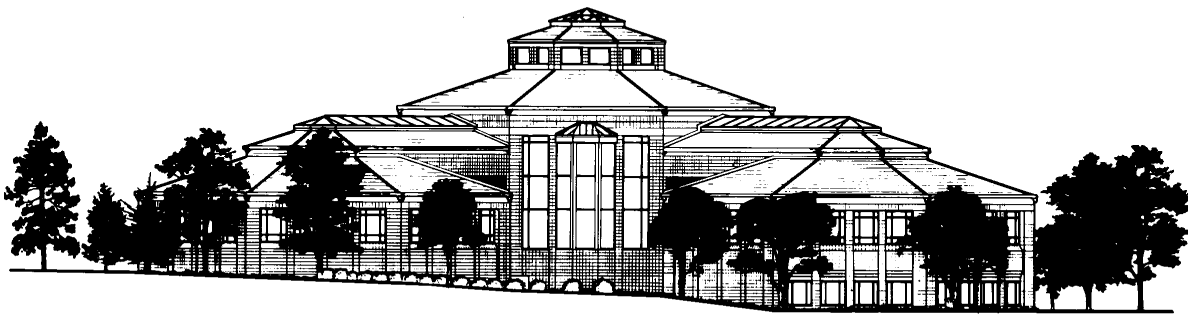


CITY OF SPRINGDALE, OHIO

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2000



PREPARED BY:

FINANCE DEPARTMENT

**ACCOUNT
CLERK I**

Cynthia A. Miller

**ACCOUNT
CLERK II**

Martha R. Holden

**FINANCE OFFICER/
TAX COMMISSIONER**

Jeffrey T. Williams

**CLERK OF COUNCIL/
FINANCE DIRECTOR**

Edward F. Knox



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

88 East Broad Street
P.O. Box 1140
Columbus, Ohio 43216-1140
Telephone 614-466-4514
800-282-0370
Facsimile 614-466-4490
www.auditor.state.oh.us

Honorable Mayor and City Council
City of Springdale, Ohio

We have reviewed the independent auditor's report of the City of Springdale, Hamilton County, prepared by Berge & Company LTD, Certified Public Accountants, for the audit period January 1, 2000 through December 31, 2000. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

JIM PETRO
Auditor of State

July 26, 2001

This Page is Intentionally Left Blank.

**CITY OF SPRINGDALE, OHIO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2000**

TABLE OF CONTENTS

INTRODUCTORY SECTION

Letter of Transmittal	1
Elected Officials and Administrative Personnel	13
Index of Funds	14
Organizational Table	15

FINANCIAL SECTION

Report of Independent Auditors	17
General Purpose Financial Statements:	
Combined Balance Sheet – All Fund Types and Account Groups	20
Combined Statement of Revenues, Expenditures and Changes in Fund Balances – All Governmental Fund Types	25
Combined Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual (Non-GAAP Budgetary Basis) – All Governmental Fund Types	26
Statement of Revenues, Expenses and Changes in Retained Earnings – Enterprise Fund	28
Statement of Cash Flows – Enterprise Fund	29
Notes to Financial Statements	30
Combining and Individual Fund Financial Statements and Account Group Schedules:	
<u>Special Revenue Funds:</u>	
Combining Balance Sheet	58
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	60

TABLE OF CONTENTS (Continued)

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual (Non-GAAP Basis):

Street Construction, Maintenance and Repair Fund	62
State Highway Fund	63
Grants Fund	64
Drug Law Enforcement Fund	65
Law Enforcement Fund	66
Driving Under the Influence Fund	67
Residential Recycling Incentive Fund	68
Vehicle Immobilization Fee Fund	69
Parks and Urban Forestry Fund	70
Total Special Revenue Funds	71
<u>Capital Projects Funds:</u>	
Combining Balance Sheet	74
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	75
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual (Non-GAAP Basis):	
Capital Improvements Fund	76
Northwest Business Center Tax Increment Financing Fund	77
Total Capital Projects Funds	78
<u>Agency Funds:</u>	
Combining Balance Sheet	80
Schedule of Changes in Assets and Liabilities:	
Mayor’s Court Fund	81

TABLE OF CONTENTS (Continued)

Unclaimed Money Fund	82
Ohio Board of Building Standards Assessment Fund	83
Fire Insurance Proceeds Fund	84
Total Agency Funds	85
<u>General Fixed Assets Account Group:</u>	
Schedule of General Fixed Assets by Source	88
Schedule of General Fixed Assets by Category	89
Schedule of Changes in General Fixed Assets by Function and Activity	90
 <u>STATISTICAL SECTION</u>	
General Governmental Expenditures by Function – For the Year Ended December 31, 2000 (Graph)	91
General Governmental Revenues by Source – For the Year Ended December 31, 2000 (Graph)	93
General Governmental Expenditures by Function – Last Ten Fiscal Years	94
General Governmental Revenues by Source – Last Ten Fiscal Years	95
Property Tax Levies and Collections – Last Ten Fiscal Years	96
Assessed and Estimated Actual Value of Property – Last Ten Fiscal Years	97
Property Tax Rates – Direct and Overlapping Governments – Last Ten Fiscal Years	98
Special Assessment Billings and Collections – Last Ten Fiscal Years	99
Computation of Legal Debt Margin	100
Ratio of Net General Bonded Debt to Assessed Value and Net Bonded Debt per Capita – Last Ten Fiscal Years	101
Ratio of Annual Debt Service Expenditures for General Bonded Debt to Total General Governmental Expenditures – Last Ten Fiscal Years	102

TABLE OF CONTENTS (Continued)

Computation of Direct and Overlapping Debt	103
Revenue Bond Coverage – Last Ten Fiscal Years	104
Demographic Statistics – Last Ten Fiscal Years	105
Property Value, Construction and Bank Deposits – Last Ten Fiscal Years	106
Principal Property Taxpayers	107
Principal Employers	108
Other Statistics	109

INTRODUCTORY SECTION

This Page is Intentionally Left Blank.



DOYLE H. WEBSTER
Mayor

CECIL W. OSBORN
City Administrator

EDWARD F. KNOX
Clerk of Council / Finance Director

June 8, 2001

Honorable Doyle H. Webster, Members of City Council and
the Citizens of the City of Springdale
City of Springdale, Ohio
11700 Springfield Pike
Springdale, Ohio 45246

Dear Mayor Webster, Members of City Council and Citizens:

The Comprehensive Annual Financial Report of the City of Springdale, Ohio, for the year ended December 31, 2000, is hereby submitted. While there is no legal requirement for the preparation of this report, it represents a commitment by the City of Springdale to conform to nationally recognized standards of excellence in financial reporting. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the management of the City of Springdale. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner that presents fairly the financial position and results of operations of the various funds and account groups of the City of Springdale. All disclosures necessary to enable the reader to gain an understanding of the City of Springdale's activities have been included.

The Comprehensive Annual Financial Report is presented in three sections as follows:

1. Introductory Section – includes this letter of transmittal, which addresses the organization, accomplishments, and operational structure of the City; a list of the elected officials and administrative personnel; an index of funds, and the City's organizational chart.
2. Financial Section – includes the Report of Independent Auditors, the general purpose financial statements and notes, which provide an overview of the City's financial position and operating results, and the combining financial statements of individual funds and account groups.
3. Statistical Section – presents social and economic data, financial trend information, and data relative to the fiscal capacity of the City.

REPORTING ENTITY

The accompanying general purpose financial statements comply with the provisions of Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, in that the financial statements include all the funds and account groups of the primary government. The primary government consists of all the organizations, activities, and functions that are not legally separate from the City. Component units are legally separate organizations for which the City is financially accountable. The City would consider an organization to be a component unit if: (1) the City appoints a voting majority of the organization's body and is able to impose its will on that organization or there is a potential for the organization to provide specific financial burdens on the City; or (2) the organization is fiscally dependent upon the City; or (3) the nature of the relationship between the City and the organization is such that the exclusion from the financial reporting entity would render the financial statements misleading.

Based on the foregoing, potential component units were considered for inclusion. The City has no component units.

THE CITY OF SPRINGDALE

The City of Springdale is an Ohio community located in northern Hamilton County, approximately twenty miles from downtown Cincinnati. The City is 5.08 square miles and serves an estimated residential population of 10,600 and an estimated daytime population ranging from 55,000 to 60,000. The City maintains a highly developed commercial and industrial community, as well as stable, well-maintained residential neighborhoods. The City has been the recipient of the "Tree City USA" award for the past nine years.

The City was settled in the early 1800's and was incorporated as a Village in December, 1959, and became a City in February, 1971. The City is a home rule municipal corporation operating under its own charter, initially adopted on November 3, 1964, and last amended on November 7, 2000.

The City operates under a non-partisan Council/Mayor form of government. Under this system, seven council members, who are the policy makers (three elected at-large and four elected by districts), serve four-year terms. The Mayor is the chief executive and administrative officer of the City and is elected at-large to a four-year term. The Mayor appoints the City Administrator and all executive department directors, with the exception of the Finance Officer/Tax Commissioner, who is appointed by the Clerk of Council/Finance Director with the confirmation of City Council. The Clerk of Council/Finance Director is the chief fiscal officer of the City and is elected at-large to a four-year term.

The City provides a full range of services including police and fire protection; parks and recreation; planning and zoning; sanitation services; construction and maintenance of highways, streets and infrastructure; recreational activities and cultural events; and general administrative services. The following is a brief summary of the City departments:

Administration Department

The Administration Department is responsible for providing support to all elected officials, information to the public and leadership and administrative support to City employees in executing the policies of Council and the laws of the City through effective communication, fiscal management, human resource management, and risk management. The department consists of the City Administrator, Assistant City Administrator, Senior Administrative Assistant, Administrative Assistant, Secretary, and Custodian.

Police Department

The Police Department is responsible for interacting with the community and promoting public safety and providing service through crime prevention, proactive and responsive patrols, investigations, and support service. The department consists of the Police Chief, Assistant Police Chief, three Patrol Lieutenants, three Patrol Sergeants, twenty-two Patrol Officers, Investigative Sergeant/Lieutenant, three Investigators, D.A.R.E. Officer, Office Manager, seven Violations Bureau Clerks, and Custodian.

Fire Department

The Fire Department is responsible for preserving life and property by maintaining a corps of professional, properly trained and fully equipped personnel capable of providing fire prevention, fire suppression and rescue, and emergency medical services. The department consists of the Fire Chief, Assistant Fire Chief, three Fire Captains, nine Firefighter/Paramedics, six Firefighter/EMT's, Fire Inspector, Secretary, fifteen part-time Firefighter/Paramedics, and six part-time Firefighter/EMT's.

Building Department

The Building Department is responsible for ensuring a safe and sanitary environment for the community through enforcing City and State laws relating to new and existing construction and land use regulation. The Building Official enforces the provisions of the City code, issues zoning and plan reviews, and issues permits for new construction, modifications, and repairs. The department consists of the Building Official, Inspection Supervisor, Building Inspector, Property Maintenance Code Inspector, and Administrative Secretary.

Finance Department

The Finance Department is responsible for financial management of the City's funds by recording receipts and expenditures, maintaining accurate financial records, investing inactive funds, and issuing the year-end financial report in accordance with generally accepted accounting principles. The department consists of the Clerk of Council/Finance Director, Finance Officer/Tax Commissioner, and two Account Clerks.

Tax Department

The Tax Department is responsible for enforcing the City tax code by collecting the City earnings tax, assisting taxpayers in the preparation of tax returns, issuing tax refunds, and maintaining accurate taxpayer records. The department consists of the Clerk of Council/Finance Director, Finance Officer/Tax Commissioner, four Account Clerks, Administrative Secretary, and a part-time Clerk-Typist.

Parks and Recreation Department

The Parks and Recreation Department is responsible for providing year-round leisure activities and providing well-maintained facilities for City citizens of all ages and interests, and maintaining the City Community Center, playgrounds, and parks. The department consists of the Parks and Recreation Director, three Assistant Directors, Administrative Assistant, Maintenance Crew Leader, four Maintenance Workers, Custodian, six part-time Secretaries, five part-time Party Workers, seven part-time Instructors, two part-time Child-Care Workers, part-time Custodian, and thirty-one seasonal employees.

Health Department

The Health Department is responsible for protecting and promoting the health and well being of the people who live and work in the City through effective health policy that promotes disease prevention and community health education. The department consists of the Health Commissioner, Nurse, Secretary, part-time Nurse, and two part-time Sanitarians.

Public Works Department

The Public Works Department is responsible for providing a safe, effective, aesthetically pleasing physical environment through street maintenance and improvement, public building, grounds, and facilities maintenance, vehicle and equipment maintenance, and environmental services. The department consists of the Public Works Superintendent, Public Works Inspector, two Crew Leaders, two Mechanics, ten Maintenance Workers, Secretary, and nine seasonal employees.

ECONOMIC CONDITIONS AND OUTLOOK

Local Economy

The City of Springdale currently enjoys a favorable economic environment and local indicators point to continued stability. The estimated daytime population of the City ranges from 55,000 to 60,000, representing the workforce for approximately 1,310 businesses and organizations. Currently, 23 businesses in Springdale employ greater than 350 employees. The unemployment rate for the Greater Cincinnati area for the year 2000 was 3.6%.

Tri-County Mall, Princeton Plaza, Cassinelli Square and other commercial sites, collectively totaling more than three million square feet, comprise the largest concentration of retail development in Hamilton County. Springdale has approximately 1.7 million square feet of office space, representing more than 12% of all office space in the suburban Greater Cincinnati area. Springdale also has approximately 1,000 hotel rooms, 100 restaurants, and 18 theatre screens.

Industries Affecting the Local Economy

Springdale is fortunate to have local and national businesses included as part of the corporate citizenry, including General Electric, Concordia Properties, Proctor and Gamble, Avon, Wal-Mart, Paragon Health Services, J.C. Penny, Cincom Systems, Fidelity Mortgage, and Sears Roebuck and Company.

Springdale has a wide variety of manufacturing businesses, including the Avon Company (cosmetic manufacturing), and the Ampac Company (plastic bag manufacturing).

Springdale also has many retail and restaurant businesses including Sears, Roebuck and Company, Wal-Mart, Lazarus, Dick's Sporting Goods, Costco, Lowes, Best Buy, the Outback Steakhouse, Applebee's, and TGI Fridays.

Currently there are seven hotels and motels operating in the City, representing more than 1,000 rooms.

Future Economic Outlook

The future for the City of Springdale's economy appears very prosperous. A major project under construction is the Pictoria Island Business District located at Interstate 275 and State Route 4. When completed, the area will include an eight-story two-hundred fifty-six thousand square foot class A office building, a six-story, one hundred ninety-one thousand square foot Class A office tower, three five-story, 100,000 square foot class B office towers, two five-level public parking garages holding approximately 1,878 cars, and four high-end restaurants.

MAJOR INITIATIVES

Major Projects for 2000

- * Pictoria Island Tax Increment Financing (TIF) Project – Phase One: Under this project, the City issued TIF Bond Anticipation Notes in the past and in 2000 the notes were retired and TIF Revenue Bonds were issued to finance the construction of certain improvements. Under the TIF agreement, the owners of the property remit service payments twice a year to Hamilton County, who in turn remit these amounts to the City for payment of the debt. The TIF project started in 1994 with the issuance of the aforementioned notes in the amount of \$2,000,000. In 2000, the notes were retired with the issuance of long-term bonds for the purpose of completing phase one of the project, which included construction of the infrastructure, as well as the construction of the Bahama Breeze Restaurant (opened in 2000).
- * Fire Truck/Arial Tower: In 2000, a fire truck was purchased for \$603,000. The fire truck includes a 100-foot aerial platform.
- * Community Center Expansion Project: The planning and design for the Community Center Expansion Project was started in 1998 and construction began in 1999. At the end of 2000, the construction for the project was substantially completed. The expansion included two gymnasiums, a large gameroom, an adult gameroom, three meeting/conference rooms, a studio/aerobic room, a fitness area, a running track around the gymnasium, a child-care area, a computer resource room, two restrooms, two pool locker rooms, a batting cage, as well as renovation of the existing locker rooms. The total project was budgeted at \$8,950,000. \$4,100,000 was expended in 2000.
- * East Kemper Road Construction Project – Phase One: This project will add an eastbound lane on Kemper Road from the State Route 747 intersection to Tri-County Parkway. It will also add an additional left-turn lane from westbound Kemper Road to southbound State Route 747. This project was budgeted at \$1,690,000. \$266,000 was expended in 2000 for engineering and right-of-way costs.
- * State Route 747/CSX Grade Separation Project: This project will allow traffic to flow under the current railroad crossing on State Route 747 near the Tri-County Mall. This project is budgeted at \$13,000,000 and is projected to span the years 1995 to 2005. \$382,600 was expended in 2000 for engineering services.

Future Projects

- * Pictoria Island Tax Increment Financing (TIF) Project – Phase Two and Three: Phase two of this project involves the City issuing \$10,000,000 of TIF Bond Anticipation Notes in 2001 for the construction of a five-level public parking garage adjacent to an eight-story (two-hundred fifty-six thousand square foot) office building. Construction for phase two is expected to begin in 2002 with completion in 2004. Phase three involves the City issuing \$6,500,000 of TIF Bond Anticipation Notes in 2004 for the construction of a five-level parking garage adjacent to a six-story (one hundred ninety-one thousand square foot) office tower. Construction for phase three is expected to begin in 2005 with completion in 2006.

- * Fire Department Eastern Substation Project: This project will be the construction of a freestanding fire substation to be located in the northeast quadrant of Springdale. Construction is projected for the years 2003 and 2004 and is budgeted at \$1,100,000.
- * East Kemper Road Construction Project - Phases Two and Three: As stated above, phase one of this project will add an eastbound lane on Kemper Road from the State Route 747 intersection to Tri-County Parkway. It will also add an additional left-turn lane from westbound Kemper Road to southbound State Route 747. Phase two will include the widening of Kemper Road at Century Boulevard to allow dual left-turn lanes in each direction and the addition of dedicated right-turn only lanes both eastbound and westbound on Kemper Road. Phase two is scheduled for 2001 and 2002 and is budgeted at \$1,065,000. Phase three will include adding an additional eastbound lane on Kemper Road and the widening of the bridge over the CSX railroad. Phase three is scheduled for 2004 and 2005 and is budgeted at \$2,058,000.
- * South State Route 4 Improvements Project: This project will occur in three phases. Phase one includes improvements at the Sharon Road/State Route 4 intersection and is scheduled to begin in 2001 and is budgeted at approximately \$174,000. Phase two includes improvements north of the intersection to the south property line of the Nazarene Church on State Route 4 and is scheduled to begin in 2003 and is budgeted at approximately \$304,920. Phase three includes improvements from the Nazarene Church to Northland Boulevard and is scheduled to begin in 2005 and budgeted at approximately \$838,530.
- * Avon Drive Project: This project will involve the construction of a public street from North Commerce Way east to Progress Place. The project is scheduled to begin in 2003 and to be completed in 2005, and is budgeted at \$1,310,000.
- * State Route 747/CSX Grade Separation Project: As mentioned above, this project will allow traffic to flow under the current railroad crossing on State Route 747 near the Tri-County Mall. This project is budgeted at \$13,000,000. Negotiations and purchase of the required right-of-way as well as further engineering is scheduled in 2001. Construction of the above-ground lighting is scheduled in 2002. Construction of the underpass grade separation is scheduled for 2003 and 2004.

FINANCIAL INFORMATION

Internal Control Framework

City management is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft, or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure was designed to provide reasonable assurance that these objectives are met through evaluation of the following criteria: (1) The cost of an internal control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits required involves estimates and judgments by management. Management believes that the City's internal control structure provides reasonable assurance that assets are safeguarded, transactions are recorded and reported appropriately and policies are followed.

