

CITY OF SPRINGDALE

SUPPLEMENTAL REPORT

DECEMBER 31, 2001



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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Members of Council and Mayor
City of Springdale
11700 Springfield Pike
Springdale, Ohio 45246

We have reviewed the Independent Auditor's Report of the City of Springdale, Hamilton County, prepared by Trimble, Julian & Grube, Inc., for the audit period January 1, 2001 through December 31, 2001. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

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

JIM PETRO
Auditor of State

June 27, 2002

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CITY OF SPRINGDALE

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TRIMBLE, JULIAN & GRUBE, INC.

"SERVING OHIO LOCAL GOVERNMENTS"

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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*

Members of Council and Mayor
City of Springdale
11700 Springfield Pike
Springdale, Ohio 45246

We have audited the general purpose financial statements of the City of Springdale as of and for the year ended December 31, 2001, and have issued our report thereon dated May 2, 2002. As disclosed in Note 2 to the general purpose financial statements, the City implemented GASB Statement No. 33, Accounting and Financial Reporting for Nonexchange Transactions and GASB Statement No. 36, Recipient Reporting for Certain Shared Nonexchange Revenues, an amendment of GASB Statement No. 33. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the City of Springdale'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, which we have reported to the management of the City of Springdale in a separate letter dated May 2, 2002.

Members of Council and Mayor
City of Springdale

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City of Springdale's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted certain matters involving the internal control over financial reporting, that do not require inclusion in this report, that we have reported to the management of the City of Springdale in a separate letter dated May 2, 2002.

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

Trimble, Julian & Grube, Inc.
May 2, 2002

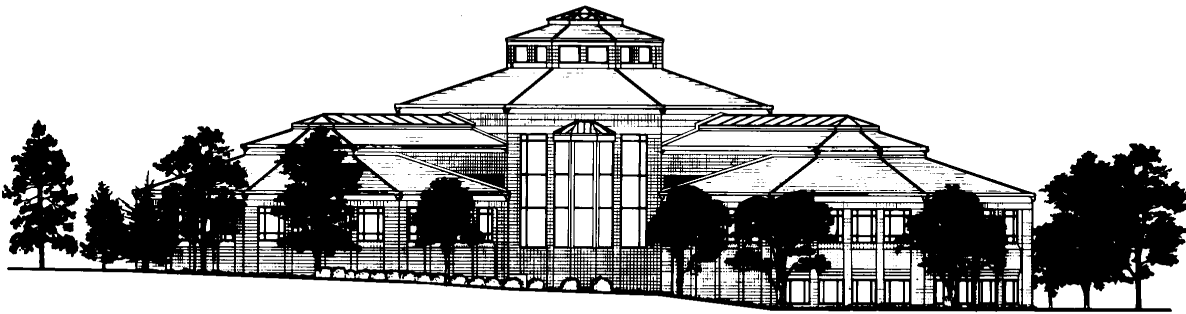
CITY OF SPRINGDALE, OHIO



COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2001

CITY OF SPRINGDALE, OHIO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2001



PREPARED BY:

FINANCE DEPARTMENT

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**ACCOUNT
CLERK II**

Martha R. Holden

**FINANCE OFFICER/
TAX COMMISSIONER**

Jeffrey T. Williams

**CLERK OF COUNCIL/
FINANCE DIRECTOR**

Edward F. Knox

**CITY OF SPRINGDALE, OHIO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2001**

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INTRODUCTORY SECTION



City of Springdale

Finance Department

EDWARD F. KNOX
Clerk of Council / Finance Director

JEFFREY T. WILLIAMS
Finance Officer / Tax Commissioner

CECIL W. OSBORN
City Administrator

May 2, 2002

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, 2001, 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 ten 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, four Investigators, D.A.R.E. Officer, Office Manager, eight 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, twelve 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 two part-time Clerk-Typists.

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, Fitness Center Manager, Custodian, six part-time Secretaries, five part-time Instructors, two part-time Child-Care Workers, part-time Custodian, and thirty 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, Administrative Secretary, part-time Sample Collector, 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, eleven Maintenance Workers, Administrative Secretary, and twelve 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 1,300 businesses and organizations. Currently, 18 businesses in Springdale employ greater than 350 employees. The unemployment rate for the Greater Cincinnati area for the year 2001 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, 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 three high-end restaurants.

MAJOR INITIATIVES

Major Projects for 2001

- * Pictoria Island Tax Increment Financing (TIF) Project – Phase Two: Phase two of this project involves the City issuing \$10,000,000 of TIF Bond Anticipation Notes in 2002 to finance a five-level public parking garage adjacent to an eight-story (two-hundred fifty-six thousand square foot) office building. Construction of the office tower began and was completed in 2001. Construction of the parking garage began in 2001 and completion is expected in 2002.
- * East Kemper Road Construction Project – Phase One: This project added an eastbound lane on Kemper Road from the State Route 747 intersection to Tri-County Parkway. It also added an additional left-turn lane from westbound Kemper Road to southbound State Route 747. This project was budgeted at \$1,690,000. \$1,397,439 was expended in 2001 for construction. As of year-end 2001 the project is complete.
- * 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. \$14,223 was expended in 2001 for engineering services, and \$200,000 was expended in 2001 to acquire right-of-way.
- * Walnut and Pear Street Improvements: This project widened Walnut and Pear Street to meet current road standards. Also, the project added a sidewalk system as well as a bus pullover space at Springdale Elementary School. As of year-end 2001 the project is complete. \$329,112 was expended in 2001 for construction.

Future Projects

- * Pictoria Island Tax Increment Financing (TIF) Project – Phase Three: 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 2004 and 2005 and is budgeted at \$1,976,000. Acquisition of property for the project is budgeted in 2003 for \$300,000.
- * East Kemper Road Construction Project - Phases Two and Three: As stated above, phase one of this project added an eastbound lane on Kemper Road from the State Route 747 intersection to Tri-County Parkway. It also added 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 construction is scheduled for 2002 and 2003 and is budgeted at \$1,100,000. 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 is budgeted at \$1,660,000.
- * 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 2002 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 occurred 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 internal controls 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 controls are 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 controls provide 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. Beginning in 2001, the legal level of budgetary control (the level at which expenditures cannot legally exceed the appropriated amount) 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 \$15,587,693 in 2001, representing an increase of \$834,961 (5.65%) from 2000. The following schedule presents a summary of general governmental revenues on a GAAP basis for the years ended December 31, 2001 and 2000:

<u>Revenue Source</u>	<u>2001 Total</u>	<u>Percentage Of Total</u>	<u>2000 Total</u>	<u>Percentage of Total</u>	<u>Percentage Change</u>
Municipal income taxes	\$10,444,042	67.00%	\$9,444,629	64.02%	10.58%
Property and other taxes	1,768,396	11.34%	1,955,520	13.25%	(9.57%)
Intergovernmental	2,057,687	13.20%	1,863,086	12.63%	10.45%
Charges for services	314,034	2.01%	223,021	1.51%	40.81%
Fines and forfeitures	227,678	1.46%	200,780	1.36%	13.40%
Fees, license and permits	432,009	2.77%	488,475	3.31%	(11.56%)
Interest	259,010	1.67%	408,468	2.76%	(36.59%)
Contributions	7,501	.05%	67,047	.45%	(88.81%)
Other	77,336	.50%	101,706	.71%	(23.96%)
Total	\$15,587,693	100%	\$14,752,732	100%	5.65%

Expenditures for general governmental purposes, (including all governmental fund types except capital projects funds), totaled \$12,438,426 for the year ended December 31, 2001, an increase of \$588,895 (4.97%) from 2000. The following schedule presents a summary of general governmental expenditures on a GAAP basis for the years ended December 31, 2001 and 2000:

<u>Function</u>	<u>2001 Total</u>	<u>Percentage Of Total</u>	<u>2000 Total</u>	<u>Percentage Of Total</u>	<u>Percentage Change</u>
Security of persons and property	\$5,700,856	45.83%	\$5,352,896	45.17%	6.50%
Public health services	244,481	1.96%	243,067	2.05%	.58%
Leisure time activities	1,201,121	9.66%	992,255	8.37%	21.05%
Community environment	395,609	3.18%	501,117	4.22%	(21.05%)
Basic utility services	344,587	2.77%	340,792	2.87%	1.11%
Transportation	1,275,896	10.27%	1,245,609	10.55%	2.43%
General government	2,835,402	22.79%	2,636,218	22.24%	7.56%
Capital outlay	440,474	3.54%	537,577	4.53%	(18.06%)
Total	\$12,438,426	100%	\$11,849,531	100%	4.97%

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, 2001, this fund generated operating revenue of \$10,016, operating expenses of \$9,513, net income of \$503, and an ending retained earnings balance of \$2,878.

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 2001, these funds collected the following revenues: the Mayor's Court fund collected \$300,949, the OBBS fund collected \$4,415, the unclaimed money fund collected \$5,865, and the fire insurance proceeds fund collected \$0.

Debt Administration

At December 31, 2001, the City had the following debt issues outstanding:

- * \$2,995,350 of Tax Increment Financing Revenue Bonds
- * \$5,800,000 of Recreation Facility Improvement Bond Anticipation Notes

Under the current City Charter, the City's 2001 general obligation bonded debt issuance was subject to a legal limitation of \$48,162,361, based on 10 percent of the total assessed value of real and personal property located within the City. As of December 31, 2001, 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 2001, the City invested in deposit accounts and the STAR Ohio investment pool operated by the Treasurer of the State of Ohio. The City earned \$350,591 of interest income on all investments and deposit accounts for the year ended December 31, 2001. Interest income is allocated to the general fund, certain special revenue funds, and the capital projects funds as prescribed by Ohio law and the City Charter.

While the deposits of the City as of December 31, 2001 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, 2001, 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, 2000, is as follows:

Current assets	\$5,228,483
Total assets	\$5,269,299
Current liabilities	\$3,606,375
Long-term liabilities	\$ 0
Members retained earnings	\$1,662,924

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 \$30,000 per employee (specific limit) and \$1,000,000 lifetime medical coverage. Upon exceeding the \$30,000 limit, the City's stop loss coverage applies.

The City records a liability for incurred but not reported claims (IBNR) in accordance with GASB Statement No. 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*, as amended by GASB Statement No. 30, *Risk Financing Omnibus*, which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred, but not reported claims, be accrued at the estimated ultimate cost of settling the claims.

CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING - 2000

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Springdale for its comprehensive annual financial report for the fiscal year ended December 31, 2000. This was the first year that the government received this prestigious award. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

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. Trimble, Julian, and Grube, Inc. has performed the City audit for the year ended December 31, 2001. Auditing standards generally accepted in the United States of America 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, 2001 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.

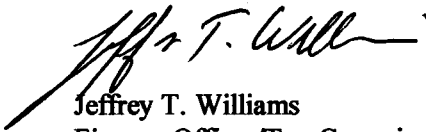
Respectfully submitted,



Cecil W. Osborn
City Administrator



Edward F. Knox
Clerk of Council/Finance Director



Jeffrey T. Williams
Finance Officer/Tax Commissioner

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**CITY OF SPRINGDALE, OHIO
ELECTED OFFICIALS AND ADMINISTRATIVE PERSONNEL
AS OF DECEMBER 31, 2001**

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	12/01/01-11/30/05	6,750
Marjorie Pollitt	Member	12/01/01-11/30/05	6,750
Robert Wilson	Member	12/01/01-11/30/05	6,750
Randy Danbury	Member	12/01/01-11/30/05	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
Daniel Shroyer, Acting 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, 2001**

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
- Community Center Debt Fund

Proprietary Fund Type:

Enterprise Fund:

- Adult Sports Fund

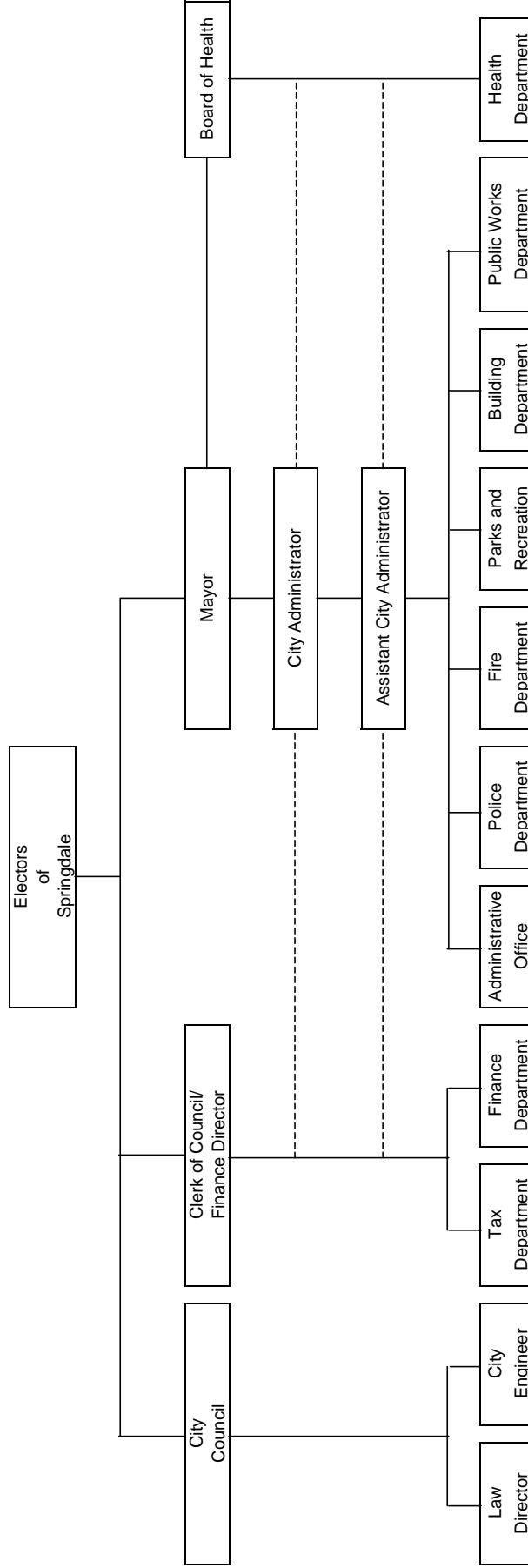
Fiduciary Fund Type:

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



Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Springdale,
Ohio

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

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



Thomas A. Crave
President

Jeffrey L. Esler
Executive Director

FINANCIAL SECTION

TRIMBLE, JULIAN & GRUBE, INC.

