

JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

CITY OF HILLIARD
FRANKLIN COUNTY

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**REPORT OF INDEPENDENT ACCOUNTANTS ON COMPLIANCE AND ON INTERNAL CONTROL
REQUIRED BY GOVERNMENT AUDITING STANDARDS**

Members of Council
City of Hilliard
Franklin County
3800 Municipal Way
Hilliard, Ohio 43026

We have audited the general purpose financial statements of the City of Hilliard, Franklin County, Ohio (the City), as of and for the year ended December 31, 1999, and have issued our report thereon dated June 2, 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 financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance that are required to be reported under *Government Auditing Standards* which are described in the accompanying schedule of findings as items 1999-20625-001 and 1999-20625-002. We also noted an immaterial instance of noncompliance that we have reported to management of the City in a separate letter dated June 2, 2000.

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 financial statements and not to provide assurance on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. 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. The reportable conditions are described in the accompanying schedule of findings as items 1999-20625-001 and 1999-20625-002.

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. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we do not believe any of the reportable conditions described above are material weaknesses. We also noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the City in a separate letter dated June 2, 2000.

This report is intended for the information and use of the audit committee, management, and the City Council, and is not intended to be and should not be used by anyone other than these specified parties.



JIM PETRO
Auditor of State

June 2, 2000

**CITY OF HILLIARD
FRANKLIN COUNTY**

SCHEDULE OF FINDINGS

DECEMBER 31, 1999

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

Material Noncompliance

Finding Number 1999-20625-001

Section 6.06 of the Charter states that the budget shall not exceed the total estimated resources certified by the County Budget Commission.

The City's appropriations exceeded estimated resources in the following funds:

Fund	Estimated Resources	Appropriation	Variance
Sewer Capacity & Benefit Fund	361,784	364,156	(2,372)
Water Revenue Fund	333,693	339,323	(5,630)
Leap Road Construction Fund	198,834	933,000	(734,166)

We recommend the City ensure that total appropriations not exceed the total estimated resources for each fund. The Council should review the Official Certificate of Estimated Resources when approving the annual appropriation ordinance and any supplemental appropriations.

Finding Number 1999-20625-002

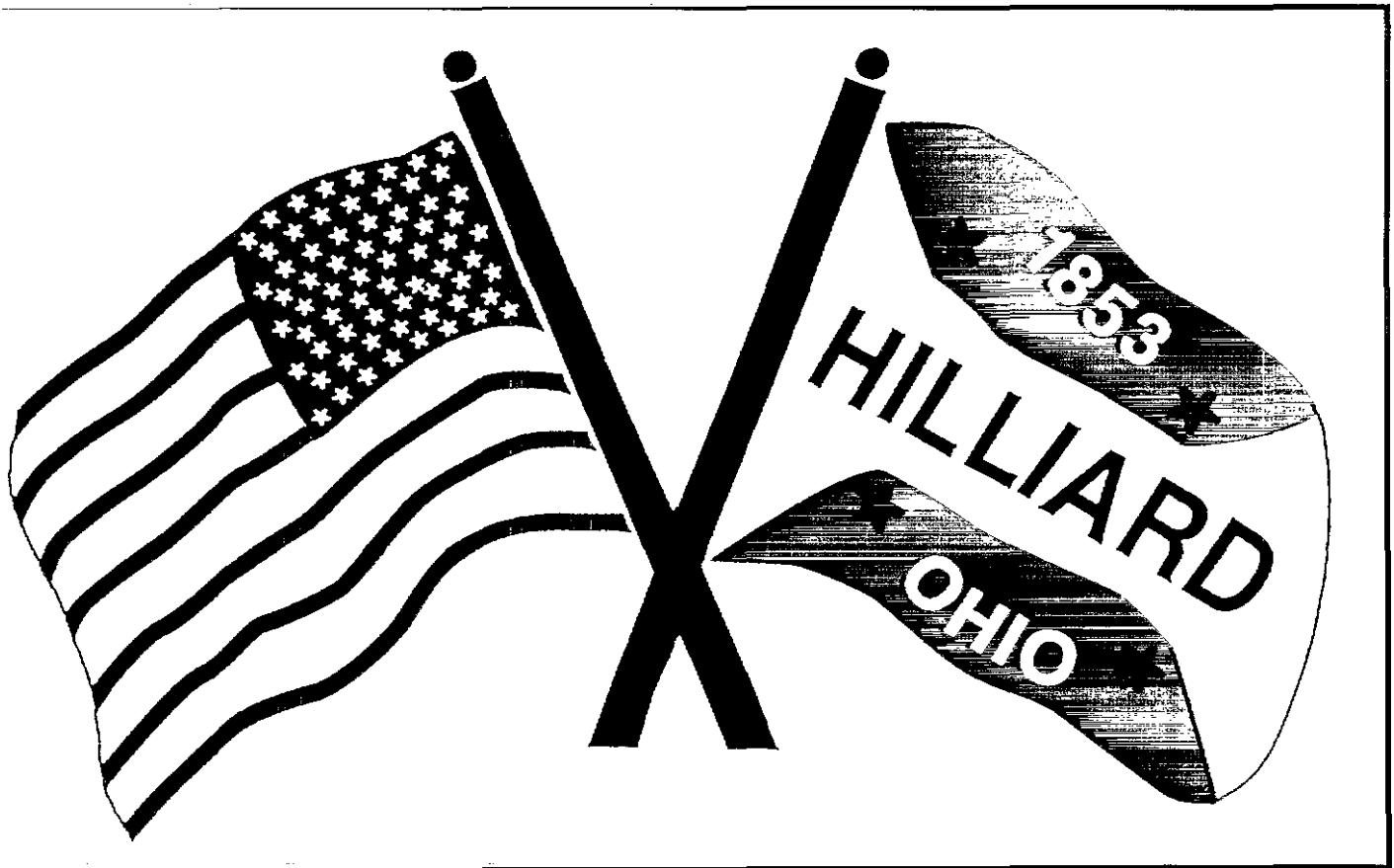
Section 6.13 of the Charter states that no officer, department, or agency of the City shall, during any fiscal year, expend or contract to expend any money, or incur any liability, or enter into any contract which by its terms involves the expenditure of money on behalf of the City, for any purpose, in excess of the amounts appropriated and allotted for such expenditures and obligations.

Expenditures exceeded appropriations in the following funds:

Fund	Appropriation	Expenditure	Variance
Justice Seizure Fund	3,000	5,849	(2,849)
Bond Retirement Fund	1,747,805	8,522,768	(6,774,963)
Insurance Trust Fund	999,000	1,355,734	(356,734)
Police Benevolent Fund	40,000	50,949	(10,949)
Refund Trust Fund	410,000	507,094	(97,094)

We recommend the City ensure that expenditures do not exceed appropriations at any time during the year or at year end. If appropriations are insufficient, the Finance Director should submit requests for amended appropriations to Council for their consideration.

CITY OF
HILLIARD
OHIO



COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 1999

TIMOTHY A. WARD, MAYOR

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*COMPREHENSIVE
ANNUAL FINANCIAL REPORT*

OF THE

CITY OF HILLIARD, OHIO

FOR THE YEAR ENDED - DECEMBER 31, 1999



Heritage Country Club • Opened 1994

ISSUED BY: DEPARTMENT OF FINANCE

LYNN A. SKEELS, DIRECTOR

3800 MUNICIPAL SQUARE • HILLIARD, OHIO 43026



City of Hilliard

3800 Municipal Way • Hilliard, Ohio 43026-1696 • Municipal Offices (614) 876-7361

June 2, 2000

To The Council and The Citizens of the City of Hilliard, Ohio:

Submitted for your review is the Comprehensive Annual Financial Report (CAFR) of the City of Hilliard, (The City) for the year ended December 31, 1999. The report has been prepared in accordance with generally accepted accounting principles established by statements of the Governmental Accounting Standards Board (GASB), other authoritative pronouncements and guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA).

INTRODUCTION

While there is no legal requirement for the preparation of this report, it represents a commitment by the City of Hilliard to conform to nationally recognized standards of excellence in financial reporting. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. I believe the data, as presented, is accurate in all material respects; that it is presented in a manner designed to fairly set forth the financial position and results of operation of the City; and that all disclosures necessary to enable the reader to gain an understanding of the City's financial activity have been presented.

The Report

This report is comprised of three major sections:

1. The Introductory Section includes this Letter of Transmittal which addresses the organization, accomplishments and operational structure of the City, a list of the Principal City Officials, and an Organizational Chart;
2. The Financial Section contains the Independent Auditor's Report, the General Purpose Financial Statements, which include explanatory notes and provide an overview of the City's financial position and operating results, and the Combining Financial Statements of the Individual Funds and Account Groups that provide detailed information to the General Purpose Financial Statements;
3. The Statistical Section presents social, economic, and historical data which can be used to identify financial trends, and data relative to the fiscal capacity of the City.

The Reporting Entity

The accompanying general purpose financial statements comply with the provisions of GASB Statement No. 14, *The Financial Reporting Entity*, in that the 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.

Based on the foregoing, the reporting entity of the City has no component units but includes the following services as authorized by its charter: police protection, parks and recreation, planning, zoning, engineering, street maintenance, refuse collection (on a contractual basis) and other governmental services.

Early History

In 1852, John Reed Hilliard bought ten acres of land on the broad, flat plain of western Franklin County from Hoseah High and Abraham Wendell. The land, located near the proposed route of the Columbus, Piqua & Indiana Railroad would become known as Hilliard's Station. Hilliard's Station served as an ideal shipping point for agricultural products going to market and supplies coming to the farmers in the area. He laid out about two hundred lots and recorded his plat on September 1, 1853. In 1854, a post office was established in Hilliard's Station and the word Station was dropped from the town's name. The Village of Hilliard became incorporated on July 13, 1869 with a population of approximately two hundred eighty residents. In 1886 the first railroad station was located on the north side of the tracks, west of Main Street, and remained there until 1962 when all services (passenger and freight) in and out of Hilliard ceased. The original train station has been restored in our historical Weaver Park. Today the City of Hilliard remains close to all major railroad traffic in Central Ohio. The Conrail Buckeye Yard, located just south of town, is an immense complex for assembling, switching and routing regional rail traffic.

Location

Hilliard is located ten miles northwest of downtown Columbus and comprises the western edge of the Columbus metropolitan area. Encompassing approximately fourteen square miles (14), the City lies near the geographic center of the state and is easily accessible from all areas in Ohio. Rail service is provided by CSX and private air service is available five miles to the north and south by Don Scott Field and Bolton Field, respectively. The City is twenty miles from Port Columbus International Airport and offers immediate accessibility to interstate highways I-70 and I-270 via three major interchanges. Hilliard is situated 833 feet above sea level and experiences mean temperatures of 71.97 degrees during the summer and 29.8 degrees during the winter.

Form of Government

The City operates under a Charter first adopted by the voters in 1963 and last amended by the voters in 1982, which provides for a Mayor-Council form of government. The laws of the State of Ohio prevail when conflicts exist between the Charter and the State Constitution and in matters where the Charter is silent. The legislative body of Hilliard consists of a seven-member Council, all elected at-large for four

year overlapping terms. The Mayor is elected for a four year term and serves as the Chief Executive Officer of the City. The council fixes compensation levels of City officials and employees and enacts ordinances and resolutions relating to City services, tax levies, appropriations, indebtedness, licensing of regulated business and trades and other municipal purposes. Voters approved a two term limit for all elected officials at the November 1993 general election.

The Mayor serves full-time and appoints the following Directors: Finance, Law, Public Safety, Public Service, and Parks and Recreation. The Directors serve as department heads and report directly to the Mayor. The Director of Finance is the Chief Fiscal and Accounting Officer of the City. The responsibilities of this office include preparation and management of the capital and operating budgets and debt and treasury programs of the City.

The City has one hundred forty-five (145) full-time and seventy (70) part-time employees (during peak summer months). A statewide public employee collective bargaining law applies generally to public employee relations and collective bargaining.

The following full-time employees are represented by the designated bargaining units:

Employees	Bargaining Unit	Agreement Duration	Number of Employees
Police Officers, Sergeants and Lieutenants	Fraternal Order of Police	12/31/01	44
Radio Technicians and Clerks	State Fraternal Order of Police	12/31/01	13
Service/Maintenance Workers and Custodians	United Steelworkers of America	12/31/01	26

Our current contract will expire December 31, 2001. All remaining full time employees have elected not to join a bargaining unit.

City Council establishes salaries, wages and other economic benefits for City employees. Ordinances affecting salaries, wages and economic benefits generally have been the product of negotiations with representatives of the employees or bargaining units. Increases in economic benefits have been provided on an annual basis. The City is of the belief that employee relations have been and will continue to be excellent.

Basis of Accounting

Except for that used for budgetary purposes, the bases of accounting used by the City are in conformity with generally accepted accounting principles (GAAP) as applicable to governmental units and are consistent with GASB Codified Section 1600, *Basis of Accounting*.

All governmental and expendable trust funds are accounted for by using a current financial resources (current assets and current liabilities) measurement focus. The modified accrual basis of accounting is utilized for the governmental, expendable trust and agency funds. Revenues are recognized when they are susceptible to accrual, both measurable and available. Expenditures are recognized when the related liability is incurred, except for interest on long-term debt which is recorded when due.

The measurement focus for the City's proprietary fund is on the flow of total economic resources (all assets and all liabilities). The accrual basis of accounting is utilized which recognizes revenues when earned and expenses when incurred.

The City's basis of accounting for budgetary purposes differs from generally accepted accounting principles in that revenues are recognized when received, rather than when susceptible to accrual (measurable and available), and encumbrances are recorded as expenditures rather than as reservations of fund balances. A reconciliation of the results of these two methods appears in Note 1.

ECONOMIC CONDITIONS AND OUTLOOK

The Columbus Metropolitan Area has been recognized as one of the emerging metropolitan areas of the 1990's. A strong residential, commercial and industrial tax base, a very diverse labor force and an unemployment rate below the state and national averages has resulted in phenomenal growth for Hilliard since 1970. Hilliard has also continued to prosper during this period of growth in the Columbus Metropolitan Area; not only has the population doubled, but the growth in the commercial and industrial tax base has been unparalleled in Franklin County.

Unemployment Rates

The great diversity of job opportunities in the Central Ohio area has helped the unemployment rate remain consistently lower than state and national averages. A large percentage of Hilliard residents work in Columbus and the surrounding area. Therefore, the City's rate of unemployment is influenced to a great extent by that of the metropolitan area. During 1999 when the state experienced an unemployment rate of 4.3% and the nation an unemployment rate of 4.2%, Hilliard continued to experience an estimated average unemployment percentage of 2.5%.

Local Economy

The City's ability to provide opportunities for expansion of its residential, commercial and industrial tax base is greatly influenced by its aggressive development strategy, excellent school system, recreational programs, police department, city services and probably, most importantly, the annual five year Capital Improvement Program. The Capital Improvement Program provides the City with the framework to upgrade the infrastructure to make it possible to handle a growing and prosperous city. The Capital Improvement Program is a comprehensive five year plan that is updated every year to prioritize projects that provide improvements to everything from streets, sewers and waterlines to ballfields, traffic signals and the municipal complex expansion. Input is gathered from a large committee comprised of civic, school, business, City and residential leaders with direction from the City Administration and City Council. This five year plan was the first adopted in Franklin County and has been used as a model numerous times since.

Hilliard encompasses approximately 14 square miles of area and includes approximately 90 miles of roadway. The City has 8,502 residential units, comprised of 7,002 single family and 1,500 twin single/condominiums. We currently have 7 subdivisions finishing their construction that will result in approximately 200 homes. The price range of homes will be \$150,000 to \$500,000.

During the past ten years, over \$800 million in building permits have been issued for residential, commercial and industrial expansion and new construction. The assessed value of taxable property has increased from \$502 million to \$581 million in the past year. Currently 61 percent of the tax base is made up of residential property, while the balance is comprised of commercial, industrial, inventories, and agriculture.

Heritage Lakes, our upscale golf course community, continues to be a focal point. Its beautiful clubhouse is used for many community functions. The 7,000-yard private course surrounded by beautiful homes in the price range of \$350,000 to \$500,000 is a pure source of beauty.

Income tax revenues, which are the sole source of revenue supporting the five year Capital Improvement Program, have increased in the past ten years from \$4,235,794 to \$12,394,148. The figures noted here represent total income tax receipts (all funds) which are distributed to three different funds including the General Fund, the Street Improvement Municipal Tax Fund and the Capital Improvement Municipal Tax Fund.

Hilliard remains very fortunate to have a very diverse mix of commercial, industrial, retail, and service oriented employers. Some of the City's largest employers include: Hilliard City Schools; Worldcom - on line computer services provider; Micro Electronics Inc. - maker of micro electrodes; Red Roof Inns, Inc. - motel chain; Medex, Inc. - manufacturer of medical supplies; Gates McDonald and Co. - a subsidiary of Nationwide Insurance that services unemployment and worker's compensation claims and Honda of America MFG.

Compuserve Inc., a servicer of informational needs internationally, opened a 200,000 square foot office space in 1996. Two additional buildings, that completed the office park, were completed in 1997 and 1998. At completion of the first office they employed 550 employees which generated \$600,000 in city income tax. In 1998, Compuserve Inc. was purchased by Worldcom. Currently the three building complex on 80 acres houses 870 employees and generates an estimated \$1,200,000 of income tax.

MAJOR INITIATIVES

For the Year

During 1999 the City had numerous capital projects that provide for and promote the welfare of our citizens. The 1999 Capital Improvement Program included various water and sewer line enhancements, a new enclosed water tower and booster station in conjunction with the City of Columbus. The widening of Avery and Davidson Roads is now complete and we move ahead to improve our traffic patterns with the widening of Leap Road to be completed in 2000 and the engineering of Hilliard Rome Road.

The Hilliard Parks and Recreation Department provides numerous park and recreational facilities which are handicap-accessible. The Municipal Park Complex contains a swimming pool, Community Center, Senior Center, Amphitheater, tennis and basketball courts, horseshoe courts, veterans' memorial, numerous shelter houses and playground equipment. The City continued to expand its recreational programs by adding lighting to four ballfields, allowing additional games to be played during the evening hours. The lighting was completed in time to allow evening play during the spring. A large concession stand with indoor restroom facilities was added to our ballfield complex. During 1999, an addition to the senior center was started and was completed in early 2000.

The City also sponsors an Arts Council and a Garden Club which provide alternative forms of recreation activity for the citizens of the community. We feel that we have a very well rounded leisure time program with something for everyone.

The police department continued its computerization and E-911 dispatching capabilities benefiting both our safety forces and the Norwich Township Fire Department. The police department is responsible for protecting approximately ninety (90) miles of roadway and a very densely developed commercial area, including a regional shopping area, numerous outlying businesses and several strip shopping centers. Due to its full service status, the police department is entirely self-sufficient and provides 24-hour protection to the citizens of the City. Hilliard has entered into a mutual aid agreement with the City of Columbus, Ohio which provides for assistance from Columbus in an unusually demanding situation.

The police department personnel conduct a number of community service related activities, including the Drug Abuse Resistance Education (D.A.R.E.) program and a safety program for small children. The Safety Town Program each summer serves approximately 240 pre-school children.

Mandatory filing for city income tax has proved to be very beneficial. Collections for 1998, the first year of mandatory filing, were up approximately 20.6% over 1997 and 1999 collections leveled off with a modest .7% increase over 1998.

Municipal Services

Our completed Park Master Plan continues to serve as a guide for identifying additional facilities that will be needed as the City continues to grow. Although the Joint Recreational District was short-lived, the majority of the recommendations contained in the Park Master Plan continue to have merit and will evolve in conjunction with community and the surrounding area.

The service complex was completed and includes a maintenance garage with heated bays, large storage facility for all equipment and office space for management. The \$700,000 improvement was completed in two separate phases and has resulted in a substantially improved work environment for the City's mechanics.

The police department continues to expand its involvement in anti-drug programs. Through financial assistance from the State Attorney General's Office, the City has been able to expand its D.A.R.E. program. As is the case with any growing city, the number of calls and crimes committed continues to rise. The police department makes every effort to provide all the services residents need and the results of every poll taken seem to confirm this, with an approval rating in excess of 90% of the residents polled.

For the Future

The City continues to annex land that is available. We currently have 333 acres along the west and east sides of I-270. When developed, 70% will be commercial and the balance multifamily, resulting in an increase of tax revenues to the City.

Hilliard continues to update and expand our infrastructure as required for growth and development. The following are some of our major goals for the future:

- The City installed a 24 inch sewer line and a 12 inch sanitary sewer line along Hayden Run Road to service the land available for development along I-270. The City funded the project at a cost of \$1,470,000.

- Currently the City's 1 million gallon enclosed water tank is under construction and will be completed during 2000. An additional tower of the same size will be built in 2004.
- Engineering and right of way acquisition is under way on Hilliard Rome Road. Construction for the widening of Hilliard Rome Road will begin in 2001. This project is being planned and performed in conjunction with the City of Columbus.

FINANCIAL INFORMATION

Accounting Controls

The City's budgetary accounting system was designed to provide reasonable assurance that:

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

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

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

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

Budgetary Controls

Detailed provisions for the City's budget, tax levies, and appropriations are set forth in the Ohio Revised Code and the City Charter. The Mayor, with the assistance of the Finance Director, is required to submit to Council a tax budget of estimated revenues and expenditures for all funds, except agency funds for the succeeding fiscal year by the first council meeting in July. The budget is required to be adopted by the legislative body by July 15 and to be submitted to the County Budget Commission by July 20 of each year. The Mayor, with the assistance of the Finance Director, is required by Charter to submit to Council, on or before December 15 of each fiscal year, an appropriation ordinance, based on the tax budget, for the next succeeding fiscal year. Council is required to adopt the appropriation ordinance (the budget) in its original form or with those revisions as it may find proper, within thirty days of the beginning of the fiscal year covered by such ordinance.

