholders. DTC paid interest to the City for the period they held such funds.
- Other deferred charges represent unamortized bond issuance costs.

	<u>Water</u>	<u>Sewer</u>	<u>Electricity</u> (in thousands)	<u>Total</u> <u>Enterprise</u>	<u>Debt</u> <u>Service</u>
Payment to DTC:					
Principal	\$ -	213	-	213	8,607
Interest	164	825	46	1,035	3,241
	<u>164</u>	<u>1,038</u>	<u>46</u>	<u>1,248</u>	<u>11,848</u>
Unamortized bond issuance costs	845	768	-	1,613	-
Total	<u>\$ 1,009</u>	<u>1,806</u>	<u>46</u>	<u>2,861</u>	<u>11,848</u>

NOTE M—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 employees' compensation and remit this tax to the City semimonthly, monthly, or quarterly, depending upon the amounts withheld. Corporations and other individual taxpayers are required to pay their estimated tax quarterly and file a declaration annually.

As indicated in note A (b) and in accordance with GASB Statement No. 22, *Accounting for Tax Payer Assessed Tax Revenues in Governmental Funds*, the City recognizes as revenue income tax received within 60 days after year end applicable to taxpayer liabilities for periods prior to the year end net of an allowance for income tax refunds. These taxes are considered both measurable and available whereas all other income taxes are recognized as revenue when received. The City has consistently followed this practice for many years.

NOTE N—PROPERTY TAXES

Property taxes include amounts levied against all real, public utility and tangible personal (used in business) property located in the City.

Real property taxes and public utility taxes collected during 1999 were levied after October 1, 1998 on the assessed value listed as of January 1, 1998, the lien date. One half of these taxes were due January 20, 1999 with the remaining balance due on June 21, 1999. Tangible personal property taxes attach as a lien and were levied on January 1, 1999. One half of this tax was due on April 30, 1999 and the remaining balance was due on September 20, 1999.

Assessed values on real property are established by state law at 35% of appraised market value. A revaluation of all property is required to be completed every sixth year. The last revaluation was completed in 1999. Tangible personal property assessments are 25% of true value (true values are based on cost and established by the State of Ohio). The assessed value upon which the 1999 levy was based was approximately \$10.972 billion. The assessed value for 1999, upon which the 2000 levy will be based, is approximately \$12.398 billion.

Ohio law prohibits taxation of property from all taxing authorities within a county in excess of 1% of assessed value without a vote of the people. Under current procedures, the City's share is .314% (3.14 mills) of assessed value. Increases in the property tax rate are restricted only by voter willingness to approve such increases.

The County Treasurers collect property taxes on behalf of all taxing districts in the counties, including the City of Columbus. The County Auditors periodically remit to the City its portion of the taxes collected. Property taxes may be paid on either an annual or semiannual basis. Current tax collections for the year ended December 31, 1999 were 97.96% of the tax levy.

Property taxes levied in 1999 but not due for collection until 2000 are recorded in the General Fund as taxes receivable and deferred revenues at December 31, 1999 in the amount of \$35,189,666.

NOTE O—DEFICIT FUND EQUITIES

Fund equity balances at December 31, 1999 include the following individual fund deficits:

	Fund/accumulated <u>(deficit)</u>	Contributed <u>capital</u> (in thousands)	Total fund <u>equity (deficit)</u>
Debt Service—			
Recreation Debt Service	\$ (1,338)	-	(1,338)
Internal Service:			
Employee Benefits	(1,015)	582	(433)
Telecommunications	(598)	2,323	1,725
Information Services	(1,841)	16,492	14,651
Enterprise—			
Electricity Fund	(13,696)	17,634	3,938

The deficits in the Recreation Debt Service Fund and Internal Service Funds should be eliminated by future charges for services. The Electricity Fund deficit should be eliminated by future charges for services and operating transfers from the Special Income Tax Debt Service Fund, if necessary.

Fund balance deficits may be budgeted for and exist on the City's budgetary basis of accounting for certain Special Revenue and Debt Service Funds. These fund balance deficits exist because encumbrances are allowed to be recorded against certain accounts receivable that are not recognized as revenue on the budget basis of accounting.

NOTE P—MISCELLANEOUS REVENUES

For the year ended December 31, 1999, miscellaneous revenues consisted of the following:

	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>
	(in thousands)			
Hotel/motel taxes	\$ 3,571	7,270	-	-
Refunds and reimbursements	601	996	120	572
Rent	71	1,485	6,907	53
Premiums/accrued interest	-	-	1,830	-
Capital contribution	-	-	-	830
Payments in lieu of property taxes	-	-	967	-
Donations	-	851	-	9
CDA and UDAG loan interest	-	2,312	-	-
City auto license tax	-	3,129	-	-
Commissions	39	76	-	-
Sale of assets	-	52	116	11,446
Other	58	966	994	512
	<u>\$ 4,340</u>	<u>17,137</u>	<u>10,934</u>	<u>13,422</u>

NOTE Q—TRANSFERS

For the year ended December 31, 1999, operating transfers presented in conformity with generally accepted accounting principles (GAAP) consisted of the following:

	Total transfers out	Transfers in				
		General Fund	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Enterprise Funds
(in thousands)						
General Fund:						
Recreation	\$ 27,739	—	27,739	—	—	—
Health	19,027	—	19,027	—	—	—
Other	4,967	—	1,957	3,010	—	—
Total General Fund	51,733	—	48,723	3,010	—	—
Special Revenue Funds—						
Other	5,891	—	817	5,074	—	—
Total Special Revenue Funds	5,891	—	817	5,074	—	—
Debt Service Funds:						
Electric subsidy	10,100	—	—	—	—	10,100
Recreation Debt Service Fund	381	—	—	381	—	—
Tipping fees	10,878	10,878	—	—	—	—
Other	3,228	1,002	—	2,226	—	—
Total Debt Service Funds	24,587	11,880	—	2,607	—	10,100
Capital Projects Funds—						
Pen Site bond payment	7,615	—	—	7,615	—	—
Easton TIF	2,316	—	—	2,316	—	—
Other	6,389	—	—	—	6,389	—
Total Capital Projects Fund	16,320	—	—	9,931	6,389	—
Total	\$ 98,531	11,880	49,540	20,622	6,389	10,100

NOTE R—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 financing uses			Fund balances at end of year		
	General	Special Revenue	Debt Service	General	Special Revenue	Debt Service
	(in thousands)					
GAAP basis	\$ 8,303	(6,563)	16,274	104,212	59,265	135,216
Increases (decreases) from revenues:						
Received in cash during year but already accrued as receivables (GAAP) at December 31, 1998	63,527	34,865	153,947	—	—	—
Accrued as receivables at December 31, 1999 but not recognized in budget	(68,076)	(29,439)	(150,072)	(68,076)	(29,439)	(150,072)
Deferred at December 31, 1998 but not recognized in budget	(33,750)	(9,985)	(143,592)	—	—	—
Deferred at December 31, 1999 but recognized in budget	35,190	9,067	138,479	35,190	9,067	138,479
Increases (decreases) from encumbrances:						
Expenditures of amounts encumbered during the year ended December 31, 1998	25,797	46,251	22,466	—	—	—
Recognized as expenditures in the budget	(28,294)	(78,213)	(25,802)	(31,213)	(78,519)	(27,209)
Increases (decreases) from expenditures:						
Accrued as liabilities at December 31, 1998 recognized as expenditures (GAAP) but not in budget	(33,234)	(14,235)	(6,823)	—	—	—
Accrued as liabilities at December 31, 1999	30,767	13,063	6,205	30,767	13,063	6,205
Increases in deferred charges	—	—	(11,848)	—	—	(11,848)
Budget basis	\$ 230	(35,189)	(766)	70,880	(26,563)	90,771

NOTE S—SEGMENTS OF ENTERPRISE ACTIVITIES

Significant financial data for the three enterprise funds for the year ended December 31, 1999 are as follows:

	Enterprise Funds			
	<u>Water</u>	<u>Sewer</u>	<u>Electricity</u>	<u>Total</u>
	(in thousands)			
Operating revenues	\$ 97,295	117,041	47,378	261,714
Operating expenses:				
Depreciation	16,413	24,804	3,541	44,758
Other	57,007	55,786	46,319	159,112
Total operating expenses	73,420	80,590	49,860	203,870
Operating income (loss)	\$ 23,875	36,451	(2,482)	57,844
Net income	\$ 13,010	15,331	4,921	33,262
Total assets	\$ 447,912	925,368	99,639	1,472,919
Net working capital	\$ 55,194	91,986	1,423	148,603
Bonds and loans payable, net	\$ 295,868	497,853	84,863	878,584
Total equity	\$ 139,156	412,820	3,938	555,914
Property, plant and equipment:				
Additions	\$ 23,783	54,034	4,121	81,938
Deletions	1,534	531	220	2,285

NOTE T—CONTRIBUTED CAPITAL

	<u>Water</u>	<u>Sewer</u>	<u>Electricity</u>	<u>Total</u>	<u>Internal</u>	<u>Component</u>
	(in thousands)				<u>Enterprise</u>	<u>Service</u>
	<u>CMAA</u>					
Contributed capital:						
Beginning of year balance	\$ 767	115,568	17,633	133,968	19,194	123,966
Additions	-	-	1	1	1,310	13,046
Depreciation	-	(3,646)	-	(3,646)	-	(4,313)
End of year balance	\$ 767	111,922	17,634	130,323	20,504	132,699

NOTE U—JOINT VENTURE—FRANKLIN PARK CONSERVATORY JOINT RECREATION DISTRICT

As noted in Note A, the Franklin Park Conservatory Joint Recreation District (the Conservatory District) is considered a joint venture of the City and Franklin County (the County). The arrangement with the Conservatory District possesses all of the following characteristics to be classified as a joint venture. The Conservatory District:

- resulted from a contractual arrangement (City Resolution 109X-90 and Franklin County Resolution 79-90 pursuant to authority contained in Section 755.14(B) of the Ohio Revised Code);
- functions as a separate and specific activity from the City and the County;
- is governed by the City and the County, with neither entity in a position to unilaterally control the Conservatory District's financial or operating policies; and
- involves an ongoing financial responsibility on the part of the City and the County.

