



Dave Yost • Auditor of State

CITY OF MARYSVILLE
UNION COUNTY

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FOR THE YEAR ENDED DECEMBER 31, 2010

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Dave Yost • Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY GOVERNMENT AUDITING STANDARDS

City of Marysville
Union County
125 East Sixth Street
Marysville, Ohio 43040

To the City Council:

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Marysville, Union County, Ohio (the City) as of and for the year ended December 31, 2010, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 21, 2011. 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 the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of opining on the effectiveness of the City's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the City's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. Therefore, we cannot assure that we have identified all deficiencies, significant deficiencies or material weaknesses. However, as described in the accompanying schedule of findings we identified a certain deficiency in internal control over financial reporting, that we consider a material weakness.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and timely corrected. We consider finding 2010-003 described in the accompanying schedule of findings to be a material weakness.

Compliance and Other Matters

As part of reasonably assuring whether the City's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect 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 an opinion. The results of our tests disclosed instances of noncompliance or other matters we must report under *Government Auditing Standards* which are described in the accompanying schedule of findings as items 2010-001 and 2010-002.

We also noted certain matters not requiring inclusion in this report that we reported to the City's management in a separate letter dated June 21, 2011.

The City's responses to the findings identified in our audit are described in the accompanying schedule of findings. We did not audit the City's responses and, accordingly, we express no opinion on them.

We intend this report solely for the information and use of management, the audit committee, City Council, and others within the City. We intend it for no one other than these specified parties.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive, flowing style.

Dave Yost
Auditor of State

June 21, 2011

**CITY OF MARYSVILLE
UNION COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2010**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)
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FINDING NUMBER	2010-001
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Negative Fund Balances – Noncompliance Finding

Ohio Rev. Code Section 5705.10(H) requires that money paid into a fund must be used only for the purposes for which such fund has been established.

A negative fund balance indicates money from one fund was used to cover the expenses of another fund. The following funds had negative fund balances as of December 31, 2010:

Fund Description	Fund No.	Negative Fund Balance
OPWC Walnut St. Traffic	20	\$(33,000)
CDBG Tier II Grant	21	(47,044)
CHIP Grant	45	(2,829)
Scottslawn Rd Widening	80	(185,000)
Industrial Pkwy Culvert	82	(267,000)
CDBG Formula Grant	83	(37,300)
Job Readiness Site Grant	84	<u>(1,223,996)</u>
Total		\$(1,796,169)

We recommend the City use monies paid into each fund only for the purpose for which such fund was established

Official's Response:

The Finance Department closely monitors all funds to ensure that negative fund balances do not occur. The funds listed above that had negative fund balances as of December 31, 2010, were reimbursable grant funds. The negative balances noted in these funds were a result of timing differences. The City had expended the funds as required by the grant, submitted a request for reimbursement, and simply had not received the grant revenue as of December 31, 2010.

**CITY OF MARYSVILLE
UNION COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2010
(Continued)**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)
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FINDING NUMBER	2010-002
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Actual Revenue Deficiency – Noncompliance Finding

Ohio Rev. Code §5705.36(A)(4) states that upon a determination by the Fiscal Officer of a subdivision that the revenue to be collected by the subdivision will be less than the amount included in an official certificate and that the amount of the deficiency will reduce available resources below the level of current appropriations, the fiscal officer shall certify the amount of the deficiency to the commission, and the commission shall certify an amended certificate reflecting the deficiency.

The following funds had appropriations that exceeded actual resources at year end:

Fund No.	Fund	Actual Resources	Appropriations	Variance Between Actual Resources and Appropriations
13	Police Grant Fund	7,589	10,000	\$(2,411)
14	Fire Grant Fund	31,143	40,000	(8,857)
20	OPWC Walnut St. Traffic Signal	0	33,000	(33,000)
21	CDBG Tier II Grant	76,368	350,500	(274,132)
75	CHIP Grant Fund	119,534	250,000	(130,466)
82	Industrial Pkwy Culvert Proj.	0	267,000	(267,000)
84	Job Readiness Site Grant	(633,389)	965,886	(1,599,275)
85	Neighborhood Stabilization Proj.	98,344	103,632	(5,288)
				\$(2,320,429)

Failure to appropriately amend estimated resources and appropriations as a result of known revenue deficiencies resulted in deficit spending in the above funds.

We recommend the City implement procedures to monitor estimated and actual revenues and request an amended certificate of estimated resources and reduce appropriations, when necessary, when it becomes evident that estimated sources of revenue will be below projections for the year.

Official's Response:

The Finance Department closely monitors all funds to ensure that appropriations do not exceed resources. The funds listed above that had appropriations that exceeded resources as of December 31, 2010, were reimbursable grant funds. The variances noted in these funds were a result of timing differences. The City had expended the funds as required by the grant, submitted a request for reimbursement, and simply had not received the grant revenue as of December 31, 2010.

**CITY OF MARYSVILLE
UNION COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2010
(Continued)**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)
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FINDING NUMBER	2010-003
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Financial Reporting – Material Weakness

Sound financial reporting is the responsibility of the City's Finance Director and Council and is essential to ensure the information provided to the readers of the financial statements is complete and accurate.

The City utilizes an accounting system and currently has monitoring controls over daily cash-basis transactions entered into the system. At year-end the cash basis information from the accounting system is converted into the financial statements reported under Accounting Principles Generally Accepted in the United States of America. Accrual information is prepared by the City and is submitted to an outside accounting firm to prepare the financial statements.

The following aggregated reclassification and adjustment were made to the December 31, 2010 financial statements and the City's accounting records:

- Reclassification of \$4,160,772 for the Sewer Fund, \$376,229 for the Water Fund and \$4,537,001 of Business Type Activities from Unrestricted Net Assets to Restricted for Debt Service.
- Adjustment to record an understatement of Income Taxes Receivable of \$1,008,081 and Deferred Revenue of \$1,322,526 while reducing Income Tax Revenue by \$314,445 for the General Fund. These further resulted in an understatement of Income Taxes Receivable and Income Tax Revenue for Governmental Activities of \$1,008,081.

The following aggregated differences were immaterial to the overall financial statements of the City and were not made to the December 31, 2010 financial statements:

- \$46,752 of understatement of Accrued interest payable and interest and fiscal charges for the Coleman's TIF Fund and Governmental Type Activities.
- Adjustment to increase the Payment in Lieu of Taxes Receivable and Deferred/Unearned Revenue in the Coleman's TIF Fund and Governmental Type Activities for \$59,078 and to decrease the Payment in Lieu of Taxes Receivable and Payment in Lieu of Taxes Revenue in the Sewer Fund and Business Type Activities for \$175,111.

Lack or failure of controls over the posting of financial transactions and financial reporting can result in errors and irregularities that may go undetected and decreases the reliability of financial data throughout the year.

We recommend the City continue to develop and enhance policies and procedures to further enhance its controls over recording of financial transactions and financial reporting to help ensure the information accurately reflects the activity of the City and thereby increases the reliability of the financial data throughout the year. We also recommend the City enhance/implement procedures over the completeness and accuracy of financial information reported within the Comprehensive Annual Financial Report. Such procedures may include review of the financial statements and related components by a member of management with analytical comparisons of the current year annual report to the prior year reports for obvious errors or omissions.

CITY OF MARYSVILLE
UNION COUNTY

SCHEDULE OF FINDINGS
DECEMBER 31, 2010
(Continued)

FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)

FINDING NUMBER	2010-003 (Continued)
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Financial Reporting – Material Weakness (Continued)

Official's Response:

The Finance Department is committed to proper financial reporting and welcomes this opportunity to receive feedback that will continue to ensure accurate financial reports prepared by the city.

It is important to note that one of the items was simply a reclassification entry that changed the presentation of these amounts on the financial statements but did not change the total amounts reported in the financial statements. The other material item dealt with Income Tax Receivables. The City chose a cut-off-date to calculate Income Tax Receivables. As this was the first full year that the City is realizing the full impact of the 0.5% increase in the tax rate, the City underestimated the amount of possible income tax revenue to be received and therefore, the Income Tax Receivable was understated.

It is also important to note that, while this recommendation addresses the reliability of financial reporting throughout the year, the identified items only impacted amounts converted from the City's cash basis accounting to accrual basis accounting after year-end and did not impact the City's cash financial reporting throughout the year.

**CITY OF MARYSVILLE
UNION COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2010**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain</i>
2009-001	Negative Fund Balances – funds had negative fund balances as of December 31, 2009	No	Not Corrected – Reissued as 2010-001
2009-002	Financial Reporting - recommendation due to adjustments required to be made to the financial statements.	No	Not Corrected – Reissued as 2010-003
2009-003	Cash Management - recommend the City implement cash management procedures to disburse HOME grant funds on hand to a balance of less than \$5,000 within fifteen days of receipt	Yes	Fully corrected.
2009-004	Federal Expenditures Schedule - recommend the City ensure proper reporting of federal expenditures, which includes reporting the proper amount of expenditures; federal awarding agencies; pass-through entity names and numbers	N/A	Finding no longer valid.

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2010

Prepared by the Auditor's Office

Jenny Chavarria
Finance Director



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COLUMBIANA COUNTY, OHIO

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CITY OF MARYSVILLE

125 East Sixth Street • Marysville, Ohio 43040

Jenny Chavarria, City Finance Director

phone (937) 645-1030 fax (937)-645-1105

www.marysvilleohio.org

June 21, 2011

To the Honorable Mayor, the City Council and the Citizens of the City of Marysville, Ohio:

We are pleased to present the first ***Comprehensive Annual Financial Report*** (CAFR) of the City of Marysville, Ohio, (the City) for the year ended December 31, 2010. The report has been prepared in accordance with Generally Accepted Accounting Principles (GAAP) established by statements of the Governmental Accounting Standards Board (GASB), other authoritative pronouncements and guidelines recommended by the Government Finance Officers Association (GFOA) of the United States and Canada, and audited in accordance with Generally Accepted Auditing Standards (GAAS). GAAP requires a narrative introduction, overview, and analysis called the Management's Discussion and Analysis (MD&A) to accompany the basic financial statements. This Letter of Transmittal (LOT) is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditors.

THE REPORT

State law, along with *Administrative Rules* of the Auditor of State, requires all City governments to publish an Annual Report within 150 days of the close of each fiscal year. This report must present a complete set of financial statements presented in conformity with GAAP. Various City debt service *Trust Agreements* require Audited Annual Reports in accordance with GAAS. Pursuant to these requirements, we hereby issue the CAFR of the City of Marysville, Ohio, for the fiscal year ended December 31, 2010.

While there is no legal requirement for the preparation of a CAFR, it represents a commitment by the City, and its officers, to conform to nationally recognized standards of excellence in financial reporting. This report consists of management's representations concerning the finances of the City. Responsibility for both the accuracy of the presented data and the completeness and reliability of the presentation, including all disclosures, rests with City management.

City Management has established various internal controls designed to compile reliable information for the preparation of the Annual Financial Statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City's various internal controls are designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. We believe the data, as presented, is accurate in all material respects; that it is presented in a manner designed to fairly set forth the financial position and results of operations of the City; and that all disclosures necessary to enable the reader to gain an understanding of the City's financial activity have been presented.

***Letter of Transmittal
For the Year Ended December 31, 2010***

The Auditor of the State of Ohio (independent auditor) has audited the financial statements of the City. The objective of the independent audit was to provide reasonable assurance that the financial statements of the City for the year ended December 31, 2010, are free from misstatement. The audit involved examining, on a test basis, evidence supporting amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by the management, and evaluating the overall financial statement presentation. The independent auditor issued an unqualified opinion that the basic financial statements are presented fairly in conformity with GAAP, in all material respects, representing the financial position of the City as of December 31, 2010. The report from the Independent Accountants' Report is presented as the first component of the financial section of this report.

PROFILE OF THE CITY OF MARYSVILLE

City Overview

The City of Marysville is an independent political subdivision of the State of Ohio and operates subject to the provisions of its charter, the Ohio Constitution, and various sections of the Revised Code. As a home-rule municipality, the City may exercise all powers of local self-government under Article XVIII, Section 3 of the Ohio Constitution. The City is the county seat of Union County (the County), and it offers the advantages of a metropolitan area combined with the charm of a rural, smaller community. Settled along Mill Creek early in the 1820's, the City encompasses approximately 16 square miles of territory and serves as the hub for the County.

The form of government provided by the charter of the City is known as "mayor-director-council form of government." Legislative authority is exercised by a seven-member City Council (the Council) that meets regularly on the second and fourth Thursdays of each month. Three members of Council are elected from the City at large and four are elected from each of four wards. Council members serve overlapping terms of four years. At the first meeting of each year, the Council elects one of its members to serve as president and one to serve as vice president, each for a term of one year.

Marysville is located approximately 25 miles northwest of Columbus, the State capital, on U.S. 33, a major highway. Other principal highways in Marysville are U.S. Route 36 and State Routes 4, 31, 38, 245 and 736. The City's central location is among its greatest assets because it makes travel quick and convenient for residents.

As the largest city in the County, Marysville is the home of both large and small industries, and its diversified business base helps provide a desirable quality of life. Few communities of its size in the country have enjoyed the international spotlight that has focused on the City, largely as a result of the Honda of America Manufacturing, Inc. automobile assembly facilities. Other major industries located in the City include The Scotts Miracle-Gro Company (lawn care products), Veyance Technologies (formerly The Goodyear Tire & Rubber Company), Univenture (manufacturer), Nestlé Product Technology Center (food research and development), and Parker Hannifin –Hydraulic Pump Division (manufacturer).

***Letter of Transmittal
For the Year Ended December 31, 2010***

The City of Marysville provides a host of traditional municipal services including police and fire protection, parks and recreation, operation of a municipal court, street maintenance and other governmental services. In addition, the City owns and operates water and sewer systems to serve consumers within the City and certain immediately adjacent environs.

The Reporting Entity

The accompanying basic financial statements comply with the provisions of GASB Statement No. 14, "*The Financial Reporting Entity*", as amended by GASB Statement No. 39, "*Determining Whether Certain Organizations are Component Units*" in that the financial statements include all of the organizations, activities, functions and component units for which the City (The Reporting Entity) is Financially Accountable. Financial Accountability is defined as the appointment of a voting majority of the component unit's board, and either (1) the City's ability to impose its will over the component unit, or (2) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the City.

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

Budgetary and Accounting Controls

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

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

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

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

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

***Letter of Transmittal
For the Year Ended December 31, 2010***

Budgetary internal controls are maintained 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. The City also maintains an encumbrance accounting system to maintain budgetary control. The control is maintained through the encumbering of estimated purchases through the use of formal approved purchase orders. Encumbered amounts do not lapse at year-end, unused encumbrances are carried over to the following year. The Administration, Mayor, and City Council receives monthly report of amounts in the City's bank accounts reconciled to the amounts on the City's internal records, In addition, the Administration, Mayor, and City Council receives a quarterly report comparing budgeted and actual revenue and expenditure.

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.

LOCAL ECONOMY

The City of Marysville, like many other cities, has been affected by the economic downturn. However, Union County and the City of Marysville have weathered the storm fairly well. Since 1991, the City has grown from a predominantly agricultural area to a young and robust municipality. Much of this economic development has been in the area of manufacturing and relates to our two largest corporations – Honda of America and The Scotts Miracle-Gro Company -. The Honda facility was built in the late 1970's outside the City, but within the County, and serves as a major employer for the City's residents. The Scotts Miracle-Gro Company, founded in Marysville in 1868, employs approximately 1,250 people and maintains its World and North American Headquarters as well as its main manufacturing facility in the City.

In addition to the commercial economic development, the City has seen its population increase 38.6% from 2000. This increase in population has sparked the construction of numerous housing developments, such as Mill Valley, Scotts Farm, and Green Pastures.

This economic growth led to not only a strain on the City's infrastructure, but also the City's limited manpower and services. In 2009 and 2010, City Council took steps to balance the budget by reducing General Fund expenditures by \$2.3 million. In 2009, a twenty-three member Citizen's Advisory Committee was formed to review the City's current revenue sources and expenditures. The Committee determined that the City was not spending money unwisely and that the City should propose a 0.5% increase in its income tax rate.

On May 4, 2010, the Citizens of Marysville voted on and approved an increase in the income tax of 0.5%, with a July 1, 2010 effective date. When added to the prior 1.0% rate, this increases the total income tax rate to 1.5%. The \$4.1 million projected increase in income tax revenue was earmarked to fund the principal and interest payments on the new Police/Court and Fire Buildings, the operating costs for these two new buildings and to restore \$1.3 million in day-to-day operating expenditures.

In order to be fiscally prudent and ensure fiscal responsibility, a General Fund Budget Plan was drafted to guide the formation of annual budgets. This plan establishes a General Fund target unappropriated balance of \$3.5 million to ensure financial stability and security of the City. The plan also addresses allocation of additional appropriation for funds over and above the \$3.5 million target balance.

***Letter of Transmittal
For the Year Ended December 31, 2010***

ECONOMIC DEVELOPMENT

Marysville's growing industrial base and residential population has greatly changed the development patterns of the City, transitioning it from a traditional rural market trade center to a more suburban-style community and regional employment center served by local and international businesses.

The Uptown Area, which includes the historic central business district, is composed of a mix of residential, retail, and office uses in the blocks surrounding the intersection of Fifth and Main streets. Uptown includes a mix of locally-oriented retail, destination retail, offices (a large proportion of which are associated with the community's county seat function, such as county agencies and attorneys), service providers and a small number of residents. The City was awarded \$400,000 in CDBG funds that has been utilized for the renovation of building facades and streetscape improvements to the Uptown area. This grant has accounted for nearly \$359,000 of private investment and over \$350,000 of public infrastructure improvements in the Uptown area.

Industrial developments within the City limits are predominately clustered in the southeastern portion of the City along Industrial Parkway to the north and south of Scottslawn Road. A significant amount of vacant farmland and potential redevelopment sites are also found in this area, and a small number of industrial developments also continue to operate closer to the city center. Office and research and development facilities occur on small sites throughout the City. The largest existing research and development facility, the Nestle Product Technology Center, employs approximately 250 people and is located on Collins Avenue.

Coleman's Crossing, a large commercial development, is located to the west of U.S. 33 and south of Delaware Avenue and offers a number of restaurants and retail options. Coleman's Crossing, combined with City Gate, another large commercial development, offer over 200 acres of retail space, making these two shopping centers significant regional destinations. A Honda Auto & Motorcycle dealership, the flagship Honda dealership, and a Home Depot store opened in Coleman's Crossing in 2005, and a Super Wal-Mart opened in 2006. In 2009, Lowe's, constructed a new facility in the City on the southeast corner of US 33 and US 36 where the previous Wal-Mart was located. Soon thereafter, Dunham's sports renovated and occupied the former Big Bear store in the same center as Lowe's. A new development – City Gate – opened in 2007 bringing a number of new service businesses and restaurants including two financial institutions, two retail establishments, and four restaurants. These businesses have spurred additional retail and commercial development in the area and more businesses are currently being planned.

Marysville provides a wide range of residential options throughout the community, from upscale, executive homes to traditional suburban homes, as well as the historic residential area in the neighborhood known as Olde Town Marysville. The sharp increase in population over the last 10 years has been the catalyst for several large residential developments, including Mill Valley, and Scotts Farm to the north of U.S 33 and the Green Pastures subdivision in the western portion of the City. Several other residential developments are located along State Route 4/U.S. 36 and State Route 38 in the southwest area of the City. At this time, more than 1,000 new residential lots have been approved for construction throughout the City, and especially in the areas identified. Although residential construction has sharply decreased in the last four year period, it is expected that these lots will eventually be developed, potentially adding thousands of new residents to the City.

***Letter of Transmittal
For the Year Ended December 31, 2010***

The substantial growth in residential, commercial and industrial development in recent years has also led to major infrastructure improvements, such as the expansion of water and sewer service. Two significant new facilities were constructed in the late 2000s: the Water Reservoir and the Water Reclamation Facility.

In order to further the City's commercial and industrial development, the City has entered into several tax abatement agreements with businesses in the area. The City has existing agreements with The Scotts Miracle-Gro Company (2), Veyance Technologies(3), and Honda Lock of America. The City has approved 15 abatements since the program began in 1990. Additionally, the City has entered with municipal income tax payment agreements with The Scotts Miracle-Gro Company, Univenture, and Veyance Technologies. All of these agreements create jobs and promote commercial development for the City.

FUTURE ECONOMIC DEVELOPMENT

Future economic development plans are evaluated to determine if they meet the vision of the City of Marysville that is characterized in the 2010 Comprehensive Study. Among the approved projects:

Jerome Village - Nationwide Realty Investors entered into an agreement with Union County and the City of Marysville in 2010 to run sewer and water to the development site. The agreement allows Nationwide to begin developing 130 lots in the first part of Jerome Village, a section called Glacier Park. When completed, the development will include 2,500 homes and 1.5 million square feet of office and retail space on 1,435 acres in southern Union County.

Algaeventure - Algaeventure, a company specializing in growing and processing algae for use in alternative fuel production, is preparing to expand its research and development and manufacturing components to consolidate dewatering and separation procedures. The project will make the use of algae in the development of alternative energy more efficient and viable for use on a large scale. It is estimated that this new expansion will result in 200 new employees and approximately \$150,000 in additional income tax revenue.

The Scotts Miracle-Gro Company - The Scotts Miracle-Gro Company recently opened a new 30,000 sq. ft. office building for its lawn care service. Construction was also completed on a new 40,000 sq. ft. manufacturing plant to accommodate the production of its EZ Seed product. These improvements will result in 53 new full time equivalent employees bringing the company's local employment to over 1,300.

Jobs Ready Site (Metro Equities Industrial Park) - Work is nearing completion on Union County's first Job Ready Site (Metro Equities Industrial Park). The \$3,600,000 project makes 277 acres of land ready for immediate development for future large industrial tenants. The site will receive official certification from the State of Ohio in 2011.

***Letter of Transmittal
For the Year Ended December 31, 2010***

Police/Court and Fire Facilities – Design of the City’s new Police/Court and Fire facilities is nearing completion. Construction is expected to begin in October 2011 and estimated to cost approximately \$18,000,000 for these two new buildings. The second fire station is strategically placed north of the railroad tracks to reduce response times and the Police/Court Building will provide a safe and efficient facility for our Police and Municipal Court so they can meet the community’s needs.

AWARDS AND ACKNOWLEDGEMENTS

Independent Audit

Included in this report is an unqualified audit opinion rendered on the City's financial statements for the year ended December 31, 2010, issued by the Auditor of State Office of Ohio. City management plans to continue to subject the financial statements to an annual independent audit as part of the preparation of a CAFR, and to meet requirements of certain Revenue Trust Agreements on Revenue Debt. In addition, an annual audit serves to maintain and strengthen the City's accounting and budgetary controls.

Public Disclosure

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

Acknowledgments

Sincere appreciation is extended to the many individuals who have worked diligently and contributed significant time and effort in gathering data for this report, who through their continued knowledge and professionalism help make this annual project become a reality.

A special thank you is extended to the Members of City Council, the Mayor and the City Departments for the support and trust shown to the City Administration and the Finance Department and for allocating the resources and time for the development of this report, which demonstrates the City’s commitment to conform to reporting requirements established for municipal governments, and to maintain the sound financial position the City has enjoyed for many years. A final thank you goes to the Citizens of Marysville, Ohio, who continue to support the many decisions made by the City in its financial operations.

***Letter of Transmittal
For the Year Ended December 31, 2010***

Finally, we would especially like to recognize City staff, all of whom exhibited dedication and professionalism throughout the many hours required in preparing this report. A special thank you is extended to Ms. Wendy Eggleston, Accounting and Auditing Supervisor, who assisted in overseeing this project.

Respectfully submitted,



Jennifer M. Chavarria
Director of Finance
City of Marysville, Ohio



Terry Emery
City Administrator
City of Marysville, Ohio

CITY OF MARYSVILLE, OHIO

***List of Principal Officials
For the Year Ended December 31, 2010***

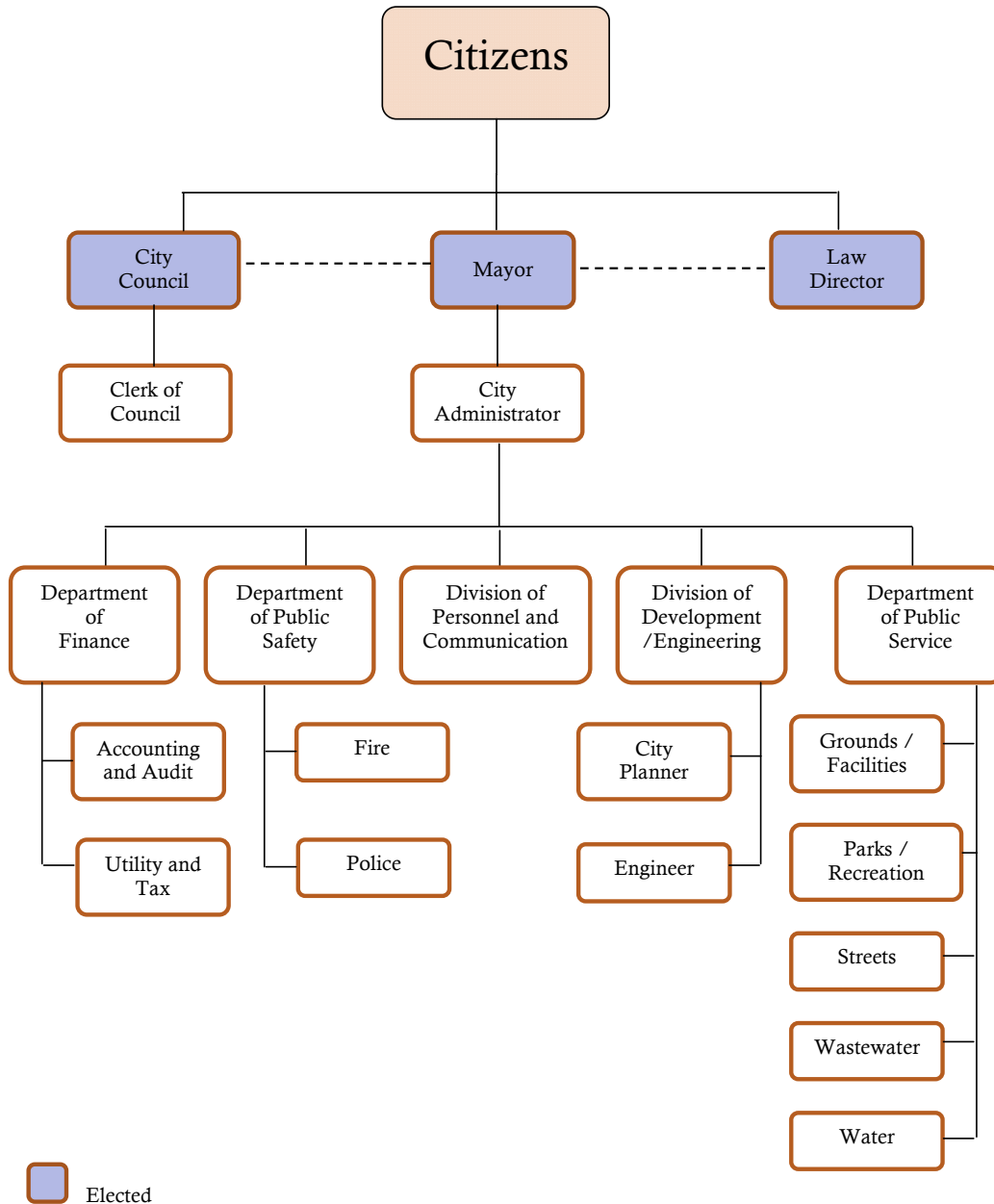
<i>ELECTED OFFICIALS</i>	<i>OFFICE</i>	<i>TERM EXPIRES</i>
Nevin Taylor	Council President	12/31/11
Dan Fogt	Council Vice-President	12/31/11
Tracy Richardson	Council Member	12/31/11
Henk Berbee	Council Member	12/31/13
Deborah Groat	Council Member	12/31/11
Mark Reams	Council Member	12/31/13
Ed Pleasant	Council Member	12/31/11

<i>ADMINISTRATIVE PERSONNEL</i>	<i>TITLE</i>	<i>TERM OF OFFICE</i>
John Gore, Jr.	Mayor	12/31/11
Terry Emery	Director of Administration	Appointed
Jennifer M. Chavarria	Director of Finance	Appointed
Tim M. Aslaner	Law Director	12/31/13

City Address:

Marysville City Hall
125 East Sixth Street
Marysville, Ohio 43040

**City Organizational Chart
For the Year Ended December 31, 2010**





Dave Yost • Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

City of Marysville
Union County
125 East Sixth Street
Marysville, Ohio 43040

To the City Council:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Marysville, Union County, Ohio (the City), as of and for the year ended December 31, 2010, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these 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 the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Marysville, Union County, Ohio, as of December 31, 2010, and the respective changes in financial position and where applicable, cash flows, thereof and the budgetary comparison for the General Fund 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 June 21, 2011, 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 grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require this presentation to include *Management's discussion and analysis*, as listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any other assurance.

We conducted our audit to opine on the financial statements that collectively comprise the City's basic financial statements taken as a whole. The introductory section, the financial section's combining statements, individual fund statements and schedules, and the statistical section information provide additional analysis and are not a required part of the basic financial statements. The financial section's combining statements, individual fund statements and schedules are management's responsibility, and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. These statements and schedules were subject to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole. We did not subject the introductory section and statistical section information to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or any other assurance on them.



Dave Yost
Auditor of State

June 21, 2011

The discussion and analysis of the City of Marysville's (City) financial performance provides an overall review of the City's financial activities for the fiscal year ended December 31, 2010. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the transmittal letter, notes to the basic financial statements and financial statements to enhance their understanding of the City's financial performance.

FINANCIAL HIGHLIGHTS

Key financial highlights for 2010 are as follows:

- ❑ In total, net assets increased \$4,256,501, a 4.9% increase from 2009. The net assets of governmental activities increased \$4,341,031, a 14.5% increase from 2009; and the net assets of business-type activities decreased \$84,530, a minor decrease from 2009.
- ❑ Total revenues were \$40,101,437. \$16 million was general revenues, or 40% of the total revenues; and \$24 million was program specific revenues in the form of charges for services and sales, operating grants and contributions and capital grants and contributions, or roughly 60% of the total revenues.
- ❑ The City had \$17 million in program expenses related to governmental activities; only \$6.4 million of these expenses were offset by program specific revenues. General revenues (primarily taxes) of \$13.8 million were adequate to provide for the balance on these programs.
- ❑ Among major funds, the General Fund had \$15.1 million in revenues and \$11.2 million in expenditures. The general fund's fund balance, including transfers, increased \$2,049,031 to \$6,726,256.
- ❑ Net assets for the proprietary funds decreased by \$84,530.
- ❑ The City maintained a bond credit rating of Aa3, as issued by Moody's Investors Services.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts – *management's discussion and analysis*, the *basic financial statements*, *required supplementary information*, and an optional section that presents *combining statements* for nonmajor governmental funds and internal service funds. The basic financial statements include two kinds of statements that present different views of the City:

These statements are as follows:

1. *The Government-Wide Financial Statements* – These statements provide both long-term and short-term information about the City's overall financial status.
2. *The Fund Financial Statements* – These statements focus on individual parts of the City, reporting the City's operations in more detail than the government-wide statements.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements.

Government-wide Statements

The government-wide statements report information about the City as a whole using accepted methods similar to those used by private-sector companies. The Statement of Net Assets includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the Statement of Activities regardless of when cash is received or paid.

The two government-wide statements report the City's net assets and how they have changed. Net-assets (the difference between the City's assets and liabilities) is one way to measure the City's financial health or position.

- Over time, increases or decreases in the City's net assets are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the City you need to consider additional nonfinancial factors such as property tax base, current property tax laws, conditions of the City's streets and general infrastructure and status of growth within the City.

The government-wide financial statements of the City are divided into two categories:

- Governmental Activities – Most of the City's programs and services are reported here including security of persons and property, public health and welfare services, leisure time activities, community environment, transportation and general government.
- Business-Type Activities – These services are provided on a charge for goods or services basis to recover all of the expenses of the goods or services provided. The City's water, sewer, storm water and sanitation services are reported as business-type activities.

