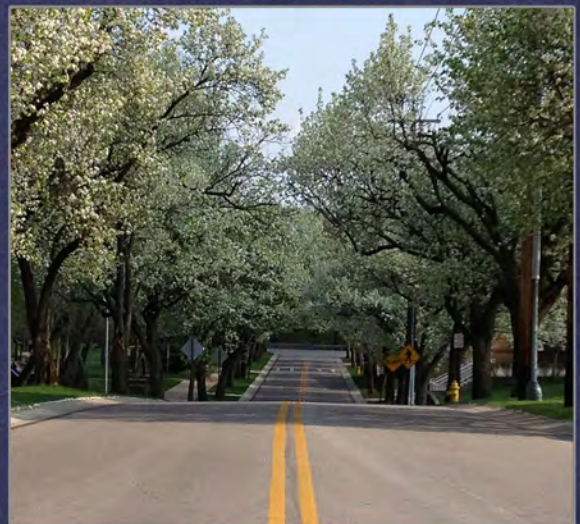


# Comprehensive Annual Financial Report

## City of Sharonville, Ohio

For Fiscal Year Ended December 31, 2013

2013







# Dave Yost • Auditor of State

City Council  
City of Sharonville  
10900 Reading Road  
Sharonville, OH 45241

We have reviewed the *Independent Auditor's Report* of the City of Sharonville, Hamilton County, prepared by Plattenburg & Associates, Inc., for the audit period January 1, 2013 through December 31, 2013. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost  
Auditor of State

August 27, 2014

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COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED  
DECEMBER 31, 2013

*Prepared by the Auditor's Office*

Mark Piepmeier  
City Auditor

and

M. Scott McKeehan, CPA  
Deputy Auditor and Budget Director



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HAMILTON COUNTY, OHIO**

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## *INTRODUCTORY SECTION*

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**Letter of Transmittal  
For the Year Ended December 31, 2013**

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# **CITY OF SHARONVILLE**

10900 Reading Road • Sharonville, Ohio 45241

phone (513) 563-1144

fax (513)-563-0617

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July 31, 2014

Honorable Mayor, Members of City Council  
and Citizens of Sharonville, Ohio:

We are pleased to submit the eleventh Comprehensive Annual Financial Report for the City of Sharonville for the fiscal year ended December 31, 2013. This report has been prepared in conformity with generally accepted accounting principles (GAAP) and guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA).

## **Introduction**

While there is no legal requirement for the preparation of this report, it represents a commitment by the City of Sharonville (the "City") to conform to nationally recognized standards of excellence in financial reporting and to provide significantly enhanced financial information and accountability to its citizens. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner that presents fairly the financial position and results of operations of the various funds of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

This letter should be read in conjunction with the Management Discussion and Analysis (MD&A) that can be found immediately following the Independent Accountants' Report.

## **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. 61 *"The Financial Reporting Entity: Omnibus; an amendment of GASB Statements No. 14 and No. 34,"* in that the financial statements include all 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 financial benefit to or impose a financial burden on the City.

The City provides the following services to its residents and businesses: police and fire protection, emergency medical response, parks and recreational activities, planning, zoning, street maintenance, solid waste collection, income tax collection and other governmental services. In addition, the City owns and operates a convention center and a senior apartment complex, which are reported as enterprise funds.

## ***CITY OF SHARONVILLE, OHIO***

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### ***Letter of Transmittal For the Year Ended December 31, 2013***

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The Community Improvement Corporation of Sharonville is reported as a discretely presented component unit in a separate column in the combined financial statements.

#### **The City of Sharonville**

The City of Sharonville is located in Hamilton County in southwestern Ohio. The City is situated east of Interstate 75 and south of Interstate 275, approximately 15 miles north of downtown Cincinnati. Sharonville was originally settled in 1788 and was incorporated as a City in 1962. It is a Statutory City with a Mayor-Council form of government.

The legislative body of Sharonville consists of a seven-member Council whose members are elected to serve two-year terms. The chief executive and administrative officer of the City is the Mayor who is elected to a four-year term. The Law Director is elected to a four-year term and heads the Department of Law. The City Auditor, who is elected to a four-year term, supervises the Department of Finance and performs the powers, duties and functions of the fiscal officer of the City pursuant to the general laws of Ohio. In addition, the City Auditor is responsible for the administration, control, funding and payment of the City's debt. As the City's chief fiscal officer, the City Auditor maintains the City's accounting records. The City Treasurer is responsible for receiving and investing all funds of the City and is elected to a four-year term.

The Police Department consists of an authorized strength of 46 full-time officers and non-sworn administrative personnel (37 sworn and 9 support staff). The Department responds to approximately 2,000 service calls per month, and is made up of the Administrative Section, Patrol Division, Detective Division, and Clerical Section. In addition to preventive patrol, criminal investigations, and traffic safety, the Department is committed to offering a wide variety of crime prevention services while providing a community orientation program for all area businesses and residents. Other programs of the Department include D.A.R.E., Anti-Drug Prevention, Neighborhood Watch, Crime Prevention, and Operation Identification. The Department also teaches safety programs in the City's schools and has the services of a full-time K-9 for drug investigation, searching and apprehension, and public relations.

The Fire Department is an ISO Class III department staffed 24 hours a day by 37 full-time and 37 part-time fire personnel and officers. Services offered by the Department include fire suppression, paramedic level emergency medical services, fire prevention and public education for children in kindergarten through eighth grade. The Department operates from three stations, which are located in the City.

The Health Department provides environmental health and public nursing services to the community. The environmental division performs food service and vending location licensing inspections, manufactured home park licensing, retail food establishment inspections, and household sewage system monitoring, public health nuisances, enforcement of Smoke Free Ohio and community education services. In addition, the division issues swimming pool and retail food establishment permits. The nursing division provides continuity of care following hospital discharge, teaches home caregivers, educates the community on immunizations and communicable diseases, conducts health screenings, offers dietary counseling, vaccines for children and provides school health services.

***Letter of Transmittal  
For the Year Ended December 31, 2013***

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The Parks and Recreation Department offers a variety of facilities and a broad range of activities for all groups. The main community center is a 51,000 square foot facility that houses a fitness center, indoor running/walking track, a double gymnasium, a single gymnasium/multipurpose rental facility, locker rooms, pre-school nursery, aerobics and dance room, craft room, lounge and game area, and a family game area. Additionally, the Crescentville Family Center is a small satellite center that provides quality programs for all ages and drop-in usage of a lounge, video games and family game area. The Parks Division maintains 4 active parks, one of which is a 5 acre Fossil Park which includes educational signage, fossil hunting, and a one mile looped hiking trail. These parks contain 35 acres of green space and provide facilities for hiking, and picnicking as well as athletic facilities for baseball, football, soccer, tennis, basketball, horseshoes and volleyball. The City also maintains two public swimming pools.

Services provided by the Public Works Department include brush pick-up, landscaping, tree trimming, roadside and facility mowing, and street sweeping. The Department is also responsible for parking lot maintenance, pothole repair, snow removal, street name and directional signage, street painting, street, curb and sidewalk repairs, and storm sewer and catch basin repair. The City provides solid waste collection through contracted service which is managed by the Public Works Department. The Department also manages the City offered recycling drop off sites and participates in the Hamilton County Residential Recycling Incentive Program. The Department also oversees the operation of Golden View Acres, a City-owned and operated 52-unit apartment complex for senior citizens.

The Sharonville Convention Center provides a beautiful and contemporary location for meetings, conventions, banquets, trade shows and public events for in Northern Cincinnati. Conveniently located 15 miles north of downtown Cincinnati, just off I-75 and I-275, the Sharonville Convention Center is easily accessible via all of the region's highways.

**Economic Conditions and Outlook**

The City of Sharonville is ideally located just 15 miles north of downtown Cincinnati along Interstate Highways 275 and 75. With Interstate Highway 71 only one mile away from the City limits, there are four interstate exits which provide access to the City. The City's strategic location has encouraged development in leading regional industries like tourism, transportation, engineering, automotive, and logistics.

The City of Sharonville is one of the few cities in the State of Ohio that does not levy property taxes, thus the City primarily relies upon income tax revenue. There are approximately 1,200 businesses within City limits which increase the daily population to roughly 36,000. The Economic Development Office has been working hard to improve business opportunities through creation of various incentive, retention, and attraction programs.

The City's tax structure, location, and existing business foundation, have been catalysts for establishing and maintaining a diverse income tax base which allows the City to continue preferred level of services in a challenging economic environment. The diversity can be seen in the top ten employers who collectively represent approximately 28% of the total income tax collections.

***Letter of Transmittal  
For the Year Ended December 31, 2013***

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The City plans to exercise sound investment procedures to maximize the rates of the return. The City will continue the policy to issue short term debt for construction projects when the rates of return on investments exceed the interest on borrowed funds.

**Major Initiatives**

The year 2013 included of the Fields Ertel Improvement Project which was finalized very early in 2014. The Fields Ertel Project included the widening of Fields Ertel Road at the Copperfield/Indian Walk intersection; installation of left turn lanes; new curbs and gutters; as well as new storm drains and catch basins to control storm water drainage; new sidewalks on the north side of Fields Ertel Road; and the repavement of the road from Copperfield Road to Reed Hartman Highway.

The year 2013 also saw the beginning of construction on the Chester/Lippelman Roads Project, which will conclude in 2014. The Chester/Lippelman Project includes the widening of Chester Road at the Greenwood intersection to install left turn lanes, new curbs and sidewalks on Chester, Greenwood and Lippelman roads, new storm drains and catch basins on all three streets, and the repavement of the road on Lippelman from the back of the Convention Center south to Greenwood Road and down to Chester Road. Chester Road will be repaved from about 1,000 feet south of Greenwood Ave. north to the Convention Center. The utilities on Chester Road from Greenwood Ave. north to the Convention Center will be buried underground.

The Convention Center's recent expansion and renovations have allowed the City to compete for a larger class of conventions and tradeshow. The City is currently in negotiations with Rolling Hill Hospitality to construct a first class, select service hotel that is connected to the Convention Center. The City feels a "self-contained" Convention Center and Hotel would create expanded opportunities for the City and the Northern Lights Entertainment District.

In November of 2012, the Princeton School District broke ground on the Schools of the Future, ushering in a new era of technology and education. The campus, which is designed to be a model for improved instructional development through the use of technology and shared resources are expected to open in 2013-2015. The new 545,000-square-foot building unites middle school and high school students in a single facility, separated by centrally shared spaces, which include a natatorium, arena style gym, performance theater, and music complex. The school will also feature learning studios, outdoor learning areas such as learning gardens, spaces with transparent interior walls for passive supervision, shared recreation and library spaces, places for individual study and reflection, and spaces for learning from peers and experts. The \$120 million, phased construction project is scheduled for completion in 2015. The middle school wing is scheduled to open in fall 2013. The high school wing will open in fall 2014 with the common space completing construction in January 2015. Athletic fields are scheduled for completion in summer 2015.



***Letter of Transmittal  
For the Year Ended December 31, 2013***

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**Financial Information**

**Internal Control, Budgetary Control and the Accounting System**

Management of the City is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived, and (2) the valuation of costs and benefits requires estimates and judgments by management. All internal control evaluations occur within this framework. It is the belief of the City's administrative and financial management that the City's financial controls adequately safeguard existing assets and provide reasonable assurance of the proper recording of financial transactions.

The City utilizes a fully-automated accounting system. The system, coupled with the manual auditing of each voucher prior to payment by the Auditor's Office, ensure that the financial information generated is both accurate and reliable.

In addition, the City maintains extensive budgetary controls. The objective of these controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by City Council.

All funds other than the Community Improvement Corporation of Sharonville (CIC) and agency funds are included in the annual appropriated budget. The level of budgetary control (*i.e.*, the level at which expenditures cannot legally exceed the appropriated amount) is at the department level and within each department at the levels of personal services and other expenditures. Budgetary control is maintained by encumbering the estimated purchase amounts prior to the release of purchase orders to vendors. Purchase orders that result in overruns of budgeted balances are not released until additional appropriations are made available. Unencumbered amounts lapse at year-end. Appropriations, initial and supplemental, must be authorized by City Council.

As demonstrated by the statements and schedules included in the financial section of this Comprehensive Annual Financial Report, the City continues to meet its responsibility for sound fiscal management.

**Other Information**

**Independent Audit**

State statutes require an annual audit by independent certified public accountants. The basic financial statements of the City of Sharonville were audited by Plattenburg, Certified Public Accountants. Generally accepted auditing standards and the standards set forth in the General Accounting Office's Government Auditing Standards were used by the auditors in conducting the audit. The independent auditor's unmodified opinion has been included in the financial section of this report.

***Letter of Transmittal  
For the Year Ended December 31, 2013***

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**Awards**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Sharonville for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2012. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards in state and local government financial reporting. To be awarded a Certificate of Achievement, a governmental unit must prepare an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. The report must satisfy both generally accepted accounting principles and applicable legal requirements respective to the reporting entity.

A Certificate of Achievement is valid for a period of one year only. We believe this current report continues to conform to the high standards set by the GFOA for a Certificate of Achievement for Excellence in Financial Reporting and we are submitting it to GFOA.

**Acknowledgments**

The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the finance and administration department. Sincere appreciation is extended to all members of the department who assisted and contributed to the preparation of this report.

Special acknowledgment is extended to the staff of Donald J. Schonhardt and Associates, Inc. for their guidance in the preparation of this report.

Finally, a special thanks to the Mayor and City Council for their interest and support in planning and conducting the government in a responsible and progressive manner.

Respectfully submitted,



M. Scott McKeehan  
Deputy Auditor and Budget Director



Mark Piepmeier  
City Auditor



**CITY OF SHARONVILLE, OHIO**

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***Elected Officials***  
***For the Year Ended December 31, 2013***

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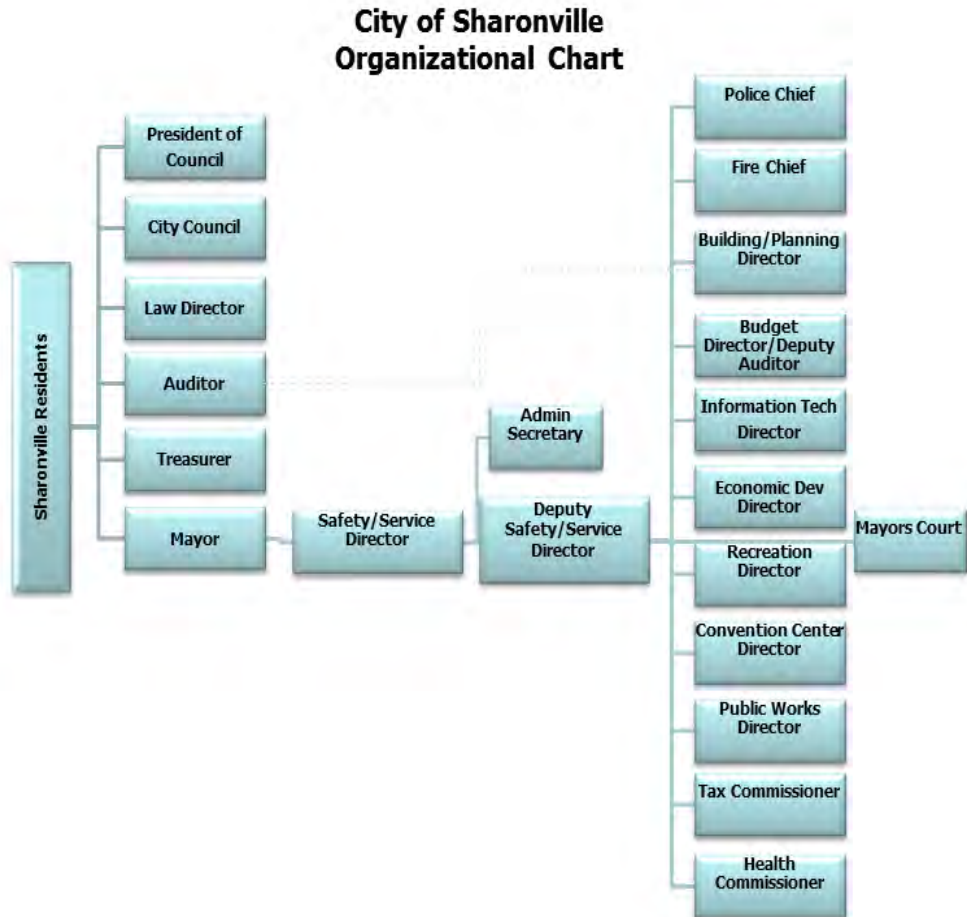
<b><u>Office</u></b>	<b><u>Elected Official</u></b>	<b><u>Term Expires</u></b>
Mayor	Kevin Hardman	12/31/2013
President of Council	Vicki Hoppe	12/31/2013
Council Ward 1	Ed Cunningham	12/31/2013
Council Ward 2	David Koch	12/31/2013
Council Ward 3	Kerry Rabe	12/31/2013
Council Ward 4	Robert Tankersley	12/31/2013
Council at Large	Greg Pugh	12/31/2013
Council at Large	Paul Schmidt	12/31/2013
Council at Large	Mathew Eggenberger	12/31/2013
Treasurer	Al Ledbetter	12/31/2013
Auditor	Mark Piepmeier	12/31/2015
Law Director	Thomas Keating	12/31/2015

<b><u>Office</u></b>	<b><u>Official</u></b>
Safety/Service Director	Ted Mack
Deputy Safety/Service Director	Jim Lukas
Deputy Safety/Service Director	Christine Thompson
Finance Director	Scott McKeegan
Tax Commissioner	Martha Cross Funk
Police Chief	Aaron Blasky
Fire Chief	Ralph Hammonds
Building and Planning Director	Richard Osgood
Health Commissioner	Dennis Propes
Public Works Director	Joe Kempe
Recreation Director	Sue Koetz
Convention Center Manager	Jim Downton
Information Technology Director	Katrina Biscay
Economic Development Director	Chris Xiel Lyons

City Address:  
Sharonville City Hall  
10900 Reading Road  
Sharonville, Ohio 45241

**City Organizational Chart**  
**For the Year Ended December 31, 2013**

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*Government Finance Officers Association of the United States and Canada  
Certificate of Achievement for Excellence in Financial Reporting*

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Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**City of Sharonville  
Ohio**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2012**



Executive Director/CEO

## *FINANCIAL SECTION*

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## INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Council  
City of Sharonville, Ohio

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate discretely presented component unit and remaining fund information of the City of Sharonville, Ohio (the City) as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

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 *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### 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 discretely presented component unit and remaining fund information of the City, as of December 31, 2013, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparisons for the General Fund and the Fire Department Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## Other Matters

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the *Management's Discussion and Analysis*, listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting 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 assurance.

### *Supplementary and Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated July 31, 2014, 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. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

*Plattensburg & Associates, Inc.*

Plattensburg & Associates, Inc.  
Cincinnati, Ohio  
July 31, 2014





The discussion and analysis of the City of Sharonville's financial performance provides an overall review of the City's financial activities for the fiscal year ended December 31, 2013. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the 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 2013 are as follows:

- ❑ In total, net position increased by \$7,040,116. Net position of governmental activities increased by \$6,893,360, which represents a 16.7% increase from 2012. Net position of business-type activities increased by \$146,756, or 2.4% from 2012.
- ❑ General revenues accounted for \$25,503,376 in revenue, or 69.9% of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$10,969,522, or 30.1% of total revenues of \$36,472,898.
- ❑ The City had \$24,811,411 in expenses related to governmental activities; only \$6,201,395 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily income taxes) of \$25,503,376 were adequate to provide for these programs.
- ❑ Among major funds, the general fund had \$17,440,360 in revenues and \$16,504,403 in expenditures and other financing uses. The general fund's fund balance increased \$935,957.

## **OVERVIEW OF THE FINANCIAL STATEMENTS**

This annual report consists of four parts – *management's discussion and analysis*, the *basic financial statements*, and an optional section that presents *combining statements* for nonmajor governmental 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 Financial Statements**

The government-wide statements report information about the City as a whole using accepting methods similar to those used by private-sector companies. The statement of net position 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 position and how they have changed. Net-position (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 position 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 the City's tax base and the condition of the City's capital assets

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 convention center and senior citizen housing complex are reported as business 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 educational programs. The relationship (or differences) between governmental activities (reported in the Statement of Net position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

**CITY OF SHARONVILLE, OHIO**

**Management's Discussion and Analysis  
For the Year Ended December 31, 2013**

**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 separate Statements of Fiduciary Net Position and Changes in Fiduciary Net Position.

**FINANCIAL ANALYSIS OF THE CITY AS A WHOLE**

The following table is a comparison of the City's Net Position for the years ended December 31, 2013 and 2012:

	Governmental Activities		Business-type Activities		Total	
	2013	2012	2013	2012	2013	2012
Current and other assets	\$19,264,995	\$22,875,476	\$4,170,071	\$6,175,807	\$23,435,066	\$29,051,283
Capital assets, Net	41,128,902	36,327,337	36,678,655	37,354,709	77,807,557	73,682,046
Total assets	60,393,897	59,202,813	40,848,726	43,530,516	101,242,623	102,733,329
Deferred Outflows of Resources	50,759	65,262	64,834	97,253	115,593	162,515
Long-term debt outstanding	10,111,428	11,485,598	29,806,418	30,493,548	39,917,846	41,979,146
Other liabilities	1,706,349	5,977,721	3,335,507	5,490,649	5,041,856	11,468,370
Total liabilities	11,817,777	17,463,319	33,141,925	35,984,197	44,959,702	53,447,516
Deferred Inflows of Resources	487,241	558,478	1,508,353	1,527,046	1,995,594	2,085,524
Net position						
Net investment in capital assets	34,248,573	23,538,956	4,047,435	2,132,289	38,296,008	25,671,245
Restricted	6,858,105	11,720,978	0	0	6,858,105	11,720,978
Unrestricted	7,032,960	5,986,344	2,215,847	3,984,237	9,248,807	9,970,581
Total net position	\$48,139,638	\$41,246,278	\$6,263,282	\$6,116,526	\$54,402,920	\$47,362,804

**CITY OF SHARONVILLE, OHIO**

**Management's Discussion and Analysis  
For the Year Ended December 31, 2013**

**Unaudited**

**Changes in Net Position** – The following table shows the changes in net position for the fiscal years 2013 and 2012:

	Governmental Activities		Business-type Activities		Total	
	2013	2012	2013	2012	2013	2012
Revenues						
Program revenues:						
Charges for Services and Sales	\$1,679,506	\$1,615,514	\$1,896,973	\$1,489,354	\$3,576,479	\$3,104,868
Operating Grants and Contributions	2,010,617	2,127,023	2,871,154	3,103,120	4,881,771	5,230,143
Capital Grants and Contributions	2,511,272	577,073	0	0	2,511,272	577,073
Total Program revenues	6,201,395	4,319,610	4,768,127	4,592,474	10,969,522	8,912,084
General revenues:						
Income Taxes	22,211,407	20,413,196	0	0	22,211,407	20,413,196
Other Local Taxes	189,934	115,628	0	0	189,934	115,628
Payments in Lieu of Taxes	547,938	0	0	0	547,938	0
Grants and Entitlements not Restricted to Specific Programs	1,917,434	887,933	0	0	1,917,434	887,933
Investment Earnings	85,082	309,911	0	0	85,082	309,911
Miscellaneous	551,581	459,307	0	0	551,581	459,307
Total General revenues	25,503,376	22,185,975	0	0	25,503,376	22,185,975
Total revenues	31,704,771	26,505,585	4,768,127	4,592,474	36,472,898	31,098,059
Program Expenses						
Security of Persons and Property	12,866,090	12,311,523	0	0	12,866,090	12,311,523
Public Health and Welfare Services	391,627	372,910	0	0	391,627	372,910
Leisure Time Activities	3,235,379	3,141,715	0	0	3,235,379	3,141,715
Community Environment	453,644	490,488	0	0	453,644	490,488
Basic Utility Services	518,709	511,018	0	0	518,709	511,018
Transportation	2,630,047	2,847,491	0	0	2,630,047	2,847,491
General Government	4,351,283	3,401,228	0	0	4,351,283	3,401,228
Interest and Fiscal Charges	364,632	248,444	0	0	364,632	248,444
Convention Center	0	0	4,376,503	4,306,004	4,376,503	4,306,004
Senior Citizen Housing	0	0	244,868	219,144	244,868	219,144
Total expenses	24,811,411	23,324,817	4,621,371	4,525,148	29,432,782	27,849,965
Total Change in Net Position	6,893,360	3,180,768	146,756	67,326	7,040,116	3,248,094
Beginning Net Position	41,246,278	38,065,510	6,116,526	6,049,200	47,362,804	44,114,710
Ending Net Position	\$48,139,638	\$41,246,278	\$6,263,282	\$6,116,526	\$54,402,920	\$47,362,804

**Governmental Activities**

Net position of the City's governmental activities increased by \$6,893,360. The increase was a result of revenues that outpaced expenses. Increases were experienced in income tax (due to continued improvement in the economy), a continuation of lower operating expenses, and a reduction in outstanding bonds.



**CITY OF SHARONVILLE, OHIO**

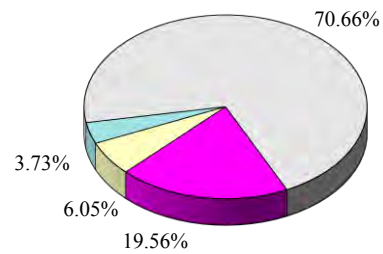
**Management's Discussion and Analysis  
For the Year Ended December 31, 2013**

**Unaudited**

The City receives an income tax based on 1.5% of all salaries, wages, commissions and other compensation and on net profits earned within the City as well as on income of residents earned outside the City.

Taxes made up 70.66% of revenues for governmental activities for the City in fiscal year 2013. The City's reliance upon tax revenues is demonstrated by the following graph:

Revenue Sources	2013	Percent of Total
Taxes	\$22,401,341	70.66%
Program Revenues	6,201,395	19.56%
Shared Revenues	1,917,434	6.05%
General Other	1,184,601	3.73%
<b>Total Revenue</b>	<b>\$31,704,771</b>	<b>100.00%</b>



**Business-Type Activities**

The net position of the business-type activities increased by \$146,756 during 2013. The Convention Center experienced increases in both Charges for Services and Sales revenue and expenses as the Center began full operations following a multi-year expansion project.

