

**CITY OF POWELL  
DELAWARE COUNTY, OHIO**

*SUPPLEMENTAL REPORT*

*DECEMBER 31, 2007*

**MS. DEBRA K. MILLER, FINANCE DIRECTOR**





Mary Taylor, CPA  
Auditor of State

City Council  
City of Powell  
47 Hall Street  
Powell, Ohio 43065

We have reviewed the *Independent Auditor's Report* of the City of Powell, Delaware County, prepared by Julian & Grube, Inc., for the audit period January 1, 2007 through December 31, 2007. 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 Powell is responsible for compliance with these laws and regulations.

*Mary Taylor*

Mary Taylor, CPA  
Auditor of State

May 9, 2008

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**CITY OF POWELL  
DELAWARE COUNTY, OHIO**

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## **Julian & Grube, Inc.**

*Serving Ohio Local Governments*

333 County Line Rd. West, Westerville, OH 43082 Phone: 614.846.1899 Fax: 614.846.2799

### **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***

Members of Council and Mayor  
City of Powell  
47 Hall Street  
Powell, Ohio 43065

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Powell, Delaware County, Ohio, as of and for the year ended December 31, 2007, which collectively comprise the City of Powell's basic financial statements and have issued our report thereon dated March 21, 2008. 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.

#### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City of Powell's internal control over financial reporting as a basis for designing our auditing procedures 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 of Powell's internal control over financial reporting. Accordingly we do not express an opinion on the effectiveness of the City of Powell's internal control over financial reporting.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the City of Powell's ability to initiate, authorize, record, process or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the City of Powell's financial statements that is more than inconsequential will not be prevented or detected by the City of Powell's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the City of Powell's internal control.

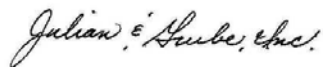
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Members of Council and Mayor  
City of Powell

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Powell's financial statements are free of 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*.

This report is intended solely for the information and use of the management and members of council and mayor of the City of Powell and is not intended to be and should not be used by anyone other than these specified parties.

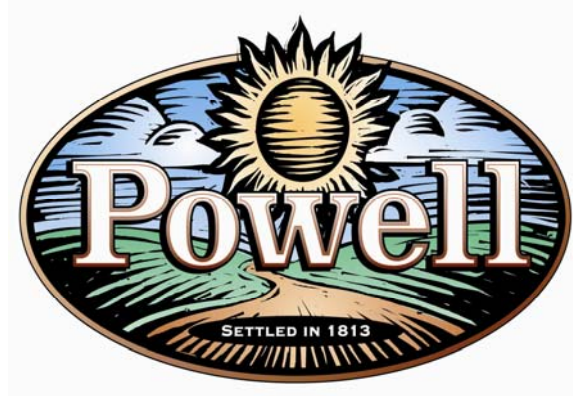
A handwritten signature in cursive script that reads "Julian & Grube, Inc.".

Julian & Grube, Inc.  
March 21, 2008



City of Powell, Ohio  
Comprehensive Annual Financial Report

For the Fiscal Year Ended December 31, 2007



*Prepared by the City of Powell Finance Department*

Debra K. Miller, CPA  
*Finance Director*

Nanette Metz  
*Assistant Finance Director*

Deborah DiLeo  
*Finance Assistant*



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CITY OF POWELL, OHIO  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
 FOR THE FISCAL YEAR ENDED DECEMBER 31, 2007

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614.885.5339 fax

April 1, 2008

**To: Members of City Council and Citizens of the  
City of Powell**

The Comprehensive Annual Financial Report (CAFR) of the City of Powell, Ohio (City), for fiscal year ended December 31, 2007, is submitted herewith. The report has a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with generally accepted auditing standards (GAAS) by Julian and Grube, Incorporated. The independent auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report. The MD&A provides a narrative introduction, overview, and analysis of the basic financial statements and complements this letter of transmittal and should be read in conjunction with it.

The City's Finance Department is responsible for management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed its anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

In developing and revising the City's accounting and reporting control systems, consideration is given to the adequacy of internal controls to provide reasonable but not absolute assurance regarding the safeguarding of assets from loss, theft, or misuse and reliability of financial records for preparing the City's financial statements in conformity with GAAP and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived, and the evaluation of costs and benefits requires estimates and judgments by management.

As management, we believe the data presented is accurate in all material aspects and that all disclosures necessary to enable the reader to acquire the maximum understanding of the City's financial activity have been included.

## Profile of the Government

The City of Powell was incorporated in February 1947 and is located in central Ohio in the fastest growing county of the state. The City, currently encompassing five square miles, is located on the rolling highlands between the Scioto and Olentangy River valleys, approximately eighteen miles north of downtown Columbus, the capital of Ohio. The City is empowered by State Statute to extend its corporate limits by annexation, which it utilized in 2007 by the request of the property owners.

The City is a home-rule, municipal corporation under the laws of the State of Ohio. The City is empowered to levy property tax and income tax within its boundaries. The City operates under a Council-City Manager form of government. Policy-making and legislative authority are vested in the City Council consisting of the Mayor and six other members, all elected on a non-partisan basis. City Council members serve four-year overlapping terms. The City Council appoints a City Manager who serves at the pleasure of the Council. The City Manager is the chief executive officer of the City and is charged with the responsibility to conserve the peace and enforce all laws, ordinances and terms of the Charter.

The City provides numerous services to its citizens including: police protection; the construction and maintenance of highways, streets and other infrastructure; and recreational and cultural activities. The sanitation services are provided by an independent hauler with the City contracting for the citizens. Fire protection services are provided by Liberty Township, a separate government entity that overlaps the City boundaries. Water and sanitary sewer services are provided by county-wide entities while electric service is provided by a for-profit corporation.

The annual budget serves as the foundation for the City's financial planning and control. The City complies with the requirements of the Ohio Revised Code in the adoption of the budget. Appropriations for the operation of various City departments are established through the passage of an ordinance by City Council. Budgetary control is facilitated through the maintenance of an encumbrance system for purchase orders, and through the use of the City's automated financial system. The City Council is required to hold public hearings on the proposed budget and to adopt the budget by no later than December 31, the close of the City's fiscal year. The appropriated budget is prepared by fund, department or function (i.e. police), and category or object (i.e. personal services). The City Council may pass supplemental appropriations at any time by ordinance. The City Manager may transfer resources within a category; however, transfers between categories, departments or funds need special approval from the City Council.

## Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City operates.

*Local economy.* The City of Powell is a residential community with only a small portion utilized for commercial or retail activity. Therefore, the City is not reliant on its own commercial base but on the larger, more diversified regional base in the Columbus metropolitan area which includes Delaware and Franklin counties for its residents' workplaces. Delaware and Franklin County's unemployment rate of 4.2 percent and 4.7 percent respectively is lower than the state's average unemployment rate of 5.5 percent



and comparable to the national average of 4.5 percent in 2007. This trend has continued for the last decade.

Nationally, the United States is experiencing a housing market crisis due to the problems in the mortgage industry's lending practices, homeowner's overextension of debt and housing foreclosures. The United States foreclosure activity increased 75% while the state of Ohio increased 88% and Delaware and Franklin County increased 50% and 75%, respectively.

*Business First* indicates that job growth has led not only to the Columbus metropolitan area having the lowest unemployment rate within the state, but has also offset the impact of foreclosures within the housing market in the metropolitan area. The metropolitan area is anchored by being home to the state capital in Columbus along with being a hub for professional services, motor vehicle production, industry support and offering resources in logistics and research. The metro area provides a supportive atmosphere for the internationally recognized research facilities of The Ohio State University in Columbus, worldwide private research and development leader Battelle and chemical research clearinghouse Chemical Abstracts Service. It is also the headquarters to insurance industry leader Nationwide, financial institution Huntington Bancshares Inc. and home to major divisions of Honda of America, Chase (formerly Bank One) and the Limited Brands.