Fund Financial Statements

The fund financial statements provide more detailed information about the City's most significant funds, not the City as a whole. Funds are accounting devices that the City uses to keep track of specific sources of funding and spending for particular purposes.

Governmental Funds – Most of the City's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds are reconciled in the financial statements.

CITY OF MARYSVILLE, OHIO

**Management's Discussion and Analysis
For the Year Ended December 31, 2010**

Unaudited

Proprietary Funds – Proprietary funds use the same basis of accounting as business-type activities; therefore, these statements will essentially match.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the City's own programs. All of the City's fiduciary activities are reported in the separate Fiduciary Statement of Assets and Liabilities.

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

The following table provides a comparison of net assets between 2010 and 2009:

	Governmental Activities		Business-type Activities		Total	
	2010	2009	2010	2009	2010	2009
Current and other assets	\$17,109,810	\$12,593,750	\$36,815,442	\$39,156,685	\$53,925,252	\$51,750,435
Capital assets, Net	41,424,419	42,706,701	199,683,925	200,018,095	241,108,344	242,724,796
Total assets	58,534,229	55,300,451	236,499,367	239,174,780	295,033,596	294,475,231
Long-term debt outstanding	7,658,780	21,311,388	178,869,847	179,956,773	186,528,627	201,268,161
Other liabilities	16,534,538	3,989,183	1,344,527	2,848,484	17,879,065	6,837,667
Total liabilities	24,193,318	25,300,571	180,214,374	182,805,257	204,407,692	208,105,828
Net assets						
Invested in capital assets, net of related debt	21,674,744	22,141,194	21,138,692	22,937,908	42,813,436	45,079,102
Restricted	4,110,446	3,328,917	4,537,001	6,781,143	8,647,447	10,110,060
Unrestricted	8,555,721	4,529,769	30,609,300	26,650,472	39,165,021	31,180,241
Total net assets	\$34,340,911	\$29,999,880	\$56,284,993	\$56,369,523	\$90,625,904	\$86,369,403

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CITY OF MARYSVILLE, OHIO

**Management's Discussion and Analysis
For the Year Ended December 31, 2010**

Unaudited

Changes in Net Assets – The following table shows the changes in net assets for the fiscal year 2010 and 2009:

	Governmental Activities		Business-type Activities		Total	
	2010	2009	2010	2009	2010	2009
Revenues						
Program revenues:						
Charges for Services and Sales	\$2,729,691	\$1,790,024	\$16,791,874	\$16,170,425	\$19,521,565	\$17,960,449
Operating Grants and Contributions	1,871,206	1,010,400	0	6,881	1,871,206	1,017,281
Capital Grants and Contributions	1,766,014	1,427,027	905,366	1,386,178	2,671,380	2,813,205
General revenues:						
Property Taxes	1,828,092	1,874,723	0	0	1,828,092	1,874,723
Municipal Income Taxes	10,878,400	8,347,026	0	0	10,878,400	8,347,026
Other Local Taxes	109,895	120,864	0	0	109,895	120,864
Payments in Lieu of Taxes	1,026,468	1,022,086	1,051,955	982,141	2,078,423	2,004,227
Grants and Entitlements not Restricted to Specific Programs	846,810	724,478	0	0	846,810	724,478
Investment Earnings	135,196	142,515	2,706	0	137,902	142,515
Miscellaneous	157,764	577,549	0	0	157,764	577,549
Total revenues	21,349,536	17,036,692	18,751,901	18,545,625	40,101,437	35,582,317
Program Expenses						
Security of Persons and Property	8,065,669	8,231,839	0	0	8,065,669	8,231,839
Public Health and Welfare Services	356,768	533,704	0	0	356,768	533,704
Leisure Time Activities	318,027	357,477	0	0	318,027	357,477
Community Environment	1,785,546	1,592,190	0	0	1,785,546	1,592,190
Transportation	2,826,219	2,937,757	0	0	2,826,219	2,937,757
General Government	3,083,726	2,890,567	0	0	3,083,726	2,890,567
Interest and Fiscal Charges	572,550	882,409	0	0	572,550	882,409
Sewer	0	0	11,703,017	5,109,903	11,703,017	5,109,903
Water	0	0	5,499,245	4,636,236	5,499,245	4,636,236
Stormwater	0	0	362,964	464,076	362,964	464,076
Sanitation	0	0	1,271,205	1,244,236	1,271,205	1,244,236
Total expenses	17,008,505	17,425,943	18,836,431	11,454,451	35,844,936	28,880,394
Change in Net Assets Before Transfers	4,341,031	(389,251)	(84,530)	7,091,174	4,256,501	6,701,923
Transfers	0	132,992	0	(132,992)	0	0
Total Change in Net Assets	4,341,031	(256,259)	(84,530)	6,958,182	4,256,501	6,701,923
Beginning Net Assets	29,999,880	30,256,139	56,369,523	49,411,341	86,369,403	79,667,480
Ending Net Assets	\$34,340,911	\$29,999,880	\$56,284,993	\$56,369,523	\$90,625,904	\$86,369,403

***Management's Discussion and Analysis
For the Year Ended December 31, 2010***

Unaudited

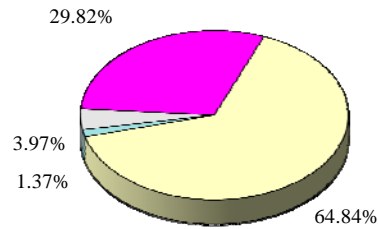
Governmental Activities

Net assets of the City's governmental activities had an increase of \$4,341,031. There was an increase in income tax receipts due to the rate increase that was effective July 1, 2010. Charges for services also increased in 2010, mostly from an increase in EMS runs. Overall, revenues increased by 25.3% compared to 2009.

The City receives an income tax based on a percentage of all salaries, wages, commissions and other compensation earned from residents living within the City and from nonresidents for work done or services performed or rendered in the City. The income tax rate increased from 1.0% to 1.5% effective July 1, 2010.

Property taxes and income taxes made up 8.6% and 51% respectively of revenues for governmental activities for the City in fiscal year 2010. The City's reliance upon tax revenues is demonstrated by the following graph indicating 64.84% of total revenues from general tax revenues:

Revenue Sources	2010	Percent of Total
Grants and Entitlements not Restricted to Specific Programs	\$846,810	3.97%
Program Revenues	6,366,911	29.82%
General Tax Revenues	13,842,855	64.84%
General Other	292,960	1.37%
Total Revenue	<u>\$21,349,536</u>	<u>100.00%</u>



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**Management's Discussion and Analysis
For the Year Ended December 31, 2010**

Unaudited

Business-Type Activities

Net assets of the business-type activities decreased by \$84,530. The City's business-type activities are its sanitation, sewer, water, and stormwater departments. The water and wastewater treatment plants provide services to a resident base in excess of 22,000. The City also provides wastewater treatment for the Village of Milford Center and several small unincorporated areas outside the City limits. The wastewater treatment plant generated operating revenues of \$7,752,084 and had operating expenses of \$5,860,153. The water plant generated operating revenues of \$7,112,359 and had operating expenses of \$4,147,882. The City's goal is to cover the costs of operations as well as building a cash balance in these funds equivalent to one-third of the department's annual operating budget. The City is also generating funds for additional capital expansion to ensure continued capacity and capacity improvements for future growth and development.

FINANCIAL ANALYSIS OF THE CITY'S GOVERNMENTAL FUNDS

The City's governmental funds reported a combined fund balance of (\$1,948,558), which is a decrease of \$9,094,327 from last year's balance of \$7,145,769. This decrease can be attributed to the fact that the TIF General Obligation Notes payable are now being carried as a fund liability within the Coleman's Crossing TIF Fund. See footnote 3. The schedule below indicates the fund balance and the total change in fund balance by fund type as of December 31, 2010 and 2009:

	Fund Balance December 31, 2010	Fund Balance December 31, 2009	Increase (Decrease)
General	\$6,726,256	\$4,677,225	\$2,049,031
Coleman's Crossing TIF	(11,947,755)	216,320	(12,164,075)
Other Governmental	3,272,941	2,252,224	1,020,717
Total	<u>(\$1,948,558)</u>	<u>\$7,145,769</u>	<u>(\$9,094,327)</u>

General Fund – The City's General Fund balance increased due to many factors. The tables that follow assist in illustrating the financial activities of the General Fund:

	2010 Revenues	2009 Revenues	Increase (Decrease)
Taxes (Income, Property and Other)	\$11,601,218	\$10,177,533	\$1,423,685
Intergovernmental Revenue	1,015,038	851,862	163,176
Charges for Services	1,437,328	523,435	913,893
Licenses and Permits	325,127	352,397	(27,270)
Investment Earnings	125,684	142,018	(16,334)
Fines and Forfeitures	518,946	408,485	110,461
All Other Revenue	104,792	78,325	26,467
Total	<u>\$15,128,133</u>	<u>\$12,534,055</u>	<u>\$2,594,078</u>

***Management's Discussion and Analysis
For the Year Ended December 31, 2010***

Unaudited

General Fund revenues in 2010 increased approximately 20.7% compared to revenues in fiscal year 2009. The most significant factor contributing to this increase was in taxes and charges for services. There was an increase in income tax receipts due to the rate increase that was effective July 1, 2010. The increase in charges for services can be attributed to the fact that the EMS Billing Fund is now reported as a General Fund Equivalent. See footnote 21. Smaller decreases were also seen in licenses and permits and investment earnings; however, the total decreases were off-set by increases in intergovernmental revenue, fines and forfeitures, and other revenue.

	2010	2009	Increase
	<u>Expenditures</u>	<u>Expenditures</u>	<u>(Decrease)</u>
Security of Persons and Property	\$7,542,258	\$7,020,579	\$521,679
Public Health and Welfare Services	356,932	511,593	(154,661)
Leisure Time Activities	99,474	144,179	(44,705)
Community Environment	624,362	538,742	85,620
General Government	2,604,596	2,441,499	163,097
Capital Outlay	0	20,650	(20,650)
Debt Service:			
Principal Retirement	0	53,875	(53,875)
Interest and Fiscal Charges	0	10,307	(10,307)
Total	<u>\$11,227,622</u>	<u>\$10,741,424</u>	<u>\$486,198</u>

General Fund expenditures increased by \$486,198 or about 4.5% when compared to the prior year of 2009. The largest increase was in Security of Persons and Property, an increase of \$521,679. Although the City implemented a hiring freeze and did not provide for cost of living increases in 2009 for non-union employees, union employees received their increases as per contracts.

Expenditures in the Coleman's Crossing TIF Fund increased from 2009 to 2010 while the expenditures in the Other Governmental Funds decreased in 2010 as compared to 2009. The majority of the expenditures in the Other Governmental Funds are for economic development and other grant projects.

The City's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund. During the course of fiscal year 2010 the City amended its General Fund budget several times. The most significant budget changes occurred in the security of persons and property and general government functions, as basic services were restored after the voter approved 0.5% increase in the income tax rate.

In the General Fund, the final budget basis for revenue was \$21.3 million, including transfers in, a slight change over the original conservative budget estimates of \$20.1 million. The General Fund had an adequate revenue stream and fund balance reserves to cover its expenditures in 2010.

***Management's Discussion and Analysis
For the Year Ended December 31, 2010***

Unaudited

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of fiscal 2010 the City had \$241,108,344 net of accumulated depreciation invested in land, improvements, infrastructure, buildings, machinery and equipment and construction in progress. Of this total, \$41,424,419 was related to governmental activities and \$199,683,925 to the business-type activities. The following table shows fiscal year 2010 and 2009 balances:

	Governmental Activities		Increase (Decrease)
	2010	2009	
Land	\$1,257,081	\$1,272,981	(\$15,900)
Construction in Progress	3,451,897	7,099,412	(3,647,515)
Buildings	3,635,874	3,650,834	(14,960)
Improvements Other Than Buildings	2,245,197	2,268,737	(23,540)
Machinery and Equipment	1,397,947	1,700,580	(302,633)
Vehicles	3,643,529	4,007,749	(364,220)
Infrastructure	82,655,991	77,607,145	5,048,846
Less: Accumulated Depreciation	(56,863,097)	(54,900,737)	(1,962,360)
Totals	\$41,424,419	\$42,706,701	(\$1,282,282)

	Business-Type Activities		Increase (Decrease)
	2010	2009	
Land	\$4,142,235	\$4,142,235	\$0
Construction in Progress	2,719,854	141,849,628	(139,129,774)
Buildings	107,683,913	9,757,973	97,925,940
Improvements Other Than Buildings	24,847,405	24,306,938	540,467
Machinery and Equipment	1,657,139	1,654,572	2,567
Vehicles	1,587,548	1,560,092	27,456
Infrastructure	83,127,144	39,083,557	44,043,587
Less: Accumulated Depreciation	(26,081,313)	(22,336,899)	(3,744,414)
Totals	\$199,683,925	\$200,018,096	(\$334,171)

Increases were the greatest in major infrastructure as the new Water Reclamation Facility and improvements to the City's infrastructure were completed in 2010. Additional information on the City's capital assets can be found in Note 9.

***Management's Discussion and Analysis
For the Year Ended December 31, 2010***

Unaudited

Debt

At December 31, 2010, the City had \$156.2 million in bonds outstanding, \$2.5 million due within one year. The following table summarizes the City's debt outstanding as of December 31, 2010 and 2009:

	<u>2010</u>	<u>2009</u>
Governmental Activities:		
Bond Anticipation Notes	\$0	\$12,980,000
General Obligation Bonds	6,532,491	7,054,197
Capital Leases	237,184	287,113
Compensated Absences	889,105	990,078
Total Governmental Activities	<u>7,658,780</u>	<u>21,311,388</u>
Business-Type Activities:		
Bond Anticipation Notes	\$28,215,000	\$28,240,000
General Obligation Bonds	1,102,447	1,523,262
Mortgage Revenue Bonds	148,602,711	149,860,516
OPWC Loans Payable	625,075	41,639
Compensated Absences	324,614	291,356
Total Business-Type Activities	<u>178,869,847</u>	<u>179,956,773</u>
Totals	<u>\$186,528,627</u>	<u>\$201,268,161</u>

The general obligation bonds supported by governmental activities were for multiple City improvements financed with bond anticipation notes during the late 1990s. Many of these projects were for the extension of infrastructure and services to the large annexation of land in 1998. These monies were also used to refurbish several City streets (Grove Street, Raymond Road) and for the construction of the Public Service Center. These bonds will be repaid by the general operating revenues (income and property taxes) of the City.

The general obligation bonds supported by business-type activities were for plant expansion and renovation of the water and sewer utilities. The mortgage revenue bonds were issued primarily for (1) refinancing the purchase of the water treatment plant, vehicles, and related infrastructure from the Ohio Water Company in 1991, (2) refinancing the expansion of the wastewater treatment plant in 1992, (3) infrastructure expansion required by the large annexation of land in 1998, and (4) construction of a Water Reclamation Facility and trunk sewer in 2006 through 2009. These bonds are paid by water and sewer revenues collected from the City's utility customers for provision of water for consumption and wastewater treatment. Additional information on the City's long-term debt can be found in Note 14.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

From August to October of the current year, the City's five-year budget is prepared. This process starts with the budgeted current figures and attempts to revise these figures (if applicable) for the remainder of the year. Predictions are made for the next five years based on assumptions provided by the Administration. The five-year budget takes a long-term look at the direction of the City. Each department director prepares the budgeted expenditures that relate to the applicable department. The finance department prepares the budgeted revenues. The City Administrator and Mayor then review all figures in detail, and changes are made as necessary.

The budget is then presented to City Council during a workshop, typically held in late October. City Council reviews the proposed revenues and expenditures for each fund. Changes are then made as necessary. The final budget is then presented to City Council for their approval.

City Council continues to pursue new revenue sources, while reviewing the possibility of increasing existing sources. A close watch of current economic conditions is an ongoing process each year to determine if increased revenues, or reductions in expenditures, are necessary in order to maintain fiscal stability.

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, creditors, and investors with a general overview of the City's finances and to reflect the City's accountability for the monies it receives. Questions about this report or additional financial information needs should be directed to Jenny Chavarria, City Finance Director, 125 East Sixth Street, Marysville, Ohio, 43040, (937) 642-6015, or e-mail at jchavarria@marysvilleohio.org.

CITY OF MARYSVILLE, OHIO

**Statement of Net Assets
December 31, 2010**

	Governmental Activities	Business-Type Activities	Total
Assets:			
Cash and Cash Equivalents	\$ 8,732,479	\$ 25,466,397	\$ 34,198,876
Investments	0	3,766,686	3,766,686
Receivables:			
Municipal Income Taxes	2,773,024	0	2,773,024
Accounts	291,962	1,772,613	2,064,575
Intergovernmental	2,626,689	23,672	2,650,361
Payments in Lieu of Taxes	835,092	1,172,381	2,007,473
Interest	17,121	3,893	21,014
Property Taxes	1,548,970	0	1,548,970
Special Assessments	177,592	0	177,592
Prepaid Items	106,881	72,799	179,680
Restricted Assets:			
Cash and Cash Equivalents with Fiscal Agent	0	4,537,001	4,537,001
Capital Assets:			
Capital Assets Not Being Depreciated	4,708,978	6,862,089	11,571,067
Capital Assets Being Depreciated, Net	36,715,441	192,821,836	229,537,277
Total Assets	58,534,229	236,499,367	295,033,596
Liabilities:			
Accounts Payable	380,912	383,806	764,718
Accrued Wages and Benefits	519,094	150,841	669,935
Intergovernmental Payable	191,083	0	191,083
Retainage Payable	58,877	0	58,877
Unearned Revenue	2,299,205	0	2,299,205
Accrued Interest Payable	105,367	809,880	915,247
General Obligation Notes Payable	12,980,000	0	12,980,000
Long-Term Liabilities:			
Due Within One Year	1,163,229	2,164,834	3,328,063
Due in More Than One Year	6,495,551	176,705,013	183,200,564
Total Liabilities	24,193,318	180,214,374	204,407,692
Net Assets:			
Invested in Capital Assets, Net of Related Debt	21,674,744	21,138,692	42,813,436
Restricted For:			
Capital Projects	485,782	0	485,782
Debt Service	0	4,537,001	4,537,001
Other Purposes	3,624,664	0	3,624,664
Unrestricted	8,555,721	30,609,300	39,165,021
Total Net Assets	\$ 34,340,911	\$ 56,284,993	\$ 90,625,904

See accompanying notes to the basic financial statements

CITY OF MARYSVILLE, OHIO

**Statement of Activities
For the Year Ended December 31, 2010**

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
Security of Persons and Property - Police	\$ 3,805,804	\$ 16,783	\$ 192,788	\$ 0
Security of Persons and Property - Fire	3,374,557	774,794	29,734	0
Security of Persons and Property - Other	885,308	748,345	0	0
Public Health and Welfare Services	356,768	46,000	0	0
Leisure Time Activities	318,027	721,751	43,727	0
Community Environment	1,785,546	0	784,041	1,766,014
Transportation	2,826,219	142,033	820,916	0
General Government	3,083,726	279,985	0	0
Interest and Fiscal Charges	572,550	0	0	0
Total Governmental Activities	17,008,505	2,729,691	1,871,206	1,766,014
Business-Type Activities:				
Sewer	11,703,017	7,762,151	0	905,366
Water	5,499,245	7,103,702	0	0
Stormwater	362,964	560,719	0	0
Sanitation	1,271,205	1,365,302	0	0
Total Business-Type Activities	18,836,431	16,791,874	0	905,366
Totals	\$ 35,844,936	\$ 19,521,565	\$ 1,871,206	\$ 2,671,380

General Revenues:

Property Taxes Levied For:

General Purposes

Police Pension

Fire Pension

Municipal Income Taxes

Other Local Taxes

Payments in Lieu of Taxes

Grants and Entitlements not Restricted to Specific Programs

Investment Earnings

Miscellaneous

Total General Revenues

Change in Net Assets

Net Assets Beginning of Year

Net Assets End of Year

See accompanying notes to the basic financial statements

CITY OF MARYSVILLE, OHIO

Net (Expense) Revenue
and Changes in Net Assets

Governmental Activities	Business-Type Activities	Total
\$ (3,596,233)	\$ 0	\$ (3,596,233)
(2,570,029)	0	(2,570,029)
(136,963)	0	(136,963)
(310,768)	0	(310,768)
447,451	0	447,451
764,509	0	764,509
(1,863,270)	0	(1,863,270)
(2,803,741)	0	(2,803,741)
(572,550)	0	(572,550)
<u>(10,641,594)</u>	<u>0</u>	<u>(10,641,594)</u>
0	(3,035,500)	(3,035,500)
0	1,604,457	1,604,457
0	197,755	197,755
0	94,097	94,097
<u>0</u>	<u>(1,139,191)</u>	<u>(1,139,191)</u>
<u>(10,641,594)</u>	<u>(1,139,191)</u>	<u>(11,780,785)</u>
1,589,078	0	1,589,078
119,507	0	119,507
119,507	0	119,507
10,878,400	0	10,878,400
109,895	0	109,895
1,026,468	1,051,955	2,078,423
846,810	0	846,810
135,196	2,706	137,902
157,764	0	157,764
<u>14,982,625</u>	<u>1,054,661</u>	<u>16,037,286</u>
4,341,031	(84,530)	4,256,501
<u>29,999,880</u>	<u>56,369,523</u>	<u>86,369,403</u>
<u>\$ 34,340,911</u>	<u>\$ 56,284,993</u>	<u>\$ 90,625,904</u>

CITY OF MARYSVILLE, OHIO

**Balance Sheet
Governmental Funds
December 31, 2010**

	General	Coleman's Crossing TIF	Other Governmental Funds	Total Governmental Funds
Assets:				
Cash and Cash Equivalents	\$ 4,587,021	\$ 292,959	\$ 3,852,499	\$ 8,732,479
Receivables:				
Municipal Income Taxes	2,773,024	0	0	2,773,024
Accounts	285,332	0	6,630	291,962
Intergovernmental	426,212	0	2,200,477	2,626,689
Payments in Lieu of Taxes	0	835,092	0	835,092
Interest	17,097	0	24	17,121
Property Taxes	1,341,516	0	207,454	1,548,970
Special Assessments	15,235	0	162,357	177,592
Interfund Loans Receivables	1,114,544	0	0	1,114,544
Prepaid Items	87,825	0	19,056	106,881
Total Assets	\$ 10,647,806	\$ 1,128,051	\$ 6,448,497	\$ 18,224,354
Liabilities:				
Accounts Payable	\$ 138,851	\$ 1,450	\$ 240,611	\$ 380,912
Accrued Wages and Benefits Payable	479,509	0	39,585	519,094
Intergovernmental Payable	0	191,083	0	191,083
Retainage Payable	0	0	58,877	58,877
Interfund Loans Payable	0	0	1,114,544	1,114,544
Deferred Revenue	3,303,190	835,092	707,599	4,845,881
Accrued Interest Payable	0	68,181	14,340	82,521
General Obligation Notes Payable	0	11,980,000	1,000,000	12,980,000
Total Liabilities	3,921,550	13,075,806	3,175,556	20,172,912
Fund Balances:				
Reserved for Encumbrances	349,058	0	1,142,698	1,491,756
Reserved for Prepaid Items	87,825	0	19,056	106,881
Undesignated/Unreserved in:				
General Fund	6,289,373	0	0	6,289,373
Special Revenue Funds	0	0	3,024,014	3,024,014
Debt Service Funds	0	(11,947,755)	(568,679)	(12,516,434)
Capital Projects Funds	0	0	(344,148)	(344,148)
Total Fund Balances	6,726,256	(11,947,755)	3,272,941	(1,948,558)
Total Liabilities and Fund Balances	\$ 10,647,806	\$ 1,128,051	\$ 6,448,497	\$ 18,224,354

See accompanying notes to the basic financial statements

CITY OF MARYSVILLE, OHIO

***Reconciliation Of Total Governmental Fund Balances
To Net Assets Of Governmental Activities
December 31, 2010***

Total Governmental Fund Balances	(\$1,948,558)
 <i>Amounts reported for governmental activities in the statement of net assets are different because</i>	
Capital Assets used in governmental activities are not resources and therefore are not reported in the funds.	41,424,419
Other long-term assets are not available to pay for current- period expenditures and therefore are deferred in the funds.	2,546,676
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	<u>(7,681,626)</u>
<i>Net Assets of Governmental Activities</i>	<u>\$ 34,340,911</u>

See accompanying notes to the basic financial statements

CITY OF MARYSVILLE, OHIO

**Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2010**

	General	Coleman's Crossing TIF	Other Governmental Funds	Total Governmental Funds
Revenues:				
Property Taxes	\$ 1,572,934	\$ 0	\$ 239,014	\$ 1,811,948
Municipal Income Tax	9,920,930	0	0	9,920,930
Other Local Taxes	107,354	0	824,404	931,758
Payments in Lieu of Taxes	0	1,067,337	0	1,067,337
Intergovernmental Revenues	1,015,038	0	2,757,251	3,772,289
Charges for Services	1,437,328	0	142,673	1,580,001
Licenses and Permits	325,127	0	2,000	327,127
Investment Earnings	125,684	9,391	121	135,196
Donations	706	0	0	706
Special Assessments	0	0	21,510	21,510
Fines and Forfeitures	518,946	0	201,803	720,749
All Other Revenue	104,086	0	38,931	143,017
Total Revenue	15,128,133	1,076,728	4,227,707	20,432,568
Expenditures:				
Current:				
Security of Persons and Property - Police	3,530,551	0	145,398	3,675,949
Security of Persons and Property - Fire	3,152,686	0	159,421	3,312,107
Security of Persons and Property - Other	859,021	0	12,695	871,716
Public Health and Welfare Services	356,932	0	210	357,142
Leisure Time Activities	99,474	0	129,419	228,893
Community Environment	624,362	863,900	1,407,455	2,895,717
Transportation	0	0	1,188,364	1,188,364
General Government	2,604,596	0	124,105	2,728,701
Capital Outlay	0	0	45,986	45,986
Debt Service:				
Principal Retirement	0	11,980,000	1,500,000	13,480,000
Interest and Fiscal Charges	0	396,903	345,466	742,369
Total Expenditures	11,227,622	13,240,803	5,058,519	29,526,944

CITY OF MARYSVILLE, OHIO

	General	Coleman's Crossing TIF	Other Governmental Funds	Total Governmental Funds
Excess (Deficiency) of Revenues				
Over Expenditures	3,900,511	(12,164,075)	(830,812)	(9,094,376)
Other Financing Sources (Uses):				
Sale of Capital Assets	49	0	0	49
Transfers In	0	0	1,851,529	1,851,529
Transfers Out	(1,851,529)	0	0	(1,851,529)
Total Other Financing Sources (Uses)	<u>(1,851,480)</u>	<u>0</u>	<u>1,851,529</u>	<u>49</u>
Net Change in Fund Balances	2,049,031	(12,164,075)	1,020,717	(9,094,327)
Fund Balances at Beginning of Year as Restated	<u>4,677,225</u>	<u>216,320</u>	<u>2,252,224</u>	<u>7,145,769</u>
Fund Balances (Deficit) End of Year	<u>\$ 6,726,256</u>	<u>\$ (11,947,755)</u>	<u>\$ 3,272,941</u>	<u>\$ (1,948,558)</u>

See accompanying notes to the basic financial statements

CITY OF MARYSVILLE, OHIO

***Reconciliation Of The Statement Of Revenues, Expenditures
And Changes In Fund Balances Of Governmental Funds
To The Statement Of Activities
For the Year Ended December 31, 2010***

Net Change in Fund Balances - Total Governmental Funds \$ (9,094,327)

Amounts reported for governmental activities in the statement of activities are different because

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlay in the current period. (1,016,793)

Governmental funds only report the disposal of assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. This is the amount of the loss on the disposal of capital assets net of proceeds received. (265,489)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. 916,919

The issuance of long-term debt provides current financial resources to governmental funds, but has no effect on net assets. In addition, repayment of bond and capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. 13,551,635

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. 148,113

Some expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds. 100,973

Change in Net Assets of Governmental Activities \$ 4,341,031

See accompanying notes to the basic financial statements

CITY OF MARYSVILLE, OHIO

**Statement of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
General Fund
For the Year Ended December 31, 2010**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive Negative
Revenues:				
Property Taxes	\$ 1,681,585	\$ 1,559,663	\$ 1,572,934	\$ 13,271
Municipal Income Tax	8,293,084	9,475,350	9,631,406	156,056
Other Local Taxes	125,000	100,000	108,114	8,114
Intergovernmental Revenue	850,584	948,998	975,146	26,148
Charges for Services	1,649,723	1,426,147	1,408,672	(17,475)
Licenses and Permits	320,803	345,304	322,737	(22,567)
Investment Earnings	200,010	85,003	83,173	(1,830)
Donations	10,000	1,000	706	(294)
Fines and Forfeitures	453,500	502,455	520,325	17,870
All Other Revenues	50,000	98,464	101,313	2,849
Total Revenues	<u>13,634,289</u>	<u>14,542,384</u>	<u>14,724,526</u>	<u>182,142</u>
Expenditures:				
Current:				
Security of Persons and Property	8,111,528	8,246,967	7,905,132	341,835
Public Health and Welfare Services	441,768	471,459	428,924	42,535
Leisure Time Activities	133,074	123,339	101,791	21,548
Community Environment	647,168	703,708	651,840	51,868
General Government	2,959,572	3,042,077	2,652,813	389,264
Total Expenditures	<u>12,293,110</u>	<u>12,587,550</u>	<u>11,740,500</u>	<u>847,050</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,341,179	1,954,834	2,984,026	1,029,192
Other Financing Sources (Uses):				
Sale of Capital Assets	7,000	1,000	49	(951)
Transfers In	6,475,000	6,798,000	6,798,000	0
Transfers Out	(8,050,800)	(8,649,530)	(8,649,529)	1
Total Other Financing Sources (Uses):	<u>(1,568,800)</u>	<u>(1,850,530)</u>	<u>(1,851,480)</u>	<u>(950)</u>
Net Change In Fund Balance	(227,621)	104,304	1,132,546	1,028,242
Fund Balance at Beginning of Year	3,834,720	3,834,720	3,834,720	0
Prior Year Encumbrances	234,521	234,521	234,521	0
Fund Balance at End of Year	<u>\$ 3,841,620</u>	<u>\$ 4,173,545</u>	<u>\$ 5,201,787</u>	<u>\$ 1,028,242</u>

See accompanying notes to the basic financial statements

CITY OF MARYSVILLE, OHIO

**Statement of Net Assets
Proprietary Funds
December 31, 2010**

	Business-Type Activities		
	Enterprise Funds		
	Sewer	Water	Stormwater
Assets:			
<i>Current Assets:</i>			
Cash and Cash Equivalents	\$ 5,304,720	\$ 18,927,068	\$ 690,454
Investments	3,561,976	204,710	0
Receivables:			
Accounts	878,691	690,934	51,752
Intergovernmental	0	23,672	0
Payments in Lieu of Taxes Receivable	1,172,381	0	0
Interest	3,406	487	0
Prepaid Items	43,026	26,080	2,657
Restricted Assets:			
Cash and Cash Equivalents with Fiscal Agent	4,160,772	376,229	0
<i>Total Current Assets</i>	<u>15,124,972</u>	<u>20,249,180</u>	<u>744,863</u>
<i>Non Current Assets:</i>			
Land	2,479,735	1,662,500	0
Construction in Progress	1,366,747	1,353,107	0
Depreciable Capital Assets, Net	156,260,316	35,860,035	530,175
<i>Total Non Current Assets</i>	<u>160,106,798</u>	<u>38,875,642</u>	<u>530,175</u>
Total Assets	<u>175,231,770</u>	<u>59,124,822</u>	<u>1,275,038</u>
Liabilities:			
<i>Current Liabilities:</i>			
Accounts Payable	171,982	108,836	18,754
Accrued Wages and Benefits	67,622	66,452	10,337
Accrued Interest Payable	669,776	140,104	0
Compensated Absences Payable - Current	86,766	88,259	8,378
General Obligation Bonds - Current	197,170	238,645	0
Mortgage Revenue Bonds - Current	779,489	737,438	0
Ohio Public Works Commission Loan - Current	7,927	14,784	0
<i>Total Current Liabilities</i>	<u>1,980,732</u>	<u>1,394,518</u>	<u>37,469</u>