**FINANCIAL ANALYSIS OF THE CITY'S FUNDS**

The City's governmental funds reported a combined fund balance of \$13,077,736, which is an increase from last year's balance of \$12,544,630. The schedule below indicates the fund balance and the total change in fund balance by fund type as of December 31, 2013 and 2012:

	Fund Balance December 31, 2013	Fund Balance December 31, 2012	Increase (Decrease)
General	\$8,327,071	\$7,391,114	\$935,957
Fire Department	1,796,241	2,334,103	(537,862)
Chester Road TIF	(2,102,560)	(1,759,225)	(343,335)
Other Governmental	5,056,984	4,578,638	478,346
<b>Total</b>	<b>\$13,077,736</b>	<b>\$12,544,630</b>	<b>\$533,106</b>

**CITY OF SHARONVILLE, OHIO**

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***Management's Discussion and Analysis  
For the Year Ended December 31, 2013***

***Unaudited***

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

	2013	2012	Increase
	<u>Revenues</u>	<u>Revenues</u>	<u>(Decrease)</u>
Taxes	\$14,973,767	\$14,059,366	\$914,401
Intergovernmental Revenues	901,321	1,020,684	(119,363)
Charges for Services	368,499	390,547	(22,048)
Licenses and Permits	474,164	533,099	(58,935)
Investment Earnings	78,561	17,991	60,570
Fines and Forfeitures	339,465	384,302	(44,837)
All Other Revenue	304,583	274,025	30,558
Total	<u>\$17,440,360</u>	<u>\$16,680,014</u>	<u>\$760,346</u>

General Fund revenues in 2013 increased by 4.6% compared to revenues in fiscal year 2012. The most significant factor contributing to this increase was an increase in income tax revenue due to continued improvement in economic conditions.

	2013	2012	Increase
	<u>Expenditures</u>	<u>Expenditures</u>	<u>(Decrease)</u>
Security of Persons and Property	\$5,806,108	\$5,689,890	\$116,218
Public Health and Welfare Services	387,357	369,086	18,271
Leisure Time Activities	2,624,265	2,586,820	37,445
Community Environment	467,141	482,632	(15,491)
Basic Utility Services	518,709	511,018	7,691
General Government	3,701,397	3,094,667	606,730
Total	<u>\$13,504,977</u>	<u>\$12,734,113</u>	<u>\$770,864</u>

The increase in General Fund expenditures was the result of the normal operations.

*Fire Department Fund* – The fund balance decreased by \$537,862 during 2013. The decrease in fund balance was primarily related to increased personnel costs, capital outlay and set-aside in a Capital Fund restricted for Fire Equipment.

***Management's Discussion and Analysis  
For the Year Ended December 31, 2013***

***Unaudited***

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*Chester Road TIF Fund* – The fund balance decreased by \$343,335 during the year due design costs of improvement projects in the TIF district.

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 2013 the City amended its General Fund budget several times.

For the General Fund, final budget basis revenue of \$17.1 million was \$813,497 higher when compared to the original budget estimates to account for higher than anticipated tax and intergovernmental revenues. The City increased appropriations by \$1.5 million to account for additional transfers to other funds with the largest amounts being used for capital equipment purchases and set-aside funds for scheduled facility maintenance items. The General Fund's actual results varied slightly from the final budgeted amounts. The General Fund had an adequate fund balance to cover expenditures.

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**CITY OF SHARONVILLE, OHIO****Management's Discussion and Analysis  
For the Year Ended December 31, 2013****Unaudited****CAPITAL ASSETS AND DEBT ADMINISTRATION****Capital Assets**

At the end of fiscal 2013 the City had \$77,807,557 net of accumulated depreciation invested in land, construction in progress, land improvements, buildings and improvements, machinery and equipment and vehicles. Of this total, \$41,128,902 was related to governmental activities and \$36,678,655 to the business-type activities. The following table shows fiscal year 2013 and 2012 balances:

	Governmental Activities		Increase (Decrease)
	2013	2012	
Land	\$6,639,810	\$6,639,810	\$0
Construction in Progress	6,702,598	3,683,916	3,018,682
Land Improvements	8,433,066	8,376,276	56,790
Buildings and Improvements	17,397,097	17,366,421	30,676
Infrastructure	23,958,872	20,544,729	3,414,143
Machinery and Equipment	2,886,769	2,810,504	76,265
Vehicles	4,626,154	4,947,752	(321,598)
Less: Accumulated Depreciation	(29,515,464)	(28,042,071)	(1,473,393)
Totals	<u>\$41,128,902</u>	<u>\$36,327,337</u>	<u>\$4,801,565</u>

	Business-Type Activities		Increase (Decrease)
	2013	2012	
Land	\$5,067,188	\$5,067,188	\$0
Land Improvements	365,840	309,090	56,750
Buildings and Improvements	35,274,315	35,125,710	148,605
Infrastructure	95,599	95,599	0
Machinery and Equipment	1,346,429	1,346,429	0
Vehicles	25,000	25,000	0
Less: Accumulated Depreciation	(5,495,716)	(4,614,307)	(881,409)
Totals	<u>\$36,678,655</u>	<u>\$37,354,709</u>	<u>(\$676,054)</u>

The primary increases in governmental activities' capital assets occurred in construction in progress and infrastructure. During 2013 the City completed several infrastructure projects throughout the City. Additionally, the business type activities experienced very little activity in 2013. Additional information on the City's capital assets can be found in Note 8.

**Management's Discussion and Analysis  
For the Year Ended December 31, 2013****Unaudited**

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**Debt**

At December 31, 2013, the City had \$7,468,416 in general obligation bonds outstanding, \$2,030,248 due within one year. The following table summarizes the City's debt outstanding as of December 31, 2013 and 2012:

	<u>2013</u>	<u>2012</u>
Governmental Activities:		
General Obligation Bonds	\$5,590,329	\$6,876,852
Special Assessment Bonds	1,290,000	1,345,000
Compensated Absences	3,231,099	3,182,217
Capital Leases	0	81,529
Total Governmental Activities	<u>10,111,428</u>	<u>11,485,598</u>
Business-Type Activities:		
General Obligation Bonds	1,878,087	2,556,812
Revenue Bonds	27,753,133	27,740,608
Compensated Absences	175,198	196,128
Total Business-Type Activities	<u>29,806,418</u>	<u>30,493,548</u>
Totals	<u><u>\$39,917,846</u></u>	<u><u>\$41,979,146</u></u>

Under current state statutes, the City's general obligation bonded debt issues are subject to a legal limitation based on 10.50% of the total assessed value of real and personal property. At December 31, 2013, the City's outstanding debt was below the legal limit. Additional information on the City's long-term debt can be found in Note 13.

**ECONOMIC FACTORS**

The City's income tax collections continued showing strong signs of a rebound in 2013. Additionally signs of rebound were shown in local redevelopment by maintaining a steady level of building permits. Since the City does not collect any property tax, the City has not and will not experience the effects of the property related tax reductions resulting from property value reductions and State reimbursement cuts.

The City's financial position will be significantly affected by the continued redevelopment of the Northern Lights District (Chester Road). The Convention Center expansion and ongoing infrastructure improvements will serve as a catalyst for other business development opportunities. The City has several business expansion and attraction projects during 2013 that will benefit the local economy in 2014 and beyond.

**REQUESTS FOR INFORMATION**

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information contact Scott McKeehan, Budget Director of the City of Sharonville.

**CITY OF SHARONVILLE, OHIO**

**Statement of Net Position  
December 31, 2013**

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Community Improvement Corporation of Sharonville
<b>Assets:</b>				
Cash and Cash Equivalents	\$ 10,818,294	\$ 4,445,685	\$ 15,263,979	\$ 13,927
Receivables:				
Taxes	3,804,805	0	3,804,805	0
Accounts	453,115	249,208	702,323	0
Intergovernmental	1,654,449	0	1,654,449	0
Special Assessments	1,802,569	0	1,802,569	0
Internal Balances	570,000	(570,000)	0	0
Inventory of Supplies at Cost	95,397	0	95,397	0
Prepaid Items	66,366	8,696	75,062	0
Restricted Assets:				
Cash and Cash Equivalents	0	36,482	36,482	0
Capital Assets:				
Capital Assets Not Being Depreciated	13,342,408	5,067,188	18,409,596	0
Capital Assets Being Depreciated, Net	27,786,494	31,611,467	59,397,961	0
<b>Total Assets</b>	<b>60,393,897</b>	<b>40,848,726</b>	<b>101,242,623</b>	<b>13,927</b>
<b>Deferred Outflows of Resources:</b>				
Deferred Charge on Debt Refunding	50,759	64,834	115,593	0
<b>Liabilities:</b>				
Accounts Payable	784,891	70,526	855,417	3,170
Accrued Wages and Benefits	395,323	24,038	419,361	0
Intergovernmental Payable	506,951	41,306	548,257	0
Customer Deposits	0	39,435	39,435	1,050
Accrued Interest Payable	19,184	160,202	179,386	0
General Obligation Notes Payable	0	3,000,000	3,000,000	0
Noncurrent liabilities:				
Due within one year	1,538,042	702,999	2,241,041	0
Due in more than one year	8,573,386	29,103,419	37,676,805	0
<b>Total Liabilities</b>	<b>11,817,777</b>	<b>33,141,925</b>	<b>44,959,702</b>	<b>4,220</b>

**CITY OF SHARONVILLE, OHIO**

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Community Improvement Corporation of Sharonville
<b>Deferred Inflows of Resources:</b>				
Unavailable Amounts	0	1,508,353	1,508,353	0
Property Tax Levy for Next Fiscal Year	487,241	0	487,241	0
<b>Total Deferred Inflows of Resources</b>	<u>487,241</u>	<u>1,508,353</u>	<u>1,995,594</u>	<u>0</u>
<b>Net Position:</b>				
Net Investment in Capital Assets	34,248,573	4,047,435	38,296,008	0
Restricted For:				
Capital Projects	596,347	0	596,347	0
Debt Service	1,797,915	0	1,797,915	0
Streets and Highways	2,666,846	0	2,666,846	0
Security of Persons and Property	1,792,296	0	1,792,296	0
Other Purposes	4,701	0	4,701	0
Unrestricted	7,032,960	2,215,847	9,248,807	9,707
<b>Total Net Position</b>	<u>\$ 48,139,638</u>	<u>\$ 6,263,282</u>	<u>\$ 54,402,920</u>	<u>\$ 9,707</u>

See accompanying notes to the basic financial statements

**CITY OF SHARONVILLE, OHIO**

**Statement of Activities  
For the Year Ended December 31, 2013**

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
<b>Governmental Activities:</b>				
Security of Persons and Property	\$ 12,866,090	\$ 1,044,925	\$ 20,035	\$ 0
Public Health and Welfare Services	391,627	87,679	0	0
Leisure Time Activities	3,235,379	351,727	0	0
Community Environment	453,644	169,417	0	0
Basic Utility Services	518,709	0	0	0
Transportation	2,630,047	25,758	1,990,582	2,511,272
General Government	4,351,283	0	0	0
Interest and Fiscal Charges	364,632	0	0	0
<b>Total Governmental Activities</b>	<b>24,811,411</b>	<b>1,679,506</b>	<b>2,010,617</b>	<b>2,511,272</b>
<b>Business-Type Activities:</b>				
Convention Center	4,376,503	1,613,198	2,871,154	0
Senior Citizen Housing	244,868	283,775	0	0
<b>Total Business-Type Activities</b>	<b>4,621,371</b>	<b>1,896,973</b>	<b>2,871,154</b>	<b>0</b>
<b>Totals</b>	<b>\$ 29,432,782</b>	<b>\$ 3,576,479</b>	<b>\$ 4,881,771</b>	<b>\$ 2,511,272</b>
<b>Component Unit:</b>				
Community Improvement Corporation of Sharonville	\$ 14,173	\$ 13,654	\$ 0	\$ 0

**General Revenues**

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 Position  
  
 Net Position Beginning of Year  
  
 Net Position End of Year

See accompanying notes to the basic financial statements



**CITY OF SHARONVILLE, OHIO**

Net (Expense) Revenue and Changes in Net Position			Component Unit
Governmental Activities	Business-Type Activities	Total	Community Improvement Corporation of Sharonville
\$ (11,801,130)	\$ 0	\$ (11,801,130)	
(303,948)	0	(303,948)	
(2,883,652)	0	(2,883,652)	
(284,227)	0	(284,227)	
(518,709)	0	(518,709)	
1,897,565	0	1,897,565	
(4,351,283)	0	(4,351,283)	
(364,632)	0	(364,632)	
<u>(18,610,016)</u>	<u>0</u>	<u>(18,610,016)</u>	
0	107,849	107,849	
0	38,907	38,907	
<u>0</u>	<u>146,756</u>	<u>146,756</u>	
<u>(18,610,016)</u>	<u>146,756</u>	<u>(18,463,260)</u>	
			\$ (519)
22,211,407	0	22,211,407	0
189,934	0	189,934	0
547,938	0	547,938	0
1,917,434	0	1,917,434	0
85,082	0	85,082	0
551,581	0	551,581	0
<u>25,503,376</u>	<u>0</u>	<u>25,503,376</u>	<u>0</u>
6,893,360	146,756	7,040,116	(519)
<u>41,246,278</u>	<u>6,116,526</u>	<u>47,362,804</u>	<u>10,226</u>
<u>\$ 48,139,638</u>	<u>\$ 6,263,282</u>	<u>\$ 54,402,920</u>	<u>\$ 9,707</u>

**CITY OF SHARONVILLE, OHIO**

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**Balance Sheet  
Governmental Funds  
December 31, 2013**

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	General Fund	Fire Department Fund	Chester Road TIF Fund
<b>Assets:</b>			
Cash and Cash Equivalents	\$ 2,446,927	\$ 1,334,631	\$ 2,175,760
Receivables:			
Taxes	2,234,141	1,083,423	485,459
Accounts	54,792	396,893	0
Intergovernmental	178,392	0	0
Special Assessments	0	0	0
Interfund Loans Receivables	15,007	0	0
Inventory of Supplies, at Cost	0	0	0
Prepaid Items	35,267	24,834	0
Advance to Other Funds	4,845,000	0	0
<b>Total Assets</b>	<b>\$ 9,809,526</b>	<b>\$ 2,839,781</b>	<b>\$ 2,661,219</b>
<b>Liabilities:</b>			
Accounts Payable	\$ 161,930	\$ 76,911	\$ 0
Accrued Wages and Benefits Payable	224,657	147,718	0
Intergovernmental Payable	314,928	159,265	3,320
Interfund Loans Payable	0	0	0
Advances from Other Funds	0	0	4,275,000
<b>Total Liabilities</b>	<b>701,515</b>	<b>383,894</b>	<b>4,278,320</b>
<b>Deferred Inflows of Resources:</b>			
Unavailable Amounts	780,940	659,646	0
Property Tax Levy for Next Fiscal Year	0	0	485,459
<b>Total Deferred Inflows of Resources</b>	<b>780,940</b>	<b>659,646</b>	<b>485,459</b>
<b>Fund Balances:</b>			
Nonspendable	35,267	24,834	0
Restricted	0	1,771,407	0
Committed	171,476	0	0
Assigned	491,033	0	0
Unassigned	7,629,295	0	(2,102,560)
<b>Total Fund Balances</b>	<b>8,327,071</b>	<b>1,796,241</b>	<b>(2,102,560)</b>
<b>Total Liabilities and Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 9,809,526</b>	<b>\$ 2,839,781</b>	<b>\$ 2,661,219</b>

See accompanying notes to the basic financial statements

**CITY OF SHARONVILLE, OHIO**

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Other Governmental Funds	Total Governmental Funds
\$ 4,860,976	\$ 10,818,294
1,782	3,804,805
1,430	453,115
1,476,057	1,654,449
1,802,569	1,802,569
0	15,007
95,397	95,397
6,265	66,366
0	4,845,000
<u>\$ 8,244,476</u>	<u>\$ 23,555,002</u>
\$ 546,050	\$ 784,891
22,948	395,323
29,438	506,951
15,007	15,007
0	4,275,000
<u>613,443</u>	<u>5,977,172</u>
2,572,267	4,012,853
1,782	487,241
<u>2,574,049</u>	<u>4,500,094</u>
101,662	161,763
3,846,795	5,618,202
1,111,908	1,283,384
0	491,033
(3,381)	5,523,354
<u>5,056,984</u>	<u>13,077,736</u>
<u>\$ 8,244,476</u>	<u>\$ 23,555,002</u>

**CITY OF SHARONVILLE, OHIO**

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***Reconciliation Of Total Governmental Fund Balances  
To Net Position Of Governmental Activities  
December 31, 2013***

---

<b>Total Governmental Fund Balances</b>	\$ 13,077,736
 <i>Amounts reported for governmental activities in the statement of net position are different because</i>	
Capital Assets used in governmental activities are not resources and therefore are not reported in the funds.	41,128,902
Other long-term assets are not available to pay for current- period expenditures and therefore are reported as deferred inflows of resources in the fund statements.	4,012,853
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	
General Obligation Bonds Payable	(5,550,000)
Unamortized Bond Premiums	(40,329)
Deferred Loss on Refunding	50,759
Special Assessment Bonds Payable	(1,290,000)
Compensated Absences Payable	(3,231,099)
Accrued Interest Payable	(19,184)
<b><i>Net Position of Governmental Activities</i></b>	<u><u>\$ 48,139,638</u></u>

See accompanying notes to the basic financial statements



**CITY OF SHARONVILLE, OHIO**

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**Statement of Revenues, Expenditures and Changes in Fund Balances  
Governmental Funds  
For the Year Ended December 31, 2013**

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	General Fund	Fire Department Fund	Chester Road TIF Fund
<b>Revenues:</b>			
Taxes	\$ 14,973,767	\$ 7,121,792	\$ 0
Payments in Lieu of Taxes	0	0	546,319
Intergovernmental Revenues	901,321	0	0
Charges for Services	368,499	459,697	0
Licenses and Permits	474,164	0	0
Investment Earnings	78,561	0	0
Special Assessments	0	0	0
Fines and Forfeitures	339,465	0	0
All Other Revenue	304,583	52,806	0
<b>Total Revenue</b>	<b>17,440,360</b>	<b>7,634,295</b>	<b>546,319</b>
<b>Expenditures:</b>			
Current:			
Security of Persons and Property	5,806,108	6,126,501	0
Public Health and Welfare Services	387,357	0	0
Leisure Time Activities	2,624,265	0	0
Community Environment	467,141	0	0
Basic Utility Services	518,709	0	0
Transportation	0	0	0
General Government	3,701,397	0	0
Capital Outlay	0	770,257	787,375
Debt Service:			
Principal Retirement	0	0	0
Interest & Fiscal Charges	0	0	102,279
<b>Total Expenditures</b>	<b>13,504,977</b>	<b>6,896,758</b>	<b>889,654</b>
Excess (Deficiency) of Revenues Over Expenditures	3,935,383	737,537	(343,335)

**CITY OF SHARONVILLE, OHIO**

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Other Governmental Funds	Total Governmental Funds
\$ 0	\$ 22,095,559
1,619	547,938
3,141,873	4,043,194
2,313	830,509
0	474,164
6,521	85,082
296,203	296,203
46,281	385,746
30,210	387,599
<u>3,525,020</u>	<u>29,145,994</u>

98,376	12,030,985
0	387,357
950	2,625,215
0	467,141
0	518,709
1,786,230	1,786,230
319,850	4,021,247
3,439,245	4,996,877
1,411,529	1,411,529
266,043	368,322
<u>7,322,223</u>	<u>28,613,612</u>

(3,797,203) 532,382

(Continued)

**CITY OF SHARONVILLE, OHIO**

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**Statement of Revenues, Expenditures and Changes in Fund Balances  
Governmental Funds  
For the Year Ended December 31, 2013**

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	General Fund	Fire Department Fund	Chester Road TIF Fund
<b>Other Financing Sources (Uses):</b>			
Sale of Capital Assets	0	0	0
Transfers In	0	0	0
Transfers Out	(2,999,426)	(1,275,399)	0
<b>Total Other Financing Sources (Uses)</b>	<u>(2,999,426)</u>	<u>(1,275,399)</u>	<u>0</u>
Net Change in Fund Balances	935,957	(537,862)	(343,335)
<b>Fund Balances at Beginning of Year</b>	7,391,114	2,334,103	(1,759,225)
Decrease in Inventory Reserve	0	0	0
<b>Fund Balances End of Year</b>	<u>\$ 8,327,071</u>	<u>\$ 1,796,241</u>	<u>\$ (2,102,560)</u>

See accompanying notes to the basic financial statements



**CITY OF SHARONVILLE, OHIO**

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<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
17,293	17,293
4,274,825	4,274,825
0	(4,274,825)
<u>4,292,118</u>	<u>17,293</u>
494,915	549,675
4,578,638	12,544,630
(16,569)	(16,569)
<u>\$ 5,056,984</u>	<u>\$ 13,077,736</u>

**CITY OF SHARONVILLE, OHIO**

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***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, 2013***

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**Net Change in Fund Balances - Total Governmental Funds** \$ 549,675

***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.

Capital Outlay	6,975,455	
Depreciation Expense	<u>(2,120,486)</u>	4,854,969

The net effect of various miscellaneous transactions involving capital assets (i.e. disposals and donations) is to increase net position.

The statement of activities reports gains arising from the disposal of capital assets. Conversely, the governmental funds do not report any gains on the disposal of capital assets.	(53,404)
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	238,519
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Repayment of bond and loan principal is an expenditure in the governmental funds, but the transactions, however, have no effect on net position.

General Obligation Bond Principal Payment	1,286,523	
Special Assessment Bond Principal Payment	55,000	
Capital Leases Principal Payment	<u>81,529</u>	1,423,052

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.	6,670
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Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.

Compensated Absences	(95,049)	
Change in Inventory	(16,569)	
Amorization of Deferred Loss on Defeasance	<u>(14,503)</u>	(126,121)

***Change in Net Position of Governmental Activities*** \$ 6,893,360

See accompanying notes to the basic financial statements

**CITY OF SHARONVILLE, 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, 2013**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Taxes	\$ 14,300,671	\$ 14,742,773	\$ 15,114,303	\$ 371,530
Intergovernmental Revenue	484,724	859,379	900,686	41,307
Charges for Services	364,520	358,760	375,263	16,503
Licenses and Permits	495,045	443,545	467,866	24,321
Investment Earnings	15,000	76,000	78,561	2,561
Fines and Forfeitures	351,000	328,000	333,365	5,365
All Other Revenues	306,460	322,460	371,221	48,761
Total Revenues	<u>16,317,420</u>	<u>17,130,917</u>	<u>17,641,265</u>	<u>510,348</u>
<b>Expenditures:</b>				
Current:				
Security of Persons and Property	5,922,356	6,135,034	5,969,501	165,533
Public Health and Welfare Services	418,280	412,163	387,526	24,637
Leisure Time Activities	2,719,662	2,759,594	2,645,895	113,699
Community Environment	498,550	503,105	472,729	30,376
Basic Utility Services	528,000	703,817	703,817	0
General Government	3,575,543	4,032,373	3,857,323	175,050
Total Expenditures	<u>13,662,391</u>	<u>14,546,086</u>	<u>14,036,791</u>	<u>509,295</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,655,029	2,584,831	3,604,474	1,019,643
<b>Other Financing Sources (Uses):</b>				
Transfers Out	(2,516,627)	(3,146,627)	(3,145,926)	701
Advances Out	0	0	(9,593)	(9,593)
Total Other Financing Sources (Uses):	<u>(2,516,627)</u>	<u>(3,146,627)</u>	<u>(3,155,519)</u>	<u>(8,892)</u>
Net Change in Fund Balance	138,402	(561,796)	448,955	1,010,751
Fund Balance at Beginning of Year	4,940,379	4,940,379	4,940,379	0
Prior Year Encumbrances	545,694	545,694	545,694	0
Fund Balance at End of Year	<u>\$ 5,624,475</u>	<u>\$ 4,924,277</u>	<u>\$ 5,935,028</u>	<u>\$ 1,010,751</u>

See accompanying notes to the basic financial statements

**CITY OF SHARONVILLE, OHIO**

**Statement of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Special Revenue Fund – Fire Department Fund  
For the Year Ended December 31, 2013**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Taxes	\$ 6,812,949	\$ 6,812,949	\$ 7,152,881	\$ 339,932
Charges for Services	500,000	500,000	459,692	(40,308)
All Other Revenues	0	0	52,831	52,831
Total Revenues	<u>7,312,949</u>	<u>7,312,949</u>	<u>7,665,404</u>	<u>352,455</u>
<b>Expenditures:</b>				
Current:				
Security of Persons and Property	6,291,873	6,554,172	6,326,718	227,454
Capital Outlay	273,810	983,810	972,209	11,601
Total Expenditures	<u>6,565,683</u>	<u>7,537,982</u>	<u>7,298,927</u>	<u>239,055</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	747,266	(225,033)	366,477	591,510
<b>Other Financing Sources (Uses):</b>				
Transfers Out	(671,000)	(1,321,000)	(1,275,399)	45,601
Advances In	0	0	3,121	3,121
Total Other Financing Sources (Uses):	<u>(671,000)</u>	<u>(1,321,000)</u>	<u>(1,272,278)</u>	<u>48,722</u>
Net Change in Fund Balance	76,266	(1,546,033)	(905,801)	640,232
Fund Balance at Beginning of Year	1,000,001	1,000,001	1,000,001	0
Prior Year Encumbrances	905,799	905,799	905,799	0
Fund Balance at End of Year	<u>\$ 1,982,066</u>	<u>\$ 359,767</u>	<u>\$ 999,999</u>	<u>\$ 640,232</u>