The Ohio Department of Development states that Ohio is among the top five states in attracting new businesses and expanding facilities. This is illustrated by HER Realtors, a homegrown local real-estate company, who is climbing national charts under their name Real Living brand and the new hospitals coming to Central Ohio in Delaware County (location of the City of Powell) and four other surrounding counties.

The City of Powell saw several new commercial developments approved, started or finished in 2007:

- ♦ Demolition of an existing 4,063 sq. ft. retail structure and the construction of a 6,610 sq. ft. retail or retail/office structure located in the Downtown Business District.
- ♦ Office condominium building to be constructed in a planned commercial district with 7,722 sq. ft.
- ♦ Preliminary development plan for a new 9,000 sq. ft. retail center in the Downtown Business District.

*Long-term financial planning.* Since 2005, the City Council has been working on the long-term health of the City's budget. Providing high quality municipal services to a community such as Powell, which has small commercial and office tax bases, creates challenges. The financial planning process has included a Budget Summit, historical perspective of changes to the budget and research comparing revenue and expenditures in 2005; the City Council gave a policy direction stating it was open to both revenue and expenditure changes and acknowledging that capital improvement funding was the biggest financial drain to the general fund in 2006; the finance committee worked on finding a separate funding source for capital improvements and determining the funding level for a capital improvement program in 2007. In early 2008, the finance committee will be bringing their recommendations to City Council.

To assist in long-term financial planning, the City staff has been working on a budget document that would convey the long-range plans and policies for the current and future services and programs. Traditional items such as balancing revenues and expenditures one year at a time through detailing the costs of City services and programs and the revenues that support these activities would also be supplied in the budget document.

Relevant financial policies. The City of Powell periodically reviews their financial policies and in 2007 they reviewed, standardized and consolidated their municipal income tax policies. The purchasing policy (in 2005) and the investment policy (in 2006) was reviewed in previous years. The municipal income tax policy changes included: expanding the definitions section; consolidating into one section called "exceptions" what income is exempt from municipal income tax; clarifying the allocation of net profits on consolidated returns and extensions on tax returns; and the Board of Appeals procedures. There were no modifications regarding the rate of taxation or credits.

Annually, the fee schedule for the City of Powell is evaluated to make sure current costs that should be recovered for certain activities are being covered by the fees being charged. The City also surveyed other similar cities to ensure those fees and costs were comparable.

Major initiatives. The City continues to make major strides in creating a vibrant Downtown area. This year, the City, with the assistance of the Downtown Committee and the business organizations of Powell, created the Historical Downtown Powell, Inc. (HDP, Inc.) to improve the viability of Downtown Powell and become a main street organization. The Downtown Coordinator position was moved from the City to HDP, Inc. In 2005, the Powell voters approved the creation of a Downtown Powell Tax Increment Finance District (TIF). In 2006, the Council hired a Downtown Coordinator to work with various committees, developers and organizations in improving the viability of Downtown Powell.

The City continued its mandatory sidewalk repair program which is in its fourth year. The City has divided the City into sections and each year a section of the City is addressed. Each resident decides whether to repair their sidewalk themselves or take part in the special assessment program after the City paid for the repairs.

The entire state of Ohio, including the City of Powell, worked on policies, procedures, forms and education for public records. The City of Powell had already planned and committed to working on records retention of public records by purchasing a software program to organize and maintain public records and hiring a temporary to work on the City's older documents.

#### Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded the first Certificate of Achievement for Excellence in Financial Reporting to the City of Powell for its comprehensive annual report for the fiscal year ended December 31, 2006.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

The preparation of this report would not have been possible without the efficient and dedicated efforts of the finance department staff. We wish to express our appreciation to members of other City departments who assisted and contributed to the preparation of this report. Credit also must be given to the Mayor and the City Council for their support in maintaining the highest standards of professionalism in the management of the City of Powell's finances.

Respectfully submitted,



Debra K. Miller  
Finance Director  
City of Powell



Steve Lutz  
City Manager  
City of Powell

CITY OF POWELL, OHIO  
ORGANIZATIONAL CHART  
DECEMBER 31, 2007



CITY OF POWELL, OHIO  
BOARDS, COMMISSIONS AND APPOINTMENTS CHART  
DECEMBER 31, 2007



Note: City of Powell is also a member of the Regional Income Tax Agency's (RITA) Council of Governments.

CITY OF POWELL, OHIO  
LIST OF CITY OFFICIALS  
DECEMBER 31, 2007

City Council

Mayor	(term expires 12/31/07) *	Don Grubbs
Vice Mayor	(term expires 12/31/09)	Tom Counts
Council Member	(term expires 12/31/07) *	Richard Cline
Council Member	(term expires 12/31/07) *	Art Schultz
Council Member	(term expires 12/31/09)	Dan Wiencek
Council Member	(term expires 12/31/09)	Elmer Meider
Council Member	(term expires 12/31/09)	Bill Morton

City Manager

City Manager	Stephen Lutz
--------------	--------------

Administration

Finance Director	Debra K. Miller
Chief Building Official	Doug Wenzel
City Engineer	Robert Rice, Jr.
Council/Planning & Zoning Clerk	Susie Ross
Development Director	David Betz
Parks, Recreation & Public Service Director	Jeffrey Snyder
Police Chief	Gary Vest

\*reelected to another four-year term beginning January 1, 2008. New Mayor elected by council members was Tom Counts, effective January 3, 2008.

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Powell  
Ohio

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2006

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



*Oliver S. Cox*

President

*Jeffrey R. Emery*

Executive Director



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## **Julian & Grube, Inc.**

*Serving Ohio Local Governments*

333 County Line Rd. West, Westerville, OH 43082 Phone: 614.846.1899 Fax: 614.846.2799

### Independent Auditor's Report

Members of Council and Mayor  
City of Powell  
47 Hall Street  
Powell, Ohio 43065

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the City of Powell, Delaware County, Ohio, as of and for the year ended December 31, 2007, which collectively comprise the City of Powell's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Powell's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Powell, as of December 31, 2007, and the respective changes in financial position, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 21, 2008, on our consideration of the City of Powell's internal control over financial reporting and on 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Members of Council and Mayor  
City of Powell

The management's discussion and analysis and budgetary comparison information on pages 3-10 and 54-58, respectively, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Powell's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical tables 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 have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.



Julian & Grube, Inc.  
March 21, 2008

## City of Powell, Ohio Management's Discussion and Analysis

As management of the City of Powell (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City of Powell for the fiscal year ended December 31, 2007. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found at the front of this report.

### Financial Highlights

- The assets of the City exceeded its liabilities at the close of the most recent fiscal year by \$26,910,908 (net assets).
- The City's total net assets increased by \$933,623 or 3.6%.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$1,533,192, a decrease of \$8,076,783 in comparison with the prior year due to the change of the \$6.9 million general obligation notes from long-term to short-term. Approximately, 394.3% of this total amount, \$6,045,319, is available for spending at the City's discretion (unreserved fund balance).
- At the end of the current fiscal year, unreserved fund balance for the general fund was \$6,045,319 or 120.3% of the total general fund expenditures.
- The City's total net debt decreased by \$8,110,000 (28.3%) during the current fiscal year due to the change of the \$6.9 million general obligation notes from long-term to short-term and the payment of \$1,210,000 in principal.

### Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. The statements are organized so the reader can understand the City's financial position. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-wide financial statements.** The *government-wide financial statements* are designed to provide readers with a broad view of the City's finances, in a manner similar to a private-sector business.

The *statement of net assets* presents information on all of the City's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. Causes for these changes may be the result of many factors, some financial, some not. Non-financial factors can include changes in the City's property tax base and the condition of the City's capital assets (buildings, streets, etc). These factors must be considered when assessing the overall health of the City.

The *statement of activities* presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the cash flows. Thus, revenue and expenses reported in this statement for some items will only result in cash flows for future fiscal periods (i.e., uncollected taxes and earned but unused vacation leave).

The government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees or charges (business-type activities). The

governmental activities of the City include general government, public service, public safety, community development, and parks and recreation.

The government-wide financial statements can be found on pages 11-13 of this report.

**Fund financial statements.** A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

**Governmental funds.** *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on the *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements or provide a detailed short-term view of the City's general government operations and the basic services being provided.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City of Powell maintains 28 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Street Construction & Maintenance Fund, Debt Service Fund, the Golf Village Fund, the Parks & Recreation Construction Fund and Police Facility Construction Fund, all of which are considered major funds. Data from the other 22 governmental funds are combined into a single, aggregated presentation.

Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* in the supplemental section of this report.

**Proprietary funds.** *Enterprise funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The City does not have any proprietary funds at this time.

**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. The accounting used for fiduciary funds is much like that used for proprietary funds.

The City maintains 6 individual fiduciary funds. Information is presented separately in the fiduciary funds combining statement of fiduciary assets and liabilities and in the combining statement of changes in assets and liabilities for the Unclaimed Funds, Flexible Benefits Fund, Board of Building Standards Fund, Development (Engineering) Inspections Fund, Plumbing Inspection Fund, and Escrowed Deposits Fund.

The basic fiduciary fund financial statement can be found on page 21 of this report.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 22 - 53 of this report.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City. Required supplementary information can be found on pages 54 - 63 of this report.

The combining statements referred to earlier containing nonmajor governmental funds are presented immediately following the other supplemental information. Combining and individual fund statements and schedules can be found on pages 64 - 97 of this report.

**Government-wide Financial Analysis**

The following table provides a summary of the City's net assets for 2007 and 2006.

<b>City of Powell</b>		
<b>Net Assets</b>		
<u>Governmental activities</u>		
	<u>2007</u>	<u>2006</u>
Current and other assets	\$ 12,680,922	\$ 13,843,506
Capital assets	44,786,704	43,648,136
<b><i>Total assets</i></b>	<b><u>\$ 57,467,626</u></b>	<b><u>\$ 57,491,642</u></b>
Long-term liabilities outstanding	\$ 19,364,636	\$ 28,846,835
Other liabilities	11,192,082	2,667,522
<b><i>Total liabilities</i></b>	<b><u>\$ 30,556,718</u></b>	<b><u>\$ 31,514,357</u></b>
Net assets:		
Invested in capital assets, net of related debt	\$ 17,316,704	\$ 14,968,136
Restricted	2,328,571	4,236,327
Unrestricted	7,265,633	6,772,822
<b><i>Total net assets</i></b>	<b><u>\$ 26,910,908</u></b>	<b><u>\$ 25,977,285</u></b>

As mentioned previously, net assets may serve over time as a useful indicator of a government's financial position. The City's assets exceed liabilities by \$26,910,908 at the close of the most recent year.

A large portion of the City's net assets (64.3%) reflects its investment in capital assets (i.e. land, buildings, improvements other than buildings, machinery and equipment, and infrastructure); less any related debt used to acquire those assets that is still outstanding plus any significant unspent bond proceeds. The City uses these capital assets to provide services to citizens; therefore, these assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay debt must be provided from other sources, since capital assets themselves cannot be used to liquidate these liabilities.

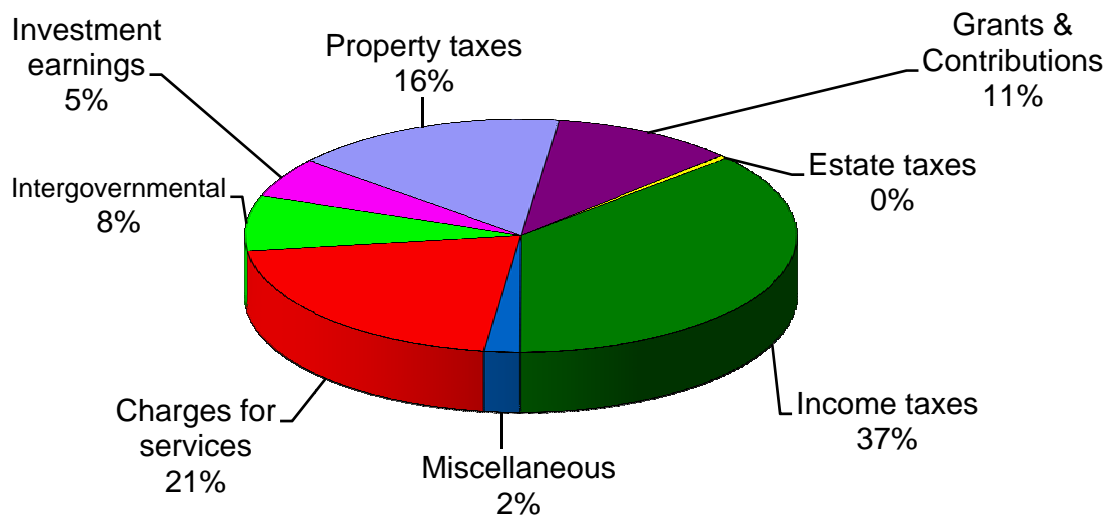
An additional portion of the City's net asset (8.7%) represents resources that are subject to restrictions on how they may be used. The remaining balance of unrestricted net assets is \$7,265,633 (27.0%) which usually is available to meet the government's on-going obligations to citizens and creditors. Unrestricted 2006 net assets were increased by \$6,370,886 while restricted net assets were decreased by \$6,370,886 to conform with current year presentation.

At the end of the current fiscal year, the City is able to report a positive balance for the government.

- ❑ The decrease in total assets of \$24,016 (0.04%) reflects the partial payment of a one-time accounts receivable for sewer tap hookups. It also reflects the City finalizing construction projects of bikepath connectors and Village Green parking lot replacement.
- ❑ The decrease in total liabilities of \$957,639 (3.0%) was due to the payment of principal of long-term obligations. It also reflects the shift of \$6.9 million of notes moving from long-term to short-term.
- ❑ Net assets increased by \$933,623 (3.6%) which was due to adding to the unrestricted fund balance and payment of debt related to capital assets.

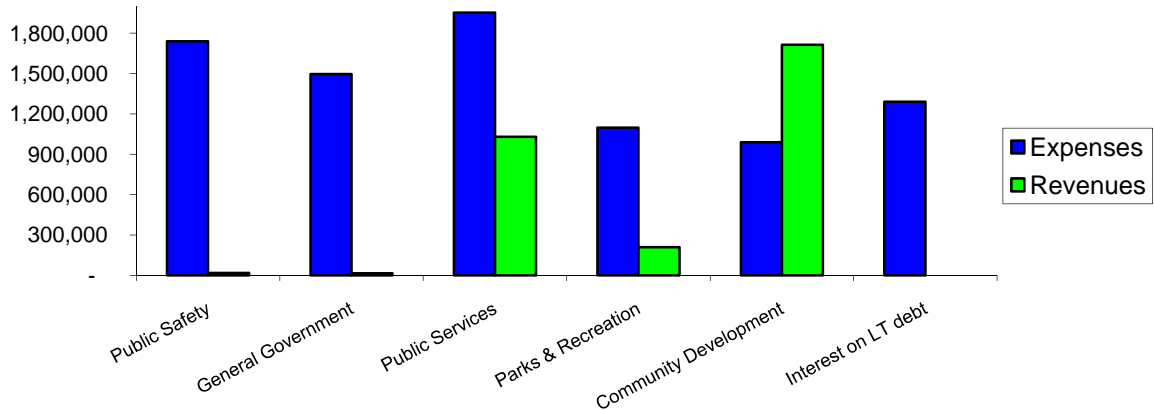
**Governmental activities.** The following charts illustrate 2007 revenues by source, program expenses and program revenues, and the change in net assets for Governmental Activities. Income tax, property tax and charges for services account for 74.0 % of the revenues received by the City.