CITY OF MARYSVILLE, OHIO

<u>Sanitation</u>	<u>Total</u>
\$ 544,155	\$ 25,466,397
0	3,766,686
151,236	1,772,613
0	23,672
0	1,172,381
0	3,893
1,036	72,799
0	4,537,001
<u>696,427</u>	<u>36,815,442</u>
0	4,142,235
0	2,719,854
<u>171,310</u>	<u>192,821,836</u>
<u>171,310</u>	<u>199,683,925</u>
<u>867,737</u>	<u>236,499,367</u>
84,234	383,806
6,430	150,841
0	809,880
5,978	189,381
0	435,815
0	1,516,927
0	22,711
<u>96,642</u>	<u>3,509,361</u>

(Continued)

CITY OF MARYSVILLE, OHIO

**Statement of Net Assets
Proprietary Funds
December 31, 2010**

	Business-Type Activities		
	Enterprise Funds		
	Sewer	Water	Stormwater
<i>Long Term Liabilities:</i>			
Compensated Absences Payable	57,444	73,749	1,514
General Obligation Notes Payable	26,517,150	1,697,850	0
General Obligation Bonds Payable	301,582	365,050	0
Revenue Bonds Payable	117,731,803	29,353,981	0
OPWC Loans Payable	25,785	576,579	0
<i>Total Long-Term Liabilities</i>	<u>144,633,764</u>	<u>32,067,209</u>	<u>1,514</u>
Total Liabilities	<u>146,614,496</u>	<u>33,461,727</u>	<u>38,983</u>
Net Assets:			
Invested in Capital Assets, Net of Related Debt	14,545,892	5,891,315	530,175
Restricted For:			
Debt Service	4,160,772	376,229	0
Unrestricted	9,910,610	19,395,551	705,880
Total Net Assets	<u>\$ 28,617,274</u>	<u>\$ 25,663,095</u>	<u>\$ 1,236,055</u>

See accompanying notes to the basic financial statements

CITY OF MARYSVILLE, OHIO

<u>Sanitation</u>	<u>Total</u>
2,526	135,233
0	28,215,000
0	666,632
0	147,085,784
0	602,364
<u>2,526</u>	<u>176,705,013</u>
<u>99,168</u>	<u>180,214,374</u>
171,310	21,138,692
0	4,537,001
<u>597,259</u>	<u>30,609,300</u>
<u>\$ 768,569</u>	<u>\$ 56,284,993</u>

CITY OF MARYSVILLE, OHIO

**Statement of Revenues, Expenses and Changes in Fund Net Assets
Proprietary Funds
For the Year Ended December 31, 2010**

	Business-Type Activities		
	Enterprise Funds		
	Sewer	Water	Stormwater
Operating Revenues:			
Charges for Services	\$ 7,752,084	\$ 7,112,359	\$ 558,124
Other Operating Revenue	0	0	11,832
Total Operating Revenues	7,752,084	7,112,359	569,956
Operating Expenses:			
Personal Services	1,424,502	1,432,051	191,438
Contractual Services	544,464	792,616	35,981
Materials and Supplies	542,992	518,307	80,377
Utilities	801,948	175,731	698
Depreciation	2,546,247	1,229,177	54,470
Total Operating Expenses	5,860,153	4,147,882	362,964
Operating Income	1,891,931	2,964,477	206,992
Nonoperating Revenue (Expenses):			
Investment Earnings	(2,996)	5,702	0
Interest Expense	(5,842,864)	(1,351,363)	0
Gain (Loss) on Sale of Capital Assets	10,067	(8,657)	(9,237)
Payments in Lieu of Taxes	1,051,955	0	0
Total Nonoperating Revenues (Expenses)	(4,783,838)	(1,354,318)	(9,237)
Income (Loss) Before Transfers and Contributions	(2,891,907)	1,610,159	197,755
Capital Contributions	905,366	0	0
Change in Net Assets	(1,986,541)	1,610,159	197,755
Net Assets Beginning of Year	30,603,815	24,052,936	1,038,300
Net Assets End of Year	\$ 28,617,274	\$ 25,663,095	\$ 1,236,055

See accompanying notes to the basic financial statements

CITY OF MARYSVILLE, OHIO

<u>Sanitation</u>	<u>Total</u>
\$ 1,367,480	\$ 16,790,047
0	11,832
<u>1,367,480</u>	<u>16,801,879</u>
209,334	3,257,325
975,250	2,348,311
45,236	1,186,912
8,085	986,462
33,300	3,863,194
<u>1,271,205</u>	<u>11,642,204</u>
96,275	5,159,675
0	2,706
0	(7,194,227)
(2,178)	(10,005)
0	1,051,955
<u>(2,178)</u>	<u>(6,149,571)</u>
94,097	(989,896)
0	905,366
94,097	(84,530)
674,472	56,369,523
<u>\$ 768,569</u>	<u>\$ 56,284,993</u>

CITY OF MARYSVILLE, OHIO

**Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2010**

	Business-Type Activities Enterprise Funds		
	Sewer	Water	Stormwater
<u>Cash Flows from Operating Activities:</u>			
Cash Received from Customers	\$7,514,514	\$7,020,730	\$566,374
Cash Payments for Goods and Services	(2,642,923)	(1,455,183)	(107,380)
Cash Payments to Employees	(1,398,706)	(1,389,619)	(187,143)
Net Cash Provided by Operating Activities	3,472,885	4,175,928	271,851
<u>Cash Flows from Capital and Related Financing Activities:</u>			
Acquisition and Construction of Assets	(2,145,103)	(1,941,787)	(233,133)
Sale of Capital Assets	35,675	1,380	0
Capital Contributions	905,366	0	0
Payments in Lieu of Taxes	941,992	0	0
General Obligation Notes Issued	26,517,150	1,697,850	0
OPWC Loans Issued	0	567,691	0
Principal Paid on General Obligation Notes	(26,529,900)	(1,710,100)	0
Principal Paid on General Obligation Bonds	(88,046)	(332,769)	0
Principal Paid on Mortgage Revenue Bonds	(536,411)	(721,394)	0
Principal Paid on Ohio Public Works Commission Loan	(7,927)	0	0
Interest Paid on All Debt	(5,848,840)	(1,350,676)	0
Net Cash Used for Capital and Related Financing Activities	(6,756,044)	(3,789,805)	(233,133)
<u>Cash Flows from Investing Activities:</u>			
Sale of Investments	45,146	0	0
Purchase of Investments	0	(204,710)	0
Receipts of Interest	22,940	5,533	0
Net Cash Provided (Used) by Investing Activities	68,086	(199,177)	0
Net Increase (Decrease) in Cash and Cash Equivalents	(3,215,073)	186,946	38,718
Cash and Cash Equivalents at Beginning of Year	12,680,565	19,116,351	651,736
Cash and Cash Equivalents at End of Year	\$9,465,492	\$19,303,297	\$690,454

CITY OF MARYSVILLE, OHIO

<u>Sanitation</u>	<u>Totals</u>
\$1,329,477	\$16,431,095
(1,090,122)	(5,295,608)
(207,818)	(3,183,286)
<u>31,537</u>	<u>7,952,201</u>
0	(4,320,023)
0	37,055
0	905,366
0	941,992
0	28,215,000
0	567,691
0	(28,240,000)
0	(420,815)
0	(1,257,805)
0	(7,927)
<u>0</u>	<u>(7,199,516)</u>
<u>0</u>	<u>(10,778,982)</u>
0	45,146
0	(204,710)
<u>0</u>	<u>28,473</u>
<u>0</u>	<u>(131,091)</u>
31,537	(2,957,872)
512,618	32,961,270
<u>\$544,155</u>	<u>\$30,003,398</u>

(Continued)

CITY OF MARYSVILLE, OHIO

**Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2010**

	Business-Type Activities Enterprise Funds		
	Sewer	Water	Stormwater
<u>Reconciliation of Operating Income to Net Cash</u>			
<u>Provided by Operating Activities:</u>			
Operating Income	\$1,891,931	\$2,964,477	\$206,992
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:			
Depreciation Expense	2,546,247	1,229,177	54,470
Changes in Assets and Liabilities:			
Increase in Accounts Receivable	(237,570)	(91,218)	(3,582)
Decrease (Increase) in Prepaids	13,122	39,365	(1,562)
Increase (Decrease) in Accounts Payable	(7,888)	(8,499)	11,413
Decrease in Retainage Payable	(759,825)	0	0
Increase in Accrued Wages and Benefits	18,944	18,867	3,404
Increase in Compensated Absences	7,924	23,759	716
Total Adjustments	<u>1,580,954</u>	<u>1,211,451</u>	<u>64,859</u>
Net Cash Provided by Operating Activities	<u>\$3,472,885</u>	<u>\$4,175,928</u>	<u>\$271,851</u>

See accompanying notes to the basic financial statements

CITY OF MARYSVILLE, OHIO

<u>Sanitation</u>	<u>Totals</u>
\$96,275	\$5,159,675
33,300	3,863,194
(38,003)	(370,373)
59	50,984
(61,417)	(66,391)
0	(759,825)
464	41,679
859	33,258
<u>(64,738)</u>	<u>2,792,526</u>
<u>\$31,537</u>	<u>\$7,952,201</u>

CITY OF MARYSVILLE, OHIO

***Statement of Assets and Liabilities
Fiduciary Funds
December 31, 2010***

	<u>Agency</u>
Assets:	
Cash and Cash Equivalents	<u>\$ 174,134</u>
Total Assets	<u>174,134</u>
Liabilities:	
Due to Others	<u>174,134</u>
Total Liabilities	<u>\$ 174,134</u>

See accompanying notes to the basic financial statements

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2010***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Marysville is a charter municipal corporation founded in 1837, with the charter adopted by the electors on December 1, 1960, and most recently updated on November 3, 2009. The City may exercise all powers of home rule granted under Article XVIII, Section 3 of the Ohio Constitution not in conflict with applicable general laws of Ohio.

The City operates under a council/mayor/administrator form of government. Services provided include general administration as well as police, fire, ambulance, municipal court, engineering, planning and zoning, street maintenance and repair, parks and recreation, a cemetery, and sanitation, sewer, water, and storm-water utilities.

The financial statements are presented as of December 31, 2010 and for the year then ended and have been prepared in conformity with generally accepted accounting principles (GAAP) applicable to local governments. The Governmental Accounting Standards Board (the "GASB") is the standard-setting body for establishing governmental accounting and financial reporting principles, which are primarily set forth in the GASB's Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification).

A. Reporting Entity

The accompanying basic financial statements comply with the provisions of the GASB Statement No. 14, "*The Financial Reporting Entity*," as amended by GASB Statement No. 39 "*Determining Whether Certain Organizations are Component Units*," in that the financial statements include all organizations, activities, functions and component units for which the City (the primary government) is financially accountable. Financial accountability is defined as the appointment of a voting majority of a legally separate organization's governing body and either (1) the City's ability to impose its will over the organization, or (2) the potential that the organization will provide a financial benefit to or impose a financial burden on the City.

Based on the foregoing, the City's financial reporting entity has no component units but includes all funds, agencies, boards and commissions that are part of the primary government, which include the following services: police and fire protection, parks and recreation, planning, zoning, street maintenance and other governmental services. In addition, the City owns and operates a water treatment and distribution system, a wastewater treatment and collection system and provides refuse collection services all of which are reported as enterprise funds.

The City is associated with the Marysville/Union County Joint Recreation District, the Union County Community Improvement Corporation, the Mid-Ohio Regional Planning Commission and the Marysville/Union County Port Authority; each is a jointly governed organization. These organizations are more fully described in Note 19 to the basic financial statements.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2010***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation - Fund Accounting

The accounting policies and financial reporting practices of the City conform to generally accepted accounting principles as applicable to governmental units.

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

Governmental Funds

Governmental funds are those funds through which most governmental functions are typically 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 funds) are accounted for through governmental funds. The measurement focus is upon determination of "financial flow" (sources, uses and balances of financial resources). The following are the City's major governmental funds:

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

Coleman's Crossing TIF Fund - The Coleman's Crossing TIF Fund is a debt service fund used to account for the debt proceeds used for and the payments in lieu of tax receipts realized by the development of the Coleman's Crossing area. These proceeds will be utilized to repay the debt issued for completion of this project.

The other governmental funds of the City account for grants and other resources whose use is restricted to a particular purpose.

Proprietary Funds

All proprietary funds fall under Business-Type Activities and are accounted for on an "economic resources" measurement focus. This measurement focus provides that all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Proprietary fund type operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net total assets.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2010***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation - Fund Accounting (Continued)

Enterprise Funds - These funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, whereby the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The City's major enterprise funds are:

Sewer Fund – This fund is used to account for the operation of the City's sanitary sewer service.

Water Fund – This fund is used to account for the operation of the City's water service.

Stormwater Fund – This fund is used to account for the operation of the City's surface water drainage system.

Sanitation Fund – This fund is used to account for the operation of the City's sanitation (refuse) pickup and disposal service.

Fiduciary Funds

Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations or other governments and therefore not available to support the City's own programs. The agency funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operation. These funds operate on a full accrual basis of accounting. The City has three agency funds. These funds are used to account for monies received by the City in situations where the City's role is purely custodial in nature. The three funds are the Municipal Court Fund, which accounts for monies that flow through the municipal court office, the Law Library Fund, which is used to account for monies collected from traffic fines until they are remitted to other entities and the Unclaimed Monies Fund, where the City is holding unclaimed funds due to others.

C. Basis of Presentation – Financial Statements

Government-wide Financial Statements – The Statement of Net Assets and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the City that are governmental and those that are considered business-type activities.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2010***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation – Financial Statements (Continued)

The government-wide statements are prepared using the economic resources measurement focus. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

The government-wide Statement of Activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the City and for each function or program of the City's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the City.

Fund Financial Statements – Fund financial statements report detailed information about the City. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by fund type.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds are a Balance Sheet, which generally includes only current assets and current liabilities, and a Statement of Revenues, Expenditures and Changes in Fund Balances, which reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

All proprietary fund types are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the Statement of Net Assets. The Statement of Changes in Fund Net Assets presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The Statement of Cash Flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2010***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Basis of Accounting

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

The modified accrual basis of accounting is followed by the governmental funds. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the modified accrual basis when the exchange takes place and the resources are available. The term "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, which for the City is 60 days after year end. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt which is recognized when due.

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, payments in lieu of taxes, grants, entitlements and donations. Revenue from income taxes is recognized in the period in which the income is earned and is available. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied and the revenue is available. 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 specific purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. Revenue considered susceptible to accrual at year end includes income taxes withheld by employers, interest on investments, state levied locally shared taxes (including motor vehicle license fees and local government assistance). Income taxes other than those withheld by employers, licenses, permits, charges for service and other miscellaneous revenues are recorded as revenue when received in cash because generally this revenue is not measurable until received.

Special assessment installments including related accrued interest, which are measurable but not available at December 31, are recorded as deferred revenue. Property taxes and payments in lieu of taxes, which are measurable at December 31, 2010 but are not intended to finance 2010 operations, and delinquent property taxes whose availability is indeterminate, are recorded as deferred revenue as further described in Note 5 "Taxes".

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

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2010***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Basis of Accounting (Continued)

Pursuant to GASB Statement No. 20, "*Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that Use Proprietary Fund Accounting*," the City follows GASB guidance as applicable to proprietary funds and FASB Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins issued on or before November 30, 1989 that do not conflict with or contradict GASB pronouncements. The City has elected not to apply FASB statements and interpretations issued after November 30, 1989 to its business-type activities and enterprise funds.

E. Budgetary Process

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

All funds other than agency funds are legally required to be budgeted and appropriated; however, only governmental funds are required to be reported. The only funds required to be reported in the basic financial statements are the General Fund and any major special revenue funds. The primary level of budgetary control is at the object level within each department. Budgetary modifications may be made only by ordinance of the City Council.

1. Tax Budget

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

The budget commission has waived the filing of the budget, however, schedules A and B of the budget must be submitted to the commission.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2010***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process (Continued)

2. Estimated Resources

The County Budget Commission reviews estimated revenue and determines if the budget substantiates a need to levy all or part of previously authorized taxes. The Budget Commission then certifies its actions to the City by October 1 of each year. As part of the certification process, the City receives an official certificate of estimated resources stating the projected receipts by fund. Prior to December 31, the City must revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year do not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriations measure. On or about January 1, the certificate of estimated resources is amended to include any unencumbered fund balances from the preceding year. The certificate may be further amended during the year if a new source of revenue is identified or if actual receipts exceed current estimates. The amounts reported on the budgetary statement reflect the amounts in the final amended official certificate of estimated resources issued during 2010.

3. Appropriations

A temporary appropriation ordinance to control expenditures may be passed on or about January 1 of each year for the period January 1 through March 31. An annual appropriation ordinance must be passed by April 1 of each year for the period January 1 through December 31. The appropriation ordinance establishes spending controls at the fund, department and object level, the legal level of control. The appropriation ordinance may be amended during the year as additional information becomes available, provided that total fund appropriations do not exceed the current estimated resources as certified by the County Budget Commission. The allocation of appropriations among departments and objects within a fund may be modified during the year by an ordinance of City Council. During 2010, several supplemental appropriations were necessary to budget the use of contingency funds, intergovernmental grant proceeds and capital improvement projects. Administrative control is maintained through the establishment of more detailed line-item budgets. The budgetary figures which appear in the "Statement of Revenues, Expenditures, and Changes in Fund Balances--Budget and Actual--General Fund" are provided on the budgetary basis to provide a comparison of actual results with the final budget, including all amendments and modifications.

4. Encumbrances

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

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2010***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process (Continued)

5. Lapsing of Appropriations

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

6. Budgetary Basis of Accounting

The City's budgetary process accounts for certain transactions on a basis other than generally accepted accounting principles (GAAP). The major differences between the budgetary basis and the GAAP basis lie in the manner in which revenues and expenditures are recorded. Under the budgetary basis, revenues and expenditures are recognized on a cash basis. Utilizing the cash basis, revenues are recorded when received in cash and expenditures when paid. Under the GAAP basis, revenues and expenditures are recorded on the modified accrual basis of accounting. On the budgetary basis investment earnings are recognized when realized, whereas on a GAAP basis unrealized gains and losses are recognized when investments are adjusted to fair value.

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the General Fund:

	<u>Net Change In Fund Balance</u>
	<u>General Fund</u>
GAAP Basis (as reported)	\$2,049,031
Increase (Decrease):	
Accrued Revenues at December 31, 2010 received during 2011	(1,555,226)
Accrued Revenues at December 31, 2009 received during 2010	1,177,308
Accrued Expenditures at December 31, 2010 paid during 2011	618,360
Accrued Expenditures at December 31, 2009 paid during 2010	(604,481)
2009 Prepays for 2010	35,157
2010 Prepays for 2011	(87,825)
2010 Adjustment to Fair Value	(25,414)
Outstanding Encumbrances	(474,364)
Budget Basis	<u>\$1,132,546</u>

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2010***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Cash and Cash Equivalents

Cash and cash equivalents include amounts in demand deposits, the State Treasury Asset Reserve (STAR Ohio) and certificates of deposit with original maturity dates of three months or less. The STAR Ohio is considered an investment for purposes of GASB Statement No. 3, but it is reported as a cash equivalent in the basic financial statements because it is a highly liquid instrument which is readily convertible to cash. The City pools its cash for investment and resource management purposes. Each fund's equity in pooled cash and investments represents the balance on hand as if each fund maintained its own cash and investment account. For purposes of the Statement of Cash Flows, the proprietary funds' shares of equity in pooled certificates of deposit are considered to be cash equivalents. See Note 4, "Cash, Cash Equivalents and Investments." Investment earnings of \$106,907 earned by other funds were credited to the general fund as required by local statute.

G. Investments

Investment procedures and interest allocations are restricted by provisions of the Ohio Constitution and the Ohio Revised Code. The City allocates interest among certain funds based upon percentages mandated by City ordinance. In accordance with GASB Statement No. 31, "*Accounting and Financial Reporting for Certain Investments and for External Investment Pools*", the City records all its investments at fair value except for nonparticipating investment contracts (certificates of deposit) which are reported at cost, which approximates fair value. All investments, other than certificates of deposit, are considered, including those with a maturity of one year or less, and included in the calculation of the change in fair value. Fair value is determined by quoted market prices. See Note 4, "Cash, Cash Equivalents and Investments."

The City has invested funds in the STAR Ohio during 2010. 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, 2010.

H. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2010, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2010***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. Capital Assets and Depreciation

Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000.

1. Property, Plant and Equipment - Governmental Activities

Governmental activities capital assets are those not directly related to the business type funds. These generally are acquired or constructed for governmental activities and are recorded as expenditures in the governmental funds and are capitalized at cost (or estimated historical cost for assets not purchased in recent years). These assets are reported in the Governmental Activities column of the Government-wide Statement of Net Assets, but they are not reported in the Fund Financial Statements. All infrastructure acquired prior to the implementation of GASB Statement No. 34, “*Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*”, has been reported.

2. Property, Plant and Equipment – Business Type Activities

Contributed capital assets are recorded at fair market value at the date received. Capital assets include land, buildings, building improvements, machinery, equipment and infrastructure. Infrastructure is defined as long-lived capital assets that normally are stationary in nature and normally can be preserved for a significant number of years. Examples of infrastructure include roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems. Estimated historical costs for governmental activities capital asset values were initially determined by identifying historical costs when such information was available. In cases where information supporting original cost was not obtainable, estimated historical costs were developed. For certain capital assets, the estimates were arrived at by indexing estimated current costs back to the estimated year of acquisition.

Property, plant and equipment acquired by the proprietary funds are stated at cost (or estimated historical cost), including interest capitalized during construction and architectural and engineering fees where applicable. Contributed capital assets are recorded at fair market value at the date received. These assets are reported in both the Business-Type Activities column of the Government-wide Statement of Net Assets and in the respective funds.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2010**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. Capital Assets and Depreciation (Continued)

3. Depreciation

All capital assets are depreciated, excluding land and construction in progress. Depreciation has been provided using the straight-line method over the following estimated useful lives:

Description	Governmental and Business-Type Activities Estimated Lives (in years)
Buildings	40
Improvements other than Buildings/Infrastructure	10 - 40
Infrastructure	10 - 40
Machinery and Equipment	5 - 10
Vehicles	5 - 20

J. Long-Term Debt

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

Obligation	Fund
General Obligation Bonds	Debt Service Fund
	Water Fund
	Sewer Fund
Mortgage Revenue Bonds	Water Fund
	Sewer Fund
Capital Leases	General Fund
Long-Term Notes Payable	Water Fund
	Sewer Fund
	Debt Service Fund
	Coleman's Crossing TIF Fund
Ohio Public Works	Water Fund
Commission Loans	Sewer Fund
Compensated Absences	General Fund
	Street Maintenance Fund
	Water Fund
	Sewer Fund
	Sanitation Fund
	Stormwater Fund

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2010***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. Compensated Absences

Employees of the City earn vacation leave at various rates within limits specified under collective bargaining agreements or under statute.

The rate of cash compensation for sick leave payout varies within specified limits under collective bargaining agreements or under law. Employees are paid 25% of the accumulated sick time upon retirement. Employees are eligible for retirement at any age with at least 10 years of service. Compensation for sick leave is paid at the employee's full rate of pay at the time of termination or retirement.

In accordance with GASB Statement No. 16, "*Accounting for Compensated Absences*," the City records a liability for vacation time and sick leave when the obligation is attributable to services previously rendered or to rights that vest or accumulate, and when payment of the obligation is probable and can be reasonably determined.

For governmental funds, that portion of unpaid compensated absences that has matured is reported as an expenditure in the fund from which the individual earning the leave is paid, and a corresponding liability is reflected in the account "Compensated Absences Payable." In the government wide statement of net assets, "Compensated Absences Payable" is recorded within the "Due within one year" account and the long-term portion of the liability is recorded within the "Due in more than one year" account. Compensated absences are expensed in the proprietary funds when earned and the related liability is reported within the fund.

L. Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The City applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

M. Pensions

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

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2010***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

N. Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. In addition, interfund transfers between governmental funds are eliminated for reporting on the government-wide financial statements. Only transfers between governmental activities and business-type activities are reported on the Statement of Activities.

O. Reservations of Fund Balance

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

P. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles 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.

Q. Operating Revenues and Expenses

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for services for water treatment and distribution, wastewater collection and treatment, maintenance of storm water collection systems, and collection of solid waste refuse. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2010***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

R. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the City Council and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during fiscal year 2010.

NOTE 2 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of certain differences between the governmental fund Balance Sheet and the government-wide Statement of Net Assets

The governmental fund Balance Sheet includes a reconciliation between fund balance – total governmental funds and net assets of governmental funds as reported in the government-wide statement of net assets. The following is a detailed listing of those reconciling items that are net adjustments or a combination of several transactions:

Other long-term assets not available to pay for current-period expenditures:

Delinquent Income Tax Revenue	\$1,570,341
Delinquent Property Tax Revenue	84,857
Intergovernmental Revenues	565,882
Charges for Services	148,004
Special Assessment Revenue	<u>177,592</u>
	\$2,546,676

Long-Term liabilities not reported in the funds:

General Obligation Bonds Payable	(\$6,532,491)
Capital Leases	(237,184)
Accrued Interest on Long-Term Debt	(22,846)
Compensated Absences Payable	<u>(889,105)</u>
	(\$7,681,626)

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2010***

NOTE 2 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (Continued)

B. Explanation of certain differences between the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the government-wide Statement of Activities

The governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net assets of governmental activities as reported in the government – wide Statement of Activities. The following is a detailed listing of those reconciling items that are net adjustments or a combination of several transactions:

Amount by which depreciation exceeded capital outlay in the current period:

Capital Outlay	\$1,564,744
Depreciation Expense	<u>(2,581,537)</u>
	(\$1,016,793)

Governmental revenues not reported in the funds:

Increase in Delinquent Income Tax Revenue	\$957,470
Increase in Delinquent Property Tax	16,144
Decrease in Intergovernmental Revenue	(10,122)
Increase in Payments in Lieu of Taxes	(40,869)
Increase in Charges for Services	571
Decrease in Special Assessment Revenue	<u>(6,275)</u>
	\$916,919

Expenses not requiring the use of current financial resources:

Decrease in Compensated Absences Payable	\$100,973
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NOTE 3 - COMPLIANCE AND ACCOUNTABILITY

A. Fund Deficits

The fund deficits at December 31, 2010 of \$566,509 in the Debt Service Fund, \$11,947,755 in the Coleman’s Crossing TIF Fund (debt service funds) and \$24,156 in the Scottslawn Road Widening Project Fund (capital projects fund) arise from the recording of general obligation notes payable within the individual funds and the recording of an interfund loan payable respectively. The General Fund provides transfers when cash is required, not when accruals occur.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2010**

NOTE 3 - COMPLIANCE AND ACCOUNTABILITY (Continued)

B. Negative Unencumbered Fund Balance

The following funds had a negative unencumbered fund balance at 12/31/10 contrary to Ohio Revised Code:

<u>Fund</u>	<u>Amount</u>
OPWC Walnut Street Traffic Signal	(\$33,000)
CDBG Tier II Grant	(47,043)
2009 CHIP Grant	(2,829)
Scottslawn Road Widening Project	(185,000)
Industrial Parkway Culvert Replacement	(267,000)
CDBG Formula Grant	(37,299)
Job Readiness Site Grant	(1,223,996)

C. Appropriations Exceeding Actual Resources

The following funds had appropriations exceeding actual resources at 12/31/10 contrary to Ohio Revised Code:

<u>Fund</u>	<u>Actual Resources</u>	<u>Appropriations</u>	<u>Variance Between Actual Resources and Appropriations</u>
Police Grant Fund	\$7,589	\$10,000	(\$2,411)
Fire Grant Fund	31,143	40,000	(8,857)
OPWC Walnut St. Traffic Signal	0	33,000	(33,000)
CDBG Tier II Grant	76,368	350,500	(274,132)
2009 CHIP Grant Fund	119,534	250,000	(130,466)
Industrial Parkway Culvert Project	0	267,000	(267,000)
Job Readiness Site Grant	(633,389)	965,886	(1,599,275)
Neighborhood Stabilization Project	98,344	103,632	(5,288)

NOTE 4 - CASH, CASH EQUIVALENTS AND INVESTMENTS

Cash resources of several individual funds are combined to form a pool of cash and investments.

Statutes require 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 "near cash" status for immediate use by the City. Such funds must be maintained either as cash in the City Treasury or in depository accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2010***

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

Category 2 consists of "inactive" funds - those funds not required for use within the current five 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. Interim funds may be invested or deposited in the following securities:

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

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2010**

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

A. Deposits

Custodial credit risk is the risk that, in the event of a bank failure, the City's deposits may not be returned. The City's policy is to place deposits with major local banks. All deposits, except for deposits held by fiscal and escrow agents or trustees, are collateralized with eligible securities. The securities pledged as collateral are pledged to a pool for each individual financial institution in amounts equal to at least 105% of the carrying value of all public deposits held by each institution. Collateral permitted by Chapter 135 of the ORC is limited to obligations of the United States and its agencies, bonds of any state, and bonds and other obligations of any country, municipal corporation or other legally constituted authority of the State of Ohio, or any instrumentality of such county, municipal corporation or other authority. Such collateral, as permitted by Chapter 135 of the ORC is held in single financial institution collateral pools at Federal Reserve Banks, or at member banks of the federal reserve system in the name of the respective depository bank and pledged as a pool of collateral against all of the public deposits it holds or as specific collateral held at a Federal Reserve Bank in the name of the City.

At year end the carrying amount of the City's deposits was \$26,384,611 and \$22,021,348 of the City's bank balance of \$26,847,129 was exposed to custodial credit risk because it was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, not in the City's name.

B. Investments

The City's investments at December 31, 2010 are summarized below:

	Fair Value	Investment Maturities (in Years)			Greater Than 5
		less than 1	1-3	3-5	
STAR Ohio	\$7,286,514	\$7,286,514	\$0	\$0	\$0
FNMA	2,628,551	0	1,500,665	1,127,886	0
FHLMC	3,387,411	1,807,953	1,579,458	0	0
FHLB	1,490,980	0	497,280	993,700	0
FFCB	1,498,630	0	1,498,630	0	0
Total Investments	\$16,292,086	\$9,094,467	\$5,076,033	\$2,121,586	\$0

¹ Standard & Poor's

² Moody's Investor Service

Interest Rate Risk – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with the investment policy, the City manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2010***

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

B. Investments (Continued)

Credit Risk – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The City limits its investments to mutual funds, negotiable CD's, U.S. Government Agency Securities and STAR Ohio. Investments in U.S. Government Agency Securities and negotiable certificates of deposit were rated AAA by Standard and Poor's. Investments in STAR Ohio were rated AAAM by Standard & Poor's.

Custodial Credit Risk – For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. For deposits, custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City does not have a policy for custodial credit risk.

Concentration of Credit Risk – Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The City's investment policy allows investments in money market accounts, certificates of deposit or within financial institutions within the State of Ohio as designated by the Federal Reserve Board. The City has invested 16% of its investments in FNMA, 21% in FHLMC, 9% in FHLB, 9% in FFCB, and 45% in STAR Ohio.

NOTE 5 - TAXES

A. Property Taxes

Property taxes include amounts levied against all real estate and public utility property, and tangible personal property used in business and located in the City. Real property taxes (other than public utility) collected during 2010 were levied after October 1, 2009 on assessed values as of January 1, 2009, the lien date. Assessed values were established by the County Auditor at 35% of appraised market value. All property is required to be reappraised every six years, and equalization adjustments are made in the third year following reappraisal. The last revaluation was completed in 2007 and the equalization adjustment was completed in 2010. Real property taxes are payable annually or semi-annually. The first payment is due January 20; the remainder is payable by June 20.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2010***

NOTE 5 - TAXES (Continued)

A. Property Taxes (Continued)

Tangible personal property tax revenues received in 2010 (other than public utility property) represent the collection of 2010 taxes. Tangible personal property taxes received in 2010 were levied after October 1, 2009, on the true value as of January 1, 2009. In prior years, tangible personal property assessments were twenty-five percent of true value for capital assets and twenty-three percent of true value for inventory. Tangible personal property tax is being phased out. This percentage was reduced to 6.25% in 2008 and zero for 2009. Amounts paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semiannually. If paid annually, the first payment is due April 30; if paid semiannually, the first payment is due April 30, with the remainder payable by September 20.