Budgetary Controls

In addition to the above, the City maintains budgetary internal controls to ensure compliance with legal provisions embodied in the annual appropriated budget by City Council. The activity of all funds is included in the annual appropriation budget. Prior to 2001, the level of budgetary control (the level at

which expenditures cannot legally exceed the appropriated amount) was established at the fund, function, and account code level for all required budgeted funds. For the 2001 appropriations, the legal level of budgetary control was established at the departmental level for the general fund and the fund level for all remaining funds. Responsibility for budgetary control rests with the individual departments.

The City also maintains an encumbrance accounting system to maintain budgetary control. The control is maintained through the encumbering of estimated purchases prior to the release of formal purchase orders. Encumbered amounts do not lapse at year-end, unused encumbrances are carried over to the following year.

City Council receives a monthly report of amounts in the City's bank accounts reconciled to the amounts on the City's internal records. Also, Council and department directors receive a monthly report comparing budgeted and actual revenue and expenditures.

As demonstrated by the statements and schedules included in the financial section of this report, the City continues meeting its responsibility for sound financial management.

Fund Categories and Types

The City uses funds classified into three categories, governmental funds, proprietary fund, and fiduciary funds. The funds within each category are described as follows:

Governmental Fund Type - Governmental funds are those 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 based upon the determination and changes of financial position. The following are the City's governmental funds:

General Fund - This fund is the general operating fund of the City and is used to account for all revenues and expenditures, which are not required to be accounted for in another fund.

Special Revenue Funds - These funds are established to account for the proceeds of specific revenue sources other than amounts legally restricted to expenditures for specific purposes.

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

Proprietary Fund Type - Proprietary funds account for operations that are organized to be self-supporting through user charges. The City's proprietary fund type consists of an enterprise fund.

Enterprise Fund - This fund is established to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent is that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

Fiduciary Fund Type - Fiduciary funds are used to account for assets held by the City as a trustee or as an agent for individuals, private organizations, or other units of government. The City's fiduciary funds consist only of agency funds.

Agency Funds - Agency funds are custodial in nature and do not involve measurement of the results of operations.

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

General Fixed Assets Account Group – This is used to account for general fixed assets acquired principally for general purposes.

General Long-Term Obligations Account Group – This is used to account for all long-term obligations that are not a specific liability of the enterprise fund.

General Governmental Functions

Revenues for general governmental functions (including all governmental fund types except capital projects funds) totaled \$14,752,732 in 2000, representing an increase of \$18,889 (.13%) from 1999. The following schedule presents a summary of general governmental revenues on a GAAP basis for the years ended December 31, 2000 and 1999.

<u>Revenue Source</u>	2000 <u>Total</u>	Percentage Of <u>Total</u>	1999 <u>Total</u>	Percentage of <u>Total</u>	Percentage <u>Change</u>
Municipal income taxes	\$9,444,629	64.02%	\$9,422,000	63.94%	.24%
Property and other taxes	1,955,520	13.25%	3,620,759	24.57%	(46.00%)
Intergovernmental	1,863,086	12.63%	643,997	4.37%	189.00%
Charges for services	223,021	1.51%	253,829	1.72%	(12.13%)
Fines and forfeitures	200,780	1.36%	196,447	1.33%	2.20%
Fees, license and permits	488,475	3.31%	268,842	1.82%	81.69%
Interest	408,468	2.76%	279,006	1.90%	46.39%
Contributions	67,047	.45%	37,480	.25%	78.88%
Other	101,706	.71%	11,483	.10%	785.70%
Total	<u><u>\$14,752,732</u></u>	<u><u>100%</u></u>	<u><u>\$14,733,843</u></u>	<u><u>100%</u></u>	<u><u>.13%</u></u>

Expenditures for general governmental purposes, (including all governmental fund types except capital projects funds), totaled \$11,849,531 for the year ended December 31, 2000, an increase of \$830,013 (7.71%) from 1999. The following schedule presents a summary of general governmental expenditures on a GAAP basis for the years ended December 31, 2000 and 1999.

<u>Function</u>	<u>2000 Total</u>	<u>Percentage Of Total</u>	<u>1999 Total</u>	<u>Percentage Of Total</u>	<u>Percentage Change</u>
Security of persons and property	\$5,352,896	45.17%	\$5,166,718	46.89%	3.60%
Public health services	243,067	2.05%	223,293	2.03%	8.85%
Leisure time activities	992,255	8.37%	959,916	8.71%	3.37%
Community environment	501,117	4.22%	364,744	3.30%	37.38%
Basic utility services	340,792	2.87%	331,385	3.00%	2.83%
Transportation	1,245,609	10.55%	1,301,797	11.81%	(4.31%)
General government	2,636,218	22.24%	2,671,665	24.26%	(1.32%)
Capital outlay	537,577	4.53%	0	0%	100%
Total	\$11,849,531	100%	\$11,019,518	100%	7.71%

Proprietary Operations

The City's proprietary operation consists of one enterprise fund. The adult sports fund is a self-supporting fund used to account for the fees collected and the costs incurred for adults who participate in league sports at the City's Community Center. It is the City's intent that the cost of providing the adult league sports be recovered primarily through user fees. The operating expenses of this fund consist of officials' fees, awards, registration fees, and miscellaneous supplies. For the year ended December 31, 2000, this fund generated operating revenue of \$7,845, operating expenses of \$8,771, a net loss of \$926, and an ending retained earnings balance of \$2,375.

Fiduciary Operations

The City maintains a fiduciary fund type consisting of four agency funds; the Mayor's court fund, the Ohio Board of Building Standards (OBBS) assessment fund, the unclaimed money fund, and the fire insurance proceeds fund.

In 2000, these funds collected the following revenues: the Mayor's court fund collected \$258,112, the OBBS fund collected \$4,852, the unclaimed money fund collected \$3,104, and the fire insurance proceeds fund collected \$22,000.

Debt Administration

At December 31, 2000, the City had the following debt issues outstanding:

- * \$3,034,440 of Tax Increment Financing Revenue Bonds
- * \$6,400,000 of Recreation Facility Improvement Bond Anticipation Notes

Under the current City Charter, the City's 2000 general obligation bonded debt issuance was subject to a legal limitation of \$47,884,054, based on 10 percent of the total assessed value of real and personal property located within the City. As of December 31, 2000, the City's net general obligation bonded debt was \$0.

Cash Management

The City's investment and depository policy is based on the Ohio Revised Code, Chapter 135, and includes the following objectives and general guidelines:

- * preservation of capital and protection of principle while earning investment interest.
- * investments are to remain liquid to meet reasonable anticipated operating requirements.
- * investment instruments shall be purchased for the safety of capital as well as the income to be derived and never for speculation.
- * manage bank account relations to secure adequate services while minimizing costs.

During 2000, the City invested in deposit accounts, certificates of deposit, and the STAR Ohio investment pool operated by the Treasurer of the State of Ohio. The City earned \$722,307 of interest income on all investments and deposit accounts for the year ended December 31, 2000. Interest income is allocated to the general fund, special revenue fund, and capital projects fund as prescribed by Ohio law and City policy.

While the deposits of the City as of December 31, 2000 are defined by the standards of the Governmental Accounting Standards Board as uncollateralized, all deposits were made under agreements with local banking establishments whereby collateral in the amount of 110 percent of uninsured deposits has been pledged.

Risk Management

The City is one of sixteen members of a joint insurance pool, the Miami Valley Risk Management Association Inc. (MVRMA), located in Centerville, Ohio. The pool has been operational since December 1, 1988 and was formed in accordance with Section 2744 of the Ohio Revised Code and is intended to provide broad-based coverage with increased emphasis on safety and loss prevention. This joint venture covers all property, crime, liability, boiler and machinery, and public official liability up to certain limits.

MVRMA is a corporation governed by a sixteen-member board of trustees, consisting of a representative appointed by each of the member cities. The board of trustees elects the officers of the corporation, with each trustee having a single vote. The board is responsible for its own financial matters and the corporation maintains its own account records. Budgeting and financing of MVRMA are subject to the approval of the board of trustees.

For the year ended December 31, 2000, the participant cities were: Beavercreek, Blue Ash, Indian Hill, Kettering, Maderia, Mason, Miamisburg, Montgomery, Sidney, Springdale, Tipp City, Troy, Vandalia, West Carrollton, Wilmington, and Wyoming.

A summary of financial information for MVRMA as of December 31, 1999, is as follows:

Current assets	\$4,703,854
Total assets	\$4,742,119
Current liabilities	\$2,965,412
Long-term liabilities	\$ 0
Members retained earnings	\$1,776,707

The City pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

The City manages coverage related to hospital/medical and dental benefits for its employees on a self-insured basis. This activity is accounted for within the general fund. The hospital/medical plan operates on a cost-sharing basis with the maximum annual employee cost being \$1,000 for a single employee and \$2,000 for a covered family. The City provides a dental plan with coverage ranging from 50 percent to 100 percent depending on the type of dental work performed. There is a monthly charge for employees enrolled in the dental plan. A third party administrator (United Medical Resources) reviews all claims which are then paid by the City. The City is responsible for up to \$25,000 per employee (specific limit) and \$1,000,000 lifetime medical coverage. Upon exceeding the \$25,000 limit, the City's stop loss coverage applies. The City records a liability for claims incurred but not reported (IBNR) in accordance with GASB Statement No. 10.

OTHER INFORMATION

Independent Audit

State statute requires that an annual audit be performed by the Auditor of State or by an independent certified public accountant approved by the Auditor of State. Berge and Company LTD has performed the City audit for the year ended December 31, 2000. Generally accepted auditing standards and the standards set forth in the General Accounting Office's *Government Auditing Standards* were used by the auditors in conducting the engagement. The auditors' report on the general purpose financial statements and the combining and individual fund statements and schedules are included in the financial section of this report. The auditors' report on internal controls and compliance with applicable laws and regulations can be found in a separately issued audit report.

Acknowledgements

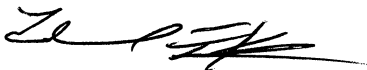
The timely preparation of the Comprehensive Annual Financial Report for the year ended December 31, 2000 was made possible by the efficient and dedicated service of the staff of the Finance Department as well as the other City departments. We express our sincere appreciation for the contributions made in the preparation of this report.

Also, we would like to thank the Mayor and the City Council for their interest and support in planning and conducting the financial operations of the City in a dedicated and responsible manner.

Respectfully submitted,



Cecil W. Osborn
City Administrator



Edward F. Knox
Clerk of Council/Finance Director



Jeffrey T. Williams
Finance Officer/Tax Commissioner

(This page intentionally left blank)

**CITY OF SPRINGDALE, OHIO
ELECTED OFFICIALS AND ADMINISTRATIVE PERSONNEL
AS OF DECEMBER 31, 2000**

ELECTED OFFICIALS

<u>Name</u>	<u>Title</u>	<u>Term of Office</u>	<u>Salary</u>
Doyle H. Webster	Mayor	12/01/99-11/30/03	\$ 18,000
Kathy McNear	President	12/01/99-11/30/03	7,350
Tom Vanover	Vice-President	12/01/97-11/30/01	6,750
Marjorie Pollitt	Member	12/01/97-11/30/01	6,750
Robert Wilson	Member	12/01/97-11/30/01	6,750
Randy Danbury	Member	12/01/97-11/30/01	6,750
Jim Squires	Member	12/01/99-11/30/03	6,750
Steve Galster	Member	12/01/99-11/30/03	6,750
Edward F. Knox*	Clerk of Council/ Finance Director	12/01/99-11/30/03	14,400

ADMINISTRATIVE PERSONNEL

Cecil W. Osborn, City Administrator
Derrick Parham, Assistant City Administrator

James H. Burton, Parks and Recreation Director
David Butsch, Superintendent of Public Works
Michael Laage, Chief of Police
William McErlane, Building Official
Robert Posega, Fire Chief
Jeffrey T. Williams, Finance Officer/Tax Commissioner*

David Winfough, Health Commissioner
Kenneth J. Schneider, Law Director
Wayne F. Shuler, City Engineer
John Flessa, City Prosecutor
Terry Gaines, City Magistrate

* Surety bond is held with the St. Paul Fire and Marine Insurance Company for the amount of \$50,000. The bond is renewed annually.

**CITY OF SPRINGDALE, OHIO
INDEX OF FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2000**

Governmental Fund Types

General Fund

Special Revenue Funds:

- Street Construction, Maintenance and Repair Fund
- State Highway Fund
- Grants Fund
- Drug Law Enforcement Fund
- Law Enforcement Fund
- Driving Under the Influence Fund
- Residential Recycling Incentive Fund
- Vehicle Immobilization Fee Fund
- Parks and Urban Forestry Fund

Capital Projects Funds:

- Capital Improvements Fund
- Northwest Business Center Tax Increment Financing Fund

Proprietary Fund Type:

Enterprise Fund:

- Adult Sports Fund

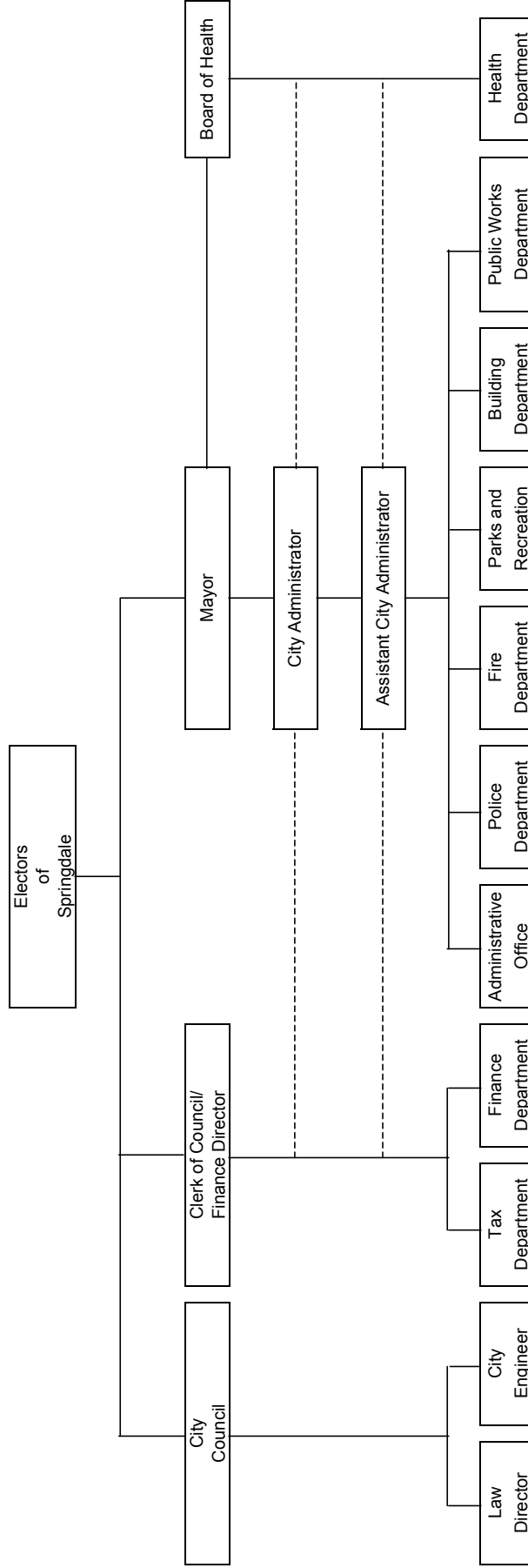
Fiduciary Fund Type:

Agency Funds:

- Mayor's Court Fund
- Unclaimed Money Fund
- Ohio Board of Building Standards Assessment Fund
- Fire Insurance Proceeds Fund

CITY OF SPRINGDALE

ORGANIZATIONAL TABLE



(This page intentionally left blank)

FINANCIAL SECTION

(This page intentionally left blank)

Report of Independent Auditors

Honorable Mayor and City Council
City of Springdale, Ohio

We have audited the accompanying general purpose financial statements of the City of Springdale, Ohio as of and for the year ended December 31, 2000 as listed in the table of contents. These general purpose financial statements are the responsibility of the City of Springdale, Ohio management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

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

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the City of Springdale, Ohio, as of December 31, 2000, and the results of its operations and the cash flows of its proprietary fund types for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued a report dated June 8, 2001 on our consideration of the City of Springdale, Ohio'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 of Springdale, Ohio, taken as a whole. The combining and individual fund financial statements and account group 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.

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

June 8, 2001

Berge & Company LTD

GENERAL PURPOSE FINANCIAL STATEMENTS

**CITY OF SPRINGDALE, OHIO
 COMBINED BALANCE SHEET
 ALL FUND TYPES AND ACCOUNT GROUPS
 DECEMBER 31, 2000**

	Governmental Fund Types		
	General Fund	Special Revenue Funds	Capital Projects Funds
<u>Assets and Other Debits</u>			
Assets:			
Cash and cash equivalents	\$4,988,812	\$195,776	\$3,158,950
Cash in segregated account	0	0	0
Receivables (net of allowance for uncollectables):			
Taxes	3,807,093	0	0
Accounts	146,321	0	0
Interest	1,115	0	0
Intergovernmental	148,954	45,865	0
Interfund loans receivable	17,323	0	0
Prepaid items	24,986	0	246,938
Inventory	104,930	0	0
Fixed assets (net of accumulated depreciation)	0	0	0
Restricted assets:			
Funds on deposit for unclaimed monies	0	0	0
Funds on deposit for OBBS assessments	0	0	0
Funds on deposit for performance bonds and plan review fees	186,812	0	0
Other Debits:			
Amount to be provided for retirement of general long-term obligations	0	0	0
	<hr/>	<hr/>	<hr/>
Total assets and other debits	<u>\$9,426,346</u>	<u>\$241,641</u>	<u>\$3,405,888</u>

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

Proprietary Fund	Fiduciary Funds	Account Groups		Totals (Memorandum Only)
		General Fixed Assets	General Long-Term Obligations	
Enterprise Fund	Agency Funds			
\$2,375	\$0	\$0	\$0	\$8,345,913
0	14,417	0	0	14,417
0	0	0	0	3,807,093
0	0	0	0	146,321
0	11	0	0	1,126
0	0	0	0	194,819
0	0	0	0	17,323
0	0	0	0	271,924
0	0	0	0	104,930
0	0	21,508,964	0	21,508,964
0	7,222	0	0	7,222
0	550	0	0	550
0	1,200	0	0	188,012
0	0	0	3,415,660	3,415,660
<u>\$2,375</u>	<u>\$23,400</u>	<u>\$21,508,964</u>	<u>\$3,415,660</u>	<u>\$38,024,274</u>

(Continued)

**CITY OF SPRINGDALE, OHIO
 COMBINED BALANCE SHEET (Continued)
 ALL FUND TYPES AND ACCOUNT GROUPS
 DECEMBER 31, 2000**

	Governmental Fund Types		
	General Fund	Special Revenue Funds	Capital Projects Funds
<u>Liabilities, Equity (Deficit) and Other Credits</u>			
Liabilities:			
Accounts payable	\$219,030	\$5,879	\$26,515
Contracts payable	56,386	4,788	659,967
Accrued wages and benefits payable	447,722	21,985	0
Compensated absences payable	45,131	979	0
Workers compensation payable	62,669	0	0
Interest payable	0	0	80,832
Interfund loans payable	0	7,390	0
Intergovernmental payable	21,010	939	0
Undistributed monies payable	186,812	0	0
Unclaimed monies payable	0	0	0
OBBS assessment payable	0	0	0
Claims and judgments payable	57,582	0	0
Deferred revenue	1,678,812	7,959	0
Police and fire pension payable	0	0	0
Bond anticipation notes payable	0	0	6,400,000
Tax increment financing revenue bonds payable	0	0	0
	<u>2,775,154</u>	<u>49,919</u>	<u>7,167,314</u>
Equity (Deficit) and Other Credits:			
Investment in general fixed assets	0	0	0
Retained earnings:			
Unreserved	0	0	0
Fund balance:			
Reserved for encumbrances	194,150	7,053	483,347
Reserved for inventory	104,930	0	0
Reserved for prepaid expenses	24,986	0	0
Unreserved - undesignated	4,455,335	184,669	(4,244,773)
Designated:			
Health insurance	340,520	0	0
Liability insurance	1,531,271	0	0
	<u>6,651,192</u>	<u>191,722</u>	<u>(3,761,426)</u>
Total equity (deficit) and other credits	<u>6,651,192</u>	<u>191,722</u>	<u>(3,761,426)</u>
Total liabilities, equity (deficit) and other credits	<u><u>\$9,426,346</u></u>	<u><u>\$241,641</u></u>	<u><u>\$3,405,888</u></u>