### Revenues by Source - Governmental Activities



Program expenses for public safety, public service, and park and recreation account for 55.9% of the program expenses in 2007. Program revenues account for 31.4 % of the total revenue received by the City.

**Program Expenses & Program Revenues -  
Governmental Activities**



**City of Powell  
Activities**

Governmental activities

	<u>2007</u>	<u>2006</u>
<b>Revenues:</b>		
<i>Program revenues:</i>		
Charges for services	\$ 1,967,966	\$ 1,921,781
Operating grants & contributions	211,786	564,235
Capital grants & contributions	805,595	715,853
<i>General revenues:</i>		
Income taxes	3,480,691	3,699,738
Estate taxes	42,485	23,659
Property taxes	1,532,329	1,476,350
Intergovernmental (unrestricted)	730,945	632,249
Investment earnings	527,353	548,968
Other miscellaneous revenues	198,835	161,737
Total revenues	<u>9,497,985</u>	<u>9,744,570</u>
<b>Expenses:</b>		
Public safety	1,739,711	1,769,938
General government	1,495,493	1,343,765
Public services	1,952,026	1,377,920
Parks and recreation	1,097,107	793,040
Community development	989,893	943,962
Interest on long-term debt	1,290,132	1,321,920
Total expenses	<u>8,564,362</u>	<u>7,550,545</u>
Increase (decrease) in net assets	933,623	2,194,025
Net assets ---- January 1st	25,977,285	23,783,260
Net assets ---- December 31st	<u>\$ 26,910,908</u>	<u>\$ 25,977,285</u>

Governmental activities total revenues decreased \$216,522 (6.8%) due to the City receiving smaller grants and contributions.

Multiple program expenses increased \$1,013,817 (13.4%) due to higher costs in personnel, development fee expenses, and records retention software costs.

### Financial Analysis of the Government's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental funds.** The focus of the City's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the City's financing requirements. In particular, *unreserved fund balances* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$1,533,192, a decrease of \$8,076,783 over the prior year.

The general fund is the chief operating fund of the City. At the end of the current fiscal year, the unreserved fund balance of the general fund was \$6,045,319, while total fund balance was \$6,396,649.

The City's general fund increased its fund balance by \$710,149. The key factors in this increase are as follows:

- ❑ Monitoring the increasing operating costs due to continuing growth within the City limits.
- ❑ Increasing revenues from a greater tax base.

The City's street maintenance and construction fund decreased its fund balance by (\$97,023). The key factor in this decrease was a larger than usual street maintenance program because supervision had been limited in the previous year due to the number of projects occurring in the City.

The City's debt service fund decreased its fund balance by (\$2,514), during the fiscal year. This decrease in fund balance was for higher interest cost associated with outstanding debt.

The Golf Village fund decreased its negative fund balance of (\$6,455,787). The major factor in this decrease was the \$6.9 million general obligation notes changing from long-term to short-term therefore they are reported under fund liabilities.

The parks and recreation construction fund decreased its fund balance by (\$160,024). This decrease in fund balance was due to utilizing the last part of bond proceeds for the last park project.

The police facility construction fund decreased its fund balance by (\$545,099). This decrease in fund balance was due to utilizing the last part of bond proceeds to complete the parking lot of the facility.

### Capital Asset and Debt Administration

**Capital assets.** The City's investment in capital assets for its governmental activities as of December 31, 2007, amounts to \$44,786,704 net of accumulated depreciation. This investment in capital assets includes land, buildings, improvements, machinery and equipment, infrastructure and construction in progress. The total increase in the City's investment in capital assets for the current fiscal year was \$1,138,568 (2.6%).

In 2007, capital asset additions included the bikepath connectors, parking lot reconstruction and contributions from developers of infrastructure.

Donated, completed infrastructure projects and equipment purchases included: right-of-ways; bikepaths; vehicles and computer equipment.



Construction-in-progress infrastructure projects included: police facility parking lot, and West Olentangy bike path.

Additional information on the City's capital assets can be found in note 4 on page 38 of this report.

**Long-term debt.** At the end of the current fiscal year, the City had total bonded debt outstanding of \$20,570,000. This debt is backed by the full faith and credit of the City. The City does not have any revenue bonds.

During the current fiscal year, the City's total bonded debt decreased by \$1,210,000 or 5.6%.

The City is within all of its legal debt limitations. The Ohio Revised Code provides that the net debt (as defined in the Ohio Revised Code) of a municipal corporation, whether or not approved by the electors, shall not exceed 10.5% of the total value of all property in the municipal corporation as listed and assessed for taxation. In addition, the unvoted net debt of municipal corporations cannot exceed 5.5% of the total taxation value of the property. The statutory limitations on debt are measured by the ratio of net debt to tax valuation and expressed in terms of a percentage. The current debt limitation for the City is \$43,933,433, which is greater than the City's outstanding general obligation debt.

The last few years, the City has had an "AA" rating from Standard and Poor's and an "Aa2" rating from Moody's for general obligation debt. In April 2008, the Standard and Poor's rating was increased to "AA+".

Additional information on the City's long-term debt can be found in note 7 on pages 40 - 44 of this report.

### General Fund Budgetary Highlights

Ordinance #2006-70 appropriated \$5,990,819 for the original 2007 general fund budget which included \$150,000 for contingencies and reserves which are not shown on the Budget and Actual Schedules. This amount does not include \$261,965 in prior-year encumbrances that were carried over. The total original budget is \$6,252,783. The budget had one amendment that increased the budget by \$133,000 to advance funds to the Tax Increment Financing Fund and the City utilized \$72,610 of the contingencies. The total revised budget is \$6,385,783.

### Street Construction and Maintenance Fund Budgetary Highlights

Ordinance #2006-70 appropriated \$605,750 for the original 2007 street construction and maintenance fund budget. This amount does not include the \$277,904 in prior-year encumbrances that were carried over. The budget did not have any amendments. The total original budget is \$883,654.

### Economic Factors and Next Year's Budgets and Rates

- ❑ The unemployment rate for Delaware County is currently 4.2%, which is an increase from a rate of 3.4% a year ago. This compares favorably to the state's average unemployment rate of 5.5% and the national average rate of 4.5%.
- ❑ The personal income per capita for Powell area is \$117,801. This compares favorably to the state's personal income per capita of \$33,338 and the national average rate of \$36,276.
- ❑ The Ohio Public Employee Retirement System (OPERS) contribution rate for employers has increased over the last two years from 13.55% to 13.85%. In 2008, the rate increases to 14.0%.
- ❑ Both union contracts (Police and Public Service) were settled in 2005 for a three year period. The contracts end this year in July and October, respectively.
- ❑ The City projects a decrease in development related revenues such as residential and commercial building permits as the availability of open land is consumed.