The City maintains budgetary control on a non-GAAP basis by fund and within each fund by department at major object levels, which include personal services, contractual services, supplies and materials, other expenditures, capital outlay, debt service and operating transfers. For management purposes, the major object level is further defined with budgeted amounts not to exceed the aggregate appropriated by Council.

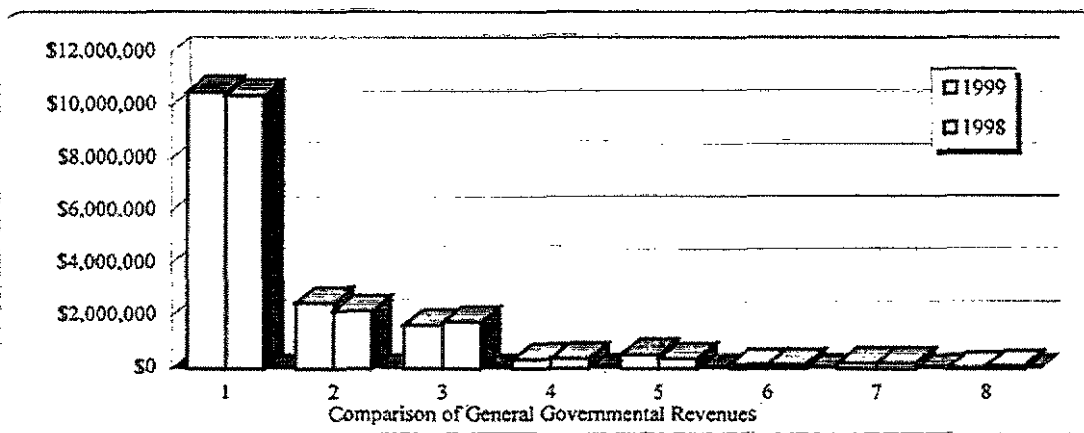
Budgetary control is maintained by an encumbrance of purchase commitment amounts prior to the release of purchase orders to vendors. Requisitions for the expenditure of monies are submitted to the Finance Director for approval, preparation of a purchase order and certification, after approval by the appropriate Department Director. The purchase order is reviewed for the availability of funds and the estimated expenditure is encumbered against the available appropriation. Encumbrances which would exceed the available appropriation are not approved or recorded until City Council authorizes additional appropriations. Unencumbered appropriations lapse at the end of each year.

The City's accounting system provides interim financial reports which detail year-to-date expenditures plus encumbrances versus the original appropriations plus any additional appropriations made to date. The reports permit the Finance Director and other city officials to ascertain the status of each department's appropriations at any time during the year.

General Governmental Revenues

Revenues for general governmental functions (including all governmental fund types except capital projects funds) totaled \$16,047,601, representing an increase of \$372,496 over 1998. The 2.38% increase is primarily the result of an increase in intergovernmental revenue collections. The following schedule presents a summary of general governmental revenues for the years ended December 31, 1998 and 1999, the percentage of total revenues for each year and the amount and percentage of increase/(decrease) in relation to 1998 revenue.

Revenue Source	1999 Total	Percent of Total	1998 Total	Increase (Decrease) over 1998	Percent of Increase (Decrease)
1. Taxes	\$10,536,133	65.7%	\$10,399,120	\$137,013	1.3%
2. Intergovernmental Revenues	2,510,280	15.6%	2,199,226	311,054	14.1%
3. Charges for Services	1,661,365	10.4%	1,777,254	(115,889)	(6.5%)
4. Licenses and Permits	351,828	2.2%	387,125	(35,297)	(9.1%)
5. Investment Earnings	545,081	3.4%	389,020	156,061	40.1%
6. Special Assessments	167,103	1.0%	171,474	(4,371)	(2.5%)
7. Fines and Forfeitures	228,963	1.4%	227,632	1,331	0.6%
8. All Other Revenues	46,848	0.3%	124,254	(77,406)	(62.3%)
Total	<u>\$16,047,601</u>	<u>100.0%</u>	<u>\$15,675,105</u>	<u>\$372,496</u>	

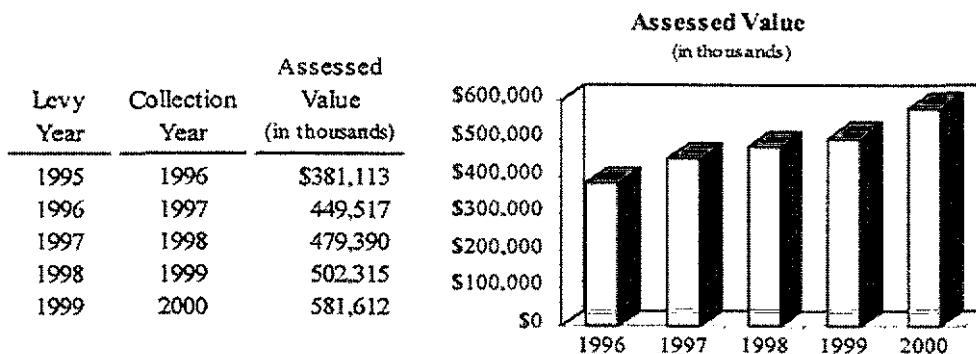


Revenue Narrative

The City's income tax continues to be its primary source of revenue. The tax applies to all wages, salaries, commissions and other compensation paid by employers and/or the net proceeds from the operation of a business, profession or other enterprise activity. The initial tax rate of 1.0% collected in 1973 was increased to 1.5% in 1980 and increased to its current rate of 2% in July of 1985. Income tax rates of cities within the State of Ohio are limited to a maximum of 1% unless specifically approved by a majority of the resident voters of the City. Income tax revenues increased .7% (for governmental functions) during 1999.

Property taxes are levied and collected at the county level. Hilliard lies entirely within Franklin County. After collection, the county distributes portions of the taxes collected to the various political subdivisions within its geographic boundaries. The property tax rate for the City is 1.60 mills, which represents \$1.60 per \$1,000 of taxable valuation. The tax rate is applied to the assessed value of the property located within the City. Assessed value is approximately 35% of appraised value. Increases in the property tax rate can only occur with the approval of the City's voters. Revenues from property taxes are used for general fund operations.

Total assessed values in the City over the past five years are shown below:



Investment income is a very small part of the City's budget. Investment earnings as a source of revenue do not lend well to year to year comparisons. Percentage increases or decreases in comparison to previous years are not necessarily indicative of future year estimates. Since the City's portfolio is composed of short-term maturity, high quality instruments, earnings are directly related to changes in market rates and investable balances and tend to fluctuate year to year. The City's investment policies are discussed later in more detail under the topic of "Cash Management."

Intergovernmental revenues consist primarily of state income, sales, corporate franchise and public utility taxes collected by the State of Ohio and redistributed to other political subdivisions from the local government fund and local government revenue assistance fund. The state also provides a reimbursement for real and personal property tax reductions, gasoline tax, state-levied motor vehicle license tax, inheritance tax and permissive motor vehicle license tax. These revenues are collected by the state or county and partially redistributed to the City and other political subdivisions. The increase in intergovernmental revenues is attributable to increases in the state provided reimbursement for real and personal property tax reductions (rollback, homestead and personal property tax exemption) and increases in the local government fund distribution.

Charges for Services decreased from 1998 due primarily to a slower growth rate in the City. The major source of this decrease was related to fewer subdivision starts in 1999.

Revenues generated from licenses and permits decreased from 1998 primarily due to lack of growth.

The fines and forfeitures revenue source is derived from various fines and forfeitures imposed by the Mayor's Court. Revenues increased from 1998 levels due in-part to an increase in the number cases heard by the court.

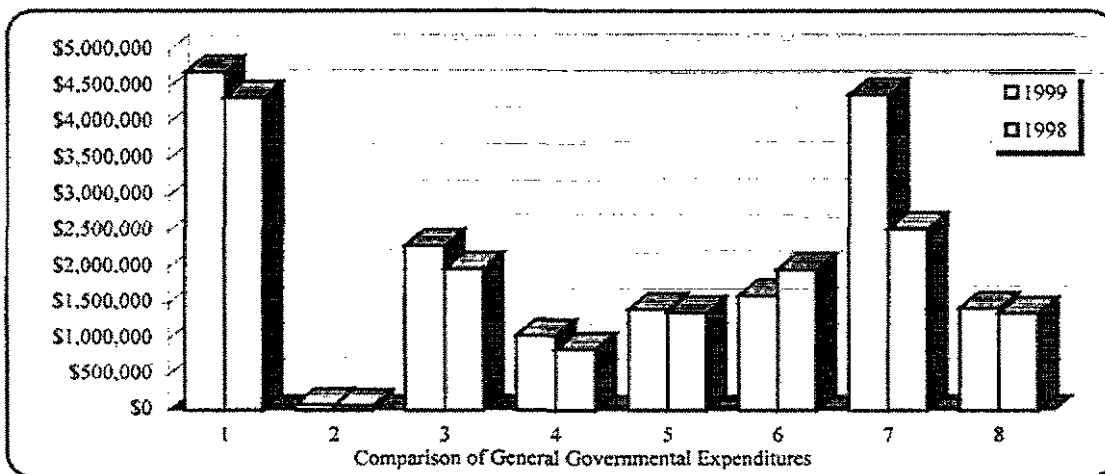
The special assessments revenue will vary with the nature and timing of special assessment projects completed by the City of Hilliard. The decrease is indicative of these timing differences.

All other revenue is a miscellaneous category which includes a variety of less significant revenue sources including miscellaneous rental income and donations. As other revenue decreased, this did not effect our budget. Other revenue represents a very minor percentage of total revenue.

General Governmental Expenditures

Expenditures for general governmental purposes, including general, special revenue and debt service funds totaled \$17,012,821 in 1999, an increase of \$2,485,720 over 1998. Expenditures for the major functions of the City and the percentage of total for 1998 and 1999, and the amount and percentage increase/(decrease) over 1998 are shown in the following table:

Function	1999 Total	Percent of Total	1998 Total	Increase (Decrease) over 1998	Percent of Increase (Decrease)
1. Security of Persons and Property	\$4,709,597	27.7%	\$4,354,550	\$355,047	8.15%
2. Public Health and Welfare	77,937	0.5%	64,784	13,153	20.30%
3. Leisure Time Activities	2,304,495	13.5%	1,988,345	316,150	15.90%
4. Community Environment	1,052,595	6.2%	861,126	191,469	22.23%
5. Basic Utility Services	1,422,919	8.4%	1,378,198	44,721	3.24%
6. Transportation	1,614,934	9.5%	1,975,372	(360,438)	(18.25%)
7. General Government	4,396,185	25.8%	2,540,230	1,855,955	73.06%
8. Debt Service	1,434,159	8.4%	1,364,496	69,663	5.11%
Total	\$17,012,821	100.0%	\$14,527,101	\$2,485,720	



Expenditure Narrative

Expenditures for general government increased in 1999 due to additional employees and capital equipment purchases from the general fund.

The increase in expenditures for security of persons and property was due to an increase in base wages of 3.75% and the hiring of additional employees.

An increase in the cost of the contract with the Franklin County Health Department accounts for the increase of public health and welfare expenditures over 1998.

The increase in expenditures for leisure time activities was due to an increase in base wages of approximately 3.75% and an increase in costs for materials and supplies for swimming pool and our new ballfields.

The major change to transportation expenditures in 1999 was a result of the number of road projects initiated in 1999. Another factor was the decrease in bad weather conditions in December 1999 versus 1998. Road salt usage and overtime pay decreased in the current year.

Debt service costs included the payment of principal, interest and related fiscal administration charges for the retirement of the City's outstanding general obligation and special assessment debt. The expenditures vary with the nature and timing of debt service requirements.

General Fund Balance

The fund balance of the General Fund decreased by \$833,128 in 1999. This was the result of additional employees in the engineering and police departments and an increase in capital equipment purchases. Management believes that continued growth in General Fund resources and benefit reductions in insurance and the amount of carryover compensated absences balances will assist the City in maintaining the General Fund balance.

Special Revenue Funds

The special revenue funds are used to account for certain revenue sources which are restricted by law or are used for expenditures for specific purposes. All special revenue funds are subject to an annual budget.

Debt Administration

The General Bond Retirement Fund and Special Assessment Bond Retirement Fund accumulate resources for the payment of principal and interest on long-term general obligation debt of the City and special assessment obligations respectively. The sources of revenue for the two bond retirement funds are transfers in, and special assessments. The City maintains an "Aa3" rating from Moody's Investors Service on general obligation bond issues. Under state statutes, the City's debt limitation is 10.5 percent of the total assessed property valuation. As of December 31, 1999, the City's net debt of \$14,496,913 was well below the legal limit of \$61,069,244, and net general obligation bonded debt per capita payable from property taxes equaled \$375.32.

The City had outstanding note liabilities of \$6,050,000 at December 31, 1999.

The City's general obligation and special assessment bonded indebtedness was \$8,475,000 and \$839,000 respectively at December 31, 1999. During the year the City retired \$740,000 in general obligation debt and \$107,000 in special assessment bonds. General obligation bonds are retired from income tax collections while special assessment bonds are retired from the assessments levied against specific benefited property owners.

In February 1999, the City defeased \$2,235,000 of General Obligation Bonds for Cemetery Road Improvements dated July 1, 1989 through the issuance of \$2,235,000 of General Obligation Bonds for Cemetery Road Refunding. The net proceeds of the 1999 Bonds have been invested in obligations guaranteed as to both principal and interest by the United States and placed in irrevocable escrow accounts which, including interest earned, will be used to pay the principal and interest on the refunded bonds. The refunded bonds, which have an outstanding balance of \$2,005,000 at December 31, 1999 are not included in the City's outstanding debt since the City has in-substance satisfied its obligations through the advance refunding.

The City reduced its aggregate debt service payments over the life of the refunded bonds by \$244,953 and obtained an economic gain of \$146,394.

Internal Service Fund

The Internal Service Fund is the City's self-insurance fund to account for employee medical benefits provided to other City funds on a cost reimbursement basis. At December 31, 1999 the fund had an accumulated deficit of \$152,822. The deficit is a result of the accrual of claims incurred in 1999 but not paid until 2000. The City is reviewing the operation of the fund to determine an appropriate course of action to alleviate the deficit.

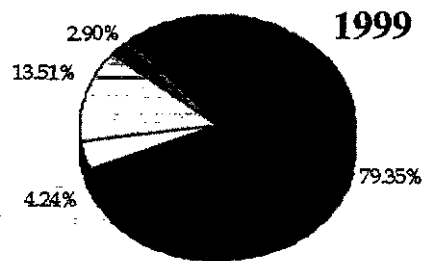
CASH MANAGEMENT

Cash management is an integral component of the City's overall financial plan. The City attempts to earn a market rate of return consistent with providing the liquidity needed to pay obligations on a timely basis. Cash flow forecasting and the use of short-term investments, such as repurchase agreements and the State Treasurer's Asset Reserve account (STAR Ohio), allows the City to earn interest on all funds.

The City's investments comply with Section 135.14 of the Ohio Revised Code, and the maximum maturity is limited to two years. Most investments mature within the current fiscal year. Interest earnings are allocated to funds based on the requirements of the Ohio Constitution and State Statutes. As required by law, all deposits and repurchase agreements are covered by eligible collateral, while investment securities (treasuries and agency/instrumentality issues) are specifically permitted by the Ohio Revised Code and the City's investment policy.

The City's cash resources were invested as follows at December 31, 1999:

Cash Resources	1999	%
Cash	\$374,435	2.90%
Repurchase Agreements	10,251,000	79.35%
STAR Ohio	548,070	4.24%
Federal Securities	1,745,662	13.51%
Total Resources	12,919,167	100.00%



The City earned interest on governmental fund investments for the fiscal year 1999. Interest earned was allocated to the General Fund.

At December 31, 1999 the City had bank balances of \$862,957 which were collateralized by pooled collateral. Ohio Law requires that deposits be placed in eligible banks or savings and loan associations located in Ohio. Any public depository in which the City places deposits must pledge as collateral eligible securities of aggregate market value equal to the excess of deposits not insured by the Federal Deposit Insurance Corporation (FDIC). The securities pledged as collateral are pledged to a pool for each individual financial institution in amounts equal to at least 110% of the carrying value of all public deposits held by each institution. Obligations that may be pledged as collateral are limited to obligations of the United States and its agencies and obligations of any state, county, municipal corporation or other legally constituted authority of any other state, or any instrumentality of such county, municipal corporation or other authority.

The primary objectives of the City's investment program, in order of priority, are as follows:

1. Safety – The safety of principal balances is the City's foremost objective and all investments are undertaken in a manner to insure the preservation of capital.
2. Liquidity – All investments should be sufficiently liquid to meet all operating requirements that can be reasonably anticipated. Since all possible cash demands cannot be anticipated, the investment portfolio should consist of securities with active resale markets.
3. Yield – Return on investment is of least importance compared to the safety and liquidity objectives described above. Investments are limited to low risk securities with the expectation of earning market value.

All eligible financial institutions must meet the requirements of the Uniform Depository Act which requires the financial institution to maintain a full service facility located in the City of Hilliard and to have a current Agreement for Deposit of Interim Funds with the City.

Authorized investments are described in detail in Note 4 of the footnotes to the general purpose financial statements included within the financial section of this comprehensive annual financial report. The City seeks to utilize those funds not needed for daily obligations most effectively by purchasing marketable, short-term instruments at higher yields. Currently, the City uses short-term treasury notes, agency/instrumentality discount notes, and bank CD's in this program. The yield curve and the yield spreads direct the City toward those instruments providing the highest, short-term yield at the time of the investment. The City uses eligible financial institutions as specified in the Ohio Revised Code for deposit and securities transactions. All depository relationships are based on requirements within the Ohio Revised Code.

RISK MANAGEMENT

The City maintains comprehensive insurance coverage with private carriers for real property, building contents, fleet, and general liability coverage. The City also carries police professional and public officials liability insurance. Employee medical benefits are provided through the City's self-insurance internal service fund. See Note 15 to the general purpose financial statements for additional information.

The proactive approach that the administration employs in addressing its ongoing operations is reflected in the composition of the City's insurance protection package and its very favorable loss experience.

The City reduces exposure to risk through several initiatives. They include insurance coverages for vehicles, general liability, inland marine, building and contents and computer insurance with the St. Paul Insurance Company, public officials liability with U.S.F. & G. Insurance, law enforcement liability coverages with National Casualty Company and boiler and machinery coverage with Continental Insurance through Buckeye Union Insurance Company.

Deductible levels have been selected so as not to expose the City to excessive "first dollars" in claims. Deductibles for property damage and coverages are:

	Occurrence Limits	Aggregate Limit	Deductible
Bodily Injury	\$1,000,000	\$1,000,000	
Property Damage	Included		
Personal Injury	Included		
Public Officials Wrongful Act Liability	\$1,000,000	\$1,000,000	\$10,000/occurrence
Law Enforcement Agency Officers	\$1,000,000	\$1,000,000	\$10,000/occurrence
Employee Benefits Liability	\$100,000	\$300,000	
Automobile Liability	\$500,000		\$100 Comprehensive \$500 Collision
Blanket Building and Contents	\$7,126,074		\$500/occurrence

OTHER INFORMATION

Independent Audit

Included in this report is an unqualified audit opinion rendered on the City's financial statements for the year ended December 31, 1999, by the Auditor of State. City management plans to continue to subject the financial statements to an annual independent audit as part of the preparation of a Comprehensive Annual Financial Report. An annual audit serves to maintain and strengthen the City's accounting and budgetary controls.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Hilliard, Ohio for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 1998. This was the eighth consecutive year (1991-1998) that the City received this award.

The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards in state and local government financial reporting. To be awarded a Certificate of Achievement, a governmental unit must prepare an easily readable and efficiently organized Comprehensive Annual Financial Report with contents conforming to all program standards. The report must satisfy both generally accepted accounting principles (GAAP) and applicable legal requirements respective to the reporting entity.

A Certificate of Achievement is valid for a period of one year. The City of Hilliard received its first Certificate of Achievement for the fiscal year ended December 31, 1991. I believe this current report continues to conform to the Certificate of Achievement program requirements, and I am submitting the report to the GFOA.

Public Disclosure

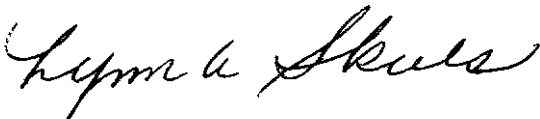
The publication of this Comprehensive Annual Financial Report is indicative of the City's commitment to provide significantly enhanced financial information and accountability to its citizens. In addition to the citizens of Hilliard, the recipients of this report include city, state and federal officials, schools, libraries, newspapers, investment banking firms, banks and rating agencies. The report is made available to any person or organization requesting it. The extensive effort to prepare and distribute this report is indicative of the continued efforts of the City to improve its overall financial accounting, management and reporting capabilities.

Acknowledgments

I wish to convey my appreciation to the City Administration and to City Council for their support and for providing the necessary funds to prepare and publish this report.

The entire Finance Department played a part in preparing this report; they worked with extreme dedication to the project. Special thanks to David D. Delande, Deputy Finance Director, for his special attention to the project. Our thanks also to Donald J. Schonhardt and Associates, Inc. who provided technical support and worked very closely with us to compile the report.