"SERVING OHIO LOCAL GOVERNMENTS"

1445 Worthington Woods Boulevard
Suite B
Worthington, Ohio 43085

Telephone 614.846.1899
Facsimile 614.846.2799

Independent Auditor's Report

Members of Council and Mayor
City of Springdale
11700 Springfield Pike
Springdale, Ohio 45246

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

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

As disclosed in Note 2 to the general purpose financial statements, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 33, Accounting and Financial Reporting for Nonexchange Transactions and GASB Statement No. 36, Recipient Reporting for Certain Shared Nonexchange Revenues, an amendment of GASB Statement No. 33.

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, Hamilton County, as of December 31, 2001, and the results of its operations and the cash flows of its proprietary fund type for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 2, 2002, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Independent Auditors Report
City of Springdale

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

We did not audit the introductory and statistical information as listed in the table of contents and therefore express no opinion thereon.

Trimble, Julian & Grube, Inc.

Trimble, Julian & Grube, Inc.

May 2, 2002

GENERAL PURPOSE FINANCIAL STATEMENTS

**CITY OF SPRINGDALE, OHIO
 COMBINED BALANCE SHEET
 ALL FUND TYPES AND ACCOUNT GROUPS
 DECEMBER 31, 2001**

	Governmental Fund Types		
	General Fund	Special Revenue Funds	Capital Projects Funds
<u>Assets and Other Debits</u>			
Assets:			
Cash and cash equivalents	\$5,099,317	\$129,834	\$1,138,516
Cash in segregated account	0	0	0
Receivables (net of allowance for uncollectables):			
Taxes	4,127,382	0	0
Accounts	108,703	0	0
Intergovernmental	673,117	219,294	20,581
Special assessment	0	0	285,252
Interfund loans receivable	14,247	0	0
Prepaid items	24,153	0	0
Prepaid interest	0	0	44,722
Inventory	136,555	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	177,549	0	0
Other Debits:			
Amount to be provided for retirement of general long-term obligations	0	0	0
 Total assets and other debits	 <u>\$10,361,023</u>	 <u>\$349,128</u>	 <u>\$1,489,071</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			
\$2,878	\$0	\$0	\$0	\$6,370,545
0	16,077	0	0	16,077
0	0	0	0	4,127,382
0	0	0	0	108,703
0	0	0	0	912,992
0	0	0	0	285,252
0	0	0	0	14,247
0	0	0	0	24,153
0	0	0	0	44,722
0	0	0	0	136,555
0	0	22,653,840	0	22,653,840
0	9,161	0	0	9,161
0	80	0	0	80
0	1,900	0	0	179,449
0	0	0	3,430,766	3,430,766
<u>\$2,878</u>	<u>\$27,218</u>	<u>\$22,653,840</u>	<u>\$3,430,766</u>	<u>\$38,313,924</u>

(Continued)

CITY OF SPRINGDALE, OHIO
COMBINED BALANCE SHEET (Continued)
ALL FUND TYPES AND ACCOUNT GROUPS
DECEMBER 31, 2001

	Governmental Fund Types		
	General Fund	Special Revenue Funds	Capital Projects Funds
<u>Liabilities, Equity (Deficit) and Other Credits</u>			
Liabilities:			
Accounts payable	\$221,101	\$6,374	\$40,893
Contracts payable	0	0	275,421
Accrued wages and benefits payable	553,418	0	0
Compensated absences payable	51,312	455	0
Workers compensation payable	17,991	0	0
Interest payable	0	0	40,605
Interfund loans payable	0	3,850	0
Intergovernmental payable	44,553	0	0
Undistributed monies payable	177,549	0	0
Unclaimed monies payable	0	0	0
OBBS assessment payable	0	0	0
Claims and judgments payable	31,481	0	0
Deferred revenue	2,216,209	178,959	305,833
Police and fire pension payable	0	0	0
Bond anticipation notes payable	0	0	5,800,000
Tax increment financing revenue bonds payable	0	0	0
	<hr/>	<hr/>	<hr/>
Total liabilities	3,313,614	189,638	6,462,752
Equity (Deficit) and Other Credits:			
Investment in general fixed assets	0	0	0
Retained earnings:			
Unreserved	0	0	0
Fund balance:			
Reserved for encumbrances	169,639	0	590,729
Reserved for inventory	136,555	0	0
Reserved for prepaid items	24,153	0	0
Reserved for prepaid interest	0	0	44,722
Unreserved - undesignated	5,092,469	159,490	(5,609,132)
Designated:			
Health insurance	86,393	0	0
Liability insurance	1,538,200	0	0
	<hr/>	<hr/>	<hr/>
Total fund balance (deficit)	7,047,409	159,490	(4,973,681)
	<hr/>	<hr/>	<hr/>
Total equity (deficit) and other credits	7,047,409	159,490	(4,973,681)
	<hr/>	<hr/>	<hr/>
Total liabilities, equity and other credits	<u>\$10,361,023</u>	<u>\$349,128</u>	<u>\$1,489,071</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	\$268,368
0	0	0	0	275,421
0	0	0	0	553,418
0	0	0	387,801	439,568
0	0	0	0	17,991
0	0	0	0	40,605
0	10,397	0	0	14,247
0	5,680	0	0	50,233
0	1,900	0	0	179,449
0	9,161	0	0	9,161
0	80	0	0	80
0	0	0	33,519	65,000
0	0	0	0	2,701,001
0	0	0	14,096	14,096
0	0	0	0	5,800,000
0	0	0	2,995,350	2,995,350
0	27,218	0	3,430,766	13,423,988
0	0	22,653,840	0	22,653,840
2,878	0	0	0	2,878
0	0	0	0	760,368
0	0	0	0	136,555
0	0	0	0	24,153
0	0	0	0	44,722
0	0	0	0	(357,173)
0	0	0	0	86,393
0	0	0	0	1,538,200
0	0	0	0	2,233,218
2,878	0	22,653,840	0	24,889,936
<u>\$2,878</u>	<u>\$27,218</u>	<u>\$22,653,840</u>	<u>\$3,430,766</u>	<u>\$38,313,924</u>

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CITY OF SPRINGDALE, OHIO
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2001

	Governmental Fund Types			Totals (Memorandum Only)
	General Fund	Special Revenue Funds	Capital Projects Funds	
Revenues:				
Municipal income taxes	\$10,444,042	\$0	\$0	\$10,444,042
Property and other taxes	1,768,396	0	0	1,768,396
Intergovernmental	1,541,151	516,536	725,672	2,783,359
Charges for services	314,034	0	0	314,034
Fines and forfeitures	222,646	5,032	0	227,678
Fees, licenses and permits	432,009	0	0	432,009
Special assessments	0	0	41,481	41,481
Interest	255,269	3,741	91,581	350,591
Contributions	7,501	0	0	7,501
Other	75,624	1,712	140,082	217,418
Total revenues	15,060,672	527,021	998,816	16,586,509
Expenditures:				
Current:				
Security of persons and property	5,629,335	71,521	0	5,700,856
Public health services	240,981	3,500	0	244,481
Leisure time activities	1,201,121	0	0	1,201,121
Community environment	365,514	30,095	0	395,609
Basic utility services	276,627	67,960	0	344,587
Transportation	842,018	433,878	0	1,275,896
General government	2,835,402	0	204,270	3,039,672
Capital outlay	440,474	0	4,283,421	4,723,895
Debt service:				
Principal retirement	0	0	39,090	39,090
Interest and fiscal charges	0	0	456,209	456,209
Total expenditures	11,831,472	606,954	4,982,990	17,421,416
Excess (deficiency) of revenues over expenditures	3,229,200	(79,933)	(3,984,174)	(834,907)
Other financing sources (uses):				
Operating transfers-in	0	54,093	2,833,171	2,887,264
Operating transfers-out	(2,887,264)	0	0	(2,887,264)
Total other financing sources (uses)	(2,887,264)	54,093	2,833,171	0
Excess (deficiency) of revenues and other sources over expenditures and other uses	341,936	(25,840)	(1,151,003)	(834,907)
Beginning fund balance (deficit) - restated	6,673,848	185,330	(3,822,678)	3,036,500
Increase in reserve for inventory	31,625	0	0	31,625
Ending fund balance (deficit)	\$7,047,409	\$159,490	(\$4,973,681)	\$2,233,218

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, 2001

	General Fund			Special Revenue Funds		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:						
Municipal income taxes	\$9,939,399	\$10,806,317	\$866,918	\$0	\$0	\$0
Property and other taxes	2,038,361	1,897,462	(140,899)	0	0	0
Intergovernmental	1,352,745	1,406,047	53,302	530,209	508,902	(21,307)
Charges for services	245,000	315,557	70,557	0	0	0
Fines and forfeitures	210,000	221,921	11,921	7,000	5,057	(1,943)
Fees, licenses and permits	311,558	430,688	119,130	0	0	0
Special assessments	0	0	0	0	0	0
Interest	247,000	256,395	9,395	2,750	3,741	991
Contributions	0	7,501	7,501	0	0	0
Other	162,350	496,301	333,951	1,000	1,712	712
Total revenues	14,506,413	15,838,189	1,331,776	540,959	519,412	(21,547)
Expenditures:						
Current:						
Security of persons and property	5,897,675	5,646,026	251,649	68,454	71,759	(3,305)
Public health services	248,526	239,540	8,986	2,710	3,500	(790)
Leisure time activities	1,246,644	1,197,095	49,549	0	0	0
Community environment	388,271	371,928	16,343	52,576	34,443	18,133
Basic utility services	279,691	276,627	3,064	73,855	70,091	3,764
Transportation	905,914	829,537	76,377	462,306	456,114	6,192
General government	4,101,625	3,991,710	109,915	0	0	0
Capital outlay	550,769	496,579	54,190	2,000	0	2,000
Debt service:						
Principal retirement	0	0	0	0	0	0
Interest and fiscal charges	0	0	0	0	0	0
Total expenditures	13,619,115	13,049,042	570,073	661,901	635,907	25,994
Excess (deficiency) of revenues over expenditures	887,298	2,789,147	1,901,849	(120,942)	(116,495)	4,447
Other financing sources (uses):						
Proceeds from the sale of bond anticipation notes	0	0	0	0	0	0
Proceeds from the sale of assets	0	0	0	0	0	0
Operating transfers-in	266	250	(16)	52,939	54,093	1,154
Operating transfers-out	(2,887,264)	(2,887,264)	0	0	0	0
Advances-in	9,540	3,540	(6,000)	10,000	0	(10,000)
Advances-out	0	0	0	(9,540)	(3,540)	6,000
Total other financing sources (uses)	(2,877,458)	(2,883,474)	(6,016)	53,399	50,553	(2,846)
Excess (deficiency) of revenues and other sources over expenditures and other uses	(1,990,160)	(94,327)	1,895,833	(67,543)	(65,942)	1,601
Beginning fund balance	4,952,190	4,952,190	0	184,375	184,375	0
Prior year encumbrances	223,432	223,432	0	11,401	11,401	0
Ending fund balance	\$3,185,462	\$5,081,295	\$1,895,833	\$128,233	\$129,834	\$1,601