All of these factors were considered in preparing the City's Budget for the 2008 fiscal year and projecting for the 2009, 2010 and 2011 fiscal years. This has prompted staff and City Council to consider an increase in the income tax rate. This increase would need to be submitted to the voters for their approval.

**Requests for Information**

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director, 47 Hall Street, Powell, Ohio, 43065-8357. This report is also available on the City's website at [www.cityofpowell.us](http://www.cityofpowell.us).

**City of Powell, Ohio**  
Statement of Net Assets  
December 31, 2007

<b>ASSETS</b>	<b>Governmental Activities</b>
Cash, cash equivalents and investments	\$ 9,059,566
Accounts receivable (net of allowance for uncollectibles)	3,573,948
Inventories	24,758
Prepaid items	22,650
Capital assets:	
Land	3,852,659
Construction in progress	1,262,565
Other capital assets, net of accumulated depreciation	39,671,480
Total assets	\$ 57,467,626
<b>LIABILITIES</b>	
Accrued wages payable	\$ 58,137
Accounts payable	622,481
Accrued liabilities	371,569
Due to other governments	96,023
Unearned income	1,760,207
Note payable	6,900,000
Noncurrent liabilities:	
Due within one year	
Accrued vacation and sick leave	88,665
Bonds payable, net - current	1,295,000
Due in more than one year:	
Accrued vacation and sick leave	89,636
Bonds payable, net	19,275,000
Total liabilities	30,556,718
<b>NET ASSETS</b>	
Invested in capital assets, net of related debt	17,316,704
Restricted for:	
Street maintenance	1,361,441
Capital projects	489,527
Debt service	23,277
Other purposes	454,326
Unrestricted	7,265,633
Total net assets	\$ 26,910,908

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

**City of Powell, Ohio**  
Statement of Activities  
For the Year Ended December 31, 2007

	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
<b><u>Functions/Programs</u></b>				
Governmental activities:				
Public Safety	\$ 1,739,711	\$ 17,792		
General Government	1,495,493	15,928		
Public Services	1,952,026	11,979	\$ 211,786	\$ 805,595
Parks and Recreation	1,097,107	208,786		
Community Development	989,893	1,713,481		
Interest on long-term debt	1,290,132			
<b>Total governmental activities</b>	<b>\$ <u>8,564,362</u></b>	<b>\$ <u>1,967,966</u></b>	<b>\$ <u>211,786</u></b>	<b>\$ <u>805,595</u></b>

General revenues:  
Income taxes  
Property taxes  
Estate taxes  
Unrestricted intergovernmental  
Unrestricted investment earnings  
Miscellaneous  
    Total general revenues  
    Changes in net assets  
Net assets - beginning  
Net assets - ending

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

**Net (Expense) Revenue and  
Changes in Net Assets**

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**Governmental  
Activities**

\$	(1,721,919)
	(1,479,565)
	(922,666)
	(888,321)
	723,588
	(1,290,132)
	(5,579,015)

	3,480,691
	1,532,329
	42,485
	730,945
	527,353
	198,835
	6,512,638
	933,623
	25,977,285
\$	26,910,908

**City of Powell, Ohio**  
 Balance Sheet  
 Governmental Funds  
 December 31, 2007

<b>ASSETS</b>	<u><b>General</b></u>	<u><b>Street Construction and Maintenance</b></u>
Cash, cash equivalents and investments	\$ 6,057,421	\$ 1,219,159
Receivables (net of allowance for uncollectibles)	1,973,469	374,758
Due from other funds	133,000	
Interfund receivable	68,640	
Prepaid items	21,742	
Inventories		24,758
Total assets	<u>\$ 8,254,272</u>	<u>\$ 1,618,675</u>
<b>LIABILITIES AND FUND BALANCES</b>		
Liabilities:		
Accrued wages payable	\$ 57,942	
Accounts payable	72,841	\$ 369,182
Due to other governments	95,207	
Due to other funds		
Interfund payable		
Deferred revenue	1,620,332	321,259
Accrued Liabilities		
Accrued Vacation & Sick Leave Liability	11,301	
Retainage payable		19,546
Notes payable		
Total liabilities	<u>1,857,623</u>	<u>709,987</u>
Fund balances:		
Reserved for:		
Encumbrances	260,948	140,368
Prepaid items	21,742	
Inventory		24,758
Non-current interfund receivable	68,640	
Unreserved, reported in:		
General fund	6,045,319	
Special revenue funds		743,562
Capital project funds		
Debt service funds		
Total fund balances	<u>6,396,649</u>	<u>908,688</u>
Total liabilities and fund balances	<u>\$ 8,254,272</u>	<u>\$ 1,618,675</u>

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

<b>Debt Service</b>	<b>Golf Village</b>	<b>Parks and Recreation Construction</b>	<b>Police Facility Construction</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ 26,354	\$ 294,858	\$ 46,683	\$ 22,735	\$ 1,392,356	\$ 9,059,566
406,937	88,500	710,971	221	19,092	3,573,948
					133,000
					68,640
				908	22,650
					24,758
<u>\$ 433,291</u>	<u>\$ 383,358</u>	<u>\$ 757,654</u>	<u>\$ 22,956</u>	<u>\$ 1,412,356</u>	<u>\$ 12,882,562</u>
				\$ 195	\$ 58,137
				180,458	622,481
				816	96,023
				133,000	133,000
				68,640	68,640
\$ 406,937	\$ 85,550	\$ 710,971		14,848	3,159,897
	213,569				213,569
					11,301
				66,776	86,322
	6,900,000				6,900,000
<u>406,937</u>	<u>7,199,119</u>	<u>710,971</u>	<u>-</u>	<u>464,733</u>	<u>11,349,370</u>
			\$ 13,538	207,978	622,832
				908	22,650
					24,758
					68,640
					6,045,319
				515,127	1,258,689
	(6,815,761)	46,683	9,418	223,610	(6,536,050)
26,354					26,354
<u>26,354</u>	<u>(6,815,761)</u>	<u>46,683</u>	<u>22,956</u>	<u>947,623</u>	<u>1,533,192</u>
<u>\$ 433,291</u>	<u>\$ 383,358</u>	<u>\$ 757,654</u>	<u>\$ 22,956</u>	<u>\$ 1,412,356</u>	<u>\$ 12,882,562</u>



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**City of Powell, Ohio**  
 Reconciliation of the Balance Sheet to the Statement  
 of Net Assets - Governmental Funds  
 December 31, 2007

Total Governmental Fund Balances		\$ 1,533,192
Amounts reported for governmental activities in the statement of net assets are different because:		
Capital assets used in governmental activities are not functional resources and therefore are not reported in the funds.		44,786,704
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds.		
Property taxes		41,940
Income taxes		878,123
Estate taxes		11,100
Intergovernmental revenues		468,527
Long-term liabilities, including bonds and notes payable, are not due and payable in the current period and therefore are not reported in the funds.		
Interest payable		(71,678)
Accrued vacation and sick leave		(167,000)
Bonds payable		(20,570,000)
Net Assets of Governmental Activities		\$ 26,910,908

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

**City of Powell, Ohio**  
Statement of Revenues, Expenditures, and Changes in Fund Balances  
Governmental Funds  
For the Year Ended December 31, 2007