House Bill No. 66 was signed into law on June 30, 2005. House Bill NO.66 phases out the tax on tangible personal property of general businesses, telephone and telecommunications companies, and railroads. The tax on general business railroad property was eliminated for calendar year 2009, and the tax on telephone and telecommunications property will be eliminated by calendar year 2011. The tax is phased out by reducing the assessment rate on the property each year. The bill replaces the revenue lost by the City due to the phasing out of the tax. In calendar years 2006-2010, the City was fully reimbursed for the lost revenue. In calendar years 2011-2017, the reimbursements will be phased out.

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

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

The full tax rate for the City's operations for the year ended December 31, 2010 was \$5.20 per \$1,000 of assessed value. The assessed value upon which the 2010 receipts were based was \$382,583,330. This amount constitutes \$372,989,320 in real property assessed value, \$9,008,300 in public utility assessed value and \$585,710 in tangible personal property assessed value.

Ohio law prohibits taxation of property from all taxing authorities in excess of 1% of assessed value without a vote of the people. Under current procedures, the City's share is .52% (5.20 mills) of assessed value.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2010**

NOTE 5 - TAXES (Continued)

B. Income Tax

The City levies an income tax of 1.5 percent on all income earned within the City as well as on incomes of residents earned outside the City. Prior to January 1, 2005, the City allowed a credit of up to 50 percent of the tax paid to another municipality, not to exceed the amount owed for incomes of residents earned outside the City. Effective January 1, 2005 this credit was repealed making the tax owed by all residents of the City a full 1.5% of earned income. Employers within the City are required to withhold income tax on employee earnings and remit the tax to the City on a monthly or quarterly basis depending on the amount being withheld. Corporations and other individual taxpayers are also required to pay their estimated tax at least quarterly and file a final return annually. Income tax revenues and expenditures for collecting, administering, and enforcing the tax are recorded in the General Fund. Filing is required and returns are due by April 15.

NOTE 6 - RECEIVABLES

Receivables at December 31, 2010 consisted of taxes, payments in lieu of taxes, interest, accounts receivable, special assessments and intergovernmental receivables arising from shared revenues.

NOTE 7 - INTERFUND BALANCES

Individual interfund balances at December 31, 2010 that are expected to be paid within one year are as follows:

Fund	Interfund Loans Receivable	Interfund Loans Payable
Governmental Activities:		
General Fund	\$1,114,544	\$0
CDBG Tier II Grant Fund	0	8,066
Scottslawn Road Widening Project Fund	0	24,156
Job Readiness Site Grant Fund	0	1,050,260
OPWC Walnut Street Traffic Signal Fund	0	32,062
Totals	\$1,114,544	\$1,114,544

CITY OF MARYSVILLE, OHIO

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2010***

NOTE 8 - TRANSFERS

Following is a summary of transfers in and out for all funds for 2010:

	<u>Transfers In:</u>	<u>Transfers Out:</u>
		General
		Fund
	<u>Other Governmental Funds</u>	<u>\$1,851,529</u>
	Total	<u>\$1,851,529</u>

Transfers are used to move unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

All transfers were made in accordance with the Ohio Revised Code sections 5705.14, 5705.15, and 5705.16.

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**Notes to the Basic Financial Statements
For the Year Ended December 31, 2010**

NOTE 9 - CAPITAL ASSETS

A. Governmental Activities Capital Assets

Summary by category of changes in governmental activities capital assets at December 31, 2010:

Historical Cost:

Class	December 31, 2009	Additions	Deletions	December 31, 2010
<i>Capital assets not being depreciated:</i>				
Land	\$1,272,981	\$0	(\$15,900)	\$1,257,081
Construction in Progress	7,099,412	1,218,636	(4,866,151)	3,451,897
Subtotal	8,372,393	1,218,636	(4,882,051)	4,708,978
<i>Capital assets being depreciated:</i>				
Buildings	3,650,834	0	(14,960)	3,635,874
Improvements Other Than Buildings	2,268,737	0	(23,540)	2,245,197
Machinery and Equipment	1,700,580	19,638	(322,271)	1,397,947
Vehicles	4,007,749	122,670	(486,890)	3,643,529
Infrastructure	77,607,145	5,069,951	(21,105)	82,655,991
Subtotal	89,235,045	5,212,259	(868,766)	93,578,538
Total Cost	\$97,607,438	\$6,430,895	(\$5,750,817)	\$98,287,516

Accumulated Depreciation:

Class	December 31, 2009	Additions	Deletions	December 31, 2010
Buildings	(\$1,810,750)	(\$100,217)	\$8,192	(\$1,902,775)
Improvements Other Than Buildings	(1,282,682)	(122,929)	16,922	(1,388,689)
Machinery and Equipment	(1,017,859)	(140,214)	237,029	(921,044)
Vehicles	(2,378,750)	(230,399)	341,919	(2,267,230)
Infrastructure	(48,410,696)	(1,987,778)	15,115	(50,383,359)
Total Depreciation	(\$54,900,737)	(\$2,581,537) *	\$619,177	(\$56,863,097)
<i>Net Value:</i>	\$42,706,701			\$41,424,419

* Depreciation expenses were charged to governmental functions as follows:

General Government	\$350,081
Security of Persons and Property - Police	89,503
Security of Persons and Property - Fire	112,518
Security of Persons and Property - Other	3,777
Public Health and Welfare Services	15,020
Transportation	1,906,439
Community Environment	22,629
Leisure Time Activities	81,570
Total Depreciation Expense	\$2,581,537

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2010**

NOTE 9 - CAPITAL ASSETS (continued)

B. Business-Type Activities Capital Assets

Summary by Category at December 31, 2010:

Historical Cost:

Class	December 31, 2009	Additions	Deletions	December 31, 2010
<i>Capital assets not being depreciated:</i>				
Land	\$4,142,235	\$0	\$0	\$4,142,235
Construction in Progress	141,849,628	1,396,220	(140,525,994)	2,719,854
Subtotal	145,991,863	1,396,220	(140,525,994)	6,862,089
<i>Capital assets being depreciated:</i>				
Buildings	9,757,973	97,925,940	0	107,683,913
Improvements Other Than Buildings	24,306,938	540,467	0	24,847,405
Machinery and Equipment	1,654,572	72,910	(70,343)	1,657,139
Vehicles	1,560,092	93,672	(66,216)	1,587,548
Infrastructure	39,083,557	44,072,706	(29,119)	83,127,144
Subtotal	76,363,132	142,705,695	(165,678)	218,903,149
Total Cost	\$222,354,995	\$144,101,915	(\$140,691,672)	\$225,765,238

Accumulated Depreciation:

Class	December 31, 2009	Additions	Deletions	December 31, 2010
Buildings	(\$4,941,923)	(\$1,451,848)	\$0	(\$6,393,771)
Improvements Other Than Buildings	(869,603)	(642,771)	0	(1,512,374)
Machinery and Equipment	(890,251)	(123,315)	40,564	(973,002)
Vehicles	(854,584)	(126,788)	66,215	(915,157)
Infrastructure	(14,780,538)	(1,518,473)	12,002	(16,287,009)
Total Depreciation	(\$22,336,899)	(\$3,863,195)	\$118,781	(\$26,081,313)
<i>Net Value:</i>	\$200,018,096			\$199,683,925

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***Notes to the Basic Financial Statements
For the Year Ended December 31, 2010***

NOTE 10 – DEFINED BENEFIT PENSION PLANS

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

A. Ohio Public Employees Retirement System (“OPERS”)

The following information was provided by OPERS to assist the City in complying with GASB Statement No. 27, “Accounting for Pensions by State and Local Government Employers.”

All employees of the City, except full-time uniformed police officers and full-time firefighters, participate in one of the three pension plans administered by OPERS: the Traditional Pension Plan (TP), the Member-Directed Plan (MD), and the Combined Plan (CO). The TP Plan is a cost-sharing multiple employer defined benefit pension plan. The MD Plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20% per year). Under the MD Plan members accumulate retirement assets equal to the value of member and (vested) employer contributions plus any investment earnings thereon. The CO Plan is a cost-sharing multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan. Under the CO Plan employer contributions are invested by the retirement system to provide a formula retirement benefit similar in nature to the TP Plan. Member contributions, the investment of which is self-directed by the members, accumulate retirement assets in a manner similar to the MD Plan.

OPERS provides retirement, disability, survivor and death benefits and annual cost-of-living adjustments to members of the TP Plan and CO Plan. Members of the MD Plan do not qualify for ancillary benefits, including postemployment health care benefits. Chapter 145 of the Ohio Revised Code provides statutory authority to establish and amend benefits. The Ohio Public Employees Retirement System issues a stand-alone financial report that includes financial statements and required supplementary information for OPERS. Interested parties may obtain a copy by making a written request to OPERS, Attention: Finance Director, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-5601 or 1-800-222-7377.

The ORC provides statutory authority for employee and employer contributions. For 2010, employee and employer contribution rates were consistent across all three plans (TP, MD and CO). The employee contribution rate is 10.0%. The 2010 employer contribution rate for local government employer units was 14.00%, of covered payroll which is the maximum contribution rate set by State statutes. Employer contribution rates are actuarially determined. A portion of the City’s contribution is used to fund pension obligations with the remainder being used to fund health care benefits. The portion of employer contributions allocated to pension obligations for members in the Traditional Plan was 8.5% from January 1 through February 28, 2010 and 9.0% from March 1 through December 31, 2010. The portion of employer contributions allocated to pension obligations for members in the Combined Plan was 9.27% from January 1 through February 28, 2010, and 9.77% from March 1 through December 31, 2010. The contribution

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2010***

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

A. Ohio Public Employees Retirement System (“OPERS”) (Continued)

requirements of plan members and the City are established and may be amended by the OPERS Board. The City's required contributions for pension obligations to OPERS for the years ending December 31, 2010, 2009, and 2008 were \$703,225, \$693,430 and \$689,728, respectively, which were equal to the required contributions for each year.

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

All City full-time police officers and full-time firefighters participate in 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. Contribution requirements and benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the ORC. The Ohio Police and Fire Pension Fund issues a stand-alone financial report that includes financial statements and required supplementary information for the plan. Interested parties may obtain a copy by making a written request to 140 East Town Street, Columbus, Ohio 43215-5164 or by calling (614) 228-2975.

Plan members are required to contribute 10.0% of their annual covered salary, while employers are required to contribute 19.5% and 24.0% respectively for police officers and firefighters. A portion of the City's contribution is used to fund pension obligations with the remainder being used to fund health care benefits; for 2010, 12.75% of annual covered salary for police and 17.25% of annual covered salary for firefighters, respectively, were the portions used to fund pension obligations. The City's contributions for pension obligations to the OP&F Fund for the years ending December 31, 2010, 2009, and 2008 were \$377,075, \$373,386 and \$352,332 for police and \$443,905, \$447,627 and \$427,917 for firefighters, respectively, which were equal to the required contributions for each year.

NOTE 11 - POSTEMPLOYMENT BENEFITS

A. Ohio Public Employees Retirement System (“OPERS”)

Plan Description – OPERS administers three separate pension plans: the Traditional Pension Plan – a cost-sharing, multiple-employer defined benefit pension plan; the Member directed Plan – a defined contribution plan; and the Combined Plan – a cost sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care plan, which includes a medical plan, prescription drug program and Medicare Part B Premium reimbursement, to qualifying member of both the Traditional Pension and the Combined Plans. Members of the Member Directed Plan do not qualify for ancillary benefits, including post-employment health care coverage.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2010***

NOTE 11 - POSTEMPLOYMENT BENEFITS (Continued)

A. Ohio Public Employees Retirement System (“OPERS”) (Continued)

In order to qualify for post-employment health care coverage, age-and-service retirees under the Traditional Pension and Combined Plans must have 10 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 45.

The ORC permits, but does not mandate, OPERS to provide OPEB benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the ORC.

OPERS issues a stand-alone financial report. Interested parties may obtain a copy by making a written request to OPERS, Attention: Finance Director, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-5601 or 1-800-222-7377.

Funding Policy – The ORC provides the statutory authority requiring public employers to fund post retirement health care coverage through their contributions to OPERS. A portion of each employer’s contribution to OPERS is set aside for the funding of post retirement health care benefits. Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2010, local government employers contributed at a rate of 14.00% of covered payroll. The ORC currently limits the employer contribution to a rate not to exceed 14.0% of covered payroll for local government employers. Active members do not make contributions to the OPEB plan.

The OPERS Postemployment Health Care plan was established under, and is administered in accordance with Internal Revenue Code 401(h). Each year the OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for funding of postemployment health care benefits. The portion of employer contributions allocated to health care for members in the Traditional Plan was 5.5% from January 1 through February 28, 2010 and 5.0% from March 1 through December 31, 2010. The portion of employer contributions allocated to health care for members in the Combined Plan was 4.73% from January 1 through February 28, 2010, and 4.23% from March 1 through December 31, 2010. The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care benefits provided by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The City's contributions for health care to the OPERS for the years ending December 31, 2010, 2009, and 2008 were \$255,337, \$290,993 and \$344,864, respectively, which were equal to the required contributions for each year.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2010***

NOTE 11 - POSTEMPLOYMENT BENEFITS (Continued)

A. Ohio Public Employees Retirement System (“OPERS”) (Continued)

The Health Care Preservation Plan (HCPP) adopted by the OPERS Retirement Board on September 9, 2004, was effective January 1, 2007. Member and employer contribution rates increased as of January 1, 2006, January 1, 2007 and January 1, 2008, which allowed additional funds to be allocated to the health care plan.

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

Plan Description – The City contributes to the OP&F sponsored health care program, a cost-sharing multiple-employer defined postemployment health care plan administered by OP&F. OP&F provides health care benefits including coverage for medical, prescription drugs, dental, vision, Medicare Part B Premium and long term care to retirees, qualifying benefit recipients and their eligible dependents.

OP&F provides access to post-retirement health care coverage for any person who receives or is eligible to receive a monthly service, disability, or survivor benefit check or is a spouse or eligible dependent child of such person. The health care coverage provided by OP&F is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 45.

The ORC permits, but does not mandate, OP&F to provide OPEB benefits. Authority to establish and amend benefits is provided in Chapter 742 of the ORC.

OP&F issues a stand-alone financial report that includes financial information and required supplementary information for the plan. Interested parties may obtain a copy by making a written request to 140 East Town Street, Columbus, Ohio 43215-5164.

Funding Policy – The ORC provides for contribution requirements of the participating employers and of plan members to the OP&F. Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently, 19.5% and 24.0% of covered payroll for police and fire employers, respectively. The ORC states that the employer contribution may not exceed 19.5% of covered payroll for police employer units and 24.0% of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For 2010, the employer contribution allocated to the health care plan was 6.75% of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h). The OP&F Board of Trustees also is authorized to establish requirements for contributions to the health care plan by retirees and their eligible dependents, or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2010***

NOTE 11 - POSTEMPLOYMENT BENEFITS (Continued)

B. Ohio Police and Fire Pension Fund ("OP&F") (Continued)

The City's contributions for health care to the OP&F for the years ending December 31, 2010, 2009, and 2008 were \$130,468, \$121,907 and \$121,961 for police and \$121,927, \$125,783 and \$120,245 for firefighters, respectively, which were equal to the required contributions for each year.

NOTE 12 – COMPENSATED ABSENCES

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

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

At December 31, 2010, the City's accumulated, unpaid compensated absences amounted to \$1,213,719, of which \$889,105 is recorded as a liability of the Governmental Activities and \$324,614 is recorded as a liability of the Business-Type Activities.

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***Notes to the Basic Financial Statements
For the Year Ended December 31, 2010***

NOTE 13 - NOTES PAYABLE

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

	Issue Date	Balance December 31, 2009	Issued (Retired)	Balance December 31, 2010
Debt Service Funds Notes Payable:				
1.75% Street Improvement	3/5/10	\$0	\$1,000,000	\$1,000,000
2.88% Tax Increment Financing	10/20/10	0	7,005,000	7,005,000
3.00% Tax Increment Financing	10/20/10	0	4,975,000	4,975,000
Total Debt Service Funds Notes Payable:		<u>0</u>	<u>12,980,000</u>	<u>12,980,000</u>
Total Notes Payable		<u>\$0</u>	<u>\$12,980,000</u>	<u>\$12,980,000</u>

The 2009 Street Improvement Notes of \$1,200,000 bearing a rate of 2.75% matured on March 4, 2010 and were reissued as 2010 Street Improvement Notes of \$1,000,000 bearing a rate of 1.75%. These notes were issued to finance various City street improvements. These notes will be retired from the City's Debt Service Fund.

The 2009 Coleman's Crossing Tax Increment Financing Notes of \$11,980,000 bearing a rate of 3.00% matured on October 20, 2010 and were reissued as 2010 Coleman's Crossing Tax Increment Financing Notes of \$11,980,000 bearing a rate of 3.00%. These notes were issued to finance certain public improvements within the Coleman's Crossing Tax Increment Financing District. These notes will be retired from the City's Coleman's Crossing TIF Fund.

CITY OF MARYSVILLE, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2010**

NOTE 14 - LONG-TERM DEBT

Long-term debt of the City at December 31, 2010 was as follows:

Date Purchased	Description	Balance December 31, 2009	Additions	(Reductions)	Balance December 31, 2010	Amount Due Within One Year
Governmental Activities:						
Anticipation Notes						
2009	Street Improvement Notes	\$1,000,000	\$0	(\$1,000,000)	\$0	\$0
2009	Tax Increment Financing	7,005,000	0	(7,005,000)	0	0
2009	Tax Increment Financing	4,975,000	0	(4,975,000)	0	0
Total Anticipation Notes		12,980,000	0	(12,980,000)	0	0
General Obligation Bonds:						
2000	Various Purpose	470,000	0	(470,000)	0	0
2007	Various Purpose Refunding Bonds	6,340,000	0	(30,000)	6,310,000	520,000
	Premium	244,197	0	(21,706)	222,491	21,706
Total General Obligation Bonds		7,054,197	0	(521,706)	6,532,491	541,706
Other Long-Term Obligations:						
	Compensated Absences Payable	990,078	889,105	(990,078)	889,105	578,127
	Capital Leases Payable	287,113	0	(49,929)	237,184	43,396
Total Other Long-Term Obligations		1,277,191	889,105	(1,040,007)	1,126,289	621,523
Total Governmental Activities Long-Term Debt		\$21,311,388	\$889,105	(\$14,541,713)	\$7,658,780	\$1,163,229

2007 Various Improvement Refunding Bonds

The Various Improvement general obligation bonds are serial bonds issued for the purpose of advance refunding a portion of the 2000 Various Improvement Bonds issued November 1, 2000 (\$6,225,000). The refunding was undertaken for the purpose of reducing interest rates and debt service on the prior bonds. This transaction resulted in a savings to the City of \$271,360. The 2007 bonds are not subject to redemption prior to maturity. The bonds mature on December 1, 2007 through December 1, 2017, and December 1, 2020 in the amount of \$6,515,000, at a redemption price equal to 100 percent of the principal plus accrued interest to the redemption date. The amount of \$6,673,981 from the 2007 bonds was placed in an escrow fund to defease the 2000 bonds which will be redeemed each June 1 and December 1 annually between 2007 and 2010. Bonds bear an interest rate from 4.00 to 5.00%. These bonds will be retired from the City's Debt Service Fund. \$6,532,491 was outstanding as of December 31, 2010.

CITY OF MARYSVILLE, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2010**

NOTE 14- LONG-TERM DEBT (Continued)

Date Purchased	Description	Balance December 31, 2009	Additions	(Reductions)	Balance December 31, 2010	Amount Due Within One Year
Business-Type Activities:						
Anticipation Notes						
2009	Water Acquisition Notes	\$1,710,100	\$0	(\$1,710,100)	\$0	\$0
2009	Wastewater Acquisition Notes	1,779,900	0	(1,779,900)	0	0
2009	Wastewater Treatment System Notes	24,750,000	0	(24,750,000)	0	0
2010	Water Acquisition Notes	0	1,697,850	0	1,697,850	0
2010	Wastewater Acquisition Notes	0	1,767,150	0	1,767,150	0
2010	Wastewater Treatment System Notes	0	24,750,000	0	24,750,000	0
Total Anticipation Notes		28,240,000	28,215,000	(28,240,000)	28,215,000	0
General Obligation Bonds:						
2004	Water Various Improvement Refunding	934,536	0	(332,287)	602,249	238,163
	Premium	1,928	0	(482)	1,446	482
2004	Wastewater Various Improvement Refunding	585,464	0	(87,713)	497,751	196,837
	Premium	1,334	0	(333)	1,001	333
Total General Obligation Bonds		1,523,262	0	(420,815)	1,102,447	435,815
Mortgage Revenue Bonds:						
2002	Water System	2,839,583	0	(164,583)	2,675,000	170,000
	Discount on Sale of Bonds	(36,191)	0	2,784	(33,407)	(2,784)
2003	Water System	6,744,373	0	(479,373)	6,265,000	465,000
	Premium on Sale of Bonds	65,458	0	(5,951)	59,507	5,951
2006	Sewer System	84,976,922	0	(466,922)	84,510,000	710,000
	Premium on Sale of Bonds	1,991,154	0	(55,310)	1,935,844	55,310
2007	Sewer System	31,555,000	0	0	31,555,000	0
	Premium on Sale of Bonds	524,627	0	(14,179)	510,448	14,179
2007	Water System	21,220,000	0	(75,000)	21,145,000	100,000
	Discount on Sale of Bonds	(20,410)	0	729	(19,681)	(729)
Total General Obligation Bonds		149,860,516	0	(1,257,805)	148,602,711	1,516,927
Ohio Public Works Commission Loans:						
	Wastewater Treatment Plant Loan	32,819	0	(5,967)	26,852	5,967
	Sanitary Sewer Loan	8,820	0	(1,960)	6,860	1,960
	Cherry Street and Ninth Street Water	0	591,363	0	591,363	14,784
Total Ohio Public Works Commission Loans		41,639	591,363	(7,927)	625,075	22,711
Other Long-Term Obligations:						
	Compensated Absences Payable	291,356	324,614	(291,356)	324,614	189,381
Total Other Long-Term Obligations		291,356	324,614	(291,356)	324,614	189,381
Total Business-Type Activities Long-Term Debt		\$179,956,773	\$29,130,977	(\$30,217,903)	\$178,869,847	\$2,164,834

Water and Sewer Acquisition Notes

The 2009 Water and Sewer Acquisition Notes of \$3,490,000 bearing a rate of 2.75% matured on January 23, 2010 and were reissued as 2010 Water and Sewer Acquisition Notes of \$3,465,000 bearing a rate of 1.50%. These notes were issued to finance the cost of acquiring certain improvements of a sewage collection system and certain improvements of a water supply and distribution system. These notes will be retired from the City's Water and Sewer funds. On January 21, 2011 these notes were retired with bond anticipation note issues. (See Note 20)

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2010***

NOTE 14- LONG-TERM DEBT (Continued)

Wastewater Treatment System and Trunk Sewer Notes

The 2009 Wastewater Treatment System Notes of \$24,750,000 bearing a rate of 1.5% matured on June 3, 2010 and were reissued as 2010 Wastewater Treatment System Notes of \$24,750,000 bearing a rate of 1.25%. These notes were issued to finance the cost of acquiring certain improvements of a sewage collection system and trunk line. These notes will be retired from the Sewer Fund. On January 21, 2011 these notes were retired with bond anticipation note issues. (See Note 20)

2004 Various Purpose Refunding Bonds

The Various Purpose Refunding general obligation bonds are serial bonds issued to currently refund \$3,714,000, including a call premium of \$29,000, of outstanding various purpose general obligation bonds issued in 1992 and 1994. The refunding was undertaken for the purpose of reducing interest rates and debt service on the prior bonds. This transaction resulted in a savings to the City of \$367,615. The 2004 bonds are not subject to redemption prior to maturity. The bonds mature on December 1, 2004, through December 1, 2013, in the amount of \$3,810,000, at a redemption price equal to 100 percent of the principal plus accrued interest to the redemption date. The amount of \$3,714,000 from the 2004 bonds was placed in an escrow fund to defease the 1992 and 1994 bonds which were then optionally redeemed on June 1, 2004. \$1,102,447 was outstanding as of December 31, 2010. Bonds bear an interest rate from 5.00 to 5.50%. These bonds will be retired from the City's Water and Sewer funds.

2002 Water System Mortgage Revenue Bonds

The Water System Mortgage Revenue Bonds are term bonds which have annual mandatory sinking fund redemption requirements. The bonds mature December 1, 2003 through December 1, 2022, in the amount of \$3,820,000, at a redemption price equal to 100 percent of the principal plus accrued interest to the redemption date. Bonds bear an interest rate from 2.40 to 5.10%. These bonds will be retired from the City's Water Fund.

2003 Water System Mortgage Revenue Refunding Bonds

The Water System Mortgage Revenue Refunding Bonds were issued to currently refund the City's Series 1993 water system mortgage revenue bonds. The refunding was undertaken for the purpose of reducing interest rates and debt service on the prior bonds. This transaction resulted in a savings to the City of \$667,605. The refunding bonds are term bonds which have annual mandatory sinking fund redemption requirements. The term bonds mature on December 1, 2004, through December 1, 2021, in the amount of \$9,155,000, at a redemption price equal to 100 percent of the principal plus accrued interest to the redemption date. The serial bonds maturing on or after December 1, 2013, are subject to early redemption, at the sole option of the City, either in whole on any date or in part on any interest payment date, on or after December 1, 2013, in multiples of \$5,000, at a redemption price equal to 100 percent of the principal plus accrued interest. The amount of \$8,908,850 from the 2003 bonds was placed in an escrow fund along with \$847,750 from the debt service reserve fund to defease the 1993 bonds which were then redeemed on December 1, 2003 in their entirety. Bonds bear an interest rate from 2.00 to 4.50%. These bonds will be retired from the City's Water Fund.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2010***

NOTE 14- LONG-TERM DEBT (Continued)

2006 Sewer System Mortgage Revenue Refunding Bonds

The Sewer System Mortgage Revenue Bonds are term bonds issued to advance refund \$13,345,000, including a call premium of \$693,172, of mortgage revenue bonds issued in 2005 and to currently refund \$55,000,000 of outstanding mortgage revenue bond anticipation notes issued in 2005 and to provide additional resources for constructing and installing certain sewer treatment system improvements. The bonds maturing on or after December 1, 2016, are subject to early redemption, at the sole option of the City, either in whole or in part on any date, on or after December 1, 2016 at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest. The Series 2006 Bonds maturing December 1, 2031, December 1, 2036, and December 1, 2046 are subject to mandatory sinking fund redemption prior to stated maturity. The amount of \$13,410,965 from the 2006 bonds was placed in an escrow fund to defease the 2005 bonds. Bonds bear an interest rate from 4.00 to 5.25%. These bonds will be retired from the City's Sewer Fund.

2007 Sewer System Mortgage Revenue Bonds

The Sewer System Mortgage Revenue Bonds are a combination of serial bonds maturing December 1, 2012 through December 1, 2023 and term bonds maturing December 1, 2027, December 1, 2037, and December 1, 2047, issued to provide funds for the acquisition, construction, expansion, rehabilitation, and improvement of the City's municipal wastewater collection and treatment system. The series 2007 bonds maturing after December 1, 2017 are subject to early redemption, at the sole option of the City, either in whole or in part on any date, on or after December 1, 2017 at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest. The Series 2007 Bonds maturing December 1, 2027, December 1, 2037, and December 1, 2047 are subject to mandatory sinking fund redemption prior to stated maturity. Bonds bear an interest rate from 4.00 to 5.00%. These bonds will be retired from the City's Sewer Fund.

2007 Water System Mortgage Revenue Bonds

The Water System Mortgage Revenue Bonds are a combination of serial bonds maturing December 1, 2008 through December 1, 2025 and term bonds maturing December 1, 2027, December 1, 2032, and December 1, 2038, issued to provide funds for the acquisition, construction, expansion, rehabilitation, and improvement of the City's municipal water system. The series 2007 bonds maturing after December 1, 2017 are subject to early redemption, at the sole option of the City, either in whole or in part on any date, on or after December 1, 2017 at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest. The Series 2007 Bonds maturing December 1, 2027, December 1, 2032, and December 1, 2038 are subject to mandatory sinking fund redemption prior to stated maturity. Bonds bear an interest rate from 3.75 to 5.00%. These bonds will be retired from the City's Sewer Fund.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2010***

NOTE 14 - LONG-TERM DEBT (Continued)

Fund assets, whose uses are restricted under the bond indenture, are presented as restricted assets on the statement of net assets. Restricted assets relating to the sewer mortgage revenue bonds at December 31, 2010, were as follows:

Restricted Assets Held by the Trustee	
Mortgage Revenue Bond Current Debt Service	\$3
Mortgage Revenue Bond Reserve Fund	4,160,769

Restricted assets relating to the water mortgage revenue bonds at December 31, 2010, were as follows:

Restricted Assets Held by the Trustee	
Mortgage Revenue Bond Current Debt Service	\$63,975
Mortgage Revenue Bond Reserve Fund	312,254

Pledged Revenues – In connection with the mortgage revenue bonds previously discussed, the City has pledged future customer revenues, net of specified operating expenses, to repay this debt. Pledged revenues of a given year may also include specified portions of cash balances carried over from the prior year. The bonds are payable, through their final maturities, solely from net revenues applicable to the respective water and sewer funds. The interest and principal remaining to be paid on these bonds is \$304,058,810. Principal and interest paid for the current year and total customer net revenues were \$2,117,101 and \$7,112,359, respectively on water revenue bonds and \$6,064,445 and \$7,752,084, respectively on sewer revenue bonds.

A. Future Long-Term Financing Requirements

A summary of the City's future long-term debt funding requirements including principal and interest payments as of December 31, 2010 follows:

Years	<u>Governmental Activities</u>	
	<u>General Obligation Bonds</u>	
	<u>Principal</u>	<u>Interest</u>
2011	\$520,000	\$274,150
2012	540,000	253,350
2013	570,000	231,750
2014	590,000	208,950
2015	615,000	185,350
2016-2020	3,475,000	517,100
Totals	<u>\$6,310,000</u>	<u>\$1,670,650</u>

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2010**

NOTE 14 - LONG-TERM DEBT (Continued)

A. Future Long-Term Financing Requirements (Continued)

Years	<u>Business-Type Activities</u>					
	General Obligation Bonds		Mortgage Revenue Bonds		OPWC Loans	
	Principal	Interest	Principal	Interest	Principal	Interest
2011	\$435,000	\$38,310	\$1,445,000	\$6,961,708	\$22,711	\$0
2012	325,000	23,955	1,850,000	6,908,656	37,495	0
2013	340,000	12,580	2,120,000	6,838,164	37,495	0
2014	0	0	2,220,000	6,742,532	36,515	0
2015	0	0	2,345,000	6,637,170	32,552	0
2016-2020	0	0	13,600,000	31,473,033	147,841	0
2021-2025	0	0	15,245,000	28,087,291	147,841	0
2026-2030	0	0	18,235,000	24,157,260	147,841	0
2031-2035	0	0	23,230,000	19,161,440	14,784	0
2036-2040	0	0	26,060,000	13,045,153	0	0
2041-2045	0	0	27,160,000	6,992,002	0	0
2046-2047	0	0	12,640,000	904,401	0	0
Totals	<u>\$1,100,000</u>	<u>\$74,845</u>	<u>\$146,150,000</u>	<u>\$157,908,810</u>	<u>\$625,075</u>	<u>\$0</u>

NOTE 15 - CAPITAL LEASES

The City leases equipment under three capital leases. The original cost of the equipment was \$371,450 and the related liability is reported in the Government-Wide Statement of Net Assets.