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	\$9,939,399	\$10,806,317	\$866,918
0	0	0	2,038,361	1,897,462	(140,899)
718,205	664,421	(53,784)	2,601,159	2,579,370	(21,789)
0	0	0	245,000	315,557	70,557
0	0	0	217,000	226,978	9,978
0	0	0	311,558	430,688	119,130
53,000	46,022	(6,978)	53,000	46,022	(6,978)
268,600	91,580	(177,020)	518,350	351,716	(166,634)
0	0	0	0	7,501	7,501
0	138,516	138,516	163,350	636,529	473,179
1,039,805	940,539	(99,266)	16,087,177	17,298,140	1,210,963
0	0	0	5,966,129	5,717,785	248,344
0	0	0	251,236	243,040	8,196
0	0	0	1,246,644	1,197,095	49,549
0	0	0	440,847	406,371	34,476
0	0	0	353,546	346,718	6,828
0	0	0	1,368,220	1,285,651	82,569
264,100	252,855	11,245	4,365,725	4,244,565	121,160
5,915,095	5,343,949	571,146	6,467,864	5,840,528	627,336
6,440,000	6,439,090	910	6,440,000	6,439,090	910
295,040	294,220	820	295,040	294,220	820
12,914,235	12,330,114	584,121	27,195,251	26,015,063	1,180,188
(11,874,430)	(11,389,575)	484,855	(11,108,074)	(8,716,923)	2,391,151
5,800,000	5,800,000	0	5,800,000	5,800,000	0
650,000	0	(650,000)	650,000	0	(650,000)
2,833,171	2,833,171	0	2,886,376	2,887,514	1,138
0	0	0	(2,887,264)	(2,887,264)	0
0	0	0	19,540	3,540	(16,000)
0	0	0	(9,540)	(3,540)	6,000
9,283,171	8,633,171	(650,000)	6,459,112	5,800,250	(658,862)
(2,591,259)	(2,756,404)	(165,145)	(4,648,962)	(2,916,673)	1,732,289
2,021,141	2,021,141	0	7,157,706	7,157,706	0
1,137,809	1,137,809	0	1,372,642	1,372,642	0
\$567,691	\$402,546	(\$165,145)	\$3,881,386	\$5,613,675	\$1,732,289

CITY OF SPRINGDALE, OHIO
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS
ENTERPRISE FUND
FOR THE YEAR ENDED DECEMBER 31, 2001

Operating revenue:	
Charges for services	<u>\$10,016</u>
Total operating revenue	<u>10,016</u>
Operating expenses:	
Registration fees	6,727
Awards	1,539
Officials fees	<u>1,247</u>
Total operating expenses	<u>9,513</u>
Net income	<u>503</u>
Beginning retained earnings - unreserved	<u>2,375</u>
Ending retained earnings - unreserved	<u><u>\$2,878</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, 2001**

Cash flows from operating activities:	
Cash received from customers	\$10,016
Cash payments for goods and services	<u>(9,513)</u>
Net cash provided by operating activities	<u>503</u>
Net increase in cash	503
Beginning cash	<u>2,375</u>
Ending cash	<u><u>\$2,878</u></u>
Reconciliation of net income to net cash provided by operating activities:	
Net income	<u>\$503</u>
Net cash provided by operating activities	<u><u>\$503</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, 2001

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, 2001

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

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 enterprise, 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:

CITY OF SPRINGDALE, OHIO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2001

General Fixed Assets Account Group - This account group is used to account for general 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: state-levied locally shared taxes (including gasoline tax and motor vehicle license tax), fines and forfeitures, fees, licenses and permits, grants, 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 (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, homestead and rollback entitlement, state-levied locally shared taxes, grants, 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

CITY OF SPRINGDALE, OHIO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2001

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.

All funds, other than agency funds, are legally required to be budgeted and appropriated. The City adopts a budget and appropriations for all funds. The legal level of budgetary control for the general fund is at the departmental level, all other funds is at the fund level. Administrative control is maintained through the establishment of more detailed line item budgets. For 2001, all appropriations were approved as required and all funds and departments completed the year within the legally authorized appropriations.

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 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 2001, budgeted appropriations were decreased by \$7,876,587. 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, 2001

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:

	General Fund	Special Revenue Funds	Capital Projects Funds
Excess (deficiency) of revenues and other sources over expenditures and other uses as reported (GAAP)	\$341,936	(\$25,840)	(\$1,151,003)
Adjustments:			
Revenues received in 2001 and earned in 2000	2,426,862	33,795	(61,251)
Revenues received in 2002 and earned in 2001	(2,661,318)	(41,404)	0
Expenditures paid in 2001 and accrued in 2000	(1,064,449)	(34,570)	(686,486)
Expenditures accrued in 2001 and paid in 2002	1,057,376	2,077	276,090
Prepaid items/interest in 2000	24,986	0	246,938
Prepaid items/interest in 2001	(24,153)	0	(44,722)
Current year encumbrances	(195,567)	0	(735,970)
Increase in Note issuance	0	0	5,800,000
Decrease in Note issuance	0	0	(6,400,000)
Deficiency of revenues and other sources over expenditures and other uses on legal (Non-GAAP budgetary) basis	(\$94,327)	(\$65,942)	(\$2,756,404)

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 2001. 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, 2001.

CITY OF SPRINGDALE, OHIO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2001

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. The City did not report interest receivable at year-end.

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.

Prepaid Interest

Payments made for interest that will benefit subsequent periods are recorded as prepaid interest. Prepaid interest is equally offset by a fund balance reserve which indicates that the prepaid interest does not constitute an available spendable resource 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.

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. 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.

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.

**CITY OF SPRINGDALE, OHIO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2001**

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.

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

Buildings	15 - 60 years
Improvements other than building	10 - 25 years
Machinery and Equipment	5 - 10 years
Furniture and Fixtures	15 - 20 years
Vehicles	5 - 20 years

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

Compensated Absences

Compensated absences of the City consist of vacation leave, compensatory leave, and sick leave to the extent that payment to the employee for these absences are attributable to services already rendered and are not contingent on a specific event that is outside the control of the City and the employee.

In accordance with GASB Statement No. 16, "Accounting for Compensated Absences", a liability for vacation leave is accrued if the employees' rights to payment are attributable to services already rendered; and it is probable that the employer will compensate the employees for the benefits through paid time off or other means, such as cash payments at termination or retirement. A liability for severance is accrued using the vesting method, whereby the liability is based on the sick leave accumulated at the balance sheet date by those who are currently eligible to receive termination (severance) payments, as well as those employees expected to become eligible in the future.

The liability for compensated absences has been calculated using pay rates in effect at the balance sheet date. 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 judgements payable	General fund
Compensated absences payable	Paid by the fund from which the employee is paid
Police and fire pension payable	General fund
Tax increment financing revenue bonds payable	Capital projects fund

CITY OF SPRINGDALE, OHIO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2001

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 2001 was \$350,692, which includes \$101 for the agency fund. Total interest credited to the general fund during 2001 was \$255,269, which includes \$15,316 assigned from other funds.

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 2001.

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.

CITY OF SPRINGDALE, OHIO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2001

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, prepaid items, and prepaid interest.

Estimates

The preparation of the general purpose financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

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.

Revenues – Exchange and Non-Exchange Transactions

Revenues resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the City, available means expected to be received within thirty-one days of year-end.

Nonexchange transactions, in which the City received value without directly giving equal value in return, include income taxes, admission taxes, transient occupancy taxes, property taxes, special assessments, cable franchise fees, state levied taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied (see Note 6). Revenue from state-levied taxes, grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: income taxes, admission taxes, transient occupancy taxes, federal and state grants and subsidies, state-levied locally shared taxes (including motor vehicle license fees and gasoline taxes), fines and forfeitures, and fees.

**CITY OF SPRINGDALE, OHIO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2001**

Change in Accounting Principle

GASB Statement No. 33, "Accounting and Financial Reporting for Nonexchange Transactions" and GASB Statement No. 36, "Recipient Reporting for Certain Shared Nonexchange Revenues, an amendment of GASB Statement No. 33", were implemented during fiscal year 2001. These statements pertain to the financial reporting of certain types of revenue received by the City for which no value is given in return, including derived tax revenue, imposed nonexchange transactions, government-mandated nonexchange transactions, and voluntary nonexchange transactions. The adoption of these statements had the following effect on fund balances as previously reported by the City at December 31, 2000:

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Fund balances as previously reported	\$6,651,192	\$191,722
GASB No. 33 and No. 36 implementation	<u>22,656</u>	<u>(6,392)</u>
Restated fund balances as of January 1, 2001	<u>\$6,673,848</u>	<u>\$185,330</u>

Newly Issued Accounting Pronouncements

In June 1999, the Governmental Accounting Standards Board (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 Statement No. 34 will have on the City's financial statements.

3. PRIOR PERIOD ADJUSTMENT/RESTATEMENT OF FUND BALANCE

In 2001, a detailed review of fixed assets was performed in order to properly reflect year-end balances. As a result of the review, the balance of the general fixed asset accounts group was overstated by \$438,959. The balance of the general fixed asset account group has been restated, see Note 10 for a summary of the restatements.

At January 1, 2001, the City established a capital projects fund entitled the Community Center Debt Fund. The purpose of this fund is to account for principal and interest payments on the bond anticipation notes issued to finance the community center expansion and any remaining expenditures for the construction of the community center expansion. The above noted activity was previously accounted for in the Capital Improvements Fund. In addition, grant revenue was overstated at December 31, 2000 by \$61,251 in the capital improvements fund. The adoption of this new fund and the overstatement of the grant revenue had the following affect on fund balances as previously reported by the City at December 31, 2000:

	<u>Capital Improvements Fund</u>	<u>Community Center Debt Fund</u>	<u>Northwest Business Center TIF Fund</u>	<u>Total Capital Projects Fund</u>
Fund balances as previously reported	(\$4,252,003)	\$0	\$490,576	(\$3,761,427)
New fund implementation	6,480,832	(6,480,832)	0	0
Prior period overstatement	<u>(61,251)</u>	<u>0</u>	<u>0</u>	<u>(61,251)</u>
Restated fund balances as of 1/1/01	<u>\$2,167,578</u>	<u>(\$6,480,832)</u>	<u>\$490,576</u>	<u>(\$3,822,678)</u>

**CITY OF SPRINGDALE, OHIO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2001**

4. COMPLIANCE AND ACCOUNTING

The fund deficit at December 31, 2001 of \$4,973,681 in the capital projects funds results from the issuance of bond anticipation notes in 2001, 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.

5. 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 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 the investment policy) that will mature or are redeemable within five (5) years from the date of purchase;

CITY OF SPRINGDALE, OHIO
NOTES TO FINANCIAL STATEMENTS
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- 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.

Deposits

At year-end, the carrying amount of the City's deposits was \$793,122 and the bank balance was \$1,062,834. Of the bank balance, \$132,570 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.

**CITY OF SPRINGDALE, OHIO
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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, 2001, were as follows:

Category 1	\$132,570
Category 2	-
Category 3	<u>930,264</u>
Total Bank Balance	<u>\$1,062,834</u>

Investments

GASB Statement No. 3, "Deposits with Financial Institutions, Investments and Reverse Repurchase Agreement", 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.

The City's investments at December 31, 2001 are summarized below:

	<u>Carrying Amount</u>	<u>Fair Value</u>
State Treasurer's Asset Reserve (Star Ohio)	\$5,782,190	\$5,782,190

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 No. 9	\$6,575,312	\$0
Investments (Star Ohio)	(5,782,190)	5,782,190
GASB Statement 3 (as detailed above)	<u>\$793,122</u>	<u>\$5,782,190</u>

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6. 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, 2001, was \$3.08 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2001 property tax receipts were based are as follows:

Real Property – 2000 Assessed Valuation	\$376,996,840
Public Utility Tangible Personal Property – 2000 Assessed Valuation	10,908,270
Tangible Personal Property – 2000 Assessed Valuation	<u>93,718,500</u>
Total	<u><u>\$481,623,610</u></u>

Property taxes receivable represent real and tangible personal property taxes, public utility property taxes and outstanding delinquencies which are measurable as of December 31, 2001. 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.

Real property taxes collected in any calendar year are generally levied on assessed values as of January 1 of the preceding year according to the following calendar:

- | | |
|----------------------------------|-------------------|
| • Lien date | January 1, 2001 |
| • Levy date - first half | December 31, 2001 |
| • First installment payment due | January 31, 2002 |
| • Levy date - second half | March 31, 2002 |
| • Second installment payment due | June 20, 2002 |

Assessed values are established by the County Auditor at no more than 35% of appraised market value. The laws of the State of Ohio require that all property be revalued every six years, and at any time the County Auditor finds that true or taxable value thereof has changed, and in the third calendar year following the year in which a sexennial reappraisal is completed as ordered by the State Commissioner of Tax Equalization. Real property last experienced a reappraisal during 1999 with the results affecting collections beginning in 2000.

Tangible personal property used in business, other than public utilities, is currently assessed for ad valorem taxation purposes at 25% of its true value. Amounts paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semiannually. If paid annually, payment is due April 30; if paid semiannually, the first payment is due April 30 with the remainder payable by September 20.