The Conservatory District receives an annual operating subsidy from the City, subject to annual appropriation by the City's Council. Financial statements of the Conservatory District may be obtained from the Conservatory District's administration offices at 1777 East Broad Street, Columbus, Ohio 43203. Summary financial data for the year ended December 31, 1999 are as follows:

	General Fund
Cash and investments	\$ 538,670
Receivables (net of allowances for uncollectibles)	<u>23,434</u>
Total assets	<u>\$ 562,104</u>
Accounts payable	\$ 144,771
Deferred revenue	45,000
Customer deposits	84,986
Due to other governments	29,633
Accrued liabilities	<u>71,193</u>
Total liabilities	<u>375,583</u>
Fund balance	<u>186,521</u>
Total liabilities and fund balance	<u>\$ 562,104</u>
Revenues (including City operating subsidy of \$897,542)	\$ 2,482,799
Expenditures	(2,507,244)
Other financing sources	<u>20,724</u>
Deficiency of revenues and other financing sources over expenditures	<u>\$ (3,721)</u>

The Conservatory District at December 31, 1999 also has a balance of \$90,000 in an endowment fund. This balance is recorded in the General Fund.

In addition, approximately \$130,504 in investments, not included as assets, are at the Columbus Foundation, an Ohio not-for-profit corporation, for the purpose of furthering the Conservatory District's mission. The Conservatory District has the right to suggest to the Columbus Foundation how these monies are to be expended.

CITY OF COLUMBUS, OHIO
Combining Balance Sheet—All Enterprise Funds

December 31, 1999

<u>Assets</u>	<u>Water</u>	<u>Sewer</u>
Cash and cash equivalents—		
Cash and investments with treasurer—Note C	\$ 37,827,894	66,955,559
Receivables (net of allowances for uncollectibles)—Note D	16,996,019	24,096,106
Due from other funds – Note E	1,953,748	3,491,000
Inventory	6,656,176	5,959,728
Deferred charges and other—Note L	1,008,836	1,805,592
Restricted assets:		
Cash and cash equivalents:		
Cash and investments with treasurer—Notes C and G	32,816,215	1,210,274
Cash and cash equivalents with trustees—Notes C and G	690,324	5,930,553
Investments with trustees—Notes C and G	725,822	—
Accrued interest receivable—Note D	4,657	17,688
Property, plant and equipment—Note F:		
At cost	577,213,073	1,101,048,406
Less accumulated depreciation	<u>(227,981,113)</u>	<u>(285,146,695)</u>
Net property, plant and equipment	<u>349,231,960</u>	<u>815,901,711</u>
Total assets	<u>\$ 447,911,651</u>	<u>925,368,211</u>
<u>Liabilities</u>		
Accounts payable	2,889,035	2,582,414
Customer deposits	—	—
Due to other governments	1,897,000	—
Due to other funds—Note E	631,700	2,187,770
Payable from restricted assets:		
Accounts payable	2,128,880	2,906,355
Due to other funds—Note E	20,428	3,943
Due to other	—	29,190
Accrued interest payable	493,788	721,865
Deferred revenue and other	—	641,059
Accrued interest payable	2,096,476	3,081,354
Accrued wages and benefits	725,865	665,131
Accrued vacation and sick leave	2,004,786	1,875,314
Notes payable—Note G	—	—
Bonds and loans payable, net—Note G	<u>295,868,044</u>	<u>497,853,191</u>
Total liabilities	<u>308,756,002</u>	<u>512,547,586</u>
<u>Fund Equity</u>		
Contributed capital—Note T	767,520	111,921,643
Unreserved retained earnings (deficit)—Note O	<u>138,388,129</u>	<u>300,898,982</u>
Total fund equity (deficit)	<u>139,155,649</u>	<u>412,820,625</u>
Commitments and contingencies—Notes B and G	—	—
Total liabilities and fund equity	<u>\$ 447,911,651</u>	<u>925,368,211</u>

See accompanying notes to the general purpose financial statements.

<u>Electricity</u>	<u>Total</u>
2,467,359	107,250,812
5,957,514	47,049,639
528,753	5,973,501
777,433	13,393,337
45,753	2,860,181
8,818,261	42,844,750
1,592,658	8,213,535
6,806,755	7,532,577
117,482	139,827
118,950,846	1,797,212,325
(46,423,983)	(559,551,791)
<u>72,526,863</u>	<u>1,237,660,534</u>
<u>99,638,831</u>	<u>1,472,918,693</u>
7,150,617	12,622,066
448,753	448,753
-	1,897,000
211,658	3,031,128
355,102	5,390,337
12,337	36,708
82,037	111,227
157,056	1,372,709
1,051,923	1,692,982
271,539	5,449,369
225,336	1,616,332
696,349	4,576,449
175,500	175,500
<u>84,862,457</u>	<u>878,583,692</u>
95,700,664	917,004,252
17,634,053	130,323,216
(13,695,886)	425,591,225
<u>3,938,167</u>	<u>555,914,441</u>
-	-
<u>99,638,831</u>	<u>1,472,918,693</u>

CITY OF COLUMBUS, OHIO

Combining Statement of Revenues, Expenses and Changes in Retained Earnings – All Enterprise Funds

Year ended December 31, 1999

	<u>Water</u>	<u>Sewer</u>
Operating revenues:		
Charges for service	\$ 95,303,733	115,796,226
Other	<u>1,991,654</u>	<u>1,244,771</u>
Total operating revenues	97,295,387	117,040,997
Operating expenses:		
Personal services	28,707,597	24,590,947
Materials and supplies	7,821,110	3,785,553
Contractual services	18,487,654	24,220,756
Purchased power	-	-
Depreciation	16,412,644	24,804,418
Other	<u>1,990,872</u>	<u>3,188,667</u>
Total operating expenses	<u>73,419,877</u>	<u>80,590,341</u>
Operating income (loss)	23,875,510	36,450,656
Nonoperating revenues (expenses):		
Investment income	2,818,379	4,069,022
Interest expense	(15,987,466)	(25,110,178)
Other, net	<u>2,303,340</u>	<u>(78,684)</u>
Net nonoperating expenses	<u>(10,865,747)</u>	<u>(21,119,840)</u>
Income (loss) before operating transfers	13,009,763	15,330,816
Operating transfers in—Note Q	-	-
Net income	<u>13,009,763</u>	<u>15,330,816</u>
Add depreciation on fixed assets acquired by capital grants	-	3,646,177
Increase in retained earnings	13,009,763	18,976,993
Retained earnings (deficit) at beginning of year	<u>125,378,366</u>	<u>281,921,989</u>
Retained earnings (deficit) at end of year	<u>\$ 138,388,129</u>	<u>300,898,982</u>

See accompanying notes to the general purpose financial statements.