The following is a schedule of future minimum lease payments under the capital lease together with the present value of the net minimum lease payments as of December 31, 2010:

<u>Year Ending December 31,</u>	<u>Capital Lease</u>
2011	\$53,959
2012	53,959
2013	53,959
2014	53,958
2015	<u>53,958</u>
Minimum Lease Payments	269,793
Less amount representing interest at the City's incremental borrowing rate of interest	<u>(32,609)</u>
Present value of minimum lease payments	<u>\$237,184</u>

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2010***

NOTE 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. During 2010, the City contracted for the following insurance coverage:

<u>Type of Coverage</u>	<u>Coverage Limit</u>	<u>Deductible</u>
Buildings/Personal Property	\$104,259,609	\$5,000
Miscellaneous Property	2,383,356	500
Employee Benefit Liability	1,000,000	1,000
Wrongful Acts	3,000,000	1,000
Law Enforcement	3,000,000	2,000
Automobile Liability	3,000,000	0
Electronic Data Processing	25,000 – 263,899	500
Pollution Liability Benefits	250,000	0

Settled claims have not exceeded this commercial coverage in any of the past three years, and there has not been any significant reduction in coverage from the prior year.

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

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CITY OF MARYSVILLE, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2010**

NOTE 17 - CONSTRUCTION COMMITMENTS

As of December 31, 2010, the City had the following commitments with respect to capital projects:

<u>Company</u>	<u>Capital Projects</u>	<u>Remaining Construction Commitment</u>
Tyevco, Inc.	CHIP Construction Grants	\$25,000
Capital City Awning	CHIP Construction Grants	8,460
Midwest Roofing & Furnance	CHIP Construction Grants	11,200
Ohio Technical Services	Neighborhood Stabilization Program	975
Concept Building, Inc	Neighborhood Stabilization Program	14,280
Pomante Contractors	Neighborhood Stabilization Program	46,340
DLZ	Engineering - Pump Station Elimination, Trunk Se	44,833
Nickolas Savco & Sons Inc	Collins Avenue Pavement Rehabilitation	96,771
Union Rural Electric	Natural Gas Service to the Job Ready Site	115,626
Burgess & Niple	Engineering - New Water Treatment Facility	3,267,913
Pomeroy & Associates	Storm Detatention Project Design	6,808
E&P Ferris & Associates	Engineering - East Fifth Street Streetscape	2,000
Miller Cable Company	East Fifth Street Streetscape	389,000
Beheler Excavating	Scott's Lawn Road Widening	214,613
CT Consultants	Engineering - Scott's Lawn Road Widening	3,930
Deer Creek Excavating	Scott's Lawn Road Widening Waterline Connectio	19,034
Beheler Excavating	Main Street Pump Station	1,066,922
Buckeye Pumps	Rebuild Pump Station #4	93,508
WE Stilson Consulting Group	Engineering - Milford Avenue Improvements	75,000
Beheler Excavating	Industrial Parkway Culvert	415,943
Beheler Excavating	Cherry Street & Ninth Street Waterline	25,189
	Total	<u>\$5,943,345</u>

NOTE 18 - CONTINGENCIES

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

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2010***

NOTE 19 - JOINTLY GOVERNED ORGANIZATIONS

Marysville/Union County Joint Recreation District

The Marysville/Union County Joint Recreation District (the District) is a jointly governed organization involving the City of Marysville, Union County, and Paris Township. The District was established for acquiring, developing, operating, and maintaining a sports complex and bicycle/walking trail in Union County. The District's Board of Trustees consists of seven members, three appointed by the Mayor of Marysville, three appointed by the County Commissioners, and one appointed by the Paris Township Board of Trustees.

Union County Community Improvement Corporation

The Union County Community Improvement Corporation (the Corporation), a non-profit corporation, was established to assist in the financing of economic and industrial development in Union County. It is the responsibility of the Corporation to provide building, zoning, and land controls for the County, townships, and municipal corporations. The Board of Trustees consists of not less than three nor more than twenty-five trustees as such number is fixed by the members from time to time. Two-fifths of the Board of Trustees are composed of appointed or elected officers of such political subdivisions. The Corporation can issue its own debt and is not fiscally dependent on the City. The City of Marysville does not have an ongoing financial interest and/or responsibility with this organization.

Mid-Ohio Regional Planning Commission

The City is a participant in the Mid-Ohio Regional Planning Commission (MORPC), a jointly governed organization. MORPC is composed of 74 representatives appointed by member governments who make up the commission, the policy-making body of MORPC, and the oversight board. MORPC is a voluntary association of local governments in central and south-central Ohio and a regional planning agency whose membership includes 42 political subdivisions in and around Franklin, Ross, Fayette, Delaware, Pickaway, Madison, Licking, and Fairfield counties, Ohio. The purpose of the organization is to improve the quality of life for member communities by improving housing conditions, to promote and support livability/sustainability measures as a means of addressing regional growth challenges, and to administer and facilitate the availability of regional environmental infrastructure program funding to the full advantage of MORPC's members.

Marysville/Union County Port Authority

The Marysville/Union County Port Authority (the Authority) is a jointly governed organization involving the City of Marysville and Union County. The Authority was established to enhance, foster, aid, provide or promote transportation, economic development, housing, recreation, education, governmental operations, culture, research, and the creation and preservation of jobs and employment opportunities in Union County. The Authority's Board of Trustees consists of seven members, three appointed by the Mayor of Marysville with the advice and consent of City Council, three appointed by the County Commissioners, and one appointed by the Mayor of Marysville with the advice and consent of the City Council and the County Commissioners.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2010***

NOTE 20 - SUBSEQUENT EVENT

On January 21, 2011, the City issued bond anticipation notes, in the amount of \$3,440,000 to retire notes previously issued, in the amount of \$3,465,000 for the acquisition of water lines, sewer lines, pumping stations, and related equipment from Union County, Ohio. The notes have an interest rate of 1.50 percent and mature on January 21, 2012.

On March 3, 2011, the City paid off general obligation bond anticipation notes, in the amount of \$1,000,000, for various street resurfacing projects. The notes had an interest rate of 1.75.

On June 1, 2011, the City issued wastewater improvement bond anticipation notes, in the amount of \$24,750,000 to retire notes previously issued, in the amount of \$24,750,000 for various wastewater improvement projects. The notes have an interest rate of 1.50 percent and mature on June 1, 2012.

NOTE 21 – CHANGES IN ACCOUNTING PRINCIPLES

The Coleman’s Crossing TIF Fund was previously reported as a special revenue fund in 2009 and has been reclassified as a debt service fund for 2010 based on a change in the fund’s use.

The City reclassified the EMS Billing Fund from an Other Governmental fund in 2009 to a General Fund Equivalent for 2010, due to fund use.

The changes had the following effect on the following fund balances at 12/31/09:

	General Fund	Other Governmental Funds
	<u> </u>	<u> </u>
Fund Balance December 31, 2009 as reported	\$4,537,045	\$2,392,404
Adjustments:		
EMS Billing Fund Reclassification	<u>140,180</u>	<u>(140,180)</u>
Fund Balance December 31, 2009 as restated	<u><u>\$4,677,225</u></u>	<u><u>\$2,252,224</u></u>

For 2010, the City has implemented GASB Statement No. 51, *Accounting and Financial Reporting for Intangible Assets*, GASB Statement No. 52, *Accounting for Land and Other Real Estate Held as Investments by Endowments*, GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, GASB Statement No. 55, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, GASB Statement No. 56, *Codification of Accounting and Financial Reporting Guidance Contained in the AICPA Statements on Auditing Standards* and GASB Statement No. 58, *Accounting and Financial Reporting for Chapter 9 Bankruptcies*.

The implementation of GASB Statements No. 51, No. 52, No. 53, No. 55, No. 56 and No. 58 did not result in any change to the City’s financial statements.

*COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES*

*THE FOLLOWING COMBINING STATEMENTS AND SCHEDULES INCLUDE
THE MAJOR AND NONMAJOR GOVERNMENTAL FUNDS, AND
FIDUCIARY FUNDS.*

Nonmajor Governmental Funds

Special Revenue Funds

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

Scott's Financial Incentive Fund

To account for the transfer of non-tax revenues to be expended as revenue sharing for a financial incentive negotiated with the Scott's Company. (The Balance Sheet is not presented because there are no assets or liabilities at year end.)

Veyance Incentive Fund

To account for the transfer of non-tax revenues to be expended as revenue sharing for a financial incentive negotiated with the Veyance Company. (The Balance Sheet is not presented because there are no assets or liabilities at year end.)

Univenture Financial Incentive Fund

To account for the transfer of non-tax revenues to be expended as revenue sharing for a financial incentive negotiated with the Univenture Company.

Enterprise Zone Revenue Fund

To account for the Enterprise Zone Agreement between the City of Marysville and the Marysville School District.

Pool Fund

To account for specific revenues and expenditures necessary to operate the municipal pool.

Police Pension Fund

To account for property taxes levied for the partial payment of the current and accrued liability for police disability and pension.

Fire Pension Fund

To account for property taxes levied for the partial payment of the current and accrued liability for fire disability and pension.

Police Grant Fund

To account for grant revenues and expenditures associated with the Police Department.

Fire Grant Fund

To account for grant revenues and expenditures associated with the Fire Department.

(Continued)

Special Revenue Funds

Community Development Block Grant (CDBG) Tier II Grant Fund

To account for grant revenues and expenditures associated with the CDBG Tier II program.

Street Maintenance Fund

To account for that portion of the state levied and controlled gasoline tax and motor vehicle license fees designated for local street construction, maintenance and repair. Ninety-two and one-half percent of the tax and fees are allocated to this fund.

Law Enforcement Trust Fund

To account for the proceeds from the confiscation of contraband.

Mandatory Drug Fine Fund

To account for mandatory fines collected for drug agencies.

Driving Under the Influence (DUI) Alcohol Education And Enforcement 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.

Driving Under the Influence (DUI) Indigent Drivers Treatment 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 treatment services for those persons who cannot afford such services.

State Highway Fund

To account for that portion of the state levied and controlled gasoline tax and motor vehicle license fees designated for the maintenance and repair of state highways within the City. Seven and one-half percent of the tax and fees are allocated to this fund.

Court Computer and Research Fund

To account for revenues from fines to be used for providing information technology systems to the Municipal Court and for periodic upgrades to these systems.

Municipal Court Computer Fund

To account for revenues from fines to be used for providing information technology systems to the Municipal Court and for periodic upgrades to these systems.

Municipal Court Special Projects Fund

To account for revenues from fines to be used for providing for other specific items that may arise.

(Continued)

Special Revenue Funds

Court Probation Fee Fund

To account for fees designated to the Municipal Court for the operation of the probation program.

2008 Community Housing Improvement Program (CHIP) Grant Fund

To account for grant revenues and expenditures associated with the 2008 CHIP program.

Eljer Park Fund

To account for the insurance liability for Eljer Park.

Cemetery Maintenance Fund

To provide funding for the maintenance of the city owned cemetery.

Cemetery Endowment Fund

To account for donations to the cemetery whose use is specified for cemetery operations.

Municipal Court Local Interlock Fund

To account for the fines assessed by the City of Marysville for certain DUI cases. Monies collected are to be used for the purchase and installation of an interlock/immobilization device to prevent usage of a motor vehicle by intoxicated drivers.

Municipal Court State Interlock Fund

To account for the fines assessed by the State of Ohio for certain DUI cases. Monies collected are to be used for the purchase and installation of an interlock/immobilization device to prevent usage of a motor vehicle by intoxicated drivers.

2009 Community Housing Improvement Program (CHIP) Grant Fund

To account for grant revenues and expenditures associated with the 2009 CHIP program.

Neighborhood Stabilization Project Fund

To track grant revenues and expenditures for the Neighborhood Stabilization project.

Ohio Public Works Commission (OPWC) Walnut Street Traffic Signal Fund

To account for revenues and expenditures associated with the replacement of the traffic signal at Walnut Street.

Debt Service Funds

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

Debt Service Fund

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

Capital Projects Funds

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

Parkland Development Fund

To account for park impact/capacity fees collected to be used to provide neighborhood parks and to make capital improvements to land provided to the City by developers.

Collins Avenue Pavement Fund

To account for the activity related to the pavement improvements on Collins Avenue.

Capital Improvements Projects (CIP) Fund

To account for the accumulation of funds for the acquisition of capital assets and/or the construction of major capital facilities.

Citygate TIF Project Fund

To account for the activity related to the Citygate TIF project.

Scottslawn Road Widening Project Fund

To account for the activity related to the road widening of Scottslawn Road.

Milford Avenue Improvement Project Fund

To account for the activity related to the street improvements to Milford Avenue.

Industrial Parkway Culvert Replacement Project Fund

To account for the activity related to the culvert replacement along Industrial Parkway.

Community Development Block Grant (CDBG) Formula Grant Fund

To account for grant revenues and expenditures associated with the CDBG Formula program.

Job Readiness Site Grant Fund

To track grant revenues and expenditures for the Job Readiness Site project.

CITY OF MARYSVILLE, OHIO

**Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2010**

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets:				
Cash and Cash Equivalents	\$ 3,034,034	\$ 447,831	\$ 370,634	\$ 3,852,499
Receivables:				
Accounts	6,630	0	0	6,630
Intergovernmental	931,763	0	1,268,714	2,200,477
Interest	24	0	0	24
Property Taxes	207,454	0	0	207,454
Special Assessments	0	162,357	0	162,357
Prepaid Items	19,056	0	0	19,056
Total Assets	\$ 4,198,961	\$ 610,188	\$ 1,639,348	\$ 6,448,497
Liabilities:				
Accounts Payable	\$ 220,338	\$ 0	\$ 20,273	\$ 240,611
Accrued Wages and Benefits Payable	39,585	0	0	39,585
Retainage Payable	0	0	58,877	58,877
Interfund Loans Payable	40,128	0	1,074,416	1,114,544
Deferred Revenue	545,242	162,357	0	707,599
Accrued Interest Payable	0	14,340	0	14,340
General Obligation Notes Payable	0	1,000,000	0	1,000,000
Total Liabilities	845,293	1,176,697	1,153,566	3,175,556
Fund Balances:				
Reserved for Encumbrances	310,598	2,170	829,930	1,142,698
Reserved for Prepaid Items	19,056	0	0	19,056
Undesignated/Unreserved in:				
Special Revenue Funds	3,024,014	0	0	3,024,014
Debt Service Funds	0	(568,679)	0	(568,679)
Capital Projects Funds	0	0	(344,148)	(344,148)
Total Fund (Deficit) Balances	3,353,668	(566,509)	485,782	3,272,941
Total Liabilities and Fund Balances	\$ 4,198,961	\$ 610,188	\$ 1,639,348	\$ 6,448,497

CITY OF MARYSVILLE, OHIO

***Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds
For the Year Ended December 31, 2010***

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:				
Property Taxes	\$ 239,014	\$ 0	\$ 0	\$ 239,014
Other Local Taxes	824,404	0	0	824,404
Intergovernmental Revenues	984,764	0	1,772,487	2,757,251
Charges for Services	142,673	0	0	142,673
Licenses and Permits	0	0	2,000	2,000
Investment Earnings	121	0	0	121
Special Assessments	0	21,510	0	21,510
Fines and Forfeitures	201,803	0	0	201,803
All Other Revenue	38,196	0	735	38,931
Total Revenue	2,430,975	21,510	1,775,222	4,227,707
Expenditures:				
Current:				
Security of Persons and Property - Police	145,398	0	0	145,398
Security of Persons and Property - Fire	159,421	0	0	159,421
Security of Persons and Property - Other	12,695	0	0	12,695
Public Health and Welfare Services	210	0	0	210
Leisure Time Activities	129,419	0	0	129,419
Community Environment	456,852	0	950,603	1,407,455
Transportation	1,188,364	0	0	1,188,364
General Government	124,105	0	0	124,105
Capital Outlay	0	0	45,986	45,986
Debt Service:				
Principal Retirement	0	1,500,000	0	1,500,000
Interest and Fiscal Charges	0	345,466	0	345,466
Total Expenditures	2,216,464	1,845,466	996,589	5,058,519
Excess (Deficiency) of Revenues Over Expenditures	214,511	(1,823,956)	778,633	(830,812)
Other Financing Sources (Uses):				
Transfers In	442,603	1,300,000	108,926	1,851,529
Total Other Financing Sources (Uses)	442,603	1,300,000	108,926	1,851,529
Net Change In Fund Balance	657,114	(523,956)	887,559	1,020,717
Fund Balances (Deficit) at Beginning of Year	2,696,554	(42,553)	(401,777)	2,252,224
Fund Balances (Deficit) End of Year	\$ 3,353,668	\$ (566,509)	\$ 485,782	\$ 3,272,941

CITY OF MARYSVILLE, OHIO

**Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2010**

	Univenture Financial Incentive	Enterprise Zone Revenue	Pool	Police Pension
Assets:				
Cash and Cash Equivalents	\$ 12,998	\$ 7,000	\$ 65,713	\$ 0
Receivables:				
Accounts	0	0	0	0
Intergovernmental	0	0	0	5,589
Interest	0	0	0	0
Property Taxes	0	0	0	103,727
Prepaid Items	0	0	0	0
Total Assets	<u>\$ 12,998</u>	<u>\$ 7,000</u>	<u>\$ 65,713</u>	<u>\$ 109,316</u>
Liabilities:				
Accounts Payable	\$ 0	\$ 0	\$ 158	\$ 0
Accrued Wages and Benefits Payable	0	0	0	0
Interfund Loans Payable	0	0	0	0
Deferred Revenue	0	0	0	109,316
Total Liabilities	<u>0</u>	<u>0</u>	<u>158</u>	<u>109,316</u>
Fund Balances:				
Reserved for Encumbrances	0	0	1,272	0
Reserved for Prepaid Items	0	0	0	0
Undesignated/Unreserved	12,998	7,000	64,283	0
Total Fund Balances	<u>12,998</u>	<u>7,000</u>	<u>65,555</u>	<u>0</u>
Total Liabilities and Fund Balances	<u>\$ 12,998</u>	<u>\$ 7,000</u>	<u>\$ 65,713</u>	<u>\$ 109,316</u>

CITY OF MARYSVILLE, OHIO

<u>Fire Pension</u>	<u>Police Grant</u>	<u>Fire Grant</u>	<u>CDBG Tier II Grant</u>	<u>Street Maintenance</u>	<u>Law Enforcement Trust</u>
\$ 0	\$ 5,032	\$ 2,379	\$ 0	\$ 495,292	\$ 5,337
0	0	0	0	283	0
5,589	0	0	289,846	424,746	0
0	0	0	0	5	0
103,727	0	0	0	0	0
0	0	0	0	19,056	0
<u>\$ 109,316</u>	<u>\$ 5,032</u>	<u>\$ 2,379</u>	<u>\$ 289,846</u>	<u>\$ 939,382</u>	<u>\$ 5,337</u>
\$ 0	\$ 39	\$ 0	\$ 36,200	\$ 78,821	\$ 0
0	0	0	0	39,585	0
0	0	0	8,066	0	0
109,316	0	0	0	300,422	0
<u>109,316</u>	<u>39</u>	<u>0</u>	<u>44,266</u>	<u>418,828</u>	<u>0</u>
0	323	501	38,977	227,670	100
0	0	0	0	19,056	0
0	4,670	1,878	206,603	273,828	5,237
0	4,993	2,379	245,580	520,554	5,337
<u>\$ 109,316</u>	<u>\$ 5,032</u>	<u>\$ 2,379</u>	<u>\$ 289,846</u>	<u>\$ 939,382</u>	<u>\$ 5,337</u>

(Continued)

CITY OF MARYSVILLE, OHIO

**Combining Balance Sheet
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010**

	Mandatory Drug Fine	DUI Alcohol Education and Enforcement	DUI Indigent Drivers Treatment	State Highway
Assets:				
Cash and Cash Equivalents	\$ 59,699	\$ 25,947	\$ 161,880	\$ 188,390
Receivables:				
Accounts	1,250	0	0	5,097
Intergovernmental	150	165	0	36,268
Interest	0	0	0	3
Property Taxes	0	0	0	0
Prepaid Items	0	0	0	0
Total Assets	\$ 61,099	\$ 26,112	\$ 161,880	\$ 229,758
Liabilities:				
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 24,088
Accrued Wages and Benefits Payable	0	0	0	0
Interfund Loans Payable	0	0	0	0
Deferred Revenue	0	0	0	26,188
Total Liabilities	0	0	0	50,276
Fund Balances:				
Reserved for Encumbrances	0	861	0	25,884
Reserved for Prepaid Items	0	0	0	0
Undesignated/Unreserved	61,099	25,251	161,880	153,598
Total Fund Balances	61,099	26,112	161,880	179,482
Total Liabilities and Fund Balances	\$ 61,099	\$ 26,112	\$ 161,880	\$ 229,758

CITY OF MARYSVILLE, OHIO

<u>Court Computer and Research</u>	<u>Municipal Court Computer</u>	<u>Municipal Court Special Projects</u>	<u>Court Probation Fee</u>	<u>2008 CHIP Grant</u>	<u>Eljer Park</u>
\$ 578,886	\$ 288,516	\$ 811,838	\$ 170,513	\$ 69	\$ 31,505
0	0	0	0	0	0
1,750	1,755	5,102	1,613	0	0
0	0	0	0	0	16
0	0	0	0	0	0
0	0	0	0	0	0
<u>\$ 580,636</u>	<u>\$ 290,271</u>	<u>\$ 816,940</u>	<u>\$ 172,126</u>	<u>\$ 69</u>	<u>\$ 31,521</u>
\$ 0	\$ 1,218	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>0</u>	<u>1,218</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
0	11,094	0	0	2,898	0
0	0	0	0	0	0
580,636	277,959	816,940	172,126	(2,829)	31,521
<u>580,636</u>	<u>289,053</u>	<u>816,940</u>	<u>172,126</u>	<u>69</u>	<u>31,521</u>
<u>\$ 580,636</u>	<u>\$ 290,271</u>	<u>\$ 816,940</u>	<u>\$ 172,126</u>	<u>\$ 69</u>	<u>\$ 31,521</u>

(Continued)

CITY OF MARYSVILLE, OHIO

**Combining Balance Sheet
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010**

	Cemetery Maintenance	Cemetery Endowment	Municipal Court Local Interlock	Municipal Court State Interlock
Assets:				
Cash and Cash Equivalents	\$ 15,060	\$ 10,655	\$ 38,214	\$ 45,558
Receivables:				
Accounts	0	0	0	0
Intergovernmental	0	2,119	0	6,622
Interest	0	0	0	0
Property Taxes	0	0	0	0
Prepaid Items	0	0	0	0
Total Assets	<u>\$ 15,060</u>	<u>\$ 12,774</u>	<u>\$ 38,214</u>	<u>\$ 52,180</u>
Liabilities:				
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 0
Accrued Wages and Benefits Payable	0	0	0	0
Interfund Loans Payable	0	0	0	0
Deferred Revenue	0	0	0	0
Total Liabilities	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances:				
Reserved for Encumbrances	0	80	0	0
Reserved for Prepaid Items	0	0	0	0
Undesignated/Unreserved	15,060	12,694	38,214	52,180
Total Fund Balances	<u>15,060</u>	<u>12,774</u>	<u>38,214</u>	<u>52,180</u>
Total Liabilities and Fund Balances	<u>\$ 15,060</u>	<u>\$ 12,774</u>	<u>\$ 38,214</u>	<u>\$ 52,180</u>

CITY OF MARYSVILLE, OHIO

2009 CHIP Grant	Neighborhood Stabilization Project	OPWC Walnut Street Traffic Signal	Total Nonmajor Special Revenue Funds
\$ 0	\$ 13,553	\$ 0	\$ 3,034,034
0	0	0	6,630
4,872	113,515	32,062	931,763
0	0	0	24
0	0	0	207,454
0	0	0	19,056
<u>\$ 4,872</u>	<u>\$ 127,068</u>	<u>\$ 32,062</u>	<u>\$ 4,198,961</u>
\$ 4,246	\$ 75,568	\$ 0	\$ 220,338
0	0	0	39,585
0	0	32,062	40,128
0	0	0	545,242
<u>4,246</u>	<u>75,568</u>	<u>32,062</u>	<u>845,293</u>
0	0	938	310,598
0	0	0	19,056
626	51,500	(938)	3,024,014
<u>626</u>	<u>51,500</u>	<u>0</u>	<u>3,353,668</u>
<u>\$ 4,872</u>	<u>\$ 127,068</u>	<u>\$ 32,062</u>	<u>\$ 4,198,961</u>

CITY OF MARYSVILLE, OHIO

***Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010***

	Scott's Financial Incentive	Veyance Incentive	Univenture Financial Incentive	Enterprise Zone Revenue
Revenues:				
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0
Other Local Taxes	0	0	0	0
Intergovernmental Revenues	0	0	0	0
Charges for Services	0	0	0	0
Investment Earnings	0	0	0	0
Fines and Forfeitures	0	0	0	0
All Other Revenue	0	0	0	0
Total Revenue	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures:				
Current:				
Security of Persons and Property - Police	0	0	0	0
Security of Persons and Property - Fire	0	0	0	0
Security of Persons and Property - Other	0	0	0	0
Public Health and Welfare Services	0	0	0	0
Leisure Time Activities	0	0	0	0
Community Environment	0	0	0	0
Transportation	0	0	0	0
General Government	100,000	7,103	17,002	0
Total Expenditures	<u>100,000</u>	<u>7,103</u>	<u>17,002</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	(100,000)	(7,103)	(17,002)	0
Other Financing Sources (Uses):				
Transfers In	100,000	7,103	30,000	7,000
Total Other Financing Sources (Uses)	<u>100,000</u>	<u>7,103</u>	<u>30,000</u>	<u>7,000</u>
Net Change In Fund Balance	0	0	12,998	7,000
Fund Balances (Deficit) at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 12,998</u>	<u>\$ 7,000</u>

CITY OF MARYSVILLE, OHIO

<u>Pool</u>	<u>Police Pension</u>	<u>Fire Pension</u>	<u>Police Grant</u>	<u>Fire Grant</u>	<u>CDBG Tier II Grant</u>
\$ 0	\$ 119,507	\$ 119,507	\$ 0	\$ 0	\$ 0
0	0	0	0	0	0
43,727	11,150	11,150	4,962	29,734	415,714
138,123	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>181,850</u>	<u>130,657</u>	<u>130,657</u>	<u>4,962</u>	<u>29,734</u>	<u>415,714</u>
0	130,657	0	2,802	0	0
0	0	130,657	0	28,764	0
0	0	0	0	0	0
0	0	0	0	0	0
129,419	0	0	0	0	0
0	0	0	0	0	137,717
0	0	0	0	0	0
0	0	0	0	0	0
<u>129,419</u>	<u>130,657</u>	<u>130,657</u>	<u>2,802</u>	<u>28,764</u>	<u>137,717</u>
52,431	0	0	2,160	970	277,997
0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
52,431	0	0	2,160	970	277,997
13,124	0	0	2,833	1,409	(32,417)
<u>\$ 65,555</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 4,993</u>	<u>\$ 2,379</u>	<u>\$ 245,580</u>

(Continued)

CITY OF MARYSVILLE, OHIO

***Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010***

	Street Maintenance	Law Enforcement Trust	Mandatory Drug Fine	DUI Acohol Education and Enforcement
Revenues:				
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0
Other Local Taxes	762,574	0	0	0
Intergovernmental Revenues	100,000	0	0	0
Charges for Services	0	0	0	0
Investment Earnings	57	0	0	0
Fines and Forfeitures	0	0	14,486	1,494
All Other Revenue	6,154	0	0	0
Total Revenue	868,785	0	14,486	1,494
Expenditures:				
Current:				
Security of Persons and Property - Police	0	0	11,400	539
Security of Persons and Property - Fire	0	0	0	0
Security of Persons and Property - Other	0	0	0	0
Public Health and Welfare Services	0	0	0	0
Leisure Time Activities	0	0	0	0
Community Environment	0	0	0	0
Transportation	1,088,147	0	0	0
General Government	0	0	0	0
Total Expenditures	1,088,147	0	11,400	539
Excess (Deficiency) of Revenues Over Expenditures	(219,362)	0	3,086	955
Other Financing Sources (Uses):				
Transfers In	298,500	0	0	0
Total Other Financing Sources (Uses)	298,500	0	0	0
Net Change In Fund Balance	79,138	0	3,086	955
Fund Balances (Deficit) at Beginning of Year	441,416	5,337	58,013	25,157
Fund Balances End of Year	\$ 520,554	\$ 5,337	\$ 61,099	\$ 26,112

CITY OF MARYSVILLE, OHIO

DUI Indigent Drivers Treatment	State Highway	Court Computer and Research	Municipal Court Computer	Municipal Court Special Projects	Court Probation Fee
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	61,830	0	0	0	0
0	0	0	0	0	0
0	0	0	0	4,550	0
0	42	0	0	0	0
0	0	26,180	26,192	56,893	24,313
0	32,042	0	0	0	0
<u>0</u>	<u>93,914</u>	<u>26,180</u>	<u>26,192</u>	<u>61,443</u>	<u>24,313</u>
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	11,576	250	869
0	0	0	0	0	0
0	0	0	0	0	0
0	100,217	0	0	0	0
0	0	0	0	0	0
<u>0</u>	<u>100,217</u>	<u>0</u>	<u>11,576</u>	<u>250</u>	<u>869</u>
0	(6,303)	26,180	14,616	61,193	23,444
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
0	(6,303)	26,180	14,616	61,193	23,444
161,880	185,785	554,456	274,437	755,747	148,682
<u>\$ 161,880</u>	<u>\$ 179,482</u>	<u>\$ 580,636</u>	<u>\$ 289,053</u>	<u>\$ 816,940</u>	<u>\$ 172,126</u>

(Continued)

CITY OF MARYSVILLE, OHIO

***Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010***

	2008 CHIP Grant	Eljer Park	Cemetery Maintenance	Cemetery Endowment
Revenues:				
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0
Other Local Taxes	0	0	0	0
Intergovernmental Revenues	0	0	0	0
Charges for Services	0	0	0	0
Investment Earnings	3	16	0	3
Fines and Forfeitures	0	0	0	2,119
All Other Revenue	0	0	0	0
Total Revenue	<u>3</u>	<u>16</u>	<u>0</u>	<u>2,122</u>
Expenditures:				
Current:				
Security of Persons and Property - Police	0	0	0	0
Security of Persons and Property - Fire	0	0	0	0
Security of Persons and Property - Other	0	0	0	0
Public Health and Welfare Services	0	0	0	210
Leisure Time Activities	0	0	0	0
Community Environment	2,934	0	0	0
Transportation	0	0	0	0
General Government	0	0	0	0
Total Expenditures	<u>2,934</u>	<u>0</u>	<u>0</u>	<u>210</u>
Excess (Deficiency) of Revenues Over Expenditures	(2,931)	16	0	1,912
Other Financing Sources (Uses):				
Transfers In	0	0	0	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change In Fund Balance	(2,931)	16	0	1,912
Fund Balances (Deficit) at Beginning of Year	<u>3,000</u>	<u>31,505</u>	<u>15,060</u>	<u>10,862</u>
Fund Balances End of Year	<u>\$ 69</u>	<u>\$ 31,521</u>	<u>\$ 15,060</u>	<u>\$ 12,774</u>

CITY OF MARYSVILLE, OHIO

Municipal Court Local Interlock	Municipal Court State Interlock	2009 CHIP Grant	Neighborhood Stabilization Project	OPWC Walnut Street Traffic Signal	Total Nonmajor Special Revenue Funds
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 239,014
0	0	0	0	0	824,404
0	0	124,406	211,859	32,062	984,764
0	0	0	0	0	142,673
0	0	0	0	0	121
17,790	32,336	0	0	0	201,803
0	0	0	0	0	38,196
<u>17,790</u>	<u>32,336</u>	<u>124,406</u>	<u>211,859</u>	<u>32,062</u>	<u>2,430,975</u>
0	0	0	0	0	145,398
0	0	0	0	0	159,421
0	0	0	0	0	12,695
0	0	0	0	0	210
0	0	0	0	0	129,419
0	0	123,780	160,359	32,062	456,852
0	0	0	0	0	1,188,364
0	0	0	0	0	124,105
<u>0</u>	<u>0</u>	<u>123,780</u>	<u>160,359</u>	<u>32,062</u>	<u>2,216,464</u>
17,790	32,336	626	51,500	0	214,511
0	0	0	0	0	442,603
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>442,603</u>
17,790	32,336	626	51,500	0	657,114
20,424	19,844	0	0	0	2,696,554
<u>\$ 38,214</u>	<u>\$ 52,180</u>	<u>\$ 626</u>	<u>\$ 51,500</u>	<u>\$ 0</u>	<u>\$ 3,353,668</u>