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

Proprietary Fund	Fiduciary Funds	Account Groups		Totals (Memorandum Only)
		General Fixed Assets	General Long-Term Obligations	
Enterprise Fund	Agency Funds			
\$0	\$0	\$0	\$0	\$251,424
0	0	0	0	721,141
0	0	0	0	469,707
0	0	0	349,517	395,627
0	0	0	0	62,669
0	0	0	0	80,832
0	9,933	0	0	17,323
0	4,495	0	0	26,444
0	1,200	0	0	188,012
0	7,222	0	0	7,222
0	550	0	0	550
0	0	0	17,418	75,000
0	0	0	0	1,686,771
0	0	0	14,285	14,285
0	0	0	0	6,400,000
0	0	0	3,034,440	3,034,440
0	23,400	0	3,415,660	13,431,447
0	0	21,508,964	0	21,508,964
2,375	0	0	0	2,375
0	0	0	0	684,550
0	0	0	0	104,930
0	0	0	0	24,986
0	0	0	0	395,231
0	0	0	0	340,520
0	0	0	0	1,531,271
0	0	0	0	3,081,488
2,375	0	21,508,964	0	24,592,827
<u>\$2,375</u>	<u>\$23,400</u>	<u>\$21,508,964</u>	<u>\$3,415,660</u>	<u>\$38,024,274</u>

(This page intentionally left blank)

CITY OF SPRINGDALE, OHIO
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2000

	Governmental Fund Types			Totals (Memorandum Only)
	General Fund	Special Revenue Funds	Capital Projects Funds	
Revenues:				
Municipal income taxes	\$9,444,629	\$0	\$0	\$9,444,629
Property and other taxes	1,955,520	0	0	1,955,520
Intergovernmental	1,384,601	478,485	171,494	2,034,580
Charges for services	223,021	0	0	223,021
Fines and forfeitures	198,324	2,456	0	200,780
Fees, licenses and permits	488,475	0	0	488,475
Special assessments	0	0	48,743	48,743
Interest	402,868	5,600	313,839	722,307
Contributions	2,883	64,164	0	67,047
Other	97,891	3,815	250	101,956
Total revenues	14,198,212	554,520	534,326	15,287,058
Expenditures:				
Current:				
Security of persons and property	5,334,315	18,581	0	5,352,896
Public health services	243,067	0	0	243,067
Leisure time activities	992,255	0	1,566	993,821
Community environment	466,647	34,470	0	501,117
Basic utility services	278,640	62,152	0	340,792
Transportation	787,381	458,228	0	1,245,609
General government	2,636,218	0	465,626	3,101,844
Capital outlay	502,080	35,497	6,356,797	6,894,374
Debt service:				
Principal retirement	0	0	5,559	5,559
Interest and fiscal charges	0	0	390,250	390,250
Total expenditures	11,240,603	608,928	7,219,798	19,069,329
Excess (deficiency) of revenues over expenditures	2,957,609	(54,408)	(6,685,472)	(3,782,271)
Other financing sources (uses):				
Proceeds from the sale of fixed assets	21,486	0	0	21,486
Proceeds from the sale of bonds	0	0	3,040,000	3,040,000
Operating transfers-in	0	66,571	2,166,474	2,233,045
Operating transfers-out	(2,233,045)	0	0	(2,233,045)
Total other financing sources (uses)	(2,211,559)	66,571	5,206,474	3,061,486
Excess (deficiency) of revenues and other sources over expenditures and other uses	746,050	12,163	(1,478,998)	(720,785)
Beginning fund balance (deficit)	5,893,225	179,559	(2,282,428)	3,790,356
Increase in reserve for inventory	11,917	0	0	11,917
Ending fund balance (deficit)	\$6,651,192	\$191,722	(\$3,761,426)	\$3,081,488

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

CITY OF SPRINGDALE, 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, 2000

	General Fund			Special Revenue Funds		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:						
Municipal income taxes	\$9,253,966	\$9,697,314	\$443,348	\$0	\$0	\$0
Property and other taxes	1,741,085	1,952,462	211,377	0	0	0
Intergovernmental	1,288,750	1,431,329	142,579	574,382	521,825	(52,557)
Charges for services	265,500	235,130	(30,370)	0	0	0
Fines and forfeitures	210,000	199,315	(10,685)	7,000	2,459	(4,541)
Fees, licenses and permits	319,285	486,217	166,932	0	0	0
Special assessments	0	0	0	0	0	0
Interest	212,000	401,799	189,799	7,600	5,600	(2,000)
Contributions	0	2,883	2,883	0	64,164	64,164
Other	22,970	185,005	162,035	4,245	3,815	(430)
Total revenues	13,313,556	14,591,454	1,277,898	593,227	597,863	4,636
Expenditures:						
Current:						
Security of persons and property	5,584,296	5,335,590	248,706	43,829	43,827	2
Public health services	255,268	242,409	12,859	0	0	0
Leisure time activities	1,040,517	987,418	53,099	0	0	0
Community environment	359,685	352,242	7,443	59,809	52,428	7,381
Basic utilities services	280,524	277,701	2,823	75,728	66,712	9,016
Transportation	834,048	796,981	37,067	525,000	450,562	74,438
General government	3,278,897	3,094,094	184,803	0	0	0
Capital outlay	627,422	594,355	33,067	35,499	35,497	2
Debt service:						
Principal retirement	0	0	0	0	0	0
Interest and fiscal charges	0	0	0	0	0	0
Total expenditures	12,260,657	11,680,790	579,867	739,865	649,026	90,839
Excess (deficiency) of revenues over expenditures	1,052,899	2,910,664	1,857,765	(146,638)	(51,163)	95,475
Other financing sources (uses):						
Proceeds from the sale of bonds	0	0	0	0	0	0
Proceeds from the sale of bond anticipation notes	0	0	0	0	0	0
Proceeds from the sale of assets	0	21,486	21,486	0	0	0
Operating transfers-in	2,800	878	(1,922)	66,571	66,571	0
Operating transfers-out	(2,233,045)	(2,233,045)	0	0	0	0
Advances-in	0	0	0	7,390	7,390	0
Advances-out	(7,390)	(7,390)	0	0	0	0
Total other financing sources (uses)	(2,237,635)	(2,218,071)	19,564	73,961	73,961	0
Excess (deficiency) of revenues and other sources over expenditures and other uses	(1,184,736)	692,593	1,877,329	(72,677)	22,798	95,475
Beginning fund balance	4,067,181	4,067,181	0	141,688	141,688	0
Prior year encumbrances	192,416	192,416	0	19,889	19,889	0
Ending fund balance	\$3,074,861	\$4,952,190	\$1,877,329	\$88,900	\$184,375	\$95,475

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

Capital Projects Funds			Totals (Memorandum Only)		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$0	\$0	\$0	\$9,253,966	\$9,697,314	\$443,348
0	0	0	1,741,085	1,952,462	211,377
190,365	171,494	(18,871)	2,053,497	2,124,648	71,151
0	0	0	265,500	235,130	(30,370)
0	0	0	217,000	201,774	(15,226)
0	0	0	319,285	486,217	166,932
657,000	48,743	(608,257)	657,000	48,743	(608,257)
357,580	313,840	(43,740)	577,180	721,239	144,059
0	0	0	0	67,047	67,047
0	250	250	27,215	189,070	161,855
1,204,945	534,327	(670,618)	15,111,728	15,723,644	611,916
0	0	0	5,628,125	5,379,417	248,708
0	0	0	255,268	242,409	12,859
0	0	0	1,040,517	987,418	53,099
0	0	0	419,494	404,670	14,824
0	0	0	356,252	344,413	11,839
0	0	0	1,359,048	1,247,543	111,505
469,585	465,626	3,959	3,748,482	3,559,720	188,762
8,856,804	7,651,688	1,205,116	9,519,725	8,281,540	1,238,185
22,874,101	9,005,559	13,868,542	22,874,101	9,005,559	13,868,542
655,538	654,905	633	655,538	654,905	633
32,856,028	17,777,778	15,078,250	45,856,550	30,107,594	15,748,956
(31,651,083)	(17,243,451)	14,407,632	(30,744,822)	(14,383,950)	16,360,872
0	3,040,000	3,040,000	0	3,040,000	3,040,000
22,400,000	6,400,000	(16,000,000)	22,400,000	6,400,000	(16,000,000)
0	0	0	0	21,486	21,486
2,166,474	2,166,474	0	2,235,845	2,233,923	(1,922)
0	0	0	(2,233,045)	(2,233,045)	0
0	0	0	7,390	7,390	0
0	0	0	(7,390)	(7,390)	0
24,566,474	11,606,474	(12,960,000)	22,402,800	9,462,364	(12,940,436)
(7,084,609)	(5,636,977)	1,447,632	(8,342,022)	(4,921,586)	3,420,436
3,072,723	3,072,723	0	7,281,592	7,281,592	0
4,585,396	4,585,396	0	4,797,701	4,797,701	0
\$573,510	\$2,021,142	\$1,447,632	\$3,737,271	\$7,157,707	\$3,420,436

CITY OF SPRINGDALE, OHIO
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS
ENTERPRISE FUND
FOR THE YEAR ENDED DECEMBER 31, 2000

Operating revenues:	
Charges for services	<u>\$7,845</u>
 Total operating revenues	 7,845
Operating expenses:	
Registration fees	6,669
Awards	954
Officials fees	1,018
Other	<u>130</u>
 Total operating expenses	 <u>8,771</u>
 Net loss	 <u>(926)</u>
 Beginning retained earnings - unreserved	 <u>3,301</u>
 Ending retained earnings - unreserved	 <u><u>\$2,375</u></u>

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

**CITY OF SPRINGDALE, OHIO
STATEMENT OF CASH FLOWS
ENTERPRISE FUND
FOR THE YEAR ENDED DECEMBER 31, 2000**

Cash flows from operating activities:	
Cash received from customers	\$7,845
Cash payments for goods and services	<u>(8,771)</u>
Net cash used in operating activities	<u>(926)</u>
Net decrease in cash	(926)
Beginning cash	<u>3,301</u>
Ending cash	<u><u>\$2,375</u></u>
Reconciliation of net loss to net cash used in operating activities:	
Net loss	<u>(\$926)</u>
Net cash used in operating activities	<u><u>(\$926)</u></u>

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

**CITY OF SPRINGDALE, OHIO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2000**

The accounting methods and procedures adopted by the City of Springdale, Ohio, conform to generally accepted accounting principles (GAAP) as applied to governmental entities. The following notes to the financial statements are an integral part of the general purpose financial statements.

1. FINANCIAL REPORTING ENTITY

The accompanying general purpose financial statements comply with the provisions of Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, in that the financial statements include all the funds and account groups of the primary government. The primary government consists of all the organizations, activities, and functions that are not legally separate from the City. Component units are legally separate organizations for which the City is financially accountable. The City would consider an organization to be a component unit if:

1. the City appoints a voting majority of the organizations body; and is able to impose its will on that organization or there is a potential for the organization to provide specific financial burdens on the City; or
2. the organization is fiscally dependent upon the City; or
3. the nature of the relationship between the City and the organization is such that the exclusion from the financial reporting entity would render the financial statements misleading.

Based on the above, potential component units were considered for inclusion. The City has no component units.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City was incorporated as a home rule municipality under the laws of the State of Ohio in 1959 and operates under its own charter which provides for an elected Council/Mayor form of government. The Mayor and Clerk of Council/Finance Director are each elected to four-year terms. The Mayor appoints a full-time City Administrator and all executive department directors, with the exception of the Finance Officer/Tax Commissioner, who is appointed by the Clerk of Council/Finance Director.

Basis of Presentation - Fund Accounting

The financial statements of the City were prepared in accordance with standards promulgated by the Governmental Accounting Standards Board (GASB). These standards include the effective pronouncements of the National Council on Governmental Accounting (NCGA) and the American Institute of Certified Public Accountants (AICPA) which are considered to be generally accepted accounting principles for state and local governmental entities, until they are altered, amended, supplemented, revoked or superseded by a subsequent GASB pronouncement.

The accounts of the City are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. A fund is accounted for by a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues and expenditures. The individual funds account for the governmental resources allocated to them for the purpose of carrying on specific activities in accordance with laws, regulations, or other restrictions.

**CITY OF SPRINGDALE, OHIO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2000**

The City utilizes the governmental fund type, the proprietary fund type, and the fiduciary fund type, as well as specific account groups. An account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

Governmental Fund Type - Governmental funds are those 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 are accounted for through governmental funds. The City maintains records showing revenues, actual and accrued expenditures and encumbrances to assure legal and accounting compliance and to assure that budgetary authority is not exceeded. The funds included in this category are as follows:

General Fund - This fund is established to account for resources devoted to financing the general services that the City performs for its citizens. General tax revenues and other sources of revenue used to finance the fundamental operations of the City are included in this fund. The fund is charged with all costs of operating the government for which a separate fund has not been established.

Special Revenue Funds - These funds are established to account for the proceeds of specific revenue sources other than amounts relating to special assessments or major capital projects that are legally restricted to expenditures for specific purposes.

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

Proprietary Fund Type - Proprietary funds account for operations that are organized to be self-supporting through user charges and include both enterprise funds and internal service funds. The City's proprietary fund type consists of an enterprise fund only.

Enterprise Fund - This fund is established to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent is that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

Fiduciary Fund Type - Fiduciary funds are used to account for assets held by the City as a trustee or as an agent for individuals, private organizations, or other units of government. The City's fiduciary fund type consists only of agency funds.

Agency Funds - Agency funds are custodial in nature and do not involve measurement of the results of operations.

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

General Fixed Assets Account Group - This account group is used to account for general

CITY OF SPRINGDALE, OHIO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2000

fixed assets acquired principally for general purposes.

General Long-Term Obligations Account Group – This account group is used to account for the outstanding principal balances of general obligations.

Basis of Accounting and Measurement Focus

Accounting basis determines when transactions and economic events are reflected in its financial statements. All governmental fund types and agency funds are accounted for using the modified accrual basis of accounting. The modified accrual basis is a mixture of both cash and accrual basis concepts.

Under the modified accrual basis, revenues are recognized in the accounting period when they become both measurable and available. Revenue is considered measurable when the amount of the transaction can be determined. Revenue is considered available when it is collectible during the current period or soon enough thereafter to be used to pay current-year liabilities, which for the City is considered to be thirty-one days after year-end.

At year-end the City considers certain of the following revenue sources collected within subsequent to year-end to be susceptible to accrual: interest earnings, state-levied locally shared taxes (including gasoline tax and motor vehicle license tax), fines and forfeitures, fees, licenses and permits, cable franchise fees, admissions tax, occupancy tax and income tax.

The proprietary fund uses the accrual basis of accounting and the flow of all economic resources (measurement focus). This basis of accounting and measurement focus emphasizes the measurement of net income similar to the approach used by commercial enterprises, and revenues are recorded when earned and expenses are recorded when incurred. Under this basis of accounting and measurement focus, the City applies (a) all GASB pronouncements and (b) FASB Statements and Interpretations, APB Opinions, and Accounts Research Bulletins issued on or before November 30, 1989, except those that conflict with a GASB pronouncement.

The City reports deferred revenue on its combined balance sheet. Deferred revenues arise when a potential revenue does not meet both the measurable and available criteria for recognition in the current period. In a subsequent period, when both revenue recognition criteria are met, the liability or deferred revenue is removed from the combined balance sheet and revenue is recognized. Current and delinquent property taxes, estate taxes, and income taxes measurable as of year-end whose availability is indeterminate and which are not intended to finance current period obligations, have been recorded as a receivable and deferred revenue.

Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due.

Budgets and the Budgetary Process

The budgetary process, prescribed by provisions of the Ohio Revised Code and the City Charter, entails the preparation of budgetary documents within an established timetable. This process entails the preparation of the tax budget, a certificate of estimated resources, and the appropriation ordinance, all of which are prepared on the non-GAAP budgetary basis of accounting. The certificate of estimated resources and the appropriation ordinance may be amended by councilmanic action throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified.

CITY OF SPRINGDALE, OHIO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2000

All funds, other than agency funds, are legally required to be budgeted and appropriated. The legal level of budgetary control is at the fund, function, and object level (personal services, operations and maintenance, etc.) within each fund.

The City's charter requires the Mayor, Clerk of Council/Finance Director and the City Administrator to present the tax budget to City Council by June 1 of each year. A tax budget of estimated revenues and expenditures for all funds 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. The County Budget Commission certifies its actions to the City by September 1, and as a part of this certification, the City receives the official certificate of estimated resources, which states the projected revenue of each fund. Prior to December 31, the City must prepare its annual budget by line item so that the total contemplated expenditures from any fund during the ensuing fiscal year will not exceed the amount stated in the certificate of estimated resources. The revised budget then serves as the basis for the appropriation ordinance.

On or about January 1, the certificate of estimated resources is amended to include unencumbered fund balances at December 31 of the preceding year. The certificate may be further amended during the year if a new source of revenue is received or actual receipts exceed current estimated receipts. The amounts reported on the budgetary statement reflect the amounts in the final amended official certificate of estimated resources.

Appropriations - A temporary appropriation measure to control expenditures may be passed on or about January 1 of each year for the period from January 1 to March 31. The annual appropriation ordinance must be passed by April 1 of each year for the period January 1 to December 31. The appropriation ordinance may be supplemented during the year by councilmanic action, as new information becomes available, provided that total fund appropriations do not exceed current estimated resources, as certified. The allocation of appropriations among departments and objects within a fund may also be modified during the year by councilmanic action. During 2000, budgeted appropriations were increased by \$3,023,517. The budget figures, which appear in the statements of budgetary comparisons, represent the final appropriation amounts, including all amendments and modifications.

Encumbrances - As part of formal budgetary control, purchase orders, contracts and other commitments for the expenditure of monies are recorded as the equivalent of expenditures on the non-GAAP budgetary basis in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance. On the GAAP basis, encumbrances outstanding at year-end are reported as reservations of fund balances for subsequent year expenditure.

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

**CITY OF SPRINGDALE, OHIO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2000**

Budgetary Basis of Accounting - The budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts and disbursements. The adjustments necessary to convert the results of operations and fund balances at the end of the year on the GAAP basis to the Non-GAAP budgetary basis are as follows:

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Capital Projects Funds</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses as reported (GAAP)	\$746,050	\$12,163	(\$1,478,998)
Adjustments:			
Revenues received in 2000 and earned in 1999	2,397,009	81,250	0
Revenues received in 2001 and earned in 2000	(2,426,862)	(37,906)	0
Expenditures paid in 2000 and accrued in 1999	(856,707)	(63,268)	(940,546)
Expenditures accrued in 2000 and paid in 2001	1,063,616	41,960	520,376
Prepaid items in 1999	17,905	0	0
Prepaid items in 2000	(24,986)	0	0
Current year encumbrances	(223,432)	(11,401)	(1,137,809)
Increase in Note issuance	0	0	6,400,000
Decrease in Note issuance	0	0	(9,000,000)
	<u>\$692,593</u>	<u>\$22,798</u>	<u>(\$5,636,977)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses on legal (Non-GAAP budgetary) basis	<u>\$692,593</u>	<u>\$22,798</u>	<u>(\$5,636,977)</u>

Cash and Cash Equivalents

Cash is pooled and invested in short-term investments for cash management purposes. Investments with original maturities of three months or less are considered to be cash equivalents.