<u>Electricity</u>	<u>Total</u>
46,495,405	257,595,364
882,021	4,118,446
<u>47,377,426</u>	<u>261,713,810</u>
8,197,262	61,495,806
373,858	11,980,521
4,205,023	46,913,433
32,963,630	32,963,630
3,541,384	44,758,446
578,522	5,758,061
<u>49,859,679</u>	<u>203,869,897</u>
(2,482,253)	57,843,913
812,259	7,699,660
(3,460,160)	(44,557,804)
(48,251)	2,176,405
<u>(2,696,152)</u>	<u>(34,681,739)</u>
(5,178,405)	23,162,174
<u>10,100,000</u>	<u>10,100,000</u>
4,921,595	33,262,174
-	3,646,177
<u>4,921,595</u>	<u>36,908,351</u>
(18,617,481)	388,682,874
<u>(13,695,886)</u>	<u>425,591,225</u>

CITY OF COLUMBUS, OHIO

Combining Statement of Cash Flows – All Enterprise Funds

Year ended December 31, 1999

	<u>Water</u>	<u>Sewer</u>
Operating activities:		
Cash received from customers	\$ 90,038,625	120,576,488
Cash paid to employees	(28,740,147)	(28,624,881)
Cash paid to suppliers	(27,308,131)	(31,820,899)
Other receipts (expenses)	634,520	(502,485)
	34,624,867	59,628,223
Net cash provided by operating activities		
Capital and related financing activities:		
Proceeds from sale of land	3,202,819	-
Purchases of property, plant and equipment	(22,939,208)	(53,675,382)
Contributed capital	-	-
Proceeds from issuance of bonds, loans and notes	53,885,000	29,632,558
Principal payments on notes	-	-
Principal payments on bonds and loans	(73,131,460)	(45,658,523)
Interest paid on bonds, loans and notes	(16,993,068)	(27,547,843)
Operating transfers in	-	-
Payment for deferred charges	(1,225,000)	(1,198,000)
	(57,200,917)	(98,447,190)
Net cash used in capital and related financing activities		
Investing activities:		
Purchase of investment securities	(2,097,321)	-
Proceeds from maturity of investment securities	1,371,691	-
Interest received on investments	3,538,138	4,011,505
	2,812,508	4,011,505
Net cash provided by investing activities		
Increase (decrease) in cash and cash equivalents	(19,763,542)	(34,807,462)
Cash and cash equivalents at beginning of year (including \$96,050,826 in total restricted accounts)	91,097,975	108,903,848
Cash and cash equivalents at end of year (including \$51,058,285 in total restricted accounts)	\$ 71,334,433	74,096,386

See accompanying notes to the general purpose financial statements.

<u>Electricity</u>	<u>Total</u>
45,601,023	256,216,136
(8,210,481)	(65,575,509)
(34,408,625)	(93,537,655)
476,206	608,241
<hr/>	<hr/>
3,458,123	97,711,213
-	3,202,819
(4,653,540)	(81,268,130)
2,339	2,339
2,262,718	85,780,276
(81,000)	(81,000)
(7,181,260)	(125,971,243)
(3,537,686)	(48,078,597)
10,100,000	10,100,000
-	(2,423,000)
<hr/>	<hr/>
(3,088,429)	(158,736,536)
(11,135,289)	(13,232,610)
10,711,372	12,083,063
830,343	8,379,986
<hr/>	<hr/>
406,426	7,230,439
<hr/>	<hr/>
776,120	(53,794,884)
<hr/>	<hr/>
12,102,158	212,103,981
<hr/>	<hr/>
12,878,278	158,309,097
<hr/>	<hr/>

(Continued)

CITY OF COLUMBUS, OHIO

Combining Statement of Cash Flows – All Enterprise Funds (Continued)

Year ended December 31, 1999

	<u>Water</u>	<u>Sewer</u>
Operating income (loss)	\$ 23,875,510	36,450,656
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	16,412,644	24,804,418
Amortization, net	574,405	679,514
Decrease (increase) in operating assets and increase (decrease) in operating liabilities:		
Receivables	(4,733,019)	(2,212,432)
Due from other funds	(265,637)	(291,000)
Inventory	(645,783)	(555,645)
Accounts payable – net of items affecting property, plant and equipment	(467,534)	1,340,287
Customer deposits	–	–
Due to other funds	166,687	(395,308)
Due to other	–	6,976
Deferred revenue	–	(79,118)
Accrued wages and benefits	(259,294)	(275,655)
Accrued vacation and sick leave	(33,112)	155,530
	<u>\$ 34,624,867</u>	<u>59,628,223</u>
Supplemental information:		
Noncash activities:		
Contributions of equipment	\$ –	–
Gain (loss) on disposal of assets, net	\$ 2,303,340	(2,684)
Change in fair value of investments	\$ (333,274)	(355,269)
OWDA loan increase for capitalized interest	\$ –	738,585

See accompanying notes to the general purpose financial statements.

<u>Electricity</u>	<u>Total</u>
(2,482,253)	57,843,913
3,541,384	44,758,446
-	1,253,919
(413,149)	(7,358,600)
(72,744)	(629,381)
87,749	(1,113,679)
3,083,949	3,956,702
(7,256)	(7,256)
1,691	(226,930)
-	6,976
(193,466)	(272,584)
(97,367)	(632,316)
9,585	132,003
<u>3,458,123</u>	<u>97,711,213</u>
<u>26,349</u>	<u>26,349</u>
<u>(48,251)</u>	<u>2,252,405</u>
<u>(125,920)</u>	<u>(814,463)</u>
<u>-</u>	<u>738,585</u>

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

The Honorable Hugh J. Dorrian
City Auditor
City of Columbus, Ohio

and

The Honorable Jim Petro
Auditor of State

We have audited the general purpose financial statements of the City of Columbus, Ohio (the City) and the combining financial statements of its Enterprise Funds, as of and for the year ended December 31, 1999, and have issued our report thereon dated April 7, 2000. We conducted our audit in accordance with generally accepted auditing standards 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 and the combining financial statements of its Enterprise Funds 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 and combining 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 the combining financial statements of its Enterprise Funds and not to provide assurance on the internal control over financial reporting. However, we noted a certain matter involving internal control over financial reporting and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the City's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements. A reportable condition is described in the accompanying schedule of findings and questioned costs as item 99-1.





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.

We noted other matters involving the internal control over financial reporting that we have reported to management of the City in a separate letter dated April 7, 2000.

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

KPMG LLP

April 7, 2000



Two Nationwide Plaza
Columbus, OH 43215

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**Independent Auditors' Report on Compliance With
Requirements Applicable to Each Major Program, Internal Control
Over Compliance in Accordance With OMB Circular A-133 and
Schedule of Receipts and Expenditures of Federal, State, and County Awards**

The Honorable Hugh J. Dorrian
City Auditor
City of Columbus, Ohio

and

The Honorable Jim Petro
Auditor of State

Compliance

We have audited the compliance of the City of Columbus (the City) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended December 31, 1999. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the City's compliance with those requirements.

In our opinion, the City complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 1999.





Internal Control Over Compliance

The management of the City is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the City's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control 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 noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program 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 compliance and its operation that we consider to be material weaknesses.

Schedule of Receipts and Expenditures of Federal, State, and County Awards

We have audited the general purpose financial statements of the City and the combining financial statements of its Enterprise Funds for the year ended December 31, 1999, and have issued our report thereon dated April 7, 2000. Our audit was performed for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying Schedule of Receipts and Expenditures of Federal, State, and County Awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the general purpose financial statements. Such information has been subjected to the auditing procedures applied in the 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.

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

KPMG LLP

April 7, 2000

City of Columbus, Ohio
 Schedule of Receipts and Expenditures of Federal, State, and County Awards
 Year Ended December 31, 1999

Grant No. (1)	Fund	Grant Title	CFDA	Grant No. (2)	Grant Award (3)	Receipts	City Match and Miscellaneous Receipts	Expenditures
Federal Grants								
Department of Agriculture								
508295	251	Special Supplemental Nutritional Program for Women, Infants, and Children 1997-98	10.557	142-N	\$ 2,731,777	\$ 388,201	-	48,628
508304	251	Ohio Infant Mortality Reduction	10.557	142-AF	90,000	-	-	3,965
508324	251	Special Supplemental Nutritional Program for Women, Infants, and Children 1998-99	10.557	142-N	2,731,777	2,052,389	35,742	2,154,762
508332	251	Ohio Infant Mortality Reduction	10.557	142-AF	90,000	61,358	3,003	65,361
509008	251	Special Supplemental Nutritional Program for Women, Infants, and Children 1999-2000	10.557	142-N	2,813,730	703,536	-	573,344
509019	251	Ohio Infant Mortality Reduction	10.557	142-AF	90,000	18,000	-	24,095
		Total for CFDA 10.557				3,223,484	38,745	2,870,155
519004	286	Summer Food Service Program for Children Total Department of Agriculture	10.559	-	801,695	762,350	-	777,268
						\$ 3,985,834	38,745	\$ 3,647,423
Department of Education								
508300	251	Special Education-Grants for Infants and Families with Disabilities	84.181	-	30,506	8,770	-	-
508334	251	Special Education-Grants for Infants and Families with Disabilities	84.181	-	36,682	28,225	-	28,266
509020	251	Special Education-Grants for Infants and Families with Disabilities Total Department of Education	84.181	-	36,682	-	-	4,716
						\$ 36,995	-	\$ 32,982
Department of Energy								
576004	749	Energy Task Force for the Urban Consortium Total Department of Energy	81.081	95-17	17,874	13,403	-	17,874
						\$ 13,403	-	\$ 17,874
Environmental Protection Agency								
650010		US EPA/OWDA Water Pollution Control Loan	66.458	-	-	-	1,453,249	1,343,828
650339		US EPA/OWDA Water Pollution Control Loan	66.458	-	-	-	11,862,947	11,674,542
650432		US EPA/OWDA Water Pollution Control Loan Total CFDA 66.458	66.458	-	-	-	468,037	161,979
						-	13,784,233	13,180,349
448298	220	From Ohio Environmental Protection Agency: Brownfields Assessment Project Total Environmental Protection Agency	66.811	-	200,000	86,795	-	86,795
						\$ 86,795	13,784,233	\$ 13,267,144