See accompanying notes to the basic financial statements



**CITY OF SHARONVILLE, OHIO**

**Statement of Net Position  
Proprietary Funds  
December 31, 2013**

	Business-Type Activities		
	Enterprise Funds		
	Convention Center	Other Enterprise Fund	Total
<b>Assets:</b>			
Current Assets:			
Cash and Cash Equivalents	\$ 4,256,463	\$ 189,222	\$ 4,445,685
Receivables:			
Accounts Receivable	249,208	0	249,208
Prepaid Items	7,365	1,331	8,696
Total Current Assets	4,513,036	190,553	4,703,589
Noncurrent Assets:			
Restricted Assets:			
Cash and Cash Equivalents	0	36,482	36,482
Capital Assets:			
Capital Assets Not Being Depreciated	5,022,188	45,000	5,067,188
Capital Assets Being Depreciated, Net	30,950,436	661,031	31,611,467
Total Noncurrent Assets	35,972,624	742,513	36,715,137
Total Assets	40,485,660	933,066	41,418,726
<b>Deferred Outflows of Resources:</b>			
Deferred Charge on Debt Refunding	64,834	0	64,834
<b>Liabilities:</b>			
Current Liabilities:			
Accounts Payable	68,919	1,607	70,526
Accrued Wages and Benefits	22,128	1,910	24,038
Intergovernmental Payable	23,427	17,879	41,306
Customer Deposits	0	39,435	39,435
Accrued Interest Payable	160,202	0	160,202
General Obligation Notes Payable	3,000,000	0	3,000,000
General Obligation Bonds Payable - Current	703,725	0	703,725
Revenue Bond Payable - Current	(12,525)	0	(12,525)
Compensated Absences - Current	7,869	3,930	11,799
Total Current Liabilities	3,973,745	64,761	4,038,506

**CITY OF SHARONVILLE, OHIO**

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	Business-Type Activities		
	Enterprise Funds		
	Convention Center	Other Enterprise Fund	Total
Noncurrent Liabilities:			
General Obligation Bonds Payable	1,174,362	0	1,174,362
Revenue Bonds Payable	27,765,658	0	27,765,658
Advances from Other Funds	0	570,000	570,000
Compensated Absences Payable	153,720	9,679	163,399
Total Noncurrent Liabilities	<u>29,093,740</u>	<u>579,679</u>	<u>29,673,419</u>
<b>Total Liabilities</b>	<u>33,067,485</u>	<u>644,440</u>	<u>33,711,925</u>
<b>Deferred Inflows of Resources:</b>			
Unavailable Amounts	<u>1,508,353</u>	<u>0</u>	<u>1,508,353</u>
<b>Net Position:</b>			
Net Investment in Capital Assets	3,341,404	706,031	4,047,435
Unrestricted	<u>2,633,252</u>	<u>(417,405)</u>	<u>2,215,847</u>
Total Net Position	<u>\$ 5,974,656</u>	<u>\$ 288,626</u>	<u>\$ 6,263,282</u>

See accompanying notes to the basic financial statements





**CITY OF SHARONVILLE, OHIO**

**Statement of Revenues, Expenses and Changes in Fund Net Position  
Proprietary Funds  
For the Year Ended December 31, 2013**

	Business-Type Activities		
	Enterprise Funds		
	Convention Center	Other Enterprise Fund	Total
<b>Operating Revenues:</b>			
Charges for Services	\$ 1,598,896	\$ 282,493	\$ 1,881,389
Other Operating Revenues	9,709	1,282	10,991
<b>Total Operating Revenues</b>	<b>1,608,605</b>	<b>283,775</b>	<b>1,892,380</b>
<b>Operating Expenses:</b>			
Personal Services	1,030,422	90,686	1,121,108
Materials and Supplies	118,089	34,036	152,125
Contractual Services	360,181	42,644	402,825
Utilities	205,376	27,222	232,598
Depreciation	831,129	50,280	881,409
Other Operating Expense	900	0	900
<b>Total Operating Expenses</b>	<b>2,546,097</b>	<b>244,868</b>	<b>2,790,965</b>
<b>Operating Income (Loss)</b>	<b>(937,492)</b>	<b>38,907</b>	<b>(898,585)</b>
<b>Non-Operating Revenue (Expenses):</b>			
Interest Income	4,593	0	4,593
Interest and Fiscal Charges	(1,830,406)	0	(1,830,406)
Intergovernmental Revenues	2,871,154	0	2,871,154
<b>Total Non-Operating Revenues (Expenses)</b>	<b>1,045,341</b>	<b>0</b>	<b>1,045,341</b>
<b>Change in Net Position</b>	<b>107,849</b>	<b>38,907</b>	<b>146,756</b>
Net Position Beginning of Year	5,866,807	249,719	6,116,526
<b>Net Position End of Year</b>	<b>\$ 5,974,656</b>	<b>\$ 288,626</b>	<b>\$ 6,263,282</b>

See accompanying notes to the basic financial statements

**CITY OF SHARONVILLE, OHIO**

**Statement of Cash Flows  
Proprietary Funds  
For the Year Ended December 31, 2013**

	Business-Type Activities		
	Enterprise Funds		
	Convention Center	Other Enterprise Fund	Total
<u>Cash Flows from Operating Activities:</u>			
Cash Received from Customers	\$1,570,731	\$289,693	\$1,860,424
Cash Payments for Goods and Services	(680,125)	(108,619)	(788,744)
Cash Payments to Employees	(1,061,369)	(82,690)	(1,144,059)
Other Operating Revenues	9,709	1,282	10,991
Net Cash Provided (Used) by Operating Activities	(161,054)	99,666	(61,388)
<u>Cash Flows from Noncapital Financing Activities:</u>			
Payment on Advances from Other Funds	0	(50,000)	(50,000)
Intergovernmental Revenue Received	2,856,917	0	2,856,917
Net Cash Provided (Used) by Noncapital Financing Activities	2,856,917	(50,000)	2,806,917
<u>Cash Flows from Capital and Related Financing Activities:</u>			
Acquisition and Construction of Assets	(374,954)	(56,750)	(431,704)
Sale of General Obligation Notes	3,000,000	0	3,000,000
Premium on Sale of General Obligation Notes	17,850	0	17,850
Payment on General Obligation Notes	(4,925,000)	0	(4,925,000)
Payment on General Obligation Bonds	(660,000)	0	(660,000)
Interest Paid on All Debt	(1,834,035)	0	(1,834,035)
Net Cash Used for Capital and Related Financing Activities	(4,776,139)	(56,750)	(4,832,889)
<u>Cash Flows from Investing Activities:</u>			
Receipts of Interest	4,593	0	4,593
Net Cash Provided for Investing Activities	4,593	0	4,593
Net Decrease in Cash and Cash Equivalents	(2,075,683)	(7,084)	(2,082,767)
Cash and Cash Equivalents at Beginning of Year	6,332,146	232,788	6,564,934
Cash and Cash Equivalents at End of Year	\$4,256,463	\$225,704	\$4,482,167
<u>Reconciliation of Cash and</u>			
<u>Cash Equivalents per the Statement of Net Assets:</u>			
Cash and Cash Equivalents	\$4,256,463	\$189,222	\$4,445,685
Restricted Cash and Cash Equivalents	0	36,482	36,482
Cash and Cash Equivalents at End of Year	\$4,256,463	\$225,704	\$4,482,167

**CITY OF SHARONVILLE, OHIO**

	Business-Type Activities		
	Enterprise Funds		
	Convention Center	Other Enterprise Fund	Total
<u>Reconciliation of Operating Income (Loss) to Net Cash</u>			
<u>Provided (Used) by Operating Activities:</u>			
Operating Income (Loss)	(\$937,492)	\$38,907	(\$898,585)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Depreciation Expense	831,129	50,280	881,409
Changes in Assets and Liabilities:			
(Increase) Decrease in Accounts Receivable	(9,472)	340	(9,132)
Increase in Prepaid Items	(3,623)	(39)	(3,662)
Increase in Accounts Payable	7,933	806	8,739
Increase (Decrease) in Accrued Wages and Benefits	(2,244)	305	(1,939)
Increase (Decrease) in Intergovernmental Payable	330	(180)	150
Increase in Customer Deposits Payable	0	1,255	1,255
Decrease in Deferred Revenue	(18,693)	0	(18,693)
Increase (Decrease) in Compensated Absences	(28,922)	7,992	(20,930)
Total Adjustments	776,438	60,759	837,197
Net Cash Provided (Used) by Operating Activities	(\$161,054)	\$99,666	(\$61,388)

Schedule of Noncash Investing, Capital and Financing Activities:

For the year ended December 31, 2013, the Convention Center Fund had an outstanding liability of \$38,352 for the construction and acquisition of capital assets.

See accompanying notes to the basic financial statements

**CITY OF SHARONVILLE, OHIO**

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**Statement of Net Position  
Fiduciary Fund  
December 31, 2013**

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	Private Purpose Trust	
	Unclaimed Monies Fund	Agency Funds
<b>Assets:</b>		
Cash and Cash Equivalents	\$ 106	\$ 715,718
<b>Total Assets</b>	<u>106</u>	<u>715,718</u>
<b>Liabilities:</b>		
Intergovernmental Payable	0	3,218
Due to Others	0	712,500
<b>Total Liabilities</b>	<u>0</u>	<u>\$ 715,718</u>
<b>Net Position:</b>		
Unrestricted	<u>106</u>	
<b>Total Net Position</b>	<u>\$ 106</u>	

See accompanying notes to the basic financial statements

**CITY OF SHARONVILLE, OHIO**

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***Statement of Changes in Net Position  
Fiduciary Funds  
For the Year Ended December 31, 2013***

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	Private Purpose Trust Unclaimed Monies Fund
<b>Additions:</b>	
Total Additions	\$ 0
<b>Deductions:</b>	
Administrative Expenses	22,176
Total Deductions	22,176
Change in Net Position	(22,176)
Net Position at Beginning of Year	22,282
Net Position End of Year	\$ 106

See accompanying notes to the basic financial statements

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2013***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

The City of Sharonville, Ohio (the "City") was incorporated in 1962 under the laws of the State of Ohio and operates under a Mayor-Council form of government.

The accompanying basic financial statements comply with the provisions of GASB Statement No. 14, *"The Financial Reporting Entity,"* as amended by GASB Statement No. 61 *"The Financial Reporting Entity: Omnibus; an amendment of GASB Statements No. 14 and No. 34,"* 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 includes all funds, agencies, boards and commissions that are part of the primary government, which include the following services: public safety (police and fire), highways and streets, sanitation, health and social services, culture-recreation, public improvements, planning and zoning and general administrative services. The City also owns and operates senior citizen housing and a convention center which are reported as enterprise funds. In addition, the City has included the Community Improvement Corporation of Sharonville (CIC) as a discretely presented component unit.

***Discretely Presented Component Unit*** – The component unit column in the entity-wide financial statements includes the financial data of the City's component unit. It is reported in a separate column to emphasize that it is legally separate from the City. The component unit is being presented as a part of the City's reporting entity because the City appoints the voting majority of the component unit's board and the City can impose its' will on the component unit.

***Community Improvement Corporation of Sharonville*** – The Community Improvement Corporation of Sharonville (CIC), a non-profit organization, is a six member board comprised of four City officials and two council members. The primary purpose of the CIC is the planning of the industrial, commercial, distribution and research development of the City, including the assurance that mortgage payments will be made to foster such development, the acquisition, construction, equipment and improvement of buildings, structures and other properties, the acquisition of sites for such development, the lease, sale and subdivision of such sites and incurring of debt in order to carry out such development, and to make loans to any individual or business entity in order to carry out such development purpose for the City. The City provides all subsidies to the CIC to finance its operations and activities, there were no subsidies provided to the CIC in 2013. Financial statements related to the CIC can be obtained from the City Auditor.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2013***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**B. Basis of Presentation - Fund Accounting**

The City uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain City functions or activities.

A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. The following fund types are used by the City:

***Governmental Funds*** - are those funds through which most governmental functions of the City are financed. The acquisition, use and balances of the City's expendable financial resources and the related 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 the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. Principal sources of revenue are municipal income taxes and shared tax revenues. Primary expenditures are for police protection, community environment and general government.

**Fire Department Fund** - This fund is used to account for income tax revenues collected to fund Fire Department operations.

**Chester Road TIF Fund** - This fund is used to account for the construction on the Chester Road Project.

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

***Proprietary Funds*** - The proprietary funds are accounted for on an "economic resource" measurement focus. This measurement focus provides that all assets and liabilities associated with the operation of the proprietary funds are included on the balance sheet. The proprietary fund operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net total position.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2013***

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**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, in which 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 following is the City's major enterprise fund:

Convention Center Fund - This fund is used to account for revenues and expenses associated with the operation of the city-owned convention center.

The other enterprise fund of the City, the Senior Citizen Housing Fund, is used to account for revenues and expenses associated with the operation of the city-owned Senior Housing Apartment Complex, as well as revenues from lease deposits and waiting list deposits.

***Fiduciary Funds***

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds. Fiduciary funds are used to account for assets the City holds in a trustee capacity or as an agent for individuals, private organizations, other governments, and other funds. The City's fiduciary funds are a private-purpose trust fund and agency funds. The private purpose trust fund is used to account for unclaimed monies. Agency funds are purely custodial (assets equal liabilities) and thus do not involve measurement of results of operations. The City's agency funds account for funds from the Mayor's Court, funds for employee benefits plans, fees for building standards, tax refunds, and funds to repair the downtown shopping area.

**C. Basis of Presentation – Financial Statements**

**Government-wide Financial Statements** – The statement of net position 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.

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.



***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2013***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**C. Basis of Presentation – Financial Statements (Continued)**

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 position. The statement of changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in net total position. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

**D. Basis of Accounting**

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

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2013***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Basis of Accounting (Continued)**

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. 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, 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, and state levied locally shared taxes (including motor vehicle license fees, gasoline tax, and local government assistance). Other revenue, including licenses, permits; certain charges for services, income taxes other than those withheld by employers and miscellaneous revenues are recorded as revenue when received in cash because generally these revenues are not measurable until received.

Special assessments receivable, which are measurable, but not available at December 31, are recorded as deferred inflows of resources.

The accrual basis of accounting is utilized for reporting purposes by the governmental activities, proprietary funds, and the 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, 2013***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**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 primary level of budgetary control is at the department level and within each department at the levels of personal services and other expenditures. Administrative control is maintained through the establishment of more detailed line-item budgets. Budgetary modifications may only be made by ordinance of the City Council.

**1. Tax Budget**

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

**2. Estimated Resources**

The County Budget Commission reviews estimated revenue and determines if the budget substantiates a need to levy all or part of previously authorized taxes. The Budget Commission then certifies its actions to the City by September 1 of each year. As part of the certification process, the City receives an official certificate of estimated resources stating the projected receipts by fund. Prior to December 31, the City must revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year do not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriations measure. On or about January 1, the certificate of estimated resources is amended to include any unencumbered fund balances from the preceding year. The certificate may be further amended during the year if a new source of revenue is identified or 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 2013.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2013***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**E. Budgetary Process (Continued)**

**3. Appropriations**

A temporary appropriation ordinance to control expenditures may be passed on or about January 1 of each year for the period January 1 through March 31. An annual appropriation ordinance must be passed by April 1 of each year for the period January 1 through December 31.

The appropriation ordinance establishes spending controls at the fund level. 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. The allocation of appropriations among departments and objects within a fund may be modified during the year by an ordinance of City Council. During 2013, supplemental appropriations were necessary to budget for projects that were not originally appropriated. The budgetary figures, which appear on the budgetary statements, 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 in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance.

**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.

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2013**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**E. Budgetary Process (Continued)**

**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.

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the "Statement of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual" for the general fund and the major special revenue funds:

	Net Change in Fund Balance	
	General Fund	Fire Department Fund
GAAP Basis (as reported)	\$935,957	(\$537,862)
Increase (Decrease):		
Accrued Revenues at December 31, 2013 received during 2014	(2,271,392)	(820,670)
Accrued Revenues at December 31, 2012 received during 2013	2,462,704	854,900
Accrued Expenditures at December 31, 2013 paid during 2014	701,515	383,894
Accrued Expenditures at December 31, 2012 paid during 2013	(760,819)	(440,304)
2013 Prepays for 2014	(35,267)	(24,834)
2012 Prepays for 2013	43,071	13,707
Perspective Difference:		
Activity of Funds Reclassified for GAAP Reporting Purposes	(11,391)	0
Outstanding Encumbrances	(615,423)	(334,632)
Budget Basis	<u>\$448,955</u>	<u>(\$905,801)</u>

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2013***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**F. Cash and Cash Equivalents**

Cash and cash equivalents include amounts in demand deposits and the State Treasurer's Asset Reserve (STAR Ohio). STAR Ohio is considered a cash equivalent because it is a highly liquid investment with an original maturity date of three months or less.

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 maintains its own cash and investment account. For purposes of the statement of cash flows, the proprietary funds' share of equity in pooled cash and cash equivalents (both unrestricted and restricted) are considered to be cash equivalents. See Note 4 "Cash, Cash Equivalents and Investments."

**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 the fund's cash balance at the date of investment. In accordance with GASB Statement No. 31, "*Accounting and Financial Reporting for Certain Investments and for External Investment Pools*", the City reports its investments, which consists of STAR Ohio and various federal securities, at fair value. Fair value is determined by quoted market prices. See Note 4, "Cash, Cash Equivalents and Investments."

The City has invested funds in STAR Ohio during 2013. 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, 2013.

**H. Inventory**

Inventory is stated at cost (first-in, first-out) in the governmental funds and at the lower of cost or market in the proprietary funds. The costs of inventory items are recorded as expenditures in the governmental funds when purchased and as expenses in the proprietary funds when used.

**I. Capital Assets and Depreciation**

Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 and an estimated useful life threshold of three or more years.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2013***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**I. Capital Assets and Depreciation** (Continued)

**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 Position, but they are not reported in the Fund Financial Statements.

Contributed capital assets are recorded at fair market value at the date received. Capital assets include land, improvements to 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 at December 31, 1987 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.

**2. Property, Plant and Equipment – Business Type Activities**

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 Position and in the respective funds.

**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 (Years)
Land Improvements	20
Buildings	25 – 50
Building Improvements	20 – 30
Infrastructure	10 – 20
Machinery, Equipment, Furniture, Fixtures and Vehicles	3 – 30

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2013***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**J. Long-Term Obligations**

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

<u>Obligation</u>	<u>Fund</u>
Notes Payable	Note Debt Retirement Fund
Special Assessment Bonds	Crowne Point Drive Fund
General Obligation Bonds	Convention Center Fund Note Debt Retirement Fund Debt Retirement Fund
Revenue Bonds	Convention Center Fund
Capital Leases	Street Construction, Maintenance and Repair Fund
Compensated Absences	General Fund Street Construction, Maintenance and Repair Fund Fire Fund Permissive Motor Vehicle License Fund Senior Citizen Housing Fund Convention Center Fund

**K. Compensated Absences**

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

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



***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2013***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**K. Compensated Absences** (Continued)

For governmental funds, that portion of unpaid compensated absences that is due and payable 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 position, "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 Senior Citizens Housing and Convention Center enterprise funds when earned. The related liability is reported within the fund.

**L. Prepaid Items**

Payments made to vendors for services that will benefit periods beyond December 31, 2013, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed.

**M. Restricted Assets**

Certain cash and cash equivalents are classified as restricted on the balance sheet and statement of net position because these funds are being held by a trustee, an agent or by the City for specified purposes.

**N. Intergovernmental Revenues**

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

Grants received for proprietary fund operations are recognized as revenues when measurable and earned. Such resources restricted for the construction of capital assets are recorded as contributed capital.

**O. Pensions**

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

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2013***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**P. Interfund Activity**

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures in the purchaser funds. Interfund services provided and used are not eliminated in the process of consolidation. 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. Repayments from funds responsible for particular expenditures to the funds that initially paid for them are not presented on the financial statements.

The City generally eliminates the effect of interfund activity in the government-wide financial statements to remove indirect expenses, except where the elimination would distort the costs and program revenues reported for the various functions.

**Q. Fund Balance**

In the fund financial statements, fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund balance is reported in five components – nonspendable, restricted, committed, assigned and unassigned.

*Nonspendable* – Nonspendable fund balance includes amounts that cannot be spent because they are either not in spendable form or legally contractually required to be maintained intact.

*Restricted* – Restricted fund balance consists of amounts that have constraints placed on them either externally by third parties (creditors, grantors, contributors, or laws or regulations of other governments) or by law through constitutional provisions or enabling legislation. Enabling legislation authorizes the City to assess, levy, charge or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement (compelled by external parties) that those resources be used only for the specific purposes stipulated in the legislation.

*Committed* – Committed fund balance consists of amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the City's highest level of decision making authority. For the City, these constraints consist of ordinances passed by City Council. Committed amounts cannot be used for any other purpose unless the City removes or changes the specified use by taking the same type of action it employed previously to commit those amounts.

*Assigned* – Assigned fund balance consists of amounts that are constrained by the City's intent to be used for specific purposes, but are neither restricted nor committed. Ohio law authorizes the City Auditor to assign fund balance.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2013***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Q. Fund Balance** (Continued)

*Unassigned* – Unassigned fund balance consists of amounts that have not been restricted, committed or assigned to specific purposes within the General Fund as well as negative fund balances in all other governmental funds.

When both restricted and unrestricted resources are available for use, it is the City's policy to use unrestricted resources first (committed, assigned and unassigned), then restricted resources as they are needed.

**R. Net position**

Net position represents the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources. Net investment in capital assets 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 position is reported as restricted when there are limitations imposed on its 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. Net position restricted for Other Purposes includes programs for street and highway improvements, federal grants for security of persons and property and mandatory fines for various court programs.

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

**S. Interfund Assets/ Liabilities**

The City reports cash overdrafts from pooled cash and cash equivalents as an interfund loan payable in the fund with the overdraft and as an interfund loan receivable in the fund(s) designated by management.

**T. Estimates**

The preparation of the 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.

**U. 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 and that are either unusual in nature or infrequent in occurrence. Neither transaction occurred within the City during fiscal year 2013.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2013***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**V. 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 from the convention center and the senior housing center. 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.

**W. Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The City has one item that qualifies for reporting in this category. The deferred charge on refunding reported in the government-wide and proprietary statements of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. On the government-wide statement of net position and governmental funds balance sheet, property taxes that are intended to finance future fiscal periods are reported as deferred inflows. On the government-wide statement of net position and the proprietary statement of net position, unearned event deposits and a joint use agreement, that will be earned over the term of the joint use agreement and upon the completion of the functions for which deposits were placed, are reported as unavailable amounts. The governmental funds balance sheet reports deferred inflows which arise only under a modified accrual basis of accounting. The governmental funds report unavailable amounts for delinquent property taxes, income taxes, special assessments, and state levied shared taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

**CITY OF SHARONVILLE, OHIO**

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2013**

**NOTE 2 – FUND BALANCE CLASSIFICATION**

Fund balance is classified as nonspendable, restricted, committed, assigned and unassigned based primarily on the extent to which the City is bound to observe constraints imposed upon the use of the resources in the governmental funds. The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented below:

Fund Balances	General	Fire Department	Chester Road TIF	Other Governmental Funds	Total Governmental Funds
Nonspendable:					
Prepaid Items	\$35,267	\$24,834	\$0	\$6,265	\$66,366
Supplies Inventory	0	0	0	95,397	95,397
Total Nonspendable	<u>35,267</u>	<u>24,834</u>	<u>0</u>	<u>101,662</u>	<u>161,763</u>
Restricted:					
Transportation Projects	0	0	0	1,984,489	1,984,489
Court Projects	0	0	0	132,017	132,017
Law Enforcement	0	0	0	120,678	120,678
Debt Service	0	0	0	13,880	13,880
Fire Department	0	1,771,407	0	0	1,771,407
Capital Improvements	0	0	0	1,595,728	1,595,728
Health	0	0	0	3	3
Total Restricted	<u>0</u>	<u>1,771,407</u>	<u>0</u>	<u>3,846,795</u>	<u>5,618,202</u>
Committed:					
Termination Benefits	171,476	0	0	0	171,476
Teen Activities	0	0	0	4,698	4,698
Debt Service	0	0	0	650	650
Capital Improvements	0	0	0	1,106,560	1,106,560
Total Committed	<u>171,476</u>	<u>0</u>	<u>0</u>	<u>1,111,908</u>	<u>1,283,384</u>
Assigned:					
Encumbrances	491,033	0	0	0	491,033
Unassigned (Deficit)	<u>7,629,295</u>	<u>0</u>	<u>(2,102,560)</u>	<u>(3,381)</u>	<u>5,523,354</u>
Total Fund Balances	<u>\$8,327,071</u>	<u>\$1,796,241</u>	<u>(\$2,102,560)</u>	<u>\$5,056,984</u>	<u>\$13,077,736</u>

**NOTE 3 – FUND DEFICITS**

The fund deficits at December 31, 2013 of \$2,102,560 in the Chester Road TIF Fund and of \$3,381 in the Downtown TIF Fund (capital projects funds) arise from the recognition of certain liabilities under the modified accrual basis of accounting. Under the budgetary basis of accounting the deficits do not exist. 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, 2013***

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**NOTE 4 - CASH AND CASH EQUIVALENTS**

Cash resources of several individual funds are combined to form a pool of cash, cash equivalents 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 a “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.

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 not later than the end of the current period of designation of depositories.

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

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

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2013**

**NOTE 4 - CASH AND CASH EQUIVALENTS (Continued)**

**A. Deposits**

Custodial credit risk is the risk that in the event of bank failure, the government's deposits may not be returned. Protection of City cash and deposits is provided by the federal deposit insurance corporation as well as qualified securities pledged by the institution holding the assets. Ohio Law requires that deposits be placed in eligible banks or savings and loan associations located in Ohio. Any public depository in which the City places deposits must pledge as collateral eligible securities of aggregate market value equal to the excess of deposits not insured by the Federal Deposit Insurance Corporation (FDIC). The securities pledged as collateral are pledged to a pool for each individual financial institution in amounts equal to at least 105% of the carrying value of all public deposits held by each institution. Obligations that may be pledged as collateral are limited to obligations of the United States and its agencies and obligations of any state, county, municipal corporation or other legally constituted authority of any other state, or any instrumentality of such county, municipal corporation or other authority. Collateral is held by trustees including the Federal Reserve Bank and designated third party trustees of the financial institutions.