The City has invested funds in the State Treasury Asset Reserve of Ohio (STAR Ohio) during fiscal year 2000. 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, 2000.

CITY OF SPRINGDALE, OHIO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2000

Receivables

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

Interest Receivable

Interest on deposits and investments is recorded as revenue in the year the interest is earned and available to pay liabilities of the current period.

Prepaid Items

Payments made to vendors for services that will benefit subsequent periods are recorded as prepaid items. Prepaid items are equally offset by a fund balance reserve which indicates that these prepaid items do not constitute available spendable resources even though they are a component of net current assets.

Inventory

The City uses the purchases method of accounting for materials and supplies inventory. Whereby, purchases of inventory are recognized as expenditures when the inventory items are received and the transaction is vouchered. Inventory is valued at cost using the first-in, first-out method. Inventory is equally offset by a fund balance reserve which indicates that inventories do not constitute available spendable resources even though they are a component of net current assets. Inventory is recorded to the fund which recorded the expenditure.

Fixed Assets

Fixed assets used in governmental fund types are recorded as an expenditure in the fund making the expenditure and capitalized at cost in the general fixed assets account group. A fixed asset has the following characteristics:

1. It is tangible in nature (possesses physical substance).
2. Its expected useful life is three years or more.

For purposes of financial reporting on a GAAP basis, only fixed assets valued at \$1,000 or more are reported. The costs of normal maintenance and repairs which do not add to the value of the asset or materially extend the life of the asset are not capitalized.

Fixed assets are stated at cost. Where cost could not be determined from the available records, estimated historical cost was used to record the estimated value of the asset. Assets acquired by gift or bequest are recorded at their estimated fair market value on the date received.

Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, such as roads, bridges, curbs, gutters, sidewalks, and drainage systems are not capitalized, as these assets are immovable and of value only to the City.

The City has elected to record accumulated depreciation in the general fixed assets account group, the effect of which is to increase accumulated depreciation and decrease the investment in fixed assets. Depreciation has been provided over the estimated useful life of each asset using the straight-line method.

**CITY OF SPRINGDALE, OHIO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2000**

The estimated useful lives for each major class of depreciable fixed assets are as follows:

Buildings	60 years
Land Improvements	20-50 years
Machinery and Equipment	3-25 years
Vehicles	3-5 years
Furniture and Fixtures	15-20 years

The City has elected not to record capitalized interest in the governmental fund types.

Compensated Absences

In accordance with GASB 16, the City provides a liability for accumulated unpaid overtime and sick leave for eligible employees when the future payments for such absences are probable. The current portion of unpaid compensated absences is the amount expected to be paid using current available resources and is recorded as a fund liability. The non-current portion of the liability is recorded in the general long-term obligations account group.

Long-Term Obligations

Long-term obligations are recognized as a liability of a governmental fund when due. The portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund. The remaining portion of such an obligation is reported in the general long-term obligations account group. Long-term liabilities are being repaid from the following funds:

<u>Obligation</u>	<u>Fund</u>
• Claims and judgments payable	General fund
• Compensated absences payable	Paid by the fund from which the employee's salary is paid.
• Police and Fire pension payable	General fund
• Tax Increment Financing Revenue Bonds payable	Capital projects fund

Pensions

The provision for pension cost is recorded on an accrual basis, and the City's policy is to fund pension costs as they accrue.

Intergovernmental Revenues

In governmental funds, grants awarded on a non-reimbursement basis, shared revenues, and entitlements are recorded as intergovernmental receivables and revenues when measurable and available. Reimbursable grants are recorded as intergovernmental receivables and revenues when the related expenditures are made.

Interest Income

Interest income is distributed to the funds according to the Ohio Revised Code and the City Charter. The Ohio Revised Code requires interest to be credited to the general fund, however, the City passes legislation allowing interest to be allocated to the applicable funds based on the principal balance. Total interest revenue during 2000 was \$722,983 (includes \$676 for the agency fund).

**CITY OF SPRINGDALE, OHIO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2000**

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 fund balance equity. The City did not perform any residual equity transfers in 2000.

Transactions that would be treated as revenues and expenditures/expenses if they 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. At year-end, the advances in/out are reported as “interfund loans receivable” and “interfund loans payable.”

Fund Equity

Unreserved Fund Balances - The unreserved fund balances represent the amount available for budgeting future operations and may consist of designated and undesignated portions.

Designated Fund Balance - Fund balance designations are established to indicate tentative plans for financial resource utilization in a future period, such as for general contingencies. Such designations reflect tentative managerial plans or intent and are subject to change.

Undesignated Fund Balance - Undesignated portions of fund balance represent financial resources available to finance expenditures other than those tentatively planned.

Reserved Fund Balances - The reserved fund balances represent the amount that has been legally identified for specific purposes. Reservations of fund balances are established to identify the existence of assets that, because of their non-monetary nature or lack of liquidity, represent financial resources not available for current appropriation or expenditure or the portion of fund balance that is legally segregated for a specific future use. Fund balances have been reserved for encumbrances, inventories of supplies and materials, and prepaid items.

Totals (Memorandum Only)

The Combined Financial Statements include total columns that are described as memorandum only. The amounts in these columns are a summation of the accounts of the fund types and account groups and are presented solely to assist in financial analysis. The data in these columns do not present financial position, results of operations, or cash flows in conformity with GAAP. Eliminations of interfund transactions have not been made and the data presented is not to be considered consolidated. In addition, the amounts in total are not to be interpreted as total resources and obligations of the City or sources and uses thereof.

**CITY OF SPRINGDALE, OHIO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2000**

Newly Issued Accounting Pronouncements

In December 1998, the Governmental Accounting Standards Board (GASB) issued Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*. The provisions of this statement are effective for periods beginning after June 15, 2000. GASB Statement No. 33 principally addresses the timing of recognition of nonexchange transactions involving financial or capital resources (e.g., most taxes, grants, and private donations) in government's financial statements.

In June 1999, the GASB issued Statement No. 34, *Basic Financial Statements - and Management Discussion and Analysis - for State and Local Governments*. The City is required to apply this statement for periods beginning after June 15, 2003. GASB Statement No. 34 establishes new financial reporting requirements that fundamentally affect the presentation of a general purpose government's basic financial statements and related required supplementary information.

Management has not yet determined the impact that GASB Statements No. 33 and 34 will have on the City's financial statements.

3. COMPLIANCE AND ACCOUNTING

The fund deficit at December 31, 2000 of \$3,761,426 in the capital projects funds results from the issuance of bond anticipation notes in 2000, which are recorded as a liability of the capital projects funds under GAAP. For non-GAAP budgetary purposes the issuance of bond anticipation notes are presented as other financing sources.

4. DEPOSITS AND INVESTMENTS

The City maintains a cash and investment pool used by all funds. Each fund has an equity interest in this account. Interest income is distributed to the funds according to the Ohio Revised Code and City Ordinance. Monies of substantially all funds of the City are maintained or invested in a common group of bank accounts and in short-term investments.

The provisions of the Ohio Revised Code and City Ordinances govern the investment and deposit of City monies. In accordance with these provisions, only banks located in Ohio and domestic building and loan associations are eligible to hold public deposits.

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 "cash" or "cash equivalent" status for immediate use by the City. Such funds must maintain 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 no later than the end of the current period of designation of depositories.

Category 3 consists of "interim" funds – those funds not needed for immediate use but needed

CITY OF SPRINGDALE, OHIO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2000

before the end of the current period of designation of depositories. The City's investment policy allows interim funds to be invested in the following:

- Bonds, notes, or other obligations of or guaranteed by the United States, or those for which the faith of the United States is pledged for the payment of principal and interest thereon;
- Bond, notes, debentures or other obligation or securities issued by any federal government agency, or the export-import bank of Washington;
- The Clerk of Council/Finance Director may enter into a repurchase agreement with any eligible institution mentioned in the R.C. Section 135.03 and confirmed by Council, under the terms of which agreement the Clerk of Council/Finance Director purchases for the City, and such institution agrees unconditionally to repurchase any of the securities listed in divisions (B)(1) or (2) of this section that will mature or are redeemable within five (5) years from the date of purchase;
- Certificates of deposit of eligible depositories, which may provide (and if so, shall be shown on its face) that the amount of such deposit is payable upon written notice a specified period before the date of the repayment maturity;
- Insured deposit amounts in eligible depositories paying interest at a rate greater than the interest rate paid on the City's active deposits; and
- Star Ohio, an investment pool managed by the Treasurer of the State.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the City, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the City or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

Public depositories must give security for all public funds on deposit. These institutions may either specifically collateralize individual accounts in lieu of amounts insured by the Federal Deposit Insurance Corporation (FDIC) or Federal Savings and Loan Insurance Corporation (FSLIC), or may pledge a pool of government securities the face value of which is at least 110 percent of the total value of public monies on deposit at the institution.

Repurchase agreements must be secured by the specific government securities upon which the repurchase agreements are based. These securities must be obligations of or guaranteed by the United States and mature or be redeemable within five years of the date of the related repurchase agreement. State law does not require that security for public deposits and investments be maintained in the name of the City.

**CITY OF SPRINGDALE, OHIO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2000**

Deposits

At year-end, the carrying amount of the City's deposits was \$1,363,449 and the bank balance was \$1,791,619. Of the bank balance, \$214,359 was covered by federal deposit insurance. The remaining amounts were uninsured and uncollateralized as defined by GASB Statement No. 3 because the securities held as collateral by the financial institutions or their trust departments or agencies were not held in the City's name. As authorized by state statute, the pledging bank has established an investment and securities pool to collateralize all public deposits.

GASB Statement No. 3, "Deposits with Financial Institutions, Investments and Reverse Repurchase Agreements" requires that the City's deposits be classified as to credit risk within the following three categories.

- Category 1: Deposits that are insured or collateralized with securities held by the City or by its agent in the City's name.
- Category 2: Deposits that are collateralized with securities held by the pledging financial institutions trust department or agent in the City's name.
- Category 3: Deposits that are uncollateralized, including any bank balance that is collateralized with securities held by the pledging financial institution, or by its trust department or agent but not in the City's name.

The City's bank balance of deposits, categorized by level of risk, at December 31, 2000, were as follows:

Category 1	\$1,577,260
Category 2	-
Category 3	<u>214,359</u>
Total Bank Balance	<u>\$1,791,619</u>

Investments

GASB Statement No. 3. "Deposits with Financial Institutions, Investments and Reverse Repurchase Agreements" requires that the City's investments be classified as to credit risk within the following three categories:

- 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.

**CITY OF SPRINGDALE, OHIO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2000**

The City's investments at December 31, 2000 are summarized below:

	<u>Carrying Amount</u>	<u>Market Value</u>
State Treasurer's Asset Reserve (Star Ohio)	\$7,192,665	\$7,192,665

The City's investment in Star Ohio is not categorized because it not evidenced by securities that exist in physical or book entry form.

The classification of cash and cash equivalents and investments for reporting purposes is based on criteria set forth in GASB Statement No. 9 "Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting." A reconciliation between the classifications of cash and cash equivalents, and investments on the combined financial statements and the classifications per GASB Statement No. 3 is as follows:

	<u>Cash and Cash Equivalents</u>	<u>Investments</u>
Cash and cash equivalents per GASB Statement 9	\$8,556,114	\$0
Investments (Star Ohio)	(7,192,665)	7,192,665
GASB Statement 3 (as detailed above)	\$1,363,449	\$7,192,665

5. PROPERTY TAXES

The assessed valuation of property within the City subject to the levy of ad valorem taxes includes real property, public utilities property and tangible personal property. The City's property taxes are collected by the Hamilton County Auditor and are remitted to the City on a periodic basis. The full tax rate for all City operations for the year ended December 31, 2000, was \$3.08 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2000 property tax receipts were based are as follows:

Real Property – 1999 Assessed Valuation	\$375,686,900
Public Utility Tangible Personal Property – 1999 Assessed Valuation	11,956,870
Tangible Personal Property – 1999 Assessed Valuation	91,196,770
Total	\$478,840,540

Property taxes receivable represent real and tangible personal property taxes, public utility property taxes and outstanding delinquencies which are measurable as of December 31, 2000. Although total property tax collections for the next fiscal year are measurable, the City recognizes property taxes as deferred revenue since the first settlement date is more than thirty-one days after year-end and does not meet the availability criteria for accrual and because the taxes are not intended to finance current operations.

**CITY OF SPRINGDALE, OHIO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2000**

Earnings tax revenues for 2000 were \$9,444,629. At December 31, 2000, the City has accrued \$2,323,923 (including \$189,522 as deferred revenue) from municipal income taxes which is related to 2000.

7. INTERFUND LOANS RECEIVABLE/INTERFUND LOANS PAYABLE

Interfund loan asset and liability balances at December 31, 2000, were as follows:

<u>Interfund Loan Receivable Fund</u>	<u>Interfund Loan Payable Fund</u>	<u>Amount</u>
General fund	Grants fund	\$7,390
General fund	Mayor's court fund	<u>9,933</u>
Total		<u>\$17,323</u>

8. INTERGOVERNMENTAL RECEIVABLES

At December 31, 2000, intergovernmental receivables consisted of amounts arising from grants, entitlements and shared revenues. All amounts summarized below are considered fully collectible.

General Fund:

Sales income and franchise tax	\$25,905	
Revenue assistance	3,020	
Liquor license	402	
County juvenile court	26	
Estate tax	107,305	
Local government assistance	<u>12,296</u>	
Total general fund		\$148,954

Special Revenue Funds:

<u>Street Construction, Maintenance and</u>		
<u>Repair Fund:</u>		
Gasoline tax	\$20,301	
Permissive tax	5,399	
Motor vehicle license tax	<u>4,390</u>	
Total street maintenance fund		30,090

State Highway Fund:

Gasoline tax	1,646	
Permissive tax	438	
Motor vehicle tax	<u>356</u>	
Total state highway fund		2,440

Residential Recycling Fund:

Residential recycling incentive	<u>7,959</u>	
Total residential recycling fund		7,959

**CITY OF SPRINGDALE, OHIO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2000**

Grants Fund:

D.A.R.E. grant	5,351
Total grants fund	5,351

Driving Under the Influence Fund:

DUI fines	25
Total driving under the influence fund	25

Total special revenue funds \$45,865

Total all funds \$194,819

9. GENERAL FIXED ASSETS ACCOUNT GROUP

Activity for general fixed assets capitalized by the City is summarized below:

	<u>Balance</u> <u>January 1, 2000</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>December 31, 2000</u>
Land	\$1,964,637	\$506,615	\$0	\$2,471,252
Buildings	11,574,573	7,457,545	(44,123)	18,987,995
			*	
Improvements other than building	1,174,644	49,644	(11,238)	1,213,050
Machinery and equipment	2,171,456	280,660	(727,753)	1,724,363
Furniture and fixtures	236,022	63,198	(150,877)	148,343
Vehicles	2,174,234	775,526	(61,500)	2,888,260
Construction in progress	3,376,898	0	(3,376,898)	0
			*	
Fixed assets at cost	22,672,464	9,133,188	(4,372,389)	27,433,263
Less:				
Accumulated depreciation	(5,576,012)	(868,144)	519,857	(5,924,299)
Net fixed assets	\$17,096,452	\$8,265,044	(\$3,852,532)	\$21,508,964

* - The construction in progress was completed in 2000 and appropriately reflected as an addition to buildings.

10. DEFINED BENEFIT PENSION PLANS

Public Employees Retirement System

The following information was provided by the Public Employees Retirement System of Ohio.

CITY OF SPRINGDALE, OHIO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2000

Substantially all City employees, other than full-time fire and police personnel, participate in the Public Employees Retirement System of Ohio (PERS), a cost-sharing multiple-employer defined benefit pension plan operated by the State of Ohio. PERS provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by state statute per Chapter 145 of the Ohio Revised Code. The Public Employees Retirement System issues a stand-alone financial report. 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-PERS (7377).

The Retirement Board instituted a temporary employer contribution rate rollback for calendar year 2000. The rate rollback was 20% for state and local government divisions and 6% for law enforcement divisions. The 2000 employer contribution rate for state employers was 10.65% of covered payroll. For local government employer units the rate was 10.84% of covered payroll. For law enforcement, the employer rate was 15.70% of covered payroll.

The Ohio Revised Code provides statutory authority for employee and employer contributions. The employee contribution rate is 8.5%. Compared to the 1999 employer contribution rate of 13.55%, the 2000 employer contribution rate was rolled back for local government employer units to 10.84%, of covered payroll, 6.54% to fund the pension and 4.3% to fund health care. The City's contribution to PERS for the years ended December 31, 2000, 1999 and 1998 were \$321,273, \$368,084, and \$347,077, respectively, equal to the required contributions for each year. Required employer contributions are equal to 100% of the dollar amount billed to each employer and must be extracted from the employer's records.

PERS of Ohio provides postemployment health care coverage to age and service retirants with ten or more years of qualifying Ohio service credit and to primary survivor recipients of such retirants. Health care coverage for disability recipients is also available. The health care coverage provided by the retirement system is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 12. A portion of each employer's contribution to the PERS is set aside for the funding of post retirement health care. The Ohio Revised Code provides statutory authority for employer contributions. The employer contribution rate was rolled back for the year 2000. For state employers the rate was 10.65% of covered payroll; 4.30% was the portion that was used to fund health care for the year. For local government employer units the rate was 10.84% of covered payroll; 4.30% was the portion that was used to fund health care for the year. The law enforcement employer rate was 15.70% and 4.30% was used to fund health care for the year. The portion of the 2000 employer contribution rate (identified above) that was used to fund health care for the year 2000 was 4.30% of covered payroll.

The Ohio Revised Code provides the statutory authority requiring public employers to fund post-retirement health care through their contributions to PERS.

Summary of assumptions:

Actuarial Review - The assumptions and calculations below were based on the System's latest Actuarial Review performed as of December 31, 1999.

Funding Method - An entry age normal actuarial cost method of valuation is used in determining the present value of OPEB. The difference between assumed and actual experience (actuarial gains and losses) becomes part of unfunded actuarial accrued liability.

CITY OF SPRINGDALE, OHIO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2000

Assets Valuation Method - All investments are carried at market value. For actuarial valuation purposes, a smoothed market approach is used. Under the approach assets are adjusted annually to reflect 25% of unrealized market appreciation or depreciation on investment assets.

Investment Return - The investment assumption rate for 1999 was 7.75%.

Active Employee Total Payroll - An annual increase of 4.75% compounded annually, is the base portion of the individual pay increase assumption. This assumes no change in the number of active employees. Additionally, annual pay increases, over and above the 4.75% base increase, were assumed to range from .54% to 5.1%.

Health Care - Health care costs were assumed to increase 4.75% annually.

OPEB's are advance-funded on an actuarial determined basis. The number of active contributing participants was 401,339. The rates stated above are the actuarially determined contribution rates for PERS. The employer contributions actually made by the City in 2000 were \$127,449. The actuarial value of the Retirement System's net assets available for OPEB at December 31, 1999 were \$10,805.5 million. The actuarially accrued liability and the unfunded actuarial accrued liability, based on the actuarial cost method used, were \$12,473.6 million and \$1,668.1 million, respectively.

The Retirement Board enacted a temporary employer contribution rate rollback for calendar year 2000. The decision to rollback rates was based on the December 31, 1998 actuarial study, which indicated that actuarial assets exceeded actuarial liabilities. The temporary rate rollback was 20% for both state and local government divisions and 6% for law enforcement divisions. The Board reallocated employer contributions from 4.20% to 4.30% at the beginning of the year to improve health care financing. The proportion of contributions dedicated to funding OPEB increased during the year for those reasons.