City of Columbus, Ohio
 Schedule of Receipts and Expenditures of Federal, State, and County Awards
 Year Ended December 31, 1999

Grant No. (1)	Fund	Grant Title	CFDA	Grant No. (2)	Grant Award (3)	Receipts	City Match and Miscellaneous Receipts	Expenditures
Department of Health and Human Services								
518020	286	Low-Income Home Energy Assistance	93.568	HEAP-06	27,253	27,253	-	27,253
448220	220	Social Services Block Grant	93.667	G-9501-04-ECUR	2,947,368	1,314,818	-	909,156
509018	251	Healthy Start Initiative	93.926	-	180,000	-	-	14,082
From the Ohio Department of Aging:								
518318	286	Special Programs for the Aging-Title III, Part F-Preventive Health Service	93.043	-	110,000	64,555	1,900	91,949
518301	286	Special Programs for the Aging-Title III, Part B-Grants for Supportive Services & Senior Centers	93.044	88-06	1,500,000	1,393,423	10,921	1,203,020
518303	286	Special Programs for the Aging-Title III, Part C-Nutrition Services	93.045	-	2,150,000	2,015,433	12,045	1,804,523
518324	286	Special Programs for the Aging-Title III, Part A-Nutrition Services	93.045	-	569,540	272,109	252,246	569,540
		Total for CFDA 93,044 & 93,045, Aging Cluster				3,680,965	275,212	3,577,083
518306	286	Special Programs for the Aging-Title III, Part D-In-House Services for Frail Older Individuals	93.046	88-06	42,000	37,731	-	28,389
518139	286	(4) Medical Assistance Program (PASSPORT)	93.778	-	19,000,000	13,969,444	257,171	13,504,292
		Total Ohio Department of Aging				17,752,695	534,283	17,201,713
From the Ohio Department of Health:								
508314	251	HIV/AIDS Prevention Program	93.118	142-AH	98,330	-	-	5,146
509333	251	HIV/AIDS Prevention Program	93.118	-	92,595	91,091	1,694	82,349
		Total for CFDA 93.118				91,091	1,694	87,495
508338	251	Health Delivery Services to Persons with AIDS 1997-98	93.133	142	111,058	76,630	-	60,193
509024	251	Health Delivery Services to Persons with AIDS 1998-99	93.133	-	114,900	25,288	-	53,097
		Total for CFDA 93.133				101,918	-	113,290
508322	251	Childhood Lead Poisoning Prevention Program 1997-98	93.197	142-E	112,874	78,574	28,219	106,096
508308	220	Childhood Immunization Grants 1998	93.268	142-AA	464,000	76,400	-	19,614
509344	251	Childhood Immunization Grants 1999	93.268	-	399,642	310,155	-	304,199
		Total for CFDA 93.268				386,555	-	323,813

City of Columbus, Ohio
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Grant No. (1)	Fund	Grant Title	CFDA	Grant No. (2)	Grant Award (3)	Receipts	City Match and Miscellaneous Receipts	Expenditures
508316	251	HIV Care Formula Grants 1998-99	93.917	142-AI	15,000	11,212	-	13,729
509004	251	HIV Care Formula Grants 1999-2000	93.917	-	20,000	10,000	-	2,174
		Total for CFDA 93.917				21,212	-	15,903
500003	251	Cooperative Agreements-State Based Comprehensive Breast/Cervical Cancer Early Detection Programs 1998	93.919	-	146,000	39,014	-	-
508303	251	Cooperative Agreements-State Based Comprehensive Breast/Cervical Cancer Early Detection Programs 1997	93.919	142-AG	359,563	299,026	-	172,815
		Total for CFDA 93.919				338,040	-	172,815
508312	251	HIV Prevention Activities-Health Department Based	93.940	142-AL	486,435	107,346	-	78,717
509001	220	HIV Prevention Activities-Health Department Based	93.940	-	555,129	426,095	-	374,895
		Total for CFDA 93.940				533,441	-	453,612
508313	251	STD Control Program	93.977	142-D	146,475	1,290	-	111
508318	251	STD Diagnostic & Treatment Services	93.977	142-ADI	108,000	-	-	33,916
508340	251	STD Diagnostic & Treatment Services	93.977	142-ADI	108,000	52,590	-	91,144
509002	251	STD Diagnostic & Treatment Services	93.977	-	100,768	84,986	-	112,584
		Total for CFDA 93.977				138,866	-	237,755
508306	251	Preventive Health & Health Services Block Grant	93.991	142-M	149,007	25,000	-	6,213
508317	251	Preventive Health & Health Services Block Grant	93.991	-	350,000	-	-	86,472
509335	251	Preventive Health & Health Services Block Grant	93.991	-	149,007	137,465	-	145,852
		Total for CFDA 93.991				162,465	-	238,537
508302	251	Maternal & Child Health Services Block Grant to the States 1997-98	93.994	142-L	203,195	57,773	-	-
508319	251	Maternal & Child Health Services Block Grant to the States 1998-99	93.994	142-AD	39,617	10,632	-	15,658
508331	251	Maternal & Child Health Services Block Grant to the States 1998-99	93.994	142-L	694,947	273,389	121,419	465,289
509017	251	Maternal & Child Health Services Block Grant to the States 1999-2000	93.994	-	1,126,576	204,828	207,659	169,553
		Total for CFDA 93.994				546,622	329,078	650,500
		Total Ohio Department of Health				2,398,784	358,991	2,399,816
508327	251	From the Franklin County A.D.A.M.H. Board: Lifestyle Risk Reduction/COA	93.959	-	136,737	33,118	30,205	89,911
508328	251	HIV Early Intervention Services	93.959	-	336,893	169,667	-	191,185
508329	251	Block Grants for Prevention & Treatment of Substance Abuse	93.959	-	120,460	57,506	28,181	116,316

City of Columbus, Ohio
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Grant No. (1)	Fund	Grant Title	CFDA	Grant No. (2)	Grant Award (3)	Receipts	City Match and Miscellaneous Receipts	Expenditures
509011	251	1999 Lifestyle Risk Reduction - COA	93.959	-	135,576	44,825	16,395	76,856
509013	251	1999 HIV Early Intervention Svcs	93.959	-	337,407	76,160	-	130,726
509015	251	1999 Women's Alcohol Recovery	93.959	-	121,414	24,000	62,112	86,499
		Total Franklin County A.D.A.M.H Board				405,276	136,893	691,493
From the Ohio Department of Human Services:								
508321	251	Emergency Assistance Services Program	93.556	-	9,518	473	-	-
		Total Department of Health and Human Services			\$ 21,899,299	1,030,167	-	21,243,513
Department of Housing and Urban Development								
518002	286	Congregate Housing Services Program	14.170	-	183,786	183,786	15,490	165,112
458005	202	Homeownership & Opportunity for People Everywhere	14.185	H3-920H0011-J-A	802,000	196,613	-	196,613
sf0001	248	Community Development Block Grant-Non-loan program	14.218	B-96-MC-39-009		8,062,278	2,764,655	9,199,529
sf0002	248	Community Development Block Grant-Loan program	14.218	B-96-MC-39-009		-	1,410,760	7,136,524
		Total for CFDA 14.218				8,062,278	4,175,415	16,336,053
sf0009	243	Urban Development Action Grant	14.221	B-81-AA-39-0110		-	106,400	106,400
sf0010	243	Urban Development Action Grant	14.221	B-81-AA-39-0110		-	33,336	33,336
sf0016	243	Urban Development Action Grant	14.221	B-81-AA-39-0110	6,000,000	-	1,891,139	49,788
		Total for CFDA 14.221				-	2,030,875	189,524
458084	220	Emergency Shelter Grants Program	14.231	-	255,000	252,799	-	259,132
458001	201	HOME Investment Partnerships Program-Non-loan program	14.239	-	8,602,381	6,244,376	217,282	447,823
458001	201	HOME Investment Partnerships Program-Loan program	14.239	-	8,602,381	-	-	14,629,212
		Total for CFDA 14.239				6,244,376	217,282	15,077,035
508274	220	Housing for People with AIDS (HOPWA)	14.241	OHI6H97-F051	429,000	406,397	-	396,705
449006	220	Empowerment Zones Program	14.244	-	3,000,000	81,105	-	88,857
448016	220	Public and Indian Housing-Comprehensive Improvement Assistance Program	14.852	R-92-114	232,000	50,921	-	20,931
449005	220	Lead-Based paint Hazard Control in Priority Housing	14.900	-	1,124,223	21,957	-	45,652
508101	220	Lead-Based paint Hazard Control in Priority Housing	14.900	OHLA G0055-95	4,687,684	893,711	-	457,886
		Total for CFDA 14.900				915,668	-	503,538
		Total Department of Housing and Urban Development			\$ 16,393,943	6,439,062	-	33,233,500