At year end the carrying amount of the City's deposits was \$8,702,841 and the bank balance was \$9,506,562. Federal depository insurance covered \$750,000 of the bank balance and \$8,756,562 was uninsured. Of the remaining uninsured bank balance, the City was exposed to custodial risk as follows:

	<u>Balance</u>
Uninsured and collateralized with securities held by the pledging institution's trust department not in the City's name	\$8,756,562
Total Balance	<u><u>\$8,756,562</u></u>

**B. Investments**

The City's investments at December 31, 2013 were as follows:

	<u>Fair Value</u>	<u>Credit Rating</u>	<u>Investment Maturities (in Years)</u>	
			<u>less than 1</u>	<u>1-3</u>
STAR Ohio	<u>\$7,313,444</u>	AAAm <sup>1</sup>	<u>\$7,313,444</u>	<u>\$0</u>
Total Investments	<u><u>\$7,313,444</u></u>		<u><u>\$7,313,444</u></u>	<u><u>\$0</u></u>

<sup>1</sup> Standard & Poor's

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2013**

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**NOTE 4 - CASH AND CASH EQUIVALENTS (Continued)**

**B. Investments** (Continued)

*Interest Rate Risk* – The Ohio Revised Code generally limits security purchases to those that mature within five years of settlement date.

*Investment Credit Risk* – The City has no investment policy that limits its investment choices other than the limitation of State statute for “interim” funds described previously.

*Concentration of Credit Risk* – The City places no limit on the amount the City may invest in one issuer.

*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 investment or collateral securities that are in the possession of an outside party.

**C. Reconciliation of Cash, Cash Equivalents and Investments**

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

	Cash and Cash Equivalents	Investments
Per Financial Statements	\$16,016,285	\$0
STAR Ohio	(7,313,444)	7,313,444
Per GASB Statement No. 3	<u>\$8,702,841</u>	<u>\$7,313,444</u>

\* Includes Restricted Cash and Cash Equivalents.

**NOTE 5 - INCOME TAXES**

The City levies a tax of 1.5% on all salaries, wages, commissions and other compensation and on net profits earned within the City as well as on incomes of residents earned outside the City. In the latter case, the City allows a credit of 100% of the tax paid to another municipality to a maximum of the total amount assessed.

Employers within the City are required to withhold income tax on employee compensation and remit the tax to the City either monthly or quarterly, as required. Corporations and other individual taxpayers are required to pay their estimated tax quarterly and file a declaration annually.

**NOTE 6 - RECEIVABLES**

Receivables at December 31, 2013 consisted of income taxes, payment in lieu of taxes, accounts receivable, special assessments and intergovernmental receivables arising from shared revenues.



**CITY OF SHARONVILLE, OHIO**

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**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2013**

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**NOTE 7 – TRANSFERS AND INTERFUND BALANCES**

Following is a summary of transfers in and out for all funds for 2013:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$0	\$2,999,426
Fire Department Fund	0	1,275,399
Other Governmental Funds	4,274,825	0
Totals	<u>\$4,274,825</u>	<u>\$4,274,825</u>

Transfers are used to remove from the funds that statute or budget requires to collect them to the funds that statute or budget requires to expend them; to segregate money for anticipated capital projects; to provide additional resources for current operations or debt service; to return money to the fund from which it was originally provided once a project is completed; and to transfer capital assets. The Fire Department made transfers out to retire debt in accordance with Ohio Revised Code.

Individual interfund balances at December 31, 2013 are as follows:

<u>Fund</u>	<u>Interfund Loan Receivable</u>	<u>Interfund Loan Payable</u>
General Fund	\$15,007	\$0
Other Governmental Funds	0	15,007
Totals	<u>\$15,007</u>	<u>\$15,007</u>

The interfund loans receivable/payable on the Governmental Balance Sheet is temporary loans to assist with cash flows until the receipt of certain grants.

Individual advance balances at December 31, 2013 are as follows:

<u>Fund</u>	<u>Advances to Other Funds</u>	<u>Advances from Other Funds</u>
General Fund	\$4,845,000	\$0
Chester Road TIF Fund	0	4,275,000
Governmental Funds Total	<u>4,845,000</u>	<u>4,275,000</u>
Enterprise Fund:		
Senior Housing Fund	0	570,000
Totals	<u>\$4,845,000</u>	<u>\$4,845,000</u>

The advance between the General Fund and the Senior Housing Fund represents a long term loan that provided funds for capital improvements. The advance between the General Fund and the Chester Road TIF Fund represents a manuscript debt transaction. This transaction was accounted for utilizing the investment method on the budgetary basis and the advance method on a GAAP basis.

**CITY OF SHARONVILLE, OHIO**

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2013**

**NOTE 8 - CAPITAL ASSETS**

**A. Governmental Activities Capital Assets**

Summary by category of changes in governmental activities capital assets at December 31, 2013:

**Historical Cost:**

Class	December 31, 2012	Additions	Deletions	December 31, 2013
<b>Capital assets not being depreciated:</b>				
Land	\$6,639,810	\$0	\$0	\$6,639,810
Construction in Progress	3,683,916	3,018,682	0	6,702,598
<i>Capital assets not being depreciated</i>	10,323,726	3,018,682	0	13,342,408
<b>Capital assets being depreciated:</b>				
Land Improvements	8,376,276	56,790	0	8,433,066
Buildings and Improvements	17,366,421	30,676	0	17,397,097
Infrastructure	20,544,729	3,414,143	0	23,958,872
Machinery and Equipment	2,810,504	266,056	(189,791)	2,886,769
Vehicles	4,947,752	189,108	(510,706)	4,626,154
<i>Capital assets being depreciated</i>	54,045,682	3,956,773	(700,497)	57,301,958
Total Cost	<u>\$64,369,408</u>	<u>\$6,975,455</u>	<u>(\$700,497)</u>	<u>\$70,644,366</u>

**Accumulated Depreciation:**

Class	December 31, 2012	Additions	Deletions	December 31, 2013
Land Improvements	(\$4,024,150)	(\$391,785)	\$0	(\$4,415,935)
Buildings and Improvements	(5,832,079)	(385,523)	0	(6,217,602)
Infrastructure	(13,183,504)	(718,593)	0	(13,902,097)
Machinery and Equipment	(1,614,426)	(247,376)	178,282	(1,683,520)
Vehicles	(3,387,912)	(377,209)	468,811	(3,296,310)
Total Depreciation	<u>(\$28,042,071)</u>	<u>(\$2,120,486) *</u>	<u>\$647,093</u>	<u>(\$29,515,464)</u>
<b>Net Value:</b>	<u>\$36,327,337</u>			<u>\$41,128,902</u>

\* Depreciation expenses were charged to governmental functions as follows:

Security of Persons and Property	\$576,481
Leisure Time Activities	536,566
Transportation	775,085
General Government	232,354
Total Depreciation Expense	<u>\$2,120,486</u>

**CITY OF SHARONVILLE, OHIO**

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2013**

**NOTE 8 - CAPITAL ASSETS (Continued)**

**B. Business-Type Activities Capital Assets**

Summary by category of changes in business-type activities capital assets at December 31, 2013:

**Historical Cost:**

Class	December 31, 2012	Additions	Deletions	December 31, 2013
<b>Capital assets not being depreciated:</b>				
Land	\$5,067,188	\$0	\$0	\$5,067,188
Construction In Progress	0	0	0	0
<b>Capital assets not being depreciated</b>	<b>5,067,188</b>	<b>0</b>	<b>0</b>	<b>5,067,188</b>
<b>Capital assets being depreciated:</b>				
Land Improvements	309,090	56,750	0	365,840
Buildings and Improvements	35,125,710	148,605	0	35,274,315
Infrastructure	95,599	0	0	95,599
Machinery and Equipment	1,346,429	0	0	1,346,429
Vehicles	25,000	0	0	25,000
<b>Capital assets being depreciated</b>	<b>36,901,828</b>	<b>205,355</b>	<b>0</b>	<b>37,107,183</b>
<b>Total Cost</b>	<b>\$41,969,016</b>	<b>\$205,355</b>	<b>\$0</b>	<b>\$42,174,371</b>

**Accumulated Depreciation:**

Class	December 31, 2012	Additions	Deletions	December 31, 2013
Land Improvements	(\$39,905)	(\$24,535)	\$0	(\$64,440)
Buildings and Improvements	(4,213,631)	(709,965)	0	(4,923,596)
Infrastructure	(59,771)	(5,392)	0	(65,163)
Machinery and Equipment	(276,000)	(141,517)	0	(417,517)
Vehicles	(25,000)	0	0	(25,000)
<b>Total Depreciation</b>	<b>(\$4,614,307)</b>	<b>(\$881,409)</b>	<b>\$0</b>	<b>(\$5,495,716)</b>

**Net Value:** \$37,354,709 \$36,678,655

**NOTE 9 – 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.”

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2013***

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**NOTE 9 – DEFINED BENEFIT PENSION PLANS (Continued)**

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

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 visiting <https://www.opers.org/investments/cafr.shtml>, by making a written request to OPERS, 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 2013, employee and employer contribution rates were consistent across all three plans (TP, MD and CO). The employee contribution rate is 10.0%. The 2013 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 and Combined Plans was 13.0% for calendar year 2013. The contribution requirements of plan members and the City are established and may be amended by the OPERS Board. The City’s contributions for pension obligations to OPERS for the years ending December 31, 2013, 2012, and 2011 were \$756,690, \$556,606 and \$566,761, respectively, which were equal to the required contributions for each year.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2013***

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**NOTE 9 – DEFINED BENEFIT PENSION PLANS (Continued)**

**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, by calling (614) 228-2975, or by visiting [www.op-f.org](http://www.op-f.org).

From January 1, 2013 through July 1, 2013, plan members were required to contribute 10.0% of their annual covered salary. From July 2, 2013 through December 31, 2013, plan members were required to contribute 10.75% of their annual covered salary. Throughout 2013, employers were 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. The portion of employer contributions used to fund pension obligations from January 1, 2013 through May 31, 2013 was 14.81% for police officers and 19.31% for firefighters. The portion of employer contributions used to fund pension obligations from June 1, 2013 through December 31, 2013 was 16.65% for police officers and 21.15% for firefighters. The City’s contributions for pension obligations to the OP&F Fund for the years ending December 31, 2013, 2012, and 2011 were \$517,257, \$435,269 and \$396,734 for police officers and \$647,813, \$516,385 and \$511,352 for firefighters, respectively, which were equal to the required contributions for each year.

**NOTE 10 - 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, 2013***

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**NOTE 10 - 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 visiting <https://www.opers.org/investments/cafr.shtml>, by making a written request to OPERS, 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 2013, 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 and Combined Plans was 1.0% for calendar year 2013. 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, 2013, 2012, and 2011 were \$58,207, \$222,642 and \$226,705, respectively, which were equal to the required contributions for each year.

Changes to the health care plan were adopted by the OPERS Board of Trustees on September 19, 2012, with a transition plan commencing January 1, 2014. With the recent passage of pension legislation under SB 343 and the approved health care changes, OPERS expects to be able to consistently allocate 4 percent of the employer contributions toward the health care fund after the end of the transition period.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2013***

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**NOTE 10 - POSTEMPLOYMENT BENEFITS (Continued)**

**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. That report is also available on OP&F’s website at [www.op-f.org](http://www.op-f.org).

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.

OP&F maintains funds for health care in two separate accounts. One for health care benefits under an IRS code Section 115 trust and one for Medicare Part B reimbursements administrated as an Internal Revenue Code 401(h) account, both of which are within the defined benefit pension plan, under the authority granted by the Ohio Revised Code to the OP&F Board of Trustees.

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 2013, the portion of employer contributions allocated to health care was 4.69% of covered payroll from January 1, 2013 through May 31, 2013 and 2.85% of covered payroll from June 1, 2013 through December 31, 2013 for both police officers and firefighters.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2013***

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**NOTE 10 - POSTEMPLOYMENT BENEFITS (Continued)**

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

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.

The City's contributions for health care to the OP&F for the years ending December 31, 2013, 2012, and 2011 were \$116,578, \$230,436 and \$210,035 for police and \$114,866, \$217,032 and \$200,094 for firefighters, respectively, which were equal to the required contributions for each year.

**NOTE 11 - OTHER EMPLOYEE BENEFITS**

**A. Dental Optical Plan**

The City sponsors a Dental/Optical Plan for full-time employees of the City. Amounts not paid as dental or optical claims are remitted to employees upon termination or retirement. At December 31, 2013 the City had \$167,149 payable to employees for the Dental/Optical Plan.

**B. Compensated Absences**

At December 31, 2013, the City's accumulated, unpaid compensated absences amounted to \$3,406,297. Of this amount, \$3,231,099 is recorded as Governmental Activities on the Entity Wide Statement of Net position (\$151,519 is reported as due within one year), \$175,198 is recorded as Business-type activities (\$11,799 is reported as due within one year).



**CITY OF SHARONVILLE, OHIO**

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**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2013**

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**NOTE 12 - NOTES PAYABLE**

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

Notes payable at December 31, 2013 were as follows:

	Balance December 31, 2012	Issued	(Retired)	Balance December 31, 2013
Capital Projects Fund:				
Capital Improvement Fund:				
1.00% Chester Road TIF Project	\$4,485,000	\$0	(\$4,485,000)	\$0
Total Capital Projects Fund	<u>4,485,000</u>	<u>0</u>	<u>(4,485,000)</u>	<u>0</u>
Enterprise Fund:				
Convention Center Fund:				
1.00% Convention Center Imprv.	4,925,000	0	(4,925,000)	0
1.00% Convention Center Imprv.	0	3,000,000	0	3,000,000
Total Enterprise Fund	<u>4,925,000</u>	<u>3,000,000</u>	<u>(4,925,000)</u>	<u>3,000,000</u>
Total Notes Payable	<u><u>\$9,410,000</u></u>	<u><u>\$3,000,000</u></u>	<u><u>(\$9,410,000)</u></u>	<u><u>\$3,000,000</u></u>

**CITY OF SHARONVILLE, OHIO**

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2013**

**NOTE 13 - LONG-TERM OBLIGATIONS**

Long-term obligations of the City at December 31, 2013 were as follows:

	Balance December 31, 2012	Issued	(Retired)	Balance December 31, 2013	Amount Due Within One Year
<b>Business-Type Activities:</b>					
General Obligation Bonds:					
1.50% - 5.25% Convention Center - Issue I	\$1,450,000	\$0	(\$460,000)	\$990,000	\$485,000
Unamortized Premium	46,812	0	(18,725)	28,087	18,725
1.50% - 5.25% Convention Center - Issue II	195,000	0	(195,000)	0	0
2.00% - 4.00% Convention Center - Issue II Refunding	865,000	0	(5,000)	860,000	200,000
Total General Obligation Bonds	<u>2,556,812</u>	<u>0</u>	<u>(678,725)</u>	<u>1,878,087</u>	<u>703,725</u>
Revenue Bonds:					
3.88 - 6.30% Convention Center - RZEDB - BAB	28,060,000	0	0	28,060,000	0
Discount on Bonds	(319,392)	0	12,525	(306,867)	(12,525)
Total Revenue Bonds	<u>27,740,608</u>	<u>0</u>	<u>12,525</u>	<u>27,753,133</u>	<u>(12,525)</u>
Other Long-Term Obligations:					
Compensated Absences	196,128	77,134	(98,064)	175,198	11,799
Total Business-Type Activities	<u>\$30,493,548</u>	<u>\$77,134</u>	<u>(\$764,264)</u>	<u>\$29,806,418</u>	<u>\$702,999</u>
<b>Governmental Activities:</b>					
General Obligation Bonds:					
1.50% - 5.25% Fire House Construction	\$560,000	\$0	(\$560,000)	\$0	\$0
1.50% - 5.25% Pool Construction	315,000	0	(315,000)	0	0
2.50% - 4.25% Recreation Center Refunding	2,015,000	0	(375,000)	1,640,000	390,000
Unamortized Premium	51,852	0	(11,523)	40,329	11,523
2.00% - 4.00% Fire House Construction Refunding	2,510,000	0	(15,000)	2,495,000	590,000
2.00% - 4.00% Pool Construction Refunding	1,425,000	0	(10,000)	1,415,000	335,000
Total General Obligation Bonds	<u>6,876,852</u>	<u>0</u>	<u>(1,286,523)</u>	<u>5,590,329</u>	<u>1,326,523</u>
Special Assessment Bonds:					
1.75%-4.38% GSA Property Road	1,345,000	0	(55,000)	1,290,000	60,000
Total Special Assessment Bonds (with Government Commitment)	<u>1,345,000</u>	<u>0</u>	<u>(55,000)</u>	<u>1,290,000</u>	<u>60,000</u>
Other Long-Term Obligations:					
Compensated Absences	3,182,217	526,215	(477,333)	3,231,099	151,519
Capital Leases	81,529	0	(81,529)	0	0
Total Other Long-Term Obligations	<u>3,263,746</u>	<u>526,215</u>	<u>(558,862)</u>	<u>3,231,099</u>	<u>151,519</u>
Total Governmental Activities	<u>\$11,485,598</u>	<u>\$526,215</u>	<u>(\$1,900,385)</u>	<u>\$10,111,428</u>	<u>\$1,538,042</u>

**CITY OF SHARONVILLE, OHIO**

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2013**

**NOTE 13 - LONG-TERM OBLIGATIONS (Continued)**

The principal amount of the City's special assessment debt outstanding at December 31, 2013, \$1,290,000, is general obligation debt (backed by the full faith and credit of the City) that is being retired with the proceeds from special assessments levied against benefited property owners. The City is obligated to repay the debt irrespective of the amount of special assessments collected from property owners.

**A. Principal and Interest Requirements**

A summary of the City's future long-term debt funding requirements, including principal and interest payments as of December 31, 2013 follows:

Years	Business-Type Activities General Obligation Bonds		Business-Type Activities Revenue Bonds	
	Principal	Interest	Principal	Interest
2014	\$685,000	\$61,212	\$0	\$1,677,882
2015	715,000	32,106	0	1,677,882
2016	220,000	11,300	385,000	1,677,882
2017	230,000	3,450	395,000	1,662,963
2018	0	0	650,000	1,646,373
2019-2023	0	0	3,595,000	7,720,748
2024-2028	0	0	5,265,000	6,585,752
2029-2033	0	0	8,135,000	4,583,221
2034-2038	0	0	9,635,000	1,861,065
Totals	<u>\$1,850,000</u>	<u>\$108,068</u>	<u>\$28,060,000</u>	<u>\$29,093,768</u>

Years	Governmental Activities General Obligation Bonds		Governmental Activities Special Assessment Bonds	
	Principal	Interest	Principal	Interest
2014	\$1,315,000	\$167,775	\$60,000	\$48,555
2015	1,365,000	128,700	60,000	47,535
2016	1,400,000	82,525	60,000	45,675
2017	1,470,000	29,663	65,000	43,815
2018	0	0	65,000	41,800
2019-2023	0	0	355,000	173,580
2024-2028	0	0	430,000	98,988
2029-2030	0	0	195,000	12,906
Totals	<u>\$5,550,000</u>	<u>\$408,663</u>	<u>\$1,290,000</u>	<u>\$512,854</u>

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2013**

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**NOTE 13 - LONG-TERM OBLIGATIONS (Continued)**

**B. Recovery Zone Economic Development and Build America Bond Subsidy**

In 2010, the Convention Center Fund issued Series 2010A taxable bonds as Recovery Zone Economic Development (RZEDB) Bonds and Series 2010B taxable bonds as Build America (BAB) Bonds under the provisions of the American Recovery and Reinvestment Act of 2009. The RZEDB Bonds have a par value of \$20,295,000 and the BAB Bonds have a par value of \$7,765,000 totaling \$28,060,000. Under this agreement, the Convention Center is to receive 45% of the bond interest on the RZEDB as a subsidy and 35% of the bond interest on the BA Bonds as a subsidy. The amount of the subsidy received in 2013 was \$713,652. Below is a schedule of the amounts to be received in future years:

Years	Revenue Bond Subsidy	
	RZEDB	BAB
2014	\$568,770	\$144,882
2015	568,770	144,882
2016	568,770	144,882
2017	568,770	139,662
2018	568,770	133,854
2019-2023	2,843,850	490,382
2024-2028	2,814,888	115,654
2029-2033	2,062,448	0
2034-2038	837,477	0
Totals	<u>\$11,402,513</u>	<u>\$1,314,198</u>

**C. Convention Center Revenue Bond**

A cooperative agreement was entered into on March 18, 2010 between the Convention Facilities Authority for Hamilton County, Ohio, the County of Hamilton and the City of Sharonville to provide for a funding agreement to pay for the Convention Center RZEDB – BAB Bonds. The agreement provides for the County to contribute up to the lesser of the balance in the County Residual Account on each County Annual Contribution Calculation Date (February 28), or \$1,300,000. In the event that the balance in the residual account is less than \$1.3 million, the City of Sharonville is responsible for the first \$200,000 of the County Annual Contribution Deficit, the second \$200,000 is the responsibility of the County and any deficit above \$400,000 will be shared 50-50% between the City and the County.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2013***

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**NOTE 13 - LONG-TERM OBLIGATIONS (Continued)**

**D. Defeased Debt**

In July 2012, the City refunded \$4,825,000 of General Obligation Bonds, through the issuance of \$4,800,000 of General Obligation Bonds. The net proceeds of the 2012 Bonds have been invested in obligations guaranteed as to both principal and interest by the United States Government and placed in irrevocable escrow accounts which, including interest earned, will be used to pay the principal and interest on the refunded bonds. The refunded bonds, which have an outstanding balance of \$4,825,000 at December 31, 2013, are not included in the City's outstanding debt since the City has in-substance satisfied its obligations through the advance refunding.

**NOTE 14 - CONDUIT DEBT OBLIGATIONS**

From 1977 through 1995, the City issued \$65,295,000 in Industrial Revenue Bonds and Economic Development Revenue Bonds to provide financial assistance to private and public sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private or public sector entity served by the bond issuance. Neither the City, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of December 31, 2013, the outstanding principal amount payable on all of the outstanding bonds was \$635,000.

**NOTE 15 - RISK MANAGEMENT**

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. In 2007, the City joined the Ohio Government Risk Management Plan (OGRMP), a public entity risk plan formed under 2744.081 of the Ohio Revised Code that operates as a common risk management and insurance program for 550 member political subdivisions. The City pays an annual premium to OGRMP for its general insurance coverage. The agreement for formation of OGRMP provides that the organization will be self-sustaining through member premiums and will reinsure through commercial insurance and reinsurance companies.

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.

The City continues to carry commercial insurance for other risks of loss, including employee health and life insurance. There has been no significant reduction in insurance coverages from coverages in the prior year. In addition, settled claims resulting from these risks have not exceeded commercial insurance coverages in any of the past three fiscal years.

**CITY OF SHARONVILLE, OHIO**

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***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2013***

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**NOTE 16 – CONTRACTUAL COMMITMENTS**

As of December 31, 2013, the City had the following commitments with respect to capital projects:

<u>Project</u>	<u>Remaining Contractual Commitment</u>	<u>Expected Date of Completion</u>
Chester/Greenwood/Lippleman St. Improv	\$2,287,219	2014
Fields Ertel Road Project	321,406	2014
Ambulance	188,000	2014
Utility Bucket Truck	100,000	2014
Total	<u><u>\$2,896,625</u></u>	

**NOTE 17 - 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.

**NOTE 18 - RELATED PARTY TRANSACTIONS**

The Community Improvement Corporation of Sharonville (CIC), a discretely presented component unit of the City, did not receive transfers from the City for operations in 2013. Property located in the City and owned by the City at 11083 Reading Road and 3327 Creek Road is being managed by the CIC. In exchange for its services, the CIC has been assigned any rent to be earned from tenant use of the property. The City is paying maintenance, insurance and taxes on the property. The tenant at 11083 Reading Road paid \$700 per month in 2013, while the tenant at 3327 Creek Road paid \$350 per month in 2013.

*COMBINING AND INDIVIDUAL FUND  
STATEMENTS AND SCHEDULES*

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

***Nonmajor Governmental Funds***

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***Special Revenue Funds***

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

**Street Construction, Maintenance and Repair Fund**

To account for state-levied and controlled gasoline tax and motor vehicle registration fees designated for street maintenance and repair.

**State Highway Fund**

To account for the portion of the state gasoline tax and motor vehicle registration fees designated for street maintenance and repair of state highways within the City.

**Permissive Motor Vehicle Tax Fund**

To account for county-levied motor vehicle registration fees designated for maintenance and repair of roads within the City.

**Federal Emergency Management Agency (FEMA) Fund**

To account for grant monies received from the Federal Emergency Management Agency for assistance with public or individual restoration of disaster-damaged projects.

**State Health Licenses Fund**

To account for the revenues and expenditures of the State-mandated Health Licensing programs such as Food Service, Temporary Food Service, Swimming Pools and Mobile Home Parks.

**Teen Fund**

To account for monies received from fund raising for the City's teen group.

**Law Enforcement Trust Fund**

To account for revenues received from local law enforcement grants from the US Department of Justice for Law Enforcement. Expenditures are restricted to law enforcement including restricted personnel costs and equipment as defined in the grants.

**Drug Law Enforcement Fund**

To account for mandatory fines collected for drug offenses.

**DUI Checkpoint Grant Fund**

To account for financial resources used enhance law enforcement activities as a deterrent to the operation of motor vehicles while under the influence of alcohol.

(Continued)



***Special Revenue Funds***

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**DUI Education and Enforcement Fund**

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

**Mayor's Court Computer Fund**

To account for revenues from fines to be used for computers and updating Mayor's Court computer functions.

**Clerk of Courts Computer Fund**

To account for revenues from fines to be used for computers and updating Clerk of Courts computer functions.

**Confinement Reimbursement Fund**

To account for revenues from fines imposed on individuals who are incarcerated in the Hamilton County Jail.

**Community Oriented Policing Services (COPS) Grant Fund**

To account for proceeds from federal and state grant monies. The grant funds must be used toward the salary and benefits of police officers.

**Drug Enforcement Agency (DEA) Federal Sharing Fund**

To account for funds received from the federal Drug Enforcement Agency.

**Termination Benefits Fund**

To account for the large sum payout of retirees for sick, vacation and compensatory time accrued through their employment with the City. (The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances are not presented because this fund is reported as part of the General Fund on a GAAP basis.)

**Police Grants Fund**

To account for the grant monies for the Police Department.

***Debt Service Funds***

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Debt Service Funds are used to account for retirement of the City's general obligation and special assessment bonds.