Respectfully submitted,



Lynn A. Skeels
Finance Director

**THE CITY OF HILLIARD, OHIO
FRANKLIN COUNTY
PRINCIPAL OFFICIALS
AS OF DECEMBER 31, 1999**

Elected Officials

<u>Name</u>	<u>Title</u>	<u>Term Expires</u>	<u>Years of Service</u>	<u>Surety</u>
Roger A. Reynolds	Mayor	12/31/99	24	A
John Bryner	President of Council	12/31/01	22	A
Larry Wolpert	Council	12/31/01	6	A
Barb Rushley	Council	12/31/01	6	A
Timothy King	Council	12/31/99	5	A
Donna Swenson	Council	12/31/99	21	A
Roger Faulkner	Council	12/31/99	2	A
Tim Ward	Council	12/31/99	3	A

Appointed Officials

<u>Name</u>	<u>Title</u>	<u>Term Expires</u>	<u>Years of Service</u>	<u>Surety</u>
Lynn A. Skeels	Director of Finance	Indefinite	25	A & B
Catherine Cunningham	Director of Law	Indefinite	4	A
Catherine Cunningham	Director of Safety	Indefinite	4	A
Gregory Evans	Director of Service	Indefinite	1	A
Phyllis A. Ernst	Director of Recreation and Parks	Indefinite	24	A
Rodney D. Garnett	Chief of Police	Indefinite	12.5	A
Deborah L. Wells	Clerk of Council	Indefinite	9	A

(A) National Casualty Insurance Company, \$1,000,000/\$1,000,000.

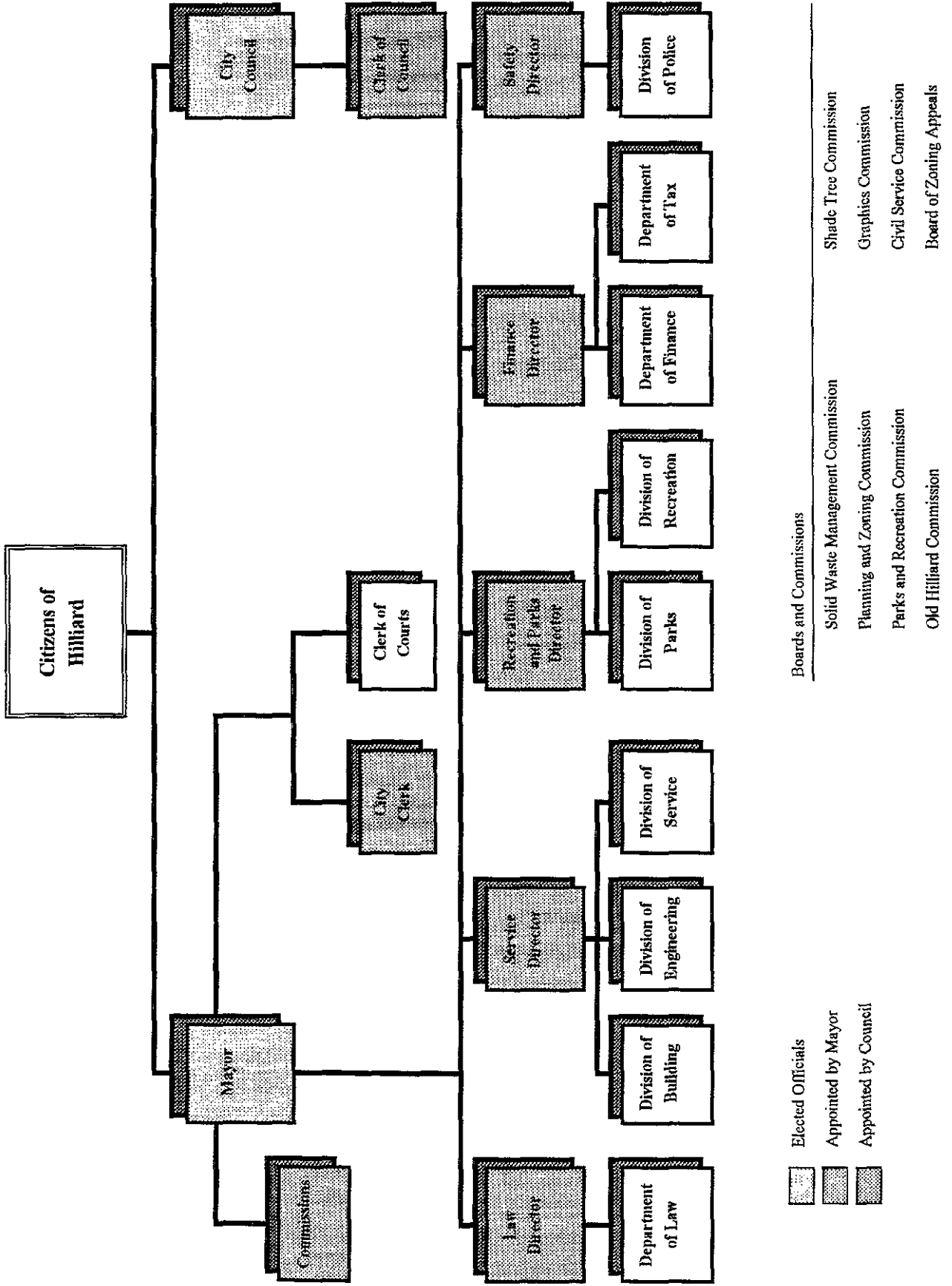
(B) US Fidelity Insurance Company, \$100,000 Bond.

City Address:

City of Hilliard
3800 Municipal Way
Hilliard, Ohio 43026

The City of Hilliard, Ohio

Organizational Chart



Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Hilliard,
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 1998

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



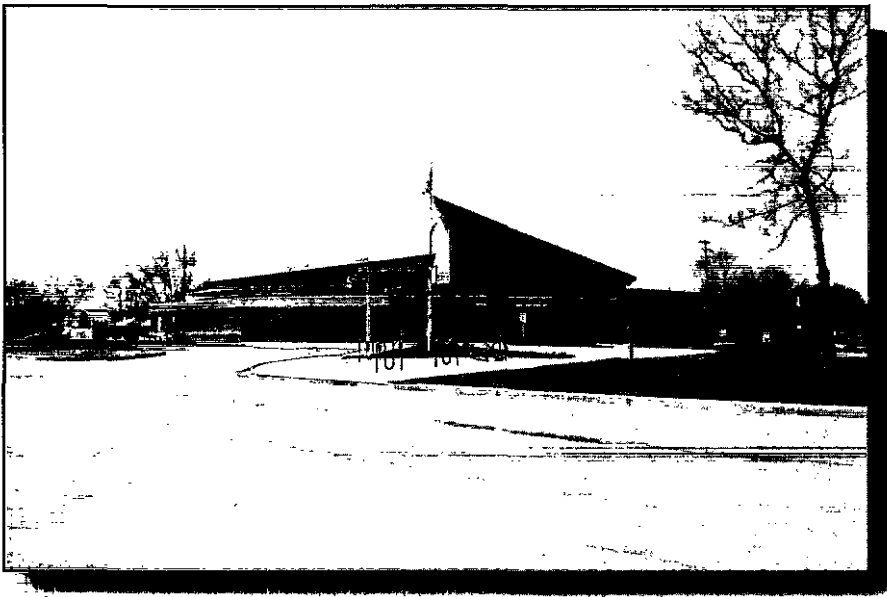
Cary Brubaker
President

Jeffrey L. Esser
Executive Director

CITY OF HILLIARD, OHIO

FINANCIAL SECTION

FINANCIAL



*Hilliard Branch of the
Columbus Metropolitan Library • Built 1996*



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

35 North Fourth Street
Columbus, Ohio 43215
Telephone 614-466-3402
800-443-9275
Facsimile 614-728-7199
www.auditor.state.oh.us

REPORT OF INDEPENDENT ACCOUNTANTS

Members of Council
City of Hilliard
Franklin County
3800 Municipal Way
Hilliard, Ohio 43026

We have audited the accompanying general purpose financial statements of the City of Hilliard, Franklin County, Ohio, (the City) as of and for the year ended December 31, 1999. These general purpose 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 financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe 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 of Hilliard, Franklin County, Ohio, as of December 31, 1999, and the results of its operations and the cash flows of its proprietary fund type 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 June 2, 2000 on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Our audit was performed for the purpose of forming an opinion on the general purpose financial statements of the City, taken as a whole. The combining and individual fund and account group financial statements and schedules listed in the table of contents are presented for purposes of additional analysis and are 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 presented, in all material respects, in relation to the general purpose financial statements taken as a whole.

Members of Council
City of Hilliard
Franklin County
Report of Independent Accountants
Page 2

We did not audit the data included in the introductory and statistical sections of this report and therefore express no opinion thereon.

A handwritten signature in black ink, appearing to read "Jim Petro", written in a cursive style.

JIM PETRO
Auditor of State

June 2, 2000

GENERAL PURPOSE FINANCIAL STATEMENTS

THE FOLLOWING GENERAL PURPOSE FINANCIAL STATEMENTS, ALONG WITH THE NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS, PRESENT AN OVERVIEW OF THE CITY'S FINANCIAL POSITION AT DECEMBER 31, 1999 AND THE RESULTS OF OPERATIONS AND CASH FLOWS OF ITS PROPRIETARY FUND FOR THE YEAR THEN ENDED.

THE CITY OF HILLIARD, OHIO
COMBINED BALANCE SHEET
ALL FUND TYPES AND ACCOUNT GROUPS
DECEMBER 31, 1999

	Governmental			Proprietary		Fiduciary		Account		Totals (Memorandum Only)
	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Internal Service Fund	Trust and Agency Funds	General Fixed Assets	General Long-Term Obligations			
Assets and Other Debits:										
Assets:										
Cash and Cash Equivalents	\$2,969,534	\$28,087	\$5,152,748	\$6,340	\$75,565	\$0	\$0	\$0	\$11,054,316	
Investments	1,745,662	0	0	0	0	0	0	0	1,745,662	
Receivables (net of allowance for doubtful accounts):										
Taxes	1,757,283	0	348,421	0	0	0	0	0	2,279,915	
Accounts	30,336	0	0	0	0	0	0	0	30,336	
Interest	13,077	0	0	0	0	0	0	0	13,077	
Special Assessments	0	1,118,707	0	0	0	0	0	0	1,118,707	
Due from Other Funds	19,496	0	0	0	0	0	0	0	21,193	
Intergovernmental Receivables	136,293	0	0	0	0	0	0	0	231,629	
Prepaid Items	17,302	0	0	0	0	0	0	0	17,302	
Restricted Assets:										
Cash with Fiscal Agent	0	90,188	0	0	29,001	0	0	0	119,189	
Fixed Assets (net of accumulated depreciation)	0	0	0	0	0	12,347,351	0	0	12,347,351	
Other Debits:										
Amount Available in Debt Service Funds	0	0	0	0	0	0	0	28,087	28,087	
Amount to be Provided for General Long-Term Obligations	0	0	0	0	0	0	0	10,397,062	10,397,062	
Total Assets and Other Debits	\$6,688,983	\$3,183,474	\$1,146,794	\$6,340	\$104,566	\$12,347,351	\$10,425,149	\$39,403,826	\$39,403,826	

(Continued)

	Governmental				Proprietary		Fiduciary		Account		Totals (Memorandum Only)
	Fund Types				Fund Type	Fund Types	Groups		General Long-Term Obligations	General Fixed Assets	
	General Fund	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Internal Service Fund	Trust and Agency Funds	General	Long-Term Obligations			
Liabilities, Equity and Other Credits:											
Liabilities:											
Accounts Payable	\$176,169	\$87,734	\$0	\$95,377	\$0	\$1,338	\$0	\$0	\$0	\$0	\$360,618
Accrued Wages and Benefits	567,514	71,259	0	0	0	0	0	0	0	0	638,773
Due to Other Funds	0	0	0	0	0	21,193	0	0	0	0	21,193
Intergovernmental Payables	131,249	70,389	0	161,289	0	48,130	0	0	0	0	411,057
Due to Others	0	0	0	0	0	4,068	0	0	0	0	4,068
Undistributed Monies	0	0	0	0	0	12,664	0	0	0	0	12,664
Accrued Interest Payable	10,395	0	0	73,589	0	0	0	0	0	0	83,984
Deferred Revenue	968,318	13,354	1,118,707	26,708	0	0	0	0	0	0	2,127,087
Compensated Absences Payable	78,337	0	0	0	0	0	0	0	0	1,109,881	1,188,218
Capital Leases Payable	0	0	0	0	0	0	0	0	0	1,268	1,268
Claims and Judgments Payable	0	0	0	0	159,162	0	0	0	0	0	159,162
General Obligation Notes Payable	600,000	0	0	5,450,000	0	0	0	0	0	0	6,050,000
Special Assessment Bonds Payable	0	0	0	0	0	0	0	0	0	0	0
with Governmental Commitment	0	0	0	0	0	0	0	0	0	0	0
General Obligation Bonds Payable	0	0	0	0	0	0	0	0	0	0	0
Total Liabilities	2,531,982	242,736	1,118,707	5,806,963	159,162	87,393	0	0	0	10,425,149	20,372,092
Equity and Other Credits:											
Investment in General Fixed Assets	0	0	0	0	0	0	12,347,351	0	0	0	12,347,351
Retained Earnings (Accumulated Deficit):											
Unreserved	0	0	0	0	(152,822)	0	0	0	0	0	(152,822)
Fund Balances:											
Reserved for Encumbrances	358,914	1,293,681	0	3,781,198	0	0	0	0	0	0	5,433,793
Reserved for Prepaid Items	17,302	0	0	0	0	0	0	0	0	0	17,302
Reserved for Debt Service	0	0	28,087	0	0	0	0	0	0	0	28,087
Unreserved:											
Undesignated	3,780,785	1,647,057	0	(4,086,992)	0	17,173	0	0	0	0	1,358,023
Total Equity and Other Credits	4,157,001	2,940,738	28,087	(305,794)	(152,822)	17,173	12,347,351	0	0	0	19,031,734
Total Liabilities, Equity and Other Credits	\$6,688,983	\$3,183,474	\$1,146,794	\$5,501,169	\$6,340	\$104,566	\$12,347,351	\$10,425,149	\$0	\$0	\$39,403,826

The notes to the general purpose financial statements are an integral part of this statement.



THE CITY OF HILLIARD, OHIO
COMBINED STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 1999

	<i>Governmental</i>			<i>Fiduciary</i>		Totals (Memorandum Only)
	<i>Fund Types</i>			<i>Fund Type</i>		
	General Fund	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Expensible Trust Fund	
Revenues:						
Taxes	\$8,769,434	\$1,766,699	\$0	\$3,125,067	\$0	\$13,661,200
Intergovernmental Revenues	1,412,510	1,097,770	0	0	0	2,510,280
Charges for Services	721,709	939,656	0	0	5,205	1,666,570
Licenses, Permits and Fees	303,428	48,400	0	0	0	351,828
Investment Earnings	545,081	0	0	0	1,150	546,231
Special Assessments	0	0	167,103	0	0	167,103
Fines and Forfeitures	203,317	25,646	0	0	0	228,963
Donations	0	0	0	0	36,228	36,228
All Other Revenues	32,740	14,108	0	10,000	1,506	58,354
Total Revenues	11,988,219	3,892,279	167,103	3,135,067	44,089	19,226,757
Expenditures:						
Current:						
Security of Persons and Property	4,697,491	12,106	0	0	50,949	4,760,546
Public Health and Welfare Services	77,937	0	0	0	0	77,937
Leisure Time Activities	2,058,160	246,335	0	0	0	2,304,495
Community Environment	838,806	213,789	0	0	0	1,052,595
Basic Utility Services	678,517	744,402	0	0	0	1,422,919
Transportation	0	1,614,934	0	0	0	1,614,934
General Government	4,375,501	20,684	0	0	0	4,396,185
Capital Outlay	0	0	0	1,357,045	0	1,357,045
Debt Service:						
Principal Retirements	0	0	847,000	9,155	0	856,155
Interest and Fiscal Charges	10,395	0	576,764	207,341	0	794,500
Total Expenditures	12,736,807	2,852,250	1,423,764	1,573,541	50,949	18,637,311
Excess (Deficiency) of Revenues Over (Under) Expenditures	(748,588)	1,040,029	(1,256,661)	1,561,526	(6,860)	589,446
Other Financing Sources (Uses):						
Proceeds from General Obligation Bonds	0	0	0	1,594,957	0	1,594,957
Proceeds from Refunding Bond Issue	0	0	2,348,603	0	0	2,348,603
Payment to Refunded Bond Escrow Agent	0	0	(2,365,545)	0	0	(2,365,545)
Operating Transfers In	0	12,000	1,250,361	226,737	0	1,489,098
Operating Transfers Out	(84,540)	(535,357)	0	(869,201)	0	(1,489,098)
Total Other Financing Sources (Uses)	(84,540)	(523,357)	1,233,419	952,493	0	1,578,015
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(833,128)	516,672	(23,242)	2,514,019	(6,860)	2,167,461
Fund Balance (Deficit) Beginning of Year	4,990,129	2,424,066	51,329	(2,819,813)	24,033	4,669,744
Fund Balance (Deficit) End of Year	<u>\$4,157,001</u>	<u>\$2,940,738</u>	<u>\$28,087</u>	<u>(\$305,794)</u>	<u>\$17,173</u>	<u>\$6,837,205</u>

The notes to the general purpose financial statements are an integral part of this statement.

THE CITY OF HILLIARD, OHIO
COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 1999

	<i>General Fund</i>			<i>Special Revenue Funds</i>		
	Revised Budget	Actual	Variance: Favorable (Unfavorable)	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:						
Taxes	\$8,842,500	\$9,023,402	\$180,902	\$1,768,500	\$1,816,533	\$48,033
Intergovernmental Revenues	1,370,035	1,334,236	(35,799)	936,000	964,156	28,156
Charges for Services	677,000	721,709	44,709	1,123,000	910,497	(212,503)
Licenses, Permits and Fees	319,300	300,908	(18,392)	80,000	48,400	(31,600)
Investment Earnings	400,400	531,801	131,401	0	0	0
Special Assessments	0	0	0	0	0	0
Fines and Forfeitures	235,000	201,278	(33,722)	29,500	25,720	(3,780)
All Other Revenues	170,000	29,865	(140,135)	10,000	14,108	4,108
Total Revenues	12,014,235	12,143,199	128,964	3,947,000	3,779,414	(167,586)
Expenditures:						
Current:						
Security of Persons and Property	4,855,305	4,670,449	184,856	17,000	12,106	4,894
Public Health and Welfare	78,000	77,937	63	0	0	0
Leisure Time Activities	2,373,206	2,065,403	307,803	308,528	259,935	48,593
Community Environment	899,934	875,883	24,051	296,175	214,803	81,372
Basic Utility Services	719,177	674,863	44,314	907,980	769,914	138,066
Transportation	0	0	0	3,505,498	2,923,823	581,675
General Government	6,326,776	4,726,668	1,600,108	35,000	20,684	14,316
Capital Outlay	0	0	0	0	0	0
Debt Service:						
Principal Retirement	0	0	0	0	0	0
Interest and Fiscal Charges	0	0	0	0	0	0
Total Expenditures	15,252,398	13,091,203	2,161,195	5,070,181	4,201,265	868,916
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,238,163)	(948,004)	2,290,159	(1,123,181)	(421,851)	701,330
Other Financing Sources (Uses):						
Proceeds from the Sale of Notes	600,000	600,000	0	0	0	0
Proceeds from the Sale of Bonds	0	0	0	0	0	0
Proceeds from Refunding Bond Issue	0	0	0	0	0	0
Payment to Refunded Bond Escrow Agent	0	0	0	0	0	0
Operating Transfers In	0	0	0	0	12,000	12,000
Operating Transfers Out	(88,595)	(84,540)	4,055	(523,357)	(535,357)	(12,000)
Income Tax Refunds	(256,250)	(274,092)	(17,842)	(51,250)	(54,818)	(3,568)
Total Other Financing Sources (Uses)	255,155	241,368	(13,787)	(574,607)	(578,175)	(3,568)
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(2,983,008)	(706,636)	2,276,372	(1,697,788)	(1,000,026)	697,762
Fund Balance at Beginning of Year	4,522,899	4,522,899	0	1,389,816	1,389,816	0
Prior Year Encumbrances	298,121	298,121	0	1,054,765	1,054,765	0
Fund Balance at End of Year	\$1,838,012	\$4,114,384	\$2,276,372	\$746,793	\$1,444,555	\$697,762

The notes to the general purpose financial statements are an integral part of this statement.