City of Columbus, Ohio
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Grant No. (1)	Fund	Grant Title	CFDA	Grant No. (2)	Grant Award (3)	Receipts	City Match and Miscellaneous Receipts	Expenditures
518683	286	Institute of Museum & Library Services Museum Assessment Program Total Institute of Museum & Library Services	45.302	IM-80174-98	1,775	-	-	270
448290	220	Department of Interior From the Ohio Historical Society: Historic Preservation Fund-Grants-In-Aid Total Department of Interior	15.904	-	25,000	-	3,237	-
338001	222	Department of Justice Local Law Enforcement Block Grant (LLEBG)	16.592	96-LB-VX-1457	1,675,157	-	5,294	-
338002	222	Local Law Enforcement Block Grant (LLEBG)	16.592	97-LB-VX-3306	967,777	-	31,958	1,046,706
338003	222	Local Law Enforcement Block Grant (LLEBG) Total for CFDA 16.592	16.592	-	1,028,750	1,028,750	162,942	266,601
339001	220	Weed & Seed - Warrant Sweep	16.595	-	17,463	13,834	-	13,834
349001	220	State & Local Domestic Preparedness	16.607	-	250,000	71,784	-	56,022
338223	220	Public Safety Partnership and Community Policing Grants	16.710	95-CC-WX-0308	2,850,000	665,495	1,357,600	1,444,770
338254	220	Public Safety Partnership and Community Policing Grants	16.710	96-CL-WX-0067	43,499	23,922	-	31,643
338258	220	COPS Universal Hiring Supplemental Program Total for CFDA 16.710	16.710	95-CC-WX-0308	1,350,000	552,738	366,874	1,010,213
248266	220	From the Alliance for Cooperative Justice: Byrne Formula Grant	16.579	95-CP-14	20,000	525	-	601
259001	220	Byrne Formula Grant	16.579	-	85,433	43,000	28,478	99,849
339002	220	Byrne Formula Grant	16.579	-	88,274	88,274	-	88,274
348269	220	Byrne Formula Grant	16.579	95-DG-BO1-7676	22,818	-	-	5,223
349004	220	Byrne Formula Grant Total Alliance for Cooperative Justice	16.579	-	24,121	4,020	8,041	4,450
258278	220	From the Ohio Attorney General's Office: Byrne Formula Grant Total for CFDA 16.579	16.579	-	81,556	45,655	-	41,663
248270	220	From the Alliance for Cooperative Justice: Violence Against Women Formula Grants	16.588	96-WF-VA2-8758	105,144	98,279	-	105,144
248271	220	Violence Against Women Formula Grants	16.588	96-WF-VA5-8757	72,960	71,500	-	74,577
248289	220	Violence Against Women Formula Grants	16.588	95-DG-D02-7521	28,531	138	-	-
248295	220	Violence Against Women Formula Grants	16.588	-	103,032	103,032	-	88,904

City of Columbus, Ohio
 Schedule of Receipts and Expenditures of Federal, State, and County Awards
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Grant No. (1)	Fund	Grant Title	CFDA	Grant No. (2)	Grant Award (3)	Receipts	City Match and Miscellaneous Receipts	Expenditures
338293	220	Violence Against Women Formula Grants	16.588	96-WF-VA1-8756A	72,219	72,219	-	23,530
338294	220	Violence Against Women Formula Grants	16.588	97-WF-VA3-8763	22,268	22,245	-	17,450
339005	220	Violence Against Women Formula Grants	16.588	-	111,514	19,781	-	21,376
339006	220	Violence Against Women Formula Grants	16.588	-	2,920	-	-	1,617
		Total for CFDA 16.588			387,194	-	-	332,598
338281	220	Justice Research, Development, and Evaluation Project Grants	16.560	97-DN-VX-0009	7,825	5,085	-	1,985
258276	220	Crime Victim Assistance	16.575	-	38,655	2,954	-	12,853
258297	220	Crime Victim Assistance	16.575	-	44,602	33,452	-	19,727
259003	220	Crime Victim Assistance	16.575	-	44,603	11,151	14,868	-
		Total for CFDA 16.575			47,557	47,557	14,868	32,580
		Total Department of Justice			\$ 2,977,833	\$ 1,976,055		4,477,012
448265	220	Department of Labor From the Ohio Bureau of Employment Services: One Stop Career Center System Project	17.248	-	390,000	-	-	75,917
		Total Department of Labor			\$ -	\$ -		75,917
338076	220	Department of Transportation From the Ohio Department of Highway Safety: Highway Planning & Construction	20.205	PF-FRA-189	2,184,026	7,224	-	-
548077	220	Highway Planning & Construction	20.205	PF-FRA-189	630,838	298,631	-	330,941
		Total for CFDA 20.205			305,855	-	-	330,941
338096	220	State & Community Highway Safety	20.600	-	12,000	1,312	-	6,810
338285	220	COPS in Shops	20.600	-	15,000	12,357	-	-
338299	220	Selected Traffic Enforcement Program	20.600	-	64,000	51,190	-	62,553
339007	220	Selected Traffic Enforcement Program	20.600	-	98,715	-	-	12,157
508040	251	State & Community Highway Safety	20.600	-	8,800	-	4,975	-
508337	251	Safe Communities	20.600	-	44,500	37,487	-	40,075
508339	251	Child Passenger Safety	20.600	-	20,600	20,600	-	9,934
509022	251	1999 Safe Communities	20.600	-	40,000	-	-	4,656
509023	251	Child Passenger Safety	20.600	-	45,454	-	-	4,501
548268	220	Recommended Walking Route to School	20.600	GR1-0528.0	28,740	6,615	-	-
		Total for CFDA 20.600			129,561	4,975	-	140,686
		Total Ohio Department of Highway Safety			435,416	4,975	-	471,627

City of Columbus, Ohio
 Schedule of Receipts and Expenditures of Federal, State, and County Awards
 Year Ended December 31, 1999

Grant No. (1)	Fund	Grant Title	CFDA	Grant No. (2)	Grant Award (3)	Receipts	City Match and Miscellaneous Receipts	Expenditures
From the Ohio Department of Transportation:								
560001	765	Highway Planning & Construction - Weather Monitoring System	20.205		1,200,000	-	-	2,756
561034	765	Highway Planning & Construction - Spring-Sandusky Interchange	20.205	1-70-3-3(13)92	7,027,726	40,168	-	514,802
561119	765	Highway Planning & Construction - IR670 - IR71 - IR270	20.205		9,726	-	-	9,726
565185	765	Highway Planning & Construction - Main Street Bridge	20.205		39,202	-	-	39,202
565186	765	Highway Planning & Construction - Town Street Bridge	20.205		126,855	-	-	40,215
567270	765	Highway Planning & Construction - North Outerbelt Widening	20.205	NH-270--5(57)	1,891,193	95,572	-	92,557
		Total Ohio Department of Transportation			135,740			699,258
		Total Department of Transportation			\$ 571,156		4,975	1,170,885
		Total Federal Assistance - Primary Government			\$ 45,965,258		23,276,474	77,166,520
Other Federal Assistance-Component Unit								
		Drug Enforcement Administration	16.		-	92,678	-	92,678
		State and Local Task Force Agreement	16.		-	103,935	-	103,935
		Equitable Sharing Agreement				196,613	-	196,613
		Total Drug Enforcement Administration						
		Federal Aviation Administration	20.106		-	1,934,820	-	1,799,238
		Airport Improvement Program						
		Total Federal Assistance - Reporting Entity			\$ 48,096,691		23,276,474	79,162,371

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Grant No. (1)	Fund	Grant Title	CFDA	Grant No. (2)	Grant Award (3)	Receipts	Miscellaneous Receipts	Expenditures
State Grants								
518912	286	Department of Aging Multi-Purpose Senior Centers - HB1084		-	37,000	25,000	-	23,771
518006	286	RSS/Assisted Living		GRF-490-412	85,734	85,734	41	78,902
518025	286	Senior Volunteer Program		GRF-490-506	38,000	37,021	-	29,414
518047	286	Alzheimer's Respite		GRF-490-512	218,890	218,890	-	209,936
518308	286	Home Care Ombudsman		GRF-490-510	222,321	222,321	-	171,164
518315	286	Senior Block Grant		GRF-490-411	1,235,000	1,162,213	-	1,105,055
		Total Department of Aging			\$ 1,751,179		41	1,618,242
508326	251	Ohio Department of Alcohol and Drug Addiction Services ADA Prevention Services		-	32,131	8,034	15,000	35,113
508330	251	ADA HB-167, Perinatal Services		-	130,000	33,514	-	83,617
		Total Ohio Department of Alcohol and Drug Addiction Services			\$ 41,548		15,000	118,730
448242	220	Department of Development State of Ohio Enterprise Community		-	1,000,000	422,459	-	352,484
518082	286	Housing Trust Fund Program		-	46,800	46,800	-	62,091
518482	286	Service Coordination Program		-	37,000	37,000	-	39,215
		Total Department of Development			\$ 506,259		-	453,790
448286	220	Ohio Department of Education Customer Service Center Grant		-	25,000	-	-	25,000
508310	251	Ohio Environmental Protection Agency Community Risk Panel		-	50,000	25,000	55,205	120,450
508298	251	Ohio Department of Health Franklin County Early Start		-	189,920	118,004	-	63,762
508311	251	Scioto Valley Health		-	82,000	20,682	-	668
508323	251	State AIDS Community-Based Care		142-AN	55,250	19,011	-	34,189
508001	251	State Health Subsidy		-	785,000	249,287	55,532	478,089
508052	251	Chemical Emergency Preparedness		-	97,160	42,142	-	26,388
509003	251	Welcome Home		-	154,000	28,883	-	26,304
509005	251	Franklin County Early Start 1		-	95,777	7,981	-	50,555
509006	251	Franklin County Early Start 2		-	91,032	7,586	-	16,444
509009	251	1999 In-Home Parenting		-	32,420	14,589	-	18,115