**Note Debt Retirement Fund**

To account for the accumulation of resources for the payments of general obligation note debt of the City including self-supporting obligations not otherwise paid from proprietary funds.

**Debt Retirement Fund**

To account for the accumulation of resources for the payments of general obligation debt of the City including self-supporting obligations not otherwise paid from proprietary funds. (The Balance Sheet is not presented because there are no assets or liabilities at year end.)

**Special Assessment Bond Retirement Fund**

To accumulate special assessment revenues collected by the County Treasurer and remitted to the City by the County Auditor for payment of special assessment bonds.

**Zind Lane Sewer Fund**

To account for payments of principal and interest on the City's Zind Lane Sewer special assessment bond. Revenues for this purpose include special assessment collections.

**Crowne Point Drive Fund**

To account for payments of principal and interest on the City's Miller Valentine special assessment bonds. Revenues for this purpose include special assessment collections and investment income. (The Balance Sheet is not presented because there are no assets or liabilities at year end.)

***Capital Projects Funds***

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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.

**Capital Improvement Fund**

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

**Capital Improvement Issue II Fund**

To account for government and local portions of Issue II funds that will be expended as they are approved.

**Downtown TIF Fund**

To account for receipts and expenditures related to the TIF created to make improvements to the downtown area of Sharonville.

**Facility Improvement Fund**

To account for the accumulation of funds for facility improvements and repairs including roofs, HVAC systems and other improvements for the continued and improved usage of City Facilities.

**Fire Equipment Fund**

To account for the accumulation of funds for the purchase of Fire Aerial and/or other Fire Department vehicles and equipment.

**Storm Water Fund**

To account for the collection of assessments for the construction of a storm water system within the City.

**CITY OF SHARONVILLE, OHIO**

**Combining Balance Sheet  
Nonmajor Governmental Funds  
December 31, 2013**

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Assets:</b>				
Cash and Cash Equivalents	\$ 2,017,987	\$ 15,037	\$ 2,827,952	\$ 4,860,976
Receivables:				
Taxes	0	0	1,782	1,782
Accounts	1,430	0	0	1,430
Intergovernmental	1,171,497	0	304,560	1,476,057
Special Assessments	0	1,802,569	0	1,802,569
Inventory of Supplies, at Cost	95,397	0	0	95,397
Prepaid Items	6,265	0	0	6,265
<b>Total Assets</b>	<b>\$ 3,292,576</b>	<b>\$ 1,817,606</b>	<b>\$ 3,134,294</b>	<b>\$ 8,244,476</b>
<b>Liabilities:</b>				
Accounts Payable	\$ 118,145	\$ 0	\$ 427,905	\$ 546,050
Accrued Wages and Benefits Payable	22,441	0	507	22,948
Intergovernmental Payable	29,245	0	193	29,438
Interfund Loans Payable	9,500	507	5,000	15,007
<b>Total Liabilities</b>	<b>179,331</b>	<b>507</b>	<b>433,605</b>	<b>613,443</b>
<b>Deferred Inflows of Resources:</b>				
Unavailable Amounts	769,698	1,802,569	0	2,572,267
Property Tax Levy for Next Fiscal Year	0	0	1,782	1,782
<b>Total Deferred Inflows of Resources</b>	<b>769,698</b>	<b>1,802,569</b>	<b>1,782</b>	<b>2,574,049</b>
<b>Fund Balances:</b>				
Nonspendable	101,662	0	0	101,662
Restricted	2,237,187	13,880	1,595,728	3,846,795
Committed	4,698	650	1,106,560	1,111,908
Unassigned	0	0	(3,381)	(3,381)
<b>Total Fund Balances</b>	<b>2,343,547</b>	<b>14,530</b>	<b>2,698,907</b>	<b>5,056,984</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 3,292,576</b>	<b>\$ 1,817,606</b>	<b>\$ 3,134,294</b>	<b>\$ 8,244,476</b>

**CITY OF SHARONVILLE, OHIO**

**Combining Statement of Revenues, Expenditures and Changes in Fund Balance  
Nonmajor Governmental Funds  
For the Year Ended December 31, 2013**

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Revenues:</b>				
Payment in Lieu of Taxes	\$ 0	\$ 0	\$ 1,619	\$ 1,619
Intergovernmental Revenues	2,063,028	0	1,078,845	3,141,873
Charges for Services	2,313	0	0	2,313
Investment Earnings	6,521	0	0	6,521
Special Assessments	0	105,189	191,014	296,203
Fines and Forfeitures	46,281	0	0	46,281
All Other Revenue	20,804	7,273	2,133	30,210
<b>Total Revenue</b>	<b>2,138,947</b>	<b>112,462</b>	<b>1,273,611</b>	<b>3,525,020</b>
<b>Expenditures:</b>				
Current:				
Security of Persons and Property	98,376	0	0	98,376
Leisure Time Activities	950	0	0	950
Transportation	1,786,230	0	0	1,786,230
General Government	0	7,900	311,950	319,850
Capital Outlay	0	40,259	3,398,986	3,439,245
Debt Service:				
Principal Retirement	81,529	1,330,000	0	1,411,529
Interest & Fiscal Charges	1,840	264,203	0	266,043
<b>Total Expenditures</b>	<b>1,968,925</b>	<b>1,642,362</b>	<b>3,710,936</b>	<b>7,322,223</b>
Excess (Deficiency) of Revenues Over Expenditures	170,022	(1,529,900)	(2,437,325)	(3,797,203)
<b>Other Financing Sources (Uses):</b>				
Sale of Capital Assets	0	0	17,293	17,293
Transfers In	0	1,481,790	2,793,035	4,274,825
<b>Total Other Financing Sources (Uses)</b>	<b>0</b>	<b>1,481,790</b>	<b>2,810,328</b>	<b>4,292,118</b>
Net Change in Fund Balance	170,022	(48,110)	373,003	494,915
<b>Fund Balances at Beginning of Year</b>	<b>2,190,094</b>	<b>62,640</b>	<b>2,325,904</b>	<b>4,578,638</b>
Decrease in Inventory Reserve	(16,569)	0	0	(16,569)
<b>Fund Balances End of Year</b>	<b>\$ 2,343,547</b>	<b>\$ 14,530</b>	<b>\$ 2,698,907</b>	<b>\$ 5,056,984</b>

**CITY OF SHARONVILLE, OHIO**

**Combining Balance Sheet  
Nonmajor Special Revenue Funds  
December 31, 2013**

	Street Construction, Maintenance & Repair Fund	State Highway Fund	Permissive Motor Vehicle Tax Fund	FEMA Fund
<b>Assets:</b>				
Cash and Cash Equivalents	\$ 1,415,995	\$ 241,085	\$ 104,580	\$ 20
Accounts	0	0	0	0
Intergovernmental	896,989	72,338	190,045	0
Inventory of Supplies, at Cost	63,916	31,481	0	0
Prepaid Items	4,452	0	0	0
<b>Total Assets</b>	<b>\$ 2,381,352</b>	<b>\$ 344,904</b>	<b>\$ 294,625</b>	<b>\$ 20</b>
<b>Liabilities:</b>				
Accounts Payable	\$ 112,939	\$ 2,161	\$ 79	\$ 0
Accrued Wages and Benefits Payable	18,741	0	3,700	0
Intergovernmental Payable	25,200	0	4,045	0
Interfund Loans Payable	0	0	0	0
<b>Total Liabilities</b>	<b>156,880</b>	<b>2,161</b>	<b>7,824</b>	<b>0</b>
<b>Deferred Inflows of Resources:</b>				
Unavailable Amounts	594,776	48,225	126,697	0
<b>Total Deferred Inflows of Resources</b>	<b>594,776</b>	<b>48,225</b>	<b>126,697</b>	<b>0</b>
<b>Fund Balances:</b>				
Nonspendable	68,368	31,481	0	0
Restricted	1,561,328	263,037	160,104	20
Committed	0	0	0	0
<b>Total Fund Balances</b>	<b>1,629,696</b>	<b>294,518</b>	<b>160,104</b>	<b>20</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 2,381,352</b>	<b>\$ 344,904</b>	<b>\$ 294,625</b>	<b>\$ 20</b>

**CITY OF SHARONVILLE, OHIO**

State Health Licenses Fund	Teen Fund	Law Enforcement Trust Fund	Drug Law Enforcement Fund	DUI Checkpoint Grant Fund	DUI Education and Enforcement Fund
\$ 3	\$ 4,953	\$ 2,970	\$ 48,274	\$ 9,359	\$ 7,647
0	0	0	1,430	0	0
0	0	0	1,818	162	94
0	0	0	0	0	0
0	0	240	0	0	0
<u>\$ 3</u>	<u>\$ 4,953</u>	<u>\$ 3,210</u>	<u>\$ 51,522</u>	<u>\$ 9,521</u>	<u>\$ 7,741</u>
\$ 0	\$ 255	\$ 413	\$ 1,338	\$ 0	\$ 0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>0</u>	<u>255</u>	<u>413</u>	<u>1,338</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>	<u>0</u>	<u>0</u>	<u>0</u>
0	0	240	0	0	0
3	0	2,557	50,184	9,521	7,741
0	4,698	0	0	0	0
<u>3</u>	<u>4,698</u>	<u>2,797</u>	<u>50,184</u>	<u>9,521</u>	<u>7,741</u>
<u>\$ 3</u>	<u>\$ 4,953</u>	<u>\$ 3,210</u>	<u>\$ 51,522</u>	<u>\$ 9,521</u>	<u>\$ 7,741</u>

(Continued)

**CITY OF SHARONVILLE, OHIO**

**Combining Balance Sheet  
Nonmajor Special Revenue Funds  
December 31, 2013**

	Mayor's Court Computer Fund	Clerk of Courts Computer Fund	Confinement Reimbursement Fund	COPS Grant Fund
<b>Assets:</b>				
Cash and Cash Equivalents	\$ 39,906	\$ 90,841	\$ 1,042	\$ 5,752
Accounts	0	0	0	0
Intergovernmental	669	1,561	0	0
Inventory of Supplies, at Cost	0	0	0	0
Prepaid Items	489	1,084	0	0
<b>Total Assets</b>	<u>\$ 41,064</u>	<u>\$ 93,486</u>	<u>\$ 1,042</u>	<u>\$ 5,752</u>
<b>Liabilities:</b>				
Accounts Payable	\$ 295	\$ 665	\$ 0	\$ 0
Accrued Wages and Benefits Payable	0	0	0	0
Intergovernmental Payable	0	0	0	0
Interfund Loans Payable	0	0	0	0
<b>Total Liabilities</b>	<u>295</u>	<u>665</u>	<u>0</u>	<u>0</u>
<b>Deferred Inflows of Resources:</b>				
Unavailable Amounts	0	0	0	0
<b>Total Deferred Inflows of Resources</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Fund Balances:</b>				
Nonspendable	489	1,084	0	0
Restricted	40,280	91,737	1,042	5,752
Committed	0	0	0	0
<b>Total Fund Balances</b>	<u>40,769</u>	<u>92,821</u>	<u>1,042</u>	<u>5,752</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<u>\$ 41,064</u>	<u>\$ 93,486</u>	<u>\$ 1,042</u>	<u>\$ 5,752</u>



**CITY OF SHARONVILLE, OHIO**

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DEA Federal Sharing Fund	Police Grants Fund	Total Nonmajor Special Revenue Funds
\$ 43,881	\$ 1,679	\$ 2,017,987
0	0	1,430
0	7,821	1,171,497
0	0	95,397
0	0	6,265
<u>\$ 43,881</u>	<u>\$ 9,500</u>	<u>\$ 3,292,576</u>
\$ 0	\$ 0	\$ 118,145
0	0	22,441
0	0	29,245
0	9,500	9,500
<u>0</u>	<u>9,500</u>	<u>179,331</u>
<u>0</u>	<u>0</u>	<u>769,698</u>
<u>0</u>	<u>0</u>	<u>769,698</u>
0	0	101,662
43,881	0	2,237,187
0	0	4,698
<u>43,881</u>	<u>0</u>	<u>2,343,547</u>
<u>\$ 43,881</u>	<u>\$ 9,500</u>	<u>\$ 3,292,576</u>

**CITY OF SHARONVILLE, OHIO**

**Combining Statement of Revenues, Expenditures and Changes in Fund Balance  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2013**

	Street Construction, Maintenance & Repair Fund	State Highway Fund	Permissive Motor Vehicle Tax Fund	FEMA Fund
<b>Revenues:</b>				
Intergovernmental Revenues	\$ 1,659,708	\$ 136,084	\$ 250,369	\$ 0
Charges for Services	0	0	0	0
Investment Earnings	5,198	850	473	0
Fines and Forfeitures	0	0	0	0
All Other Revenue	17,021	1,349	1,388	0
<b>Total Revenue</b>	<u>1,681,927</u>	<u>138,283</u>	<u>252,230</u>	<u>0</u>
<b>Expenditures:</b>				
Current:				
Security of Persons and Property	0	0	0	0
Leisure Time Activities	0	0	0	0
Transportation	1,429,440	85,389	271,401	0
Debt Service:				
Principal Retirement	81,529	0	0	0
Interest & Fiscal Charges	1,840	0	0	0
<b>Total Expenditures</b>	<u>1,512,809</u>	<u>85,389</u>	<u>271,401</u>	<u>0</u>
Net Change in Fund Balance	169,118	52,894	(19,171)	0
<b>Fund Balances at Beginning of Year</b>	1,471,679	247,092	179,275	20
Decrease in Inventory Reserve	(11,101)	(5,468)	0	0
<b>Fund Balances End of Year</b>	<u>\$ 1,629,696</u>	<u>\$ 294,518</u>	<u>\$ 160,104</u>	<u>\$ 20</u>

**CITY OF SHARONVILLE, OHIO**

State Health Licenses Fund	Teen Fund	Law Enforcement Trust Fund	Drug Law Enforcement Fund	DUI Checkpoint Grant Fund	DUI Education and Enforcement Fund
\$ 0	\$ 0	\$ 0	\$ 0	\$ 9,046	\$ 0
0	2,313	0	0	0	0
0	0	0	0	0	0
0	0	1,045	12,437	0	595
0	0	0	280	0	766
0	2,313	1,045	12,717	9,046	1,361
0	0	5,882	25,324	8,050	168
0	950	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	950	5,882	25,324	8,050	168
0	1,363	(4,837)	(12,607)	996	1,193
3	3,335	7,634	62,791	8,525	6,548
0	0	0	0	0	0
<u>\$ 3</u>	<u>\$ 4,698</u>	<u>\$ 2,797</u>	<u>\$ 50,184</u>	<u>\$ 9,521</u>	<u>\$ 7,741</u>

(Continued)

**CITY OF SHARONVILLE, OHIO**

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**Combining Statement of Revenues, Expenditures and Changes in Fund Balance  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2013**

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	Mayor's Court Computer Fund	Clerk of Courts Computer Fund	Confinement Reimbursement Fund	COPS Grant Fund
<b>Revenues:</b>				
Intergovernmental Revenues	\$ 0	\$ 0	\$ 0	\$ 0
Charges for Services	0	0	0	0
Investment Earnings	0	0	0	0
Fines and Forfeitures	9,189	21,440	1,575	0
All Other Revenue	0	0	0	0
<b>Total Revenue</b>	<u>9,189</u>	<u>21,440</u>	<u>1,575</u>	<u>0</u>
<b>Expenditures:</b>				
Current:				
Security of Persons and Property	8,012	18,845	2,229	0
Leisure Time Activities	0	0	0	0
Transportation	0	0	0	0
Debt Service:				
Principal Retirement	0	0	0	0
Interest & Fiscal Charges	0	0	0	0
<b>Total Expenditures</b>	<u>8,012</u>	<u>18,845</u>	<u>2,229</u>	<u>0</u>
Net Change in Fund Balance	1,177	2,595	(654)	0
<b>Fund Balances at Beginning of Year</b>	39,592	90,226	1,696	5,752
Decrease in Inventory Reserve	0	0	0	0
<b>Fund Balances End of Year</b>	<u>\$ 40,769</u>	<u>\$ 92,821</u>	<u>\$ 1,042</u>	<u>\$ 5,752</u>

**CITY OF SHARONVILLE, OHIO**

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DEA Federal Sharing Fund	Police Grants Fund	Total Nonmajor Special Revenue Funds
\$ 0	\$ 7,821	\$ 2,063,028
0	0	2,313
0	0	6,521
0	0	46,281
0	0	20,804
<u>0</u>	<u>7,821</u>	<u>2,138,947</u>
22,045	7,821	98,376
0	0	950
0	0	1,786,230
0	0	81,529
0	0	1,840
<u>22,045</u>	<u>7,821</u>	<u>1,968,925</u>
(22,045)	0	170,022
65,926	0	2,190,094
0	0	(16,569)
<u>\$ 43,881</u>	<u>\$ 0</u>	<u>\$ 2,343,547</u>

**CITY OF SHARONVILLE, OHIO**

**Combining Balance Sheet  
Nonmajor Debt Service Funds  
December 31, 2013**

	Note Debt Retirement Fund	Special Assessment Bond Retirement Fund	Zind Lane Sewer Fund	Total Nonmajor Debt Service Funds
<b>Assets:</b>				
Cash and Cash Equivalents	\$ 650	\$ 792	\$ 13,595	\$ 15,037
Receivables:				
Special Assessments	0	1,802,569	0	1,802,569
<b>Total Assets</b>	<u>\$ 650</u>	<u>\$ 1,803,361</u>	<u>\$ 13,595</u>	<u>\$ 1,817,606</u>
<b>Liabilities:</b>				
Interfund Loans Payable	\$ 0	\$ 507	\$ 0	\$ 507
<b>Total Liabilities</b>	<u>0</u>	<u>507</u>	<u>0</u>	<u>507</u>
<b>Deferred Inflows of Resources:</b>				
Unavailable Amounts	0	1,802,569	0	1,802,569
<b>Total Deferred Inflows of Resources</b>	<u>0</u>	<u>1,802,569</u>	<u>0</u>	<u>1,802,569</u>
<b>Fund Balances:</b>				
Restricted	0	285	13,595	13,880
Committed	650	0	0	650
<b>Total Fund Balances</b>	<u>650</u>	<u>285</u>	<u>13,595</u>	<u>14,530</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<u>\$ 650</u>	<u>\$ 1,803,361</u>	<u>\$ 13,595</u>	<u>\$ 1,817,606</u>



**CITY OF SHARONVILLE, OHIO**

**Combining Statement of Revenues, Expenditures and Changes in Fund Balance  
Nonmajor Debt Service Funds  
For the Year Ended December 31, 2013**

	Note Debt Retirement Fund	Debt Retirement Fund	Special Assessment Bond Retirement Fund
<b>Revenues:</b>			
Special Assessments	\$ 0	\$ 0	\$ 105,189
All Other Revenue	7,150	123	0
<b>Total Revenue</b>	<u>7,150</u>	<u>123</u>	<u>105,189</u>
<b>Expenditures:</b>			
Current:			
General Government	0	0	0
Capital Outlay	0	0	0
Debt Service:			
Principal Retirement	375,000	900,000	55,000
Interest & Fiscal Charges	64,344	150,369	49,490
<b>Total Expenditures</b>	<u>439,344</u>	<u>1,050,369</u>	<u>104,490</u>
Excess (Deficiency) of Revenues Over Expenditures	(432,194)	(1,050,246)	699
<b>Other Financing Sources (Uses):</b>			
Transfers In	431,544	1,050,246	0
<b>Total Other Financing Sources (Uses)</b>	<u>431,544</u>	<u>1,050,246</u>	<u>0</u>
Net Change in Fund Balance	(650)	0	699
<b>Fund Balances at Beginning of Year</b>	<u>1,300</u>	<u>0</u>	<u>(414)</u>
<b>Fund Balances End of Year</b>	<u>\$ 650</u>	<u>\$ 0</u>	<u>\$ 285</u>



**CITY OF SHARONVILLE, OHIO**

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Zind Lane Sewer Fund	Crowne Point Drive Fund	Total Nonmajor Debt Service Funds
\$ 0	\$ 0	\$ 105,189
0	0	7,273
0	0	112,462
0	7,900	7,900
0	40,259	40,259
0	0	1,330,000
0	0	264,203
0	48,159	1,642,362
0	(48,159)	(1,529,900)
0	0	1,481,790
0	0	1,481,790
0	(48,159)	(48,110)
13,595	48,159	62,640
<u>\$ 13,595</u>	<u>\$ 0</u>	<u>\$ 14,530</u>

**CITY OF SHARONVILLE, OHIO**

**Combining Balance Sheet  
Nonmajor Capital Projects Funds  
December 31, 2013**

	Capital Improvement Fund	Capital Improvement Issue II Fund	Downtown TIF Fund	Facility Improvement Fund
<b>Assets:</b>				
Cash and Cash Equivalents	\$ 1,229,543	\$ 0	\$ 1,619	\$ 508,139
Receivables:				
Taxes	0	0	1,782	0
Intergovernmental	0	304,560	0	0
<b>Total Assets</b>	<u>\$ 1,229,543</u>	<u>\$ 304,560</u>	<u>\$ 3,401</u>	<u>\$ 508,139</u>
<b>Liabilities:</b>				
Accounts Payable	\$ 122,983	\$ 304,560	\$ 0	\$ 0
Accrued Wages and Benefits Payable	0	0	0	0
Intergovernmental Payable	0	0	0	0
Interfund Loans Payable	0	0	5,000	0
<b>Total Liabilities</b>	<u>122,983</u>	<u>304,560</u>	<u>5,000</u>	<u>0</u>
<b>Deferred Inflows of Resources:</b>				
Property Tax Levy for Next Fiscal Year	0	0	1,782	0
<b>Total Deferred Inflows of Resources</b>	<u>0</u>	<u>0</u>	<u>1,782</u>	<u>0</u>
<b>Fund Balances:</b>				
Restricted	0	0	0	508,139
Committed	1,106,560	0	0	0
Unassigned	0	0	(3,381)	0
<b>Total Fund Balances</b>	<u>1,106,560</u>	<u>0</u>	<u>(3,381)</u>	<u>508,139</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<u>\$ 1,229,543</u>	<u>\$ 304,560</u>	<u>\$ 3,401</u>	<u>\$ 508,139</u>

**CITY OF SHARONVILLE, OHIO**

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Fire Equipment Fund	Storm Water Fund	Total Nonmajor Capital Projects Funds
\$ 778,138	\$ 310,513	\$ 2,827,952
0	0	1,782
0	0	304,560
<u>\$ 778,138</u>	<u>\$ 310,513</u>	<u>\$ 3,134,294</u>
\$ 0	\$ 362	\$ 427,905
0	507	507
0	193	193
0	0	5,000
<u>0</u>	<u>1,062</u>	<u>433,605</u>
0	0	1,782
0	0	1,782
778,138	309,451	1,595,728
0	0	1,106,560
0	0	(3,381)
<u>778,138</u>	<u>309,451</u>	<u>2,698,907</u>
<u>\$ 778,138</u>	<u>\$ 310,513</u>	<u>\$ 3,134,294</u>

**CITY OF SHARONVILLE, OHIO**

**Combining Statement of Revenues, Expenditures and Changes in Fund Balance  
Nonmajor Capital Projects Funds  
For the Year Ended December 31, 2013**

	Capital Improvement Fund	Capital Improvement Issue II Fund	Downtown TIF Fund	Facility Improvement Fund
<b>Revenues:</b>				
Payment in Lieu of Taxes	\$ 0	\$ 0	\$ 1,619	\$ 0
Intergovernmental Revenues	0	1,078,845	0	0
Special Assessments	0	0	0	0
All Other Revenue	2,129	0	0	0
<b>Total Revenue</b>	<b>2,129</b>	<b>1,078,845</b>	<b>1,619</b>	<b>0</b>
<b>Expenditures:</b>				
Current:				
General Government	0	0	0	0
Capital Outlay	1,860,140	1,516,985	0	21,861
<b>Total Expenditures</b>	<b>1,860,140</b>	<b>1,516,985</b>	<b>0</b>	<b>21,861</b>
Excess (Deficiency) of Revenues Over Expenditures	(1,858,011)	(438,140)	1,619	(21,861)
<b>Other Financing Sources (Uses):</b>				
Sale of Capital Assets	17,293	0	0	0
Transfers In	1,858,558	0	0	330,000
<b>Total Other Financing Sources (Uses)</b>	<b>1,875,851</b>	<b>0</b>	<b>0</b>	<b>330,000</b>
Net Change in Fund Balance	17,840	(438,140)	1,619	308,139
<b>Fund Balances at Beginning of Year</b>	<b>1,088,720</b>	<b>438,140</b>	<b>(5,000)</b>	<b>200,000</b>
<b>Fund Balances End of Year</b>	<b>\$ 1,106,560</b>	<b>\$ 0</b>	<b>\$ (3,381)</b>	<b>\$ 508,139</b>

**CITY OF SHARONVILLE, OHIO**

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Fire Equipment Fund	Storm Water Fund	Total Nonmajor Capital Project Funds
\$ 0	\$ 0	\$ 1,619
0	0	1,078,845
0	191,014	191,014
0	4	2,133
<u>0</u>	<u>191,018</u>	<u>1,273,611</u>
0	311,950	311,950
<u>0</u>	<u>0</u>	<u>3,398,986</u>
<u>0</u>	<u>311,950</u>	<u>3,710,936</u>
0	(120,932)	(2,437,325)
0	0	17,293
<u>604,477</u>	<u>0</u>	<u>2,793,035</u>
<u>604,477</u>	<u>0</u>	<u>2,810,328</u>
604,477	(120,932)	373,003
<u>173,661</u>	<u>430,383</u>	<u>2,325,904</u>
<u>\$ 778,138</u>	<u>\$ 309,451</u>	<u>\$ 2,698,907</u>