Ohio Police and Firemen's Disability Pension Fund

The City contributes to the Ohio Police and Fire Pension Fund (OP&F); a cost-sharing multiple-employer defined benefit pension plan for the benefit of all full-time fire and police personnel. OP&F provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. The OP&F issues a publicly available financial report that includes financial information and required supplementary information for the plan. That report may be obtained by writing to OP&F, 140 East Town Street, Columbus, Ohio 43215-5164.

Plan members are required to contribute 10.0% of their annual covered salary, while employers are required to contribute 19.5% and 24.0% respectively for police officers and firefighters. The City's contributions to OP&F for the years ending December 31, 2000, 1999, and 1998 were \$639,739, \$578,201, and \$540,076, respectively, equal to the required contributions for each year.

The OP&F provides post-retirement health care coverage to any person who received or is eligible to receive a monthly benefit check or is a spouse or eligible dependent child of such person. An eligible dependent child is any child under the age of 18 whether or not the child is attending school or under the age of 22 if attending school full-time or on a two-thirds basis. The health care coverage provided by the retirement system is considered an Other Postemployment Benefit (OPEB) as described in GASB

**CITY OF SPRINGDALE, OHIO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2000**

Statement No. 12. The Ohio Revised Code provides that health care cost paid from the funds of the OP&F shall be included in the employer's contribution rate (identified above). The total police employer contribution rate is 19.5% of covered payroll and the total firefighter employer contribution rate is 24% of the covered payroll. The Ohio Revised Code provides the statutory authority allowing the OP&F's Board of Trustees to provide health care coverage to all eligible individuals.

Health care funding and accounting is on a pay-as-you-go basis. A percentage of covered payroll, as defined by the Board, is used to pay retiree health care expenses. The Board defined allocation was 7.0% and 7.25% of covered payroll in 1999 and 2000, respectively. The allocation is 7.50% in 2001. In addition, since July 1, 1992 most retirees have been required to contribute a portion of the cost of their health care coverage through a deduction from their monthly benefit payment.

The number of participants eligible to receive health care benefits as of December 31, 1999, the date of the last actuarial valuation available, are 12,467 for police and 9,807 for firefighters.

The portion of the 2000 employer's contribution rate (identified above) which was used to fund health care benefits was 37.20% of employer's contributions for police and 30.20% of employer's contributions for firefighters which amounted to \$137,028 and \$81,958 respectively

OP&F's total health care expense for the year ending December 31, 1999, the date of the last actuarial valuation available, was \$95,004,633 which was net of member contributions of \$5,518,098.

11. OTHER EMPLOYEE BENEFITS

Deferred Compensation Plan

City employees may participate in the Ohio Public Employees Deferred Compensation Plan ("Plan") created in accordance with Internal Revenue Code Section 457. Participation is on a voluntary, payroll deduction basis. Under this Plan, employees can defer up to 25% of their annual compensation, not to exceed \$7,500, until a future time (usually after retirement). The deferred amounts as well as any income earned related to the deferral are not subject to federal or state income tax until actually received by the employee. The Plan permits deferral of compensation until future years. According to the Plan, the deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

The Plan agreement states that the City and the Plan have no liability for losses under the Plan with the exception of fraud or wrongful taking.

The Deferred Compensation Plan assets are placed in trust for the sole benefit of employees or other beneficiaries. In accordance with GASB Statement No. 32, Accounting and Financial Reporting for Internal Revenue Code, Section 457, Deferred Compensation Plans, these amounts are not reflected on the City's financial statements.

**CITY OF SPRINGDALE, OHIO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2000**

Compensated Absences

Accumulated Unpaid Vacation Leave

City employees earn vacation leave at varying rates based upon years of service. Vacation leave earned in one year must be used in the same year. Employees are compensated at year-end for any unused vacation. No obligation exists at December 31, 2000 for unpaid vacation leave.

Accumulated Unpaid Sick Leave

City employees earn sick leave at the rate of ten hours per month, provided that in each month, one hundred hours were worked. Sick leave may be accumulated up to 1,600 hours. In the case of death or retirement, an employee (or the employee's estate) is paid for one-third of the accumulated sick leave hours. In accordance with GASB 16, a liability for sick leave is accrued if it is probable that the City will compensate the employee for the benefits through cash payments conditioned on the employees' retirement. For purposes of this accrual, the City considers it probable that compensation in the form of cash payments will be made to all employees who are currently within five years of their eligible retirement date. The total obligation for sick leave at December 31, 2000 is \$341,453.

Compensatory Time

All non-exempt employees not covered by a collective bargaining agreement, may accrue compensatory time for hours worked in excess of eight hours in a day or forty hours in a week. Compensatory hours is compensated at a rate of one and one-half times the employees regular pay rate. The maximum amount of compensatory time that may be accumulated is sixty-eight hours. The total obligation for compensatory time at December 31, 2000 is \$51,056.

Paid Injury Leave

Employees who are injured on the job and therefore cannot work are entitled to 100% of pay. At December 31, 2000, the City had one employee who was entitled to the paid injury leave benefit. A fund liability was accrued at year-end based on the employee being injured in 2000 and payment made in the availability period (January 1 to January 31, 2000) was reasonably expected. The obligation for paid leave at December 31, 2000 was \$3,118.

12. LONG-TERM OBLIGATIONS

As of December 31, 2000, the City's overall legal debt margin (the ability to issue additional amounts of general obligation bonded debt) was \$47,884,054 with a vote of the electors and \$16,759,419 without a vote of the electors.

**CITY OF SPRINGDALE, OHIO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2000**

A summary of the activity in general long-term obligations account group for the year ended December 31, 2000 is as follows:

	<u>Balances</u> <u>12/31/99</u>	<u>Increase</u> <u>(Decrease)</u>	<u>Balances</u> <u>12/31/00</u>
Compensated absences	\$284,173	\$65,344	\$349,517
Claims and judgments	19,569	(2,151)	17,418
Police and fire pension payable	0	14,285	14,285
TIF revenue bonds payable	0	3,034,440	3,034,440
	<u>\$303,742</u>	<u>\$3,111,918</u>	<u>\$3,415,660</u>

Claims and judgments represent amounts incurred for health claims but not yet reported to or paid by the City. These claims will be paid from the general fund.

13. TAX INCREMENT FINANCING REVENUE BONDS PAYABLE

The City issued \$3,040,000 of Tax Increment Financing (TIF) Revenue Bonds dated September 14, 2000. The bonds mature September 1, 2029 and bear interest at the rate of 6.70%. The bond principal and interest is paid from service payments received from the developers of the property under the TIF agreement. The service payments are based on the incremental value of improvements made to the property under the agreement. If at any time a shortfall exists in the fund making the bond payments, the developers of the property are liable for the shortfall amount. The liability at December 31, 2000 for the TIF Revenue Bonds Payable is \$3,034,440.

As part of the bond issuance, \$296,475 (18 months) of prepaid interest was placed in an account with a local bank acting as trustee. The amount of prepaid interest at December 31, 2000 is \$246,938. The City makes monthly principal payments to the bank, who in turn pays the bondholders on a monthly basis. The principal and prepaid interest amounts are maintained in an account with the trustee. The total value of this account at December 31, 2000 is \$299,983. The cash is not under the control of the City, and accordingly, is not recorded as an asset on the City's financial statements.

Principal and Interest Requirements

Principal and interest requirements to retire long-term debt outstanding at December 31, 2000 are as follows:

<u>Tax Increment Financing Revenue Bonds</u>			
<u>Years</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2001	\$35,982	\$202,216	\$238,198
2002	38,468	199,730	238,198
2003	41,126	197,072	238,198
2004	43,968	194,230	238,198
2005	47,006	191,192	238,198
Thereafter	<u>2,827,890</u>	<u>2,829,307</u>	<u>5,657,197</u>
Total	<u>\$3,034,440</u>	<u>\$3,813,747</u>	<u>\$6,848,187</u>

CITY OF SPRINGDALE, OHIO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2000

14. BOND ANTICIPATION NOTES PAYABLE

The City issued \$6,400,000 of Recreation Facility Improvement Bond Anticipation Notes dated September 20, 2000. The notes mature September 21, 2001 and bear interest at the rate of 4.61%. The notes are issued in anticipation of the issuance of a like principal amount of bonds for the purpose of paying the cost of constructing, furnishing and equipping additions and renovations to the Municipal Recreation Facility (Community Center), and paying related costs, under authority of the general laws of the State of Ohio and the Uniform Public Securities Law of the Ohio Revised Code, and by virtue of ordinances duly adopted by Council. The liability at December 31, 2000 for the notes payable is \$6,400,000.

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, injuries to employees and natural disasters and has established a risk management strategy that attempts to minimize losses and the carrying cost of insurance. Effective June 1, 1991, the City joined the Miami Valley Risk Management Association (MVRMA), a property and casualty pooling arrangement. MVRMA's deductible is \$2,500 per community per occurrence. MVRMA retains responsibility for the payment of claims within specified self-insured retention limits prior to the application of coverage provided by excess reinsurance contracts. MVRMA's per-occurrence retention limit for property was \$150,000 in 2000 with the exception of boiler and machinery for which there was a \$5,000 per-occurrence retention limit in 2000. Liability had a per-occurrence retention limit of \$500,000 in 2000. In 1999, liability excess coverage for \$10,000,000 excess of \$1,000,000 was obtained as a joint purchase with other pools through the National Public Entity Excess Program and this program continued for 2000.

The City pays the state Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

In May of 1994 the City began managing the hospital/medical and dental benefits for its employees on a self-insured basis. At December 31, 2000, 113 employees were enrolled in the plan which covers 326 lives. The City accounts for and finances this activity in the general fund. The hospital/medical plan operates on a cost-sharing basis with the maximum annual employee out-of-pocket cost being \$1,000 for a single employee and \$2,000 for a covered family. A prescription drug card program is also part of this self-insurance plan requiring a nominal co-pay by the employee for prescription drugs. The City provides a dental plan with coverage ranging from 50 percent to 100 percent depending on the type of dental services performed. There is a monthly "premium" charge for employees enrolled in the dental plan. A third party administrator (United Medical Resources) reviews all claims which are then paid by the City. The City is responsible for up to \$25,000 per employee (specific limit). Upon exceeding the \$25,000 limit, the City's stop loss coverage will apply. The lifetime maximum medical coverage amount is \$1,000,000.

The City records a liability for incurred but not reported claims (IBNR) in accordance with GASB Statement No. 10. Portions of the IBNR liability are recorded in the general long-term obligations account group and in the general fund. The total IBNR liability at December 31, 2000 was \$75,000.

**CITY OF SPRINGDALE, OHIO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2000**

The following is a reconciliation of the changes in aggregate liabilities for claims and judgements payable:

	Balance <u>12/31/00</u>	Balance <u>12/31/99</u>
Claims and judgements payable, beginning of the year	\$42,000	\$90,655
Claims incurred during the year	442,079	435,594
Payments		
Attributable to current year	(378,201)	(401,960)
Attributable to prior years	<u>(30,878)</u>	<u>(82,289)</u>
Claims and judgments payable, end of year	<u><u>\$75,000</u></u>	<u><u>\$42,000</u></u>

16. JOINT VENTURE

The cities of Beavercreek, Blue Ash, Kettering, Madeira, Mason, Miamisburg, Montgomery, Sidney, Springdale, Tipp City, Troy, Vandalia, West Carrollton, Wilmington, and Wyoming, and the City of the Village of Indian Hill, have entered a joint venture for the purpose of providing various types of insurance coverage. This association is organized as an Ohio not-for-profit corporation operating under the name of Miami Valley Risk Management Association (MVRMA). The association exists for the public purpose of enabling its member political subdivisions to obtain insurance coverage, provide methods for paying claims, and provide a formalized, jointly administered self-insurance pool. In addition to the self-insurance pool, the Association provides risk management services, loss prevention programs, and various other educational materials.

MVRMA was incorporated December 1, 1988 under Section 2744.081 of the Ohio Revised Code and is governed by a sixteen-member Board of Trustees, consisting of a trustee appointed by each of the member cities with each trustee having a single vote. The Board of Trustees elects the officers of the corporation, and is responsible for its own financial matters including budgeting. The City exercises no significant influence over the Board of Trustees and there is no liability on the part of the City for MVRMA's fiscal matters. MVRMA issues a stand-alone Comprehensive Annual Financial Report. Interested parties may obtain a copy by making a written request to 1450 E. David Road, Suite 1B, Kettering, OH 45429 or by calling (513) 438-8878.

MVRMA retains responsibility for the payment of claims within specified self-insured retention limits prior to the application of coverage provided by excess reinsurance contracts. During 2000, MVRMA's per-occurrence retention limit for property was \$150,000, with the exception of boiler and machinery for which there was a \$5,000 per-occurrence retention limit.

MVRMA maintains excess reinsurance contracts with insurance carriers who provide various limits of coverage over MVRMA's self-insured retention limits. For the year ended December 31, 2000, MVRMA purchased the following types of reinsurance in excess of its self-insurance retention presented in the previous paragraph:

**CITY OF SPRINGDALE, OHIO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2000**

<u>Excess Reinsurance</u>	<u>Per-Occurrence Limits</u>
• General liability (including law enforcement)	\$10,500,000 per occurrence
• Automobile liability	10,500,000 per occurrence
• Public officials liability	500,000 per occurrence
• Boiler and machinery	432,383,397 blanket limit
• Property (excluding flood and earthquake)	432,383,397 blanket limit
• Property - flood and earthquake	100,000,000 annual aggregate

MVRMA has established a Shock Loss Fund (SLF) to replace the aggregate stop-loss policy. MVRMA members contribute based on a moving target equal to the annual loss fund. MVRMA members annually fund approximately 15% of the moving target with an expectation that within six years the balance of the SLF would be equivalent to the current year's annual loss fund. Once the fund reaches the total of the current year's annual loss fund, additional deposits from members who had contributed for the entire six-year period would be discontinued until such time as the balance falls below the target amount.

During 1999, MVRMA purchased an umbrella policy which covered any loss, excluding property, in excess of the per-occurrence retention limit up to \$10,000,000 per occurrence and in aggregate.

As of December 31, 1999, the pool contribution factors are: Beavercreek 8.70%, Blue Ash 6.87%, Indian Hill 2.87%, Kettering 16.18%, Madeira 1.68%, Mason 4.47%, Miamisburg 12.73%, Montgomery 3.97%, Sidney 10.21%, Springdale 5.42%, Tipp City 2.60%, Troy 8.03%, Vandalia 5.31%, West Carrollton 4.45%, Wilmington 4.34%, and Wyoming 2.15%. There was no joint venture debt at December 31, 1999. MVRMA was created to enable its members to share risk, and it is reasonably possible that MVRMA, Inc. may make additional assessments to the City.

A summary of audited financial information as of December 31, 1999, is presented below:

	<u>Joint Venture</u>	<u>City's Share 5.42%</u>
Total assets	<u>\$4,742,119</u>	<u>\$257,023</u>
Total liabilities	\$2,965,412	\$160,725
Fund equity	<u>1,776,707</u>	<u>96,298</u>
Total liabilities and fund equity	<u>\$4,742,119</u>	<u>\$257,023</u>
Total operating revenues	\$2,553,148	\$138,381
Total operating expenditures	<u>3,442,721</u>	<u>186,595</u>
Excess of revenues over expenditures	(889,573)	(48,214)
Beginning fund balance	<u>2,666,280</u>	<u>144,512</u>
Ending fund balance	<u>\$1,776,707</u>	<u>\$96,298</u>

**CITY OF SPRINGDALE, OHIO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2000**

17. CONTINGENT LIABILITIES

The City's attorney is of the opinion that ultimate disposition of actual or potential claims against the City and other actual or potential legal proceedings will not materially affect the financial condition of the City. Therefore, the general fund and the general long-term obligation account group do not present estimated claims.

(This page intentionally left blank)

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

(This page intentionally left blank)

SPECIAL REVENUE FUNDS

Special Revenue 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.

A separate Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Non-GAAP Basis) at the legal level of budgetary control is available upon request.

Street Construction, Maintenance and Repair Fund - To account for that portion of the state gasoline tax and motor vehicle registration fees designated for maintenance of streets within the City. Ninety-two and one-half percent of gasoline and auto license taxes are allocated to this fund.

State Highway Fund - To account for that portion of the state gasoline and motor vehicle registration fees designated for maintenance of state highways within the City. Seven and one-half percent of gasoline and auto license taxes are allocated to this fund.

Grants Fund - To account for grants obtained from outside agencies for other than capital purposes.

Drug Law Enforcement Fund – To account for mandatory fines collected for drug agencies.

Law Enforcement Fund – To account for the proceeds from the confiscation of contraband.

Driving Under the Influence Fund – To account for fines imposed on DUI offenders. Under state law disbursements may be made from this fund for law enforcement purposes related to informing the public of laws governing the operation of a motor vehicle while under the influence of alcohol. Disbursements may also be made for other information relating to the operation of a motor vehicle and the consumption of alcoholic beverages.

Residential Recycling Incentive Fund – To account for payments received from the Hamilton County Solid Waste Management District incentive funds and expenditures made for solid waste management activities.

Vehicle Immobilization Fee Fund – To account for the vehicle immobilization fee received by the State and make expenditures for law enforcement purposes relating to the costs incurred in enforcing Ohio Revised Code Section 4503.233.

Parks and Urban Forestry Fund – To account for the costs of purchasing and planting municipal street trees.