<b>REVENUES</b>	<u>General</u>	<u>Street Construction and Maintenance</u>	<u>Debt Service</u>
Taxes:			
Property	\$ 484,702		\$ 381,636
Income	3,655,321		
Estate	31,385		
Motor Fuel		\$ 190,407	
Intergovernmental	371,442	301,982	47,161
Licenses and permits	881,457		
Charges for services	38,592		
Fines and forfeits	3,898		
Development charges			
Investment earnings	452,167	55,052	
Miscellaneous	91,373		
Total revenues	<u>6,010,337</u>	<u>547,441</u>	<u>428,797</u>
 <b>EXPENDITURES</b>			
Current:			
Public Safety	1,690,199		
General Government	1,488,703		5,693
Public Services	483,805	644,464	
Parks and Recreation	371,662		
Community Development	987,969		
Debt service:			
Principal			285,000
Interest			214,768
Issuance costs			
Capital outlay:			
Capital outlay			
Total expenditures	<u>5,022,338</u>	<u>644,464</u>	<u>505,461</u>
Excess (deficiency) of revenues over (under) expenditures	987,999	(97,023)	(76,664)
 <b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in			74,150
Transfers out	(277,850)		
Repayment of refunded notes			
Premium from issuance of notes			
Total other financing sources and uses	<u>(277,850)</u>	<u>-</u>	<u>74,150</u>
Net change in fund balances	710,149	(97,023)	(2,514)
 Fund balances -- January 1	<u>5,686,500</u>	<u>1,005,711</u>	<u>28,868</u>
Fund balances -- December 31	<u>\$ 6,396,649</u>	<u>\$ 908,688</u>	<u>\$ 26,354</u>

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

<u>Golf Village</u>	<u>Parks and Recreation Construction</u>	<u>Police Facility Construction</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
	\$ 646,773			\$ 1,513,111
				3,655,321
				31,385
			\$ 11,269	201,676
	79,924		24,776	825,285
\$ 35,400			83,061	999,918
			124,553	163,145
			3,209	7,107
760,000			83,895	843,895
	2,915	\$ 12,347	4,872	527,353
			61,363	152,736
<u>795,400</u>	<u>729,612</u>	<u>12,347</u>	<u>396,998</u>	<u>8,920,932</u>
				1,690,199
				1,494,396
				1,128,269
			374,250	745,912
			5,000	992,969
260,000	570,000	95,000		1,210,000
851,459	156,275	108,655		1,331,157
76,316				76,316
	163,361	557,491	821,771	1,542,623
<u>1,187,775</u>	<u>889,636</u>	<u>761,146</u>	<u>1,201,021</u>	<u>10,211,841</u>
(392,375)	(160,024)	(748,799)	(804,023)	(1,290,909)
		203,700		277,850
				(277,850)
(6,900,000)				(6,900,000)
114,126				114,126
<u>(6,785,874)</u>	<u>-</u>	<u>203,700</u>	<u>-</u>	<u>(6,785,874)</u>
<u>(7,178,249)</u>	<u>(160,024)</u>	<u>(545,099)</u>	<u>(804,023)</u>	<u>(8,076,783)</u>
362,488	206,707	568,055	1,751,646	9,609,975
<u>\$ (6,815,761)</u>	<u>\$ 46,683</u>	<u>\$ 22,956</u>	<u>\$ 947,623</u>	<u>\$ 1,533,192</u>

**City of Powell, Ohio**  
 Reconciliation of the Statement of Revenues, Expenditures, and  
 Changes in Fund Balances of Governmental Funds  
 To the Statement of Activities  
 For the Year Ended December 31, 2007

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

Net change in fund balances --- total government funds	\$ (8,076,783)
--	----------------

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those activities is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period:

	Capital outlay \$1,737,987	
	Depreciation <u>1,405,014</u>	332,973

Contributions/Donations of capital assets .	805,595
---	---------

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. The amount is the net effect of the reversal of prior year items against current year accruals.	(228,542)
--	-----------

The issuance of long-term debt (e.g. bonds, notes, and loans) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	8,113,215
--	-----------

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 governmental funds.	(12,835)
---	----------

Change in net assets of governmental activities	<u>\$ 933,623</u>
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The notes to the basic financial statements are an integral part of this statement.

**City of Powell, Ohio**  
Statement of Fiduciary Assets and Liabilities  
Fiduciary Funds  
December 31, 2007

	<b>Agency Funds</b>
<b>ASSETS:</b>	
Cash and investments	\$ 503,276
Total assets	<u>\$ 503,276</u>
<b>LIABILITIES:</b>	
Due to others	\$ 503,276
Total liabilities	<u>\$ 503,276</u>

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

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City of Powell, Ohio  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2007

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

A. Reporting Entity

The City of Powell (City) is a home-rule, municipal corporation under the laws of the State of Ohio. The City of Powell was established as a village in 1947 and was incorporated as a city in 2001. The City operates under a Council-Manager form of government and provides the following services: police protection, parks and recreation, and street maintenance and repair as well as a staff to provide support (i.e., payroll processing, accounts payable, and revenue collection) to the service providers.

A reporting entity is composed of the primary government, component units, and other organizations that are included to ensure the financial statements are not misleading. The primary government is the City of Powell and consists of all funds, departments, boards, and agencies that are not legally separate from the City.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organization. Component units may also include organizations for which the City approves the budget, the issuance of debt, or the levying of taxes. There were no component units of the City of Powell in 2007.

The City participates in two jointly governed organizations, the Liberty Community Infrastructure Financing Authority and the Powell Community Infrastructure Financing Authority. These organizations are presented in Notes 15A and 15B, respectively, to the basic financial statements.

The accompanying basic financial statements include all the organizations, activities and functions in which the City (the primary government) exercises financial accountability.

B. Government-wide and fund financial statements

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The City also applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989, to its governmental activities provided they do not conflict with or contradict GASB pronouncements.

Beginning January 1, 2003, the City changed its financial reporting to comply with GASB Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*. Financial information of the City is presented in the accompanying statements in the following format:

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City of Powell, Ohio  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2007

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NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

- Management’s discussion and analysis, a part of the required supplementary information, introduces the basic financial statements and provides analytical overview of the City’s financial statements.
- Basic financial statements are comprised of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. The basic financial statements report information on all of the non-fiduciary activities of the primary government.

Government-Wide Financial Statements - The statement of net assets and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds.

The statement of net assets presents the financial condition of the governmental activities of the City at year end. The statement of net assets and statement of activities measure and report all the assets, liabilities, revenues, and expenses, gains, and losses. Governmental activities are reported separately from the business-type activities. Taxes and intergovernmental revenues support governmental activities while revenues such as fees support business-type activities. Interfund activity has been removed from these statements.

The statement of activities presents a comparison between direct expenses and program revenues for each program or function 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, contributions, and interest 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 governmental program is self-financing or draws from the general revenues of the City.

Fund Financial Statements - The fund financial series of statements display information about the City at a more detailed level.

During the year, the City segregates transactions related to certain City functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by type.

Notes to the basic Financial Statements – The notes provide information that is essential to a user’s understanding of the basic financial statements.

- Required supplementary information is comprised of budgetary comparison schedules and other types of data required by GASB.

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City of Powell, Ohio  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2007

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NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

In November 2006, the GASB issued Statement No. 49, “*Accounting and Financial Reporting for Pollution Remediation Obligations.*” This statement is to establish accounting standards for pollution (including contamination) remediation obligations, which are obligations to address current or potential detrimental effects of existing pollution. The provisions of this statement are effective for fiscal periods beginning after December 15, 2007. The implementation of GASB Statement No. 49 had no impact on these financial statements.

In May 2007, the GASB issued Statement No. 50, “*Pension Disclosures.*” This statement is to amend Statements 25 and 27 and requires defined benefit pension plans to present additional information related to note disclosures or RSI. The provisions of this statement are effective for fiscal periods beginning after June 15, 2007. The implementation of GASB Statement No. 50 had no impact on these financial statements.