**CITY OF SHARONVILLE, OHIO**

**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds – General Fund  
For the Year Ended December 31, 2013**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Taxes	\$ 14,300,671	\$ 14,742,773	\$ 15,114,303	\$ 371,530
Intergovernmental Revenues	484,724	859,379	900,686	41,307
Charges for Services	364,520	358,760	375,263	16,503
Licenses and Permits	495,045	443,545	467,866	24,321
Investment Earnings	15,000	76,000	78,561	2,561
Fines and Forfeitures	351,000	328,000	333,365	5,365
All Other Revenues	306,460	322,460	371,221	48,761
Total Revenues	<u>16,317,420</u>	<u>17,130,917</u>	<u>17,641,265</u>	<u>510,348</u>
<b>Expenditures:</b>				
Security of Persons and Property:				
Police Department:				
Personal Services	5,335,250	5,483,748	5,381,920	101,828
Materials and Supplies	152,660	203,932	191,722	12,210
Contractual Services	434,446	447,354	395,859	51,495
Total Security of Persons and Property	<u>5,922,356</u>	<u>6,135,034</u>	<u>5,969,501</u>	<u>165,533</u>
Public Health and Welfare Services:				
Health Department:				
Personal Services	377,155	370,096	354,778	15,318
Materials and Supplies	11,450	11,785	10,821	964
Contractual Services	29,675	30,282	21,927	8,355
Total Public Health and Welfare Services	<u>418,280</u>	<u>412,163</u>	<u>387,526</u>	<u>24,637</u>
Leisure Time Activities:				
Recreation Centers:				
Personal Services	660,220	664,480	650,909	13,571
Materials and Supplies	58,630	67,816	61,059	6,757
Contractual Services	291,017	298,103	276,517	21,586
Total Recreation Centers	<u>1,009,867</u>	<u>1,030,399</u>	<u>988,485</u>	<u>41,914</u>

(Continued)

**CITY OF SHARONVILLE, OHIO**

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds – General Fund  
For the Year Ended December 31, 2013***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Recreation Parks and Programs:				
Personal Services	1,284,400	1,307,147	1,265,572	41,575
Materials and Supplies	35,850	38,736	30,549	8,187
Contractual Services	124,295	125,690	105,066	20,624
Total Recreation Parks and Programs	<u>1,444,545</u>	<u>1,471,573</u>	<u>1,401,187</u>	<u>70,386</u>
Recreation Pools:				
Personal Services	195,400	197,543	196,315	1,228
Materials and Supplies	33,505	28,564	28,564	0
Contractual Services	36,345	31,515	31,344	171
Total Recreation Pools	<u>265,250</u>	<u>257,622</u>	<u>256,223</u>	<u>1,399</u>
Total Leisure Time Activities	<u>2,719,662</u>	<u>2,759,594</u>	<u>2,645,895</u>	<u>113,699</u>
Community Environment:				
Building and Planning:				
Personal Services	439,700	442,834	423,401	19,433
Materials and Supplies	7,500	9,131	7,251	1,880
Contractual Services	51,350	51,140	42,077	9,063
Total Community Environment	<u>498,550</u>	<u>503,105</u>	<u>472,729</u>	<u>30,376</u>
Basic Utility Services:				
Waste Collection:				
Contractual Services	528,000	703,817	703,817	0
Total Basic Utility Services	<u>528,000</u>	<u>703,817</u>	<u>703,817</u>	<u>0</u>
General Government:				
Mayor:				
Personal Services	59,450	59,450	56,675	2,775
Materials and Supplies	350	350	186	164
Contractual Services	6,700	11,671	11,313	358
Total Mayor	<u>66,500</u>	<u>71,471</u>	<u>68,174</u>	<u>3,297</u>

(Continued)

**CITY OF SHARONVILLE, OHIO**

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds – General Fund  
For the Year Ended December 31, 2013***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Council:				
Personal Services	120,300	121,140	120,185	955
Materials and Supplies	350	950	796	154
Contractual Services	6,200	5,931	2,803	3,128
Total Council	<u>126,850</u>	<u>128,021</u>	<u>123,784</u>	<u>4,237</u>
Auditor and Treasurer:				
Personal Services	37,100	37,100	36,908	192
Materials and Supplies	0	1,770	1,770	0
Contractual Services	61,555	60,060	56,241	3,819
Total Auditor and Treasurer	<u>98,655</u>	<u>98,930</u>	<u>94,919</u>	<u>4,011</u>
Law Director:				
Personal Services	82,900	82,900	82,629	271
Contractual Services	62,980	96,914	78,016	18,898
Total Law Director	<u>145,880</u>	<u>179,814</u>	<u>160,645</u>	<u>19,169</u>
Civil Service:				
Personal Services	25,600	30,100	28,343	1,757
Materials and Supplies	220	240	206	34
Contractual Services	13,900	17,380	14,311	3,069
Total Civil Service	<u>39,720</u>	<u>47,720</u>	<u>42,860</u>	<u>4,860</u>
Safety/Service Director:				
Personal Services	1,104,770	1,167,638	1,149,544	18,094
Materials and Supplies	1,300	1,270	602	668
Contractual Services	191,350	293,279	266,791	26,488
Total Safety/Service Director	<u>1,297,420</u>	<u>1,462,187</u>	<u>1,416,937</u>	<u>45,250</u>
Tax Department:				
Personal Services	520,500	523,495	518,668	4,827
Materials and Supplies	12,400	20,369	20,183	186
Contractual Services	50,183	52,459	45,593	6,866
Total Tax Department	<u>583,083</u>	<u>596,323</u>	<u>584,444</u>	<u>11,879</u>

(Continued)



**CITY OF SHARONVILLE, OHIO**

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds – General Fund  
For the Year Ended December 31, 2013***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Building and Lands:</b>				
Personal Services	186,740	188,951	186,303	2,648
Materials and Supplies	38,430	40,344	37,856	2,488
Contractual Services	255,312	276,811	255,767	21,044
Total Buildings and Lands	480,482	506,106	479,926	26,180
<b>Miscellaneous Government:</b>				
Personal Services	16,429	8,429	0	8,429
Materials and Supplies	17,200	29,250	20,460	8,790
Contractual Services	703,324	904,122	865,174	38,948
Total Miscellaneous Government	736,953	941,801	885,634	56,167
Total General Government	3,575,543	4,032,373	3,857,323	175,050
Total Expenditures	13,662,391	14,546,086	14,036,791	509,295
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,655,029	2,584,831	3,604,474	1,019,643
<b>Other Financing Sources (Uses):</b>				
Transfers Out	(2,516,627)	(3,146,627)	(3,145,926)	701
Advances Out	0	0	(9,593)	(9,593)
Total Other Financing Sources (Uses)	(2,516,627)	(3,146,627)	(3,155,519)	(8,892)
Net Change in Fund Balance	138,402	(561,796)	448,955	1,010,751
Fund Balance at Beginning of Year	4,940,379	4,940,379	4,940,379	0
Prior Year Encumbrances	545,694	545,694	545,694	0
Fund Balance at End of Year	\$ 5,624,475	\$ 4,924,277	\$ 5,935,028	\$ 1,010,751

**CITY OF SHARONVILLE, OHIO**

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds – Special Revenue Fund  
For the Year Ended December 31, 2013***

<b>FIRE DEPARTMENT FUND</b>				Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Taxes	\$ 6,812,949	\$ 6,812,949	\$ 7,152,881	\$ 339,932
Charges for Services	500,000	500,000	459,692	(40,308)
All Other Revenues	0	0	52,831	52,831
Total Revenues	<u>7,312,949</u>	<u>7,312,949</u>	<u>7,665,404</u>	<u>352,455</u>
<b>Expenditures:</b>				
Security of Persons and Property:				
Fire Department:				
Personal Services	5,583,369	5,736,888	5,574,004	162,884
Materials and Supplies	163,650	224,159	208,669	15,490
Contractual Services	544,854	593,125	544,045	49,080
Total Security of Persons and Property	<u>6,291,873</u>	<u>6,554,172</u>	<u>6,326,718</u>	<u>227,454</u>
Capital Outlay	273,810	983,810	972,209	11,601
Total Expenditures	<u>6,565,683</u>	<u>7,537,982</u>	<u>7,298,927</u>	<u>239,055</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	747,266	(225,033)	366,477	591,510
<b>Other Financing Sources (Uses):</b>				
Transfers Out	(671,000)	(1,321,000)	(1,275,399)	45,601
Advances In	0	0	3,121	3,121
Total Other Financing Sources (Uses)	<u>(671,000)</u>	<u>(1,321,000)</u>	<u>(1,272,278)</u>	<u>48,722</u>
Net Change in Fund Balance	76,266	(1,546,033)	(905,801)	640,232
Fund Balance at Beginning of Year	1,000,001	1,000,001	1,000,001	0
Prior Year Encumbrances	905,799	905,799	905,799	0
Fund Balance at End of Year	<u>\$ 1,982,066</u>	<u>\$ 359,767</u>	<u>\$ 999,999</u>	<u>\$ 640,232</u>

**CITY OF SHARONVILLE, OHIO**

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds – Capital Project Fund  
For the Year Ended December 31, 2013***

<b>CHESTER ROAD TIF PROJECT FUND</b>			
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Payments in Lieu of Taxes	\$ 280,000	\$ 546,319	\$ 266,319
Total Revenues	<u>280,000</u>	<u>546,319</u>	<u>266,319</u>
<b>Expenditures:</b>			
Capital Outlay	2,362,149	2,210,494	151,655
Debt Service:			
Principal Retirement	4,485,000	4,485,000	0
Interest Charges	135,957	123,537	12,420
Total Expenditures	<u>6,983,106</u>	<u>6,819,031</u>	<u>164,075</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(6,703,106)	(6,272,712)	430,394
<b>Other Financing Sources (Uses):</b>			
Advances In	4,245,000	4,275,000	30,000
Total Other Financing Sources (Uses)	<u>4,245,000</u>	<u>4,275,000</u>	<u>30,000</u>
Net Change in Fund Balance	(2,458,106)	(1,997,712)	460,394
Fund Balance at Beginning of Year	2,769,142	2,769,142	0
Fund Balance at End of Year	<u>\$ 311,036</u>	<u>\$ 771,430</u>	<u>\$ 460,394</u>

**CITY OF SHARONVILLE, 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, 2013***

<b>STREET CONSTRUCTION, MAINTENANCE AND REPAIR FUND</b>			Variance with Final Budget Positive (Negative)
	Final Budget	Actual	
<b>Revenues:</b>			
Intergovernmental Revenues	\$ 1,486,000	\$ 1,695,278	\$ 209,278
Investment Earnings	200	5,198	4,998
All Other Revenues	100	14,060	13,960
Total Revenues	<u>1,486,300</u>	<u>1,714,536</u>	<u>228,236</u>
<b>Expenditures:</b>			
Transportation:			
Street Maintenance and Repair Department:			
Personal Services	937,403	846,940	90,463
Materials and Supplies	105,500	96,434	9,066
Contractual Services	133,628	109,581	24,047
Snow and Ice Removal Department:			
Personal Services	25,000	22,705	2,295
Materials and Supplies	44,243	38,639	5,604
Contractual Services	13,000	4,000	9,000
Traffic Signs and Signals Department:			
Materials and Supplies	1,000	443	557
Contractual Services	37,649	30,116	7,533
Total Transportation	<u>1,297,423</u>	<u>1,148,858</u>	<u>148,565</u>
Capital Outlay	643,360	487,575	155,785
Total Expenditures	<u>1,940,783</u>	<u>1,636,433</u>	<u>304,350</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(454,483)	78,103	532,586
Fund Balance at Beginning of Year	1,073,396	1,073,396	0
Prior Year Encumbrances	101,237	101,237	0
Fund Balance at End of Year	<u>\$ 720,150</u>	<u>\$ 1,252,736</u>	<u>\$ 532,586</u>

**CITY OF SHARONVILLE, 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, 2013***

STATE HIGHWAY FUND			
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Intergovernmental Revenues	\$ 124,000	\$ 138,968	\$ 14,968
Investment Earnings	24	850	826
All Other Revenues	0	1,349	1,349
Total Revenues	<u>124,024</u>	<u>141,167</u>	<u>17,143</u>
<b>Expenditures:</b>			
Transportation:			
Street Maintenance and Repair Department:			
Contractual Services	27,615	25,110	2,505
Snow and Ice Removal Department:			
Materials and Supplies	30,000	30,000	0
Traffic Signs and Signals Department:			
Materials and Supplies	1,000	1,000	0
Contractual Services	29,192	23,418	5,774
Total Transportation	<u>87,807</u>	<u>79,528</u>	<u>8,279</u>
Capital Outlay	34,471	23,985	10,486
Total Expenditures	<u>122,278</u>	<u>103,513</u>	<u>18,765</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,746	37,654	35,908
Fund Balance at Beginning of Year	148,911	148,911	0
Prior Year Encumbrances	36,478	36,478	0
Fund Balance at End of Year	<u>\$ 187,135</u>	<u>\$ 223,043</u>	<u>\$ 35,908</u>

**CITY OF SHARONVILLE, OHIO**

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***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, 2013***

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	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>PERMISSIVE MOTOR VEHICLE TAX FUND</b>			
<b>Revenues:</b>			
Intergovernmental Revenues	\$ 250,000	\$ 259,493	\$ 9,493
Investment Earnings	20	473	453
All Other Revenues	0	1,388	1,388
Total Revenues	<u>250,020</u>	<u>261,354</u>	<u>11,334</u>
<b>Expenditures:</b>			
Transportation:			
Street Maintenance and Repair Department:			
Personal Services	189,762	184,807	4,955
Materials and Supplies	41,190	39,956	1,234
Contractual Services	53,432	48,867	4,565
Traffic Signs and Signals Department:			
Contractual Services	120	78	42
Total Expenditures	<u>284,504</u>	<u>273,708</u>	<u>10,796</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(34,484)	(12,354)	22,130
Fund Balance at Beginning of Year	110,547	110,547	0
Prior Year Encumbrances	3,550	3,550	0
Fund Balance at End of Year	<u>\$ 79,613</u>	<u>\$ 101,743</u>	<u>\$ 22,130</u>

**CITY OF SHARONVILLE, OHIO**

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***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, 2013***

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	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Total Revenues	\$ 0	\$ 0	\$ 0
<b>Expenditures:</b>			
Total Expenditures	0	0	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0
<b>Other Financing Sources (Uses):</b>			
Advances Out	0	(3,121)	(3,121)
Total Other Financing Sources (Uses)	0	(3,121)	(3,121)
Net Change in Fund Balance	0	(3,121)	(3,121)
Fund Balance at Beginning of Year	3,141	3,141	0
Fund Balance at End of Year	<u>\$ 3,141</u>	<u>\$ 20</u>	<u>\$ (3,121)</u>

**CITY OF SHARONVILLE, OHIO**

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***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, 2013***

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<b>STATE HEALTH LICENSES FUND</b>			
	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Total Revenues	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<b>Expenditures:</b>			
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0
Fund Balance at Beginning of Year	3	3	0
Fund Balance at End of Year	<u>\$ 3</u>	<u>\$ 3</u>	<u>\$ 0</u>



**CITY OF SHARONVILLE, OHIO**

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***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, 2013***

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	TEEN FUND		Variance with Final Budget Positive (Negative)
	Final Budget	Actual	
<b>Revenues:</b>			
Charges for Services	\$ 0	\$ 2,313	\$ 2,313
Total Revenues	<u>0</u>	<u>2,313</u>	<u>2,313</u>
<b>Expenditures:</b>			
Leisure Time Activities:			
Recreation Parks and Programs Department:			
Contractual Services	3,235	995	2,240
Total Expenditures	<u>3,235</u>	<u>995</u>	<u>2,240</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,235)	1,318	4,553
Fund Balance at Beginning of Year	3,335	3,335	0
Fund Balance at End of Year	<u>\$ 100</u>	<u>\$ 4,653</u>	<u>\$ 4,553</u>

**CITY OF SHARONVILLE, OHIO**

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***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, 2013***

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	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Fines and Forfeitures	\$ 1,045	\$ 1,045	\$ 0
Total Revenues	<u>1,045</u>	<u>1,045</u>	<u>0</u>
<b>Expenditures:</b>			
Security of Persons and Property:			
Police Department:			
Personal Services	3,500	1,480	2,020
Materials and Supplies	320	218	102
Contractual Services	4,552	4,402	150
Total Expenditures	<u>8,372</u>	<u>6,100</u>	<u>2,272</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,327)	(5,055)	2,272
Fund Balance at Beginning of Year	7,471	7,471	0
Prior Year Encumbrances	472	472	0
Fund Balance at End of Year	<u>\$ 616</u>	<u>\$ 2,888</u>	<u>\$ 2,272</u>

**CITY OF SHARONVILLE, OHIO**

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***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, 2013***

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	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>DRUG LAW ENFORCEMENT FUND</b>			
<b>Revenues:</b>			
Fines and Forfeitures	\$ 8,800	\$ 9,189	\$ 389
All Other Revenues	0	280	280
Total Revenues	<u>8,800</u>	<u>9,469</u>	<u>669</u>
<b>Expenditures:</b>			
Security of Persons and Property:			
Police Department:			
Materials and Supplies	25,900	14,481	11,419
Contractual Services	<u>23,240</u>	<u>17,318</u>	<u>5,922</u>
Total Security of Persons and Property	<u>49,140</u>	<u>31,799</u>	<u>17,341</u>
Capital Outlay	<u>19,014</u>	<u>19,014</u>	<u>0</u>
Total Expenditures	<u>68,154</u>	<u>50,813</u>	<u>17,341</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(59,354)	(41,344)	18,010
Fund Balance at Beginning of Year	58,236	58,236	0
Prior Year Encumbrances	<u>22,754</u>	<u>22,754</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 21,636</u>	<u>\$ 39,646</u>	<u>\$ 18,010</u>

**CITY OF SHARONVILLE, OHIO**

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***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, 2013***

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	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Intergovernmental Revenues	\$ 4,550	\$ 9,083	\$ 4,533
Total Revenues	<u>4,550</u>	<u>9,083</u>	<u>4,533</u>
<b>Expenditures:</b>			
Security of Persons and Property:			
Police Department:			
Personal Services	8,050	8,050	0
Total Expenditures	<u>8,050</u>	<u>8,050</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,500)	1,033	4,533
Fund Balance at Beginning of Year	<u>8,326</u>	<u>8,326</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 4,826</u>	<u>\$ 9,359</u>	<u>\$ 4,533</u>

**CITY OF SHARONVILLE, OHIO**

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***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, 2013***

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	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Fines and Forfeitures	\$ 350	\$ 576	\$ 226
All Other Revenues	700	766	66
Total Revenues	<u>1,050</u>	<u>1,342</u>	<u>292</u>
<b>Expenditures:</b>			
Security of Persons and Property:			
Police Department:			
Contractual Services	4,112	2,780	1,332
Total Expenditures	<u>4,112</u>	<u>2,780</u>	<u>1,332</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,062)	(1,438)	1,624
Fund Balance at Beginning of Year	3,861	3,861	0
Prior Year Encumbrances	2,612	2,612	0
Fund Balance at End of Year	<u>\$ 3,411</u>	<u>\$ 5,035</u>	<u>\$ 1,624</u>

**CITY OF SHARONVILLE, OHIO**

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***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, 2013***

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	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Fines and Forfeitures	\$ 8,500	\$ 9,030	\$ 530
Total Revenues	<u>8,500</u>	<u>9,030</u>	<u>530</u>
<b>Expenditures:</b>			
Security of Persons and Property:			
Police Department:			
Materials and Supplies	4,100	331	3,769
Contractual Services	<u>13,155</u>	<u>5,843</u>	<u>7,312</u>
Total Security of Persons and Property	<u>17,255</u>	<u>6,174</u>	<u>11,081</u>
Capital Outlay	<u>7,907</u>	<u>7,110</u>	<u>797</u>
Total Expenditures	<u>25,162</u>	<u>13,284</u>	<u>11,878</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(16,662)	(4,254)	12,408
Fund Balance at Beginning of Year	31,670	31,670	0
Prior Year Encumbrances	<u>6,881</u>	<u>6,881</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 21,889</u>	<u>\$ 34,297</u>	<u>\$ 12,408</u>

**CITY OF SHARONVILLE, OHIO**

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***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, 2013***

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	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Fines and Forfeitures	\$ 20,000	\$ 21,069	\$ 1,069
Total Revenues	<u>20,000</u>	<u>21,069</u>	<u>1,069</u>
<b>Expenditures:</b>			
Security of Persons and Property:			
Police Department:			
Materials and Supplies	5,200	844	4,356
Contractual Services	<u>20,655</u>	<u>13,502</u>	<u>7,153</u>
Total Security of Persons and Property	<u>25,855</u>	<u>14,346</u>	<u>11,509</u>
Capital Outlay	<u>18,451</u>	<u>16,588</u>	<u>1,863</u>
Total Expenditures	<u>44,306</u>	<u>30,934</u>	<u>13,372</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(24,306)	(9,865)	14,441
Fund Balance at Beginning of Year	71,563	71,563	0
Prior Year Encumbrances	<u>16,057</u>	<u>16,057</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 63,314</u>	<u>\$ 77,755</u>	<u>\$ 14,441</u>

**CITY OF SHARONVILLE, OHIO**

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***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, 2013***

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	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Fines and Forfeitures	\$ 1,000	\$ 1,605	\$ 605
Total Revenues	<u>1,000</u>	<u>1,605</u>	<u>605</u>
<b>Expenditures:</b>			
Security of Persons and Property:			
Police Department:			
Contractual Services	<u>2,229</u>	<u>2,229</u>	<u>0</u>
Total Expenditures	<u>2,229</u>	<u>2,229</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,229)	(624)	605
Fund Balance at Beginning of Year	<u>1,666</u>	<u>1,666</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 437</u>	<u>\$ 1,042</u>	<u>\$ 605</u>



**CITY OF SHARONVILLE, OHIO**

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***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, 2013***

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	COPS GRANT FUND		Variance with Final Budget Positive (Negative)
	<u>Final Budget</u>	<u>Actual</u>	
<b>Revenues:</b>			
Total Revenues	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<b>Expenditures:</b>			
Security of Persons and Property:			
Police Department:			
Materials and Supplies	<u>5,752</u>	<u>0</u>	<u>5,752</u>
Total Expenditures	<u>5,752</u>	<u>0</u>	<u>5,752</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(5,752)</u>	<u>0</u>	<u>5,752</u>
Fund Balance at Beginning of Year	<u>5,752</u>	<u>5,752</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 5,752</u>	<u>\$ 5,752</u>

**CITY OF SHARONVILLE, OHIO**

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***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, 2013***

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	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Total Revenues	\$ 0	\$ 0	\$ 0
<b>Expenditures:</b>			
Security of Persons and Property:			
Police Department:			
Materials and Supplies	18,876	11,951	6,925
Contractual Services	11,350	9,115	2,235
Total Security of Persons and Property	30,226	21,066	9,160
Capital Outlay	8,700	8,531	169
Total Expenditures	38,926	29,597	9,329
Excess (Deficiency) of Revenues Over (Under) Expenditures	(38,926)	(29,597)	9,329
Fund Balance at Beginning of Year	71,628	71,628	0
Fund Balance at End of Year	\$ 32,702	\$ 42,031	\$ 9,329

**CITY OF SHARONVILLE, OHIO**

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***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, 2013***

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	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Total Revenues	\$ 0	\$ 0	\$ 0
<b>Expenditures:</b>			
General Government:			
Miscellaneous Financing Department:			
Personal Services	222,100	135,109	86,991
Total Expenditures	222,100	135,109	86,991
Excess (Deficiency) of Revenues Over (Under) Expenditures	(222,100)	(135,109)	86,991
<b>Other Financing Sources (Uses):</b>			
Transfers In	146,500	146,500	0
Total Other Financing Sources (Uses)	146,500	146,500	0
Net Change in Fund Balance	(75,600)	11,391	86,991
Fund Balance at Beginning of Year	160,085	160,085	0
Fund Balance at End of Year	\$ 84,485	\$ 171,476	\$ 86,991

**CITY OF SHARONVILLE, OHIO**

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***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, 2013***

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	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Intergovernmental Revenues	\$ 9,500	\$ 0	\$ (9,500)
Total Revenues	<u>9,500</u>	<u>0</u>	<u>(9,500)</u>
<b>Expenditures:</b>			
Security of Persons and Property:			
Police Department:			
Personal Services	9,500	7,821	1,679
Total Expenditures	<u>9,500</u>	<u>7,821</u>	<u>1,679</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	(7,821)	(7,821)
<b>Other Financing Sources (Uses):</b>			
Advances In	0	9,500	9,500
Total Other Financing Sources (Uses)	<u>0</u>	<u>9,500</u>	<u>9,500</u>
Net Change in Fund Balance	0	1,679	1,679
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 1,679</u>	<u>\$ 1,679</u>

**CITY OF SHARONVILLE, 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, 2013***

**NOTE DEBT RETIREMENT FUND**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
All Other Revenues	\$ 6,500	\$ 7,150	\$ 650
Total Revenues	<u>6,500</u>	<u>7,150</u>	<u>650</u>
<b>Expenditures:</b>			
Debt Service:			
Principal Retirement	375,000	375,000	0
Interest Charges	64,344	64,344	0
Total Expenditures	<u>439,344</u>	<u>439,344</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(432,844)	(432,194)	650
<b>Other Financing Sources (Uses):</b>			
Transfers In	431,544	431,544	0
Total Other Financing Sources (Uses)	<u>431,544</u>	<u>431,544</u>	<u>0</u>
Net Change in Fund Balance	(1,300)	(650)	650
Fund Balance at Beginning of Year	1,300	1,300	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 650</u>	<u>\$ 650</u>

**CITY OF SHARONVILLE, OHIO**

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***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, 2013***

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	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
All Other Revenues	\$ 0	\$ 123	\$ 123
Total Revenues	<u>0</u>	<u>123</u>	<u>123</u>
<b>Expenditures:</b>			
Debt Service:			
Principal Retirement	900,000	900,000	0
Interest Charges	<u>150,369</u>	<u>150,369</u>	<u>0</u>
Total Expenditures	<u>1,050,369</u>	<u>1,050,369</u>	<u>0</u>
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	(1,050,369)	(1,050,246)	123
<b>Other Financing Sources (Uses):</b>			
Transfers In	<u>1,050,375</u>	<u>1,050,246</u>	<u>(129)</u>
Total Other Financing Sources (Uses)	<u>1,050,375</u>	<u>1,050,246</u>	<u>(129)</u>
Net Change in Fund Balance	6	0	(6)
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 6</u>	<u>\$ 0</u>	<u>\$ (6)</u>