City of Columbus, Ohio
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Grant No. (1)	Fund	Grant Title	CFDA	Grant No. (2)	Grant Award (3)	Receipts	City Match and Miscellaneous Receipts	Expenditures
509010	251	State AIDS Community-Based Care			57,625	35,905	-	28,736
509012	251	1999 ADA Prevention Services			40,740	10,983	27,000	15,284
509016	251	1999 Ohio Immunization Action Plan			66,800	66,800	-	4,018
509343	251	Scioto Valley Health Systems Agency Total Ohio Department of Health			159,316	57,317	-	77,854
					\$	679,170	82,532	840,406
508296	251	Ohio Department of Human Services 1998 In Home Parenting Advisor		CTF98-132-0	21,265	9,569	-	11,112
448292	220	Ohio Historical Preservation Office Emerson Burchart Mural			5,753	-	5,753	11,506
509342	251	Ohio Commission on Minority Health Project Thrive - Parents in the Know			2,000	1,750	-	1,750
598228	220	Department of Natural Resources 1996 Recycle Ohio			142,302	-	-	88
598279	220	1998 Recycle Ohio			140,675	21,467	-	12,131
518680	286	Angler Education			6,583	-	-	478
599001	220	1999 Recycle Ohio Grant			140,960	112,768	60,753	155,724
599300	220	1999 Great American Cleanup			500	500	-	500
590002	220	2000 Great American Cleanup			1,100	1,100	-	-
518780	286	Angler Education			5,995	5,995	-	1,432
518678	286	Sawyer Community Center Renovations			193,255	193,125	-	193,125
338203	220	State Marine Patrol			7,408	7,408	-	28,119
518562	286	Mill Creek Launch Ramp			21,306	18,110	-	2,161
518477	286	Natureworks - Portman Park		FRAN-006	191,981	63,978	-	-
518677	286	Woodward Park Improvements Total Department of Natural Resources		FRAN-015	203,700	203,700	-	59,675
					\$	627,551	60,753	453,433
258288	220	Department of Rehabilitation and Corrections Misdemeanor Diversion			139,463	139,463	-	88,083
259002	220	Misdemeanor Diversion Total Department of Rehabilitation and Corrections			171,828	85,914	-	81,476
					\$	225,377	-	169,559
518626	286	Ohio Arts Council Music in the Air-Donations/Grants			12,310	12,310	65,316	60,104
518727	286	Millennial Murals			15,498	15,498	-	15,498

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Grant No. (1)	Fund	Grant Title	CFDA	Grant No. (2)	Grant Award (3)	Receipts	City Match and Miscellaneous Receipts	Expenditures
518728	286	Visions: Community Outreach			5,365	-	-	5,350
519001	286	1999 Youth Theatre Program			6,888	-	-	1,134
519730	286	1999 Festival Latino-OAC			24,504	24,504	-	23,395
		Total Ohio Arts Council			\$	\$ 52,312	\$ 65,316	\$ 105,481
Ohio Attorney General's Office								
338263	220	COPS Universal Hiring - State			135,000	11,250	-	-
518629	286	1998 Visions - Community Outreach			5,116	5,116	-	-
339003	220	DARE Law Enforcement Program			85,000	85,000	-	85,000
		Total Ohio Attorney General's Office			\$	\$ 101,366	\$ -	\$ 85,000
Ohio Department of Transportation								
348262	220	PUCO Hazardous Material Training		96-325-TR-JUNC	25,105	4,329	-	-
349002	220	PUCO Hazardous Material Training			12,198	-	-	750
		Total Ohio Department of Transportation			\$	\$ 4,329	\$ -	\$ 750
Ohio Public Works Commission								
565023	764	Cleveland Ave North		CC011A-CC111	2,503,000	147,208	-	-
565024	764	Cleveland Ave South		CC011A-CC111	2,773,000	-	-	222,484
567028	764	Group 6 Intersection Improvements		CC011A-CC111	480,932	50,460	113,917	183,620
567029	764	Livingston Ave Rehab		CC011A-CC111	1,972,871	-	-	621,701
567030	764	Mound Street Rehab		CC011A-CC111	644,695	-	-	25,776
567031	764	Main Street Rehab		CC011A-CC111	529,678	-	-	99,322
567032	764	Holt Ave Culvert		CC011A-CC111	311,760	22,336	-	-
567033	764	ADA Curb Ramp Installation		CC011A-CC111	736,623	117,968	-	24,776
567034	764	Edgehill Road Improvements		CC011A-CC111	901,929	286,796	-	207,179
568035	764	U.S. 23 Culvert Replacement		CC011A-CC111	476,022	-	107	-
568036	764	James Road Improvement		CC011A-CC111	2,866,594	901,632	-	1,155,771
562006	763	Roadway - Intersections - West		CC412	1,010,873	-	-	143
563018	763	Dublin - Fraztz & Hayden Run Rds			1,300,080	-	-	3,289
564016	763	High Street North of I-270			108,551	108,551	-	-
569020	763	Group 8 Intersection Improvements			2,017,653	-	318,776	188,212
569021	763	Belle Street Roadway			2,155,572	676,309	301,264	1,276,525
		Total Ohio Public Works Commission			\$	\$ 2,311,260	\$ 734,064	\$ 4,008,798
State Board of Emergency Medical Services								
349003	220	1999 Basic Trauma Life Support			1,000	1,000	-	-
		Total State Assistance			\$	\$ 6,337,670	\$ 1,018,664	\$ 8,024,007

City of Columbus, Ohio
 Schedule of Receipts and Expenditures of Federal, State, and County Awards
 Year Ended December 31, 1999

Grant No. (1)	Fund	Grant Title	CFDA	Grant No. (2)	Grant Award (3)	Receipts	City Match and Miscellaneous Receipts	Expenditures
County Grants								
		A.D.A.M.H. Board						
508231	251	1996 Alcohol Treatment Services		-	7,138	-	-	1,040
509014	251	ADA Outpatient Treatment		-	396,500	64,447	36,964	210,952
508325	251	ADA Outpatient Treatment		-	369,273	166,674	116,630	294,405
508320	251	Performance Incentive Fund		-	15,000	14,420	-	-
518018	286	Volunteer Guardianship Program		-	272,000	151,132	609	138,769
		Total A.D.A.M.H. Board			\$ 396,673	\$ 154,203		\$ 645,166
		Board of Health						
598280	220	Comprehensive Antidumping Enforcement		-	42,000	9,916	-	-
599002	220	Comprehensive Antidumping Enforcement		-	44,000	33,000	-	43,490
		Total Board of Health			\$ 42,916	\$ -		\$ 43,490
		Franklin County Children Services						
508341	251	Great Start Program		-	85,696	71,833	-	66,477
509007	251	Great Start Program		-	84,932	7,078	-	40,315
509021	251	FCCS Intake & Investigations		-	61,591	-	-	15,812
508336	251	FCCS Intake & Investigations		-	97,577	57,224	-	42,285
		Total Franklin County Children Services			\$ 136,135	\$ -		\$ 164,889
		Franklin County Commissioners						
519002	286	Franklin County Seniors Options		-	8,900	-	-	5,850
518335	286	Franklin County Seniors Options		-	1,955,022	1,862,592	10,876	1,838,569
		Total Franklin County Commissioners			\$ 1,862,592	\$ 10,876		\$ 1,844,419
		Total County Assistance			2,438,316	165,079		2,697,964
		Total Private Assistance, net			107,391	1,299,897		1,304,245
		Total State Assistance (See above)			6,337,670	1,018,664		8,024,007
		Total Federal Assistance - Primary Government (See above)			45,965,258	23,276,474		77,166,520
		Total Assistance			54,848,635	25,760,114		89,192,736
		Increase (decrease) in Accrued Grant and Contract Revenue			(1,263,061)			
		Total Grant and Contract Revenue			\$ 53,585,574			

See accompanying Notes to the Schedule of Receipts and Expenditures of Federal, State and County Awards.
 See Independent Auditor's Report on Schedule of Receipts and Expenditures of Federal, State and County Awards.

WATER AND SEWER BILLINGS AND COLLECTIONS REPORTABLE CONDITION

The Division of Water implemented a new Water and Sewer Information Management System (WASIMS) in 1999. During the implementation of WASIMS, the Water Division encountered difficulties in the performance of routine transactions such as billing customers and tracking receivable balances. These difficulties were enhanced by the lack of experience and training with the new system which impacted the year end financial statement process as the Division was initially unable to produce timely and accurate financial information.