In June 2007, the GASB issued Statement No. 51, “*Accounting and Financial Reporting for Intangible Assets.*” This statement is to establish accounting and reporting requirements for intangible assets to reduce inconsistencies, thereby enhancing the comparability of the accounting and financial reporting of such assets among state and local governments. The provisions of this statement are effective for fiscal periods beginning after June 15, 2009. The implementation of GASB Statement No. 51 had no impact on these financial statements since the City already included easements, computer software and other intangible assets in their capital assets.

In November 2007, the GASB issued Statement No. 52, “*Land and Other Real Estate Held as Investments by Endowments.*” This statement is to improve the quality of financial reporting by requiring endowments to report their land and other real estate investments at fair value, creating consistency among similar entities. The provisions of this statement are effective for fiscal periods beginning after June 15, 2008. The implementation of GASB Statement No. 52 had no impact on these financial statements.

C. Measurement focus and basis of accounting

The accounting policies and financial reporting practices of the City conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

The accounts of the City are organized on the basis of funds where each is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures (expenses), as appropriate. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The basis of accounting refers to when revenues and expenditures (expenses) are recognized in the accounts of the financial statements and relates to the timing of the measurement focus.



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City of Powell, Ohio  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2007

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NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The government-wide financial statements are prepared using a flow of economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the time of related cash flows. All assets and all liabilities associated with the operation of the City are included on the statement of net assets. The statement of activities presents increases (i.e., revenues) and decreases (i.e., expenses) in total net assets.

All governmental funds are accounted for using a flow of current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized only as they become susceptible to accrual or measurable and available. Because of differences in circumstances and because of the flexibility of this criteria, the timing of revenue recognition for a given revenue source may vary considerably among governments. The City considers all revenues reported in the governmental funds to be available if the revenues are collected within thirty-one days after year-end. Expenditures are recorded when the related fund liability is incurred, for principal and interest on long-term debt, and claims and judgments, and compensated absences, which are recognized as expenditures when matured.

Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt are reported as other financing sources. Current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balance reflects the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements, therefore, include a separate reconciliation with brief explanations to better identify the relationship between the government-wide financial statements and the fund financial statements for governmental funds.

Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds, and agency funds. The City currently does not have trust funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The City's agency funds account for various fees charged by the City and remitted to other government agencies and for deposits held pending compliance with established requirements.

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include property taxes, income taxes, grants, entitlements, and donations. On the accrual basis, revenue from property taxes is recognized in the year for which the taxes are levied. Revenue from income taxes is recognized in the year in which the income is earned. Revenue from grants, entitlements, and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted; matching requirements, in which the City must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On the modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

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City of Powell, Ohio  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2007

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NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Amounts reported as program revenues include: charges to customers or applicants for goods, services, or privileges provided, operating grants and contributions, and capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include taxes and all revenues that don't qualify as program revenue.

Unearned revenues arise when assets are recognized before revenue recognition criteria have been satisfied. Property taxes for which there was an enforceable legal claim at December 31, 2007, but were levied to finance 2008 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements were met have also been recorded as deferred revenue. On governmental fund financial statements, receivables that were not collected within the available period are recorded as deferred revenue.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, and then unrestricted resources as they are needed.

**Governmental Funds** - Governmental funds are those through which most governmental functions of the City are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purpose for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The State of Ohio requires all governmental funds to have a legally adopted annual budget. The following are the City's major governmental funds:

General Fund - The General Fund accounts for all financial resources, except those required to be accounted for in another fund. The General Fund balance is available to the City for any purpose provided it is expended or transferred according to the general laws of Ohio.

Special Revenue - Street Construction and Maintenance Fund - The Street Construction and Maintenance Fund accounts for ninety-two and one-half percent of the state gasoline tax and motor vehicle registration fees and its uses are restricted by the State of Ohio statute. Services related to the maintenance and reconstruction of City streets are allowed, as are those services related to clean, clear and repair streets, street lights and traffic signals.

Debt Service Fund - The Debt Service Fund accounts for the accumulation of resources for, and the payment of, general obligation long-term debt principal, interest and related costs.

Debt Service - Golf Village Debt Service Fund - The Golf Village Fund accounts for the Golf Village development project. It has a development charge on all property owners and its uses are restricted by County of Delaware and City of Powell statutes.

Capital Projects - Parks and Recreation Capital Projects Construction & Debt Service Fund - The Parks and Recreation Construction Fund accounts for the construction of improvements at the City's parks. Issuance of bonded debt is the source of revenue for

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City of Powell, Ohio  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2007

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NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

the Parks and Recreation Construction Fund while the resources of this fund are dedicated for construction purposes.

Capital Projects – Police Facility Capital Projects Construction & Debt Service Fund - The Police Facility Construction Fund accounts for the construction of improvements at the City's new police facility. Issuance of bonded debt is the source of revenue for the Fund while the resources of this fund are dedicated for construction purposes.

Additionally, the City has the other following governmental funds:

Other special revenue governmental funds of the City account for grants and other resources whose use is restricted for a particular purpose as specified by City ordinance or federal and state statutes. The City has the following nonmajor special revenue funds: State Highway Improvement, Parks and Recreation Program, Park and Recreation (Development), Enforcement and Education (D.U.I.), Board of Pharmacy, Historical Downtown Powell, Old Fire Station, Justice Assistance Grant, ODNR (Ohio Department of Natural Resources) Grant, Law Enforcement, Special Projects, and Powell's Golden Days (Festival).

Other capital project governmental funds of the City account for financial resources used for acquisition or construction of major capital facilities. The City has the following nonmajor capital project funds: Capital Improvement Notes (Projects), Village Development and Improvement, Murphy Parkway (Construction), Olentangy/Liberty Street Intersection, Downtown TIF (Tax Increment Financing) Public Improvements and Downtown TIF (Tax Increment Financing) Housing Renovations, which had no activity in 2007.

The City has the following non-governmental or fiduciary funds:

Fiduciary funds of the City account for financial resources held for others. The City has the following nonmajor fiduciary funds: Unclaimed Funds, Flexible Benefit Plan, Board of Building Standards, Development (Engineering) Inspections, Plumbing Inspection, and Escrowed Deposits.

D. Assets, liabilities, and net assets and equity

1. Deposits and Investments

City funds are pooled and invested to improve cash management. The City's cash and cash equivalents are considered to be cash on hand and demand deposits. Individual fund integrity is maintained through City records.

The City is authorized by Ordinance to invest in notes, bonds or other obligations of the United States or of any agency or instrumentality thereof, including repurchase agreements secured by such obligations, as well as the State Treasury Asset Reserve of Ohio (STAROhio) and certificate of deposits. STAROhio is an investment pool managed by the State Treasurer's Office that allows governments within the State to pool their funds for investment purposes. STAROhio is not registered with the Securities Exchange Commission

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City of Powell, Ohio  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2007

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NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(SEC) as an investment company, but does operate in a manner similar to Rule 2a-7 of the Investment Company Act of 1940.

Interest earnings are allocated to City funds according to State statutes and City ordinances.

Investments for the City are reported at fair value as in accordance with GASB Statement 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. Investments in STAROhio are valued at STAROhio's share price, which is the price the investment could be sold for on December 31<sup>st</sup>. The STAROhio reported value is the same as the fair value of the pool shares.

2. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" for the current portion of the Interfund activity or "advances to/from other funds" for the non-current portion of the Interfund activity.

Property tax

Property taxes include amounts levied against all real property, public utility property, and tangible personal property located in the City. Real property tax revenues received in 2007 represent the collection of 2006 taxes. Real property taxes received in 2007 were levied after October 1, 2006, on the assessed values as of January 1, 2006, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised market value. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax revenues received in 2007 represent the collection of 2006 taxes. Public utility real and tangible personal property taxes received in 2007 became a lien on December 31, 2005, were levied after October 1, 2006, and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property is currently assessed at varying percentages of true value.