**CITY OF SHARONVILLE, 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, 2013***

<b>SPECIAL ASSESSMENT BOND RETIREMENT FUND</b>			
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Special Assessments	\$ 104,490	\$ 105,189	\$ 699
Total Revenues	<u>104,490</u>	<u>105,189</u>	<u>699</u>
<b>Expenditures:</b>			
Debt Service:			
Principal Retirement	55,000	55,000	0
Interest Charges	49,490	49,490	0
Total Expenditures	<u>104,490</u>	<u>104,490</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	699	699
<b>Other Financing Sources (Uses):</b>			
Advances In	0	93	93
Total Other Financing Sources (Uses)	<u>0</u>	<u>93</u>	<u>93</u>
Net Change in Fund Balance	0	792	792
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 792</u>	<u>\$ 792</u>

**CITY OF SHARONVILLE, OHIO**

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***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, 2013***

---

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Total Revenues	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<b>Expenditures:</b>			
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0
Fund Balance at Beginning of Year	13,595	13,595	0
Fund Balance at End of Year	<u>\$ 13,595</u>	<u>\$ 13,595</u>	<u>\$ 0</u>



**CITY OF SHARONVILLE, OHIO**

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***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, 2013***

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<b>CROWNE POINT DRIVE FUND</b>			
	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Total Revenues	\$ 0	\$ 0	\$ 0
<b>Expenditures:</b>			
General Government:			
Miscellaneous Financing Department:			
Contractual Services	7,900	7,900	0
Total General Government	<u>7,900</u>	<u>7,900</u>	<u>0</u>
Capital Outlay	40,259	40,259	0
Total Expenditures	<u>48,159</u>	<u>48,159</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(48,159)	(48,159)	0
Fund Balance at Beginning of Year	48,159	48,159	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

**CITY OF SHARONVILLE, 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, 2013**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
All Other Revenues	\$ 0	\$ 5,129	\$ 5,129
Total Revenues	0	5,129	5,129
<b>Expenditures:</b>			
Capital Outlay	2,904,277	2,307,547	596,730
Total Expenditures	2,904,277	2,307,547	596,730
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,904,277)	(2,302,418)	601,859
<b>Other Financing Sources (Uses):</b>			
Sale of Capital Assets	0	17,293	17,293
Transfers In	1,858,558	1,858,558	0
Total Other Financing Sources (Uses)	1,858,558	1,875,851	17,293
Net Change in Fund Balance	(1,045,719)	(426,567)	619,152
Fund Balance at Beginning of Year	574,015	574,015	0
Prior Year Encumbrances	632,969	632,969	0
Fund Balance at End of Year	\$ 161,265	\$ 780,417	\$ 619,152

**CITY OF SHARONVILLE, OHIO**

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***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, 2013***

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	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Intergovernmental Revenues	\$ 1,901,898	\$ 774,285	\$ (1,127,613)
Total Revenues	<u>1,901,898</u>	<u>774,285</u>	<u>(1,127,613)</u>
<b>Expenditures:</b>			
Capital Outlay	2,340,038	1,212,425	1,127,613
Total Expenditures	<u>2,340,038</u>	<u>1,212,425</u>	<u>1,127,613</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(438,140)	(438,140)	0
Fund Balance at Beginning of Year	438,140	438,140	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

**CITY OF SHARONVILLE, OHIO**

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***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, 2013***

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	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Payments on Lieu of Taxes	\$ 0	\$ 1,619	\$ 1,619
Total Revenues	<u>0</u>	<u>1,619</u>	<u>1,619</u>
<b>Expenditures:</b>			
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	1,619	1,619
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 1,619</u>	<u>\$ 1,619</u>

**CITY OF SHARONVILLE, OHIO**

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***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, 2013***

---

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Total Revenues	\$ 0	\$ 0	\$ 0
<b>Expenditures:</b>			
Capital Outlay	350,000	21,861	328,139
Total Expenditures	350,000	21,861	328,139
Excess (Deficiency) of Revenues Over (Under) Expenditures	(350,000)	(21,861)	328,139
<b>Other Financing Sources (Uses):</b>			
Transfers In	150,000	330,000	180,000
Total Other Financing Sources (Uses)	150,000	330,000	180,000
Net Change in Fund Balance	(200,000)	308,139	508,139
Fund Balance at Beginning of Year	200,000	200,000	0
Fund Balance at End of Year	\$ 0	\$ 508,139	\$ 508,139

**CITY OF SHARONVILLE, 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, 2013***

<b>FIRE EQUIPMENT FUND</b>			
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Total Revenues	\$ 0	\$ 0	\$ 0
<b>Expenditures:</b>			
Total Expenditures	0	0	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0
<b>Other Financing Sources (Uses):</b>			
Transfers In	0	604,477	604,477
Total Other Financing Sources (Uses)	0	604,477	604,477
Net Change in Fund Balance	0	604,477	604,477
Fund Balance at Beginning of Year	173,661	173,661	0
Fund Balance at End of Year	\$ 173,661	\$ 778,138	\$ 604,477

**CITY OF SHARONVILLE, OHIO**

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***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, 2013***

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	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Special Assessments	\$ 191,000	\$ 191,014	\$ 14
All Other Revenues	0	4	4
Total Revenues	<u>191,000</u>	<u>191,018</u>	<u>18</u>
<b>Expenditures:</b>			
General Government:			
Miscellaneous Financing Department:			
Personal Services	20,000	6,762	13,238
Contractual Services	566,150	316,470	249,680
Total Expenditures	<u>586,150</u>	<u>323,232</u>	<u>262,918</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(395,150)	(132,214)	262,936
Fund Balance at Beginning of Year	429,613	429,613	0
Prior Year Encumbrances	770	770	0
Fund Balance at End of Year	<u>\$ 35,233</u>	<u>\$ 298,169</u>	<u>\$ 262,936</u>





***Fiduciary Funds***

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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***

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**Mayor's Court Fund**

To account for funds that flow through the Mayor's Court.

**Employee Benefits Fund**

To account for funds related to the IRS 125 Employee Benefits Plan.

**Ohio Board of Building Standards Fund**

To account for funds from the three percent (3%) fees as required by Ohio Revised Code.

**Tax Rebate 1.5% Fund**

To account for funds being claimed by taxpayers for over-payment of taxes at the 1.5% tax rate.

**CITY OF SHARONVILLE, OHIO**

**Combining Statement of Changes in Assets and Liabilities  
Agency Funds  
For the Year Ended December 31, 2013**

	Balance December 31, 2012	Additions	Deductions	Balance December 31, 2013
<b>Mayor's Court Fund</b>				
Assets:				
Cash and Cash Equivalents	\$50,835	\$503,873	(\$494,523)	\$60,185
Total Assets	<u>\$50,835</u>	<u>\$503,873</u>	<u>(\$494,523)</u>	<u>\$60,185</u>
Liabilities:				
Due to Others	\$50,835	\$503,873	(\$494,523)	\$60,185
Total Liabilities	<u>\$50,835</u>	<u>\$503,873</u>	<u>(\$494,523)</u>	<u>\$60,185</u>
<b>Employee Benefits Fund</b>				
Assets:				
Cash and Cash Equivalents	\$179,042	\$108,972	(\$120,865)	\$167,149
Total Assets	<u>\$179,042</u>	<u>\$108,972</u>	<u>(\$120,865)</u>	<u>\$167,149</u>
Liabilities:				
Due to Others	\$179,042	\$108,972	(\$120,865)	\$167,149
Total Liabilities	<u>\$179,042</u>	<u>\$108,972</u>	<u>(\$120,865)</u>	<u>\$167,149</u>
<b>Ohio Board of Building Standards Fund</b>				
Assets:				
Cash and Cash Equivalents	\$3,056	\$4,170	(\$4,008)	\$3,218
Total Assets	<u>\$3,056</u>	<u>\$4,170</u>	<u>(\$4,008)</u>	<u>\$3,218</u>
Liabilities:				
Intergovernmental Payables	\$3,056	\$4,170	(\$4,008)	\$3,218
Total Liabilities	<u>\$3,056</u>	<u>\$4,170</u>	<u>(\$4,008)</u>	<u>\$3,218</u>
<b>Tax Rebate 1.5% Fund</b>				
Assets:				
Cash and Cash Equivalents	\$653,397	\$519,888	(\$688,119)	\$485,166
Total Assets	<u>\$653,397</u>	<u>\$519,888</u>	<u>(\$688,119)</u>	<u>\$485,166</u>
Liabilities:				
Due to Others	\$653,397	\$519,888	(\$688,119)	\$485,166
Total Liabilities	<u>\$653,397</u>	<u>\$519,888</u>	<u>(\$688,119)</u>	<u>\$485,166</u>
<b>Totals - All Agency Funds</b>				
Assets:				
Cash and Cash Equivalents	\$886,330	\$1,136,903	(\$1,307,515)	\$715,718
Total Assets	<u>\$886,330</u>	<u>\$1,136,903</u>	<u>(\$1,307,515)</u>	<u>\$715,718</u>
Liabilities:				
Intergovernmental Payables	\$3,056	\$4,170	(\$4,008)	\$3,218
Due to Others	883,274	1,132,733	(1,303,507)	712,500
Total Liabilities	<u>\$886,330</u>	<u>\$1,136,903</u>	<u>(\$1,307,515)</u>	<u>\$715,718</u>

*STATISTICAL SECTION*

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## ***STATISTICAL TABLES***

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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***

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<b>Financial Trends</b>	S 2 – S 13
These schedules contain trend information to help the reader understand how the city's financial position has changed over time.	
<b>Revenue Capacity</b>	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 sources, the property tax and the income tax.	
<b>Debt Capacity</b>	S 18 – S 27
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.	
<b>Economic and Demographic Information</b>	S 28 – S 31
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.	
<b>Operating Information</b>	S 32 – 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.	
<b>Sources Note:</b>	
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 2003; schedules presenting government-wide information include information beginning in that year.	

## *City of Sharonville*

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

	<u>2004</u>	<u>2005</u>	<u>2006</u>
<b>Governmental Activities:</b>			
Net Investment in Capital Assets	\$6,034,135	\$7,565,792	\$13,967,107
Restricted	9,779,977	10,551,263	7,088,138
Unrestricted	6,439,690	5,968,841	3,773,963
Total Governmental Activities Net Position	<u>\$22,253,802</u>	<u>\$24,085,896</u>	<u>\$24,829,208</u>
<b>Business-type Activities:</b>			
Net Investment in Capital Assets	\$1,840,939	\$1,960,040	\$2,394,091
Unrestricted	460,278	1,193,441	1,145,530
Total Business-type Activities Net Position	<u>\$2,301,217</u>	<u>\$3,153,481</u>	<u>\$3,539,621</u>
<b>Primary Government:</b>			
Net Investment in Capital Assets	\$7,875,074	\$9,525,832	\$16,361,198
Restricted	9,779,977	10,551,263	7,088,138
Unrestricted	6,899,968	7,162,282	4,919,493
Total Primary Government Net Position	<u>\$24,555,019</u>	<u>\$27,239,377</u>	<u>\$28,368,829</u>

Source: City Finance Office

*City of Sharonville*

2007	2008	2009	2010	2011	2012	2013
\$15,362,490	\$15,216,606	\$17,610,943	\$19,512,004	\$20,570,792	\$23,538,956	\$34,248,573
5,583,479	9,135,665	8,172,552	10,520,510	10,797,191	11,720,978	6,858,105
4,963,610	3,445,315	2,828,030	4,002,970	6,124,529	5,986,344	7,032,960
<u>\$25,909,579</u>	<u>\$27,797,586</u>	<u>\$28,611,525</u>	<u>\$34,035,484</u>	<u>\$37,492,512</u>	<u>\$41,246,278</u>	<u>\$48,139,638</u>
\$3,415,488	\$3,769,217	\$4,993,028	\$5,420,257	\$9,817,339	\$2,132,289	\$4,047,435
1,140,989	1,182,393	1,399,669	1,539,058	(2,539,416)	3,984,237	2,215,847
<u>\$4,556,477</u>	<u>\$4,951,610</u>	<u>\$6,392,697</u>	<u>\$6,959,315</u>	<u>\$7,277,923</u>	<u>\$6,116,526</u>	<u>\$6,263,282</u>
\$18,777,978	\$18,985,823	\$22,603,971	\$24,932,261	\$30,388,131	\$25,671,245	\$38,296,008
5,583,479	9,135,665	8,172,552	10,520,510	10,797,191	11,720,978	6,858,105
6,104,599	4,627,708	4,227,699	5,542,028	3,585,113	9,970,581	9,248,807
<u>\$30,466,056</u>	<u>\$32,749,196</u>	<u>\$35,004,222</u>	<u>\$40,994,799</u>	<u>\$44,770,435</u>	<u>\$47,362,804</u>	<u>\$54,402,920</u>

## City of Sharonville

### Changes in Net Position Last Ten Years (accrual basis of accounting)

	2004	2005	2006	2007
<b>Expenses</b>				
Governmental Activities:				
Security of Persons and Property	\$11,398,938	\$11,726,212	\$11,736,011	\$12,781,602
Public Health and Welfare Services	350,553	361,002	349,637	325,641
Leisure Time Activities	2,962,009	3,313,120	3,223,962	3,199,167
Community Environment	585,562	561,985	495,139	474,967
Basic Utility Services	431,204	577,944	507,998	541,779
Transportation	1,826,457	1,655,934	2,039,820	2,368,038
General Government	5,659,441	4,068,570	3,860,974	4,703,522
Interest and Fiscal Charges	759,495	757,929	837,660	798,793
<i>Total Governmental Activities Expenses</i>	<u>23,973,659</u>	<u>23,022,696</u>	<u>23,051,201</u>	<u>25,193,509</u>
Business-type Activities:				
Convention Center	1,782,608	1,616,476	1,520,275	1,623,356
Senior Citizen Housing	185,300	226,006	188,040	199,472
<i>Total Business-type Activities Expenses</i>	<u>1,967,908</u>	<u>1,842,482</u>	<u>1,708,315</u>	<u>1,822,828</u>
<i>Total Primary Government Expenses</i>	<u>\$25,941,567</u>	<u>\$24,865,178</u>	<u>\$24,759,516</u>	<u>\$27,016,337</u>
<b>Program Revenues</b>				
Governmental Activities:				
Charges for Services				
Security of Persons and Property	\$1,127,288	\$772,124	\$827,235	\$858,087
Public Health and Welfare Services	73,124	78,229	83,347	81,458
Leisure Time Activities	375,287	371,937	383,172	361,611
Community Environment	155,626	307,639	261,735	213,804
Transportation	3,545	315	1,538	989
General Government	5,448	49	17	0
Operating Grants and Contributions	2,474,915	1,794,027	1,607,033	1,989,130
Capital Grants and Contributions	2,081	34,431	249,831	130,725
<i>Total Governmental Activities</i>	<u>4,217,314</u>	<u>3,358,751</u>	<u>3,413,908</u>	<u>3,635,804</u>
<i>Program Revenues</i>	<u>4,217,314</u>	<u>3,358,751</u>	<u>3,413,908</u>	<u>3,635,804</u>



*City of Sharonville*

2008	2009	2010	2011	2012	2013
\$12,627,634	\$11,820,345	\$12,016,995	\$12,287,143	\$12,311,523	\$12,866,090
417,441	345,875	445,232	374,700	372,910	391,627
3,329,341	3,301,438	3,176,146	3,087,936	3,141,715	3,235,379
479,941	572,323	544,214	586,111	490,488	453,644
555,320	560,329	466,805	527,483	511,018	518,709
3,006,944	2,234,076	2,509,460	2,721,535	2,847,491	2,630,047
4,181,862	3,923,301	3,538,547	4,033,393	3,401,228	4,351,283
809,105	591,279	657,907	536,851	248,444	364,632
<u>25,407,588</u>	<u>23,348,966</u>	<u>23,355,306</u>	<u>24,155,152</u>	<u>23,324,817</u>	<u>24,811,411</u>
1,787,979	1,815,100	2,817,156	3,480,293	4,306,004	4,376,503
252,945	420,419	310,768	317,767	219,144	244,868
<u>2,040,924</u>	<u>2,235,519</u>	<u>3,127,924</u>	<u>3,798,060</u>	<u>4,525,148</u>	<u>4,621,371</u>
<u>\$27,448,512</u>	<u>\$25,584,485</u>	<u>\$26,483,230</u>	<u>\$27,953,212</u>	<u>\$27,849,965</u>	<u>\$29,432,782</u>
\$912,430	\$950,231	\$1,081,070	\$950,816	\$910,580	\$1,044,925
84,322	89,594	84,412	87,806	91,685	87,679
359,354	306,803	351,563	318,241	355,784	351,727
264,345	181,447	204,974	242,856	249,090	169,417
176,334	178,811	3,125	6,032	8,375	25,758
0	92,526	0	0	0	0
1,836,691	1,571,977	2,277,689	2,627,355	2,127,023	2,010,617
806,472	13,847	2,959,518	209,596	577,073	2,511,272
<u>4,439,948</u>	<u>3,385,236</u>	<u>6,962,351</u>	<u>4,442,702</u>	<u>4,319,610</u>	<u>6,201,395</u>

(continued)

## City of Sharonville

### Changes in Net Position Last Ten Years (accrual basis of accounting)

	2004	2005	2006	2007
Business-type Activities:				
Charges for Services				
Convention Center	1,007,123	1,365,959	951,945	1,084,056
Senior Citizen Housing	195,172	205,567	216,804	223,811
Operating Grants and Contributions	398,644	738,984	925,706	1,526,405
<i>Total Business-type Activities</i>				
<i>Program Revenues</i>	1,600,939	2,310,510	2,094,455	2,834,272
<i>Total Primary Government</i>				
<i>Program Revenues</i>	5,818,253	5,669,261	5,508,363	6,470,076
<b>Net (Expense)/Revenue</b>				
Governmental Activities	(19,756,345)	(19,663,945)	(19,637,293)	(21,557,705)
Business-type Activities	(366,969)	468,028	386,140	1,011,444
<i>Total Primary Government</i>				
<i>Net (Expense)/Revenue</i>	<u>(\$20,123,314)</u>	<u>(\$19,195,917)</u>	<u>(\$19,251,153)</u>	<u>(\$20,546,261)</u>
<b>General Revenues and</b>				
<b>Other Changes in Net Position</b>				
Governmental Activities:				
Income Taxes	\$20,601,078	\$19,488,300	\$19,077,969	\$20,141,422
Payments in Lieu of Taxes	0	0	0	0
Other Local Taxes	0	268,487	0	0
Grants and Entitlements not				
Restricted to Specific Programs	471,168	1,135,536	1,028,370	1,478,133
Investment Earnings	330,352	446,000	784,306	727,051
Miscellaneous	328,662	567,601	352,589	291,470
Transfers	0	(384,236)	0	0
<i>Total Governmental Activities</i>	<u>21,731,260</u>	<u>21,521,688</u>	<u>21,243,234</u>	<u>22,638,076</u>
Business-type Activities:				
Investment Earnings	0	0	0	5,412
Transfers	0	384,236	0	0
<i>Total Business-type Activities</i>	<u>0</u>	<u>384,236</u>	<u>0</u>	<u>5,412</u>
<i>Total Primary Government</i>	<u>\$21,731,260</u>	<u>\$21,905,924</u>	<u>\$21,243,234</u>	<u>\$22,643,488</u>
<b>Change in Net Position</b>				
Governmental Activities	\$1,974,915	\$1,857,743	\$1,605,941	\$1,080,371
Business-type Activities	(366,969)	852,264	386,140	1,016,856
<i>Total Primary Government</i>				
<i>Change in Net Position</i>	<u>\$1,607,946</u>	<u>\$2,710,007</u>	<u>\$1,992,081</u>	<u>\$2,097,227</u>

Source: City Finance Office

*City of Sharonville*

2008	2009	2010	2011	2012	2013
1,021,770	888,091	1,060,764	869,989	1,201,706	1,613,198
235,671	253,653	253,705	264,277	287,648	283,775
<u>1,178,616</u>	<u>3,427,312</u>	<u>2,380,073</u>	<u>2,982,402</u>	<u>3,103,120</u>	<u>2,871,154</u>
<u>2,436,057</u>	<u>4,569,056</u>	<u>3,694,542</u>	<u>4,116,668</u>	<u>4,592,474</u>	<u>4,768,127</u>
<u>6,876,005</u>	<u>7,954,292</u>	<u>10,656,893</u>	<u>8,559,370</u>	<u>8,912,084</u>	<u>10,969,522</u>
(20,967,640)	(19,963,730)	(16,392,955)	(19,712,450)	(19,005,207)	(18,610,016)
<u>395,133</u>	<u>2,333,537</u>	<u>566,618</u>	<u>318,608</u>	<u>67,326</u>	<u>146,756</u>
<u>(\$20,572,507)</u>	<u>(\$17,630,193)</u>	<u>(\$15,826,337)</u>	<u>(\$19,393,842)</u>	<u>(\$18,937,881)</u>	<u>(\$18,463,260)</u>
\$19,591,472	\$17,656,370	\$18,411,406	\$19,970,964	\$20,413,196	\$22,211,407
699,857	736,368	800,688	788,376	0	547,938
0	0	0	89,592	115,628	189,934
1,683,303	965,973	1,810,874	1,326,156	887,933	1,917,434
418,611	159,497	21,198	15,512	309,911	85,082
462,404	367,011	772,748	978,878	459,307	551,581
0	892,450	0	0	0	0
<u>22,855,647</u>	<u>20,777,669</u>	<u>21,816,914</u>	<u>23,169,478</u>	<u>22,185,975</u>	<u>25,503,376</u>
0	0	0	0	0	0
0	(892,450)	0	0	0	0
0	(892,450)	0	0	0	0
<u>\$22,855,647</u>	<u>\$19,885,219</u>	<u>\$21,816,914</u>	<u>\$23,169,478</u>	<u>\$22,185,975</u>	<u>\$25,503,376</u>
\$1,888,007	\$813,939	\$5,423,959	\$3,457,028	\$3,180,768	\$6,893,360
395,133	1,441,087	566,618	318,608	67,326	146,756
<u>\$2,283,140</u>	<u>\$2,255,026</u>	<u>\$5,990,577</u>	<u>\$3,775,636</u>	<u>\$3,248,094</u>	<u>\$7,040,116</u>

## *City of Sharonville*

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

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
General Fund				
Nonspendable	\$0	\$0	\$0	\$0
Committed	0	0	0	0
Assigned	0	0	0	0
Unassigned	0	0	0	0
Reserved	144,599	175,922	133,670	99,020
Unreserved	<u>4,507,745</u>	<u>5,137,744</u>	<u>5,122,570</u>	<u>6,130,065</u>
<i>Total General Fund</i>	<u>4,652,344</u>	<u>5,313,666</u>	<u>5,256,240</u>	<u>6,229,085</u>
All Other Governmental Funds				
Nonspendable	0	0	0	0
Restricted	0	0	0	0
Committed	0	0	0	0
Unassigned	0	0	0	0
Reserved	2,274,435	2,108,165	4,262,764	1,642,931
Unreserved, Undesignated, Reported in:				
Special Revenue Funds	2,798,138	3,791,802	3,536,093	3,162,766
Capital Projects Funds	<u>4,422,068</u>	<u>4,498,142</u>	<u>(2,427,215)</u>	<u>(3,336,410)</u>
Total All Other Governmental Funds	<u>9,494,641</u>	<u>10,398,109</u>	<u>5,371,642</u>	<u>1,469,287</u>
<i>Total Governmental Funds</i>	<u><u>\$14,146,985</u></u>	<u><u>\$15,711,775</u></u>	<u><u>\$10,627,882</u></u>	<u><u>\$7,698,372</u></u>

Source: City Finance Office

Note: The City implemented GASB 54 in 2011 which established new fund balance classifications for governmental funds.