THE CITY OF HILLIARD, OHIO
COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 1999

<i>Debt Service Funds</i>			<i>Capital Projects Funds</i>			<i>Totals (Memorandum Only)</i>		
Revised Budget	Actual	Variance: Favorable (Unfavorable)	Revised Budget	Actual	Variance: Favorable (Unfavorable)	Revised Budget	Actual	Variance: Favorable (Unfavorable)
\$0	\$0	\$0	\$3,125,000	\$3,226,130	\$101,130	\$13,736,000	\$14,066,065	\$330,065
0	0	0	0	0	0	2,306,035	2,298,392	(7,643)
0	0	0	0	0	0	1,800,000	1,632,206	(167,794)
0	0	0	0	0	0	399,300	349,308	(49,992)
0	0	0	0	0	0	400,400	531,801	131,401
185,000	167,103	(17,897)	0	0	0	185,000	167,103	(17,897)
0	0	0	0	0	0	264,500	226,998	(37,502)
0	0	0	800,000	10,000	(790,000)	980,000	53,973	(926,027)
185,000	167,103	(17,897)	3,925,000	3,236,130	(688,870)	20,071,235	19,325,846	(745,389)
0	0	0	0	0	0	4,872,305	4,682,555	189,750
0	0	0	0	0	0	78,000	77,937	63
0	0	0	0	0	0	2,681,734	2,325,338	356,396
0	0	0	0	0	0	1,196,109	1,090,686	105,423
0	0	0	0	0	0	1,627,157	1,444,777	182,380
0	0	0	0	0	0	3,505,498	2,923,823	581,675
0	0	0	0	0	0	6,361,776	4,747,352	1,614,424
0	0	0	7,605,442	5,089,321	2,516,121	7,605,442	5,089,321	2,516,121
1,202,000	5,547,000	(4,345,000)	0	0	0	1,202,000	5,547,000	(4,345,000)
728,505	788,078	(59,573)	0	0	0	728,505	788,078	(59,573)
1,930,505	6,335,078	(4,404,573)	7,605,442	5,089,321	2,516,121	29,858,526	28,716,867	1,141,659
(1,745,505)	(6,167,975)	(4,422,470)	(3,680,442)	(1,853,191)	1,827,251	(9,787,291)	(9,391,021)	396,270
0	2,950,000	2,950,000	2,500,000	2,500,000	0	3,100,000	6,050,000	2,950,000
0	1,594,957	1,594,957	0	0	0	0	1,594,957	1,594,957
0	2,348,603	2,348,603	0	0	0	0	2,348,603	2,348,603
0	(2,365,545)	(2,365,545)	0	0	0	0	(2,365,545)	(2,365,545)
1,747,805	1,616,718	(131,087)	0	0	0	1,747,805	1,628,718	(119,087)
0	0	0	(1,144,789)	(1,008,821)	135,968	(1,756,741)	(1,628,718)	128,023
0	0	0	(102,500)	(109,637)	(7,137)	(410,000)	(438,547)	(28,547)
1,747,805	6,144,733	4,396,928	1,252,711	1,381,542	128,831	2,681,064	7,189,468	4,508,404
2,300	(23,242)	(25,542)	(2,427,731)	(471,649)	1,956,082	(7,106,227)	(2,201,553)	4,904,674
51,329	51,329	0	613,762	613,762	0	6,577,806	6,577,806	0
0	0	0	1,165,441	1,165,441	0	2,518,327	2,518,327	0
\$53,629	\$28,087	(\$25,542)	(\$648,528)	\$1,307,554	\$1,956,082	\$1,989,906	\$6,894,580	\$4,904,674

**THE CITY OF HILLIARD, OHIO
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN ACCUMULATED DEFICIT
PROPRIETARY FUND TYPE
FOR THE YEAR ENDED DECEMBER 31, 1999**

	<u><i>Internal Service Fund</i></u>
<u>Operating Revenues:</u>	
Charges for Services	\$1,350,202
Total Operating Revenues	<u>1,350,202</u>
<u>Operating Expenses:</u>	
Administration Fees	24,630
Stop Loss Coverage	88,445
Health Insurance Claims	1,014,654
Total Operating Expenses	<u>1,127,729</u>
Net Income	222,473
Accumulated Deficit at Beginning of Year	<u>(375,295)</u>
Accumulated Deficit at End of Year	<u><u>(\$152,822)</u></u>

The notes to the general purpose financial statements are an integral part of this statement.

THE CITY OF HILLIARD, OHIO
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE YEAR ENDED DECEMBER 31, 1999

	<u>Internal Service Fund</u>
<u>Cash Flows from Operating Activities:</u>	
Cash Received from Customers	\$1,350,202
Cash Payments for Services	(113,075)
Cash Payments for Claims	<u>(1,242,659)</u>
Net Cash Used by Operating Activities	<u>(5,532)</u>
Net Decrease in Cash and Cash Equivalents	(5,532)
Cash and Cash Equivalents at Beginning of Year	<u>11,872</u>
Cash and Cash Equivalents at End of Year	<u><u>\$6,340</u></u>
 <u>Reconciliation of Operating Income to Net Cash Used by Operating Activities:</u>	
Operating Income	\$222,473
Adjustments to Reconcile Operating Income to Net Cash Used by Operating Activities:	
Decrease in Claims and Judgments Payable	<u>(228,005)</u>
Total Adjustments	<u>(228,005)</u>
Net Cash Used for Operating Activities	<u><u>(\$5,532)</u></u>

The notes to the general purpose financial statements are an integral part of this statement.

THE CITY OF HILLIARD, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
DECEMBER 31, 1999

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Hilliard, Ohio (the City) is a home rule municipal corporation created under the laws of the State of Ohio. The City operates under its own Charter. The current Charter, which provides for a Mayor-Council form of government, was adopted January 1, 1963 and was amended June 2, 1982.

The accompanying general purpose financial statements of the City present the financial position of the various fund types and account groups, the results of operations of the various fund types and the cash flows of the proprietary fund. The financial statements are presented as of December 31, 1999 and for the year then ended and have been prepared in conformity with generally accepted accounting principles (GAAP) applicable to local governments. The Governmental Accounting Standards Board (the GASB) is the standard-setting body for establishing governmental accounting and financial reporting principles, which are primarily set forth in the GASB's Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification).

A. Reporting Entity

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

Based on the foregoing, the City's financial reporting entity has no component units but includes all funds, account groups, agencies, boards and commissions that are part of the primary government, which includes the following services: police protection, parks and recreation, planning, zoning, engineering, street maintenance, refuse collection (on a contractual basis) and other governmental services.

B. Basis of Presentation - Fund Accounting

The accounting system is organized and operated on the basis of funds and 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:

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation - Fund Accounting (Continued)

Governmental Funds

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

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

Special Revenue Funds - These funds are used to account for the proceeds of specific revenue sources (other than expendable trusts, or major capital projects) that are legally restricted to expenditure for specified purposes.

Debt Service Funds - These funds are used for the accumulation of resources for, and the payment of, general obligation and special assessment long-term debt principal and interest.

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

Proprietary Fund

Internal Service Fund - This fund is used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City, or to other governments, on a cost-reimbursement basis. The internal service fund is accounted for on an "economic resources" measurement focus. This measurement focus provides that all assets and liabilities associated with the operation of this fund are included on the balance sheet. The internal service fund operating statement presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The City created the Insurance Trust Internal Service Fund to pay employee health insurance claims and life insurance premiums.

Fiduciary Funds

Trust and Agency Funds - These funds are used to account for assets held by a government unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds. The City maintains both an expendable trust fund and agency funds. The expendable trust fund is accounted for and reported similarly to governmental funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation - Fund Accounting (Continued)

Account Groups- To make a clear distinction between fixed assets related to specific funds and those of general government and between long-term liabilities related to specific funds and those of a general nature, the following account groups are used:

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

General Long-Term Obligations Account Group - This account group is established to account for all long-term debt and other long-term obligations of the City except those accounted for in the proprietary fund.

C. Basis of Accounting

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

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

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

Special assessment installments including related accrued interest, which are measurable but not available at December 31, are recorded as deferred revenue. Property taxes measurable as of December 31, 1999 but which are not intended to finance 1999 operations and delinquent property taxes, whose availability is indeterminate, are recorded as deferred revenue. Special assessments and property tax receivables are further described in Note 5.

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 proprietary funds and FASB 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 accrual basis of accounting is utilized for reporting purposes by the proprietary fund. Revenues are recognized when they are earned and expenses are recognized when incurred.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Budgetary Process

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

All funds, other than agency funds, are legally required to be budgeted and appropriated; however, only governmental funds are required to be reported. There was no budgetary activity to record in the Recreation Improvement Fund, Davidson Road Improvement Fund, Water Main Improvement Fund and Municipal Building Fund (capital projects funds) during 1999. All revenues and expenditures for these four funds are related to accruals, therefore no budgetary schedules are included. The legal level of budgetary control is by fund. Budgetary modifications that amend the appropriations of any fund may be made only by ordinance of the City Council.

1. Tax Budget

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

2. Estimated Resources

The County Budget Commission reviews estimated revenue and determines if the budget substantiates a need to levy all or part of previously authorized taxes. The Budget Commission then certifies its actions to the City by September 1 of each year. As part of the certification process, the City receives an official certificate of estimated resources stating the projected receipts by fund. Prior to December 31, the City must revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year do not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriations measure. On or about January 1, the certificate of estimated resources is amended to include any unencumbered fund balances from the preceding year. The certificate may be further amended during the year if a new source of revenue is identified or if actual receipts exceed current estimates. The amounts reported on the budgetary statement reflect the amounts in the final amended official certificate of estimated resources issued during 1999.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Budgetary Process (Continued)

3. Appropriations

A temporary appropriation ordinance to control expenditures may be passed on or about January 1 of each year for the period January 1 through March 31. An annual appropriation ordinance must be passed by April 1 of each year for the period January 1 through December 31. The appropriation ordinance establishes spending controls at the fund, department and object level, and may be modified during the year by ordinance of the City Council. Total fund appropriations may not exceed the current estimated resources as certified by the County Budget Commission. Expenditures may not legally exceed budgeted appropriations at the fund level. During 1999, several supplemental appropriations were necessary to budget the use of contingency funds, intergovernmental grants proceeds and capital improvement projects. Administrative control is maintained through the establishment of more detailed line-item budgets. The budgetary figures which appear in the "Combined Statement of Revenues, Expenditures, and Changes in Fund Balances--Budget and Actual--All Governmental Fund Types" are provided on the budgetary basis to provide a comparison of actual results to the final budget, including all amendments and modifications.

4. Encumbrances

As part of formal budgetary control, purchase orders, contracts and other commitments for expenditures are encumbered and recorded as the equivalent of expenditures (budget basis) in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance. However, on the GAAP basis of accounting, encumbrances do not constitute expenditures or liabilities and are reported as reservations of fund balances for governmental funds in the accompanying general purpose financial statements.

5. Lapsing of Appropriations

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

6. Budgetary Basis of Accounting

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Budgetary Process (Continued)

6. Budgetary Basis of Accounting (Continued)

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the governmental funds:

	Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses			
	General Fund	Special Revenue Funds	Debt Service Funds	Capital Projects Funds
GAAP Basis (as reported)	(\$833,128)	\$516,672	(\$23,242)	\$2,514,019
Increase (Decrease):				
Accrued Revenues at December 31, 1999 received during 2000	(990,900)	(348,078)	0	(321,713)
Accrued Revenues at December 31, 1998 received during 1999	875,574	287,395	0	313,139
Accrued Expenditures at December 31, 1999 paid during 2000	963,664	229,382	0	330,255
Accrued Expenditures at December 31, 1998 paid during 1999	(724,349)	(307,910)	0	(212,155)
1998 Prepays for 1999	17,554	0	0	0
1999 Prepays for 2000	(17,302)	0	0	0
Fund Debt:				
Note Proceeds	600,000	0	0	5,450,000
Note Retirements	0	0	0	(4,700,000)
Outstanding Encumbrances	(597,749)	(1,377,487)	0	(3,845,194)
Budget Basis	<u>(\$706,636)</u>	<u>(\$1,000,026)</u>	<u>(\$23,242)</u>	<u>(\$471,649)</u>

E. Cash and Cash Equivalents

During fiscal year 1999, cash and cash equivalents included amounts in demand deposits, short-term certificates of deposit with original maturities of three months or less, repurchase agreements and the State Treasury Asset Reserve (STAR Ohio). STAR Ohio is a very liquid investment and is reported as a cash equivalent in the general purpose financial statements.

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Investments

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

The City has invested funds in the STAR Ohio during 1999. STAR Ohio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price which is the price the investment could be sold for on December 31, 1999.

G. Fixed Assets and Depreciation

The accounting and reporting treatment applied to fixed assets is determined by their ultimate use. Fixed assets acquired or constructed for general governmental purposes are recorded as expenditures in the governmental funds and are capitalized at cost (or estimated historical cost for assets not purchased in recent years) 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, drainage systems and lighting 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 recording these assets.

The City has elected not to record depreciation or capitalize interest in the General Fixed Assets Account Group.

H. Long-Term Obligations

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

Obligation	Fund
Special Assessment Bonds	Special Assessment Bond Retirement Fund
General Obligation Bonds	General Bond Retirement Fund
Compensated Absences	General Fund, Street Maintenance and Repair Fund Water Revenue Fund, Sewer Revenue Fund Sewer Capacity and Benefit Fund Construction Inspection Fund
Capital Lease Agreements	Capital Improvement Municipal Tax Fund

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. Compensated Absences

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

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

For governmental funds, the portion of unpaid compensated absences that is expected to be paid using expendable, available resources is reported as an expenditure in the fund from which the individual earning the leave is paid, and a corresponding liability is reflected in the account "Compensated Absences Payable." The long-term portion of the liability is reported in the General Long-Term Obligations Account Group.

J. Pensions

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

K. Interfund Transactions

During the course of normal operations, the City has numerous transactions between funds. Interfund transactions are generally classified as follows:

- Operating transfers are reported as "Other Financing Sources and Uses" in the governmental funds, as "Operating Transfers In" by the recipient fund, and "Operating Transfers Out" by the disbursing fund.
- Residual equity transfers are nonroutine or nonrecurring transfers between funds and are reported as additions to or deductions from the fund equity balance. There were no residual equity transfers during 1999.

Transactions that would be treated as revenues and expenditures/expenses if the transactions involved organizations external to the City are similarly treated when involving other funds of the City. The City also advances cash from one fund to another as necessary to meet current obligations.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. Reservations of Fund Balance

Reserves indicate that a portion of fund balance is not available for expenditure or is legally segregated for a specific future use. Fund balances are reserved for prepaid items, debt service and encumbered amounts that have not been accrued at year end.

M. Total Columns on Combined Financial Statements - Overview

Total columns on the "Combined Financial Statements - Overview" are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations 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.

NOTE 2 - PRIOR PERIOD ADJUSTMENT

During 1999, the last of the City's Deferred Compensation Plans established a trust fund to maintain the contributions of the plan and comply with GASB No. 32, "Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans." Therefore, all amounts deferred under the plan now belongs solely to the employees who made the contributions. Inasmuch as the City no longer has an accounting fiduciary responsibility for the deferred compensation assets, the beginning balance of the agency funds has been restated to show the reduction of \$206,761 at December 31, 1998. The adjustment resulted in the following changes to the agency funds asset/liability balances at December 31, 1998:

Agency Funds:	
Asset/Liability Balance - December 31, 1998 (as reported)	\$324,300
Adjustment due to change in accounting principle	(206,761)
Asset/Liability Balance - December 31, 1998 (restated)	<u>\$117,539</u>

NOTE 3 - COMPLIANCE AND ACCOUNTABILITY

A. Fund/Retained Earnings Deficits

At December 31, 1999 the following funds had a deficit in Fund Balance/Retained Earnings:

	<u>Fund Deficit</u>
Special Revenue Fund:	
Sewer Capacity and Benefit Fund	(\$15,062)
Capital Projects Funds:	
Recreation Improvement Fund	(454,957)
Municipal Building Fund	(1,263,769)
Leap Road Construction Fund	(108,447)
Water Tower Fund	(45,465)
Internal Service Fund:	
Insurance Trust	(152,822)

The fund deficit in the Sewer Capacity and Benefit Fund (special revenue) arises from the recording of expenditures on the modified accrual basis of accounting. The fund deficits in the Recreation Improvement Fund, the Municipal Building Fund, the Leap Road Construction Fund and the Water Tower Fund (capital projects funds) arise from recording notes payable as fund liabilities. The retained earnings deficit in the Insurance Trust Fund (internal service fund) arises from the recognition of expenses on the accrual basis which results in expenses greater than those on a cash basis. Deficits do not exist for any of the above noted funds under the budgetary/cash basis of accounting. The General Fund provides operating transfers when cash is required, not when accruals occur.

B. Excess of Appropriations Over Estimated Resources

For the year ended December 31, 1999 appropriations exceeded estimated resources by the following amounts in the following funds: by \$5,630 in the Water Revenue Fund and by \$2,372 in the Sewer Capacity and Benefit Fund (special revenue funds) and by \$734,166 in the Leap Road Construction Fund (capital projects fund).

C. Excess of Expenditures Over Appropriations

For the year ended December 31, 1999 expenditures exceeded appropriations at the fund level (i.e. the legal level of budgetary control) by \$2,849 in the Justice Seizure Fund (special revenue) and by \$6,774,963 in the General Bond Retirement Fund (debt service). The excess expenditures were funded from available fund balances.

NOTE 4 - CASH, CASH EQUIVALENTS AND INVESTMENTS

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

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

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

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

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

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

Ohio Law requires that deposits be placed in eligible banks or savings and loan associations located in Ohio. Any public depository in which the City places deposits must pledge as collateral eligible securities of aggregate market value equal to the excess of deposits not insured by the Federal Deposit Insurance Corporation (FDIC). The securities pledged as collateral are pledged to a pool for each individual financial institution in amounts equal to at least 110% of the carrying value of all public deposits held by each institution. Obligations that may be pledged as collateral are limited to obligations of the United States and its agencies and obligations of any state, county, municipal corporation or other legally constituted authority of any other state or any instrumentality of such county, municipal corporation or other authority. Based upon criteria described in GASB Statement No. 3 "Deposits With Financial Institutions, Investments (including Repurchase Agreements) and Reverse Repurchase Agreements," collateral held in single financial collateral pools with securities being held by the pledging financial institutions' agent in the pool's name are classified as Category 3.

The Governmental Accounting Standards Board has established risk categories for deposits and investments as follows:

Deposits:

- Category 1 Insured or collateralized with securities held by the City or by its agent in the City's name.
- Category 2 Collateralized with securities held by the pledging financial institution's trust department or agent in the City's name.
- Category 3 Uncollateralized or collateralized with securities held by the pledging financial institution's trust department or agent but not in the City's name.

Investments:

- Category 1 Insured or registered, or securities held by the City or its agent in the City's name.
- Category 2 Uninsured and unregistered, with securities held by the counterparty's trust department or agent in the City's name.
- Category 3 Uninsured and unregistered, with securities held by the counterparty or by its trust department or agent but not in the City's name.

Investment earnings of \$344,522 earned by other funds was credited to the General Fund as required by state statute.

A. Deposits

At year end the carrying amount of the City's deposits was \$374,435 and the bank balance was \$862,957. Federal depository insurance covered \$435,048 of the bank balance and an additional \$400,000 is covered by an Ohio Depository Bond. All remaining deposits were classified as Category 3.

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

B. Investments

The City's investments at December 31, 1999 are summarized below:

<u>Categorized Investments</u>	Category 1	Category 2	Fair Value
U.S. Government Securities	\$1,745,662	\$0	\$1,745,662
Repurchase Agreement	0	10,251,000	10,251,000
Total Categorized Investments	1,745,662	10,251,000	11,996,662
<u>Noncategorized Investments</u>			
STAR Ohio	N/A	N/A	548,070
Total Noncategorized Investments	N/A	N/A	548,070
Total Investments	\$1,745,662	\$10,251,000	\$12,544,732

C. Cash With Fiscal Agent

The City has uninsured and uncollateralized cash in the amount of \$90,188 being held by the Franklin County Engineer. This cash is restricted in its use for various road improvement projects.

D. Reconciliation of Cash, Cash Equivalents and Investments

The classification of cash, cash equivalents and investments on the combined financial statements is based on criteria set forth in GASB Statement No. 9. Investments with an original maturity of three months or less are treated as cash and cash equivalents. The classification of cash and cash equivalents (deposits) for purposes of this note is based on criteria set forth in GASB Statement No. 3.

A reconciliation between classifications of cash and investments on the combined financial statements and the classifications per items A and B of this note are as follows:

	Cash and Cash Equivalents *	Investments
Per Combined Balance Sheet	\$11,173,505	\$1,745,662
Investments:		
Repurchase Agreement	(10,251,000)	10,251,000
STAR Ohio	(548,070)	548,070
Per GASB Statement No. 3	\$374,435	\$12,544,732

* Includes Cash with Fiscal Agent

NOTE 5 - TAXES

A. Property Taxes

Property taxes include amounts levied against all real estate and public utility property, and tangible personal property used in business and located in the City. Real property taxes (other than public utility) collected during 1999 were levied after October 1, 1998 on assessed values as of January 1, 1998, the lien date. Assessed values were established by the County Auditor at 35 percent of appraised market value. All property is required to be reappraised every six years and equalization adjustments made in the third year following reappraisal. The last revaluation was completed in 1999. Real property taxes are payable annually or semi-annually. The first payment is due January 20, with the remainder payable by June 20.

Taxes collected from tangible personal property (other than public utility) in one calendar year are levied in the prior calendar year on assessed values during and at the close of the most recent fiscal year of the taxpayer that ended on or before March 31 of that calendar year, and at the tax rates determined in the preceding year. Tangible personal property used in business (except for public utilities) is currently assessed for ad valorem taxation purposes at 25 percent of its true value. Amounts paid by multi-county taxpayers are due September 20 of the year assessed. Single county taxpayers may pay annually or semi-annually: the first payment is due April 30; the remainder payable by September 20.

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Certain public utility tangible personal property is currently assessed at 100 percent of its true value. Public utility property taxes are payable on the same dates as real property described previously.

The County Treasurer collects property taxes on behalf of all taxing districts in the County including the City of Hilliard. The County Auditor periodically remits to the City its portion of the taxes collected.

The full tax rate for all City operations for the year ended December 31, 1999 was \$1.60 per \$1,000 of assessed value. The assessed value upon which the 1999 levy was based was \$581,612,138. This amount constitutes \$490,788,860 in real property assessed value, \$20,593,850 in public utility assessed value and \$70,229,428 in tangible personal property assessed value.

Ohio law prohibits taxation of property from all taxing authorities in excess of 1% of assessed value without a vote of the people. Under current procedures, the City's share is .16% (1.60 mills) of assessed value.