Recommendation

We recommend that the Water Division continue to provide training to individuals involved with the WASIMS system as well as continue to develop and implement controls to ensure that accounting and management information such as billings, collections, and receivable listings are analyzed and reconciled on a monthly basis.

CITY OF COLUMBUS, OHIO

Notes to Schedule of Receipts and Expenditures of Federal, State, and County Awards

December 31, 1999

Note F—Subrecipients

Of the federal expenditures presented in the schedule, the City provided federal awards to subrecipients as follows:

Program Title	Federal CFDA Number	Amount Provided to Subrecipients
Council for Older Adults	10.550	\$37,444
Meals on Wheels of Fairfield County, Inc.	10.550	50,342
Fayette County Commission on Aging	10.550	28,662
LifeCare Alliance	10.550	238,120
Licking County Aging Program	10.550	67,681
Madison County Hospital, Inc.	10.550	29,067
Pickaway County Commission on Aging	10.550	39,868
Memorial Hospital of Union County Meals	10.550	45,584
Total for CFDA 10.550		536,768
Children's Hospital	10.557	267,860
Private Industry Council of Cols. & Franklin County	14.218	134,353
Columbus Urban Growth Corp.	14.218	86,795
Central Ohio Small Business Dev. Ctr.	14.218	32,500
Greater Central Ohio Safety Council	14.218	12,500
Ohio State University Extension	14.218	24,667
Ohio State University Research Foundation	14.218	163,253
Amethyst, Inc.	14.218	75,929
Catholic Social Services Inc.	14.218	33,557
Christmas in April/Columbus	14.218	2,977
Columbus Works Inc.	14.218	88,403
Communities in Schools-Columbus	14.218	23,692
Community Kitchen, Inc.	14.218	26,825
Community Shelter Board	14.218	462,418
Long Street Business Association	14.218	21,061
Jewish Family Services Employment Resour	14.218	3,438

CITY OF COLUMBUS, OHIO

Notes to Schedule of Receipts and Expenditures of Federal, State, and County Awards

December 31, 1999

Note F—Subrecipients (Continued)

Program Title	Federal CFDA Number	Amount Provided to Subrecipients
Directions for Youth	14.218	18,107
Alkebulan, Inc.	14.218	60,467
Central Ohio Minority Business Assoc.	14.218	28,424
Community Crime Patrol, Inc.	14.218	38,704
Greater Hilltop Community Development Co.	14.218	112,743
Italian Village Society	14.218	11,213
J. Ashburn Jr. Youth Center, Inc.	14.218	20,400
Neighborhood Empowerment Council, Inc.	14.218	19,361
Short North Health & Wellness, Inc.	14.218	76,952
Royal Child Daycare	14.218	19,360
Urban Concern, Inc.	14.218	9,238
Parsons Avenue Merchants Association	14.218	26,371
Main Street Business Association	14.218	43,110
Franklinton Board of Trade	14.218	57,889
Short North Business Association	14.218	19,671
University Community Business Assn.	14.218	9,127
East Fifth Avenue Business Assoc. Inc.	14.218	1,582
Greater Linden Development Corp.	14.218	103,940
Columbus Neighborhood Housing Svcs. Inc.	14.218	18,092
Columbus Housing Partnership	14.218	270,704
Mid-Ohio Board for an Independent	14.218	79,258
Total for CFDA 14.218		2,237,080
Community Shelter Board	14.241	54,608
Aids Service Commission	14.241	78,038
Columbus Aids Task Force	14.241	42,885
Metropolitan Residential Services	14.241	140,070
Total for CFDA 14.241		315,602

CITY OF COLUMBUS, OHIO

Notes to Schedule of Receipts and Expenditures of Federal, State, and County Awards

December 31, 1999

Note F—Subrecipients (Continued)

Program Title	Federal CFDA Number	Amount Provided to Subrecipients
Catholic Social Services, Inc.	93.041	16,518
Senior Services for Independent Living of Delaware County	93.044	57,478
Meals on Wheels of Fairfield County, Inc.	93.044	26,078
The Salvation Army/Fairfield County	93.044	2,716
Hospice & Health Services of Fairfield County, Inc.	93.044	38,414
Life Center at Wesley Ridge	93.044	17,272
Rural Legal Aid Society of West Central Ohio	93.044	1,919
Community Action Commission of Fayette County	93.044	13,834
Fayette County Commission on Aging	93.044	13,230
Alzheimer's Home Care, Inc.	93.044	8,281
American Red Cross of Greater Columbus	93.044	67,414
Community Resources Center	93.044	30,792
Heritage Day Health Center	93.044	57,176
CMACAO	93.044	14,099
The Legal Aid Society of Columbus	93.044	48,674
Catholic Social Services, Inc.	93.044	183,147
LifeCare Alliance	93.044	255,388
Elder Choices of Central Ohio	93.044	94,386
Ohio State Legal Services Association	93.044	16,892
YWCA of Licking County	93.044	19,736
LEADS Community Action Agency	93.044	2,803
Licking County Aging Program	93.044	49,991
Madison County Senior Citizen's Center, Inc.	93.044	34,036

CITY OF COLUMBUS, OHIO

Notes to Schedule of Receipts and Expenditures of Federal, State, and County Awards

December 31, 1999

Note F—Subrecipients (Continued)

Program Title	Federal CFDA Number	Amount Provided to Subrecipients
Pickaway County Commission on Aging	93.044	45,995
Richwood Civic Center	93.044	9,247
Charles B. Mills Center, Inc.	93.044	12,446
Memorial Hospital of Union County Meals	93.044	12,583
Total for CFDA 93.044		1,134,027
Council for Older Adults	93.045	53,890
Meals on Wheels of Fairfield County, Inc.	93.045	84,267
Fayette County Commission on Aging	93.045	40,392
LifeCare Alliance	93.045	838,173
Licking County Aging Program	93.045	106,920
Madison County Hospital, Inc.	93.045	38,942
Pickaway County Commission on Aging	93.045	46,577
Memorial Hospital of Union County Meals	93.045	43,131
Total for CFDA 93.045		1,252,292
Senior Services for Independent Living of Delaware County	93.046	1,442
The Salvation Army/Fairfield County	93.046	2,866
Community Action Commission of Fayette County	93.046	1,647
Heritage Day Health Center	93.046	13,229
East Central Ohio Alzheimer's Association	93.046	3,596
Madison County Senior Citizen's Center, Inc.	93.046	1,594
Pickaway County Commission on Aging	93.046	1,871
Memorial Hospital of Union County Meals	93.046	1,826
Total for CFDA 93.046		28,071

CITY OF COLUMBUS, OHIO

Notes to Schedule of Receipts and Expenditures of Federal, State, and County Awards

December 31, 1999

Note F—Subrecipients (Continued)

Program Title	Federal CFDA Number	Amount Provided to Subrecipients
Council for Older Adults	93.568	1,804
Meals on Wheels of Fairfield County, Inc.	93.568	1,285
Fayette County Commission on Aging	93.568	1,804
Community Resources Center	93.568	1,736
Elder Choices of Central Ohio	93.568	1,604
YWCA of Licking County	93.568	1,804
Madison County Senior Citizen's Center, Inc.	93.568	1,804
Pickaway County Commission on Aging	93.568	924
Charles B. Mills Center, Inc.	93.568	1,804
Total for CFDA 93.568		14,569
 Metropolitan Residential Services	 93.917	 13,238
 Columbus Aids Task Force	 93.940	 107,370
Children's Hospital	93.940	23,361
Total for CFDA 93.940		130,731
Total federal awards provided to subrecipients		5,946,755

CITY OF COLUMBUS, OHIO

Schedule of Findings and Questioned Costs

For the year ended December 31, 1999

(1) SUMMARY OF AUDITORS' RESULTS

- (a) The type of report issued on the general purpose financial statements: **Unqualified opinion**
- (b) Reportable conditions in internal control were disclosed by the audit of the financial statements: **Yes - See 99-1 below**
Material weaknesses: **None**
- (c) Noncompliance which is material to the general purpose financial statements: **None**
- (d) Reportable conditions in internal control over major programs: **None Reported**
Material weaknesses: **None**
- (e) The type of report issued on compliance for major programs: **Unqualified opinion**
- (f) Any audit findings which are required to be reported under section .510(a) of OMB Circular A-133: **None**
- (g) Major programs: **Home Investment Partnership Program (CFDA #14.239), COPS Public Safety Partnership and Community Policing Grants (CFDA #16.710), Title III Aging Cluster (CFDA #'s 93.044 and 93.045), Airport Improvement Program (CFDA #20.106)**
- (h) Dollar threshold used to distinguish between Type A and Type B programs: **\$1,662,024**
- (i) Auditee qualified as a low-risk auditee under section .530 of OMB Circular A-133:
Yes

(2) FINDINGS RELATING TO THE GENERAL PURPOSE FINANCIAL STATEMENTS REPORTED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*:

(99-1) – Water and Sewer Division

The Division of Water implemented a new Water and Sewer Information Management System (WASIMS) in 1999. During the implementation of WASIMS, the Water Division encountered difficulties in the performance of routine transactions such as billing customers and tracking receivables. These difficulties were enhanced by the lack of experience and training with the new system which impacted the year end financial statement process as the Division was initially unable to produce timely and accurate financial information.