CITY OF SPRINGDALE, OHIO
 COMBINING BALANCE SHEET
 SPECIAL REVENUE FUNDS
 DECEMBER 31, 2000

	Street Construction, Maintenance and Repair Fund	State Highway Fund	Grants Fund	Drug Law Enforcement Fund
Assets:				
Cash and cash equivalents	\$24,900	\$2,660	\$37,276	\$622
Intergovernmental receivable	<u>30,090</u>	<u>2,440</u>	<u>5,351</u>	<u>0</u>
 Total assets	 <u><u>\$54,990</u></u>	 <u><u>\$5,100</u></u>	 <u><u>\$42,627</u></u>	 <u><u>\$622</u></u>
Liabilities:				
Accounts payable	\$1,293	\$0	\$238	\$0
Contracts payable	0	0	0	0
Accrued wages and benefits payable	18,066	3,919	0	0
Compensated absences payable	979	0	0	0
Interfund loans payable	0	0	7,390	0
Intergovernmental payable	0	0	939	0
Deferred Revenue	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
 Total liabilities	 <u>20,338</u>	 <u>3,919</u>	 <u>8,567</u>	 <u>0</u>
Fund Equity:				
Fund balance:				
Reserved for encumbrances	0	0	1,021	0
Unreserved - Undesignated	<u>34,652</u>	<u>1,181</u>	<u>33,039</u>	<u>622</u>
 Total fund balance	 <u>34,652</u>	 <u>1,181</u>	 <u>34,060</u>	 <u>622</u>
 Total fund equity	 <u>34,652</u>	 <u>1,181</u>	 <u>34,060</u>	 <u>622</u>
 Total liabilities and fund equity	 <u><u>\$54,990</u></u>	 <u><u>\$5,100</u></u>	 <u><u>\$42,627</u></u>	 <u><u>\$622</u></u>

Law Enforcement Fund	Driving Under the Influence Fund	Residential Recycling Incentive Fund	Vehicle Immobilization Fee Fund	Parks and Urban Forestry Fund	Totals
\$21	\$700	\$4,915	\$1,446	\$123,236	\$195,776
0	25	7,959	0	0	45,865
<u>\$21</u>	<u>\$725</u>	<u>\$12,874</u>	<u>\$1,446</u>	<u>\$123,236</u>	<u>\$241,641</u>
\$0	\$0	\$0	\$0	\$4,348	\$5,879
0	0	4,788	0	0	4,788
0	0	0	0	0	21,985
0	0	0	0	0	979
0	0	0	0	0	7,390
0	0	0	0	0	939
0	0	7,959	0	0	7,959
<u>0</u>	<u>0</u>	<u>12,747</u>	<u>0</u>	<u>4,348</u>	<u>49,919</u>
0	0	0	0	6,032	7,053
21	725	127	1,446	112,856	184,669
<u>21</u>	<u>725</u>	<u>127</u>	<u>1,446</u>	<u>118,888</u>	<u>191,722</u>
<u>21</u>	<u>725</u>	<u>127</u>	<u>1,446</u>	<u>118,888</u>	<u>191,722</u>
<u>\$21</u>	<u>\$725</u>	<u>\$12,874</u>	<u>\$1,446</u>	<u>\$123,236</u>	<u>\$241,641</u>

CITY OF SPRINGDALE, OHIO
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2000

	Street Construction, Maintenance and Repair Fund	State Highway Fund	Grants Fund	Drug Law Enforcement Fund
Revenues:				
Intergovernmental	\$418,934	\$33,967	\$19,083	\$0
Fines and forfeitures	0	0	0	243
Interest	26	0	532	0
Contributions	0	0	0	0
Other	0	0	0	47
	<u>418,960</u>	<u>33,967</u>	<u>19,615</u>	<u>290</u>
Total revenues				
Expenditures:				
Current:				
Security of persons and property	0	0	12,277	2,350
Community environment	0	0	9,457	0
Basic utility services	0	0	5,838	0
Transportation	417,088	41,140	0	0
Capital outlay	0	0	0	13,780
	<u>417,088</u>	<u>41,140</u>	<u>27,572</u>	<u>16,130</u>
Total expenditures				
Excess (deficiency) of revenues over expenditures	<u>1,872</u>	<u>(7,173)</u>	<u>(7,957)</u>	<u>(15,840)</u>
Other financing sources:				
Operating transfers-in	<u>0</u>	<u>0</u>	<u>9,919</u>	<u>0</u>
Total other financing sources	<u>0</u>	<u>0</u>	<u>9,919</u>	<u>0</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	1,872	(7,173)	1,962	(15,840)
Beginning fund balance (deficit)	<u>32,780</u>	<u>8,354</u>	<u>32,098</u>	<u>16,462</u>
Ending fund balance	<u>\$34,652</u>	<u>\$1,181</u>	<u>\$34,060</u>	<u>\$622</u>

Law Enforcement Fund	Driving Under the Influence Fund	Residential Recycling Incentive Fund	Vehicle Immobilization Fee Fund	Parks and Urban Forestry Fund	Totals
\$0	\$0	\$6,201	\$300	\$0	\$478,485
0	2,213	0	0	0	2,456
0	0	0	0	5,042	5,600
0	0	0	0	64,164	64,164
3,768	0	0	0	0	3,815
<u>3,768</u>	<u>2,213</u>	<u>6,201</u>	<u>300</u>	<u>69,206</u>	<u>554,520</u>
0	300	0	3,654	0	18,581
0	0	0	0	25,013	34,470
0	0	56,314	0	0	62,152
0	0	0	0	0	458,228
7,390	14,327	0	0	0	35,497
<u>7,390</u>	<u>14,627</u>	<u>56,314</u>	<u>3,654</u>	<u>25,013</u>	<u>608,928</u>
<u>(3,622)</u>	<u>(12,414)</u>	<u>(50,113)</u>	<u>(3,354)</u>	<u>44,193</u>	<u>(54,408)</u>
<u>0</u>	<u>0</u>	<u>56,652</u>	<u>0</u>	<u>0</u>	<u>66,571</u>
<u>0</u>	<u>0</u>	<u>56,652</u>	<u>0</u>	<u>0</u>	<u>66,571</u>
(3,622)	(12,414)	6,539	(3,354)	44,193	12,163
3,643	13,139	(6,412)	4,800	74,695	179,559
<u>\$21</u>	<u>\$725</u>	<u>\$127</u>	<u>\$1,446</u>	<u>\$118,888</u>	<u>\$191,722</u>

CITY OF SPRINGDALE, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL (NON-GAAP BASIS)
 SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2000

STREET CONSTRUCTION, MAINTENANCE AND REPAIR FUND

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$480,000	\$418,907	(\$61,093)
Interest	5,000	26	(4,974)
Total revenues	<u>485,000</u>	<u>418,933</u>	<u>(66,067)</u>
Expenditures:			
Current:			
Transportation	485,000	411,989	73,011
Total expenditures	<u>485,000</u>	<u>411,989</u>	<u>73,011</u>
Excess of revenues over expenditures	<u>0</u>	<u>6,944</u>	<u>6,944</u>
Beginning fund balance	<u>17,956</u>	<u>17,956</u>	<u>0</u>
Ending fund balance	<u><u>\$17,956</u></u>	<u><u>\$24,900</u></u>	<u><u>\$6,944</u></u>

CITY OF SPRINGDALE, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL (NON-GAAP BASIS)
 SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2000

STATE HIGHWAY FUND

	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$40,000	\$33,965	(\$6,035)
Total revenues	40,000	33,965	(6,035)
Expenditures:			
Current:			
Transportation	40,000	38,573	1,427
Total expenditures	40,000	38,573	1,427
Excess (deficiency) of revenues over expenditures	0	(4,608)	(4,608)
Beginning fund balance	7,268	7,268	0
Ending fund balance	\$7,268	\$2,660	(\$4,608)

CITY OF SPRINGDALE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BASIS)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2000

GRANTS FUND

	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$38,582	\$58,577	\$19,995
Interest	100	532	432
Total revenues	<u>38,682</u>	<u>59,109</u>	<u>20,427</u>
Expenditures:			
Current:			
Security of persons and property	37,525	37,523	2
Community environment	10,478	10,478	0
Basic utility services	6,500	4,899	1,601
Total expenditures	<u>54,503</u>	<u>52,900</u>	<u>1,603</u>
Excess (deficiency) of revenues over expenditures	<u>(15,821)</u>	<u>6,209</u>	<u>22,030</u>
Other financing sources:			
Operating transfers-in	9,919	9,919	0
Advances-in	7,390	7,390	0
Total other financing sources	<u>17,309</u>	<u>17,309</u>	<u>0</u>
Excess of revenues and other sources over expenditures and other uses	<u>1,488</u>	<u>23,518</u>	<u>22,030</u>
Beginning fund balance	2,178	2,178	0
Prior year encumbrances	<u>10,558</u>	<u>10,558</u>	<u>0</u>
Ending fund balance	<u><u>\$14,224</u></u>	<u><u>\$36,254</u></u>	<u><u>\$22,030</u></u>

CITY OF SPRINGDALE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BASIS)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2000

DRUG LAW ENFORCEMENT FUND

	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Fines and forfeitures	\$5,000	\$243	(\$4,757)
Other	0	47	47
Total revenues	<u>5,000</u>	<u>290</u>	<u>(4,710)</u>
Expenditures:			
Current:			
Security of persons and property	2,350	2,350	0
Capital outlay	13,781	13,780	1
Total expenditures	<u>16,131</u>	<u>16,130</u>	<u>1</u>
Excess (deficiency) of revenues over expenditures	<u>(11,131)</u>	<u>(15,840)</u>	<u>(4,709)</u>
Beginning fund balance	<u>16,462</u>	<u>16,462</u>	<u>0</u>
Ending fund balance	<u><u>\$5,331</u></u>	<u><u>\$622</u></u>	<u><u>(\$4,709)</u></u>

CITY OF SPRINGDALE, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL (NON-GAAP BASIS)
 SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2000

LAW ENFORCEMENT FUND

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues:			
Other	<u>\$4,245</u>	<u>\$3,768</u>	<u>(\$477)</u>
Total revenues	<u>4,245</u>	<u>3,768</u>	<u>(477)</u>
Expenditures:			
Capital outlay	<u>7,390</u>	<u>7,390</u>	<u>0</u>
Total expenditures	<u>7,390</u>	<u>7,390</u>	<u>0</u>
Excess (deficiency) of revenues over expenditures	<u>(3,145)</u>	<u>(3,622)</u>	<u>(477)</u>
Beginning fund balance	<u>3,643</u>	<u>3,643</u>	<u>0</u>
Ending fund balance	<u><u>\$498</u></u>	<u><u>\$21</u></u>	<u><u>(\$477)</u></u>

CITY OF SPRINGDALE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BASIS)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2000

DRIVING UNDER THE INFLUENCE FUND

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues:			
Fines and forfeitures	\$2,000	\$2,216	\$216
Total revenues	<u>2,000</u>	<u>2,216</u>	<u>216</u>
Expenditures:			
Current:			
Security of persons and property	300	300	0
Capital outlay	14,328	14,327	1
Total expenditures	<u>14,628</u>	<u>14,627</u>	<u>1</u>
Excess (deficiency) of revenues over expenditures	<u>(12,628)</u>	<u>(12,411)</u>	<u>217</u>
Beginning fund balance	<u>13,111</u>	<u>13,111</u>	<u>0</u>
Ending fund balance	<u><u>\$483</u></u>	<u><u>\$700</u></u>	<u><u>\$217</u></u>

CITY OF SPRINGDALE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BASIS)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2000

RESIDENTIAL RECYCLING INCENTIVE FUND

	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$15,000	\$10,076	(\$4,924)
Total revenues	15,000	10,076	(4,924)
Expenditures:			
Current:			
Basic utility services	69,228	61,813	7,415
Total expenditures	69,228	61,813	7,415
Excess (deficiency) of revenues over expenditures	(54,228)	(51,737)	2,491
Other financing sources:			
Operating transfers-in	56,652	56,652	0
Total other financing sources	56,652	56,652	0
Excess of revenues and other sources over expenditures and other uses	2,424	4,915	2,491
Beginning fund balance	0	0	0
Ending fund balance	\$2,424	\$4,915	\$2,491

CITY OF SPRINGDALE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BASIS)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2000

VEHICLE IMMOBILIZATION FEE FUND

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	<u>\$800</u>	<u>\$300</u>	<u>(\$500)</u>
Total revenues	<u>800</u>	<u>300</u>	<u>(500)</u>
Expenditures:			
Current:			
Security of persons and property	<u>3,654</u>	<u>3,654</u>	<u>0</u>
Total expenditures	<u>3,654</u>	<u>3,654</u>	<u>0</u>
Excess (deficiency) of revenues over expenditures	<u>(2,854)</u>	<u>(3,354)</u>	<u>(500)</u>
Beginning fund balance	<u>4,800</u>	<u>4,800</u>	<u>0</u>
Ending fund balance	<u><u>\$1,946</u></u>	<u><u>\$1,446</u></u>	<u><u>(\$500)</u></u>

CITY OF SPRINGDALE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BASIS)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2000

PARKS AND URBAN FORESTRY FUND

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues:			
Interest	\$2,500	\$5,041	\$2,541
Contributions	0	64,164	64,164
Total revenues	<u>2,500</u>	<u>69,205</u>	<u>66,705</u>
Expenditures:			
Current:			
Community environment	<u>49,331</u>	<u>41,950</u>	<u>7,381</u>
Total expenditures	<u>49,331</u>	<u>41,950</u>	<u>7,381</u>
Excess (deficiency) of revenues over expenditures	<u>(46,831)</u>	<u>27,255</u>	<u>74,086</u>
Beginning fund balance	76,270	76,270	0
Prior year encumbrances	<u>9,331</u>	<u>9,331</u>	<u>0</u>
Ending fund balance	<u><u>\$38,770</u></u>	<u><u>\$112,856</u></u>	<u><u>\$74,086</u></u>

CITY OF SPRINGDALE, OHIO
 COMBINED SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL (NON-GAAP BASIS)
 SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2000

TOTAL SPECIAL REVENUE FUNDS

	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$574,382	\$521,825	(\$52,557)
Fines and forfeitures	7,000	2,459	(4,541)
Interest	7,600	5,600	(2,000)
Contributions	0	64,164	64,164
Other	4,245	3,815	(430)
Total revenues	<u>593,227</u>	<u>597,863</u>	<u>4,636</u>
Expenditures:			
Current:			
Security of persons and property	43,829	43,827	2
Community environment	59,809	52,428	7,381
Basic utility services	75,728	66,712	9,016
Transportation	525,000	450,562	74,438
Capital outlay	35,499	35,497	2
Total expenditures	<u>739,865</u>	<u>649,026</u>	<u>90,839</u>
Excess (deficiency) of revenues over expenditures	<u>(146,638)</u>	<u>(51,163)</u>	<u>95,475</u>
Other financing sources:			
Operating transfers-in	66,571	66,571	0
Advances-in	7,390	7,390	0
Total other financing sources	<u>73,961</u>	<u>73,961</u>	<u>0</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>(72,677)</u>	<u>22,798</u>	<u>95,475</u>
Beginning fund balance	141,688	141,688	0
Prior year encumbrances	<u>19,889</u>	<u>19,889</u>	<u>0</u>
Ending fund balance	<u><u>\$88,900</u></u>	<u><u>\$184,375</u></u>	<u><u>\$95,475</u></u>

(This page intentionally left blank)

CAPITAL PROJECTS FUNDS

Capital Projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by proprietary funds and trust funds.

A separate Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Non-GAAP Basis) at the legal level of budgetary control is available upon request.

Capital Improvements Fund - To account for various capital projects financed by governmental funds.

Northwest Business Center Tax Increment Financing (TIF) Fund - To account for the activity regarding the Northwest Business Center Tax Increment Financing project, including the issuance of bond anticipation notes as well as public improvements.

CITY OF SPRINGDALE, OHIO
 COMBINING BALANCE SHEET
 CAPITAL PROJECTS FUNDS
 DECEMBER 31, 2000

	Capital Improvements Fund	Northwest Business Center TIF Fund	Totals
Assets:			
Cash and cash equivalents	\$2,915,311	\$243,639	\$3,158,950
Prepaid items	0	246,938	246,938
Total assets	<u>\$2,915,311</u>	<u>\$490,577</u>	<u>\$3,405,888</u>
Liabilities:			
Accounts payable	\$26,515	\$0	\$26,515
Contracts payable	659,967	0	659,967
Interest payable	80,832	0	80,832
Bond anticipation notes payable	6,400,000	0	6,400,000
Total liabilities	<u>7,167,314</u>	<u>0</u>	<u>7,167,314</u>
Fund Equity (Deficit):			
Fund balance:			
Reserved for encumbrance:	483,347	0	483,347
Unreserved - undesignated	(4,735,350)	490,577	(4,244,773)
Total fund balance (deficit)	<u>(4,252,003)</u>	<u>490,577</u>	<u>(3,761,426)</u>
Total fund equity (deficit)	<u>(4,252,003)</u>	<u>490,577</u>	<u>(3,761,426)</u>
Total liabilities and fund equity (deficit)	<u>\$2,915,311</u>	<u>\$490,577</u>	<u>\$3,405,888</u>

CITY OF SPRINGDALE, OHIO
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 CAPITAL PROJECTS FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2000

	Capital Improvements Fund	Northwest Business Center TIF Fund	Totals
Revenues:			
Intergovernmental	\$168,108	\$3,386	\$171,494
Special assessments	10,425	38,318	48,743
Interest	310,706	3,133	313,839
Other	250	0	250
Total revenues	<u>489,489</u>	<u>44,837</u>	<u>534,326</u>
Expenditures:			
Current:			
Liesure time activities	1,566	0	1,566
General government	160	465,466	465,626
Capital outlay	6,356,797	0	6,356,797
Debt service:			
Principal retirement	0	5,559	5,559
Interest and fiscal charges	287,001	103,249	390,250
Total expenditures	<u>6,645,524</u>	<u>574,274</u>	<u>7,219,798</u>
Excess (deficiency) of revenues over expenditures	<u>(6,156,035)</u>	<u>(529,437)</u>	<u>(6,685,472)</u>
Other financing sources:			
Proceeds from the sale of bonds	0	3,040,000	3,040,000
Operating transfers-in	2,166,474	0	2,166,474
Total other financing sources	<u>2,166,474</u>	<u>3,040,000</u>	<u>5,206,474</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	(3,989,561)	2,510,563	(1,478,998)
Beginning fund balance (deficit)	<u>(262,442)</u>	<u>(2,019,986)</u>	<u>(2,282,428)</u>
Ending fund balance (deficit)	<u><u>(\$4,252,003)</u></u>	<u><u>\$490,577</u></u>	<u><u>(\$3,761,426)</u></u>

CITY OF SPRINGDALE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BASIS)
CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2000

CAPITAL IMPROVEMENTS FUND

	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$125,365	\$168,108	\$42,743
Special assessments	7,000	10,425	3,425
Interest	355,080	310,706	(44,374)
Other	0	250	250
Total revenues	<u>487,445</u>	<u>489,489</u>	<u>2,044</u>
Expenditures:			
Current:			
General government	161	160	1
Capital outlay	8,856,804	7,651,688	1,205,116
Debt service:			
Principal retirement	7,000,000	7,000,000	0
Interest and fiscal charges	283,063	283,063	0
Total expenditures	<u>16,140,028</u>	<u>14,934,911</u>	<u>1,205,117</u>
Excess (deficiency) of revenues over expenditures	<u>(15,652,583)</u>	<u>(14,445,422)</u>	<u>1,207,161</u>
Other financing sources:			
Proceeds from the sale of bond anticipation notes	6,400,000	6,400,000	0
Operating transfers-in	2,166,474	2,166,474	0
Total other financing sources	<u>8,566,474</u>	<u>8,566,474</u>	<u>0</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>(7,086,109)</u>	<u>(5,878,948)</u>	<u>1,207,161</u>
Beginning fund balance	3,071,055	3,071,055	0
Prior year encumbrances	<u>4,585,396</u>	<u>4,585,396</u>	<u>0</u>
Ending fund balance	<u><u>\$570,342</u></u>	<u><u>\$1,777,503</u></u>	<u><u>\$1,207,161</u></u>

CITY OF SPRINGDALE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BASIS)
CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2000

NORTHWEST BUSINESS CENTER TAX INCREMENT FINANCING FUND

	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$65,000	\$3,386	(\$61,614)
Special assessments	650,000	38,318	(611,682)
Interest	2,500	3,134	634
Total revenues	<u>717,500</u>	<u>44,838</u>	<u>(672,662)</u>
Expenditures:			
Current:			
General government	469,424	465,466	3,958
Debt service:			
Principal retirement	15,874,101	2,005,559	13,868,542
Interest and fiscal charges	372,475	371,842	633
Total expenditures	<u>16,716,000</u>	<u>2,842,867</u>	<u>13,873,133</u>
Excess (deficiency) of revenues over expenditures	<u>(15,998,500)</u>	<u>(2,798,029)</u>	<u>13,200,471</u>
Other financing sources:			
Proceeds from the sale of bonds	0	3,040,000	3,040,000
Proceeds from the sale of bond anticipation notes	16,000,000	0	(16,000,000)
Total other financing sources	<u>16,000,000</u>	<u>3,040,000</u>	<u>(12,960,000)</u>
Excess of revenues and other sources over expenditures and other uses	1,500	241,971	240,471
Beginning fund balance	<u>1,668</u>	<u>1,668</u>	<u>0</u>
Ending fund balance	<u><u>\$3,168</u></u>	<u><u>\$243,639</u></u>	<u><u>\$240,471</u></u>

CITY OF SPRINGDALE, OHIO
 COMBINED SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL (NON-GAAP BASIS)
 CAPITAL PROJECTS FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2000

TOTAL CAPITAL PROJECTS FUNDS

	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$190,365	\$171,494	(\$18,871)
Special assessments	657,000	48,743	(608,257)
Interest	357,580	313,840	(43,740)
Other	0	250	250
Total revenues	<u>1,204,945</u>	<u>534,327</u>	<u>(670,618)</u>
Expenditures:			
Current:			
General government	469,585	465,626	3,959
Capital outlay	8,856,804	7,651,688	1,205,116
Debt service:			
Principle retirement	22,874,101	9,005,559	13,868,542
Interest and fiscal charges	655,538	654,905	633
Total expenditures	<u>32,856,028</u>	<u>17,777,778</u>	<u>15,078,250</u>
Excess (deficiency) of revenues over expenditures	<u>(31,651,083)</u>	<u>(17,243,451)</u>	<u>14,407,632</u>
Other financing sources:			
Proceeds from the sale of bonds	0	3,040,000	3,040,000
Proceeds from the sale of bond anticipation notes	22,400,000	6,400,000	(16,000,000)
Operating transfers-in	2,166,474	2,166,474	0
Total other financing sources	<u>24,566,474</u>	<u>11,606,474</u>	<u>(12,960,000)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>(7,084,609)</u>	<u>(5,636,977)</u>	<u>1,447,632</u>
Beginning fund balance	3,072,723	3,072,723	0
Prior years encumbrances	<u>4,585,396</u>	<u>4,585,396</u>	<u>0</u>
Ending fund balance	<u><u>\$573,510</u></u>	<u><u>\$2,021,142</u></u>	<u><u>\$1,447,632</u></u>

AGENCY FUNDS

Agency funds are used to account for assets held by the City in the capacity of an agent for individuals, private organizations, other governmental units, and or other funds.