Public utilities real and tangible personal property taxes collected in any calendar year are those levied on assessed values as of December 31 of the preceding year. Certain tangible personal property of public utilities is currently assessed at 100% of its true value. Real property of public utilities is currently assessed at 35% of true value. Property taxes on public utilities are subject to the same calendar as real property taxes, which is described above.

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7. MUNICIPAL INCOME TAX

The City levies a municipal income tax of 1% on substantially all earnings (gross salaries, wages and other personal service compensation) of its residents both in and out of the City and to earnings of nonresidents working within the City. The City allows a credit to residents for income taxes paid to other governments up to 100% of the City's current tax rate.

The municipal income tax also applies to net income of business conducted in the City. Employers within the City are required to withhold income tax on employee compensation and remit the tax to the City on a quarterly basis. Corporations and other individual taxpayers are required to pay their estimated tax quarterly and file a declaration annually.

The municipal income tax is the largest single source of general fund revenue. Income tax proceeds are to be used to pay the cost of administering the tax within the general fund, capital improvements and other general governmental functions as determined by Council.

Earnings tax revenues for 2001 were \$10,444,042. At December 31, 2001, the City has accrued \$2,872,629 (including \$624,029 as deferred revenue) from municipal income taxes which is related to 2001.

8. INTERFUND LOANS RECEIVABLE/INTERFUND LOANS PAYABLE

Interfund loan asset and liability balances at December 31, 2001, are as follows:

<u>Interfund Loan Receivable Fund</u>	<u>Interfund Loan Payable Fund</u>	<u>Amount</u>
General fund	Grants fund	\$3,850
General fund	Mayor's court fund	<u>10,397</u>
Total		<u>\$14,247</u>

The grants fund is categorized as a special revenue fund and the mayor's court fund is categorized as an agency fund.

9. INTERGOVERNMENTAL RECEIVABLES

At December 31, 2001, intergovernmental receivables consisted of amounts arising from grants, entitlements and shared revenues. All amounts summarized below are considered fully collectible.

<u>General Fund:</u>	
Homestead/rollback	\$60,565
Estate tax	286,742
Local government: Sales, income, and franchise tax	200,269
Local government: Revenue assistance	23,122
Local government: Financial institutions	1,150
Local Government: State revenue assistance	99,075
Liquor license	594
State health subsidy	<u>1,600</u>
Total general fund	<u>\$673,117</u>

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Special Revenue Funds:

Street Construction, Maintenance and Repair Fund:

Gasoline tax	\$116,075	
License tax	63,306	
Total street maintenance fund		179,381

State Highway Fund:

Gasoline tax	9,411	
License tax	5,133	
Total state highway fund		14,544

Residential Recycling Fund:

Residential recycling incentive	7,817	
Total residential recycling fund		7,817

Grants Fund:

Ohio Governor's highway safety grant	1,359	
D.A.R.E. grant	13,498	
Bullet-proof vest grant	2,695	
Total grants fund		17,552

Total special revenue funds		\$219,294
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Capital Projects Funds:

Capital improvements fund:

State issue II grant	\$10,983	
Total capital improvements fund		10,983

Northwest business center tax increment financing (TIF)

Fund:

Homestead/rollback	9,598	
Total northwest business center TIF fund		9,598

Total capital projects funds		\$20,581
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Total all funds		\$912,992
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10. GENERAL FIXED ASSETS ACCOUNT GROUP

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

	Restated Balance 1/1/01	Additions	Deletions	Balance 12/31/01
Land	\$2,239,524	\$604,900	\$0	\$2,844,424
Buildings	18,415,147	505,670	0	18,920,817
Improvements other than building	1,880,075	0	0	1,880,075
Machinery and equipment	1,667,633	261,332	(44,662)	1,884,303
Furniture and fixtures	92,690	3,513	0	96,203
Vehicles	2,845,679	266,738	(95,467)	3,016,950
Fixed assets at cost	27,140,748	1,642,153	(140,129)	28,642,772
Less:				
Accumulated depreciation	(6,070,743)	(51,292)	133,103	(5,988,932)
Net fixed assets	<u>\$21,070,005</u>	<u>\$1,590,861</u>	<u>(\$7,026)</u>	<u>\$22,653,840</u>

In 2001, a detailed review of fixed assets was performed in order to properly reflect year-end balances. As a result, the balances at January 1, 2001 have been restated. Following is a summary of fixed assets by category, which documents the beginning balance as previously stated, adjustments noted, and the restated beginning balance.

	Beginning Balance as Previously Stated	Adjustments	Restated Beginning Balance
Land	\$2,471,252	(\$231,728)	\$2,239,524
Buildings	18,987,995	(572,848)	18,415,147
Improvements other than building	1,213,050	667,025	1,880,075
Machinery and equipment	1,724,364	(56,731)	1,667,633
Furniture and fixtures	148,343	(55,653)	92,690
Vehicles	2,888,259	(42,580)	2,845,679
Fixed assets at cost	27,433,263	(292,515)	27,140,748
Less:			
Accumulated depreciation	(5,924,299)	(146,444)	(6,070,743)
Net fixed assets	<u>\$21,508,964</u>	<u>(\$438,959)</u>	<u>\$21,070,005</u>

11. DEFINED BENEFIT PENSION PLANS

Public Employees Retirement System

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

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

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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 Ohio Revised Code provides statutory authority for employee and employer contributions. The employee contribution rate is 8.5% for employees other than law enforcement. In January 2001, House Bill 416 divided the PERS law enforcement program into two separate divisions with separate employee contribution rates and benefits. The law enforcement classification consisted of sheriffs, deputy sheriffs, and township police with an employee contribution rate of 10.1%. All other members of the PERS law enforcement program were placed in a newly named public safety division and continued to contribute at 9%.

The 2001 employer contribution rate for state employers was 13.31% of covered payroll. For local government employer units the rate was 13.55% of covered payroll. The 2001 employer contribution rate for both the law enforcement and public safety divisions was 16.70% of covered payroll. The City's contribution to PERS for the years ended December 31, 2001, 2000, and 1999 were \$430,778, \$321,273, and \$368,084, respectively, equal to the required contribution for each year. Required employer contributions are equal to 100% of the dollar amount billed to each employer and must be extracted from the employers records.

PERS of Ohio provides postemployment health care coverage to age and service retirees with ten or more years of qualifying Ohio service credit. Health care coverage for disability recipients and primary survivor recipients is available. The health care coverage provided by the retirement system is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 12, "*Disclosure of Information on Postemployment Benefits Other Than Pension Benefits by State and Local Governmental Employers*". 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 PERS law enforcement program was separated into two divisions, law enforcement and public safety, with separate employee contribution rates and benefits. The 2001 employer contribution rate for state employers was 13.31% of covered payroll; 4.30% was the portion used to fund health care for the year. For local government employer units the rate was 13.55% of covered payroll; 4.4% was the portion used to fund health care for the year. The 2001 employer rate was 16.70% and 4.30% was used to fund health care for both the law enforcement and public safety divisions.

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, 2000.

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

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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 2000 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 411,076. The rates stated above are the actuarially determined contribution rates for PERS. The employer contributions actually made by the City in 2001 were \$136,686. The actuarial value of the Retirement System's net assets available for OPEB at December 31, 2000 were \$11,735.9 million. The actuarially accrued liability and the unfunded actuarial accrued liability, based on the actuarial cost method used, were \$14,364.60 million and \$2,628.7 million, respectively.

In January 2001, House Bill 416 divided the PERS law enforcement program into two separate divisions with separate employee contribution rates and benefits. The law enforcement classification consisted of sheriffs, deputy sheriffs, and township police with an employee contribution rate of 10.1%. All other members of the PERS law enforcement program were placed in a newly named public safety division and continue to contribute at 9%. The employer contribution rate for both the law enforcement and public safety divisions is 16.70%.

Law enforcement officer benefits permit age and service retirement at an earlier age with a different formula than for PERS members not covered under this division.

Ohio Police and Fire Pension Fund

The City contributes to the Ohio Police and Fire Pension Fund (OP&F), a cost-sharing multiple-employer defined benefit pension plan. OP&F provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. 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, 2001, 2000, and 1999 were \$657,787, \$639,739, and \$578,201, respectively, equal to the required contributions for each year.

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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 Statement No. 12, "*Disclosure of Information on Postemployment Benefits Other Than Pension Benefits by State and Local Governmental Employers*". 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 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 7.25% and 7.5% of covered payroll in 2000 and 2001, respectively. The allocation is 7.50% in 2002. In addition, since July 1, 1992 most retirees have been required to contribute a portion of the cost of their health care coverage through a deduction from their monthly benefit payment.

The number of participants eligible to receive health care benefits as of December 31, 2000, the date of the last actuarial valuation available, are 12,853 for police and 10,037 for firefighters.

The portion of the 2001 employer's contribution rate (identified above) which was used to fund health care benefits was 38.50% of employer's contributions for police and 31.30% of employer's contributions for firefighters which amounted to \$144,797 and \$88,169 respectively.

OP&F's total health care expense for the year ending December 31, 2000, the date of the last actuarial valuation available, was \$106,160,054 which was net of member contributions of \$5,657,431.

12. 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.

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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.

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 if requested by the employee. No obligation exists at December 31, 2001 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 Statement No. 16, "Accounting for Compensated Absences", 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, 2001 is \$393,922.

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, 2001 is \$45,646.

13. LONG-TERM OBLIGATIONS

As of December 31, 2001, the City's overall legal debt margin (the ability to issue additional amounts of general obligation bonded debt) was \$48,162,361 with a vote of the electors and \$16,856,826 without a vote of the electors.

A summary of the activity in the general long-term obligations account group for the year-ended December 31, 2001 is as follows:

	Balances at 12/31/00	Increase (Decrease)	Balances at 12/31/01
Compensated absences payable	\$349,517	\$38,284	\$387,801
Claims and judgments payable	17,418	16,101	33,519
Police and fire pension payable	14,285	(189)	14,096
TIF revenue bonds payable	3,034,440	(39,090)	2,995,350
	<u>\$3,415,660</u>	<u>\$15,106</u>	<u>\$3,430,766</u>

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

14. 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, 2001 for the TIF Revenue Bonds Payable is \$2,995,350 and is recorded in the general long-term obligations account group.

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, 2001 is \$44,722. 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, 2001 is \$61,763. 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 bonds outstanding at December 31, 2001 are as follows:

<u>Tax Increment Financing Revenue Bonds</u>			
<u>Years</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
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
2006	50,254	187,944	238,198
Thereafter	2,774,528	2,641,363	5,415,891
Total	<u>\$2,995,350</u>	<u>\$3,611,531</u>	<u>\$6,606,881</u>

15. BOND ANTICIPATION NOTES PAYABLE

The City issued \$5,800,000 of Recreation Facility Improvement Bond Anticipation Notes dated September 21, 2001. The notes mature September 20, 2002 and bear interest at the rate of 2.53%. 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, 2001 for the notes payable is \$5,800,000 and is recorded in the capital projects funds. Following is a table of the Recreation Facility Improvement Bond Anticipation Notes Payable for the period January 1, 2001 to December 31, 2001:

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	Balance at 1/1/01	Proceeds	Retirement	Balance at 12/31/01
Recreation Facility Improvement Bond Anticipation Notes	\$6,400,000	\$5,800,000	(\$6,400,000)	\$5,800,000

16. 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 2001 with the exception of boiler and machinery for which there was a \$5,000 per-occurrence retention limit in 2001. Liability had a per-occurrence retention limit of \$500,000 in 2001. In 2000, 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 2001.

Settled claims have not exceeded commercial coverage in any of the past three years. There have been no significant reductions in insurance coverage from prior year.

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, 2001, 117 employees were enrolled in the plan which covers 336 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 \$30,000 per employee (specific limit). Upon exceeding the \$30,000 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, "Accounting and Financial Reporting for Risk Financing and Related Insurance Issues", as amended by GASB Statement No. 30, "Risk Financing Omnibus", which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred, but not reported claims, be accrued at the estimated ultimate cost of settling the claims.

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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, 2001 was \$65,000.

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

	Balance 12/31/01	Balance 12/31/00
Claims and judgements payable, beginning of the year	\$75,000	\$42,000
Claims incurred during the year	852,643	442,079
Payments:		
Attributable to current year	(780,021)	(378,201)
Attributable to prior years	(82,622)	(30,878)
Claims and judgments payable, end of year	\$65,000	\$75,000

17. 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 2001, MRVMA'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, 2001, 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, 2001**

<u>Excess Reinsurance</u>	<u>Pre-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	477,066,039 blanket limit
Property (excluding flood and earthquake)	477,066,039 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 2000, 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, 2000, the pool contribution factors are: Beavercreek 8.64%, Blue Ash 7.48%, Indian Hill 2.45%, Kettering 16.56%, Madeira 1.29%, Mason 6.16%, Miamisburg 12.15%, Montgomery 3.94%, Sidney 7.72%, Springdale 5.90%, Tipp City 2.66%, Troy 8.14%, Vandalia 5.57%, West Carrollton 4.62%, Wilmington 4.55%, and Wyoming 2.17%. There was no joint venture debt at December 31, 2000. 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, 2000, is presented below:

	Joint Venture	City's Share 5.90%
Total assets	<u>\$5,269,299</u>	<u>\$310,889</u>
Total liabilities	\$3,606,375	\$212,776
Fund equity	<u>1,662,924</u>	<u>98,113</u>
Total liabilities and fund equity	<u>\$5,269,299</u>	<u>\$310,889</u>
Total operating revenues	\$2,779,344	\$163,981
Total operating expenditures	<u>2,893,127</u>	<u>170,694</u>
Excess of revenues over expenditures	(113,783)	(6,713)
Beginning fund balance	<u>1,776,707</u>	<u>104,826</u>
Ending fund balance	<u>\$1,662,924</u>	<u>\$98,113</u>

18. 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 obligations account group do not present estimated claims.