NOTE 5 – TAXES (Continued)

B. Income Tax

The City levies a tax of 2.0% on all salaries, wages, commissions and other compensation and on net profits earned within the City as well as on incomes of residents earned outside the City. In the latter case, the City allows a credit of 100% of the tax paid to another municipality to a maximum of the total amount assessed.

Employers within the City are required to withhold income tax on employees compensation and remit the tax to the City either monthly or quarterly, as required. Corporations and other individual taxpayers are required to pay their estimated tax quarterly and file a declaration annually. Income tax proceeds are distributed to the General Fund, the Street Improvement Municipal Tax Fund (special revenue fund) and the Capital Improvement Municipal Tax Fund (capital projects fund) as required by City Ordinance Nos. 85-07 and 85-48.

NOTE 6 - OPERATING TRANSFERS

Following is a summary of operating transfers in and out for all funds for 1999:

Fund	Transfer In	Transfer Out
General Fund	\$0	\$84,540
Special Revenue Funds:		
Street Maintenance and Repair Fund	0	12,000
Street Improvement Municipal Tax Fund	0	523,357
Park Maintenance Fund	7,000	0
Sewer Capacity and Benefit Fund	5,000	0
Total Special Revenue Funds	12,000	535,357
Debt Service Funds:		
General Obligation Bond Retirement Fund	1,248,605	0
Special Assessment Bond Retirement Fund	1,756	0
Total Debt Service Funds	1,250,361	0
Capital Projects Funds:		
Capital Improvement Municipal Tax Fund	0	866,589
Recreation Improvement Fund	68,078	0
Britton Road Improvement Fund	0	1,617
Water Main Improvement Fund	0	995
Municipal Building Fund	99,911	0
Leap Road Construction Fund	58,748	0
Total Capital Projects Funds	226,737	869,201
Totals	\$1,489,098	\$1,489,098

NOTE 7 - RECEIVABLES

Receivables at December 31, 1999 consisted of taxes, special assessments, interest, accounts receivable, interfund receivables, and intergovernmental receivables arising from shared revenues. All receivables other than those offset by deferred revenues are considered collectible in full.

NOTE 8 - INTERFUND RECEIVABLES AND PAYABLES

The following is a summary of interfund receivables and payables for all funds for 1999:

Due to/from Other Funds	Due from Other Funds	Due to Other Funds
General Fund	\$19,496	\$0
Special Revenue Funds:		
Enforcement and Education Fund	300	0
Mayor's Court Computer Fund	1,397	0
Total Special Revenue Funds	<u>1,697</u>	<u>0</u>
Agency Fund:		
Mayor's Court Fund	0	21,193
Totals	<u>\$21,193</u>	<u>\$21,193</u>

NOTE 9 - FIXED ASSETS

General Fixed Assets-Summary by category of changes in general fixed assets:

Category	December 31, 1998	Additions	Deletions	December 31, 1999
Land	\$2,010,957	\$600,000	(\$750)	\$2,610,207
Buildings	5,102,594	0	0	5,102,594
Improvements Other Than Buildings	1,220,270	2,115	0	1,222,385
Machinery and Equipment	1,158,128	145,309	(14,118)	1,289,319
Furniture and Fixtures	654,325	61,652	(11,086)	704,891
Vehicles	1,176,686	286,782	(83,854)	1,379,614
Construction In Progress	28,448	9,893	0	38,341
Totals	<u>\$11,351,408</u>	<u>\$1,105,751</u>	<u>(\$109,808)</u>	<u>\$12,347,351</u>

NOTE 10 – DEFINED BENEFIT PENSION PLANS

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

A. Public Employees Retirement System (the "PERS of Ohio")

The following information was provided by the PERS of Ohio to assist the City in complying with GASB Statement No. 27, *"Accounting for Pensions by State and Local Government Employers."*

All employees of the City, except full-time uniformed police officers, participate in the PERS of Ohio, a cost-sharing multiple employer defined benefit pension plan. The PERS of Ohio provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. Chapter 145 of the Ohio Revised Code provides statutory authority to establish and amend benefits. The Public Employees Retirement System of Ohio issues a stand-alone financial report that includes financial statements and required supplementary information for the PERS of Ohio. Interested parties may obtain a copy by making a written request to 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 466-2085 or 1-800-222-7377.

The Ohio Revised Code provides statutory authority for employee and employer contributions. The employee contribution rate is 8.5%. The 1999 employer contribution rate for local government employer units was 13.55%, of covered payroll, 9.35% to fund the pension and 4.2% to fund health care. The contribution requirements of plan members and the City are established and may be amended by the Public Employees Retirement Board. The City's contributions to the PERS of Ohio for the years ending December 31, 1999, 1998 and 1997 were \$586,937, \$539,082 and \$487,176, respectively, which were equal to the required contributions for each year.

The PERS of Ohio provides postemployment health care benefits to age and service retirants with ten or more years of qualifying Ohio service credit and to primary survivor recipients of such retirants. Health care coverage for disability recipients is also available. A portion of each employer's contribution to the PERS of Ohio is set aside for the funding of post retirement health care. The Ohio Revised Code provides statutory authority requiring public employers to fund postemployment health care through their contributions to the PERS of Ohio. The portion of the 1999 employer contribution rate (identified above) that was used to fund health care for the year 1999 was 4.2% of covered payroll which amounted to \$181,929.

Other Postemployment Benefits (OPEB) are financed through employer contributions and investment earnings thereon. Funding and accounting were on a pay-as-you-go basis. The contributions allocated to retiree health care, along with investment income on allocated assets and periodic adjustments in health care provisions are expected to be sufficient to sustain the program indefinitely. Expenditures for other postemployment benefits 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.

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

A. Public Employees Retirement System (the “PERS of Ohio”) (Continued)

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.

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

All City full-time police officers participate in the OP&F Fund, a cost-sharing multiple-employer defined benefit pension plan. The OP&F Fund provides retirement and disability benefits, annual cost of living adjustments and death benefits to plan members and beneficiaries. Contribution requirements and benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. The Ohio Police and Fire Pension Fund issues a stand-alone financial report that includes financial statements and required supplementary information for the OP&F Fund. Interested parties may obtain a copy by making a written request to 140 East Town Street, Columbus, Ohio 43215-5164 or by calling (614) 228-2975.

Plan members are required to contribute 10.0% of their annual covered salary, while employers are required to contribute 19.5% for police officers. The City's contributions to the OP&F Fund for the years ending December 31, 1999, 1998 and 1997 were \$465,697, \$425,197 and \$382,318 which was equal to the required contributions for each year.

The OP&F Fund provides postemployment 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 on a full-time or two-thirds basis. The Ohio Revised Code provides that health care costs paid from the funds of the OP&F Fund shall be included in the employer's contribution rate. The Ohio Revised Code also provides statutory authority allowing the Fund's Board of Trustees to provide postemployment health care coverage to all eligible individuals from the employer's contributions to the OP&F Fund.

The portion of the 1999 covered payroll that was used to fund postemployment health care benefits was \$167,173 representing 7.00% of covered payroll for police. Health care funding and accounting was on a pay-as-you-go basis. 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. As of December 31, 1998, the date of the last actuarial evaluation available, the number of participants eligible to receive health care benefits was 11,424 for police. The OP&F Fund does not provide separate data on the funded status and funding progress of postemployment health care benefits. The Fund's total health care expenses for the year ended December 31, 1998 were \$78,596,790, which was net of member contributions of \$5,331,515.

NOTE 11- COMPENSATED ABSENCES

The costs of vacation and sick leave benefits are recorded as they are earned. Employees earn sick and vacation leave at varying rates based upon length of service. Upon retirement, and in certain instances, termination, an individual will be compensated for their accumulated sick leave at a maximum rate of 50% of the balance.

As of December 31, 1999, the liability for unpaid compensated absences was \$1,188,218 for all funds of the City. The balance of compensated absences that was considered long-term was \$1,109,881. The current portion of the liability has been recorded within the appropriate fund and the long-term portion of the liability has been reported in the General Long-Term Obligations Account Group.

NOTE 12 - NOTES PAYABLE

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

	Balance December 31, 1998	Issued	(Retired)	Balance December 31, 1999
General Obligation Notes:				
3.85% Infrastructure Improvement	\$1,100,000	\$1,000,000	(\$1,100,000)	\$1,000,000
3.85% Ballfield Improvement - Phase III	500,000	450,000	(500,000)	450,000
4.05% Britton Road Improvement	650,000	0	(650,000)	0
3.85% Municipal Building Improvement	1,300,000	1,250,000	(1,300,000)	1,250,000
4.05% Dublin Road Waterline Improve	400,000	0	(400,000)	0
4.05% Ballfield Improvement - Phase IV	450,000	0	(450,000)	0
3.90% Leap Road Improvement	300,000	250,000	(300,000)	250,000
3.85% Land Purchase	0	600,000	0	600,000
3.85% Water Tower	0	2,500,000	0	2,500,000
Totals	<u>\$4,700,000</u>	<u>\$6,050,000</u>	<u>(\$4,700,000)</u>	<u>\$6,050,000</u>

NOTE 13 - LONG-TERM OBLIGATIONS

Activity in the General Long-Term Obligations Account Group in 1999 was as follows:

		Balance December 31, 1998	Issued (Retired)	Balance December 31, 1999
General Long-Term Debt:				
General Obligation Bonds:				
6.375% Municipal Park Improvement	1974	\$25,000	(\$25,000)	\$0
6.375% Grade Separation Improvement	1975	25,000	(10,000)	15,000
12.125% Water Improvement	1982	225,000	(25,000)	200,000
7.149% Cemetery Road Improvement	1989	2,235,000	(2,235,000)	0
6.520% Various Purpose Improvement	1991	450,000	(140,000)	310,000
5.840% Various Purpose Improvement	1992	1,580,000	(140,000)	1,440,000
3.90 - 5.750% Various Purpose Improvement	1995	3,175,000	(120,000)	3,055,000
5.10 - 5.150% Cemetery Road Refunding	1999	0	2,235,000	
			(280,000)	1,955,000
5.10 - 5.150% Various Purpose Improvement	1999	0	1,500,000	1,500,000
Total General Obligation Bonds		7,715,000	760,000	8,475,000
Special Assessment Bonds:				
7.500% N.E. Sanitary Sewer	1977	95,000	(50,000)	45,000
13.625% Scioto Darby Sewer	1982	6,000	(2,000)	4,000
7.350% Lyman Drive Extension	1988	520,000	(35,000)	485,000
7.199% Hilliard Technology Park	1989	325,000	(20,000)	305,000
Total Special Assessment Bonds				
with Governmental Commitment		946,000	(107,000)	839,000
Total General Long-Term Debt		8,661,000	653,000	9,314,000
Other Long-Term Obligations:				
Compensated Absences		1,011,053	98,828	1,109,881
Capital Leases		10,423	(9,155)	1,268
Total Other Long-Term Obligations		1,021,476	89,673	1,111,149
Total General Long-Term Debt and Other Long-Term Obligations		\$9,682,476	\$742,673	\$10,425,149

Special assessment debt service is financed by assessments to affected property owners. However, the City is ultimately responsible for the debt service if the assessments are not collected. Special Assessment collections during 1999 amounted to \$167,103.

NOTE 13 - LONG-TERM OBLIGATIONS (Continued)

A. Principal and Interest Requirements

The City's future long-term obligation funding requirements, including principal and interest payments as of December 31, 1999, follow:

Years	General Obligation Bonds		Special Assessment Bonds	
	Principal	Interest	Principal	Interest
2000	\$820,000	\$474,085	\$107,000	\$62,716
2001	860,000	429,208	72,000	54,609
2002	730,000	380,999	70,000	49,130
2003	795,000	341,666	75,000	43,924
2004	830,000	297,385	85,000	38,349
2005-2009	2,980,000	850,620	430,000	90,595
2010-2014	1,180,000	292,100	0	0
2015	280,000	16,100	0	0
Totals	\$8,475,000	\$3,082,163	\$839,000	\$339,323

B. Defeasance of General Obligation Debt

In February 1999, the City defeased \$2,235,000 of General Obligation Bonds for Cemetery Road Improvements dated July 1, 1989 through the issuance of \$2,235,000 of General Obligation Bonds for Cemetery Road Refunding. The net proceeds of the 1999 Bonds have been invested in obligations guaranteed as to both principal and interest by the United States and placed in irrevocable escrow accounts which, including interest earned, will be used to pay the principal and interest on the refunded bonds. The refunded bonds, which have an outstanding balance of \$2,005,000 at December 31, 1999 are not included in the City's outstanding debt since the City has in-substance satisfied its obligations through the advance refunding.

The City reduced its aggregate debt service payments over the life of the refunded bonds by \$244,953 and obtained an economic gain of \$146,394.

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NOTE 14 - CAPITAL LEASE COMMITMENTS

The City is obligated under several leases accounted for as capital leases. The cost of the leased assets (various equipment and automobiles) is accounted for in the General Fixed Assets Account Group and the related liability in the General Long-Term Obligations Account Group. The original cost of the assets under capital lease was \$64,185.

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

Year Ending December 31,	Capital Leases
2000	\$1,283
Minimum Lease Payments	1,283
Less: Amount representing interest at the City's incremental borrowing rate of interest	(15)
Present value of minimum lease payments	<u>\$1,268</u>

NOTE 15 - RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. During 1999 the City contracted with several different insurance providers for various insurance coverages, as follows:

Insurance Provider	Coverage	Deductible
St. Paul Insurance Company	Automobile	\$100 Comprehensive; \$500 Collision
St. Paul Insurance Company	General Liability	\$0
St. Paul Insurance Company	Property Casualty	\$1,000, 10% Co-Insurance
St. Paul Insurance Company	Inland Marine	\$250
St. Paul Insurance Company	Earthquake	\$25,000
Buckeye Union Insurance	Boiler and Machinery	\$1,000
National Casualty Insurance	Police Liability	\$10,000
U.S.F. & G. Insurance	Public Officials Liability	\$10,000

Workers' compensation claims are covered through the City's participation in the State of Ohio's program. The City pays the State Workers' Compensation System a premium based upon a rate per \$100 of payroll. The rate is determined based on accident history and administrative costs.

The City maintains a self-funded health insurance program with claims processed by Harrington Benefit Services Group on behalf of the City. A separate Insurance Trust Fund (an internal service fund) was created in 1989 to account for and finance the health insurance program. As an integral part of the health insurance program, a reinsurance policy has been purchased covering claims in excess of \$10,000 per individual and \$1,000,000 per occurrence.

NOTE 15 - RISK MANAGEMENT (Continued)

All funds of the City from which employee salaries are paid participate in the health insurance program and make payments to the Insurance Trust Fund based on actuarial estimates of the amounts needed to pay prior and current year claims. Total contributions to the program during 1999 were \$1,350,202. The claims liability of \$159,162 reported in the Insurance Trust Fund at December 31, 1999 is based on the requirements of GASB Statement No. 10, "Accounting and Financial Reporting for Risk Financing and Related Insurance Issues," as amended by GASB Statement No. 30 "Risk Management Omnibus," which requires that a liability for claims be reported if information prior to issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in the Insurance Trust Fund's claims liability amount for fiscal years 1998 and 1999 were:

Fiscal Year	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claims Payments	Balance at Fiscal Year End
1998	\$106,155	\$1,289,246	(\$1,008,234)	\$387,167
1999	387,167	1,014,654	(1,242,659)	159,162

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

NOTE 16 - CONTINGENCIES

The City is a party to various legal proceedings which seek damages or injunctive relief generally incidental to its operations and pending projects. The City's management is of the opinion that the ultimate disposition of various claims and legal proceedings will not have a material effect on the financial condition of the City.

NOTE 17 - CONSTRUCTION AND OTHER SIGNIFICANT COMMITMENTS

As of December 31, 1999, the City had the following significant construction projects that will be financed through a combination of resources such as water and sewer charges and bond anticipation notes.

Project	Remaining Construction Commitment	Expected Date of Completion
Water Tower	\$1,533,000	July 2000

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

*THE FOLLOWING COMBINING STATEMENTS AND SCHEDULES INCLUDE
THE GENERAL FUND, SPECIAL REVENUE FUNDS, DEBT SERVICE FUNDS,
CAPITAL PROJECTS FUNDS, FIDUCIARY FUNDS AND THE GENERAL FIXED
ASSETS ACCOUNT GROUP.*



GENERAL FUND

The General Fund is used to account for government resources not accounted for in any other fund. The General Fund balance is available to the City for any purpose provided it is expended or transferred according to the Charter and/or the general laws of Ohio.

THE CITY OF HILLIARD, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 1999

GENERAL FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Taxes	\$8,842,500	\$9,023,402	\$180,902
Intergovernmental Revenues	1,370,035	1,334,236	(35,799)
Charges for Services	677,000	721,709	44,709
Licenses, Permits and Fees	319,300	300,908	(18,392)
Investment Earnings	400,400	531,801	131,401
Fines and Forfeitures	235,000	201,278	(33,722)
All Other Revenues	170,000	29,865	(140,135)
Total Revenues	12,014,235	12,143,199	128,964
Expenditures:			
Security of Persons and Property:			
Police Department:			
Personal Services	4,372,013	4,209,961	162,052
Contractual Services	178,510	168,027	10,483
Materials and Supplies	214,782	202,461	12,321
Capital Outlay	90,000	90,000	0
Total Security of Persons and Property	4,855,305	4,670,449	184,856
Public Health and Welfare Services:			
County Health District:			
Contractual Services	78,000	77,937	63
Total Public Health and Welfare Services	78,000	77,937	63
Leisure Time Activities:			
Recreation Department:			
Personal Services	1,510,236	1,335,013	175,223
Contractual Services	238,120	213,071	25,049
Materials and Supplies	557,901	460,760	97,141
Capital Outlay	66,949	56,559	10,390
Total Leisure Time Activities	2,373,206	2,065,403	307,803

(Continued)

THE CITY OF HILLIARD, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 1999

GENERAL FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Community Environment:			
Service/Engineer:			
Personal Services	424,227	416,532	7,695
Contractual Services	107,364	104,961	2,403
Materials and Supplies	10,165	10,317	(152)
Total Service/Engineer	<u>541,756</u>	<u>531,810</u>	<u>9,946</u>
Building Inspection:			
Personal Services	298,019	296,600	1,419
Contractual Services	5,000	3,690	1,310
Materials and Supplies	55,159	43,783	11,376
Total Building Inspection	<u>358,178</u>	<u>344,073</u>	<u>14,105</u>
Total Community Environment	<u>899,934</u>	<u>875,883</u>	<u>24,051</u>
Basic Utility Services:			
General Refuse:			
Personal Services	168,700	156,800	11,900
Contractual Services	30,477	17,047	13,430
Materials and Supplies	520,000	501,016	18,984
Total Basic Utility Services	<u>719,177</u>	<u>674,863</u>	<u>44,314</u>
General Government:			
Mayor:			
Personal Services	353,467	332,019	21,448
Materials and Supplies	30,199	27,071	3,128
Total Mayor	<u>383,666</u>	<u>359,090</u>	<u>24,576</u>
City Council:			
Personal Services	25,000	21,861	3,139
Materials and Supplies	2,500	1,640	860
Total City Council	<u>27,500</u>	<u>23,501</u>	<u>3,999</u>

(Continued)

THE CITY OF HILLIARD, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 1999

GENERAL FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
City Clerk:			
Personal Services	175,278	161,464	13,814
Materials and Supplies	20,500	13,363	7,137
Total City Clerk	195,778	174,827	20,951
Finance Department:			
Personal Services	531,558	523,965	7,593
Contractual Services	248,700	168,162	80,538
Materials and Supplies	55,685	52,149	3,536
Total Finance Department	835,943	744,276	91,667
Public Buildings:			
Personal Services	155,995	148,721	7,274
Contractual Services	305,397	302,158	3,239
Materials and Supplies	35,000	32,848	2,152
Total Public Buildings	496,392	483,727	12,665
Civil Service:			
Personal Services	5,275	3,600	1,675
Materials and Supplies	16,000	13,562	2,438
Total Civil Service	21,275	17,162	4,113
Boards and Commissions:			
Personal Services	48,725	35,480	13,245
Materials and Supplies	31,956	27,373	4,583
Total Boards and Commissions	80,681	62,853	17,828
Law Department:			
Personal Services	110,625	94,802	15,823
Contractual Services	155,000	66,773	88,227
Materials and Supplies	15,500	12,992	2,508
Total Law Department	281,125	174,567	106,558

(Continued)

THE CITY OF HILLARD, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 1999

GENERAL FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
General Administrative:			
Personal Services	300,000	279,015	20,985
Contractual Services	600,318	580,699	19,619
Materials and Supplies	155,098	146,108	8,990
Capital Outlay	2,949,000	1,680,843	1,268,157
Total General Administrative	<u>4,004,416</u>	<u>2,686,665</u>	<u>1,317,751</u>
Total General Government	<u>6,326,776</u>	<u>4,726,668</u>	<u>1,600,108</u>
Total Expenditures	<u>15,252,398</u>	<u>13,091,203</u>	<u>2,161,195</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,238,163)	(948,004)	2,290,159
Other Financing Sources (Uses):			
Proceeds from the Sale of Notes	600,000	600,000	0
Operating Transfers Out	(88,595)	(84,540)	4,055
Income Tax Refunds	(256,250)	(274,092)	(17,842)
Total Other Financing Sources (Uses)	<u>255,155</u>	<u>241,368</u>	<u>(13,787)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(2,983,008)	(706,636)	2,276,372
Fund Balance at Beginning of Year	4,522,899	4,522,899	0
Prior Year Encumbrances	298,121	298,121	0
Fund Balance at End of Year	<u>\$1,838,012</u>	<u>\$4,114,384</u>	<u>\$2,276,372</u>

SPECIAL REVENUE FUNDS

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

Street Maintenance and Repair Fund

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

County Municipal Motor Vehicle Tax Fund

To account for the City's share of the motor vehicle license tax levied by the County.