CITY OF MARYSVILLE, OHIO

**Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2010**

	Parkland Development	Collins Avenue Pavement	CIP	CityGate TIF Project
Assets:				
Cash and Cash Equivalents	\$ 93,464	\$ 125,107	\$ 63,302	\$ 51
Receivables:				
Taxes	0	0	0	0
Accounts	0	0	0	0
Intergovernmental	0	0	0	0
Total Assets	<u>\$ 93,464</u>	<u>\$ 125,107</u>	<u>\$ 63,302</u>	<u>\$ 51</u>
Liabilities:				
Accounts Payable	\$ 0	\$ 0	\$ 2,014	\$ 0
Retainage Payable	0	58,877	0	0
Interfund Loans Payable	0	0	0	0
Total Liabilities	<u>0</u>	<u>58,877</u>	<u>2,014</u>	<u>0</u>
Fund Balances:				
Reserved for Encumbrances	0	85,617	34,982	0
Undesignated/Unreserved	93,464	(19,387)	26,306	51
Total Fund Balances	<u>93,464</u>	<u>66,230</u>	<u>61,288</u>	<u>51</u>
Total Liabilities and Funds Balances	<u>\$ 93,464</u>	<u>\$ 125,107</u>	<u>\$ 63,302</u>	<u>\$ 51</u>

CITY OF MARYSVILLE, OHIO

Scottslawn Road Widening Project	Milford Avenue Improvement Project	Industrial Parkway Culvert Replacement	CDBG Formula Grant	Job Readiness Site Grant	Total Nonmajor Capital Projects Funds
\$ 0	\$ 75,000	\$ 0	\$ 13,710	\$ 0	\$ 370,634
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	55,000	1,213,714	1,268,714
<u>\$ 0</u>	<u>\$ 75,000</u>	<u>\$ 0</u>	<u>\$ 68,710</u>	<u>\$ 1,213,714</u>	<u>\$ 1,639,348</u>
\$ 0	\$ 0	\$ 0	\$ 18,259	\$ 0	\$ 20,273
0	0	0	0	0	58,877
24,156	0	0	0	1,050,260	1,074,416
<u>24,156</u>	<u>0</u>	<u>0</u>	<u>18,259</u>	<u>1,050,260</u>	<u>1,153,566</u>
160,844	75,000	267,000	32,751	173,736	829,930
<u>(185,000)</u>	<u>0</u>	<u>(267,000)</u>	<u>17,700</u>	<u>(10,282)</u>	<u>(344,148)</u>
<u>(24,156)</u>	<u>75,000</u>	<u>0</u>	<u>50,451</u>	<u>163,454</u>	<u>485,782</u>
<u>\$ 0</u>	<u>\$ 75,000</u>	<u>\$ 0</u>	<u>\$ 68,710</u>	<u>\$ 1,213,714</u>	<u>\$ 1,639,348</u>

CITY OF MARYSVILLE, OHIO

**Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2010**

	Parkland Development	Collins Avenue Pavement	CIP	CityGate TIF Project
Revenues:				
Intergovernmental Revenues	\$ 0	\$ 0	\$ 0	\$ 6,473
Licenses and Permits	2,000	0	0	0
All Other Revenue	735	0	0	0
Total Revenue	<u>2,735</u>	<u>0</u>	<u>0</u>	<u>6,473</u>
Expenditures:				
Community Development	0	0	0	0
Capital Outlay	0	0	21,830	0
Total Expenditures	<u>0</u>	<u>0</u>	<u>21,830</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	2,735	0	(21,830)	6,473
Other Financing Sources (Uses):				
Transfers In	0	0	21,300	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>21,300</u>	<u>0</u>
Net Change In Fund Balance	2,735	0	(530)	6,473
Fund Balances (Deficit) at Beginning of Year	<u>90,729</u>	<u>66,230</u>	<u>61,818</u>	<u>(6,422)</u>
Fund Balances (Deficit) End of Year	<u>\$ 93,464</u>	<u>\$ 66,230</u>	<u>\$ 61,288</u>	<u>\$ 51</u>

CITY OF MARYSVILLE, OHIO

Scottslawn Road Widening Project	Milford Avenue Improvement Project	Industrial Parway Culvert Replacement	CDBG Formula Grant	Job Readiness Site Grant	Total Nonmajor Capital Project Funds
\$ 0	\$ 0	\$ 0	\$ 59,000	\$ 1,707,014	\$ 1,772,487
0	0	0	0	0	2,000
0	0	0	0	0	735
0	0	0	59,000	1,707,014	1,775,222
0	0	0	22,259	928,344	950,603
24,156	0	0	0	0	45,986
24,156	0	0	22,259	928,344	996,589
(24,156)	0	0	36,741	778,670	778,633
0	75,000	0	12,626	0	108,926
0	75,000	0	12,626	0	108,926
(24,156)	75,000	0	49,367	778,670	887,559
0	0	0	1,084	(615,216)	(401,777)
\$ (24,156)	\$ 75,000	\$ 0	\$ 50,451	\$ 163,454	\$ 485,782

CITY OF MARYSVILLE, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Fund – General Fund
For the Year Ended December 31, 2010**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Property Taxes	\$ 1,681,585	\$ 1,559,663	\$ 1,572,934	\$ 13,271
Municipal Income Taxes	8,293,084	9,475,350	9,631,406	156,056
Other Local Taxes	125,000	100,000	108,114	8,114
Intergovernmental Revenues	850,584	948,998	975,146	26,148
Charges for Services	1,649,723	1,426,147	1,408,672	(17,475)
Licenses and Permits	320,803	345,304	322,737	(22,567)
Investment Earnings	200,010	85,003	83,173	(1,830)
Donations	10,000	1,000	706	(294)
Fines and Forfeitures	453,500	502,455	520,325	17,870
All Other Revenues	50,000	98,464	101,313	2,849
Total Revenues	<u>13,634,289</u>	<u>14,542,384</u>	<u>14,724,526</u>	<u>182,142</u>
Expenditures:				
Security of Persons and Property:				
Police:				
Personal Services	3,576,247	3,446,378	3,325,265	121,113
Materials and Supplies	74,894	80,494	75,520	4,974
Contractual Services	155,720	161,720	136,694	25,026
Capital Outlay	42,000	109,000	102,930	6,070
Total Police	<u>3,848,861</u>	<u>3,797,592</u>	<u>3,640,409</u>	<u>157,183</u>
Fire:				
Personal Services	3,098,371	3,091,618	3,030,930	60,688
Materials and Supplies	41,511	41,511	35,808	5,703
Contractual Services	193,674	194,474	175,507	18,967
Capital Outlay	10,000	170,000	165,507	4,493
Total Fire	<u>3,343,556</u>	<u>3,497,603</u>	<u>3,407,752</u>	<u>89,851</u>
Municipal Court:				
Personal Services	769,763	811,424	748,192	63,232
Materials and Supplies	81,406	78,206	72,153	6,053
Contractual Services	67,942	62,142	36,626	25,516
Total Municipal Court	<u>919,111</u>	<u>951,772</u>	<u>856,971</u>	<u>94,801</u>
Total Security of Persons and Property	<u>8,111,528</u>	<u>8,246,967</u>	<u>7,905,132</u>	<u>341,835</u>

(Continued)

CITY OF MARYSVILLE, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Fund – General Fund
For the Year Ended December 31, 2010**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Public Health and Welfare Services:				
Cemetery:				
Personal Services	10,662	39,128	39,070	58
Materials and Supplies	23,312	23,312	12,862	10,450
Contractual Services	22,099	23,324	14,550	8,774
Total Cemetery	56,073	85,764	66,482	19,282
Street Lighting:				
Contractual Services	385,695	385,695	362,442	23,253
Total Public Health and Welfare Services	441,768	471,459	428,924	42,535
Leisure Time Activities:				
Recreation:				
Personal Services	31,496	31,961	30,961	1,000
Materials and Supplies	7,068	7,068	3,496	3,572
Contractual Services	94,510	84,310	67,334	16,976
Total Leisure Time Activities	133,074	123,339	101,791	21,548
Community Environment:				
Public Service:				
Personal Services	138,931	138,931	136,931	2,000
Materials and Supplies	14,642	14,642	9,343	5,299
Contractual Services	42,237	42,237	28,823	13,414
Total Public Service	195,810	195,810	175,097	20,713
Buildings and Grounds:				
Personal Services	296,484	346,499	332,759	13,740
Materials and Supplies	31,101	31,101	26,865	4,236
Contractual Services	123,773	130,298	117,119	13,179
Total Buildings and Grounds	451,358	507,898	476,743	31,155
Total Community Environment	647,168	703,708	651,840	51,868
General Government:				
City Council:				
Personal Services	82,466	82,466	82,861	(395)
Materials and Supplies	5,700	5,700	3,133	2,567
Contractual Services	37,115	37,115	15,130	21,985
Total City Council	125,281	125,281	101,124	24,157

(Continued)

CITY OF MARYSVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Fund – General Fund
For the Year Ended December 31, 2010***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Mayor:				
Personal Services	16,000	16,000	16,000	0
Materials and Supplies	4,610	4,610	2,884	1,726
Contractual Services	<u>108,200</u>	<u>117,580</u>	<u>109,856</u>	<u>7,724</u>
Total Mayor	128,810	138,190	128,740	9,450
City Administrator:				
Personal Services	152,155	152,982	152,980	2
Materials and Supplies	6,128	6,128	5,098	1,030
Contractual Services	<u>7,982</u>	<u>7,982</u>	<u>7,101</u>	<u>881</u>
Total City Administrator	166,265	167,092	165,179	1,913
Human Resources:				
Personal Services	156,279	156,279	155,543	736
Materials and Supplies	3,475	3,475	3,345	130
Contractual Services	<u>8,939</u>	<u>8,939</u>	<u>6,974</u>	<u>1,965</u>
Total Human Resources	168,693	168,693	165,862	2,831
Law Director:				
Personal Services	115,310	116,160	116,148	12
Materials and Supplies	2,250	2,250	1,533	717
Contractual Services	<u>70,816</u>	<u>69,996</u>	<u>64,061</u>	<u>5,935</u>
Total Law Director	188,376	188,406	181,742	6,664
Finance:				
Personal Services	320,187	324,690	313,709	10,981
Materials and Supplies	10,251	10,781	10,665	116
Contractual Services	<u>75,820</u>	<u>79,800</u>	<u>76,282</u>	<u>3,518</u>
Total Finance	406,258	415,271	400,656	14,615
Employee Benefits:				
Personal Services	748,088	626,163	561,431	64,732
Income Tax Collection:				
Personal Services	125,556	126,558	122,974	3,584
Materials and Supplies	41,021	45,021	42,019	3,002
Contractual Services	<u>11,900</u>	<u>11,900</u>	<u>11,900</u>	<u>0</u>
Total Income Tax Collection	178,477	183,479	176,893	6,586

(Continued)

CITY OF MARYSVILLE, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Fund – General Fund
For the Year Ended December 31, 2010**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Information Technology:				
Contractual Services	77,114	93,114	92,439	675
City Engineer:				
Personal Services	294,308	305,822	293,601	12,221
Materials and Supplies	15,782	18,782	14,098	4,684
Contractual Services	69,632	212,632	45,001	167,631
Total City Engineer	379,722	537,236	352,700	184,536
Civil Service Commission:				
Personal Services	500	500	100	400
Contractual Services	1,000	1,000	300	700
Total Civil Service Commission	1,500	1,500	400	1,100
Planning Commission:				
Personal Services	120,264	128,928	125,311	3,617
Materials and Supplies	6,763	9,763	7,482	2,281
Contractual Services	77,262	72,262	51,440	20,822
Total Planning Commission	204,289	210,953	184,233	26,720
City Hall:				
Materials and Supplies	17,991	17,991	11,716	6,275
Contractual Services	168,708	168,708	129,698	39,010
Total City Hall	186,699	186,699	141,414	45,285
Total General Government	2,959,572	3,042,077	2,652,813	389,264
Total Expenditures	12,293,110	12,587,550	11,740,500	847,050
Excess of Revenues				
Over Expenditures	1,341,179	1,954,834	2,984,026	1,029,192
Other Financing Sources (Uses):				
Sale of Capital Assets	7,000	1,000	49	(951)
Transfers In	6,475,000	6,798,000	6,798,000	0
Transfers Out	(8,050,800)	(8,649,530)	(8,649,529)	1
Total Other Financing Sources (Uses)	(1,568,800)	(1,850,530)	(1,851,480)	(950)
Net Change In Fund Balance	(227,621)	104,304	1,132,546	1,028,242
Fund Balance at Beginning of Year	3,834,720	3,834,720	3,834,720	0
Prior Year Encumbrances	234,521	234,521	234,521	0
Fund Balance at End of Year	\$ 3,841,620	\$ 4,173,545	\$ 5,201,787	\$ 1,028,242

CITY OF MARYSVILLE, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Fund – Coleman’s Crossing TIF – Debt Service Fund
For the Year Ended December 31, 2010**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Payments in Lieu of Taxes	\$ 1,000,000	\$ 921,955	\$ 1,067,337	\$ 145,382
Investment Earnings	0	0	9,391	9,391
Total Revenues	1,000,000	921,955	1,076,728	154,773
Expenditures:				
Community Environment:				
Contractual Services	525,200	672,712	671,669	1,043
Debt Service:				
Principal Retirement	11,980,000	11,980,000	11,980,000	0
Interest and Fiscal Charges	333,000	333,000	331,971	1,029
Total Expenditures	12,838,200	12,985,712	12,983,640	2,072
Excess (Deficiency) of Revenues Over (Under) Expenditures	(11,838,200)	(12,063,757)	(11,906,912)	156,845
Other Financing Sources:				
General Obligation Notes Issued	11,700,000	11,980,000	11,983,249	3,249
Total Other Financing Sources	11,700,000	11,980,000	11,983,249	3,249
Net Change In Fund Balance	(138,200)	(83,757)	76,337	160,094
Fund Balance at Beginning of Year	216,320	216,320	216,320	0
Fund Balance at End of Year	\$ 78,120	\$ 132,563	\$ 292,657	\$ 160,094

CITY OF MARYSVILLE, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010**

SCOTT'S FINANCIAL INCENTIVE FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures:				
General Government:				
Contractual Services	100,000	100,000	100,000	0
Total Expenditures	100,000	100,000	100,000	0
Deficiency of Revenues				
Under Expenditures	(100,000)	(100,000)	(100,000)	0
Other Financing Sources (Uses):				
Transfers In	100,000	100,000	100,000	0
Total Other Financing Sources (Uses)	100,000	100,000	100,000	0
Net Change In Fund Balance	0	0	0	0
Fund Balance at Beginning of Year	0	0	0	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

CITY OF MARYSVILLE, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010**

VEYANCE INCENTIVE FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures:				
General Government:				
Contractual Services	10,000	7,104	7,103	1
Total Expenditures	10,000	7,104	7,103	1
Excess (Deficiency) of Revenues Over (Under) Expenditures	(10,000)	(7,104)	(7,103)	1
Other Financing Sources:				
Transfers In	10,000	7,104	7,103	(1)
Total Other Financing Sources	10,000	7,104	7,103	(1)
Net Change In Fund Balance	0	0	0	0
Fund Balance at Beginning of Year	0	0	0	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

CITY OF MARYSVILLE, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010**

UNIVENTURE FINANCIAL INCENTIVE FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures:				
General Government:				
Contractual Services	30,000	30,000	17,002	12,998
Total Expenditures	30,000	30,000	17,002	12,998
Excess (Deficiency) of Revenues Over (Under) Expenditures	(30,000)	(30,000)	(17,002)	12,998
Other Financing Sources:				
Transfers In	30,000	30,000	30,000	0
Total Other Financing Sources	30,000	30,000	30,000	0
Net Change In Fund Balance	0	0	12,998	12,998
Fund Balance at Beginning of Year	0	0	0	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 12,998</u>	<u>\$ 12,998</u>

CITY OF MARYSVILLE, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures:				
General Government:				
Contractual Services	7,000	7,000	0	7,000
Total Expenditures	7,000	7,000	0	7,000
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,000)	(7,000)	0	7,000
Other Financing Sources:				
Transfers In	7,000	7,000	7,000	0
Total Other Financing Sources	7,000	7,000	7,000	0
Net Change In Fund Balance	0	0	7,000	7,000
Fund Balance at Beginning of Year	0	0	0	0
Fund Balance at End of Year	\$ 0	\$ 0	\$ 7,000	\$ 7,000

CITY OF MARYSVILLE, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010**

	POOL FUND			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Intergovernmental Revenues	\$ 0	\$ 40,344	\$ 43,727	\$ 3,383
Charges for Services	171,000	138,087	138,123	36
Total Revenues	<u>171,000</u>	<u>178,431</u>	<u>181,850</u>	<u>3,419</u>
Expenditures:				
Leisure Time Activities:				
Personal Services	100,890	67,973	67,972	1
Materials and Supplies	52,800	46,300	38,860	7,440
Contractual Services	<u>24,900</u>	<u>31,400</u>	<u>24,027</u>	<u>7,373</u>
Total Expenditures	<u>178,590</u>	<u>145,673</u>	<u>130,859</u>	<u>14,814</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,590)	32,758	50,991	18,233
Fund Balance at Beginning of Year	9,592	9,592	9,592	0
Prior Year Encumbrances	<u>3,700</u>	<u>3,700</u>	<u>3,700</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 5,702</u>	<u>\$ 46,050</u>	<u>\$ 64,283</u>	<u>\$ 18,233</u>

CITY OF MARYSVILLE, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Property Taxes	\$ 128,637	\$ 119,507	\$ 119,507	\$ 0
Intergovernmental Revenues	10,500	11,150	11,150	0
Total Revenues	<u>139,137</u>	<u>130,657</u>	<u>130,657</u>	<u>0</u>
Expenditures:				
Security of Persons and Property - Police:				
Personal Services	135,500	128,735	128,735	0
Contractual Services	3,500	1,922	1,922	0
Total Expenditures	<u>139,000</u>	<u>130,657</u>	<u>130,657</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	137	0	0	0
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 137</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

CITY OF MARYSVILLE, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Property Taxes	\$ 128,637	\$ 119,507	\$ 119,507	\$ 0
Intergovernmental Revenues	10,500	11,150	11,150	0
Total Revenues	<u>139,137</u>	<u>130,657</u>	<u>130,657</u>	<u>0</u>
Expenditures:				
Security of Persons and Property - Fire:				
Personal Services	135,500	128,735	128,735	0
Contractual Services	3,500	1,922	1,922	0
Total Expenditures	<u>139,000</u>	<u>130,657</u>	<u>130,657</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	137	0	0	0
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 137</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

CITY OF MARYSVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010***

POLICE GRANT FUND				Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Intergovernmental Revenues	\$ 10,000	\$ 10,000	\$ 4,962	\$ (5,038)
Total Revenues	<u>10,000</u>	<u>10,000</u>	<u>4,962</u>	<u>(5,038)</u>
Expenditures:				
Security of Persons and Property - Police:				
Contractual Services	10,206	10,206	3,125	7,081
Total Expenditures	<u>10,206</u>	<u>10,206</u>	<u>3,125</u>	<u>7,081</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(206)	(206)	1,837	2,043
Fund Balance at Beginning of Year	2,627	2,627	2,627	0
Prior Year Encumbrances	206	206	206	0
Fund Balance at End of Year	<u>\$ 2,627</u>	<u>\$ 2,627</u>	<u>\$ 4,670</u>	<u>\$ 2,043</u>

CITY OF MARYSVILLE, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010**

FIRE GRANT FUND				Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Intergovernmental Revenues	\$ 40,000	\$ 40,000	\$ 29,734	\$ (10,266)
Total Revenues	<u>40,000</u>	<u>40,000</u>	<u>29,734</u>	<u>(10,266)</u>
Expenditures:				
Security of Persons and Property - Fire:				
Contractual Services	40,000	40,000	29,265	10,735
Total Expenditures	<u>40,000</u>	<u>40,000</u>	<u>29,265</u>	<u>10,735</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	469	469
Fund Balance at Beginning of Year	<u>1,409</u>	<u>1,409</u>	<u>1,409</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 1,409</u>	<u>\$ 1,409</u>	<u>\$ 1,878</u>	<u>\$ 469</u>

CITY OF MARYSVILLE, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 200,000	\$ 400,000	\$ 125,868	\$ (274,132)
Total Revenues	<u>200,000</u>	<u>400,000</u>	<u>125,868</u>	<u>(274,132)</u>
Expenditures:				
Community Environment:				
Contractual Services	200,000	350,500	123,412	227,088
Capital Outlay	<u>37,916</u>	<u>37,916</u>	<u>37,916</u>	<u>0</u>
Total Expenditures	<u>237,916</u>	<u>388,416</u>	<u>161,328</u>	<u>227,088</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(37,916)	11,584	(35,460)	(47,044)
Fund Balance at Beginning of Year	(49,500)	(49,500)	(49,500)	0
Prior Year Encumbrances	<u>37,916</u>	<u>37,916</u>	<u>37,916</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ (49,500)</u>	<u>\$ 0</u>	<u>\$ (47,044)</u>	<u>\$ (47,044)</u>

CITY OF MARYSVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010***

STREET MAINTENANCE FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Other Local Taxes	\$ 800,000	\$ 760,000	\$ 760,223	\$ 223
Intergovernmental Revenues	150,000	100,000	100,000	0
Investment Earnings	500	50	52	2
All Other Revenues	0	0	5,871	5,871
Total Revenues	<u>950,500</u>	<u>860,050</u>	<u>866,146</u>	<u>6,096</u>
Expenditures:				
Transportation:				
Personal Services	676,744	709,244	669,243	40,001
Materials and Supplies	322,058	322,058	225,615	96,443
Contractual Services	267,009	267,009	218,810	48,199
Capital Outlay	15,002	206,002	205,237	765
Total Expenditures	<u>1,280,813</u>	<u>1,504,313</u>	<u>1,318,905</u>	<u>185,408</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(330,313)	(644,263)	(452,759)	191,504
Other Financing Sources:				
Transfers In	100,000	298,500	298,500	0
Total Other Financing Sources	<u>100,000</u>	<u>298,500</u>	<u>298,500</u>	<u>0</u>
Net Change In Fund Balance	(230,313)	(345,763)	(154,259)	191,504
Fund Balance at Beginning of Year	239,854	239,854	239,854	0
Prior Year Encumbrances	106,779	106,779	106,779	0
Fund Balance at End of Year	<u>\$ 116,320</u>	<u>\$ 870</u>	<u>\$ 192,374</u>	<u>\$ 191,504</u>

CITY OF MARYSVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
All Other Revenues	\$ 15,000	\$ 0	\$ 0	\$ 0
Total Revenues	<u>15,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures:				
Security of Persons and Property - Police:				
Materials and Supplies	5,100	100	100	0
Contractual Services	5,000	0	0	0
Capital Outlay	<u>5,161</u>	<u>161</u>	<u>0</u>	<u>161</u>
Total Expenditures	<u>15,261</u>	<u>261</u>	<u>100</u>	<u>161</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(261)	(261)	(100)	161
Fund Balance at Beginning of Year	5,076	5,076	5,076	0
Prior Year Encumbrances	<u>261</u>	<u>261</u>	<u>261</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 5,076</u>	<u>\$ 5,076</u>	<u>\$ 5,237</u>	<u>\$ 161</u>

CITY OF MARYSVILLE, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010**

MANDATORY DRUG FINE FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Fines and Forfeitures	\$ 20,000	\$ 14,000	\$ 14,266	\$ 266
Total Revenues	<u>20,000</u>	<u>14,000</u>	<u>14,266</u>	<u>266</u>
Expenditures:				
Security of Persons and Property - Police:				
Materials and Supplies	6,000	6,000	4,000	2,000
Capital Outlay	10,665	10,665	7,400	3,265
Total Expenditures	<u>16,665</u>	<u>16,665</u>	<u>11,400</u>	<u>5,265</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,335	(2,665)	2,866	5,531
Fund Balance at Beginning of Year	56,168	56,168	56,168	0
Prior Year Encumbrances	665	665	665	0
Fund Balance at End of Year	<u>\$ 60,168</u>	<u>\$ 54,168</u>	<u>\$ 59,699</u>	<u>\$ 5,531</u>

CITY OF MARYSVILLE, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Fines and Forfeitures	\$ 4,000	\$ 1,300	\$ 1,477	\$ 177
Total Revenues	<u>4,000</u>	<u>1,300</u>	<u>1,477</u>	<u>177</u>
Expenditures:				
Security of Persons and Property - Police:				
Contractual Services	<u>11,036</u>	<u>11,036</u>	<u>1,400</u>	<u>9,636</u>
Total Expenditures	<u>11,036</u>	<u>11,036</u>	<u>1,400</u>	<u>9,636</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,036)	(9,736)	77	9,813
Fund Balance at Beginning of Year	23,973	23,973	23,973	0
Prior Year Encumbrances	<u>1,036</u>	<u>1,036</u>	<u>1,036</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 17,973</u>	<u>\$ 15,273</u>	<u>\$ 25,086</u>	<u>\$ 9,813</u>

CITY OF MARYSVILLE, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures:				
Total Expenditures	0	0	0	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0	0
Fund Balance at Beginning of Year	161,880	161,880	161,880	0
Fund Balance at End of Year	<u>\$ 161,880</u>	<u>\$ 161,880</u>	<u>\$ 161,880</u>	<u>\$ 0</u>

CITY OF MARYSVILLE, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Other Local Taxes	\$ 71,000	\$ 62,000	\$ 61,640	\$ (360)
Investment Earnings	500	40	44	4
All Other Revenues	<u>30,000</u>	<u>30,000</u>	<u>36,162</u>	<u>6,162</u>
Total Revenues	<u>101,500</u>	<u>92,040</u>	<u>97,846</u>	<u>5,806</u>
Expenditures:				
Transportation:				
Materials and Supplies	101,558	101,558	75,039	26,519
Contractual Services	<u>64,019</u>	<u>64,019</u>	<u>55,563</u>	<u>8,456</u>
Total Expenditures	<u>165,577</u>	<u>165,577</u>	<u>130,602</u>	<u>34,975</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(64,077)	(73,537)	(32,756)	40,781
Fund Balance at Beginning of Year	133,598	133,598	133,598	0
Prior Year Encumbrances	<u>37,577</u>	<u>37,577</u>	<u>37,577</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 107,098</u>	<u>\$ 97,638</u>	<u>\$ 138,419</u>	<u>\$ 40,781</u>

CITY OF MARYSVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Fines and Forfeitures	\$ 35,000	\$ 25,000	\$ 26,648	\$ 1,648
Total Revenues	<u>35,000</u>	<u>25,000</u>	<u>26,648</u>	<u>1,648</u>
Expenditures:				
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess of Revenues Over Expenditures	35,000	25,000	26,648	1,648
Fund Balance at Beginning of Year	<u>552,238</u>	<u>552,238</u>	<u>552,238</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 587,238</u>	<u>\$ 577,238</u>	<u>\$ 578,886</u>	<u>\$ 1,648</u>

CITY OF MARYSVILLE, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010**

MUNICIPAL COURT COMPUTER FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Fines and Forfeitures	\$ 32,500	\$ 25,000	\$ 26,652	\$ 1,652
Total Revenues	<u>32,500</u>	<u>25,000</u>	<u>26,652</u>	<u>1,652</u>
Expenditures:				
Security of Persons and Property - Other:				
Contractual Services	42,097	42,097	23,032	19,065
Total Expenditures	<u>42,097</u>	<u>42,097</u>	<u>23,032</u>	<u>19,065</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(9,597)	(17,097)	3,620	20,717
Fund Balance at Beginning of Year	260,487	260,487	260,487	0
Prior Year Encumbrances	<u>12,097</u>	<u>12,097</u>	<u>12,097</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 262,987</u>	<u>\$ 255,487</u>	<u>\$ 276,204</u>	<u>\$ 20,717</u>

CITY OF MARYSVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010***

MUNICIPAL COURT SPECIAL PROJECTS FUND

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Charges for Services	\$ 27,000	\$ 4,000	\$ 4,550	\$ 550
Fines and Forfeitures	60,000	55,000	56,694	1,694
Total Revenues	<u>87,000</u>	<u>59,000</u>	<u>61,244</u>	<u>2,244</u>
Expenditures:				
Security of Persons and Property - Other:				
Contractual Services	125,946	125,946	250	125,696
Total Expenditures	<u>125,946</u>	<u>125,946</u>	<u>250</u>	<u>125,696</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(38,946)	(66,946)	60,994	127,940
Fund Balance at Beginning of Year	749,898	749,898	749,898	0
Prior Year Encumbrances	946	946	946	0
Fund Balance at End of Year	<u>\$ 711,898</u>	<u>\$ 683,898</u>	<u>\$ 811,838</u>	<u>\$ 127,940</u>

CITY OF MARYSVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Fines and Forfeitures	\$ 27,500	\$ 25,000	\$ 25,159	\$ 159
Total Revenues	<u>27,500</u>	<u>25,000</u>	<u>25,159</u>	<u>159</u>
Expenditures:				
Security of Persons and Property - Other:				
Contractual Services	<u>2,000</u>	<u>2,000</u>	<u>869</u>	<u>1,131</u>
Total Expenditures	<u>2,000</u>	<u>2,000</u>	<u>869</u>	<u>1,131</u>
Excess of Revenues Over Expenditures	25,500	23,000	24,290	1,290
Fund Balance at Beginning of Year	<u>146,223</u>	<u>146,223</u>	<u>146,223</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 171,723</u>	<u>\$ 169,223</u>	<u>\$ 170,513</u>	<u>\$ 1,290</u>

CITY OF MARYSVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Investment Earnings	\$ 0	\$ 0	\$ 3	\$ 3
Total Revenues	<u>0</u>	<u>0</u>	<u>3</u>	<u>3</u>
Expenditures:				
Community Environment:				
Contractual Services	<u>2,898</u>	<u>2,898</u>	<u>5,832</u>	<u>(2,934)</u>
Total Expenditures	<u>2,898</u>	<u>2,898</u>	<u>5,832</u>	<u>(2,934)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,898)	(2,898)	(5,829)	(2,931)
Fund Balance at Beginning of Year	102	102	102	0
Prior Year Encumbrances	<u>2,898</u>	<u>2,898</u>	<u>2,898</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 102</u>	<u>\$ 102</u>	<u>\$ (2,829)</u>	<u>\$ (2,931)</u>

CITY OF MARYSVILLE, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010**

	ELJER PARK FUND			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Investment Earnings	\$ 200	\$ 16	\$ 16	\$ 0
Total Revenues	<u>200</u>	<u>16</u>	<u>16</u>	<u>0</u>
Expenditures:				
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	200	16	16	0
Fund Balance at Beginning of Year	<u>31,489</u>	<u>31,489</u>	<u>31,489</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 31,689</u>	<u>\$ 31,505</u>	<u>\$ 31,505</u>	<u>\$ 0</u>

CITY OF MARYSVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010***

	CEMETERY MAINTENANCE FUND			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures:				
Total Expenditures	0	0	0	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0	0
Fund Balance at Beginning of Year	15,060	15,060	15,060	0
Fund Balance at End of Year	<u>\$ 15,060</u>	<u>\$ 15,060</u>	<u>\$ 15,060</u>	<u>\$ 0</u>

CITY OF MARYSVILLE, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Investment Earnings	\$ 10	\$ 2	\$ 3	\$ 1
Total Revenues	<u>10</u>	<u>2</u>	<u>3</u>	<u>1</u>
Expenditures:				
Security of Persons and Property:				
Materials and Supplies	<u>340</u>	<u>340</u>	<u>290</u>	<u>50</u>
Total Expenditures	<u>340</u>	<u>340</u>	<u>290</u>	<u>50</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(330)	(338)	(287)	51
Fund Balance at Beginning of Year	10,822	10,822	10,822	0
Prior Year Encumbrances	<u>40</u>	<u>40</u>	<u>40</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 10,532</u>	<u>\$ 10,524</u>	<u>\$ 10,575</u>	<u>\$ 51</u>