**CITY OF SPRINGDALE, OHIO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2001**

19. CONSTRUCTION COMMITMENTS

As of December 31, 2001, the City had the following commitments with respect to capital projects:

<u>Project</u>	Original Contract <u>Amount</u>	Amount Paid at <u>12/31/01</u>	Remaining Construction <u>Commitment</u>
Walnut and Pear Street Improvements	\$391,301	\$314,169	\$77,132
2001 Street Program	972,894	933,258	39,636
Community Center Expansion	8,459,369	8,367,656	91,713
East Kemper Road Improvements – Phase One	1,690,061	1,517,295	172,766

These remaining commitments will be paid from the capital projects fund.

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

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GENERAL FUND

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

CITY OF SPRINGDALE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BASIS)
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2001

GENERAL FUND

	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Municipal income taxes	\$9,939,399	\$10,806,317	\$866,918
Property and other taxes	2,038,361	1,897,462	(140,899)
Intergovernmental	1,352,745	1,406,047	53,302
Charges for services	245,000	315,557	70,557
Fines and forfeitures	210,000	221,921	11,921
Fees, licenses and permits	311,558	430,688	119,130
Interest	247,000	256,395	9,395
Contributions	0	7,501	7,501
Other	162,350	496,301	333,951
Total revenues	14,506,413	15,838,189	1,331,776
Expenditures:			
Security of persons and property:			
Police department:			
Personal services	3,021,954	2,831,564	190,390
Travel and transportation	30,606	29,275	1,331
Contractual services	505,346	506,864	(1,518)
Materials and supplies	110,341	108,961	1,380
Capital outlay	205,188	156,701	48,487
Other	27,444	27,660	(216)
Total police department	3,900,879	3,661,025	239,854
Fire department:			
Personal services	1,949,529	1,880,427	69,102
Travel and transportation	11,500	14,693	(3,193)
Contractual services	179,300	175,451	3,849
Materials and supplies	60,155	68,541	(8,386)
Capital outlay	107,700	102,747	4,953
Other	1,500	2,590	(1,090)
Total fire department	2,309,684	2,244,449	65,235
Total security of persons and property	6,210,563	5,905,474	305,089

CITY OF SPRINGDALE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BASIS)
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2001

GENERAL FUND

	Budget	Actual	Variance Favorable (Unfavorable)
Public health services:			
Health department:			
Personal services	187,740	180,632	7,108
Travel and transportation	7,108	6,153	955
Contractual services	32,973	33,106	(133)
Materials and supplies	4,950	5,773	(823)
Capital outlay	2,800	1,936	864
Other	15,755	13,876	1,879
Total health department	<u>251,326</u>	<u>241,476</u>	<u>9,850</u>
Total public health services	<u>251,326</u>	<u>241,476</u>	<u>9,850</u>
Leisure time activities:			
Parks and recreation department:			
Personal services	855,096	832,982	22,114
Travel and transportation	5,000	2,596	2,404
Contractual services	274,932	270,986	3,946
Materials and supplies	83,693	67,678	16,015
Capital outlay	37,556	42,761	(5,205)
Other	27,923	22,853	5,070
Total parks and recreation department	<u>1,284,200</u>	<u>1,239,856</u>	<u>44,344</u>
Total leisure time activities	<u>1,284,200</u>	<u>1,239,856</u>	<u>44,344</u>
Community environment:			
Building department:			
Personal services	338,532	334,566	3,966
Travel and transportation	2,984	2,369	615
Contractual services	19,565	18,387	1,178
Materials and supplies	8,050	7,148	902
Capital outlay	24,000	25,433	(1,433)
Other	19,140	9,458	9,682
Total building department	<u>412,271</u>	<u>397,361</u>	<u>14,910</u>
Total community environment	<u>412,271</u>	<u>397,361</u>	<u>14,910</u>

CITY OF SPRINGDALE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BASIS)
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2001

GENERAL FUND

	Budget	Actual	Variance Favorable (Unfavorable)
Basic utility services:			
Public works department:			
Contractual services	279,691	276,627	3,064
Total public works department	<u>279,691</u>	<u>276,627</u>	<u>3,064</u>
Total basic utility services	<u>279,691</u>	<u>276,627</u>	<u>3,064</u>
Transportation:			
Public works department:			
Personal services	563,746	525,098	38,648
Travel and transportation	7,500	5,600	1,900
Contractual services	169,034	150,738	18,296
Materials and supplies	165,134	147,598	17,536
Capital outlay	109,329	104,528	4,801
Other	500	503	(3)
Total public works department	<u>1,015,243</u>	<u>934,065</u>	<u>81,178</u>
Total transportation	<u>1,015,243</u>	<u>934,065</u>	<u>81,178</u>
General government:			
Administration department:			
Personal services	495,590	488,538	7,052
Travel and transportation	7,426	5,870	1,556
Contractual services	1,209,755	1,136,144	73,611
Materials and supplies	35,569	26,547	9,022
Capital outlay	58,996	55,052	3,944
Other	1,179,663	1,178,182	1,481
Total administration department	<u>2,986,999</u>	<u>2,890,333</u>	<u>96,666</u>

CITY OF SPRINGDALE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BASIS)
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2001

GENERAL FUND

	Budget	Actual	Variance Favorable (Unfavorable)
Finance department:			
Personal services	139,752	138,715	1,037
Travel and transportation	3,575	1,568	2,007
Contractual services	44,171	39,093	5,078
Materials and supplies	5,255	3,654	1,601
Capital outlay	2,200	0	2,200
Other	147,943	153,188	(5,245)
Total finance department	<u>342,896</u>	<u>336,218</u>	<u>6,678</u>
Tax department:			
Personal services	271,440	274,048	(2,608)
Travel and transportation	2,600	445	2,155
Contractual services	47,706	36,548	11,158
Materials and supplies	32,240	30,531	1,709
Capital outlay	3,000	7,421	(4,421)
Other	478,940	478,639	301
Total tax department	<u>835,926</u>	<u>827,632</u>	<u>8,294</u>
Total general government	<u>4,165,821</u>	<u>4,054,183</u>	<u>111,638</u>
Total expenditures	<u>13,619,115</u>	<u>13,049,042</u>	<u>570,073</u>
Excess of revenues over expenditures	<u>887,298</u>	<u>2,789,147</u>	<u>1,901,849</u>

CITY OF SPRINGDALE, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (NON-GAAP BASIS)
 GENERAL FUND
 FOR THE YEAR ENDED DECEMBER 31, 2001

GENERAL FUND

	Budget	Actual	Variance Favorable (Unfavorable)
Other financing sources (uses):			
Operating transfers-in	266	250	(16)
Operating transfers-out	(2,887,264)	(2,887,264)	0
Advances-In	9,540	3,540	(6,000)
Total other financing sources (uses)	(2,877,458)	(2,883,474)	(6,016)
Excess (deficiency) of revenues and other sources over expenditures and other uses	(1,990,160)	(94,327)	1,895,833
Beginning fund balance	4,952,190	4,952,190	0
Prior years encumbrances	223,432	223,432	0
Ending fund balance	\$3,185,462	\$5,081,295	\$1,895,833

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.

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, 2001

	Street Construction, Maintenance and Repair Fund	State Highway Fund	Grants Fund	Drug Law Enforcement Fund
Assets:				
Cash and cash equivalents	\$11,820	\$1,173	\$4,806	\$29
Intergovernmental receivable	179,381	14,544	17,552	0
Total assets	\$191,201	\$15,717	\$22,358	\$29
Liabilities:				
Accounts payable	\$1,566	\$0	\$0	\$0
Compensated absences payable	455	0	0	0
Interfund loans payable	0	0	3,850	0
Deferred revenue	147,746	11,979	11,417	0
Total liabilities	149,767	11,979	15,267	0
Fund Equity:				
Fund balance:				
Unreserved - undesignated	41,434	3,738	7,091	29
Total fund balance	41,434	3,738	7,091	29
Total fund equity	41,434	3,738	7,091	29
Total liabilities and fund equity	\$191,201	\$15,717	\$22,358	\$29

Law Enforcement Fund	Driving Under the Influence Fund	Residential Recycling Incentive Fund	Vehicle Immobilization Fee Fund	Parks and Urban Forestry Fund	Totals
\$1,733	\$5,729	\$8,504	\$1,746	\$94,294	\$129,834
0	0	7,817	0	0	219,294
<u>\$1,733</u>	<u>\$5,729</u>	<u>\$16,321</u>	<u>\$1,746</u>	<u>\$94,294</u>	<u>\$349,128</u>
\$0	\$0	\$4,808	\$0	\$0	\$6,374
0	0	0	0	0	455
0	0	0	0	0	3,850
0	0	7,817	0	0	178,959
0	0	12,625	0	0	189,638
1,733	5,729	3,696	1,746	94,294	159,490
1,733	5,729	3,696	1,746	94,294	159,490
1,733	5,729	3,696	1,746	94,294	159,490
<u>\$1,733</u>	<u>\$5,729</u>	<u>\$16,321</u>	<u>\$1,746</u>	<u>\$94,294</u>	<u>\$349,128</u>

CITY OF SPRINGDALE, OHIO
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2001

	Street Construction, Maintenance and Repair Fund	State Highway Fund	Grants Fund	Drug Law Enforcement Fund
Revenues:				
Intergovernmental	\$409,976	\$33,241	\$59,134	\$0
Fines and forfeitures	0	0	0	28
Interest	0	0	436	0
Other	0	0	0	0
Total revenues	<u>409,976</u>	<u>33,241</u>	<u>59,570</u>	<u>28</u>
Expenditures:				
Current:				
Security of persons and property	0	0	70,900	621
Public health services	0	0	3,500	0
Community environment	0	0	2,196	0
Basic utility services	0	0	5,644	0
Transportation	403,194	30,684	0	0
Total expenditures	<u>403,194</u>	<u>30,684</u>	<u>82,240</u>	<u>621</u>
Excess (deficiency) of revenues over expenditures	<u>6,782</u>	<u>2,557</u>	<u>(22,670)</u>	<u>(593)</u>
Other financing sources:				
Operating transfers-in	<u>0</u>	<u>0</u>	<u>2,093</u>	<u>0</u>
Total other financing sources	<u>0</u>	<u>0</u>	<u>2,093</u>	<u>0</u>
Excess (deficiency) of revenues and other sources over expenditures	6,782	2,557	(20,577)	(593)
Beginning fund balance - restated	<u>34,652</u>	<u>1,181</u>	<u>27,668</u>	<u>622</u>
Ending fund balance	<u><u>\$41,434</u></u>	<u><u>\$3,738</u></u>	<u><u>\$7,091</u></u>	<u><u>\$29</u></u>

Beginning fund balance is restated for the Grants Fund.