Street Improvement Municipal Tax Fund

To account for 12.5% of the City's income tax collections to be used for repair and improvement of streets and highways.

Park Maintenance Fund

To account for public use fees collected on all lots developed in the City and the expenditures for all park maintenance, repair and upkeep.

Enforcement and Education Fund

To account for financial resources used to educate and treat persons with alcohol related problems and to enhance law enforcement activities as a deterrent to the operation of motor vehicles while under the influence of alcohol.

Law Enforcement Trust Fund

To account for proceeds received from the sale of property confiscated during drug related arrests.

Mandatory Drug Fine Fund

To account for proceeds from mandatory drug fines disbursed for law enforcement purposes.

(Continued)

SPECIAL REVENUE FUNDS

Law Enforcement Seizure Fund

To account for seized and forfeited cash and other property received as a result of the Safety Department's participation in drug investigations with the federal government. Expenditures are for law enforcement purposes.

Mayor's Court Computer Fund

To account for court imposed fines to be used to maintain and upgrade the computer system in the Mayor's court.

Justice Seizure Fund

To account for seized and forfeited cash and other property received as a result of the Safety Department's investigations.

Water Revenue Fund

To account for water surcharge revenues and water tap fees collected by the City of Columbus for Hilliard. These revenues are used for upgrading and making minor repairs to waterlines.

Sewer Revenue Fund

To account for sewer surcharge revenues collected by the City of Columbus for Hilliard and 20% of sewer tap fees. These revenues are being used for sewer line upgrading and repairs.

Sewer Capacity and Benefit Fund

To account for system capacity charges and 80% of sewer tap fees. These revenues are being used to maintain all sewer lift stations.

Construction Inspection Fund

To account for the construction inspection fees and landscape deposits made by developers.

THE CITY OF HILLIARD, OHIO
COMBINING BALANCE SHEET
SPECIAL REVENUE FUNDS
DECEMBER 31, 1999

	Street Maintenance and Repair	County Municipal Motor Vehicle Tax	Street Improvement Municipal Tax	Park Maintenance	Enforcement and Education	Law Enforcement Trust
Assets:						
Cash and Cash Equivalents	\$407,768	\$68,040	\$1,988,031	\$1,345	\$3,742	\$124
Receivables (net of allowances for doubtful accounts)						
Taxes	0	0	174,211	0	0	0
Due from Other Funds	0	0	0	0	300	0
Intergovernmental Receivables	17,300	16,832	0	0	0	0
Restricted Assets:						
Cash with Fiscal Agent	0	90,188	0	0	0	0
Total Assets	<u>\$425,068</u>	<u>\$175,060</u>	<u>\$2,162,242</u>	<u>\$1,345</u>	<u>\$4,042</u>	<u>\$124</u>
Liabilities and Fund Equity:						
Liabilities:						
Accounts Payable	\$4,651	\$4,513	\$74,714	\$0	\$0	\$0
Accrued Wages and Benefits	31,364	0	0	0	0	0
Intergovernmental Payables	7,413	0	62,749	0	0	0
Deferred Revenue	0	0	13,354	0	0	0
Total Liabilities	<u>43,428</u>	<u>4,513</u>	<u>150,817</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Equity:						
Reserved for Encumbrances	16,071	1,688	1,270,349	1,100	0	0
Unreserved	365,569	168,859	741,076	245	4,042	124
Total Fund Equity	<u>381,640</u>	<u>170,547</u>	<u>2,011,425</u>	<u>1,345</u>	<u>4,042</u>	<u>124</u>
Total Liabilities and Fund Equity	<u>\$425,068</u>	<u>\$175,060</u>	<u>\$2,162,242</u>	<u>\$1,345</u>	<u>\$4,042</u>	<u>\$124</u>

**THE CITY OF HILLIARD, OHIO
COMBINING BALANCE SHEET
SPECIAL REVENUE FUNDS
DECEMBER 31, 1999**

Mandatory Drug Fine	Law Enforcement Seizure	Mayor's Court Computer	Justice Seizure	Water Revenue	Sewer Revenue	Sewer Capacity and Benefit	Construction Inspection	Totals
\$2,170	\$2,527	\$26,663	\$256	\$5,175	\$17,439	\$1,422	\$297,340	\$2,822,042
0	0	0	0	0	0	0	0	174,211
0	0	1,397	0	0	0	0	0	1,697
0	0	0	0	33,952	27,252	0	0	95,336
0	0	0	0	0	0	0	0	90,188
<u>\$2,170</u>	<u>\$2,527</u>	<u>\$28,060</u>	<u>\$256</u>	<u>\$39,127</u>	<u>\$44,691</u>	<u>\$1,422</u>	<u>\$297,340</u>	<u>\$3,183,474</u>
\$0	\$0	\$0	\$0	\$1,151	\$1,631	\$1,074	\$0	\$87,734
0	0	0	0	12,335	1,833	15,265	10,462	71,259
0	0	0	0	27	0	145	55	70,389
0	0	0	0	0	0	0	0	13,354
0	0	0	0	13,513	3,464	16,484	10,517	242,736
0	0	0	0	4,195	0	0	278	1,293,681
2,170	2,527	28,060	256	21,419	41,227	(15,062)	286,545	1,647,057
2,170	2,527	28,060	256	25,614	41,227	(15,062)	286,823	2,940,738
<u>\$2,170</u>	<u>\$2,527</u>	<u>\$28,060</u>	<u>\$256</u>	<u>\$39,127</u>	<u>\$44,691</u>	<u>\$1,422</u>	<u>\$297,340</u>	<u>\$3,183,474</u>

THE CITY OF HILLIARD, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 1999

	Street Maintenance and Repair	County Municipal Motor Vehicle Tax	Street Improvement Municipal Tax	Park Maintenance	Enforcement and Education	Law Enforcement Trust
Revenues:						
Taxes	\$0	\$204,166	\$1,562,533	\$0	\$0	\$0
Intergovernmental Revenues	890,535	207,235	0	0	0	0
Charges for Services	0	0	1,853	94,240	0	0
Licenses, Permits and Fees	0	0	0	48,400	0	0
Fines and Forfeitures	0	0	0	0	2,885	0
All Other Revenues	0	0	1,830	0	0	0
Total Revenues	890,535	411,401	1,566,216	142,640	2,885	0
Expenditures:						
Current:						
Security of Persons and Property	0	0	0	0	5,719	419
Leisure Time Activities	0	0	0	246,335	0	0
Community Environment	0	0	0	0	0	0
Basic Utility Services	0	0	0	0	0	0
Transportation	742,497	438,376	434,061	0	0	0
General Government	0	0	0	0	0	0
Total Expenditures	742,497	438,376	434,061	246,335	5,719	419
Excess (Deficiency) of Revenues Over (Under) Expenditures	148,038	(26,975)	1,132,155	(103,695)	(2,834)	(419)
Other Financing Sources (Uses):						
Operating Transfers In	0	0	0	7,000	0	0
Operating Transfers Out	(12,000)	0	(523,357)	0	0	0
Total Other Financing Sources (Uses)	(12,000)	0	(523,357)	7,000	0	0
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	136,038	(26,975)	608,798	(96,695)	(2,834)	(419)
Fund Balance at Beginning of Year	245,602	197,522	1,402,627	98,040	6,876	543
Fund Balance (Deficit) at End of Year	\$381,640	\$170,547	\$2,011,425	\$1,345	\$4,042	\$124

THE CITY OF HILLIARD, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 1999

Mandatory Drug Fine	Law Enforcement Seizure	Mayor's Court Computer	Justice Seizure	Water Revenue	Sewer Revenue	Sewer Capacity and Benefit	Construction Inspection	Totals
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,766,699
0	0	0	0	0	0	0	0	1,097,770
0	0	0	0	188,857	142,772	270,720	241,214	939,656
0	0	0	0	0	0	0	0	48,400
0	0	16,656	6,105	0	0	0	0	25,646
0	0	0	0	8,453	0	0	3,825	14,108
0	0	16,656	6,105	197,310	142,772	270,720	245,039	3,892,279
0	119	0	5,849	0	0	0	0	12,106
0	0	0	0	0	0	0	0	246,335
0	0	0	0	0	0	0	213,789	213,789
0	0	0	0	272,837	156,127	315,438	0	744,402
0	0	0	0	0	0	0	0	1,614,934
0	0	20,684	0	0	0	0	0	20,684
0	119	20,684	5,849	272,837	156,127	315,438	213,789	2,852,250
0	(119)	(4,028)	256	(75,527)	(13,355)	(44,718)	31,250	1,040,029
0	0	0	0	0	0	5,000	0	12,000
0	0	0	0	0	0	0	0	(535,357)
0	0	0	0	0	0	5,000	0	(523,357)
0	(119)	(4,028)	256	(75,527)	(13,355)	(39,718)	31,250	516,672
2,170	2,646	32,088	0	101,141	54,582	24,656	255,573	2,424,066
<u>\$2,170</u>	<u>\$2,527</u>	<u>\$28,060</u>	<u>\$256</u>	<u>\$25,614</u>	<u>\$41,227</u>	<u>(\$15,062)</u>	<u>\$286,823</u>	<u>\$2,940,738</u>

THE CITY OF HILLIARD, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 1999

STREET MAINTENANCE AND REPAIR FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental Revenues	\$845,000	\$873,235	\$28,235
Total Revenues	845,000	873,235	28,235
Expenditures:			
Transportation:			
Personal Services	627,202	603,404	23,798
Contractual Services	16,201	13,223	2,978
Materials and Supplies	205,362	182,950	22,412
Total Expenditures	848,765	799,577	49,188
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,765)	73,658	77,423
Other Financing Sources (Uses):			
Operating Transfers Out	0	(12,000)	(12,000)
Total Other Financing Sources (Uses)	0	(12,000)	(12,000)
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(3,765)	61,658	65,423
Fund Balance at Beginning of Year	323,498	323,498	0
Prior Year Encumbrances	2,563	2,563	0
Fund Balance at End of Year	\$322,296	\$387,719	\$65,423

THE CITY OF HILLIARD, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 1999

COUNTY MUNICIPAL MOTOR VEHICLE TAX FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Taxes	\$206,000	\$203,469	(\$2,531)
Intergovernmental Revenues	91,000	90,921	(79)
Total Revenues	297,000	294,390	(2,610)
Expenditures:			
Transportation:			
Personal Services	40,000	7,732	32,268
Contractual Services	387,411	369,703	17,708
Materials and Supplies	10,000	10,000	0
Total Expenditures	437,411	387,435	49,976
Excess (Deficiency) of			
Revenues Over (Under) Expenditures	(140,411)	(93,045)	47,366
Fund Balance at Beginning of Year	76,140	76,140	0
Prior Year Encumbrances	80,411	80,411	0
Fund Balance at End of Year	\$16,140	\$63,506	\$47,366

THE CITY OF HILLIARD, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 1999

STREET IMPROVEMENT MUNICIPAL TAX FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Taxes	\$1,562,500	\$1,613,064	\$50,564
Charges for Services	1,000	1,853	853
All Other Revenues	10,000	1,830	(8,170)
Total Revenues	1,573,500	1,616,747	43,247
Expenditures:			
Transportation:			
Personal Services	90,000	12,687	77,313
Contractual Services	316,285	316,285	0
Capital Outlay	1,813,037	1,407,839	405,198
Total Expenditures	2,219,322	1,736,811	482,511
Excess (Deficiency) of Revenues Over (Under) Expenditures	(645,822)	(120,064)	525,758
Other Financing Sources (Uses):			
Operating Transfers Out	(523,357)	(523,357)	0
Income Tax Refunds	(51,250)	(54,818)	(3,568)
Total Other Financing Sources (Uses)	(574,607)	(578,175)	(3,568)
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(1,220,429)	(698,239)	522,190
Fund Balance at Beginning of Year	391,885	391,885	0
Prior Year Encumbrances	949,322	949,322	0
Fund Balance at End of Year	\$120,778	\$642,968	\$522,190

THE CITY OF HILLIARD, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 1999

PARK MAINTENANCE FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Charges for Services	\$120,000	\$94,240	(\$25,760)
Licenses, Permits and Fees	80,000	48,400	(31,600)
Total Revenues	<u>200,000</u>	<u>142,640</u>	<u>(57,360)</u>
<u>Expenditures:</u>			
Leisure Time Activities:			
Materials and Supplies	182,528	155,870	26,658
Capital Outlay	126,000	104,065	21,935
Total Expenditures	<u>308,528</u>	<u>259,935</u>	<u>48,593</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(108,528)	(117,295)	(8,767)
<u>Other Financing Sources (Uses):</u>			
Operating Transfers In	0	7,000	7,000
Total Other Financing Sources (Uses)	<u>0</u>	<u>7,000</u>	<u>7,000</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(108,528)	(110,295)	(1,767)
Fund Balance at Beginning of Year	93,012	93,012	0
Prior Year Encumbrances	17,528	17,528	0
Fund Balance at End of Year	<u>\$2,012</u>	<u>\$245</u>	<u>(\$1,767)</u>

THE CITY OF HILLIARD, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 1999

ENFORCEMENT AND EDUCATION FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Fines and Forfeitures	\$2,500	\$2,666	\$166
Total Revenues	2,500	2,666	166
<u>Expenditures:</u>			
Security of Persons and Property:			
Materials and Supplies	6,500	5,719	781
Total Expenditures	6,500	5,719	781
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,000)	(3,053)	947
Fund Balance at Beginning of Year	6,795	6,795	0
Fund Balance at End of Year	<u>\$2,795</u>	<u>\$3,742</u>	<u>\$947</u>

THE CITY OF HILLIARD, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 1999

LAW ENFORCEMENT TRUST FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Fines and Forfeitures	\$2,500	\$0	(\$2,500)
Total Revenues	2,500	0	(2,500)
<u>Expenditures:</u>			
Security of Persons and Property:			
Materials and Supplies	2,500	419	2,081
Total Expenditures	2,500	419	2,081
Excess (Deficiency) of			
Revenues Over (Under) Expenditures	0	(419)	(419)
Fund Balance at Beginning of Year	543	543	0
Fund Balance at End of Year	\$543	\$124	(\$419)

THE CITY OF HILLIARD, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 1999

MANDATORY DRUG FINE FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Fines and Forfeitures	\$1,000	\$0	(\$1,000)
Total Revenues	1,000	0	(1,000)
<u>Expenditures:</u>			
Security of Persons and Property:			
Materials and Supplies	2,500	0	2,500
Total Expenditures	2,500	0	2,500
Excess (Deficiency) of			
Revenues Over (Under) Expenditures	(1,500)	0	1,500
Fund Balance at Beginning of Year	2,170	2,170	0
Fund Balance at End of Year	\$670	\$2,170	\$1,500

THE CITY OF HILLIARD, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 1999

LAW ENFORCEMENT SEIZURE FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Fines and Forfeitures	\$500	\$0	(\$500)
Total Revenues	500	0	(500)
<u>Expenditures:</u>			
Security of Persons and Property:			
Materials and Supplies	2,500	119	2,381
Total Expenditures	2,500	119	2,381
Excess (Deficiency) of			
Revenues Over (Under) Expenditures	(2,000)	(119)	1,881
Fund Balance at Beginning of Year	2,646	2,646	0
Fund Balance at End of Year	<u>\$646</u>	<u>\$2,527</u>	<u>\$1,881</u>

THE CITY OF HILLIARD, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 1999

MAYOR'S COURT COMPUTER FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Fines and Forfeitures	\$20,000	\$16,949	(\$3,051)
Total Revenues	20,000	16,949	(3,051)
Expenditures:			
General Government:			
Contractual Services	20,000	17,514	2,486
Materials and Supplies	15,000	3,170	11,830
Total Expenditures	35,000	20,684	14,316
Excess (Deficiency) of Revenues Over (Under) Expenditures	(15,000)	(3,735)	11,265
Fund Balance at Beginning of Year	30,398	30,398	0
Fund Balance at End of Year	\$15,398	\$26,663	\$11,265

THE CITY OF HILLIARD, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 1999

JUSTICE SEIZURE FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Fines and Forfeitures	\$3,000	\$6,105	\$3,105
Total Revenues	3,000	6,105	3,105
<u>Expenditures:</u>			
Security of Persons and Property:			
Materials and Supplies	3,000	5,849	(2,849)
Total Expenditures	3,000	5,849	(2,849)
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	256	256
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	\$0	\$256	\$256

THE CITY OF HILLIARD, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 1999

WATER REVENUE FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Charges for Services	\$232,500	\$171,631	(\$60,869)
All Other Revenues	0	8,453	8,453
Total Revenues	232,500	180,084	(52,416)
Expenditures:			
Basic Utility Services:			
Personal Services	315,323	256,976	58,347
Materials and Supplies	26,192	25,840	352
Total Expenditures	341,515	282,816	58,699
Excess (Deficiency) of Revenues Over (Under) Expenditures	(109,015)	(102,732)	6,283
Fund Balance at Beginning of Year	101,193	101,193	0
Prior Year Encumbrances	2,192	2,192	0
Fund Balance at End of Year	(\$5,630)	\$653	\$6,283

THE CITY OF HILLIARD, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 1999

SEWER REVENUE FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Charges for Services	\$164,500	\$130,839	(\$33,661)
Total Revenues	164,500	130,839	(33,661)
<u>Expenditures:</u>			
Basic Utility Services:			
Personal Services	144,560	110,648	33,912
Contractual Services	30,000	26,739	3,261
Materials and Supplies	20,406	20,260	146
Capital Outlay	5,000	5,000	0
Total Expenditures	199,966	162,647	37,319
Excess (Deficiency) of			
Revenues Over (Under) Expenditures	(35,466)	(31,808)	3,658
Fund Balance at Beginning of Year	47,926	47,926	0
Prior Year Encumbrances	406	406	0
Fund Balance at End of Year	<u>\$12,866</u>	<u>\$16,524</u>	<u>\$3,658</u>

THE CITY OF HILLIARD, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 1999

SEWER CAPACITY AND BENEFIT FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Charges for Services	\$315,000	\$270,720	(\$44,280)
Total Revenues	315,000	270,720	(44,280)
<u>Expenditures:</u>			
Basic Utility Services:			
Personal Services	324,156	292,456	31,700
Contractual Services	2,000	387	1,613
Materials and Supplies	40,343	31,608	8,735
Total Expenditures	366,499	324,451	42,048
Excess (Deficiency) of Revenues Over (Under) Expenditures	(51,499)	(53,731)	(2,232)
<u>Other Financing Sources (Uses):</u>			
Operating Transfers In	0	5,000	5,000
Total Other Financing Sources (Uses)	0	5,000	5,000
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(51,499)	(48,731)	2,768
Fund Balance at Beginning of Year	46,784	46,784	0
Prior Year Encumbrances	2,343	2,343	0
Fund Balance at End of Year	(\$2,372)	\$396	\$2,768

THE CITY OF HILLIARD, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 1999

CONSTRUCTION INSPECTION FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Charges for Services	\$290,000	\$241,214	(\$48,786)
All Other Revenue	0	3,825	3,825
Total Revenues	290,000	245,039	(44,961)
Expenditures:			
Community Environment:			
Personal Services	191,175	161,123	30,052
Materials and Supplies	105,000	53,680	51,320
Total Expenditures	296,175	214,803	81,372
Excess (Deficiency) of			
Revenues Over (Under) Expenditures	(6,175)	30,236	36,411
Fund Balance at Beginning of Year	266,826	266,826	0
Fund Balance at End of Year	\$260,651	\$297,062	\$36,411

DEBT SERVICE FUNDS

The debt service funds are used to account for the accumulation of resources and payment of general obligation bond principal and interest from governmental resources and special assessment levies when the government is obligated in some manner for the payment.

General Obligation Bond Retirement Fund

To account for resources that are used for payment of principal, interest and fiscal charges on general obligation debt.

Special Assessment Bond Retirement Fund

To account for resources that are used for payment of principal, interest and fiscal charges on special assessment debt.