*City of Sharonville*

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2008	2009	2010	2011	2012	2013
\$0	\$0	\$0	\$44,636	\$43,071	\$35,267
0	0	0	90,050	160,085	171,476
0	0	0	286,206	405,917	491,033
0	0	0	6,569,528	6,782,041	7,629,295
169,259	210,733	267,522	0	0	0
4,851,999	4,137,756	5,197,710	0	0	0
<u>5,021,258</u>	<u>4,348,489</u>	<u>5,465,232</u>	<u>6,990,420</u>	<u>7,391,114</u>	<u>8,327,071</u>
0	0	0	146,170	128,360	126,496
0	0	0	5,184,934	5,696,440	5,618,202
0	0	0	220,130	1,093,355	1,111,908
0	0	0	(1,730,479)	(1,764,639)	(2,105,941)
2,179,525	2,626,872	1,779,935	0	0	0
3,207,347	3,080,558	3,368,477	0	0	0
(1,932,395)	(2,132,286)	(1,627,149)	0	0	0
<u>3,454,477</u>	<u>3,575,144</u>	<u>3,521,263</u>	<u>3,820,755</u>	<u>5,153,516</u>	<u>4,750,665</u>
<u>\$8,475,735</u>	<u>\$7,923,633</u>	<u>\$8,986,495</u>	<u>\$10,811,175</u>	<u>\$12,544,630</u>	<u>\$13,077,736</u>

## *City of Sharonville*

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

	2004	2005	2006	2007
<b>Revenues:</b>				
Taxes	\$20,349,502	\$20,602,024	\$19,139,977	\$20,290,549
Payments in Lieu of Taxes	0	0	0	0
Intergovernmental Revenues	2,748,108	3,102,272	2,760,328	3,261,644
Charges for Services	850,096	794,036	778,376	867,879
Licenses and Permits	398,895	554,483	523,917	476,617
Investment Earnings	348,475	449,196	755,679	708,184
Special Assessments	100,772	89,260	89,553	130,725
Fines and Forfeitures	413,749	433,952	432,898	417,104
All Other Revenue	283,974	257,534	128,873	81,330
<b>Total Revenue</b>	<b>25,493,571</b>	<b>26,282,757</b>	<b>24,609,601</b>	<b>26,234,032</b>
<b>Expenditures:</b>				
Current:				
Security of Persons and Property	11,070,181	11,249,491	11,261,727	12,148,459
Public Health and Welfare Services	345,310	355,894	379,359	347,062
Leisure Time Activities	2,854,058	2,940,080	2,840,788	2,809,181
Community Environment	560,735	520,869	498,434	497,291
Basic Utility Services	431,204	577,944	507,998	541,779
Transportation	1,314,293	1,306,783	1,564,074	1,972,165
General Government	3,555,646	2,979,947	3,562,483	3,410,862
Capital Outlay	7,623,458	2,490,515	6,342,629	5,456,038
Debt Service:				
Principal Retirement	1,163,861	1,181,869	1,160,000	1,175,000
Interest and Fiscal Charges	773,788	772,384	847,603	810,970
Advance Refunding to Escrow	0	0	0	0
<b>Total Expenditures</b>	<b>29,692,534</b>	<b>24,375,776</b>	<b>28,965,095</b>	<b>29,168,807</b>
Excess (Deficiency) of Revenues Over Expenditures	(4,198,963)	1,906,981	(4,355,494)	(2,934,775)

*City of Sharonville*

2008	2009	2010	2011	2012	2013
\$19,212,542	\$17,504,675	\$18,257,911	\$19,964,937	\$20,788,346	\$22,095,559
699,857	736,368	800,688	476,448	284,666	547,938
4,470,345	2,807,875	4,481,399	3,919,570	3,459,320	4,043,194
933,899	959,323	867,218	846,721	841,214	830,509
523,759	467,005	483,849	525,503	533,099	474,164
425,854	44,140	21,198	15,512	18,599	85,082
137,004	13,847	200,419	236,426	298,704	296,203
348,046	370,313	425,628	427,874	446,816	385,746
348,964	521,468	579,722	770,398	310,193	387,599
<u>27,100,270</u>	<u>23,425,014</u>	<u>26,118,032</u>	<u>27,183,389</u>	<u>26,980,957</u>	<u>29,145,994</u>
11,958,679	11,249,572	11,522,061	11,643,831	11,723,745	12,030,985
419,725	345,561	445,765	374,322	369,086	387,357
2,900,484	2,824,218	2,664,712	2,481,596	2,587,134	2,625,215
466,570	557,096	543,526	584,908	482,632	467,141
555,320	560,329	466,805	527,483	511,018	518,709
1,739,059	1,578,400	1,785,519	2,113,934	2,265,281	1,786,230
3,732,419	3,423,205	3,252,463	3,400,002	3,193,038	4,021,247
3,010,260	2,472,773	3,921,251	2,286,976	2,285,638	4,996,877
1,210,000	1,335,000	1,325,000	1,783,777	1,426,471	1,411,529
821,227	653,034	643,042	538,968	476,693	368,322
0	0	0	0	854,584	0
<u>26,813,743</u>	<u>24,999,188</u>	<u>26,570,144</u>	<u>25,735,797</u>	<u>26,175,320</u>	<u>28,613,612</u>
286,527	(1,574,174)	(452,112)	1,447,592	805,637	532,382

(Continued)

## *City of Sharonville*

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

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
<b>Other Financing Sources (Uses):</b>				
Sale of Capital Assets	5,807	2,895	22,246	11,705
Issuance of Capital Leases	0	0	69,065	0
General Obligation Refunding Bonds Issued	0	0	0	0
General Obligation Bonds Issued	0	0	0	0
Special Assessment Bonds Issued	0	0	0	0
Premiums on Debt Issuances	0	0	27,233	18,867
Payment to Refunded Bond Escrow Agent	0	0	0	0
Transfers In	3,959,350	3,819,956	3,423,736	4,506,118
Transfers Out	(3,959,350)	(4,204,192)	(3,423,736)	(4,506,118)
<b>Total Other Financing Sources (Uses)</b>	<u>5,807</u>	<u>(381,341)</u>	<u>118,544</u>	<u>30,572</u>
<b>Net Change in Fund Balance</b>	<u>(\$4,193,156)</u>	<u>\$1,525,640</u>	<u>(\$4,236,950)</u>	<u>(\$2,904,203)</u>
<b>Debt Service as a Percentage of Noncapital Expenditures</b>	4.87%	5.24%	5.18%	4.79%

Source: City Finance Office



*City of Sharonville*

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2008	2009	2010	2011	2012	2013
19,638	15,161	0	285,304	21,791	17,293
499,000	0	203,289	0	108,000	0
0	3,460,000	0	0	3,935,000	0
0	0	0	0	0	0
0	0	1,400,000	0	0	0
0	115,357	0	0	291,312	0
0	(3,491,022)	0	0	(4,144,334)	0
4,966,559	3,356,021	1,957,663	2,999,168	5,104,206	4,274,825
(4,966,559)	(2,463,571)	(1,957,663)	(2,999,168)	(5,104,206)	(4,274,825)
518,638	991,946	1,603,289	285,304	211,769	17,293
\$805,165	(\$582,228)	\$1,151,177	\$1,732,896	\$1,017,406	\$549,675
4.89%	5.83%	5.82%	7.40%	11.73%	8.23%

## *City of Sharonville*

### *Income Tax Revenues by Source, Governmental Funds Last Ten Years*

<b>Tax year</b>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Income Tax Rate	1.50%	1.50%	1.50%	1.50%
Estimated Personal Income (in thousands)	\$549,617	\$556,163	\$589,376	\$593,596
Total Tax Collected	\$19,360,339	\$20,078,349	\$19,937,204	\$20,971,260
Income Tax Receipts				
Withholding	15,064,199	15,549,738	15,681,150	17,064,053
Percentage	77.81%	77.45%	78.65%	81.37%
Corporate	2,587,091	2,943,801	2,772,855	2,502,457
Percentage	13.36%	14.66%	13.91%	11.93%
Individuals	1,650,570	1,523,617	1,394,448	1,353,362
Percentage	8.53%	7.59%	6.99%	6.45%
Penalty and Interest	58,479	61,193	88,751	51,388
Percentage	0.30%	0.30%	0.45%	0.25%

Source: City Income Tax Department

*City of Sharonville*

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2008	2009	2010	2011	2012	2013
1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
\$607,689	\$595,058	\$595,528	\$621,753	\$635,706	\$670,040
\$20,594,952	\$18,677,400	\$19,027,828	\$20,365,647	\$21,541,108	\$22,597,127
16,611,460	15,354,257	15,235,792	16,494,415	17,292,457	17,761,741
80.65%	82.21%	80.06%	80.99%	80.28%	78.60%
2,581,828	1,990,915	2,389,008	2,431,248	2,764,329	3,311,307
12.54%	10.66%	12.56%	11.94%	12.83%	14.65%
1,340,718	1,250,076	1,275,819	1,326,586	1,345,664	1,445,247
6.51%	6.69%	6.71%	6.51%	6.25%	6.40%
60,946	82,152	127,209	113,398	138,658	78,832
0.30%	0.44%	0.67%	0.56%	0.64%	0.35%



# City of Sharonville

## Income Tax Collections Current Year and Nine Years Ago

### Calendar Year 2013

<u>Income Tax Filers</u>	<u>Number of Filers</u>	<u>Percent of Total</u>	<u>Taxable Income</u>	<u>Percent of Income</u>	<u>Income Tax Collections</u>	<u>Percent of Income</u>
Top Ten	10	0.07%	\$433,439,750	28.77%	\$6,501,596	28.77%
All Others	13,917	99.93%	1,073,035,402	71.23%	16,095,531	71.23%
Total	13,927	100.00%	\$1,506,475,152	100.00%	\$22,597,127	100.00%

### Calendar Year 2004

<u>Income Tax Filers</u>	<u>Number of Filers</u>	<u>Percent of Total</u>	<u>Taxable Income</u>	<u>Percent of Income</u>	<u>Income Tax Collections</u>	<u>Percent of Income</u>
Top Ten	10	0.09%	\$426,889,059	33.07%	\$6,403,336	33.07%
All Others	11,013	99.91%	863,800,223	66.93%	12,957,003	66.93%
Total	11,023	100.00%	\$1,290,689,282	100.00%	\$19,360,339	100.00%

Source: City Income Tax Department

## *City of Sharonville*

### *Ratio of Outstanding Debt By Type Last Ten Years*

	2004	2005	2006	2007
<b>Governmental Activities</b> <sup>(1)</sup>				
General Obligation Bonds Payable	\$17,534,231	\$16,445,892	\$15,322,553	\$14,174,214
Special Assessment Bonds Payable	360,000	300,000	235,000	180,000
Capital Leases	61,869	0	69,065	53,077
<b>Business-type Activities</b> <sup>(1)</sup>				
General Obligation Bonds Payable	\$7,366,324	\$6,682,887	\$5,847,395	\$5,321,089
Revenue Bonds Payable	0	0	0	0
Total Primary Government	<u>\$25,322,424</u>	<u>\$23,428,779</u>	<u>\$21,474,013</u>	<u>\$19,728,380</u>
<b>Population</b> <sup>(2)</sup>				
City of Sharonville	13,926	13,926	13,926	13,926
Outstanding Debt Per Capita	\$1,818	\$1,682	\$1,542	\$1,417
<b>Income</b> <sup>(3)</sup>				
Personal (in thousands)	549,617	556,163	589,376	593,596
Percentage of Personal Income	4.61%	4.21%	3.64%	3.32%

**Sources:**

- (1) City Finance Office
- (2) 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

*City of Sharonville*

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2008	2009	2010	2011	2012	2013
\$12,995,875	\$11,755,186	\$10,464,827	\$9,224,233	\$6,876,852	\$5,590,329
120,000	60,000	1,400,000	1,400,000	1,345,000	1,290,000
535,265	423,436	488,777	0	81,529	0
\$4,784,783	\$4,233,477	\$3,667,171	\$3,205,537	\$2,556,812	\$1,878,087
0	0	27,715,558	27,728,083	27,740,608	27,753,133
<u>\$18,435,923</u>	<u>\$16,472,099</u>	<u>\$43,736,333</u>	<u>\$41,557,853</u>	<u>\$38,600,801</u>	<u>\$36,511,549</u>
13,926	13,926	13,560	13,560	13,560	13,560
\$1,324	\$1,183	\$3,225	\$3,065	\$2,847	\$2,693
607,689	595,058	595,528	621,753	635,706	670,040
3.03%	2.77%	7.34%	6.68%	6.07%	5.45%

## *City of Sharonville*

### *Ratios of General Bonded Debt Outstanding Last Ten Years*

Year	2004	2005	2006	2007
<b>Population</b> (1)	13,926	13,926	13,926	13,926
<b>Personal Income</b> (2)	\$549,617	\$556,163	\$589,376	\$593,596
<b>General Bonded Debt</b> (3)				
General Obligation Bonds	\$24,900,555	\$23,128,779	\$21,169,948	\$19,495,303
<b>Resources Available to Pay Principal</b> (4)	\$4,890	\$46,095	\$1,300	\$21,747
<b>Net General Bonded Debt</b>	\$24,895,665	\$23,082,684	\$21,168,648	\$19,473,556
<b>Ratio of Net Bonded Debt to Estimated Personal Income</b>	4.53%	4.15%	3.59%	3.28%
<b>Net Bonded Debt per Capita</b>	\$1,787.71	\$1,657.52	\$1,520.08	\$1,398.36

**Source:**

(1) U.S. Bureau of Census of Population

(2) Hamilton County Auditor

(3) Includes general obligation bonded debt of governmental and business-type activities.

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



*City of Sharonville*

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2008	2009	2010	2011	2012	2013
13,926	13,926	13,560	13,560	13,560	13,560
\$607,689	\$595,058	\$595,528	\$621,753	\$635,706	\$670,040
\$17,780,658	\$15,988,663	\$14,131,998	\$12,429,770	\$9,433,664	\$7,468,416
\$324,400	\$467,770	\$425,719	\$188,240	\$188,240	\$650
\$17,456,258	\$15,520,893	\$13,706,279	\$12,241,530	\$9,245,424	\$7,467,766
2.87%	2.61%	2.30%	1.97%	1.45%	1.11%
\$1,253.50	\$1,114.53	\$1,010.79	\$902.77	\$681.82	\$550.72



## *City of Sharonville*

*Computation of Direct and Overlapping  
Debt Attributable to Governmental Activities  
December 31, 2013*

<u>Jurisdiction</u>	<u>Gross Debt Outstanding</u>	<u>Percentage Applicable to the City of Sharonville</u>	<u>Amount Applicable to the City of Sharonville</u>
<b>Direct:</b>			
City of Sharonville	\$6,880,329	100.00%	\$6,880,329
<b>Overlapping:</b>			
Princeton City School District	188,739,930	32.61%	61,548,091
Sycamore City School District	52,574,985	0.01%	5,257
Great Oaks Joint Vocational School District	14,695,000	2.72%	399,704
Hamilton County	83,375,000	2.44%	2,034,350
Butler County	50,968,150	58.00%	29,561,527
		Subtotal	<u>93,548,929</u>
		Total	<u><u>\$100,429,258</u></u>

Source: Ohio Municipal Advisory Council

Percentages determined by dividing each overlapping subdivisions' assessed valuation within the City by the subdivisions' total assessed valuation.

## *City of Sharonville*

### *Debt Limitations Last Ten Years*

<b>Collection Year</b>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
<b>Total Debt</b>				
Net Assessed Valuation	\$569,852,010	\$554,668,383	\$510,813,800	\$495,320,220
Legal Debt Limitation (%) (1)	10.50%	10.50%	10.50%	10.50%
Legal Debt Limitation (\$) (1)	59,834,461	58,240,180	53,635,449	52,008,623
City Debt Outstanding (2)	0	0	0	0
Less: Applicable Debt Service Fund Amounts	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Indebtedness Subject to Limitation	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Overall Legal Debt Margin	<u><u>\$59,834,461</u></u>	<u><u>\$58,240,180</u></u>	<u><u>\$53,635,449</u></u>	<u><u>\$52,008,623</u></u>
<b>Unvoted Debt</b>				
Net Assessed Valuation	\$569,852,010	\$554,668,383	\$510,813,800	\$495,320,220
Legal Debt Limitation (%) (1)	5.50%	5.50%	5.50%	5.50%
Legal Debt Limitation (\$) (1)	31,341,861	30,506,761	28,094,759	27,242,612
City Debt Outstanding (2)	0	0	0	0
Less: Applicable Debt Service Fund Amounts	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Indebtedness Subject to Limitation	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Overall Legal Debt Margin	<u><u>\$31,341,861</u></u>	<u><u>\$30,506,761</u></u>	<u><u>\$28,094,759</u></u>	<u><u>\$27,242,612</u></u>

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

(2) City Debt Outstanding does not include General Obligation Bonds and Notes supported by income taxes. Enterprise Debt is not considered in the computation of the Legal Debt Margin.

Source: City Finance Office

*City of Sharonville*

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2008	2009	2010	2011	2012	2013
\$476,015,410	\$478,329,590	\$478,384,600	\$449,119,680	\$447,683,050	\$444,119,190
10.50%	10.50%	10.50%	10.50%	10.50%	10.50%
49,981,618	50,224,607	50,230,383	47,157,566	47,006,720	46,632,515
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>\$49,981,618</u>	<u>\$50,224,607</u>	<u>\$50,230,383</u>	<u>\$47,157,566</u>	<u>\$47,006,720</u>	<u>\$46,632,515</u>
\$476,015,410	\$478,329,590	\$478,384,600	\$449,119,680	\$447,683,050	\$444,119,190
5.50%	5.50%	5.50%	5.50%	5.50%	5.50%
26,180,848	26,308,127	26,311,153	24,701,582	24,622,568	24,426,555
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>\$26,180,848</u>	<u>\$26,308,127</u>	<u>\$26,311,153</u>	<u>\$24,701,582</u>	<u>\$24,622,568</u>	<u>\$24,426,555</u>

## *City of Sharonville*

### *Pledged Revenue Coverage Last Ten Years*

	2004	2005	2006	2007	2008
<b>Special Assessment Bonds (1) (2)</b>					
Special Assessment Collections	\$100,772	\$89,260	\$89,553	\$130,725	\$137,004
Debt Service					
Principal	65,000	60,000	65,000	55,000	60,000
Interest	29,995	25,380	21,120	14,705	12,645
Coverage	1.06	1.05	1.04	1.88	1.89

(1) The GSA Property Road Special Assessment Bonds were issued in 2010, in the amount of \$1,400,000

(2) The Convention Center Revenue Bonds will be reported beginning upon commencement of debt service.

Source: City Finance Office

*City of Sharonville*

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2009	2010	2011	2012	2013
\$13,847	\$200,419	\$236,426	\$298,704	\$296,203
60,000	60,000	0	55,000	55,000
8,430	4,215	50,425	50,425	49,490
0.20	3.12	4.69	2.83	2.83

# City of Sharonville

## Demographic and Economic Statistics Last Ten Years

Calendar Year	2004	2005	2006	2007
<b>Population</b> (1)				
City of Sharonville	13,926	13,926	13,926	13,926
Hamilton County	845,303	806,652	806,652	806,652
<b>Income</b> (2) (a)				
Total Personal (in thousands)	549,617	556,163	589,376	593,596
Per Capita	39,467	39,937	42,322	42,625
<b>Unemployment Rate</b> (3)				
Federal	6.0%	5.5%	5.0%	4.6%
State	6.1%	6.0%	5.9%	5.6%
Hamilton County	5.1%	4.9%	5.0%	5.0%
<b>Civilian Work Force Estimates</b> (3)				
State	5,875,300	5,900,400	5,934,000	5,976,500
Hamilton County	422,200	426,800	423,500	431,200

### Sources:

(1) US Bureau of Census of Population

(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



*City of Sharonville*

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2008	2009	2010	2011	2012	2013
13,926	13,926	13,560	13,560	13,560	13,560
806,652	806,652	802,374	802,374	802,374	802,374
607,689	595,058	595,528	621,753	635,706	670,040
43,637	42,730	43,918	45,852	46,881	49,413
5.8%	9.3%	9.4%	8.9%	8.1%	7.4%
6.6%	10.2%	9.6%	8.6%	7.2%	7.4%
5.6%	8.9%	8.5%	8.6%	7.0%	7.1%
5,986,400	5,986,400	5,906,000	5,806,000	5,474,900	5,765,700
432,400	432,400	434,700	406,900	400,000	403,300



## *City of Sharonville*

### *Principal Employers Current Year and Nine Years Ago*

Employer	Nature of Business	2013	
		Rank	Number of Employees
Ford Motor Company	Auto Parts Manufacturing	1	N/A
United Parcel Service	Bulk Mail Processing	2	N/A
TSS Aviation	Manufacturing	3	N/A
US Postal Service	Bulk Mail Processing	4	N/A
Xtek Inc	Steel Fabrication	5	N/A
Princeton School District	Public Education	6	N/A
General Mills	Cereal Manufacturing	7	N/A
Dubois Chemical	Chemical Manufacturing & Dist	8	N/A
Beacon Ortho & Sports Medicine	Medical Practice	9	N/A
Cincinnati Sub Zero	Manufacturing	10	N/A
Total			N/A

Employer	Nature of Business	2004	
		Rank	Number of Employees
Ford Motor Company	Auto Parts Manufacturing	1	N/A
US Postal Service	Bulk Mail Processing	2	N/A
Princeton City School District	Public Education	3	N/A
Champion	Manufacturing	4	N/A
United Parcel Service	Bulk Mail Processing	5	N/A
General Mills	Cereal Manufacturing	6	N/A
Xtek Inc	Steel Fabrication	7	N/A
Johnson Diversey	Health and Beauty Products	8	N/A
Great Oaks	Public Education	9	N/A
City of Sharonville	Municipal Government	10	N/A
Total			N/A

**Sources:**

City Income Tax Department

The City's Income Tax Department will not disclose number of employees due to privacy concerns.

## *City of Sharonville*

### *Full Time Equivalent Employees by Function Last Ten Years*

	2004	2005	2006	2007	2008
<b>Governmental Activities</b>					
General Government					
Finance	12.00	11.00	11.00	11.00	11.00
Legal/Court	2.00	2.00	2.00	2.00	2.00
Administration	5.00	4.00	4.00	5.00	6.00
Maintenance	5.00	5.00	5.00	5.00	6.00
Security of Persons and Property					
Police	53.00	48.00	48.00	47.00	50.00
Fire	53.00	54.00	58.00	59.00	55.00
Transportation					
Street	15.00	14.00	14.00	14.00	13.00
Leisure Time Activities					
Recreation	54.00	56.00	49.00	52.00	47.00
Parks and Grounds	10.00	10.00	11.00	9.00	9.00
Public Health and Welfare Services					
Health	6.00	6.00	5.00	5.00	5.00
Community Environment					
Building and Planning	9.00	8.00	8.00	7.00	7.00
<b>Business-Type Activities</b>					
Senior Citizen Housing	1.00	1.00	1.00	1.00	1.00
Convention Center	13.00	11.00	11.00	11.00	12.00
<i>Total Employees</i>	<u>238.00</u>	<u>230.00</u>	<u>227.00</u>	<u>228.00</u>	<u>224.00</u>

**Method:** 1.00 for each full-time, 0.50 for each part-time and 0.25 for each seasonal employee.  
An hour limit of 900 was used to differentiate between part time and seasonal.

Source: City Finance Office

*City of Sharonville*

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<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
11.00	11.00	11.00	12.00	12.00
2.00	2.00	2.00	2.00	2.00
6.00	6.00	6.00	6.00	6.00
5.00	5.00	5.00	6.00	6.00
48.00	47.00	43.00	46.00	46.00
56.00	54.00	48.00	55.50	56.50
13.00	16.00	13.00	12.00	12.00
34.00	52.00	45.00	40.00	40.00
7.00	7.00	7.00	9.00	9.00
5.00	5.00	5.00	5.00	5.00
7.00	8.00	8.00	7.00	5.00
1.00	1.00	1.00	1.00	1.00
12.00	12.00	12.00	12.00	14.50
<u>207.00</u>	<u>226.00</u>	<u>206.00</u>	<u>213.50</u>	<u>215.00</u>

## *City of Sharonville*

### *Operating Indicators by Function Last Ten Years*

	2004	2005	2006	2007	2008
<b>Governmental Activities</b>					
General Government					
Court					
Number of Traffic Cases	4,167	3,748	3,179	3,145	3,076
Number of Open Cases	110	179	184	138	71
Licenses and Permits					
Number of Building Permits	677	740	573	662	526
Number of Building Inspections	1,418	1,476	1,281	1,433	1,309
Security of Persons and Property					
Police					
Number of Citations Issued	4,606	4,249	3,493	3,761	2,725
Number of Arrests	1,054	1,203	1,398	1,188	991
Number of Accidents	1,334	1,190	1,074	1,076	1,124
Fire					
Number of Fire Calls	863	792	781	992	1,163
Number of EMS Runs	2,195	2,071	2,045	2,113	2,337
Number of Inspections	617	834	1,093	1,172	1,131
Transportation					
Street					
Number of Streets Resurfaced	9	3	3	7	6
Number of Potholes Repaired	161	200	180	185	170
Leisure Time Activities					
Recreation					
Number of Programs Offered	220	175	150	150	150
Number of Pool Passes Issued	2,059	2,042	1,497	1,776	1,895
Public Health and Welfare					
Number of Flu Shots	720	618	590	573	584
Number of Smoking Complaints	0	0	0	47	26
Number of Food Inspections	432	469	437	431	400
Number of Nuisance Inspections	87	103	98	115	152
Number of Vaccines for Children	0	0	0	0	1

Source: City Finance Office

*City of Sharonville*

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2009	2010	2011	2012	2013
3,441	4,016	4,552	3,709	3,296
180	136	135	136	128
497	640	630	613	492
1,199	1,669	1,587	1,690	1,323
3,446	3,891	3,775	3,505	3,565
914	906	940	876	1,025
979	812	845	810	852
1,109	1,228	1,340	1,422	1,471
2,085	2,061	2,242	2,557	2,139
1,087	1,042	1,085	1,016	1,012
3	3	12	6	10
185	250	200	300	300
120	120	120	150	175
1,816	1,973	1,952	3,565	3,434
706	582	438	577	607
15	18	22	8	5
361	459	444	443	536
131	206	224	272	194
155	395	213	317	366

# City of Sharonville

## Capital Asset Statistics by Function Last Nine Years

	2005	2006	2007	2008	2009
<b>Governmental Activities</b>					
General Government					
Public Land and Buildings					
Land (acres)	6,848	6,848	6,848	6,848	6,848
Buildings	1	1	1	1	1
Security of Persons and Property					
Police					
Stations	1	1	1	1	1
Vehicles	22	22	24	24	24
Fire					
Stations	3	3	3	3	3
Vehicles	18	18	18	18	19
Transportation					
Street					
Streets (lane miles)	134	134	135	135	135
Street Lights	933	934	935	935	935
Vehicles	16	16	18	17	17
Leisure Time Activities					
Recreation					
Land (acres)	35	35	35	35	35
Buildings	2	2	2	2	2
Parks	4	4	4	4	4
Playgrounds	4	4	4	4	4
Swimming Pools	2	2	2	2	2
Tennis Courts	5	5	5	5	5
Baseball/Softball Diamonds	14	14	14	14	14
Soccer Fields	11	11	11	11	11
<b>Business-Type Activities</b>					
Senior Citizen Housing					
Buildings	3	3	3	3	3
Convention Center					
Buildings	1	1	1	1	1

Source: City Finance Office

(1) Information prior to 2004 is not available.



*City of Sharonville*

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<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
6,848	6,848	6,848	6,848
1	1	1	1
1	1	1	1
24	23	23	23
3	3	3	3
19	20	17	17
136	135	135	135
935	936	936	936
17	17	17	17
35	35	46	46
2	2	2	2
4	4	4	4
4	4	4	4
2	2	2	2
5	5	5	5
14	14	14	14
11	11	13	13
3	3	3	3
1	1	1	1



# CITY OF SHARONVILLE, OHIO



**Yellow Book Report**

**December 31, 2013**

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Honorable Mayor and City Council  
City of Sharonville, Ohio

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate discretely presented component unit and remaining fund information of the City of Sharonville, Ohio (the City), as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated July 31, 2014.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *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 corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Plattenburg & Associates, Inc.*  
Plattenburg & Associates, Inc.  
Cincinnati, Ohio  
July 31, 2014

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# Dave Yost • Auditor of State

**CITY OF SHARONVILLE**

**HAMILTON COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
SEPTEMBER 9, 2014**