Law Enforcement Fund	Driving Under the Influence Fund	Residential Recycling Incentive Fund	Vehicle Immobilization Fee Fund	Parks and Urban Forestry Fund	Totals
\$0	\$0	\$13,885	\$300	\$0	\$516,536
0	5,004	0	0	0	5,032
0	0	0	0	3,305	3,741
1,712	0	0	0	0	1,712
1,712	5,004	13,885	300	3,305	527,021
0	0	0	0	0	71,521
0	0	0	0	0	3,500
0	0	0	0	27,899	30,095
0	0	62,316	0	0	67,960
0	0	0	0	0	433,878
0	0	62,316	0	27,899	606,954
1,712	5,004	(48,431)	300	(24,594)	(79,933)
0	0	52,000	0	0	54,093
0	0	52,000	0	0	54,093
1,712	5,004	3,569	300	(24,594)	(25,840)
21	725	127	1,446	118,888	185,330
\$1,733	\$5,729	\$3,696	\$1,746	\$94,294	\$159,490

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, 2001

STREET CONSTRUCTION, MAINTENANCE AND REPAIR FUND

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Intergovernmental	\$410,000	\$408,431	(\$1,569)
Total revenues	<u>410,000</u>	<u>408,431</u>	<u>(1,569)</u>
Expenditures:			
Current:			
Transportation	427,306	421,511	5,795
Total expenditures	<u>427,306</u>	<u>421,511</u>	<u>5,795</u>
Excess (deficiency) of revenues over expenditures	<u>(17,306)</u>	<u>(13,080)</u>	<u>4,226</u>
Beginning fund balance	<u>24,900</u>	<u>24,900</u>	<u>0</u>
Ending fund balance	<u><u>\$7,594</u></u>	<u><u>\$11,820</u></u>	<u><u>\$4,226</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, 2001

STATE HIGHWAY FUND

	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$35,000	\$33,116	(\$1,884)
Total revenues	35,000	33,116	(1,884)
Expenditures:			
Current:			
Transportation	35,000	34,603	397
Total expenditures	35,000	34,603	397
Excess (deficiency) of revenues over expenditures	0	(1,487)	(1,487)
Beginning fund balance	2,660	2,660	0
Ending fund balance	\$2,660	\$1,173	(\$1,487)

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, 2001

GRANTS FUND

	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$69,409	\$53,170	(\$16,239)
Interest	250	436	186
Total revenues	<u>69,659</u>	<u>53,606</u>	<u>(16,053)</u>
Expenditures:			
Current:			
Security of persons and property	66,954	71,138	(4,184)
Public health services	2,710	3,500	(790)
Community environment	2,196	2,196	0
Basic utility services	6,855	7,795	(940)
Total expenditures	<u>78,715</u>	<u>84,629</u>	<u>(5,914)</u>
Deficiency of revenues over expenditures	<u>(9,056)</u>	<u>(31,023)</u>	<u>(21,967)</u>
Other financing sources (uses):			
Operating transfers-in	939	2,093	1,154
Advances-in	10,000	0	(10,000)
Advances-out	(9,540)	(3,540)	6,000
Total other financing sources (uses)	<u>1,399</u>	<u>(1,447)</u>	<u>(2,846)</u>
Deficiency of revenues and other sources over expenditures and other uses	<u>(7,657)</u>	<u>(32,470)</u>	<u>(24,813)</u>
Beginning fund balance	36,255	36,255	0
Prior year encumbrances	<u>1,021</u>	<u>1,021</u>	<u>0</u>
Ending fund balance	<u><u>\$29,619</u></u>	<u><u>\$4,806</u></u>	<u><u>(\$24,813)</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, 2001

DRUG LAW ENFORCEMENT FUND

	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Fines and forfeitures	\$5,000	\$28	(\$4,972)
Total revenues	5,000	28	(4,972)
Expenditures:			
Current:			
Security of persons and property	1,000	621	379
Total expenditures	1,000	621	379
Excess (deficiency) of revenues over expenditures	4,000	(593)	(4,593)
Beginning fund balance	622	622	0
Ending fund balance	\$4,622	\$29	(\$4,593)

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, 2001

LAW ENFORCEMENT FUND

	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Other	\$1,000	\$1,712	\$712
Total revenues	1,000	1,712	712
Expenditures:			
Capital outlay	1,000	0	1,000
Total expenditures	1,000	0	1,000
Excess of revenues over expenditures	0	1,712	1,712
Beginning fund balance	21	21	0
Ending fund balance	\$21	\$1,733	\$1,712

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, 2001

DRIVING UNDER THE INFLUENCE FUND

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues:			
Fines and forfeitures	<u>\$2,000</u>	<u>\$5,029</u>	<u>\$3,029</u>
Total revenues	<u>2,000</u>	<u>5,029</u>	<u>3,029</u>
Expenditures:			
Capital outlay	<u>1,000</u>	<u>0</u>	<u>1,000</u>
Total expenditures	<u>1,000</u>	<u>0</u>	<u>1,000</u>
Excess of revenues over expenditures	<u>1,000</u>	<u>5,029</u>	<u>4,029</u>
Beginning fund balance	<u>700</u>	<u>700</u>	<u>0</u>
Ending fund balance	<u><u>\$1,700</u></u>	<u><u>\$5,729</u></u>	<u><u>\$4,029</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, 2001

RESIDENTIAL RECYCLING INCENTIVE FUND

	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$15,000	\$13,885	(\$1,115)
Total revenues	15,000	13,885	(1,115)
Expenditures:			
Current:			
Basic utility services	67,000	62,296	4,704
Total expenditures	67,000	62,296	4,704
Excess (deficiency) of revenues over expenditures	(52,000)	(48,411)	3,589
Other financing sources:			
Operating transfers-in	52,000	52,000	0
Total other financing sources	52,000	52,000	0
Excess of revenues and other sources over expenditures	0	3,589	3,589
Beginning fund balance	4,915	4,915	0
Ending fund balance	\$4,915	\$8,504	\$3,589

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, 2001

VEHICLE IMMOBILIZATION FEE FUND

	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$800	\$300	(\$500)
Total revenues	800	300	(500)
Expenditures:			
Current:			
Security of persons and property	500	0	500
Total expenditures	500	0	500
Excess of revenues over expenditures	300	300	0
Beginning fund balance	1,446	1,446	0
Ending fund balance	<u>\$1,746</u>	<u>\$1,746</u>	<u>\$0</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, 2001

PARKS AND URBAN FORESTRY FUND

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues:			
Interest	<u>\$2,500</u>	<u>\$3,305</u>	<u>\$805</u>
Total revenues	<u>2,500</u>	<u>3,305</u>	<u>805</u>
Expenditures:			
Current:			
Community environment	<u>50,380</u>	<u>32,247</u>	<u>18,133</u>
Total expenditures	<u>50,380</u>	<u>32,247</u>	<u>18,133</u>
Excess (deficiency) of revenues over expenditures	<u>(47,880)</u>	<u>(28,942)</u>	<u>18,938</u>
Beginning fund balance	112,856	112,856	0
Prior year encumbrances	<u>10,380</u>	<u>10,380</u>	<u>0</u>
Ending fund balance	<u><u>\$75,356</u></u>	<u><u>\$94,294</u></u>	<u><u>\$18,938</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, 2001

TOTAL SPECIAL REVENUE FUNDS

	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$530,209	\$508,902	(\$21,307)
Fines and forfeitures	7,000	5,057	(1,943)
Interest	2,750	3,741	991
Other	1,000	1,712	712
Total revenues	<u>540,959</u>	<u>519,412</u>	<u>(21,547)</u>
Expenditures:			
Current:			
Security of persons and property	68,454	71,759	(3,305)
Public health services	2,710	3,500	(790)
Community environment	52,576	34,443	18,133
Basic utility services	73,855	70,091	3,764
Transportation	462,306	456,114	6,192
Capital outlay	2,000	0	2,000
Total expenditures	<u>661,901</u>	<u>635,907</u>	<u>25,994</u>
Excess (deficiency) of revenues over expenditures	<u>(120,942)</u>	<u>(116,495)</u>	<u>4,447</u>
Other financing sources (uses):			
Operating transfers-in	52,939	54,093	1,154
Advances-in	10,000	0	(10,000)
Advances-out	(9,540)	(3,540)	6,000
Total other financing sources (uses)	<u>53,399</u>	<u>50,553</u>	<u>(2,846)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>(67,543)</u>	<u>(65,942)</u>	<u>1,601</u>
Beginning fund balance	184,375	184,375	0
Prior year encumbrances	<u>11,401</u>	<u>11,401</u>	<u>0</u>
Ending fund balance	<u><u>\$128,233</u></u>	<u><u>\$129,834</u></u>	<u><u>\$1,601</u></u>

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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.

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.

Community Center Debt Fund – To account for the outstanding debt related to the Community Center Expansion project, as well as the remaining expenditures associated with the Community Center Expansion project.

CITY OF SPRINGDALE, OHIO
 COMBINING BALANCE SHEET
 CAPITAL PROJECTS FUNDS
 DECEMBER 31, 2001

	Capital Improvements Fund	Northwest Business Center TIF Fund	Community Center Debt Fund	Totals
Assets:				
Cash and cash equivalents	\$985,302	\$61,061	\$92,153	\$1,138,516
Receivables:				
Intergovernmental	10,983	9,598	0	20,581
Special assessment	0	285,252	0	285,252
Prepaid interest	0	44,722	0	44,722
Total assets	\$996,285	\$400,633	\$92,153	\$1,489,071
Liabilities:				
Accounts payable	\$38,055	\$2,838	\$0	\$40,893
Contracts payable	275,421	0	0	275,421
Interest payable	0	0	40,605	40,605
Deferred revenue	10,983	294,850	0	305,833
Bond anticipation notes payable	0	0	5,800,000	5,800,000
Total liabilities	324,459	297,688	5,840,605	6,462,752
Fund Equity (Deficit):				
Fund balance:				
Reserved for encumbrances	454,363	44,652	91,714	590,729
Reserve for prepaid interest	0	44,722	0	44,722
Unreserved - undesignated	217,463	13,571	(5,840,166)	(5,609,132)
Total fund balance (deficit)	671,826	102,945	(5,748,452)	(4,973,681)
Total fund equity (deficit)	671,826	102,945	(5,748,452)	(4,973,681)
Total liabilities and fund equity	\$996,285	\$400,633	\$92,153	\$1,489,071

CITY OF SPRINGDALE, OHIO
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 CAPITAL PROJECTS FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2001

	Capital Improvements Fund	Northwest Business Center TIF Fund	Community Center Debt Fund	Totals
Revenues:				
Intergovernmental	\$721,131	\$4,541	\$0	\$725,672
Special assessments	613	40,868	0	41,481
Interest	72,835	6,517	12,229	91,581
Other	140,082	0	0	140,082
Total revenues	<u>934,661</u>	<u>51,926</u>	<u>12,229</u>	<u>998,816</u>
Expenditures:				
Current:				
General government	19	198,251	6,000	204,270
Capital outlay	4,140,378	0	143,043	4,283,421
Debt service:				
Principal retirement	0	39,090	0	39,090
Interest and fiscal charges	0	202,216	253,993	456,209
Total expenditures	<u>4,140,397</u>	<u>439,557</u>	<u>403,036</u>	<u>4,982,990</u>
Deficiency of revenues over expenditures	<u>(3,205,736)</u>	<u>(387,631)</u>	<u>(390,807)</u>	<u>(3,984,174)</u>
Other financing sources:				
Operating transfers-in	1,709,984	0	1,123,187	2,833,171
Total other financing sources	<u>1,709,984</u>	<u>0</u>	<u>1,123,187</u>	<u>2,833,171</u>
Excess (deficiency) of revenues and other sources over expenditures	(1,495,752)	(387,631)	732,380	(1,151,003)
Beginning fund balance (deficit) - restated	<u>2,167,578</u>	<u>490,576</u>	<u>(6,480,832)</u>	<u>(3,822,678)</u>
Ending fund balance (deficit)	<u>\$671,826</u>	<u>\$102,945</u>	<u>(\$5,748,452)</u>	<u>(\$4,973,681)</u>

Beginning fund balance (deficit) is restated for the Capital Improvements Fund and the Community Center Debt Fund.

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, 2001

CAPITAL IMPROVEMENTS FUND

	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$713,605	\$659,880	(\$53,725)
Special assessments	7,000	613	(6,387)
Interest	250,000	72,834	(177,166)
Other	0	138,516	138,516
Total revenues	<u>970,605</u>	<u>871,843</u>	<u>(98,762)</u>
Expenditures:			
Current:			
General government	0	19	(19)
Capital outlay	<u>5,684,808</u>	<u>5,109,192</u>	<u>575,616</u>
Total expenditures	<u>5,684,808</u>	<u>5,109,211</u>	<u>575,597</u>
Excess (deficiency) of revenues over expenditures	<u>(4,714,203)</u>	<u>(4,237,368)</u>	<u>476,835</u>
Other financing sources:			
Proceeds from the sale of fixed assets	650,000	0	(650,000)
Operating transfers-in	<u>1,709,984</u>	<u>1,709,984</u>	<u>0</u>
Total other financing sources	<u>2,359,984</u>	<u>1,709,984</u>	<u>(650,000)</u>
Deficiency of revenues and other sources over expenditures	<u>(2,354,219)</u>	<u>(2,527,384)</u>	<u>(173,165)</u>
Beginning fund balance	1,777,503	1,777,503	0
Prior year encumbrances	<u>1,137,809</u>	<u>1,137,809</u>	<u>0</u>
Ending fund balance	<u><u>\$561,093</u></u>	<u><u>\$387,928</u></u>	<u><u>(\$173,165)</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, 2001

NORTHWEST BUSINESS CENTER TAX INCREMENT FINANCING FUND

	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$4,600	\$4,541	(\$59)
Special assessments	46,000	45,409	(591)
Interest	6,400	6,516	116
Total revenues	<u>57,000</u>	<u>56,466</u>	<u>(534)</u>
Expenditures:			
Current:			
General government	254,100	246,836	7,264
Debt service:			
Principal retirement	40,000	39,090	910
Total expenditures	<u>294,100</u>	<u>285,926</u>	<u>8,174</u>
Excess (deficiency) of revenues over expenditures	<u>(237,100)</u>	<u>(229,460)</u>	<u>7,640</u>
Beginning fund balance	<u>243,638</u>	<u>243,638</u>	<u>0</u>
Ending fund balance	<u><u>\$6,538</u></u>	<u><u>\$14,178</u></u>	<u><u>\$7,640</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, 2001