CITY OF MARYSVILLE, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010**

MUNICIPAL COURT LOCAL INTERLOCK FUND

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Fines and Forfeitures	\$ 35,000	\$ 18,000	\$ 19,700	\$ 1,700
Total Revenues	<u>35,000</u>	<u>18,000</u>	<u>19,700</u>	<u>1,700</u>
Expenditures:				
Security of Persons and Property - Other:				
Contractual Services	30,000	30,000	0	30,000
Total Expenditures	<u>30,000</u>	<u>30,000</u>	<u>0</u>	<u>30,000</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	5,000	(12,000)	19,700	31,700
Fund Balance at Beginning of Year	<u>18,514</u>	<u>18,514</u>	<u>18,514</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 23,514</u>	<u>\$ 6,514</u>	<u>\$ 38,214</u>	<u>\$ 31,700</u>

CITY OF MARYSVILLE, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Fines and Forfeitures	\$ 5,000	\$ 22,000	\$ 27,005	\$ 5,005
Total Revenues	<u>5,000</u>	<u>22,000</u>	<u>27,005</u>	<u>5,005</u>
Expenditures:				
Security of Persons and Property - Other:				
Contractual Services	<u>5,000</u>	<u>5,000</u>	<u>0</u>	<u>5,000</u>
Total Expenditures	<u>5,000</u>	<u>5,000</u>	<u>0</u>	<u>5,000</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	17,000	27,005	10,005
Fund Balance at Beginning of Year	<u>18,553</u>	<u>18,553</u>	<u>18,553</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 18,553</u>	<u>\$ 35,553</u>	<u>\$ 45,558</u>	<u>\$ 10,005</u>

CITY OF MARYSVILLE, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 250,000	\$ 250,000	\$ 119,534	\$ (130,466)
Total Revenues	<u>250,000</u>	<u>250,000</u>	<u>119,534</u>	<u>(130,466)</u>
Expenditures:				
Community Environment:				
Contractual Services	<u>250,000</u>	<u>250,000</u>	<u>119,534</u>	<u>130,466</u>
Total Expenditures	<u>250,000</u>	<u>250,000</u>	<u>119,534</u>	<u>130,466</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0	0
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

CITY OF MARYSVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 103,632	\$ 103,632	\$ 98,344	\$ (5,288)
Total Revenues	<u>103,632</u>	<u>103,632</u>	<u>98,344</u>	<u>(5,288)</u>
Expenditures:				
Community Environment:				
Capital Outlay	<u>103,632</u>	<u>103,632</u>	<u>84,791</u>	<u>18,841</u>
Total Expenditures	<u>103,632</u>	<u>103,632</u>	<u>84,791</u>	<u>18,841</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	13,553	13,553
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 13,553</u>	<u>\$ 13,553</u>

CITY OF MARYSVILLE, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 170,000	\$ 33,000	\$ 0	\$ (33,000)
Total Revenues	<u>170,000</u>	<u>33,000</u>	<u>0</u>	<u>(33,000)</u>
Expenditures:				
Community Environment:				
Contractual Services	<u>170,000</u>	<u>33,000</u>	<u>33,000</u>	<u>0</u>
Total Expenditures	<u>170,000</u>	<u>33,000</u>	<u>33,000</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	(33,000)	(33,000)
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (33,000)</u>	<u>\$ (33,000)</u>

CITY OF MARYSVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Debt Service Funds
For the Year Ended December 31, 2010***

DEBT SERVICE FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Special Assessments	\$ 25,000	\$ 22,000	\$ 21,510	\$ (490)
Total Revenues	<u>25,000</u>	<u>22,000</u>	<u>21,510</u>	<u>(490)</u>
Expenditures:				
Debt Service:				
Principal Retirement	1,700,000	1,700,000	1,700,000	0
Interest and Fiscal Charges	349,079	349,079	333,928	15,151
Total Expenditures	<u>2,049,079</u>	<u>2,049,079</u>	<u>2,033,928</u>	<u>15,151</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,024,079)	(2,027,079)	(2,012,418)	14,661
Other Financing Sources:				
Proceeds from General Obligation Notes	600,000	1,000,632	1,000,632	0
Transfers In	1,300,000	1,300,000	1,300,000	0
Total Other Financing Sources	<u>1,900,000</u>	<u>2,300,632</u>	<u>2,300,632</u>	<u>0</u>
Net Change In Fund Balance	(124,079)	273,553	288,214	14,661
Fund Balance at Beginning of Year	155,277	155,277	155,277	0
Prior Year Encumbrances	2,170	2,170	2,170	0
Fund Balance at End of Year	<u>\$ 33,368</u>	<u>\$ 431,000</u>	<u>\$ 445,661</u>	<u>\$ 14,661</u>

CITY OF MARYSVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2010***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Licenses and Permits	\$ 20,000	\$ 1,000	\$ 2,000	\$ 1,000
All Other Revenues	2,500	0	735	735
Total Revenues	<u>22,500</u>	<u>1,000</u>	<u>2,735</u>	<u>1,735</u>
Expenditures:				
Capital Outlay:				
Parks and Recreation	100,000	0	0	0
Total Expenditures	<u>100,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(77,500)	1,000	2,735	1,735
Fund Balance at Beginning of Year	90,729	90,729	90,729	0
Fund Balance at End of Year	<u>\$ 13,229</u>	<u>\$ 91,729</u>	<u>\$ 93,464</u>	<u>\$ 1,735</u>

CITY OF MARYSVILLE, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2010**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures:				
Capital Outlay:				
Street Maintenance	125,107	125,107	85,617	39,490
Total Expenditures	125,107	125,107	85,617	39,490
Excess (Deficiency) of Revenues Over (Under) Expenditures	(125,107)	(125,107)	(85,617)	39,490
Fund Balance at Beginning of Year	39,490	39,490	39,490	0
Prior Year Encumbrances	85,617	85,617	85,617	0
Fund Balance at End of Year	\$ 0	\$ 0	\$ 39,490	\$ 39,490

CITY OF MARYSVILLE, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2010**

	CIP FUND			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures:				
Capital Outlay:				
Engineering	65,908	65,908	57,074	8,834
Total Expenditures	65,908	65,908	57,074	8,834
Excess (Deficiency) of Revenues Over (Under) Expenditures	(65,908)	(65,908)	(57,074)	8,834
Other Financing Sources:				
Transfers In	21,300	21,300	21,300	0
Total Other Financing Sources	21,300	21,300	21,300	0
Net Change In Fund Balance	(44,608)	(44,608)	(35,774)	8,834
Fund Balance at Beginning of Year	58,666	58,666	58,666	0
Prior Year Encumbrances	3,414	3,414	3,414	0
Fund Balance at End of Year	\$ 17,472	\$ 17,472	\$ 26,306	\$ 8,834

CITY OF MARYSVILLE, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2010**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures:				
Capital Outlay:				
Street Maintenance	123,781	123,781	123,730	51
Total Expenditures	123,781	123,781	123,730	51
Excess (Deficiency) of Revenues Over (Under) Expenditures	(123,781)	(123,781)	(123,730)	51
Fund Balance at Beginning of Year	123,781	123,781	123,781	0
Fund Balance at End of Year	\$ 0	\$ 0	\$ 51	\$ 51

CITY OF MARYSVILLE, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2010**

SCOTTSLAWN ROAD WIDENING PROJECT FUND

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures:				
Capital Outlay:				
Street Maintenance	185,000	30,000	185,000	(155,000)
Total Expenditures	185,000	30,000	185,000	(155,000)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(185,000)	(30,000)	(185,000)	(155,000)
Fund Balance at Beginning of Year	0	0	0	0
Fund Balance at End of Year	\$ (185,000)	\$ (30,000)	\$ (185,000)	\$ (155,000)

CITY OF MARYSVILLE, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2010**

MILFORD AVENUE IMPROVEMENT PROJECT FUND

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures:				
Capital Outlay:				
Street Maintenance	0	75,000	75,000	0
Total Expenditures	0	75,000	75,000	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	(75,000)	(75,000)	0
Other Financing Sources:				
Transfers In	0	75,000	75,000	0
Total Other Financing Sources	0	75,000	75,000	0
Net Change In Fund Balance	0	0	0	0
Fund Balance at Beginning of Year	0	0	0	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

CITY OF MARYSVILLE, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2010**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 267,000	\$ 267,000	\$ 0	\$ (267,000)
Total Revenues	<u>267,000</u>	<u>267,000</u>	<u>0</u>	<u>(267,000)</u>
Expenditures:				
Capital Outlay:				
Street Maintenance	<u>267,000</u>	<u>267,000</u>	<u>267,000</u>	<u>0</u>
Total Expenditures	<u>267,000</u>	<u>267,000</u>	<u>267,000</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	(267,000)	(267,000)
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (267,000)</u>	<u>\$ (267,000)</u>

CITY OF MARYSVILLE, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2010**

CDBG FORMULA GRANT FUND				Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Intergovernmental Revenues	\$ 0	\$ 44,600	\$ 48,000	\$ 3,400
Total Revenues	<u>0</u>	<u>44,600</u>	<u>48,000</u>	<u>3,400</u>
Expenditures:				
Community Environment:				
Contractual Services	57,225	114,451	110,326	4,125
Total Expenditures	<u>57,225</u>	<u>114,451</u>	<u>110,326</u>	<u>4,125</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(57,225)	(69,851)	(62,326)	7,525
Other Financing Sources:				
Transfers In	0	12,626	12,626	0
Total Other Financing Sources	<u>0</u>	<u>12,626</u>	<u>12,626</u>	<u>0</u>
Net Change In Fund Balance	(57,225)	(57,225)	(49,700)	7,525
Fund Balance at Beginning of Year	(44,825)	(44,825)	(44,825)	0
Prior Year Encumbrances	57,225	57,225	57,225	0
Fund Balance at End of Year	<u>\$ (44,825)</u>	<u>\$ (44,825)</u>	<u>\$ (37,300)</u>	<u>\$ 7,525</u>

CITY OF MARYSVILLE, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2010**

JOB READINESS SITE GRANT FUND				Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Intergovernmental Revenues	\$ 0	\$ 2,092,575	\$ 493,300	\$ (1,599,275)
Total Revenues	<u>0</u>	<u>2,092,575</u>	<u>493,300</u>	<u>(1,599,275)</u>
Expenditures:				
Community Environment:				
Capital Outlay	725,049	1,690,935	1,315,656	375,279
Total Expenditures	<u>725,049</u>	<u>1,690,935</u>	<u>1,315,656</u>	<u>375,279</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(725,049)	401,640	(822,356)	(1,223,996)
Fund Balance at Beginning of Year	(1,126,689)	(1,126,689)	(1,126,689)	0
Prior Year Encumbrances	725,049	725,049	725,049	0
Fund Balance at End of Year	<u>\$ (1,126,689)</u>	<u>\$ 0</u>	<u>\$ (1,223,996)</u>	<u>\$ (1,223,996)</u>

Fiduciary Funds

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

Agency Funds

Municipal Court Fund

To account for funds that flow through the municipal court office.

Law Library Fund

To account for the share of fines collected by the Municipal Court to provide a County Law Library and resources for use by members of the County Bar Association.

Unclaimed Monies Fund

To account for monies that are due to others who cannot be immediately located.

CITY OF MARYSVILLE, OHIO

***Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Year Ended December 31, 2010***

	Balance December 31, 2009	Additions	Deductions	Balance December 31, 2010
<u>Municipal Court</u>				
Assets:				
Cash and Cash Equivalents	\$167,109	\$2,284,251	(\$2,301,502)	\$149,858
Total Assets	<u>\$167,109</u>	<u>\$2,284,251</u>	<u>(\$2,301,502)</u>	<u>\$149,858</u>
Liabilities:				
Due to Others	\$167,109	\$2,284,251	(\$2,301,502)	\$149,858
Total Liabilities	<u>\$167,109</u>	<u>\$2,284,251</u>	<u>(\$2,301,502)</u>	<u>\$149,858</u>
<u>Law Library</u>				
Assets:				
Cash and Cash Equivalents	\$4,255	\$56,381	(\$54,977)	\$5,659
Total Assets	<u>\$4,255</u>	<u>\$56,381</u>	<u>(\$54,977)</u>	<u>\$5,659</u>
Liabilities:				
Due to Others	\$4,255	\$56,381	(\$54,977)	\$5,659
Total Liabilities	<u>\$4,255</u>	<u>\$56,381</u>	<u>(\$54,977)</u>	<u>\$5,659</u>
<u>Unclaimed Monies</u>				
Assets:				
Cash and Cash Equivalents	\$18,664	\$28	(\$75)	\$18,617
Total Assets	<u>\$18,664</u>	<u>\$28</u>	<u>(\$75)</u>	<u>\$18,617</u>
Liabilities:				
Due to Others	\$18,664	\$28	(\$75)	\$18,617
Total Liabilities	<u>\$18,664</u>	<u>\$28</u>	<u>(\$75)</u>	<u>\$18,617</u>
<u>Totals - Agency Funds</u>				
Assets:				
Cash and Cash Equivalents	\$190,028	\$2,340,660	(\$2,356,554)	\$174,134
Total Assets	<u>\$190,028</u>	<u>\$2,340,660</u>	<u>(\$2,356,554)</u>	<u>\$174,134</u>
Liabilities:				
Due to Others	\$190,028	\$2,340,660	(\$2,356,554)	\$174,134
Total Liabilities	<u>\$190,028</u>	<u>\$2,340,660</u>	<u>(\$2,356,554)</u>	<u>\$174,134</u>



STATISTICAL TABLES

This part of the City’s comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City’s overall financial health.

Contents

Financial Trends	S 2 – S 13
These schedules contain trend information to help the reader understand how the City’s financial position has changed over time.	
Revenue Capacity	S 14 – S 17
These schedules contain information to help the reader understand and assess the factors affecting the City’s ability to generate its most significant local revenue source, the income tax.	
Debt Capacity	S 18 – S 26
These schedules present information to help the reader assess the affordability of the City’s current levels of outstanding debt and the City’s ability to issue additional debt in the future.	
Economic and Demographic Information	S 28 – S 33
These schedules offer economic and demographic indicators to help the reader understand the environment within which the City’s financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.	
Operating Information	S 34 – S 37
These schedules contain service and infrastructure data to help the reader understand how the information in the City’s financial report relates to the services the City provides and the activities it performs.	

Sources Note:

Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The City implemented GASB Statement 34 in 2001; schedules presenting government-wide information include information beginning in that year.

CITY OF MARYSVILLE, OHIO

*Net Assets by Component
Last Ten Years
(accrual basis of accounting)*

	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
Governmental Activities:				
Invested in Capital Assets, Net of Related Debt	\$24,591,244	\$24,098,034	\$23,285,590	\$22,293,967
Restricted	2,277,520	2,054,273	2,213,598	4,945,925
Unrestricted	2,930,166	2,093,763	3,057,723	1,533,015
Total Governmental Activities Net Assets	<u>\$29,798,930</u>	<u>\$28,246,070</u>	<u>\$28,556,911</u>	<u>\$28,772,907</u>
Business-type Activities:				
Invested in Capital Assets, Net of Related Debt	\$13,109,022	\$13,433,455	\$14,250,587	\$8,511,737
Restricted	3,830,103	4,058,339	5,100,024	13,439,635
Unrestricted	851,248	2,714,689	4,735,875	6,411,633
Total Business-type Activities Net Assets	<u>\$17,790,373</u>	<u>\$20,206,483</u>	<u>\$24,086,486</u>	<u>\$28,363,005</u>
Primary Government:				
Invested in Capital Assets, Net of Related Debt	\$37,700,266	\$37,531,489	\$37,536,177	\$30,805,704
Restricted	6,107,623	6,112,612	7,313,622	18,385,560
Unrestricted	3,781,414	4,808,452	7,793,598	7,944,648
Total Primary Government Net Assets	<u>\$47,589,303</u>	<u>\$48,452,553</u>	<u>\$52,643,397</u>	<u>\$57,135,912</u>

Source: Finance Director's Office

CITY OF MARYSVILLE, OHIO

2005	2006	2007	2008	2009	2010
\$21,744,004	\$21,504,703	\$19,705,560	\$21,116,933	\$22,141,194	\$21,674,744
3,268,064	6,754,627	4,358,757	4,008,736	3,328,917	4,110,446
4,956,121	2,424,444	6,541,734	5,130,470	4,529,769	8,555,721
<u>\$29,968,189</u>	<u>\$30,683,774</u>	<u>\$30,606,051</u>	<u>\$30,256,139</u>	<u>\$29,999,880</u>	<u>\$34,340,911</u>
\$20,628,847	\$12,880,967	\$23,197,827	\$30,514,074	\$22,937,908	\$21,138,692
66,798,211	77,051,521	106,406,724	32,676,639	6,781,143	4,537,001
(55,073,620)	(55,330,568)	(90,006,281)	(13,779,372)	26,650,472	30,609,300
<u>\$32,353,438</u>	<u>\$34,601,920</u>	<u>\$39,598,270</u>	<u>\$49,411,341</u>	<u>\$56,369,523</u>	<u>\$56,284,993</u>
\$42,372,851	\$34,385,670	\$42,903,387	\$51,631,007	\$45,079,102	\$42,813,436
70,066,275	83,806,148	110,765,481	36,685,375	10,110,060	8,647,447
(50,117,499)	(52,906,124)	(83,464,547)	(8,648,902)	31,180,241	39,165,021
<u>\$62,321,627</u>	<u>\$65,285,694</u>	<u>\$70,204,321</u>	<u>\$79,667,480</u>	<u>\$86,369,403</u>	<u>\$90,625,904</u>

CITY OF MARYSVILLE, OHIO

*Changes in Net Assets
Last Ten Years
(accrual basis of accounting)*

	2001	2002	2003
Expenses			
Governmental Activities:			
Security of Persons and Property	\$4,986,830	\$5,115,900	\$5,986,391
Public Health Services	288,371	320,498	317,303
Leisure Time Activities	420,364	463,396	316,948
Community Environment	368,533	348,582	470,884
Transportation	2,567,479	2,255,179	2,282,617
General Government	2,093,649	2,846,154	1,850,246
Interest and Fiscal Charges	735,307	541,226	511,610
<i>Total Governmental Activities Expenses</i>	<u>11,460,533</u>	<u>11,890,935</u>	<u>11,735,999</u>
Business-type Activities:			
Sewer	3,047,124	2,860,588	3,328,295
Water	3,236,614	3,373,284	3,628,656
Stormwater	0	0	0
Sanitation	811,060	873,882	865,185
<i>Total Business-type Activities Expenses</i>	<u>7,094,798</u>	<u>7,107,754</u>	<u>7,822,136</u>
<i>Total Primary Government Expenses</i>	<u>\$18,555,331</u>	<u>\$18,998,689</u>	<u>\$19,558,135</u>
Program Revenues			
Governmental Activities:			
Charges for Services			
Security of Persons and Property	\$967,752	\$1,123,817	\$1,379,319
Public Health Services	49,126	85,144	56,018
Leisure Time Activities	170,232	207,506	212,195
Community Environment	0	0	0
Transportation	0	0	0
General Government	7,530	56,250	33,940
Operating Grants and Contributions	619,922	684,005	867,650
Capital Grants and Contributions	217,500	0	0
<i>Total Governmental Activities Program Revenues</i>	<u>2,032,062</u>	<u>2,156,722</u>	<u>2,549,122</u>

CITY OF MARYSVILLE, OHIO

2004	2005	2006	2007	2008	2009	2010
\$6,148,640	\$6,527,339	\$6,591,145	\$6,996,140	\$7,823,056	\$8,231,839	\$8,065,669
370,217	422,898	486,248	524,249	516,104	533,704	356,768
290,630	313,423	394,331	372,573	340,268	357,477	318,027
792,174	976,322	874,592	1,000,616	995,303	1,592,190	1,785,546
2,301,526	2,432,895	2,525,637	2,962,282	3,146,685	2,937,757	2,826,219
1,998,307	1,959,350	2,184,451	2,520,151	2,802,315	2,890,567	3,083,726
551,204	720,986	1,002,941	1,458,978	843,246	882,409	572,550
<u>12,452,698</u>	<u>13,353,213</u>	<u>14,059,345</u>	<u>15,834,989</u>	<u>16,466,977</u>	<u>17,425,943</u>	<u>17,008,505</u>
3,804,403	5,934,435	10,067,019	10,152,835	6,766,573	5,109,903	11,703,017
3,300,814	3,313,383	3,633,286	4,499,050	4,169,129	4,636,236	5,499,245
20,596	179,658	263,048	373,767	551,882	464,076	362,964
938,280	866,181	1,124,480	1,160,948	1,139,329	1,244,236	1,271,205
<u>8,064,093</u>	<u>10,293,657</u>	<u>15,087,833</u>	<u>16,186,600</u>	<u>12,626,913</u>	<u>11,454,451</u>	<u>18,836,431</u>
<u>\$20,516,791</u>	<u>\$23,646,870</u>	<u>\$29,147,178</u>	<u>\$32,021,589</u>	<u>\$29,093,890</u>	<u>\$28,880,394</u>	<u>\$35,844,936</u>
\$1,364,157	\$1,298,850	\$1,644,050	\$1,550,623	\$1,471,439	\$1,526,755	\$1,539,922
64,024	59,581	62,746	50,426	51,108	62,362	46,000
219,801	219,748	251,257	167,362	181,849	119,681	721,751
0	0	17,345	0	0	0	0
0	0	0	0	0	79,235	142,033
192,281	227,789	381,997	229,954	0	1,991	279,985
1,304,976	1,027,791	1,038,267	1,082,881	1,355,899	1,010,400	1,871,206
0	1,046,112	158,822	447,806	465,554	1,427,027	1,766,014
<u>3,145,239</u>	<u>3,879,871</u>	<u>3,554,484</u>	<u>3,529,052</u>	<u>3,525,849</u>	<u>4,227,451</u>	<u>6,366,911</u>

(Continued)

CITY OF MARYSVILLE, OHIO

*Changes in Net Assets
Last Ten Years
(accrual basis of accounting)*

	2001	2002	2003	2004
Business-type Activities:				
Charges for Services				
Sewer	3,122,546	4,232,248	5,669,230	5,936,165
Water	3,755,714	4,311,906	4,860,691	5,177,186
Stormwater	0	0	0	356,595
Sanitation	806,862	890,704	877,811	995,278
Operating Grants and Contributions	0	0	0	0
Capital Grants and Contributions	1,139,081	30,000	99,387	0
<i>Total Business-type Activities Program Revenues</i>	<u>8,824,203</u>	<u>9,464,858</u>	<u>11,507,119</u>	<u>12,465,224</u>
<i>Total Primary Government Program Revenues</i>	<u>10,856,265</u>	<u>11,621,580</u>	<u>14,056,241</u>	<u>15,610,463</u>
Net (Expense)/Revenue				
Governmental Activities	(9,428,471)	(9,734,213)	(9,186,877)	(9,307,459)
Business-type Activities	1,729,405	2,357,104	3,684,983	4,401,131
<i>Total Primary Government Net (Expense)/Revenue</i>	<u>(\$7,699,066)</u>	<u>(\$7,377,109)</u>	<u>(\$5,501,894)</u>	<u>(\$4,906,328)</u>
General Revenues and Other Changes in Net Assets				
Governmental Activities:				
Property Taxes	\$1,202,006	\$1,369,561	\$1,373,320	\$1,501,443
Municipal Income Taxes	4,797,935	5,716,537	6,245,289	6,762,402
Other Local Taxes	13,972	39,113	62,838	95,545
Payments in Lieu of Taxes	0	0	0	0
Grants and Entitlements not Restricted to Specific Programs	\$1,235,836	\$664,477	\$1,061,165	\$683,543
Investment Earnings	292,377	134,332	104,164	170,432
Miscellaneous	212,027	257,333	650,942	310,090
Transfers	227,562	0	0	0
<i>Total Governmental Activities</i>	<u>7,981,715</u>	<u>8,181,353</u>	<u>9,497,718</u>	<u>9,523,455</u>
Business-type Activities:				
Payments in Lieu of Taxes	0	0	0	0
Investment Earnings	59,930	37,826	40,587	3,712
Miscellaneous	7,448	21,180	154,433	67,096
Transfers	(227,562)	0	0	0
<i>Total Business-type Activities</i>	<u>(160,184)</u>	<u>59,006</u>	<u>195,020</u>	<u>70,808</u>
<i>Total Primary Government</i>	<u>\$7,821,531</u>	<u>\$8,240,359</u>	<u>\$9,692,738</u>	<u>\$9,594,263</u>
Change in Net Assets				
Governmental Activities	(\$1,446,756)	(\$1,552,860)	\$310,841	\$215,996
Business-type Activities	1,569,221	2,416,110	3,880,003	4,471,939
<i>Total Primary Government Change in Net Assets</i>	<u>\$122,465</u>	<u>\$863,250</u>	<u>\$4,190,844</u>	<u>\$4,687,935</u>

Source: Finance Director's Office

CITY OF MARYSVILLE, OHIO

<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
6,134,515	6,544,342	8,064,427	7,630,582	7,458,511	7,762,151
5,670,924	6,130,787	6,915,380	6,312,969	6,816,999	7,103,702
470,772	485,587	538,506	493,176	503,772	560,719
1,027,384	1,121,201	1,139,063	1,122,553	1,391,143	1,365,302
0	0	0	8,787	6,881	0
0	600,000	707,441	3,612,353	1,386,178	905,366
<u>13,303,595</u>	<u>14,881,917</u>	<u>17,364,817</u>	<u>19,180,420</u>	<u>17,563,484</u>	<u>17,697,240</u>
<u>17,183,466</u>	<u>18,436,401</u>	<u>20,893,869</u>	<u>22,706,269</u>	<u>21,790,935</u>	<u>24,064,151</u>
(9,473,342)	(10,504,861)	(12,305,937)	(12,941,128)	(13,198,492)	(10,641,594)
<u>3,009,938</u>	<u>(205,916)</u>	<u>1,178,217</u>	<u>6,553,507</u>	<u>6,109,033</u>	<u>(1,139,191)</u>
<u>(\$6,463,404)</u>	<u>(\$10,710,777)</u>	<u>(\$11,127,720)</u>	<u>(\$6,387,621)</u>	<u>(\$7,089,459)</u>	<u>(\$11,780,785)</u>
\$1,721,313	\$1,776,516	\$2,238,058	\$1,889,982	\$1,874,723	\$1,828,092
6,762,338	7,298,756	8,053,835	8,286,787	8,347,026	10,878,400
121,544	116,899	104,878	159,316	120,864	109,895
0	0	0	823,062	1,022,086	1,026,468
\$802,391	\$570,918	\$588,945	\$701,953	\$724,478	\$846,810
789,859	1,036,575	915,825	376,615	142,515	135,196
329,369	420,782	279,689	356,990	577,549	157,764
0	0	0	0	132,992	0
<u>10,526,814</u>	<u>11,220,446</u>	<u>12,181,230</u>	<u>12,594,705</u>	<u>12,942,233</u>	<u>14,982,625</u>
0	0	0	1,021,540	982,141	1,051,955
13,757	2,340,070	3,640,525	0	0	2,706
80,857	114,328	156,846	0	0	0
0	0	0	0	(132,992)	0
<u>94,614</u>	<u>2,454,398</u>	<u>3,797,371</u>	<u>1,021,540</u>	<u>849,149</u>	<u>1,054,661</u>
<u>\$10,621,428</u>	<u>\$13,674,844</u>	<u>\$15,978,601</u>	<u>\$13,616,245</u>	<u>\$13,791,382</u>	<u>\$16,037,286</u>
\$1,053,472	\$715,585	(\$124,707)	(\$346,423)	(\$256,259)	\$4,341,031
<u>3,104,552</u>	<u>2,248,482</u>	<u>4,975,588</u>	<u>7,575,047</u>	<u>6,958,182</u>	<u>(84,530)</u>
<u>\$4,158,024</u>	<u>\$2,964,067</u>	<u>\$4,850,881</u>	<u>\$7,228,624</u>	<u>\$6,701,923</u>	<u>\$4,256,501</u>

CITY OF MARYSVILLE, OHIO

*Fund Balances, Governmental Funds
Last Ten Years
(modified accrual basis of accounting)*

	2001	2002	2003	2004
General Fund				
Reserved	\$403,336	\$401,631	\$97,262	\$266,330
Unreserved	2,390,120	1,658,557	2,998,226	4,033,758
<i>Total General Fund</i>	<u>2,793,456</u>	<u>2,060,188</u>	<u>3,095,488</u>	<u>4,300,088</u>
All Other Governmental Funds				
Reserved	733,919	348,554	196,373	2,578,062
Unreserved, Undesignated, Reported in:				
Special Revenue Funds	1,042,778	1,303,799	1,448,120	1,730,387
Debt Service Funds	20,028	17,220	14,913	29,424
Capital Projects Funds	192,196	86,378	160,941	232,967
Total All Other Governmental Funds	<u>1,988,921</u>	<u>1,755,951</u>	<u>1,820,347</u>	<u>4,570,840</u>
<i>Total Governmental Funds</i>	<u><u>\$4,782,377</u></u>	<u><u>\$3,816,139</u></u>	<u><u>\$4,915,835</u></u>	<u><u>\$8,870,928</u></u>

Source: Finance Director's Office

CITY OF MARYSVILLE, OHIO

<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
\$289,190	\$330,564	\$663,155	\$381,782	\$172,544	\$436,883
<u>4,078,034</u>	<u>5,503,111</u>	<u>5,485,156</u>	<u>4,631,940</u>	<u>4,364,501</u>	<u>6,289,373</u>
<u>4,367,224</u>	<u>5,833,675</u>	<u>6,148,311</u>	<u>5,013,722</u>	<u>4,537,045</u>	<u>6,726,256</u>
897,959	576,059	308,493	581,963	830,005	1,161,754
1,809,824	2,005,973	2,391,799	2,450,489	1,699,856	3,024,014
22,653	24,801	117,937	(661,153)	(44,723)	(12,516,434)
<u>225,021</u>	<u>3,804,500</u>	<u>1,258,040</u>	<u>228,158</u>	<u>123,586</u>	<u>(344,148)</u>
<u>2,955,457</u>	<u>6,411,333</u>	<u>4,076,269</u>	<u>2,599,457</u>	<u>2,608,724</u>	<u>(8,674,814)</u>
<u>\$7,322,681</u>	<u>\$12,245,008</u>	<u>\$10,224,580</u>	<u>\$7,613,179</u>	<u>\$7,145,769</u>	<u>(\$1,948,558)</u>

CITY OF MARYSVILLE, OHIO

Changes in Fund Balances, Governmental Funds Last Ten Years (modified accrual basis of accounting)

	2001	2002	2003	2004
Revenues:				
Taxes	\$6,044,430	\$7,174,565	\$7,485,745	\$8,524,697
Payments in Lieu of Taxes	0	0	0	0
Intergovernmental Revenues	1,835,290	1,375,430	1,906,757	1,878,189
Charges for Services	512,216	711,815	1,348,052	1,068,556
Fees, Licenses and Permits	292,297	355,075	408,354	582,701
Investment Earnings	298,371	141,152	104,164	170,432
Contributions and Donations	92,619	6,187	53,795	52,155
Special Assessments	27,903	26,531	25,400	27,659
Fines and Forfeitures	474,185	535,947	524,450	435,468
All Other Revenue	115,736	47,424	33,799	51,986
Total Revenue	9,693,047	10,374,126	11,890,516	12,791,843
Expenditures:				
Current:				
Security of Persons and Property	4,724,355	4,939,655	5,719,983	6,044,306
Public Health Services	238,073	292,197	304,667	353,082
Leisure Time Activities	404,373	410,024	261,762	235,950
Community Environment	324,092	335,139	452,014	738,993
Transportation	830,937	858,741	891,904	918,939
General Government	1,803,762	2,859,868	1,894,539	1,818,068
Capital Outlay	1,167,616	653,737	264,446	5,569,557
Debt Service:				
Principal Retirement	2,049,194	1,439,883	1,343,409	1,248,634
Interest and Fiscal Charges	740,499	559,636	520,088	495,236
Bond Anticipation Notes Issuance Costs	0	0	0	0
Total Expenditures	12,282,901	12,348,880	11,652,812	17,422,765
Excess (Deficiency) of Revenues Over Expenditures	(2,589,854)	(1,974,754)	237,704	(4,630,922)