Mayor's Court Fund - To account for funds collected by the Mayor's Court until the funds are distributed as required.

Unclaimed Money Fund – To account for unclaimed funds on account as the result of City checks not cashed within six months.

Ohio Board of Building Standards Assessment Fund – To account for the collection of the Ohio Board of Building Standards Assessments on building permits in the amount of three percent. The amounts collected are remitted to the State on a monthly basis.

Fire Insurance Proceeds Fund – To account for fire insurance proceeds received from an insurance company as a result of a fire within the City. The funds are released once the property is inspected to assure repairs were made to the property in accordance with City code.

CITY OF SPRINGDALE, OHIO
 COMBINING BALANCE SHEET
 AGENCY FUNDS
 DECEMBER 31, 2000

	Mayor's Court Fund	Unclaimed Money Fund	OBBS Assessment Fund	Totals
Assets:				
Cash in segregated account	\$14,417	\$0	\$0	\$14,417
Receivables:				
Interest	11	0	0	11
Funds on deposit for unclaimed monies	0	7,222	0	7,222
Funds on deposit for OBBS assesment	0	0	550	550
Funds on deposit for performance bonds	1,200	0	0	1,200
	<u>15,628</u>	<u>7,222</u>	<u>550</u>	<u>23,400</u>
Total assets				
	<u>\$15,628</u>	<u>\$7,222</u>	<u>\$550</u>	<u>\$23,400</u>
Liabilities:				
Interfund loans payable	\$9,933	\$0	\$0	\$9,933
Intergovernmental payable	4,495	0	0	4,495
Undistributed monies payable	1,200	0	0	1,200
Unclaimed monies payable	0	7,222	0	7,222
OBBS assessment payable	0	0	550	550
	<u>15,628</u>	<u>7,222</u>	<u>550</u>	<u>23,400</u>
Total liabilities				
	<u>15,628</u>	<u>7,222</u>	<u>550</u>	<u>23,400</u>
Fund Equity:				
Unreserved - undesignated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total fund balance	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total fund equity	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total liabilities and fund equity	<u>\$15,628</u>	<u>\$7,222</u>	<u>\$550</u>	<u>\$23,400</u>

CITY OF SPRINGDALE, OHIO
 SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2000

MAYOR'S COURT FUND

	Balance January 1, 2000	Additions	Deductions	Balance December 31, 2000
Assets:				
Cash in segregated account	\$16,568	\$249,937	(\$252,088)	\$14,417
Receivables:				
Interest	58	676	(723)	11
Restricted assets:				
Funds on deposit for performance bonds	560	7,499	(6,859)	1,200
Total assets	<u>\$17,186</u>	<u>\$258,112</u>	<u>(\$259,670)</u>	<u>\$15,628</u>
Liabilities:				
Interfund loans payable	\$11,946	\$198,764	(\$200,777)	\$9,933
Intergovernmental payable	4,680	51,849	(52,034)	4,495
Undistributed monies payable	560	7,499	(6,859)	1,200
Total liabilities	<u>\$17,186</u>	<u>\$258,112</u>	<u>(\$259,670)</u>	<u>\$15,628</u>

CITY OF SPRINGDALE, OHIO
 SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2000

UNCLAIMED MONEY FUND

	Balance January 1, 2000	Additions	Deductions	Balance December 31, 2000
Assets:				
Restricted assets:				
Funds on deposit for unclaimed monies	\$5,026	\$3,104	(\$908)	\$7,222
Total assets	<u>\$5,026</u>	<u>\$3,104</u>	<u>(\$908)</u>	<u>\$7,222</u>
Liabilities:				
Unclaimed monies payable	\$5,026	\$3,104	(\$908)	\$7,222
Total liabilities	<u>\$5,026</u>	<u>\$3,104</u>	<u>(\$908)</u>	<u>\$7,222</u>

CITY OF SPRINGDALE, OHIO
 SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2000

OHIO BOARD OF BUILDING STANDARDS ASSESSMENT FUND

	<u>Balance</u> <u>January 1, 2000</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>December 31, 2000</u>
Assets:				
Restricted assets:				
Funds on deposit for OBBS assessment	\$238	\$4,852	(\$4,540)	\$550
Total assets	<u>\$238</u>	<u>\$4,852</u>	<u>(\$4,540)</u>	<u>\$550</u>
Liabilities:				
OBBS assessment payable	\$238	\$4,852	(\$4,540)	\$550
Total liabilities	<u>\$238</u>	<u>\$4,852</u>	<u>(\$4,540)</u>	<u>\$550</u>

CITY OF SPRINGDALE, OHIO
 SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2000

FIRE INSURANCE PROCEEDS FUND

	<u>Balance</u> <u>January 1, 2000</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>December 31, 2000</u>
Assets:				
Restricted assets:				
Funds on deposit for fire insurance proceeds	<u>\$0</u>	<u>\$22,000</u>	<u>(\$22,000)</u>	<u>\$0</u>
Total assets	<u><u>\$0</u></u>	<u><u>\$22,000</u></u>	<u><u>(\$22,000)</u></u>	<u><u>\$0</u></u>
Liabilities:				
Fire insurance proceeds payable	<u>\$0</u>	<u>\$22,000</u>	<u>(\$22,000)</u>	<u>\$0</u>
Total liabilities	<u><u>\$0</u></u>	<u><u>\$22,000</u></u>	<u><u>(\$22,000)</u></u>	<u><u>\$0</u></u>

CITY OF SPRINGDALE, OHIO
 COMBINED SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2000

TOTAL AGENCY FUNDS

	Balance January 1, 2000	Additions	Deductions	Balance December 31, 2000
Assets:				
Cash in segregated accounts	\$16,568	\$249,937	(\$252,088)	\$14,417
Receivables:				
Interest	58	676	(723)	11
Resrticted assets:				
Funds on deposit for unclaimed monies	5,026	3,104	(908)	7,222
Funds on deposit for OBBS assessment	238	4,852	(4,540)	550
Funds on deposit for performance bonds	560	7,499	(6,859)	1,200
Funds on deposit for fire insurance proceeds	0	22,000	(22,000)	0
	<u>\$22,450</u>	<u>\$288,068</u>	<u>(\$287,118)</u>	<u>\$23,400</u>
Total assets				
	<u>\$22,450</u>	<u>\$288,068</u>	<u>(\$287,118)</u>	<u>\$23,400</u>
Liabilities:				
Interfund loans payable	\$11,946	\$198,764	(\$200,777)	\$9,933
Intergovernmental payable	4,680	51,849	(52,034)	4,495
Undistributed monies payable	560	7,499	(6,859)	1,200
Unclaimed monies payable	5,026	3,104	(908)	7,222
OBBS assessment payable	238	4,852	(4,540)	550
Fire insurance proceeds payable	0	22,000	(22,000)	0
	<u>\$11,946</u>	<u>\$288,068</u>	<u>(\$287,118)</u>	<u>\$9,933</u>
Total liabilities				
	<u>\$11,946</u>	<u>\$288,068</u>	<u>(\$287,118)</u>	<u>\$9,933</u>

(This page intentionally left blank)

GENERAL FIXED ASSETS ACCOUNT GROUP

The General Fixed Assets Account Group is used to account for fixed assets other than those accounted for in the Proprietary Fund.

CITY OF SPRINGDALE, OHIO
 SCHEDULE OF GENERAL FIXED ASSETS
 BY SOURCE
 DECEMBER 31, 2000

General Fixed Assets

Land	\$2,471,252
Buildings	18,987,995
Improvements other than building	1,213,050
Machinery and equipment	1,724,363
Furniture and fixtures	148,343
Vehicles	2,888,260
Total General Fixed Assets	27,433,263

Less:	
Accumulated depreciation	(5,924,299)

Net General Fixed Assets	\$21,508,964
--------------------------	--------------

Investment in General Fixed Assets

General fund	\$9,163,652
Special revenue fund	80,134
Capital projects fund	18,189,477
Total General Fixed Assets	27,433,263

Less:	
Accumulated depreciation	(5,924,299)

Net Total Investment in General Fixed Assets	\$21,508,964
--	--------------

CITY OF SPRINGDALE, OHIO
SCHEDULE OF GENERAL FIXED ASSETS
BY CATEGORY
DECEMBER 31, 2000

Function and Activity	Land	Building	Improvements Other Than Building	Machinery and Equipment	Furniture and Fixtures	Vehicles	Totals
<u>Security of Persons and Property</u>							
Police	\$0	\$1,463,198	\$13,559	\$286,065	\$36,231	\$518,619	\$2,317,672
Fire	0	822,702	9,884	226,960	0	1,649,181	2,708,727
Total	<u>0</u>	<u>2,285,900</u>	<u>23,443</u>	<u>513,025</u>	<u>36,231</u>	<u>2,167,800</u>	<u>5,026,399</u>
<u>Public Health Services</u>							
Health Department	0	0	0	2,413	3,262	20,319	25,994
<u>Leisure Time Activities</u>							
Parks	253,681	141,427	277,469	175,746	0	141,632	989,955
Community Center	0	9,909,231	779,404	273,260	26,564	0	10,988,459
Total	<u>253,681</u>	<u>10,050,658</u>	<u>1,056,873</u>	<u>449,006</u>	<u>26,564</u>	<u>141,632</u>	<u>11,978,414</u>
<u>Community Environment</u>							
Building	0	0	0	22,926	0	35,347	58,273
<u>Transportation</u>							
Public Works	0	1,155,671	55,273	418,208	49,368	492,843	2,171,363
<u>General Government</u>							
Mayor's Office	973,813	0	0	86,623	7,008	17,555	1,084,999
Finance	0	0	0	48,104	4,496	0	52,600
Tax	0	0	0	76,193	3,007	0	79,200
Administration	1,243,758	5,495,766	77,461	107,865	18,407	12,764	6,956,021
Total	<u>2,217,571</u>	<u>5,495,766</u>	<u>77,461</u>	<u>318,785</u>	<u>32,918</u>	<u>30,319</u>	<u>8,172,820</u>
Total General Fixed Assets	2,471,252	18,987,995	1,213,050	1,724,363	148,343	2,888,260	27,433,263
Less: Accumulated Depreciation	0	(2,959,589)	(424,913)	(1,105,222)	(42,787)	(1,391,788)	(5,924,299)
General Fixed Assets	<u>\$2,471,252</u>	<u>\$16,028,406</u>	<u>\$788,137</u>	<u>\$619,141</u>	<u>\$105,556</u>	<u>\$1,496,472</u>	<u>\$21,508,964</u>

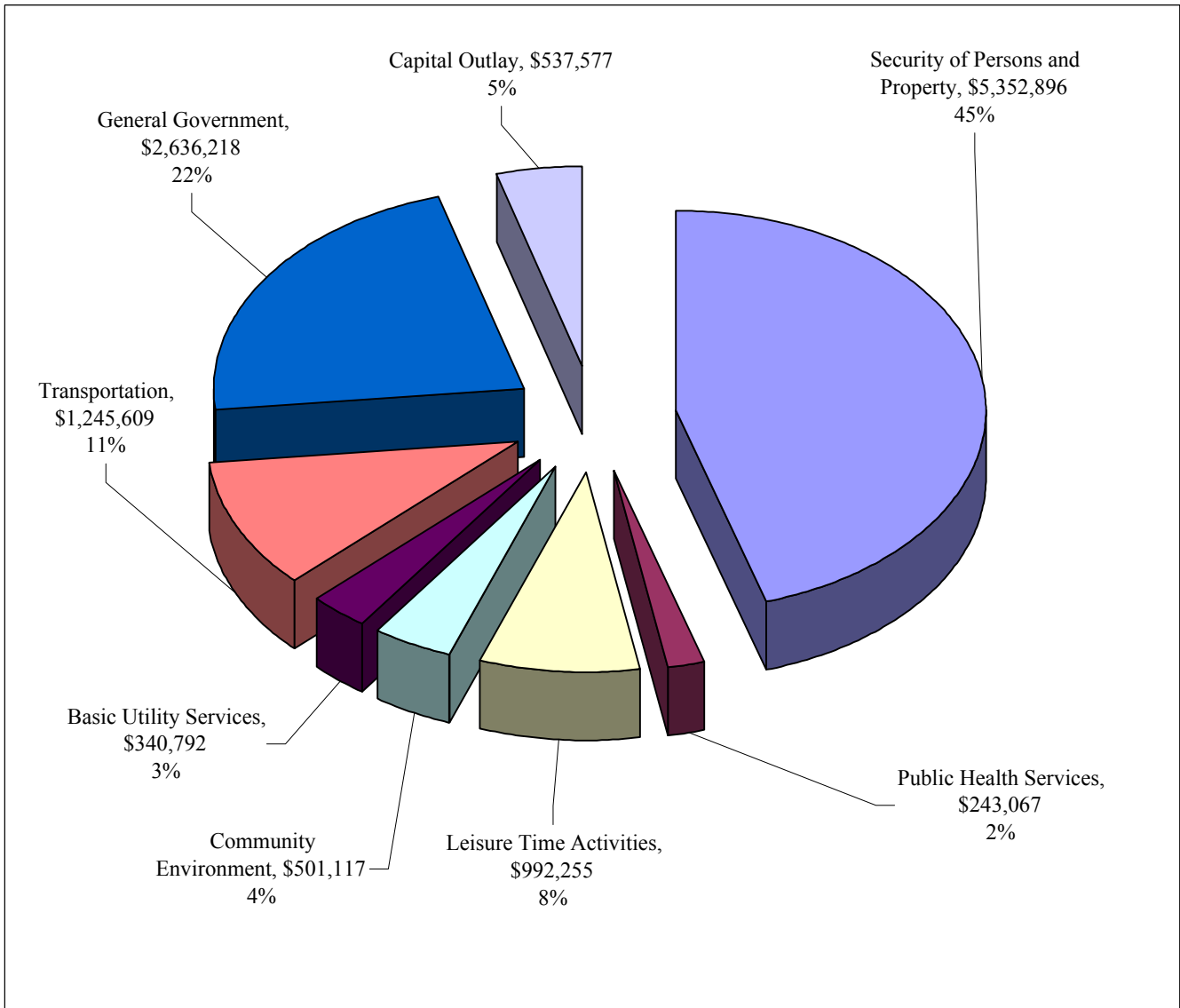
CITY OF SPRINGDALE, OHIO
SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS
BY FUNCTION AND ACTIVITY
FOR THE YEAR ENDED DECEMBER 31, 2000

Function and Activity	Restated Balance January 1, 2000	Additions	Deletions	Balance December 31, 2000
<u>Security of Persons and Property</u>				
Police	\$2,310,270	\$167,964	(\$160,562)	\$2,317,672
Fire	2,179,295	667,528	(138,096)	2,708,727
Total	<u>4,489,565</u>	<u>835,492</u>	<u>(298,658)</u>	<u>5,026,399</u>
<u>Public Health Services</u>				
Health	46,932	0	(20,938)	25,994
<u>Leisure Time Activities</u>				
Parks	860,819	129,136	0	989,955
Community Center	3,814,278	7,481,756	(307,575)	10,988,459
Total	<u>4,675,097</u>	<u>7,610,892</u>	<u>(307,575)</u>	<u>11,978,414</u>
<u>Community Environment</u>				
Building	61,184	17,695	(20,606)	58,273
<u>Transportation</u>				
Public works	2,172,104	151,271	(152,012)	2,171,363
<u>General Government</u>				
Mayor's office	1,097,495	0	(12,496)	1,084,999
Finance	122,722	6,741	(76,863)	52,600
Tax	129,297	0	(50,097)	79,200
Administration	6,501,170	511,097	(56,246)	6,956,021
Total	<u>7,850,684</u>	<u>517,838</u>	<u>(195,702)</u>	<u>8,172,820</u>
Construction in progress	3,376,898	0	(3,376,898)	0
Total General Fixed Assets	22,672,464	9,133,188	(4,372,389)	27,433,263
Less: Accumulated Depreciation	<u>(5,576,012)</u>	<u>(868,144)</u>	<u>519,857</u>	<u>(5,924,299)</u>
General Fixed Assets	<u>\$17,096,452</u>	<u>\$8,265,044</u>	<u>(\$3,852,532)</u>	<u>\$21,508,964</u>

STATISTICAL SECTION

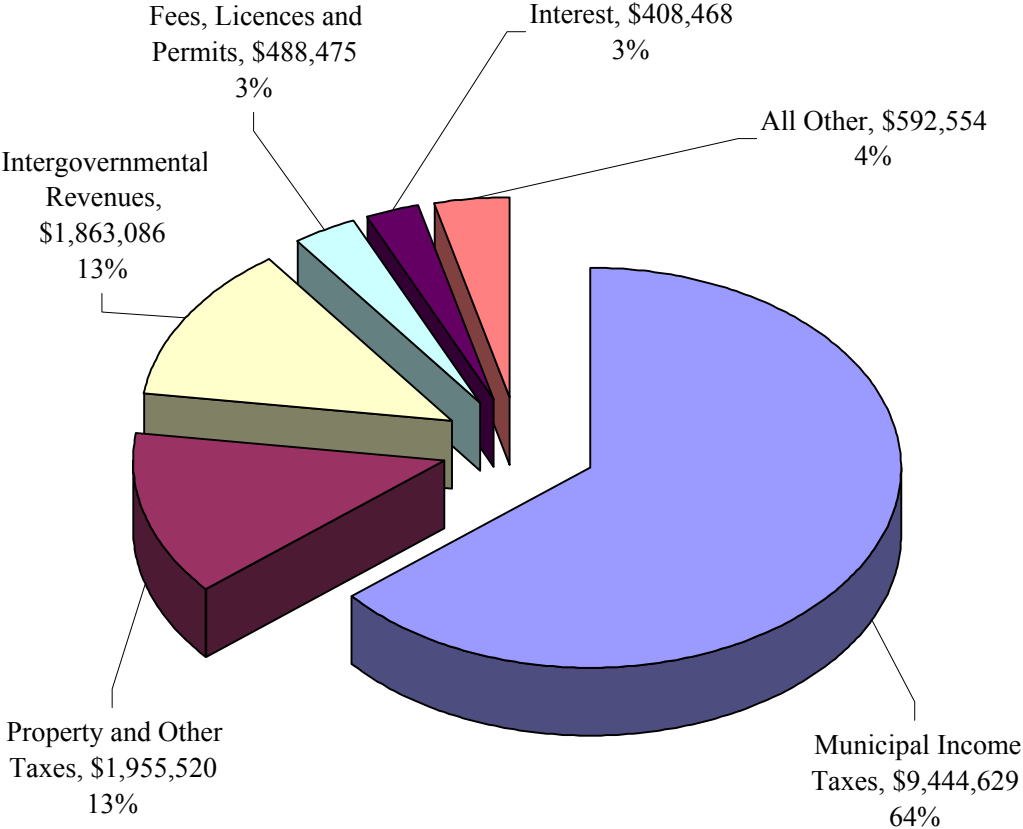
(This page intentionally left blank)

CITY OF SPRINGDALE, OHIO
 GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION
 FOR THE YEAR ENDED DECEMBER 31, 2000



(This page intentionally left blank)

CITY OF SPRINGDALE, OHIO
GENERAL GOVERNMENTAL REVENUES BY SOURCE
FOR THE YEAR ENDED DECEMBER 31, 2000



CITY OF SPRINGDALE, OHIO
GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION (A)
LAST TEN FISCAL YEARS

Year	Security of Persons and Property	Public Health Services	Leisure Time Activities	Community Environment	Basic		Transportation	General Government	Capital Outlay (B)	Total
					Utility Services	Services				
1991	\$3,219,270	\$116,211	\$626,272	\$236,815	\$272,624	\$805,238	\$2,003,902	\$0	\$7,280,332	
1992	3,328,213	122,184	682,772	233,775	93,712	856,172	1,795,734	0	7,112,562	
1993	3,630,887	147,550	722,433	254,124	225,042	990,474	1,953,583	0	7,924,093	
1994	3,702,961	153,168	721,626	279,946	228,989	972,263	1,974,599	0	8,033,552	
1995	3,990,737	161,004	821,988	405,692	203,366	1,101,485	2,078,682	0	8,762,954	
1996	4,239,974	171,070	858,352	328,867	249,898	1,134,122	2,312,679	0	9,294,962	
1997	4,499,691	195,090	879,946	289,179	319,491	1,215,369	2,451,513	0	9,850,279	
1998	4,739,747	206,326	987,007	324,894	327,915	1,227,893	2,285,743	0	10,099,525	
1999	5,166,718	223,293	959,916	364,744	331,385	1,301,797	2,671,665	0	11,019,518	
2000	5,352,896	243,067	992,255	501,117	340,792	1,245,609	2,636,218	537,577	11,849,531	

Source: Department of Finance, City of Springdale, Ohio.