COMMUNITY CENTER DEBT FUND

	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Interest	\$12,200	\$12,230	\$30
Total revenues	12,200	12,230	30
Expenditures:			
Current:			
General government	10,000	6,000	4,000
Capital outlay	230,287	234,757	(4,470)
Debt service:			
Principal retirement	6,400,000	6,400,000	0
Interest and fiscal charges	295,040	294,220	820
Total expenditures	6,935,327	6,934,977	350
Excess (deficiency) of revenues over expenditures	(6,923,127)	(6,922,747)	380
Other financing sources:			
Proceeds from the sale of bond anticipation notes	5,800,000	5,800,000	0
Operating transfers-in	1,123,187	1,123,187	0
Total other financing sources	6,923,187	6,923,187	0
Excess of revenues and other sources over expenditures	60	440	380
Beginning fund balance	0	0	0
Ending fund balance	\$60	\$440	\$380

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, 2001

TOTAL CAPITAL PROJECTS FUNDS

	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$718,205	\$664,421	(\$53,784)
Special assessments	53,000	46,022	(6,978)
Interest	268,600	91,580	(177,020)
Other	0	138,516	138,516
Total revenues	<u>1,039,805</u>	<u>940,539</u>	<u>(99,266)</u>
Expenditures:			
Current:			
General government	264,100	252,855	11,245
Capital outlay	5,915,095	5,343,949	571,146
Debt service:			
Principle retirement	6,440,000	6,439,090	910
Interest and fiscal charges	295,040	294,220	820
Total expenditures	<u>12,914,235</u>	<u>12,330,114</u>	<u>584,121</u>
Excess (deficiency) of revenues over expenditures	<u>(11,874,430)</u>	<u>(11,389,575)</u>	<u>484,855</u>
Other financing sources:			
Proceeds from the sale of bond anticipation notes	5,800,000	5,800,000	0
Proceeds from the sale of fixed assets	650,000	0	(650,000)
Operating transfers-in	2,833,171	2,833,171	0
Total other financing sources	<u>9,283,171</u>	<u>8,633,171</u>	<u>(650,000)</u>
Deficiency of revenues and other sources over expenditures	<u>(2,591,259)</u>	<u>(2,756,404)</u>	<u>(165,145)</u>
Beginning fund balance	2,021,141	2,021,141	0
Prior years encumbrances	<u>1,137,809</u>	<u>1,137,809</u>	<u>0</u>
Ending fund balance	<u><u>\$567,691</u></u>	<u><u>\$402,546</u></u>	<u><u>(\$165,145)</u></u>

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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. There was no activity in this fund or beginning fund balance for the year-ended December 31, 2001, therefore a separate statement is not presented.

CITY OF SPRINGDALE, OHIO
 COMBINING BALANCE SHEET
 AGENCY FUNDS
 DECEMBER 31, 2001

	Mayor's Court Fund	Unclaimed Money Fund	OBBS Assessment Fund	Totals
Assets:				
Cash in segregated account	\$16,077	\$0	\$0	\$16,077
Funds on deposit for unclaimed monies	0	9,161	0	9,161
Funds on deposit for OBBS assessment	0	0	80	80
Funds on deposit for performance bonds	1,900	0	0	1,900
Total assets	<u>\$17,977</u>	<u>\$9,161</u>	<u>\$80</u>	<u>\$27,218</u>
Liabilities:				
Interfund loans payable	\$10,397	\$0	\$0	\$10,397
Intergovernmental payable	5,680	0	0	5,680
Undistributed monies payable	1,900	0	0	1,900
Unclaimed monies payable	0	9,161	0	9,161
OBBS assessment payable	0	0	80	80
Total liabilities	<u>17,977</u>	<u>9,161</u>	<u>80</u>	<u>27,218</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>\$17,977</u>	<u>\$9,161</u>	<u>\$80</u>	<u>\$27,218</u>

CITY OF SPRINGDALE, OHIO
 SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2001

MAYOR'S COURT FUND

	Balance January 1, 2001	Additions	Deductions	Balance December 31, 2001
Assets:				
Cash in segregated account	\$14,417	\$284,778	(\$283,118)	\$16,077
Receivables:				
Interest	11	101	(112)	0
Restricted assets:				
Funds on deposit for performance bonds	1,200	16,070	(15,370)	1,900
Total assets	<u>\$15,628</u>	<u>\$300,949</u>	<u>(\$298,600)</u>	<u>\$17,977</u>
Liabilities:				
Interfund loans payable	\$9,933	\$226,782	(\$226,318)	\$10,397
Intergovernmental payable	4,495	58,097	(56,912)	5,680
Undistributed monies payable	1,200	16,070	(15,370)	1,900
Total liabilities	<u>\$15,628</u>	<u>\$300,949</u>	<u>(\$298,600)</u>	<u>\$17,977</u>

CITY OF SPRINGDALE, OHIO
 SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2001

UNCLAIMED MONEY FUND

	<u>Balance</u> <u>January 1, 2001</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>December 31, 2001</u>
Assets:				
Restricted assets:				
Funds on deposit for unclaimed monies	\$7,222	\$5,865	(\$3,926)	\$9,161
Total assets	<u>\$7,222</u>	<u>\$5,865</u>	<u>(\$3,926)</u>	<u>\$9,161</u>
Liabilities:				
Unclaimed monies payable	\$7,222	\$5,865	(\$3,926)	\$9,161
Total liabilities	<u>\$7,222</u>	<u>\$5,865</u>	<u>(\$3,926)</u>	<u>\$9,161</u>

CITY OF SPRINGDALE, OHIO
 SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2001

OHIO BOARD OF BUILDING STANDARDS ASSESSMENT FUND

	Balance January 1, 2001	Additions	Deductions	Balance December 31, 2001
Assets:				
Restricted assets:				
Funds on deposit for OBBS assessment	\$550	\$4,415	(\$4,885)	\$80
Total assets	<u>\$550</u>	<u>\$4,415</u>	<u>(\$4,885)</u>	<u>\$80</u>
Liabilities:				
OBBS assessment payable	\$550	\$4,415	(\$4,885)	\$80
Total liabilities	<u>\$550</u>	<u>\$4,415</u>	<u>(\$4,885)</u>	<u>\$80</u>

CITY OF SPRINGDALE, OHIO
 COMBINED SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2001

TOTAL AGENCY FUNDS

	Balance January 1, 2001	Additions	Deductions	Balance December 31, 2001
Assets:				
Cash in segregated accounts	\$14,417	\$284,778	(\$283,118)	\$16,077
Receivables:				
Interest	11	101	(112)	0
Restricted assets:				
Funds on deposit for unclaimed monies	7,222	5,865	(3,926)	9,161
Funds on deposit for OBBS assessment	550	4,415	(4,885)	80
Funds on deposit for performance bonds	1,200	16,070	(15,370)	1,900
 Total assets	 \$23,400	 \$311,229	 (\$307,411)	 \$27,218
Liabilities:				
Interfund loans payable	\$9,933	\$226,782	(\$226,318)	\$10,397
Intergovernmental payable	4,495	58,097	(56,912)	5,680
Undistributed monies payable	1,200	16,070	(15,370)	1,900
Unclaimed monies payable	7,222	5,865	(3,926)	9,161
OBBS assessment payable	550	4,415	(4,885)	80
 Total liabilities	 \$23,400	 \$311,229	 (\$307,411)	 \$27,218

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, 2001

General Fixed Assets

Land	\$2,844,424
Buildings	18,920,817
Improvements other than building	1,880,075
Machinery and equipment	1,884,303
Furniture and fixtures	96,203
Vehicles	3,016,950
Total General Fixed Assets	28,642,772

Less:	
Accumulated depreciation	(5,988,932)

Net General Fixed Assets	\$22,653,840
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Investment in General Fixed Assets

General fund	\$2,907,598
Special revenue fund	87,360
Capital projects fund	25,647,814
Total General Fixed Assets	28,642,772

Less:	
Accumulated depreciation	(5,988,932)

Net Total Investment in General Fixed Assets	\$22,653,840
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CITY OF SPRINGDALE, OHIO
SCHEDULE OF GENERAL FIXED ASSETS
BY CATEGORY
DECEMBER 31, 2001

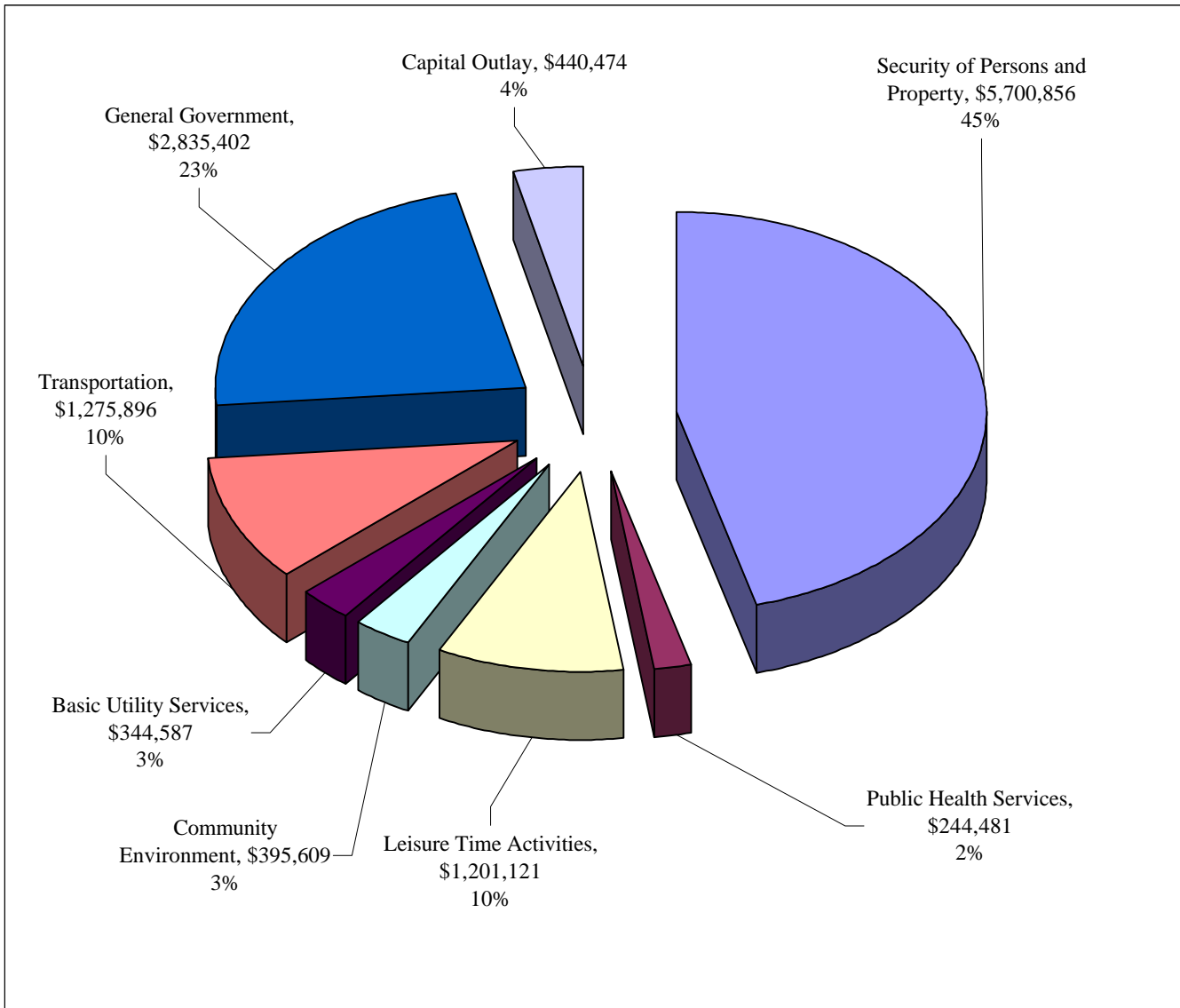
Function and Activity	Land	Building	Improvements Other Than Building	Machinery and Equipment	Furniture and Fixtures	Vehicles	Totals
<u>Security of Persons and Property</u>							
Police	\$0	\$1,448,030	\$42,768	\$363,595	\$24,496	\$506,409	\$2,385,298
Fire	0	847,196	9,884	277,065	0	1,736,436	2,870,581
Total	<u>0</u>	<u>2,295,226</u>	<u>52,652</u>	<u>640,660</u>	<u>24,496</u>	<u>2,242,845</u>	<u>5,255,879</u>
<u>Public Health Services</u>							
Health	<u>0</u>	<u>0</u>	<u>0</u>	<u>8,505</u>	<u>3,262</u>	<u>20,319</u>	<u>32,086</u>
<u>Leisure Time Activities</u>							
Parks	323,616	0	136,069	182,321	0	127,636	769,642
Community center	0	10,313,855	1,225,551	224,636	28,676	0	11,792,718
Total	<u>323,616</u>	<u>10,313,855</u>	<u>1,361,620</u>	<u>406,957</u>	<u>28,676</u>	<u>127,636</u>	<u>12,562,360</u>
<u>Community Environment</u>							
Building	<u>0</u>	<u>0</u>	<u>0</u>	<u>29,712</u>	<u>0</u>	<u>52,028</u>	<u>81,740</u>
<u>Transportation</u>							
Public works	<u>0</u>	<u>815,969</u>	<u>459,127</u>	<u>484,880</u>	<u>8,547</u>	<u>537,004</u>	<u>2,305,527</u>
<u>General Government</u>							
Mayor's office	0	0	0	7,007	7,008	0	14,015
Finance	0	0	0	57,543	4,496	0	62,039
Tax	0	0	0	62,748	3,008	0	65,756
Administration	2,520,808	5,495,767	6,676	186,291	16,710	37,118	8,263,370
Total	<u>2,520,808</u>	<u>5,495,767</u>	<u>6,676</u>	<u>313,589</u>	<u>31,222</u>	<u>37,118</u>	<u>8,405,180</u>
Total General Fixed Assets	2,844,424	18,920,817	1,880,075	1,884,303	96,203	3,016,950	28,642,772
Less: Accumulated depreciation	<u>0</u>	<u>(2,967,691)</u>	<u>(621,096)</u>	<u>(1,020,963)</u>	<u>(30,562)</u>	<u>(1,348,620)</u>	<u>(5,988,932)</u>
General Fixed Assets	<u>\$2,844,424</u>	<u>\$15,953,126</u>	<u>\$1,258,979</u>	<u>\$863,340</u>	<u>\$65,641</u>	<u>\$1,668,330</u>	<u>\$22,653,840</u>