CITY OF MARYSVILLE, OHIO

2005	2006	2007	2008	2009	2010
\$8,124,862	\$9,454,253	\$10,156,609	\$10,412,641	\$10,424,239	\$12,664,636
0	0	0	823,031	956,394	1,067,337
2,854,151	1,757,028	2,124,856	2,472,263	3,163,702	3,772,289
986,047	1,383,262	1,150,496	917,822	1,115,969	1,580,001
447,374	547,293	313,953	362,911	362,866	327,127
789,859	1,036,575	915,825	376,615	142,515	135,196
83,762	41,019	68,844	0	750	706
24,588	31,963	25,074	20,618	0	21,510
553,404	594,969	761,734	602,828	632,938	720,749
47,685	98,837	44,544	73,629	176,464	143,017
<u>13,911,732</u>	<u>14,945,199</u>	<u>15,561,935</u>	<u>16,062,358</u>	<u>16,975,837</u>	<u>20,432,568</u>
6,724,087	6,269,659	6,725,226	7,491,598	7,783,003	7,859,772
405,125	466,891	503,740	488,881	511,803	357,142
253,331	324,833	297,919	263,906	276,068	228,893
1,001,750	844,197	972,789	969,012	1,560,124	2,895,717
1,048,529	1,007,594	1,274,664	1,394,077	980,343	1,188,364
1,701,711	1,874,334	2,232,901	2,508,509	2,555,439	2,728,701
4,144,612	3,505,403	4,352,293	2,434,010	2,306,626	45,986
8,964,079	9,867,413	15,406,274	15,494,363	13,808,875	13,480,000
676,877	793,789	1,083,407	980,620	888,531	742,369
26,865	0	0	0	0	0
<u>24,946,966</u>	<u>24,954,113</u>	<u>32,849,213</u>	<u>32,024,976</u>	<u>30,670,812</u>	<u>29,526,944</u>
(11,035,234)	(10,008,914)	(17,287,278)	(15,962,618)	(13,694,975)	(9,094,376)

(Continued)

CITY OF MARYSVILLE, OHIO

*Changes in Fund Balances, Governmental Funds
Last Ten Years
(modified accrual basis of accounting)*

	2001	2002	2003	2004
Other Financing Sources (Uses):				
Bond Anticipation Notes Issued	1,065,000	950,000	835,000	8,567,931
Premium on Bond Anticipation Notes Issued	0	0	0	0
Sale of Capital Assets	42,513	5,509	500	2,640
Inception of Capital Lease	0	72,969	26,492	15,444
General Obligation Bonds Issued	0	0	0	0
Premium on General Obligation Bonds Issued	0	0	0	0
Payment to Escrow Agent	0	0	0	0
Transfers In	2,279,304	1,513,750	1,429,409	1,338,823
Transfers Out	(2,051,742)	(1,513,750)	(1,429,409)	(1,338,823)
Total Other Financing Sources (Uses)	<u>1,335,075</u>	<u>1,028,478</u>	<u>861,992</u>	<u>8,586,015</u>
Net Change in Fund Balance	<u>(\$1,254,779)</u>	<u>(\$946,276)</u>	<u>\$1,099,696</u>	<u>\$3,955,093</u>
 Debt Service as a Percentage of Noncapital Expenditures	 18.32%	 12.50%	 11.99%	 7.29%

Source: Finance Director's Office

CITY OF MARYSVILLE, OHIO

2005	2006	2007	2008	2009	2010
9,345,000	14,865,000	15,030,000	13,280,000	12,980,000	0
83,107	46,984	64,098	66,669	80,396	0
9,610	19,257	27,844	8,037	34,177	49
49,270	0	0	0	0	0
0	0	6,515,000	0	0	0
0	0	303,889	0	0	0
0	0	(6,673,981)	0	0	0
1,825,034	2,410,028	2,793,779	3,128,061	2,447,091	1,851,529
(1,825,034)	(2,410,028)	(2,793,779)	(3,128,061)	(2,314,099)	(1,851,529)
9,486,987	14,931,241	15,266,850	13,354,706	13,227,565	49
(\$1,548,247)	\$4,922,327	(\$2,020,428)	(\$2,607,912)	(\$467,410)	(\$9,094,327)
40.28%	41.03%	48.20%	49.93%	49.14%	48.21%

CITY OF MARYSVILLE, OHIO

*Income Tax Revenues by Source, Governmental Funds
Last Ten Years
(cash basis of accounting)*

Tax year	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Income Tax Rate*	1.00%	1.00%	1.00%	1.00%	1.00%
Estimated Personal Income (in thousands)	\$441,845	\$452,946	\$481,017	\$507,131	\$530,849
Total Tax Collected	\$5,118,318	\$5,205,007	\$6,082,292	\$6,275,737	\$7,078,121
Income Tax Receipts					
Withholding	4,411,635	4,185,169	4,944,073	5,076,716	5,917,841
Percentage	86.19%	80.41%	81.29%	80.89%	83.60%
Business	244,477	128,821	252,988	242,759	313,307
Percentage	4.78%	2.47%	4.16%	3.87%	4.43%
Individuals	462,206	891,017	885,231	956,262	846,973
Percentage	9.03%	17.12%	14.55%	15.24%	11.97%

Source: City Income Tax Department
n/a - Data is not available

* Voters approved an increase in the income tax rate from 1.0% to 1.5% effective July 1, 2010.

CITY OF MARYSVILLE, OHIO

2006	2007	2008	2009	2010
1.00%	1.00%	1.00%	1.00%	1.50%
\$557,860	\$607,483	\$628,769	\$633,765	n/a
\$7,463,770	\$7,877,319	\$8,317,558	\$8,385,684	\$9,631,406
5,787,472	6,183,401	6,267,374	6,489,432	7,689,978
77.54%	78.50%	75.35%	77.39%	79.85%
272,852	315,022	408,327	214,131	420,165
3.66%	4.00%	4.91%	2.55%	4.36%
1,403,446	1,378,896	1,641,857	1,682,121	1,521,264
18.80%	17.50%	19.74%	20.06%	15.79%



CITY OF MARYSVILLE, OHIO

Income Tax Collections Current Year and Five Years Ago

Range of Withholding	Income Tax Year 2010	
	Number of Filers	Percent of Total
\$0 - \$24,999	1,476	98.07%
25,000 - 49,999	13	0.86%
50,000 - 74,999	2	0.13%
75,000 - 99,999	3	0.20%
Over 100,000	11	0.74%
Total	1,505	100.01%

Range of Withholding	Income Tax Year 2005	
	Number of Filers	Percent of Total
\$0 - \$24,999	1,298	98.11%
25,000 - 49,999	13	0.98%
50,000 - 74,999	2	0.15%
75,000 - 99,999	0	0.00%
Over 100,000	10	0.76%
Total	1,323	100.00%

Source: City Income Tax Department

Note: Due to confidentiality issues, the names of the 10 largest revenue payers are not available. The categories presented are intended to provide alternative information regarding the sources of the City's revenue.

Information is not available in this format prior to 2005

CITY OF MARYSVILLE, OHIO

Ratio of Outstanding Debt By Type Last Ten Years

	2001	2002	2003	2004
Governmental Activities ⁽¹⁾				
General Obligation Bonds	\$9,880,000	\$9,530,000	\$9,165,000	\$8,785,000
Special Assessment Bonds	20,000	15,000	10,000	5,000
Capital Leases	40,760	90,514	85,629	72,439
Notes Payable	1,065,000	950,000	835,000	8,567,931
Business-type Activities ⁽¹⁾				
General Obligation Bonds	\$4,240,000	\$3,970,000	\$3,685,000	\$3,488,153
Mortgage Revenue Bonds	11,275,000	14,454,321	13,314,219	12,457,209
Capital Leases	6,050	1,585	456	12,109
Notes Payable	9,760,000	6,494,000	6,804,000	13,396,260
Ohio Public Works Commission Loan	0	0	0	0
Total Primary Government	<u>\$36,286,810</u>	<u>\$35,505,420</u>	<u>\$33,899,304</u>	<u>\$46,784,101</u>
Population ⁽²⁾				
City of Marysville	16,434	16,382	16,422	16,949
Outstanding Debt Per Capita	\$2,208	\$2,167	\$2,064	\$2,760
Income ⁽³⁾				
Personal (in thousands)	441,845	452,946	481,017	507,131
Percentage of Personal Income	8.21%	7.84%	7.05%	9.23%

Sources:

(1) Finance Director's Office

(2) Mid Ohio Regional Planning Commission and US Bureau of Census, Population Division

(3) US Department of Commerce, Bureau of Economic Analysis

(a) Per Capita Income is only available by County, Total Personal Income is a calculation
n/a - Data is not available

CITY OF MARYSVILLE, OHIO

2005	2006	2007	2008	2009	2010
\$8,385,000	\$7,970,000	\$8,022,609	\$7,550,903	\$7,054,197	\$6,532,491
0	0	0	0	0	0
82,630	58,324	33,171	18,808	287,113	237,184
9,428,107	14,911,984	15,030,000	13,280,000	12,980,000	12,980,000
\$3,113,153	\$2,733,153	\$2,334,892	\$1,934,077	\$1,523,262	\$1,102,447
25,640,569	99,255,843	151,754,370	150,827,443	149,860,516	148,602,711
9,638	6,915	3,964	271	0	0
55,594,000	4,053,413	28,565,001	28,365,000	28,240,000	28,215,000
0	65,420	57,493	49,566	41,639	625,075
<u>\$102,253,097</u>	<u>\$129,055,052</u>	<u>\$205,801,500</u>	<u>\$202,026,068</u>	<u>\$199,986,727</u>	<u>\$198,294,908</u>

17,287	17,651	18,123	18,249	18,394	22,094
\$5,915	\$7,311	\$11,356	\$11,071	\$10,872	\$8,975

530,849	557,860	607,483	628,769	633,765	n/a
19.26%	23.13%	33.88%	32.13%	31.56%	n/a

CITY OF MARYSVILLE, OHIO

Ratios of General Bonded Debt Outstanding Last Ten Years

Year	2001	2002	2003	2004
Population (1)	16,434	16,382	16,422	16,949
Income (2)				
Personal (in thousands)	\$441,845	\$452,946	\$481,017	\$507,131
General Bonded Debt				
General Obligation Bonds	\$14,120,000	\$13,500,000	\$12,850,000	\$12,273,153
Resources Available to Pay Principal (3)	\$0	\$0	\$0	\$0
Net General Bonded Debt	\$14,120,000	\$13,500,000	\$12,850,000	\$12,273,153
Ratio of Net Bonded Debt to Personal Income	3.20%	2.98%	2.67%	2.42%
Net Bonded Debt per Capita	\$859.19	\$824.08	\$782.49	\$724.12

Source:

(1) Mid Ohio Regional Planning Commission and US Bureau of Census, Population Division

(2) US Department of Commerce, Bureau of Economic Analysis

(3) Includes only Debt Service funds available for general obligation bonded debt supported by property taxes.

n/a - Data is not available

CITY OF MARYSVILLE, OHIO

<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
17,287	17,651	18,123	18,249	18,394	22,094
\$530,849	\$557,860	\$607,483	\$628,769	\$633,765	n/a
\$11,498,153	\$10,703,153	\$10,357,501	\$9,484,980	\$8,577,459	\$7,634,938
\$0	\$0	\$0	\$0	\$0	\$0
\$11,498,153	\$10,703,153	\$10,357,501	\$9,484,980	\$8,577,459	\$7,634,938
2.17%	1.92%	1.70%	1.51%	1.35%	n/a
\$665.13	\$606.38	\$571.51	\$519.75	\$466.32	\$345.57



CITY OF MARYSVILLE, OHIO

*Computation of Direct and Overlapping
Debt Attributable to Governmental Activities
December 31, 2010*

<u>Jurisdiction</u>	<u>Net Debt Outstanding</u>	<u>Percentage Applicable to the City of Marysville</u>	<u>Amount Applicable to the City of Marysville</u>
Direct:			
City of Marysville	\$198,294,908	100.00%	\$198,294,908
Overlapping:			
Union County	5,695,000	28.88%	1,644,716
Marysville Exempted Village School District	89,542,114	54.61%	48,898,948
Fairbanks Local School District	10,535,062	4.07%	428,777
Tolles Career & Technical Center JVS District	4,820,000	0.12%	<u>5,784</u>
		Subtotal	<u>50,978,225</u>
		Total	<u><u>\$249,273,133</u></u>

Source: Union County Auditor

CITY OF MARYSVILLE, OHIO

Debt Limitations Last Ten Years

Tax Year	2001	2002	2003	2004
Total Debt				
Net Assessed Valuation	\$325,626,600	\$344,177,645	\$353,286,300	\$403,239,190
Legal Debt Limitation (%) (1)	10.50%	10.50%	10.50%	10.50%
Legal Debt Limitation (\$) (1)	34,190,793	36,138,653	37,095,062	42,340,115
City Debt Outstanding (2)	10,945,000	10,480,000	10,000,000	17,352,931
Less: Applicable Debt Service Fund Amounts	0	0	0	0
Net Indebtedness Subject to Limitation	<u>10,945,000</u>	<u>10,480,000</u>	<u>10,000,000</u>	<u>17,352,931</u>
Overall Legal Debt Margin	<u>\$23,245,793</u>	<u>\$25,658,653</u>	<u>\$27,095,062</u>	<u>\$24,987,184</u>
Unvoted Debt				
Net Assessed Valuation	\$325,626,600	\$344,177,645	\$353,286,300	\$403,239,190
Legal Debt Limitation (%) (1)	5.50%	5.50%	5.50%	5.50%
Legal Debt Limitation (\$) (1)	17,909,463	18,929,770	19,430,747	22,178,155
City Debt Outstanding (2)	10,945,000	10,480,000	10,000,000	17,352,931
Less: Applicable Debt Service Fund Amounts	0	0	0	0
Net Indebtedness Subject to Limitation	<u>10,945,000</u>	<u>10,480,000</u>	<u>10,000,000</u>	<u>17,352,931</u>
Overall Legal Debt Margin	<u>\$6,964,463</u>	<u>\$8,449,770</u>	<u>\$9,430,747</u>	<u>\$4,825,224</u>

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

(2) City Debt Outstanding includes Non Self-Supporting General Obligation Bonds and Notes only.
Enterprise Debt is not considered in the computation of the Legal Debt Margin.

Source: Finance Director's Office

CITY OF MARYSVILLE, OHIO

2005	2006	2007	2008	2009	2010
\$422,188,272	\$424,151,346	\$426,222,476	\$413,185,230	\$382,583,330	\$384,565,260
10.50%	10.50%	10.50%	10.50%	10.50%	10.50%
44,329,769	44,535,891	44,753,360	43,384,449	40,171,250	40,379,352
17,813,107	22,881,984	23,052,609	20,830,903	20,034,197	19,512,491
0	0	0	0	0	0
<u>17,813,107</u>	<u>22,881,984</u>	<u>23,052,609</u>	<u>20,830,903</u>	<u>20,034,197</u>	<u>19,512,491</u>
<u>\$26,516,662</u>	<u>\$21,653,907</u>	<u>\$21,700,751</u>	<u>\$22,553,546</u>	<u>\$20,137,053</u>	<u>\$20,866,861</u>

\$422,188,272	\$424,151,346	\$426,222,476	\$413,185,230	\$382,583,330	\$384,565,260
5.50%	5.50%	5.50%	5.50%	5.50%	5.50%
23,220,355	23,328,324	23,442,236	22,725,188	21,042,083	21,151,089
17,813,107	22,881,984	23,052,609	20,830,903	20,034,197	19,512,491
0	0	0	0	0	0
<u>17,813,107</u>	<u>22,881,984</u>	<u>23,052,609</u>	<u>20,830,903</u>	<u>20,034,197</u>	<u>19,512,491</u>
<u>\$5,407,248</u>	<u>\$446,340</u>	<u>\$389,627</u>	<u>\$1,894,285</u>	<u>\$1,007,886</u>	<u>\$1,638,598</u>

CITY OF MARYSVILLE, OHIO

Pledged Revenue Coverage Last Ten Years

	2001	2002	2003	2004
Water System Bonds (1 a)				
Gross Revenues (2)	N/A	\$4,338,379	\$5,049,042	\$5,245,349
Direct Operating Expenses (3)	N/A	1,872,379	1,819,861	1,926,494
Net Revenue Available for Debt Service	N/A	2,466,000	3,229,181	3,318,855
Annual Debt Service Requirement (4)	N/A	115,993	298,990	300,990
Coverage	N/A	21.26	10.80	11.03
Water System Bonds (1 b)				
Gross Revenues (2)	N/A	N/A	\$5,049,042	\$5,245,349
Direct Operating Expenses (3)	N/A	N/A	1,819,861	1,926,494
Net Revenue Available for Debt Service	N/A	N/A	3,229,181	3,318,855
Annual Debt Service Requirement (4)	N/A	N/A	846,685	726,299
Coverage	N/A	N/A	3.81	4.57
Sewer System Bonds (1 c)				
Gross Revenues (2)	N/A	N/A	N/A	N/A
Direct Operating Expenses (3)	N/A	N/A	N/A	N/A
Net Revenue Available for Debt Service	N/A	N/A	N/A	N/A
Annual Debt Service Requirement (4)	N/A	N/A	N/A	N/A
Coverage	N/A	N/A	N/A	N/A
Sewer System Bonds (1 d)				
Gross Revenues (2)	N/A	N/A	N/A	N/A
Direct Operating Expenses (3)	N/A	N/A	N/A	N/A
Net Revenue Available for Debt Service	N/A	N/A	N/A	N/A
Annual Debt Service Requirement (4)	N/A	N/A	N/A	N/A
Coverage	N/A	N/A	N/A	N/A
Water System Bonds (1 e)				
Gross Revenues (5)	N/A	N/A	N/A	N/A
Direct Operating Expenses (3)	N/A	N/A	N/A	N/A
Net Revenue Available for Debt Service	N/A	N/A	N/A	N/A
Annual Debt Service Requirement (4)	N/A	N/A	N/A	N/A
Coverage	N/A	N/A	N/A	N/A

(1) The Mortgage Revenue Bonds were issued as follows:

- (a) The Water system Mortgage Revenue Bonds were issued in 2002, in the amount of \$3,820,000.
- (b) The Water system Mortgage Revenue Bonds were issued in 2003, in the amount of \$9,262,114.
- (c) The Sewer system Mortgage Revenue Bonds were issued in 2006, in the amount of \$85,885,000.
- (d) The Sewer system Mortgage Revenue Bonds were issued in 2007, in the amount of \$31,555,000.
- (e) The Water system Mortgage Revenue Bonds were issued in 2007, in the amount of \$21,335,000.

(2) Gross revenues include operating revenues plus interest income.

(3) Direct operating expenses include operating expenses less depreciation.

(4) Annual debt service requirements include principal and interest on revenue bonds only.

N/A - Data is not available

Source: Finance Director's Office

CITY OF MARYSVILLE, OHIO

2005	2006	2007	2008	2009	2010
\$5,710,991	\$6,209,239	\$7,260,525	\$6,718,925	\$6,842,361	\$7,118,061
2,104,063	2,345,854	2,685,502	2,536,687	3,130,754	2,918,705
3,606,928	3,863,385	4,575,023	4,182,238	3,711,607	4,199,356
302,155	302,565	302,385	301,585	300,360	303,695
11.94	12.77	15.13	13.87	12.36	13.83
\$5,710,991	\$6,209,239	\$7,260,525	\$6,718,925	\$6,842,361	\$7,118,061
2,104,063	2,345,854	2,685,502	2,536,687	3,130,754	2,918,705
3,606,928	3,863,385	4,575,023	4,182,238	3,711,607	4,199,356
726,664	728,664	730,462	726,644	726,018	729,119
4.96	5.30	6.26	5.76	5.11	5.76
N/A	\$8,918,624	\$11,498,315	\$10,836,979	\$8,059,976	\$7,749,088
N/A	4,095,683	2,891,378	2,721,283	3,702,375	3,313,906
N/A	4,822,941	8,606,937	8,115,696	4,357,601	4,435,182
N/A	1,176,160	4,371,625	4,372,825	4,373,625	4,374,025
N/A	4.10	1.97	1.86	1.00	1.01
N/A	N/A	\$11,498,315	\$10,836,979	\$8,059,976	\$7,749,088
N/A	N/A	2,891,378	2,721,283	3,702,375	3,313,906
N/A	N/A	8,606,937	8,115,696	4,357,601	4,435,182
N/A	N/A	0	1,473,498	1,473,497	1,473,498
N/A	N/A	N/A	5.51	2.96	3.01
N/A	N/A	\$7,260,525	\$6,718,925	\$6,842,361	\$7,118,061
N/A	N/A	2,685,502	2,536,687	3,130,754	2,918,705
N/A	N/A	4,575,023	4,182,238	3,711,607	4,199,356
N/A	N/A	0	1,155,059	1,047,831	1,055,394
N/A	N/A	N/A	3.62	3.54	3.98

CITY OF MARYSVILLE, OHIO

Demographic and Economic Statistics Last Ten Years

Calendar Year	2001	2002	2003	2004	2005
Population ⁽¹⁾					
City of Marysville	16,434	16,382	16,422	16,949	17,287
Union County	42,479	42,899	43,719	44,642	45,387
Income ^{(2) (a)}					
Total Personal (in thousands)	\$441,845	\$452,946	\$481,017	\$507,131	\$530,849
Per Capita	\$26,886	\$27,649	\$29,291	\$29,921	\$30,708
Unemployment Rate ⁽³⁾					
Federal	4.7%	5.8%	6.0%	5.5%	5.1%
State	4.4%	5.7%	6.2%	6.1%	5.9%
Union County	3.1%	4.2%	4.7%	5.0%	4.9%
Civilian Work Force Estimates ⁽³⁾					
State	5,826,000	5,838,000	5,860,000	5,863,000	5,882,000
Union County	22,900	23,000	23,400	23,900	24,400

Sources:

(1) US Bureau of Census, Population Division for 2001-2010

(2) US Department of Commerce, Bureau of Economic Analysis

(a) Per Capita Income is only available by County, Total Personal Income is a calculation.

(3) State Department of Labor Statistics

n/a - Data is not available

CITY OF MARYSVILLE, OHIO

2006	2007	2008	2009	2010
17,651	18,123	18,249	18,394	22,094
46,680	47,719	48,339	48,903	52,300
\$557,860	\$607,483	\$628,769	\$633,765	n/a
\$31,605	\$33,520	\$34,455	\$34,455	n/a
4.6%	4.6%	5.8%	9.3%	9.6%
5.4%	5.6%	6.6%	10.1%	10.1%
4.5%	4.3%	5.2%	8.3%	8.4%
5,924,000	5,961,000	5,961,000	5,936,000	5,898,000
25,200	25,400	25,900	26,000	25,900



CITY OF MARYSVILLE, OHIO

Principal Employers Current Year and Two Years Ago

Employer	Nature of Business	2010		
		Number of Employees	Rank	Percentage of Total Employment
The Scotts Miracle-Gro Company	Lawn Care Products	1,250	1	14.34%
Memorial Hospital of Union County	Healthcare	697	2	8.00%
Marysville Exempted School District	Education	626	3	7.18%
Union County	Government	478	4	5.48%
Ohio Reformatory for Women	Government	477	5	5.47%
Wal-mart	Retail	315	6	3.61%
Scioto Corporation	Custodial/Janitor Supplies	256	7	2.94%
Veyance Technologies	Manufacturing	250	8	2.87%
Nestle R&D Center Inc.	Research & Development	230	9	2.64%
Parker Hannifin Hydraulics	Manufacturing	200	10	2.29%
Total		<u>4,779</u>		<u>54.82%</u>
Total Employment within the City		<u>8,717</u>		

Employer	Nature of Business	2008		
		Number of Employees	Rank	Percentage of Total Employment
The Scotts Miracle-Gro Company	Lawn Care Products	1,250	1	13.39%
Marysville Exempted School District	Education	758	2	8.12%
Memorial Hospital of Union County	Healthcare	732	3	7.84%
Union County	Government	487	4	5.22%
Ohio Reformatory for Women	Government	483	5	5.18%
Veyance Technologies	Manufacturing	340	6	3.64%
Wal-mart	Retail	320	7	3.43%
Scioto Corporation	Custodial/Janitor Supplies	269	8	2.88%
Nestle R&D Center Inc.	Research & Development	241	9	2.58%
Parker Hannifin Hydraulics	Manufacturing	220	10	2.36%
Total		<u>5,100</u>		<u>54.65%</u>
Total Employment within the City		<u>9,332</u>		

Source: City Income Tax Department
Information is not available in this format prior to 2008

CITY OF MARYSVILLE, OHIO

Full Time Equivalent Employees by Function Last Ten Years

	2001	2002	2003	2004	2005
Governmental Activities					
General Government					
Finance	10.00	9.00	8.00	7.00	8.00
City Council	4.50	4.50	4.50	4.50	4.50
Computer Systems	0.00	0.00	1.00	1.00	1.00
City Administration	2.00	2.00	2.00	2.00	2.00
Human Resources	0.00	2.00	2.00	2.00	2.00
City Attorney	1.50	1.50	1.50	1.50	1.50
Mayor	0.50	0.50	0.50	0.50	0.50
Engineer	5.00	5.00	5.00	5.00	6.00
Security of Persons and Property					
Police	33.50	36.50	36.50	36.50	36.50
Fire	32.00	32.00	32.00	32.00	31.00
Municipal Court	12.00	12.00	12.00	12.00	12.00
Transportation					
Street	14.00	14.00	13.00	13.00	14.00
Leisure Time Activities					
Parks and Recreation	0.50	0.50	0.50	0.50	0.50
Community Environment					
Buildings & Grounds	7.00	8.00	8.00	8.00	8.50
Service	2.00	3.00	3.00	3.00	3.00
Business-Type Activities					
Utilities					
Water	15.00	15.00	15.00	15.00	15.00
Sewer	13.00	15.00	15.00	15.00	15.50
<i>Total Employees</i>	<u>152.50</u>	<u>160.50</u>	<u>159.50</u>	<u>158.50</u>	<u>161.50</u>

Method: 1.00 for each full-time, 0.50 for each part-time and seasonal employees are calculated based on hours paid.

Source: Finance Director's Office

CITY OF MARYSVILLE, OHIO

<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
9.00	9.00	9.00	9.00	8.00
4.50	4.50	4.50	4.50	4.50
1.00	1.00	1.00	1.00	1.00
2.00	2.00	2.00	2.00	2.00
2.00	2.00	2.00	2.00	2.00
1.50	1.50	1.50	1.50	1.50
0.50	0.50	0.50	0.50	0.50
6.00	7.00	7.00	9.00	8.00
36.50	37.50	38.00	38.50	36.50
31.00	32.00	32.00	32.00	28.50
12.00	12.00	12.00	12.00	12.00
15.00	16.00	16.00	19.50	19.50
0.50	0.50	0.50	24.50	24.50
7.50	6.50	6.50	10.00	7.50
3.00	3.00	3.00	3.00	3.00
15.00	15.00	15.00	17.00	17.00
16.50	16.50	17.00	17.00	17.00
<u>163.50</u>	<u>166.50</u>	<u>167.50</u>	<u>203.00</u>	<u>193.00</u>

CITY OF MARYSVILLE, OHIO

Operating Indicators by Function Last Ten Years

	2001	2002	2003	2004	2005
Governmental Activities					
General Government					
Court					
Number of Traffic Cases	11,043	10,773	9,467	6,099	6,926
Number of Criminal Cases	1,272	1,199	1,261	1,394	1,545
Number of Civil Cases	863	901	1,343	1,323	1,281
Permits					
Number of Residential Permits	239	269	275	306	160
Number of Commercial Permits	18	14	10	19	16
Security of Persons and Property					
Police					
Number of Incident Reports	n/a	n/a	n/a	n/a	n/a
Number of Traffic Accident Reports	n/a	n/a	n/a	n/a	n/a
Number of Parking Tickets	n/a	n/a	n/a	n/a	n/a
Alarm Calls	n/a	n/a	797	458	431
Traffic warnings/citations	n/a	n/a	n/a	n/a	n/a
OMVI arrests	n/a	n/a	n/a	n/a	n/a
Fire					
Number of Emergency Responses	1,934	2,082	1,907	1,813	2,053
Number of Fire Responses	789	729	695	816	782
Transportation					
Street					
Number of times streets needed snow removed	n/a	n/a	n/a	n/a	n/a
Tons of salt used	n/a	760	1,799	700	1,220
Number of locations marked for OUPS	n/a	104 #	97	54	138
Number of new signs installed	n/a	279 #	517	309	519
Number of hours mowing grass	n/a	n/a	n/a	n/a	728
Community Environment					
Number of Plot Grade Utility reviews	205	233	257	209	137
Number of Project Inspections	227	258	309	241	175
Number of Capital Improvement Projects	5	7	3	3	3
Business-Type Activities					
Water / Sewer					
Number of Water accounts	n/a	n/a	n/a	n/a	n/a
Number of Sewer accounts	n/a	n/a	n/a	n/a	n/a
Water Main Breaks	24	31	16	n/a	n/a
Daily Average Consumption (1,000 of gallons)	2,084	1,991	1,923	1,949	2,078
Number of work orders	n/a	n/a	7,595	n/a	n/a
Number of fire hydrants painted	667	n/a	308	n/a	n/a
Sanitation					
Number of Customers Served	n/a	n/a	n/a	n/a	n/a

Source: Finance Director's Office

n/a - Data is not available

CITY OF MARYSVILLE, OHIO

2006	2007	2008	2009	2010
7,750	8,374	6,627	6,181	6,109
1,610	1,802	1,790	1,989	1,223
1,273	1,484	1,699	1,424	1,379
114	108	80	68	61
21	24	11	6	2
n/a	5,290	4,905	4,988	3,930
n/a	464	453	391	450
n/a	181	276	112	50
442	472	538	413	466
n/a	1,605	1,453	1,706	1,160
n/a	231	186	232	197
1,886	2,009	1,951	1,964	1,986
741	793	834	814	855
n/a	n/a	n/a	16	46
480	1,571	981	426	1,806
118	108	143	123	238
820	533	489	123	188
721	474	524	310	639
107	102	72	68	57
135	144	120	108	87
2	6	6	8	3
n/a	n/a	6,790	6,880	6,924
n/a	n/a	6,765	6,814	6,853
n/a	12	24	29	9
2,043	2,184	2,067	2,009	1,933
n/a	3,348	366	2,685	2,547
n/a	333	149	142	61
n/a	n/a	4,933	5,030	5,052

CITY OF MARYSVILLE, OHIO

Capital Asset Statistics by Function Last Ten Years

	2001	2002	2003	2004	2005
Governmental Activities					
General Government					
Public Buildings	6	6	6	6	6
Security of Persons and Property					
Police					
Stations	1	1	1	1	1
Patrol Cruisers	16	18	18	19	22
Fire					
Stations	1	1	1	1	1
Emergency Vehicles	12	12	12	12	12
Transportation					
Street					
Streets (linear miles)	n/a	n/a	n/a	n/a	n/a
Street Lights	n/a	n/a	n/a	n/a	n/a
Leisure Time Activities					
Recreation					
Land (acres)	231	231	231	231	231
Buildings	21	21	21	21	21
Parks	15	15	15	15	15
Municipal Pool	1	1	1	1	1
Business-Type Activities					
Utilities					
Water					
Waterlines (Miles)	n/a	n/a	n/a	n/a	n/a
Number of Hydrants	n/a	n/a	n/a	n/a	n/a
Sewer					
Sewerlines (Miles)	n/a	n/a	n/a	n/a	n/a
Manholes	n/a	n/a	n/a	n/a	n/a
Storm Water Drainage					
Storm Drains (Miles)	n/a	n/a	n/a	n/a	n/a

Source: Finance Director's Office
n/a - Data is not available

CITY OF MARYSVILLE, OHIO

2006	2007	2008	2009	2010
6	6	6	6	6
1	1	1	1	1
24	24	27	28	21
1	1	1	1	1
12	12	11	11	11
n/a	n/a	n/a	n/a	114
n/a	n/a	n/a	n/a	1,951
231	231	231	231	231
21	21	21	21	21
15	15	15	15	15
1	1	1	1	1
n/a	n/a	n/a	n/a	148
n/a	1,355	1,405	1,414	1,422
n/a	n/a	n/a	n/a	135
n/a	n/a	n/a	n/a	943
n/a	n/a	n/a	n/a	70





Dave Yost • Auditor of State

CITY OF MARYSVILLE

UNION 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 14, 2011