(A) - Includes General Fund and Special Revenue Fund.

(B) - Years 1991 to 1999, Capital Outlay expenditures were reported within the other expenditure line items, as applicable.

CITY OF SPRINGDALE, OHIO
GENERAL GOVERNMENTAL REVENUES BY SOURCE (A)
LAST TEN FISCAL YEARS

Year	Municipal Income Taxes	Property and Other Taxes	Inter - governmental Revenues				Charges for Services	Fines and Forfeitures	Fees, Licenses and Permits	Interest	Contrib - utions	Other	Total
1991	\$2,998,824	\$1,363,083	\$1,790,669	\$92,659	\$245,086	\$147,482	\$270,733	\$0	\$232,959	\$7,141,495			
1992	2,962,329	2,024,771	686,603	83,749	153,496	87,117	165,584	0	60,277	6,223,926			
1993	5,465,204	1,427,838	1,047,025	116,809	140,642	194,294	103,546	0	80,693	8,576,051			
1994	5,412,201	1,688,469	1,079,756	149,617	152,815	360,090	167,399	2,233	48,687	9,061,267			
1995	5,810,200	1,529,667	1,428,354	249,011	139,604	238,393	297,044	50,400	27,455	9,770,128			
1996	5,802,291	1,597,501	1,215,294	271,420	235,278	203,931	309,598	25	30,699	9,666,037			
1997	6,086,176	2,739,804	576,386	195,373	254,091	257,716	349,438	1,800	8,940	10,469,724			
1998	3,812,417	3,125,868	609,835	287,356	203,659	363,302	361,238	825	55,299	8,819,799			
1999	9,422,000	3,620,759	643,997	253,829	196,447	268,842	279,006	37,480	11,483	14,733,843			
2000	9,444,629	1,955,520	1,863,086	223,021	200,780	488,475	408,468	67,047	101,706	14,752,732			

Source: Department of Finance, City of Springdale, Ohio.
(A) - Includes General Fund and Special Revenue Fund.

CITY OF SPRINGDALE, OHIO
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Tax Year/ Collection Year	Current Levy	Delinquent Levy	Total Tax Levy	Current Tax Levy Collections	Percent of Current Tax Levy Collected	Delinquent Tax Levy Collections	Total Tax Collections	Ratio of Total Tax Collections to Total Tax Levy	Outstanding Delinquent Tax	Ratio of Delinquent Taxes to Total Tax Levy
1990/1991	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
1991/1992	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
1992/1993	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
1993/1994	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
1994/1995	\$1,213,910	\$63,839	\$1,277,749	\$1,146,507	94.45%	\$32,797	\$1,179,304	92.30%	\$79,580	6.23%
1995/1996	1,223,225	82,321	1,305,546	1,167,040	95.41%	28,060	1,195,100	91.54%	111,240	8.52%
1996/1997	1,276,594	125,595	1,402,189	1,215,720	95.23%	44,056	1,259,776	89.84%	65,293	4.66%
1997/1998	1,265,939	73,135	1,339,074	1,236,004	97.64%	42,540	1,278,544	95.48%	55,292	4.13%
1998/1999	1,265,561	63,266	1,328,827	1,237,697	97.80%	35,573	1,273,270	95.82%	56,277	4.24%
1999/2000	1,485,660	73,553	1,559,213	1,441,447	97.02%	44,369	1,485,816	95.29%	74,498	4.78%

Source: Hamilton County, Ohio: County Auditor.
NA - Information not available from the Hamilton County Auditor.

CITY OF SPRINGDALE, OHIO
 ASSESSED AND ESTIMATED ACTUAL VALUE OF PROPERTY
 LAST TEN FISCAL YEARS

Tax Year/ Collection Year	Real Property		Public Utility - Personal		Tangible Personal Property		Total		Assessed Value as a Percent of Actual Value
	Assessed Value	Estimated Actual Value (A)	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value (B)	Assessed Value	Estimated Actual Value	
1990/1991	\$220,308,750	\$629,453,571	\$9,265,020	\$9,265,020	\$86,424,790	\$345,699,160	\$315,998,560	\$984,417,751	32.10%
1991/1992	225,564,250	644,469,286	10,326,750	10,326,750	81,186,820	324,747,280	317,077,820	979,543,316	32.37%
1992/1993	226,897,070	648,277,343	11,143,900	11,143,900	86,689,180	346,756,720	324,730,150	1,006,177,963	32.27%
1993/1994	291,354,370	832,441,057	11,457,780	11,457,780	83,902,700	335,610,800	386,714,850	1,179,509,637	32.79%
1994/1995	303,466,610	867,047,457	11,770,380	11,770,380	80,085,980	320,343,920	395,322,970	1,199,161,757	32.97%
1995/1996	299,965,020	857,042,914	11,754,170	11,754,170	78,959,650	315,838,600	390,678,840	1,184,635,684	32.98%
1996/1997	314,393,350	898,266,714	12,057,760	12,057,760	84,096,170	336,384,680	410,547,280	1,246,709,154	32.93%
1997/1998	309,151,390	883,289,686	11,284,670	11,284,670	87,693,690	350,774,760	408,129,750	1,245,349,116	32.77%
1998/1999	308,240,570	880,687,343	11,814,990	11,814,990	90,197,480	360,789,920	410,253,040	1,253,292,253	32.73%
1999/2000	375,686,900	1,073,391,143	11,956,870	11,956,870	91,196,770	91,196,770	478,840,540	1,176,544,783	40.70%

Source: Hamilton County, Ohio: County Auditor.
 (A) - Estimated actual value based on assessment level of 35 percent.
 (B) - Estimated actual value based on assessment level at 25 percent.

CITY OF SPRINGDALE, OHIO
 PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
 (Per \$1,000 of Assessed Valuation)
 LAST TEN FISCAL YEARS

Tax Year/ Collection Year	City of Springdale	Hamilton County	Princeton School District	Winton Woods City School District	Great Oaks Joint Vocational School
1990/1991	3.08	16.88	34.74	NA	2.70
1991/1992	3.08	17.50	34.74	54.72	2.70
1992/1993	3.08	18.56	42.24	54.62	2.70
1993/1994	3.08	18.33	42.24	62.12	2.70
1994/1995	3.08	18.30	42.24	62.12	2.70
1995/1996	3.08	18.30	42.24	62.12	2.70
1996/1997	3.08	19.44	42.24	62.12	2.70
1997/1998	3.08	19.01	42.24	62.13	2.70
1998/1999	3.08	19.54	42.24	70.08	2.70
1999/2000	3.08	20.83	46.19	70.08	2.70

Source: Hamilton County, Ohio: County Auditor.
 NA - Not applicable

CITY OF SPRINGDALE, OHIO
SPECIAL ASSESSMENT BILLINGS AND COLLECTIONS
LAST TEN FISCAL YEARS

<u>Tax Year/ Collection Year</u>	<u>Amount Billed</u>	<u>Amount Collected</u>	<u>Percent Collected</u>
1990/1991	NA	NA	NA
1991/1992	NA	NA	NA
1992/1993	NA	NA	NA
1993/1994	NA	NA	NA
1994/1995	NA	NA	NA
1995/1996	NA	NA	NA
1996/1997	NA	NA	NA
1997/1998	\$20,806	\$19,578	94.10%
1998/1999	29,648	27,360	92.28%
1999/2000	2,596	2,025	78.00%

Source: Hamilton County Auditor.

NA - Not available from the Hamilton County Auditor.

CITY OF SPRINGDALE, OHIO
COMPUTATION OF LEGAL DEBT MARGIN
DECEMBER 31, 2000

Assessed Value of Taxable Property (A)	<u><u>\$478,840,540</u></u>
3.5% of Assessed Value	\$16,759,419
Total Debt Outstanding Subject to the 3.5% Limitation	<u>6,400,000</u>
Legal 3.5% Debt Margin	<u><u>\$10,359,419</u></u>
10% of Assessed Value	\$47,884,054
Total Debt Outstanding Subject to the 10% Limitation	<u>6,400,000</u>
Legal 10% Debt Margin	<u><u>\$41,484,054</u></u>

Source: Department of Finance, City of Springdale, Ohio.
(A) - Obtained from Hamilton County, Ohio: Auditors Office.

CITY OF SPRINGDALE, OHIO
RATIO OF NET GENERAL BONDED DEBT TO ASSESSED
VALUE AND NET BONDED DEBT PER CAPITA
LAST TEN FISCAL YEARS

Year	Population (A)	Assessed Value (B)	General Bonded Debt (C)	Less Balance In General Obligation Bond Retirement Fund (C)	Net General Bonded Debt (C)	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt Per Capita
1991	10,600	\$315,998,560	\$0	\$61,461	\$0	0%	\$0
1992	10,600	317,077,820	0	60,761	0	0%	0
1993	10,600	324,730,150	0	59,522	0	0%	0
1994	10,600	386,714,850	0	0	0	0%	0
1995	10,600	395,322,970	0	0	0	0%	0
1996	10,600	390,678,840	0	0	0	0%	0
1997	10,600	410,547,280	0	0	0	0%	0
1998	10,600	408,129,750	0	0	0	0%	0
1999	10,600	410,253,040	0	0	0	0%	0
2000	10,600	478,840,540	0	0	0	0%	0

(A) - Source: 1990 U.S. Census, 2000 U.S. Census.
(B) - Source: Hamilton County, Ohio: County Auditor.
(C) - Source: Department of Finance, City of Springdale, Ohio.

CITY OF SPRINGDALE, OHIO
RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR GENERAL
BONDED DEBT TO TOTAL GENERAL GOVERNMENTAL EXPENDITURES
LAST TEN FISCAL YEARS

Year	Principal	Interest	Total Debt Service	General Governmental Expenditures	Ratio of Debt Service to General Governmental Expenditures
1991	\$0	\$0	\$0	\$7,280,332	0%
1992	0	0	0	7,112,562	0%
1993	0	0	0	7,924,093	0%
1994	0	0	0	8,033,552	0%
1995	0	0	0	8,762,954	0%
1996	0	0	0	9,294,962	0%
1997	0	0	0	9,850,279	0%
1998	0	0	0	10,099,525	0%
1999	0	0	0	11,019,518	0%
2000	0	0	0	11,849,531	0%

Source: Department of Finance, City of Springdale, Ohio.

CITY OF SPRINGDALE, OHIO
 COMPUTATION OF DIRECT AND OVERLAPPING DEBT
 DECEMBER 31, 2000

	<u>Net Debt Outstanding</u>	<u>Percentage Applicable to City of Springdale</u>	<u>Amount Applicable to City of Springdale</u>
<u>Direct:</u>			
City of Springdale	\$9,440,000	100%	\$9,440,000
<u>Overlapping:</u>			
Hamilton County	130,065,000	2.76%	3,589,794
Princeton City School District	0	26.77%	0
Great Oaks Joint Vocational School	8,850,000	3.49%	<u>308,865</u>
Subtotal			<u>3,898,659</u>
Total			<u><u>\$13,338,659</u></u>

Source: Ohio Municipal Advisory Council.

CITY OF SPRINGDALE, OHIO
REVENUE BOND COVERAGE
NORTHWEST BUSINESS CENTER TAX INCREMENT FINANCING FUND
LAST TEN FISCAL YEARS

Year	Gross Revenue	Operating Expenses	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
1991	NA	NA	NA	NA	NA	NA	NA
1992	NA	NA	NA	NA	NA	NA	NA
1993	NA	NA	NA	NA	NA	NA	NA
1994	NA	NA	NA	NA	NA	NA	NA
1995	NA	NA	NA	NA	NA	NA	NA
1996	NA	NA	NA	NA	NA	NA	NA
1997	NA	NA	NA	NA	NA	NA	NA
1998	NA	NA	NA	NA	NA	NA	NA
1999	NA	NA	NA	NA	NA	NA	NA
2000	\$3,084,837	\$574,274	\$2,510,563	\$5,559	\$103,249	\$108,808	23.07

Source: Department of Finance, City of Springdale, Ohio.
NA - Not Applicable, revenue bonds issued in 2000.

CITY OF SPRINGDALE, OHIO
 DEMOGRAPHIC STATISTICS
 LAST TEN FISCAL YEARS

Year	Population (A)	Average Income (B)	School Enrollment (C)	Unemployment Rate (D)
1991	10,600	\$23,515	989	4.80%
1992	10,600	27,322	1,008	5.70%
1993	10,600	28,161	1,001	5.50%
1994	10,600	29,738	1,001	4.80%
1995	10,600	30,868	1,015	4.00%
1996	10,600	32,409	980	3.60%
1997	10,600	34,489	939	3.20%
1998	10,600	37,129	940	2.90%
1999	10,600	38,246	983	3.00%
2000	10,600	38,114	948	3.60%

(A) - Source: 1990 U.S. Census, 2000 U.S. Census.

(B) - Source: City of Springdale, Tax Department.

(C) - Source: Princeton City School District.

(D) - Source: Ohio Bureau of employment services, rates are for Hamilton County.

CITY OF SPRINGDALE, OHIO
PROPERTY VALUE, CONSTRUCTION AND BANK DEPOSITS
LAST TEN FISCAL YEARS

Fiscal Year	Residential (A)		Commercial Construction (A)		Bank Deposits (B) (In Thousands)
	Number of Permits Issued	Permit Value	Number of Permits Issued	Permit Value	
1991	401	\$1,066,209	459	\$24,247,322	\$11,745,003
1992	397	1,374,699	350	11,084,389	13,500,357
1993	372	10,724,816	368	24,179,394	15,290,052
1994	387	6,008,433	409	20,439,887	17,301,493
1995	329	2,226,565	429	17,478,574	18,661,138
1996	499	4,846,521	399	25,574,955	21,598,936
1997	366	2,212,098	428	17,692,270	18,070,437
1998	596	1,496,378	541	30,766,866	24,305,322
1999	329	8,753,157	409	16,314,160	41,302,569
2000	282	1,447,357	481	51,977,785	76,137,192

(A) - Source: City of Springdale, Building Department.

(B) - Source: Federal Reserve Bank of Cleveland.

CITY OF SPRINGDALE, OHIO
 PRINCIPAL PROPERTY TAXPAYERS
 DECEMBER 31, 2000

<u>Taxpayer</u>	<u>2000 Real Property Assessed Valuation (A) (Tax Duplicate)</u>	<u>Percent of Total Assessed Valuation</u>
Concordia Properties LLC	\$52,500,030	10.96%
G & I Executive Centre LLC	17,500,020	3.65%
Duke Realty	10,090,450	2.11%
KIMKO 420 Incorporated	9,198,090	1.92%
Cinergy	8,257,850	1.72%
Crossroads LTD Partnership	7,595,610	1.59%
Avon Capital Corporation	6,878,270	1.44%
Springdale-Kemper Association	6,039,080	1.26%
Perin, Joseph C. Trs.	5,393,750	1.13%
Lazarus Real Estate Inc.	<u>5,180,000</u>	<u>1.08%</u>
Subtotal	128,633,150	26.86%
All Others	<u>350,208,390</u>	<u>73.14%</u>
Total	<u><u>\$478,841,540</u></u>	<u><u>100.00%</u></u>

Source: Hamilton County Auditor.

(A) - Property assessed at 35 percent of estimated actual value.

CITY OF SPRINGDALE, OHIO
PRINCIPAL EMPLOYERS
DECEMBER 31, 2000

<u>Employer</u>	<u>Number of Employees (A)</u>
Avon Products, Inc.	1,952
General Electric	1,231
John Morrell and Company	1,173
Wal-Mart Associates, Inc.	721
Southwestern Ohio Senior Services	692
Rich's Department Stores (Lazarus)	660
Sears Roebuck and Company	602
Dave and Busters, Inc.	567
Abercrombie and Fitch Stores, Inc.	530
Cincom Systems, Inc.	530

Source: Tax Department, City of Springdale, Ohio.

(A) - Based on the number of W-2's received, includes both full-time and part-time employees.

CITY OF SPRINGDALE, OHIO
OTHER STATISTICS
DECEMBER 31, 2000

Year of Incorporation	1959
Form of Government	Council/Mayor
Area	5.08 Miles
Miles of Street	109.2 Lane Miles
Fire Protection and Emergency Rescue:	
Number of Stations	1
Number of Full-time Officers and Firefighter/Paramedics	21
Number of Part-time Firefighter/Paramedics	21
Police Protection:	
Number of Stations	1
Number of Police Officers	35
Sewers:	
Miles of Storm Sewers	13.93
Buildings:	
2000 Permits Issued	763
2000 Valuation of Construction	\$53,425,142
Parks and Recreation:	
Number of Parks	6
Number of Acres	100
Employees:	
Full-Time	113
Part-Time	49
Education: (A)	
Number of Schools	2
Number of Teachers	92
Number of Students	948

Source: City of Springdale, Ohio.

(A) - Source: Princeton City School District.

(This page intentionally left blank)

Report on Compliance and on Internal Control
over Financial Reporting Based on an
Audit of General Purpose Financial Statements
Performed in Accordance with Government Auditing Standards

Honorable Mayor and City Council
City of Springdale, Ohio

We have audited the general purpose financial statements of the City of Springdale, Ohio as of and for the year ended December 31, 2000, and have issued our report thereon dated June 8, 2001. 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 of Springdale, Ohio's general purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of noncompliance that we have reported to management of City of Springdale, Ohio in a separate letter dated June 8, 2001.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City of Springdale, Ohio's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that we have reported to management of City of Springdale, Ohio in a separate letter dated June 8, 2001.

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

Berge & Company LTD

June 8, 2001



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

88 East Broad Street
P.O. Box 1140
Columbus, Ohio 43216-1140
Telephone 614-466-4514
800-282-0370
Facsimile 614-466-4490

CITY OF SPRINGDALE

HAMILTON COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
AUGUST 14, 2001**