**THE CITY OF HILLIARD, OHIO
 COMBINING BALANCE SHEET
 DEBT SERVICE FUNDS
 DECEMBER 31, 1999**

	General Obligation Bond Retirement	Special Assessment Bond Retirement	Totals
Assets:			
Cash and Cash Equivalents	\$28,087	\$0	\$28,087
Receivables:			
Special Assessments	0	1,118,707	1,118,707
Total Assets	<u>\$28,087</u>	<u>\$1,118,707</u>	<u>\$1,146,794</u>
Liabilities:			
Deferred Revenue	\$0	\$1,118,707	\$1,118,707
Total Liabilities	<u>0</u>	<u>1,118,707</u>	<u>1,118,707</u>
Fund Equity:			
Fund Balances:			
Reserved for Debt Service	28,087	0	28,087
Total Fund Equity	<u>28,087</u>	<u>0</u>	<u>28,087</u>
Total Liabilities and Fund Equity	<u>\$28,087</u>	<u>\$1,118,707</u>	<u>\$1,146,794</u>

THE CITY OF HILLIARD, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
DEBT SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 1999

	General Obligation Bond Retirement	Special Assessment Bond Retirement	Totals
<u>Revenues:</u>			
Special Assessments	\$0	\$167,103	\$167,103
Total Revenues	0	167,103	167,103
<u>Expenditures:</u>			
Debt Service:			
Principal Retirement	740,000	107,000	847,000
Interest and Fiscal Charges	505,909	70,855	576,764
Total Expenditures	1,245,909	177,855	1,423,764
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,245,909)	(10,752)	(1,256,661)
<u>Other Financing Sources (Uses):</u>			
Proceeds from Refunding Bond Issue	2,348,603	0	2,348,603
Payment to Refunded Bond Escrow Agent	(2,365,545)	0	(2,365,545)
Operating Transfers In	1,248,605	1,756	1,250,361
Total Other Financing Sources (Uses)	1,231,663	1,756	1,233,419
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(14,246)	(8,996)	(23,242)
Fund Balance at Beginning of Year	42,333	8,996	51,329
Fund Balance at End of Year	\$28,087	\$0	\$28,087

THE CITY OF HILLIARD, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
DEBT SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 1999

GENERAL OBLIGATION BOND RETIREMENT FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Total Revenues	\$0	\$0	\$0
<u>Expenditures:</u>			
Debt Service:			
Principal Retirement	1,095,000	5,440,000	(4,345,000)
Interest and Fiscal Charges	652,805	717,223	(64,418)
Total Expenditures	1,747,805	6,157,223	(4,409,418)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,747,805)	(6,157,223)	(4,409,418)
<u>Other Financing Sources (Uses):</u>			
Proceeds from the Sale of Notes	0	2,950,000	2,950,000
Proceeds from the Sale of Bonds	0	1,594,957	1,594,957
Proceeds from Refunding Bond Issue	0	2,348,603	2,348,603
Payment to Refunded Bond Escrow Agent	0	(2,365,545)	(2,365,545)
Operating Transfers In	1,747,805	1,614,962	(132,843)
Total Other Financing Sources (Uses)	1,747,805	6,142,977	4,395,172
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	0	(14,246)	(14,246)
Fund Balance at Beginning of Year	42,333	42,333	0
Fund Balance at End of Year	\$42,333	\$28,087	(\$14,246)

THE CITY OF HILLIARD, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
DEBT SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 1999

SPECIAL ASSESSMENT BOND RETIREMENT FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Special Assessments	\$185,000	\$167,103	(\$17,897)
Total Revenues	185,000	167,103	(17,897)
<u>Expenditures:</u>			
Debt Service:			
Principal Retirement	107,000	107,000	0
Interest and Fiscal Charges	75,700	70,855	4,845
Total Expenditures	182,700	177,855	4,845
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,300	(10,752)	(13,052)
<u>Other Financing Sources (Uses):</u>			
Operating Transfers In	0	1,756	1,756
Total Other Financing Sources (Uses)	0	1,756	1,756
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	2,300	(8,996)	(11,296)
Fund Balance at Beginning of Year	8,996	8,996	0
Fund Balance at End of Year	\$11,296	\$0	(\$11,296)

CAPITAL PROJECTS FUNDS

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

Capital Improvement Municipal Tax Fund

To account for 25% of the City's income tax collections which is used for capital projects financing or related capital expenditures attributable to various capital improvements.

Hilliard-Rome Road Improvement Fund

To account for revenues received through the issuance of debt to finance additions and major repairs to Hilliard-Rome Road.

Britton Road Improvement Fund

To account for revenue received through the issuance of various debt instruments to finance additions and major repairs to Britton Road.

Leap Road Construction Fund

To account for revenue received through the issuance of various debt instruments to finance the engineering for the widening of Leap Road.

Water Tower Fund

To account for revenues received through the issuance of debt to finance the construction of a new water tower.

There was no budgetary activity to record for the following funds during 1999. All revenues and expenditures are related to accruals, therefore no budgetary schedules are included for these funds.

Recreation Improvement Fund

To account for revenues received through the issuance of debt to finance the construction of ballfields at the municipal park.

Water Main Improvement Fund

To account for revenues received through the issuance of debt to finance water main improvements.

Municipal Building Fund

To account for costs associated with the planning and construction of an addition to the City's municipal building.

**THE CITY OF HILLIARD, OHIO
COMBINING BALANCE SHEET
CAPITAL PROJECTS FUNDS
DECEMBER 31, 1999**

	Capital Improvement Municipal Tax	Hilliard-Rome Road Improvement	Recreation Improvement
Assets:			
Cash and Cash Equivalents	\$2,485,590	\$8,849	\$0
Receivables:			
Taxes	348,421	0	0
Total Assets	<u>\$2,834,011</u>	<u>\$8,849</u>	<u>\$0</u>
Liabilities and Fund Equity:			
Liabilities:			
Accounts Payable	\$82,097	\$0	\$0
Intergovernmental Payable	161,289	0	0
Accrued Interest Payable	11,015	0	4,957
Deferred Revenue	26,708	0	0
General Obligation Notes Payable	1,000,000	0	450,000
Total Liabilities	<u>1,281,109</u>	<u>0</u>	<u>454,957</u>
Fund Equity:			
Reserved for Encumbrances	2,022,674	8,813	0
Unreserved	(469,772)	36	(454,957)
Total Fund Equity	<u>1,552,902</u>	<u>8,849</u>	<u>(454,957)</u>
Total Liabilities and Fund Equity	<u>\$2,834,011</u>	<u>\$8,849</u>	<u>\$0</u>

**THE CITY OF HILLIARD, OHIO
COMBINING BALANCE SHEET
CAPITAL PROJECTS FUNDS
DECEMBER 31, 1999**

Britton Road Improvement	Water Main Improvement	Municipal Building	Leap Road Construction	Water Tower	Totals
\$5,093	\$0	\$0	\$154,268	\$2,498,948	\$5,152,748
0	0	0	0	0	348,421
<u>\$5,093</u>	<u>\$0</u>	<u>\$0</u>	<u>\$154,268</u>	<u>\$2,498,948</u>	<u>\$5,501,169</u>
\$0	\$0	\$0	\$12,180	\$1,100	\$95,377
0	0	0	0	0	161,289
0	0	13,769	535	43,313	73,589
0	0	0	0	0	26,708
0	0	1,250,000	250,000	2,500,000	5,450,000
0	0	1,263,769	262,715	2,544,413	5,806,963
0	0	0	136,697	1,613,014	3,781,198
5,093	0	(1,263,769)	(245,144)	(1,658,479)	(4,086,992)
5,093	0	(1,263,769)	(108,447)	(45,465)	(305,794)
<u>\$5,093</u>	<u>\$0</u>	<u>\$0</u>	<u>\$154,268</u>	<u>\$2,498,948</u>	<u>\$5,501,169</u>

THE CITY OF HILLIARD, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 1999

	Capital Improvement Municipal Tax	Hilliard-Rome Road Improvement	Recreation Improvement
Revenues:			
Taxes	\$3,125,067	\$0	\$0
All Other Revenues	10,000	0	0
Total Revenues	<u>3,135,067</u>	<u>0</u>	<u>0</u>
Expenditures:			
Capital Outlay	932,059	256,542	0
Debt Service:			
Principal Retirement	9,155	0	0
Interest and Fiscal Charges	41,501	0	32,852
Total Expenditures	<u>982,715</u>	<u>256,542</u>	<u>32,852</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,152,352	(256,542)	(32,852)
Other Financing Sources (Uses):			
Proceeds from General Obligation Bonds	0	0	478,487
Operating Transfers In	0	0	68,078
Operating Transfers Out	(866,589)	0	0
Total Other Financing Sources (Uses)	<u>(866,589)</u>	<u>0</u>	<u>546,565</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	1,285,763	(256,542)	513,713
Fund Balance (Deficit) at Beginning of Year	<u>267,139</u>	<u>265,391</u>	<u>(968,670)</u>
Fund Balance (Deficit) at End of Year	<u>\$1,552,902</u>	<u>\$8,849</u>	<u>(\$454,957)</u>

THE CITY OF HILLIARD, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 1999

Britton Road Improvement	Water Main Improvement	Municipal Building	Leap Road Construction	Water Tower	Totals
\$0	\$0	\$0	\$0	\$0	\$3,125,067
0	0	0	0	0	10,000
0	0	0	0	0	3,135,067
8,907	0	0	157,385	2,152	1,357,045
0	0	0	0	0	9,155
20,518	11,164	49,360	8,633	43,313	207,341
29,425	11,164	49,360	166,018	45,465	1,573,541
(29,425)	(11,164)	(49,360)	(166,018)	(45,465)	1,561,526
691,148	425,322	0	0	0	1,594,957
0	0	99,911	58,748	0	226,737
(1,617)	(995)	0	0	0	(869,201)
689,531	424,327	99,911	58,748	0	952,493
660,106	413,163	50,551	(107,270)	(45,465)	2,514,019
(655,013)	(413,163)	(1,314,320)	(1,177)	0	(2,819,813)
\$5,093	\$0	(\$1,263,769)	(\$108,447)	(\$45,465)	(\$305,794)

THE CITY OF HILLIARD, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 1999

CAPITAL IMPROVEMENT MUNICIPAL TAX FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Taxes	\$3,125,000	\$3,226,130	\$101,130
All Other Revenues	800,000	10,000	(790,000)
Total Revenues	3,925,000	3,236,130	(688,870)
Expenditures:			
Capital Outlay:			
Security of Persons	79,399	77,436	1,963
Leisure Time Activities	765,000	760,695	4,305
Community Environment	3,910	0	3,910
Basic Utility Services	1,791,691	984,396	807,295
Transportation	422,441	416,187	6,254
General Government	642,369	580,559	61,810
Total Expenditures	3,704,810	2,819,273	885,537
Excess (Deficiency) of Revenues Over (Under) Expenditures	220,190	416,857	196,667
Other Financing Sources (Uses):			
Operating Transfers Out	(1,144,789)	(1,008,821)	135,968
Income Tax Refunds	(102,500)	(109,637)	(7,137)
Total Other Financing Sources (Uses)	(1,247,289)	(1,118,458)	128,831
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(1,027,099)	(701,601)	325,498
Fund Balance at Beginning of Year	369,891	369,891	0
Prior Year Encumbrances	742,810	742,810	0
Fund Balance at End of Year	\$85,602	\$411,100	\$325,498

THE CITY OF HILLIARD, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 1999

HILLIARD-ROME ROAD IMPROVEMENT FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Total Revenues	\$0	\$0	\$0
<u>Expenditures:</u>			
Capital Outlay	336,200	336,200	0
Total Expenditures	336,200	336,200	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	(336,200)	(336,200)	0
Fund Balance at Beginning of Year	31,037	31,037	0
Prior Year Encumbrances	305,199	305,199	0
Fund Balance at End of Year	\$36	\$36	\$0

THE CITY OF HILLIARD, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 1999

BRITTON ROAD IMPROVEMENT FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Total Revenues	\$0	\$0	\$0
<u>Expenditures:</u>			
Capital Outlay	14,000	8,907	5,093
Total Expenditures	14,000	8,907	5,093
Excess (Deficiency) of			
Revenues Over (Under) Expenditures	(14,000)	(8,907)	5,093
Fund Balance at Beginning of Year	14,000	14,000	0
Fund Balance at End of Year	\$0	\$5,093	\$5,093

THE CITY OF HILLIARD, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 1999

LEAP ROAD CONSTRUCTION FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Total Revenues	\$0	\$0	\$0
<u>Expenditures:</u>			
Capital Outlay	1,050,432	310,875	739,557
Total Expenditures	1,050,432	310,875	739,557
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,050,432)	(310,875)	739,557
Fund Balance at Beginning of Year	198,834	198,834	0
Prior Year Encumbrances	117,432	117,432	0
Fund Balance at End of Year	(\$734,166)	\$5,391	\$739,557

THE CITY OF HILLIARD, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 1999

WATER TOWER FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Total Revenues	\$0	\$0	\$0
<u>Expenditures:</u>			
Capital Outlay	2,500,000	1,614,066	885,934
Total Expenditures	2,500,000	1,614,066	885,934
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,500,000)	(1,614,066)	885,934
<u>Other Financing Sources (Uses):</u>			
Proceeds from the Sale of Notes	2,500,000	2,500,000	0
Total Other Financing Sources (Uses)	2,500,000	2,500,000	0
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	0	885,934	885,934
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	<u>\$0</u>	<u>\$885,934</u>	<u>\$885,934</u>

FIDUCIARY FUND TYPES

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

EXPENDABLE TRUST FUND

Police Benevolent Fund

To account for all donations and charitable contributions to the City's police department for the D.A.R.E. program.

AGENCY FUNDS

Refund Trust Fund

To account for income tax refunds issued to individuals and corporations.

Columbus Escrow Fund

To account for the collection and distribution of charges for plumbing and electrical inspections provided by the City of Columbus, Franklin County Board of Health and electrical contractors. This fund also accounts for the collection and remittance of sewer capacity charges to the City of Columbus.

Mayor's Court Fund

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

THE CITY OF HILLIARD, OHIO
COMBINING BALANCE SHEET
FIDUCIARY FUNDS
DECEMBER 31, 1999

	<i>Expendable</i>				<i>Totals</i>
	<i>Trust Fund</i>	<i>Agency Funds</i>			
	Police Benevolent	Refund Trust	Columbus Escrow	Mayor's Court	
<u>Assets:</u>					
Cash and Cash Equivalents	\$17,173	\$12,664	\$45,728	\$0	\$75,565
Restricted Assets:					
Cash with Fiscal Agent	0	0	0	29,001	29,001
Total Assets	<u>\$17,173</u>	<u>\$12,664</u>	<u>\$45,728</u>	<u>\$29,001</u>	<u>\$104,566</u>
<u>Liabilities and Fund Equity:</u>					
Liabilities:					
Accounts Payable	\$0	\$0	\$1,338	\$0	\$1,338
Due to Other Funds	0	0	0	21,193	21,193
Intergovernmental Payables	0	0	44,390	3,740	48,130
Due to Others	0	0	0	4,068	4,068
Undistributed Monies	0	12,664	0	0	12,664
Total Liabilities	<u>0</u>	<u>12,664</u>	<u>45,728</u>	<u>29,001</u>	<u>87,393</u>
Fund Equity:					
Unreserved	17,173	0	0	0	17,173
Total Fund Equity	<u>17,173</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>17,173</u>
Total Liabilities and Fund Equity	<u>\$17,173</u>	<u>\$12,664</u>	<u>\$45,728</u>	<u>\$29,001</u>	<u>\$104,566</u>

THE CITY OF HILLIARD, OHIO
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 1999

	Balance December 31, 1998	Additions	Deductions	Balance December 31, 1999
<u>Refund Trust Fund</u>				
Assets:				
Cash and Cash Equivalents	\$3,016	\$516,742	(\$507,094)	\$12,664
Total Assets	<u>\$3,016</u>	<u>\$516,742</u>	<u>(\$507,094)</u>	<u>\$12,664</u>
Liabilities:				
Undistributed Monies	\$3,016	\$516,742	(\$507,094)	\$12,664
Total Liabilities	<u>\$3,016</u>	<u>\$516,742</u>	<u>(\$507,094)</u>	<u>\$12,664</u>
<u>Columbus Escrow Fund</u>				
Assets:				
Cash and Cash Equivalents	\$84,906	\$429,526	(\$468,704)	\$45,728
Total Assets	<u>\$84,906</u>	<u>\$429,526</u>	<u>(\$468,704)</u>	<u>\$45,728</u>
Liabilities:				
Accounts Payable	\$2,899	\$1,338	(\$2,899)	\$1,338
Intergovernmental Payable	82,007	428,188	(465,805)	44,390
Total Liabilities	<u>\$84,906</u>	<u>\$429,526</u>	<u>(\$468,704)</u>	<u>\$45,728</u>
<u>Mayor's Court Fund</u>				
Assets:				
Cash with Fiscal Agent	\$29,617	\$271,867	(\$272,483)	\$29,001
Total Assets	<u>\$29,617</u>	<u>\$271,867</u>	<u>(\$272,483)</u>	<u>\$29,001</u>
Liabilities:				
Due to Other Funds	\$19,228	\$198,671	(\$196,706)	\$21,193
Intergovernmental Payable	4,300	35,061	(35,621)	3,740
Due to Others	6,089	38,135	(40,156)	4,068
Total Liabilities	<u>\$29,617</u>	<u>\$271,867</u>	<u>(\$272,483)</u>	<u>\$29,001</u>
<u>Totals - All Agency Funds</u>				
Assets:				
Cash and Cash Equivalents	\$87,922	\$946,268	(\$975,798)	\$58,392
Cash with Fiscal Agent	29,617	271,867	(272,483)	29,001
Total Assets	<u>\$117,539</u>	<u>\$1,218,135</u>	<u>(\$1,248,281)</u>	<u>\$87,393</u>
Liabilities:				
Accounts Payable	\$2,899	\$1,338	(\$2,899)	\$1,338
Due to Other Funds	19,228	198,671	(196,706)	21,193
Intergovernmental Payables	86,307	463,249	(501,426)	48,130
Due to Others	6,089	38,135	(40,156)	4,068
Undistributed Monies	3,016	516,742	(507,094)	12,664
Total Liabilities	<u>\$117,539</u>	<u>\$1,218,135</u>	<u>(\$1,248,281)</u>	<u>\$87,393</u>

GENERAL FIXED ASSETS ACCOUNT GROUP

General Fixed Assets Account Group is used to account for general fixed assets of the City.

THE CITY OF HILLIARD, OHIO
SCHEDULE OF GENERAL FIXED ASSETS
BY SOURCE
DECEMBER 31, 1999

General Fixed Assets:

Land	\$2,610,207
Buildings	5,102,594
Improvements Other Than Buildings	1,222,385
Machinery and Equipment	1,289,319
Furniture and Fixtures	704,891
Vehicles	1,379,614
Construction in Progress	38,341
Total General Fixed Assets	<u>\$12,347,351</u>

Investment in General Fixed Assets from:

Acquired Prior to December 31, 1990	\$2,627,294
General Fund	9,152,843
Special Revenue Funds	343,601
Capital Project Funds	111,163
Donated	112,450
Total Investment in General Fixed Assets	<u>\$12,347,351</u>

THE CITY OF HILLIARD, OHIO
SCHEDULE OF GENERAL FIXED ASSETS
BY CATEGORY
DECEMBER 31, 1999

Function and Activity	Land	Buildings	Improvements Other Than Buildings	Machinery and Equipment	Furniture and Fixtures
<u>General Government:</u>					
Mayor	\$0	\$0	\$0	\$102,156	\$24,689
Finance	0	0	0	88,646	32,084
Buildings and Grounds	708,774	4,064,873	0	6,279	0
Engineering	0	0	0	53,938	3,766
Total	<u>708,774</u>	<u>4,064,873</u>	<u>0</u>	<u>251,019</u>	<u>60,539</u>
<u>Security of Persons and Property:</u>					
Police	0	0	0	312,952	399,448
<u>Transportation:</u>					
Street	0	0	0	386,154	3,623
<u>Basic Utility Services:</u>					
Refuse Collection	0	0	0	37,606	0
<u>Leisure Time Activities:</u>					
Recreation	1,831,433	1,037,721	1,222,385	284,374	229,073
<u>Community Environment:</u>					
Economic and Community Development	70,000	0	0	17,214	12,208
General Fixed Assets	<u>\$2,610,207</u>	<u>\$5,102,594</u>	<u>\$1,222,385</u>	<u>\$1,289,319</u>	<u>\$704,891</u>

THE CITY OF HILLIARD, OHIO
SCHEDULE OF GENERAL FIXED ASSETS
BY CATEGORY
DECEMBER 31, 1999

Vehicles	Construction in Progress	Total
\$0	\$0	\$126,845
0	0	120,730
0	0	4,779,926
30,904	0	88,608
<u>30,904</u>	<u>0</u>	<u>5,116,109</u>
631,409	0	1,343,809
527,801	0	917,578
16,138	0	53,744
173,362	38,341	4,816,689
<u>0</u>	<u>0</u>	<u>99,422</u>
<u>\$1,379,614</u>	<u>\$38,341</u>	<u>\$12,347,351</u>

THE CITY OF HILLIARD, OHIO
SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS
BY FUNCTION AND ACTIVITY
FOR THE YEAR ENDED DECEMBER 31, 1999

Function and Activity	December 31, 1998	Transfers	Additions	Deletions	December 31, 1999
<u>General Government:</u>					
Mayor	\$129,418	(\$5,942)	\$14,440	(\$11,071)	\$126,845
Finance	118,678	0	2,052	0	120,730
Buildings and Grounds	4,778,412	0	1,514	0	4,779,926
Engineering	77,857	4,502	6,249	0	88,608
Total	<u>5,104,365</u>	<u>(1,440)</u>	<u>24,255</u>	<u>(11,071)</u>	<u>5,116,109</u>
<u>Security of Persons and Property:</u>					
Police	1,232,240	0	196,390	(84,821)	1,343,809
<u>Transportation:</u>					
Street	797,015	1,440	120,176	(1,053)	917,578
<u>Basic Utility Services:</u>					
Refuse Collection	53,744	0	0	0	53,744
<u>Leisure Time Activities:</u>					
Recreation	4,055,659	0	764,930	(3,900)	4,816,689
<u>Community Environment:</u>					
Economic and Community Development	108,385	0	0	(8,963)	99,422
Total General Fixed Assets	<u><u>\$11,351,408</u></u>	<u><u>\$0</u></u>	<u><u>\$1,105,751</u></u>	<u><u>(\$109,808)</u></u>	<u><u>\$12,347,351</u></u>

CITY OF HILLIARD, OHIO

STATISTICAL SECTION



*Concession Building at the new lighted
baseball facility • 1997*

(Hilliard Municipal Park)

STATISTICAL TABLES

THE FOLLOWING UNAUDITED STATISTICAL TABLES REFLECT SOCIAL AND ECONOMIC DATA, FINANCIAL TRENDS AND FISCAL CAPACITY OF THE CITY.