CITY OF SPRINGDALE, OHIO
SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS
BY FUNCTION AND ACTIVITY
FOR THE YEAR ENDED DECEMBER 31, 2001

Function and Activity	Restated Balance January 1, 2001	Additions	Deletions	Balance December 31, 2001
<u>Security of Persons and Property</u>				
Police	\$2,256,077	\$129,221	\$0	\$2,385,298
Fire	2,747,763	191,368	(68,550)	2,870,581
Total	<u>5,003,840</u>	<u>320,589</u>	<u>(68,550)</u>	<u>5,255,879</u>
<u>Public Health Services</u>				
Health	<u>30,935</u>	<u>1,151</u>	<u>0</u>	<u>32,086</u>
<u>Leisure Time Activities</u>				
Parks	763,067	6,575	0	769,642
Community center	11,250,087	542,631	0	11,792,718
Total	<u>12,013,154</u>	<u>549,206</u>	<u>0</u>	<u>12,562,360</u>
<u>Community Environment</u>				
Building	<u>61,255</u>	<u>25,885</u>	<u>(5,400)</u>	<u>81,740</u>
<u>Transportation</u>				
Public works	<u>2,282,355</u>	<u>89,351</u>	<u>(66,179)</u>	<u>2,305,527</u>
<u>General Government</u>				
Mayor's office	14,015	0	0	14,015
Finance	62,039	0	0	62,039
Tax	58,793	6,963	0	65,756
Administration	7,614,362	649,008	0	8,263,370
Total	<u>7,749,209</u>	<u>655,971</u>	<u>0</u>	<u>8,405,180</u>
Total General Fixed Assets	27,140,748	1,642,153	(140,129)	28,642,772
Less: Accumulated depreciation	<u>(6,070,743)</u>	<u>(51,292)</u>	<u>133,103</u>	<u>(5,988,932)</u>
General Fixed Assets	<u>\$21,070,005</u>	<u>\$1,590,861</u>	<u>(\$7,026)</u>	<u>\$22,653,840</u>

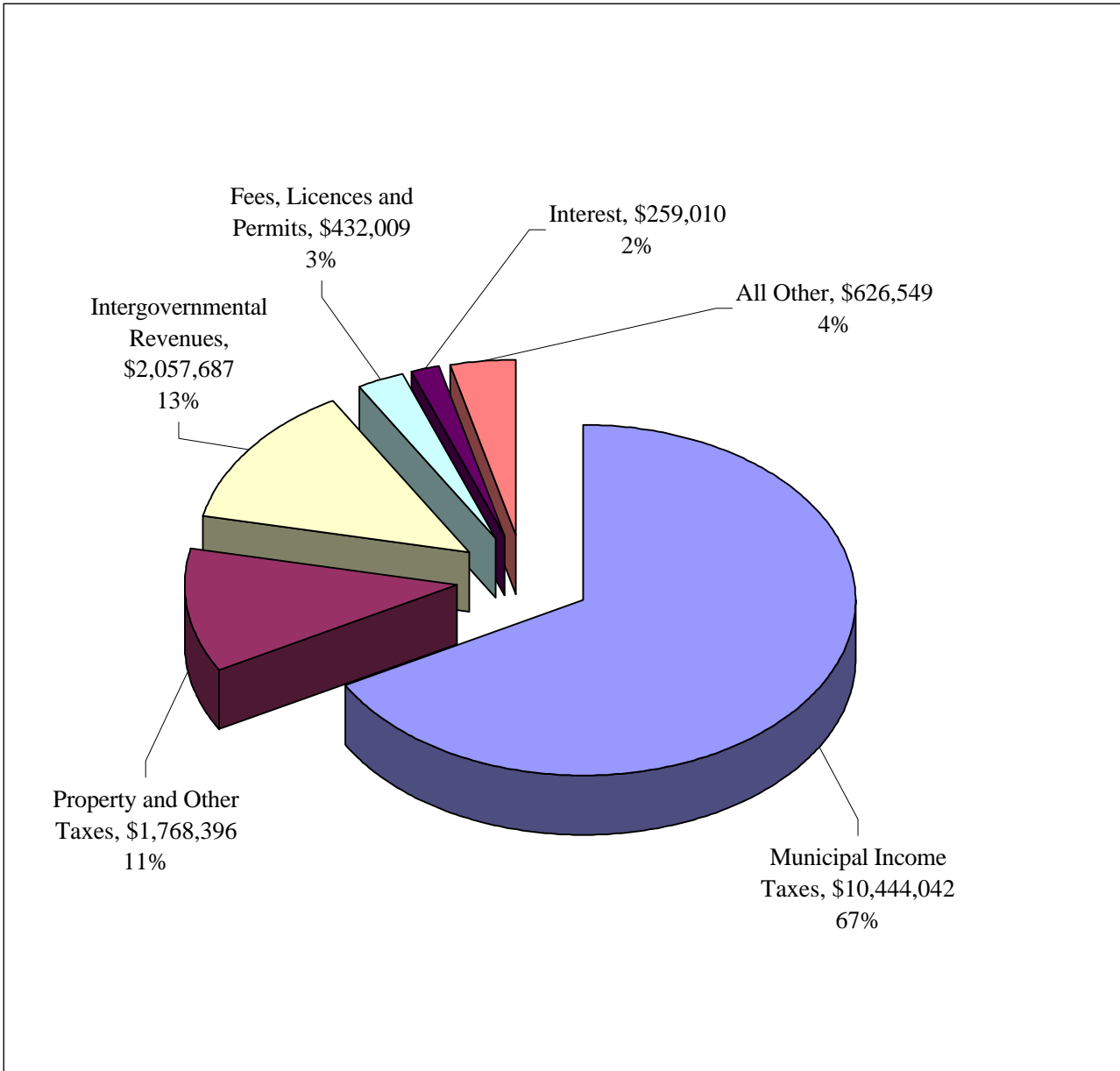
STATISTICAL SECTION

CITY OF SPRINGDALE, OHIO
GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION
FOR THE YEAR ENDED DECEMBER 31, 2001



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CITY OF SPRINGDALE, OHIO
GENERAL GOVERNMENTAL REVENUES BY SOURCE
FOR THE YEAR ENDED DECEMBER 31, 2001



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				
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	
2001	5,700,856	244,481	1,201,121	395,609	344,587	1,275,896	2,835,402	440,474	12,438,426	

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

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

(B) - Years 1992 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					Fees, Licenses and Permits	Interest	Contrib - utions	Other	Total
			Charges for Services	Fines and Forfeitures								
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	
2001	10,444,042	1,768,396	2,057,687	314,034	227,678	432,009	259,010	7,501	77,336		15,587,693	

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

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
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%
2000/2001	1,468,062	94,639	1,562,701	1,434,979	97.75%	49,281	1,484,260	94.98%	79,643	5.10%

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	
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	364,787,080	478,840,540	1,450,135,093	33.02%
2000/2001	376,996,840	1,077,133,829	10,908,270	10,908,270	93,718,500	374,874,000	481,623,610	1,462,916,099	32.92%

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
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
2000/2001	3.08	19.92	46.19	70.08	2.70

Source: Hamilton County, Ohio: County Auditor.

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

Tax Year/ Collection Year	Amount Billed	Amount Collected	Percent Collected
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%
2000/2001	790	613	77.59%

Source: Hamilton County Auditor.

NA - Not available from the Hamilton County Auditor.

CITY OF SPRINGDALE, OHIO
COMPUTATION OF LEGAL DEBT MARGIN
DECEMBER 31, 2001

Assessed Value of Taxable Property (A)	<u><u>\$481,623,610</u></u>
3.5% of Assessed Value	\$16,856,826
Total Debt Outstanding Subject to the 3.5% Limitation	<u>5,800,000</u>
Legal 3.5% Debt Margin	<u><u>\$11,056,826</u></u>
10% of Assessed Value	\$48,162,361
Total Debt Outstanding Subject to the 10% Limitation	<u>5,800,000</u>
Legal 10% Debt Margin	<u><u>\$42,362,361</u></u>

Source: Department of Finance, City of Springdale, Ohio.
(A) - Obtained from Hamilton County, Ohio: Auditor's 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		Net General Bonded Debt (C)	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt Per Capita
				In General Obligation Bond Retirement Fund (C)				
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	
2001	10,600	481,623,610	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
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%
2001	0	0	0	12,438,426	0%

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

CITY OF SPRINGDALE, OHIO
 COMPUTATION OF DIRECT AND OVERLAPPING DEBT
 DECEMBER 31, 2001

	<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	\$5,800,000	100%	\$5,800,000
<u>Overlapping:</u>			
Hamilton County	140,300,000	2.77%	3,886,310
Princeton City School District	0	26.46%	0
Great Oaks Joint Vocational School	7,975,000	3.38%	<u>269,555</u>
Subtotal			<u>4,155,865</u>
Total			<u><u>\$9,955,865</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	
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
2001	51,926	439,557	(387,631)	39,090	202,216	241,306	(1.61)

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)
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	38,246	948	2.90%
2001	10,600	35,467	1,078	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	
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
2001	277	1,551,650	453	28,461,863	133,025,841

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

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

CITY OF SPRINGDALE, OHIO
 PRINCIPAL PROPERTY TAXPAYERS
 DECEMBER 31, 2001

<u>Taxpayer</u>	<u>2001 Real Property Assessed Valuation (A) (Tax Duplicate)</u>	<u>Percent of Total Assessed Valuation</u>
Concordia Properties LLC	\$52,500,030	10.90%
G & I Executive Centre LLC	17,500,020	3.63%
Duke Realty	10,160,450	2.11%
Kimco 420 Incorporated	9,198,090	1.91%
Cinergy	7,974,970	1.66%
Kir Tri-County 018 LLC	7,595,610	1.58%
Avon Capital Corporation	6,878,270	1.43%
Springdale-Kemper Association	6,632,050	1.38%
Lazarus Real Estate Incorporated	5,180,000	1.08%
National Amusement Incorporated	<u>5,136,620</u>	<u>1.07%</u>
Subtotal	128,756,110	26.73%
All Others	<u>352,867,500</u>	<u>73.27%</u>
Total	<u><u>\$481,623,610</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, 2001

<u>Employer</u>	<u>Number of Employees (A)</u>
Avon Products, Inc.	1,810
Adecco NA LLC	1,374
John Morrell and Company	1,371
General Electric	1,043
Sears Roebuck and Company	790
Wal-Mart Associates, Inc.	717
Lifesphere	675
Mercantile Stores Company, Inc.	654
Rich's Department Stores	637
Marketing Research Services, Inc.	601

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, 2001

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	34
Sewers:	
Miles of Storm Sewers	13.93
Buildings:	
2001 Permits Issued	730
2001 Valuation of Construction	\$30,013,513
Parks and Recreation:	
Number of Parks	6
Number of Acres	100
Employees:	
Full-Time	118
Part-Time	44
Education: (A)	
Number of Schools	2
Number of Teachers	95
Number of Students	1,078

Source: City of Springdale, Ohio.

(A) - Source: Princeton City School District.

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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
JULY 16, 2002**