(3) FINDINGS AND QUESTIONED COSTS RELATING TO FEDERAL AWARDS:

None



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

88 East Broad Street
P.O. Box 1140
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800-282-0370
Facsimile 614-466-4490

CITY OF COLUMBUS

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.

By: Susan Babbitt

Date: MAY 23, 2000

WATER AND SEWER BILLINGS AND COLLECTIONS REPORTABLE CONDITION

The Division of Water implemented a new Water and Sewer Information Management System (WASIMS) in 1999. During the implementation of WASIMS, the Water Division encountered difficulties in the performance of routine transactions such as billing customers and tracking receivable balances. These difficulties were enhanced by the lack of experience and training with the new system which impacted the year end financial statement process as the Division was initially unable to produce timely and accurate financial information.

Recommendation

We recommend that the Water Division continue to provide training to individuals involved with the WASIMS system as well as continue to develop and implement controls to ensure that accounting and management information such as billings, collections, and receivable listings are analyzed and reconciled on a monthly basis.

INFORMATION SYSTEMS

Information Technology Risk Management Assessment over the Organization

The ability of various divisions to make IT expenditures independent of Information Services Department (ISD) is distributing the City's IT environment. In addition these divisions operate as independent cost centers and can acquire IT resources independent of ISD. With several different divisions driving IT initiatives duplication and waste inevitably are the result. The physical environment at the data center in Arlingate cannot be matched at any of the City's other facilities. As the City moves forward with IT initiatives such as business continuity planning, new system implementations, or data classification projects the cost difference of a distributed environment versus a centralized environment will be amplified.

Recommendation

The City should consider accelerating the process of consolidation IT resources at Arlingate. The operational benefits of this are improved security and improved continuity of operations. This consolidation initiative should begin with a project to make the support resources of ISD more accessible to the user community. This may entail restructuring existing IT support at the individual divisions as ISD functional liaisons. These liaisons would reside at the divisions and be responsible for their support needs.

Security Integration Controls – Performance Series

We noted that individual resources in the Oracle database underlying the Performance Series System are well protected at the database level. It is conceivable that unauthorized individuals could access the database server on the City's MetroNet. Oracle alone is not designed to provide enterprise level data security. The City must make stronger network security a priority to reduce the risk of unauthorized access to the Performance Series data. The security risk is minimized by the low sensitivity of the data in the Performance Series. Performance Series data is public data and would be of little value to anyone outside of the City.

Recommendation

A single domain for user authentication at the network level is needed. This would allow the City to have central control and monitoring of network access. This would include standard logical access policies and procedures such as password aging and restricting unnecessary access to shared resources.

Operational Controls – Performance Series

The Performance Series hardware currently resides in the basement of City Hall. Although it is backed up nightly, the system is not subject to the operational controls that a data center would provide. These controls would include management controls over changes or updates to the Performance Series or the underlying database.

Recommendation

The City will be able to reduce risk of an unplanned interruption in service by moving the Performance System hardware to the Arlingate Data Center. The Data Center can provide a more stable physical environment and redundancy for the Performance Series beyond what is available at the City Hall location.

Business Process Analysis -Tax System

During our review, we noted processing delays and an inordinate level of user frustration with the tax system. Users of the tax system demonstrated a lack of built in edit and validation checking at the field level, despite the fact that the batch jobs do not appear to have changed. No documented assessment was made of the controls in the legacy system so that they could be duplicated in the new tax system. Some of these issues have spurred processing delays which could cause the City to incur interest expense if refund warrants are not issued within 90 days of the filing date.

Recommendation

Although additional programming resources may be needed to rectify the current situation, steps must be taken to improve communication between Information Systems Department (ISD) and tax system users. Information Technology (IT) resources should be centrally located with ISD. Functional liaisons should be assigned to accommodate and document system support requests from the users.

System / Project Documentation – Tax System

We noted that there was no project documentation for the integration of the new tax system available for review. Two individuals performed the bulk of the implementation project. An ISD employee performed the modification of the COBOL batch jobs and the database configuration. The user interface (programmed using Delphi) was written and implemented by a consultant no longer under contract. Currently the City is at risk of losing valuable system experience with any staff turnover. The system documentation that was available has not been updated since the new system implementation. No documentation exists for the Oracle Database or the Delphi graphical user interface.

Recommendation

System documentation should be created or updated for all components of the new tax system. This system documentation should be detailed enough so that no interruption in support would occur with turnover in the IT staff. This should include system diagrams detailing how system resources interact. Such documentation would also be useful in the change control process to illustrate what components will be impacted by a specific change.

Change Control – Tax System

We noted that no formal change management procedure was in place over changes to the new tax system. Currently changes are conceived and developed in a development region, then forwarded to the business to be loaded into production.

Recommendation

A formal change control process would help the City build critical systems documentation around the new tax system and ensure that system changes are aligned with the needs of the users. The items that follow are elements that are critical to the success of a change control process.

Change Request Initiation and Control - Management should ensure that all requests for changes, system maintenance, and supplier maintenance are standardized and are subject to formal change management procedures. Changes should be categorized and prioritized and specific procedures should be in place to handle urgent matters. Change requestors should be kept informed about the status of their request.

Impact Assessment - A procedure should be in place to ensure that all requests for change are assessed in a structured way for all possible impacts on the operational system and its functionality.

Documentation and Procedures - The change process should ensure that whenever system changes are implemented, the associated documentation and procedures are updated accordingly.

Authorized Maintenance - Management should ensure maintenance personnel have specific assignments and that their work is properly monitored. In addition, their system access rights should be controlled to avoid risks of unauthorized access to automated systems.

Software Release Policy - Management should ensure that the release of software is governed by formal procedures ensuring sign-off, packaging, regression testing, handover, etc.

Distribution of Software - Specific internal control measures should be established to ensure distribution of the correct software element to the right place, with integrity, and in a timely manner with adequate audit trails.

Segregation of Duties – Tax System

There is a strong reliance on operating policy and activity logging to enforce segregation of duties among system users. An example of activities that are not prohibited by logical access controls are the ability of system users to change the payment address to which a refund warrant will be mailed and post journal vouchers to accounts. Further, the tax department management has been unable to view or generate reporting of these activities from the logs that are created.

Recommendation

Access profiles must be established and defined for each type of system user as a preventative control. These access profiles should only allow users the minimum access to system resources required to perform their job function. System users must be observed or interviewed to create logical access groups that accommodate their activity on the system. Activity logging is a reactive control and is effective in building an audit trail after an unauthorized activity has occurred. These logs are most effective when combined with automated reporting tools to alert management to unauthorized activities. Notification and reporting associated with activity logging should be closely aligned with management's operational needs.

RISK MANAGEMENT

REVIEW OF HEALTH AND MEDICAL CLAIMS

The City does not currently perform systematic reviews of certain claims nor is there a review of certain control procedures of the Third Party Administrator by the Risk Management Division.

Recommendation

As the City is self-insured, we recommend the City undertake an initiative to perform systematic reviews of certain claims and controls of the Risk Management Division. Such reviews may reduce the risk of the City paying for fraudulent or unallowable items.

GRANTS MANAGEMENT

During our testwork over grants, we noted the following areas in which the City can improve:

- Proper identification of Catalog of Federal Domestic Assistance numbers, (CFDA #'s).
- Identification of subrecipients for Federal Reporting.
- Preparation of the Schedule of Receipts and Expenditures of Federal, State, and County Awards in accordance with the Single Audit Act Amendments of 1996
- Distinguishment of grant monies between federal, state and local sources.

Recommendation

We recommend the City continue to focus on grants management throughout the year. This means performing quarterly reviews of the Schedule of Expenditures of Federal Awards to ensure all programs are properly included, expenditures and receipts are properly stated, and CFDA #'s are accurate. Also, to the extent possible, we recommend the City centralize procedures to ensure all aspects of the Single Audit Act of 1996 are met.

AUDITOR'S OFFICE

YEAR END PROCEDURE MANUAL

The City Auditor's office implemented a new financial reporting system in the current year. The new system has required many changes in the year end process of converting the City's records from a budgetary basis to an accrual basis of accounting. We noted the City encountered difficulties in this process. Additionally, the City Auditor's office has experienced significant turnover the past few years.

Recommendation

We recommend the Auditor's Office develop a policy and procedure manual which would aid in the year-end conversion process and in the event of employee turnover.

CALCULATION OF VACATION BALANCES

During our testwork of accrued vacation balances, we observed one class of employees' vacation was calculated incorrectly.

Recommendation

We recommend the City review vacation balances for all classes of employees to verify vacation balances are being calculated correctly.