THE CITY OF HILLIARD, OHIO
GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION (1)
LAST TEN YEARS

Year	Security of Persons and Property	Public Health and Welfare	Leisure Time Activities	Community Environment	Basic			Capital Outlay	Debt Service	Total
					Utility Services	Trans- portation	General Government			
1990	\$1,899,258	\$34,500	\$703,959	\$479,516	\$402,332	\$817,081	\$873,093	\$1,174,548	\$7,382,713	
1991	2,173,926	34,500	918,517	694,999	771,917	1,008,482	22,544	651,263	7,455,041	
1992	2,473,128	34,916	1,017,940	506,194	994,237	1,324,928	0	3,282,723	10,936,675	
1993	2,613,583	43,491	1,073,526	520,430	917,392	1,087,477	4,650	1,174,784	8,722,161	
1994	2,959,027	48,599	1,196,784	517,153	1,093,653	2,189,727	0	1,131,742	10,576,806	
1995	3,217,552	51,850	1,289,407	617,201	1,282,733	1,790,372	0	1,187,724	11,278,044	
1996	3,489,649	55,924	1,447,065	699,920	1,209,784	1,724,518	0	1,461,772	13,182,321	
1997	3,955,924	61,979	1,706,528	617,115	1,198,919	1,284,805	0	1,384,440	12,890,046	
1998	4,354,550	64,784	1,988,345	861,126	1,378,198	1,975,372	0	1,364,496	14,527,101	
1999	4,709,597	77,937	2,304,495	1,052,595	1,422,919	1,614,934	0	1,434,159	17,012,821	

(1) Includes General Fund, Special Revenue Funds and Debt Service Funds

THE CITY OF HILLIARD, OHIO
GENERAL GOVERNMENTAL REVENUES BY SOURCE (1)
LAST TEN YEARS

Year	Taxes	Inter-Governmental Revenue	Charges for Service	Licenses and Permits	Investment Earnings	Special Assessments	Fines and Forfeitures	All Other	Total
1990	\$4,800,681	\$1,070,015	\$1,174,307	\$375,146	\$205,557	\$214,513	(2)	\$215,877	\$8,056,096
1991	3,738,191	1,361,793	1,390,229	248,499	154,568	203,111	104,518	92,415	7,293,324
1992	4,503,747	1,411,787	1,369,341	294,387	121,854	194,464	166,671	104,790	8,167,041
1993	4,997,254	1,501,596	1,571,372	318,988	93,849	208,753	141,753	723	8,834,288
1994	6,007,460	1,660,355	1,751,644	375,603	160,564	183,010	128,386	70,880	10,337,902
1995	7,364,844	1,728,826	1,436,738	478,486	426,417	210,307	145,140	101,334	11,892,092
1996	8,079,880	1,840,503	1,739,484	491,935	418,249	198,456	192,374	194,166	13,155,047
1997	8,652,085	2,025,852	1,321,832	346,811	467,456	193,399	217,496	146,121	13,371,052
1998	10,399,120	2,199,226	1,777,254	387,125	389,020	171,474	227,632	124,254	15,675,105
1999	10,536,133	2,510,280	1,661,365	351,828	545,081	167,103	228,963	46,848	16,047,601

(1) Includes General Fund, Special Revenue Funds and Debt Service Funds

(2) Fines and Forfeitures were combined with Licenses and Permits.

THE CITY OF HILLIARD, OHIO
MUNICIPAL INCOME TAX REVENUES
LAST TEN YEARS

Year	Amount	Percentage Increase
1990	\$4,235,794	8.7%
1991	4,593,127	8.4%
1992	5,448,936	18.6%
1993	6,098,131	11.9%
1994	7,537,820	23.6%
1995	8,843,496	17.3%
1996	9,498,106	7.4%
1997	10,209,272	7.5%
1998	12,313,215	20.6%
1999	12,394,148	0.7%

Source: City Income Tax Department

THE CITY OF HILLIARD, OHIO
REAL PROPERTY TAX LEVIES AND COLLECTIONS (1)
LAST TEN YEARS

Collection Year	Total Tax Levy	(1)			Total Tax Collections	Percent of Total Tax Collections To Tax Levy		Accumulated Outstanding Delinquent Taxes	Percentage of Accumulated Delinquent Taxes to Total Tax Levy
		Current Tax Collections	Delinquent Tax Collections	Total Tax Collections		To Tax Levy	Delinquent Taxes		
1990	\$226,412	\$209,564	\$4,258	\$213,822	94.44%	\$11,150	4.92%		
1991	292,764	273,683	11,772	285,455	97.50%	10,822	3.70%		
1992	326,285	310,632	11,739	322,371	98.80%	7,478	2.29%		
1993	362,819	344,841	11,361	356,202	98.18%	10,813	2.98%		
1994	444,881	423,860	10,311	434,171	97.59%	13,707	3.08%		
1995	488,215	468,380	12,328	480,708	98.46%	11,067	2.27%		
1996	553,325	530,722	7,502	538,224	97.27%	21,906	3.96%		
1997	636,876	606,399	15,227	621,626	97.61%	28,521	4.48%		
1998	764,962	749,963	27,096	777,059	101.58%	38,650	5.05%		
1999	818,899	809,787	19,134	828,921	101.22%	31,188	3.81%		

(2)

Source: Franklin County Auditor

(1) State reimbursement of rollback and homestead exemptions are included.

(2) Amounts listed include penalties and interest.

THE CITY OF HILLIARD, OHIO
TANGIBLE PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN YEARS

Collection Year	Total Tax Levy	Current Tax Collections	Delinquent Tax Collections	Total Tax Collections	Percent of Total Tax Collections		Accumulated Outstanding Delinquent Taxes	Percentage of Accumulated Delinquent Taxes to Total Tax Levy
					To Tax Levy	To Tax Levy		
1990	\$57,447	\$54,329	\$2,575	\$56,904	99.05%	99.05%	\$2,369	4.12%
1991	64,147	61,865	2,272	64,137	99.98%	99.98%	2,282	3.56%
1992	62,278	60,139	4,954	65,093	104.52%	104.52%	4,570	7.34%
1993	69,531	63,662	6,282	69,944	100.59%	100.59%	4,052	5.83%
1994	65,777	61,494	2,436	63,930	97.19%	97.19%	4,489	6.82%
1995	71,529	70,557	2,873	73,430	102.66%	102.66%	3,684	5.15%
1996	90,566	85,434	2,172	87,606	96.73%	96.73%	6,143	6.78%
1997	94,938	90,394	2,270	92,664	97.60%	97.60%	4,252	4.48%
1998	97,445	93,657	17,020	110,677	113.58%	113.58%	7,078	7.26%
1999	112,367	109,825	5,590	115,415	102.71%	102.71%	6,828	6.08%

Source: Franklin County Auditor

THE CITY OF HILLIARD, OHIO
ASSESSED VALUATIONS AND ESTIMATED TRUE VALUES
OF TAXABLE PROPERTY
LAST TEN YEARS

Tax Levy Year	Real Property		Public Utility Personal		Tangible Personal Property		Total		Assessed Value as a Percent of Actual Value
	Assessed	Actual	Assessed	Actual	Assessed	Actual	Assessed	Actual	
1990	\$163,565,290	\$467,329,400	\$11,137,570	\$31,821,629	\$34,728,008	\$99,222,880	\$209,430,868	\$598,373,909	35.00%
1991	183,000,530	522,858,657	13,247,630	37,850,371	38,611,130	110,317,514	234,859,290	671,026,542	35.00%
1992	204,010,070	582,885,914	14,613,800	41,753,714	37,459,689	149,838,756	256,083,559	774,478,384	33.07%
1993	252,973,070	722,780,200	15,782,550	45,093,000	40,600,481	162,401,924	309,356,101	930,275,124	33.25%
1994	262,037,980	748,679,943	16,574,950	47,357,000	55,128,585	220,514,340	333,741,515	1,016,551,283	32.83%
1995	322,605,580	921,730,229	16,607,520	47,450,057	41,899,796	167,599,184	381,112,896	1,136,779,470	33.53%
1996	375,958,820	1,074,168,057	19,257,710	55,022,029	54,300,913	217,203,652	449,517,443	1,346,393,738	33.39%
1997	396,902,200	1,134,006,286	20,296,580	57,990,229	62,190,825	248,763,300	479,389,605	1,440,759,815	33.27%
1998	421,012,750	1,202,893,571	20,399,890	58,285,400	60,902,842	243,611,368	502,315,482	1,504,790,339	33.38%
1999	490,788,860	1,402,253,886	20,593,850	58,839,571	70,229,428	280,917,712	581,612,138	1,742,011,169	33.39%

Source: Franklin County Auditor

THE CITY OF HILLIARD, OHIO
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
(PER \$1,000 OF ASSESSED VALUATIONS)
LAST TEN YEARS

Collection Year	City of Hilliard		Franklin County	Metropolitan Library	Norwich Township	Vocational School	Total
	General Fund	Hilliard City School District					
1990	1.60	47.17	10.82	2.20	11.50	1.60	74.89
1991	1.60	45.46	10.54	2.20	11.50	1.60	72.90
1992	1.60	47.08	12.42	2.20	11.50	1.60	76.40
1993	1.60	51.58	14.87	2.20	11.50	1.60	83.35
1994	1.60	50.37	14.57	2.20	11.50	1.60	81.84
1995	1.60	52.15	14.57	2.20	11.50	1.60	83.62
1996	1.60	60.65	14.82	2.20	11.50	1.60	92.37
1997	1.60	60.28	15.12	2.20	11.50	1.60	92.30
1998	1.60	59.71	17.54	2.20	17.50	1.60	100.15
1999	1.60	59.71	17.64	2.20	17.50	1.60	100.25

Source: Franklin County Auditor
Franklin County Treasurer

THE CITY OF HILLIARD, OHIO
SPECIAL ASSESSMENT BILLINGS AND COLLECTIONS
LAST TEN YEARS

Collection Year	Amount Billed	Amount Collected	Percent Collected
1990	\$203,599	\$214,512	105.36%
1991	203,720	203,111	99.70%
1992	189,698	194,464	102.51%
1993	188,470	208,753	110.76%
1994	194,129	183,010	94.27%
1995	203,294	209,564	103.08%
1996	183,670	198,456	108.05%
1997	171,145	193,398	113.00%
1998	166,950	96,648	57.89%
1999	167,290	167,249	99.98%

Source: Franklin County Auditor

THE CITY OF HILLIARD, OHIO
COMPUTATION OF LEGAL DEBT MARGIN
DECEMBER 31, 1999

	Total Debt	Unvoted Debt
Net Assessed Valuation	\$581,612,138	\$581,612,138
Legal Debt Limitation (%) (1)	10.50%	5.50%
Legal Debt Limitation (\$) (1)	61,069,274	31,988,668
Applicable City Debt Outstanding (2)	14,525,000	14,525,000
Less: Applicable Debt Service Fund Amounts	(28,087)	(28,087)
Net Indebtedness Subject to Limitation	14,496,913	14,496,913
Legal Debt Margin	\$46,572,361	\$17,491,755

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

(2) City Debt Outstanding Includes Non Self-Supporting General Obligation Notes and Bonds Only.

THE CITY OF HILLIARD, OHIO
RATIO OF NET GENERAL OBLIGATION BONDED DEBT TO ASSESSED
VALUE AND NET GENERAL OBLIGATION BONDED DEBT PER CAPITA
LAST TEN YEARS

Year	Population (1)	Assessed Value (2)	Net Bonded Debt (3)	Ratio of Net Bonded Debt to Assessed Valuation	Net Bonded Debt Per Capita
1990	14,292	\$209,430	\$5,389,358	2.57%	\$377.09
1991	15,000	234,859	5,224,857	2.22%	348.32
1992	16,000	256,084	7,442,574	2.91%	465.16
1993	16,500	309,356	7,020,721	2.27%	425.50
1994	17,000	333,741	6,585,640	1.97%	387.39
1995	17,903	381,113	9,616,763	2.52%	537.16
1996	18,774	449,517	9,011,628	2.00%	480.01
1997	19,281	479,389	8,345,691	1.74%	432.85
1998	21,065	502,315	7,672,667	1.53%	364.24
1999	22,506	581,612	8,446,913	1.45%	375.32

(1) Source: "Population Estimates and Projections", published by the U.S. Department of Commerce, Bureau of Census.

(2) Source: Franklin County Auditor (shown in thousands)

(3) Includes all general obligation bonded debt supported by property taxes less balance available in debt service fund.

THE CITY OF HILLIARD, OHIO
RATIO OF ANNUAL DEBT SERVICE EXPENDITURES
FOR GENERAL OBLIGATION BONDED DEBT TO TOTAL GENERAL GOVERNMENTAL EXPENDITURES (1)
LAST TEN YEARS

Year	Debt		Debt Interest	Total Debt Service	Total General Governmental Expenditures		Ratio of Tax Debt Service to General Governmental Expenditures
	Principal						
1990	\$55,000		\$320,866	\$375,866	\$7,382,713		5.09%
1991	65,000		350,450	415,450	7,455,041		5.57%
1992	150,000		527,596	677,596	10,936,675		6.20%
1993	430,000		528,603	958,603	8,722,161		10.99%
1994	435,000		486,224	921,224	10,576,806		8.71%
1995	475,000		444,276	919,276	11,278,044		8.15%
1996	605,000		663,679	1,268,679	13,182,321		9.62%
1997	640,000		551,557	1,191,557	12,890,046		9.24%
1998	665,000		517,233	1,182,233	14,527,101		8.14%
1999	740,000		505,909	1,245,909	17,012,821		7.32%

(1) Includes General Fund, Special Revenue Funds and Debt Service Funds

THE CITY OF HILLIARD, OHIO
COMPUTATION OF ALL DIRECT AND OVERLAPPING GOVERNMENTAL DEBT
DECEMBER 31, 1999

Jurisdiction	Net Debt Outstanding	Percentage Applicable to City of Hilliard (2)	Amount Applicable to City of Hilliard
Direct			
City of Hilliard (1)	\$14,496,913	100.00%	\$14,496,913
Overlapping Subdivisions			
Hilliard City School District	92,257,004	35.02%	32,308,403
Dublin City School District	128,354,989	0.04%	51,342
Franklin County	175,903,975	2.77%	4,872,540
Washington Township	2,810,000	0.09%	2,529
		Subtotal	<u>37,234,814</u>
		Total	<u><u>\$51,731,727</u></u>

Source: Franklin County Auditor and Fiscal Officers of Subdivision.

(1) Net debt outstanding equals the amount of general obligation notes and bonds outstanding less the amount available in the debt service fund.

(2) Percentages determined by dividing each overlapping subdivision's assessed valuation within the City by the subdivision's total assessed valuation.

THE CITY OF HILLIARD, OHIO
DEMOGRAPHIC STATISTICS
LAST TEN YEARS

Year	Population (1)	Per Capita Income (2)	Unemployment Rate		School Enrollment (3)
			Franklin County Area (2)		
1990	14,292	\$16,478	3.9%		5,746
1991	15,000	17,129	4.1%		6,573
1992	16,000	17,728	5.0%		7,862
1993	16,500	18,437	4.6%		8,630
1994	17,000	20,000	3.9%		8,703
1995	17,903	21,100	2.8%		10,030
1996	18,774	21,733	3.2%		10,668
1997	19,281	22,385	2.7%		11,224
1998	21,065	23,057	2.5%		12,002
1999	22,506	23,749	2.5%		12,492

- (1) Source: "Population Estimates and Projections", published by the U.S.
Department of Commerce, Bureau of Census
- (2) State Department of Labor
- (3) Hilliard City School District, Board of Education.

THE CITY OF HILLIARD, OHIO
PROPERTY VALUE AND CONSTRUCTION PERMITS
LAST TEN YEARS

Tax Levy Year	Total Real Property Assessed Value	Residential		Commercial		Industrial	
		Number of Permits	Construction Value	Number of Permits	Construction Value	Number of Permits	Construction Value
1990	\$163,565,290	417	\$52,941,216	52	\$11,521,147	1	\$350,000
1991	183,000,530	481	59,680,220	29	1,493,479	2	668,926
1992	204,010,070	478	58,778,956	31	19,541,210	3	485,289
1993	252,973,070	576	69,873,558	24	7,589,493	6	1,926,000
1994	262,037,980	526	82,690,980	64	57,255,297	0	0
1995	322,605,580	462	63,325,739	67	38,012,919	0	0
1996	375,958,820	424	67,308,664	69	6,973,738	0	0
1997	396,902,200	232	42,707,408	65	18,760,862	0	0
1998	421,012,750	220	48,904,375	15	8,562,908	0	0
1999	490,788,860	219	52,180,707	10	4,945,000	0	0

Source: City of Hilliard Building Department.

THE CITY OF HILLIARD, OHIO
PRINCIPAL TAXPAYERS (PERSONAL PROPERTY TAX)
DECEMBER 31, 1999

	Taxpayer	Type of Business	1999 Assessed Valuation (Tax Duplicate)	Percentage of Total Assessed Valuation
1.	WorldCom Advanced Networks	Computer Information Services	\$15,398,620	21.92%
2.	Dana Corporation	Manufacturing	5,552,420	7.91%
3.	Central Funding Inc.	Real Estate Holding Company	2,483,310	3.54%
4.	Nifco US Corporation	Manufacturing - Automotive Industry	2,424,550	3.45%
5.	Medex, Inc.	Manufacturing - Medical Supplies	2,237,510	3.19%
6.	Micro Center, Inc.	Manufacturing/Retail - Computer Supplies	1,951,440	2.78%
7.	NCS Healthcare of Ohio	Healthcare	1,544,470	2.20%
8.	Corporate Sales Micro Center Inc.	Manufacturing/Retail - Computer Equipment	1,520,030	2.16%
9.	Baesman Printing Corporation	Publishing	1,454,000	2.07%
10.	Armstrong World Industries	Manufacturing	1,410,500	2.01%
		Sub-Total	35,976,850	51.23%
		All Others	34,252,578	48.77%
		Total	\$70,229,428	100.00%

Based on valuation of property taxes levied in 1999.
Source: Franklin County Auditor - Land and Buildings.

THE CITY OF HILLIARD, OHIO
PRINCIPAL TAXPAYERS (REAL PROPERTY PROPERTY TAX)
DECEMBER 31, 1999

Taxpayer	Type of Business	1999 Assessed Valuation (Tax Duplicate)	Percentage of Total Assessed Valuation
1. One Mill L. L. C.	Commercial Real Estate	\$5,599,760	1.14%
2. United Dominion Realty LP	Real Estate	5,387,900	1.10%
3. First Industrial, LP	Commercial Real Estate	2,966,260	0.61%
4. TR Properties, Inc. & TR Development V Inc.	Commercial Real Estate	2,966,110	0.60%
5. Real Estate Finance Trust 1995-K-4	Commercial Real Estate	2,800,010	0.57%
6. Garden Ridge Hilliard	Retail	2,607,500	0.53%
7. Red Roof Inns, Inc.	Hospitality - Corporate Headquarters	2,192,370	0.45%
8. Heritage Golf Club, LP	Golf Course	2,000,340	0.41%
9. Armstrong World Industries, Inc.	Manufacturing	1,981,000	0.40%
10. Tri-Columbus Associates	Commercial Real Estate	1,925,010	0.39%
	Sub-Total	30,426,260	6.20%
	All Others	460,362,600	93.80%
	Total	\$490,788,860	100.00%

Based on valuation of property taxes levied in 1999.
Source: Franklin County Auditor - Land and Buildings.

THE CITY OF HILLIARD, OHIO
PRINCIPAL TAXPAYERS (INCOME TAX)
DECEMBER 31, 1999

Taxpayer	Type of Business
1. WorldCom Advanced Networks	Computer Information Services
2. Hilliard City Schools	Education
3. Red Roof Inns, Inc.	Hospitality - Corporate Headquarters
4. Gates McDonald & Company	Actuarial Services
5. Micro Electronics, Inc.	Manufacturing/Retail - Computer Equipment
6. Dana Corporation	Manufacturing
7. Baesman Printing Corporation	Computation / Printing
8. Honda of America MFG. Inc.	Manufacturing - Automotive Industry
9. Novus/Discover Card Services, Inc.	Credit Processing Services
10. Medex, Inc.	Manufacturing - Medical Supplies

Source: Hilliard City Income Tax Department

THE CITY OF HILLIARD, OHIO
MISCELLANEOUS STATISTICS

DECEMBER 31, 1999

Date of Incorporation	1869				
Effective Date of Charter	January 1, 1963	City Employees:			
Form of Government	Mayor-Council	Number of Full Time	135	Recreation and Culture:	
Area (square miles)	14	Number of Part Time	186	Number of Parks	18
				Park Area (acres)	227
Facilities and Services:		Police Services:		Number of Playgrounds	10
Miles of Streets	93.0	Number of Stations	1	Number of Swimming Pools	2
Number of Street Lights	419	Number of Police and Officers	43	Number of Ball Fields	28
Miles of Water Mains	97	Fire/Emergency Medical Services: (1)		Number of Tennis Courts	6
Miles of Sanitary Sewers	118	Number of Stations	1	Number of Community Centers	1
Miles of Storm Sewers	85	Number of Firemen and Officers	53	Number of Senior Centers	1
		Number of Paramedics	36	Education: (2)	
				Elementary Schools	12
Building Permits Issued in 1999:	229			Elementary School Students	7,453
				Elementary School Instructors	637
				Secondary Schools	4
				Secondary School Students	5,039
				Secondary School Instructors	495
				Student / Teacher Ratio	1 to 11.03

(1) Fire Protection provided by Norwich Township.

(2) Total School District data provided by the Hilliard City School District.





STATE OF OHIO
OFFICE OF THE AUDITOR

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CITY OF HILLIARD

FRANKLIN COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
JULY 18, 2000**