Taxes collected from tangible personal property (other than public utility) in one calendar year are levied in the prior calendar year on assessed values during and at the close of the most recent fiscal year of the taxpayer that ended on or before December 31 of that calendar year. Tangible personal property used in business (except for public utilities) is currently assessed for taxation purposes at 12.5 percent of its true value. Amounts paid by multi-county taxpayers may be paid annually or semi-annually, the first payment is due April 30, with the remainder payable by September 20.

Beginning in tax year 2006, the tax on tangible personal property began to be phased out for most businesses. In tax year 2006, the assessment percentage for machinery and equipment, inventory, and furniture and fixtures was reduced to 18.75 %; in tax year 2007, to 12.5%; in tax year 2008, 6.5%; and for tax year 2009 and thereafter, 0%.

City of Powell, Ohio  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2007

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The Delaware County Treasurer collects property taxes on behalf of all taxing districts within the County, including the City of Powell. The County Auditor periodically remits to the City its portion of the taxes collected.

Accrued property taxes receivable represents real property, public utility property, and tangible personal property taxes which were measurable as of December 31, 2007, and for which there was an enforceable legal claim. Although total property tax collections for the next year are measurable, amounts to be received during the available period are not subject to reasonable estimation at December 31 and are not intended to finance 2007 operations.

Collectible delinquent real property taxes have been recorded as a receivable and revenue on the full accrual basis. On the modified accrual basis, the entire receivable is deferred.

The full tax rate for all City operations for the year ended December 31, 2007, was \$3.95 per \$1,000 of assessed value. The assessed values of real property, public utility property, and tangible personal property upon which 2007 property tax receipts were based are as follows:

Category	Amount
Real Property	
Agricultural/Residential	\$411,342,060
Commercial/Industrial	36,843,460
Public Utility Property	
Real	5,970
Tangible Personal Property	7,788,137
Total Assessed Value	\$455,979,627

Income tax

The City levies and collects an income tax of .75 percent based on all income 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 .25 percent of the tax paid to another municipality, not to exceed the amount paid to other municipalities. Employers within the City are required to withhold income tax on employee earnings and remit the tax to the City at least quarterly. Corporations and other individual taxpayers are also required to pay their estimated tax at least quarterly and file a final return annually. All income tax revenue is credited to the General Fund.

The Regional Income Tax Agency (R.I.T.A.) provides services to collect income tax for over 130 municipalities in Ohio, including the City of Powell. Each member municipality appoints its own delegate to the Regional Council of Governments which oversees R.I.T.A.

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City of Powell, Ohio  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2007

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NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3. Inventory

Inventory is presented at cost on a first-in, first-out (FIFO) basis. The costs of government fund-types inventories are recorded as expenditures when consumed rather than when purchased. Inventory consists of salt used on roadways during winter.

4. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2007, 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.

5. Capital Assets

All of the City's capital assets are general capital assets generally resulting from expenditures in the governmental funds. These assets are reported in the governmental activities column on the government-wide statement of net assets but are not reported on the fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and reductions during the year. Donated capital assets are recorded at their fair market value on the date donated. The City maintains a capitalization threshold of five thousand dollars (\$5,000). Improvements are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized.

All capital assets, except for land and construction in progress, are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the City's historical records of necessary improvements and replacement. Depreciation is computed using the straight-line method over the following useful lives:

Description	Estimated Lives
Land Improvements	20-60 years
Buildings	50 years
Equipment	5-10 years
Vehicles	3-10 years
Streets	15-45 years
Storm Sewers	50 years

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City of Powell, Ohio  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2007

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NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

6. Capital Contributions

Capital contributions arise from outside contributions of capital assets.

7. Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable the City will compensate the employees for the benefits through paid time off or some other means.

The City records a liability for accumulated unused vacation time when earned for all employees with more than one year of service.

Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those the City has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employees' wage rates at year end, taking into consideration any limits specified in City policies or by union contracts. The City records a liability for accumulated unused sick leave for all employees with ten or more years of service.

The entire compensated absences liability is reported on the government-wide financial statements.

On governmental fund financial statements, compensated absences are recognized as a liability and expenditure to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the fund from which the employees who have accumulated unpaid leave are paid. The noncurrent portion of the liability is not reported.

8. Long-term Obligations

Long-term debt and other long-term obligations are reported as liabilities on the government-wide financial statements. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest rate method. Bonds payable are reported net of the applicable unamortized bond premium or discount.

In the governmental fund financial statements, bond premiums and discounts, as well as bond issuance costs, are recognized during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

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City of Powell, Ohio  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2007

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NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

9. Fund Equity/Restricted Net Assets

In the fund financial statements, governmental funds report reservation of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Unreserved fund balance indicates that portion which is available for appropriation in future periods. A fund balance reserve has been established for encumbrances, prepaid items, inventory and non-current interfund receivable.

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used for the acquisition, construction, or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through constitutional provisions or enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net assets restricted for other purposes include resources restricted for construction, repair, and maintenance of streets and highways, recreation, various police department grants, and special events including the Powell Festival. The City's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available. As of December 31, 2007, net assets restricted by enabling legislation was \$0, as defined by GASB Statement No. 46, *Net Assets Restricted by Enabling Legislation*.

10. Interfund Transactions

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

11. 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 management and are either unusual in nature or infrequent in occurrence. The City had no extraordinary or special items in 2007.

12. 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.



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City of Powell, Ohio  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2007

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**E. Budget Process**

All funds, except agency funds, are required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations ordinance, all of which are prepared on the budgetary basis of accounting.

The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount City Council may appropriate. The appropriations ordinance is City Council's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by City Council. For all funds, council appropriations are made to the fund, department, and category level (object – personal services) for each fund.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the Finance Director. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the amended certificate of estimated resources in effect at the time final appropriations were passed by City Council.

The appropriations ordinance is subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first appropriations ordinance for that fund that covered the entire year, including amounts automatically carried forward from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by City Council during the year.

**NOTE 2 – CASH, CASH EQUIVALENTS AND INVESTMENTS**

**A. Cash and Cash Equivalents**

State statutes classify monies held by the City into three categories: active, inactive and interim.

Active deposits are public deposits necessary to meet current demands on the treasury. Such monies must be maintained either as cash in the city treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive deposits are public deposits the City Council has identified as not required for use within the current five year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit

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City of Powell, Ohio  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2007

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NOTE 2 – CASH, CASH EQUIVALENTS, AND INVESTMENTS (continued)

maturing not more than one year from the date of deposit, or by savings or deposit accounts, including passbook accounts.

Custodial credit risk is the risk that, in the event of a bank failure, the City's deposits may not be returned. The City's policy is that any financial institution located within the State of Ohio is an institution which is eligible to become a public depository for active deposits. All deposits, except for deposits held by fiscal and escrow agents or trustees, are collateralized with eligible securities in amounts equal to at least 105% of the total amount of all public moneys on deposit with the institutions.

Protection of the City's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the Finance Director by the financial institution, or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution. Such collateral, as permitted by Chapter 135 of the ORC is held with the qualified trustee approved by the Finance Director.

At December 31, 2007, the carrying value of the City's cash deposits was \$3,322,848, of which \$2,187,594 was non-negotiable certificates of deposit. Cash balances per the banks were \$3,428,938. \$300,000 of the City's deposits was insured by Federal depository insurance. Based on the criteria described in GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, as of December 31, 2007, \$3,128,938 of the City's bank balance was exposed to custodial risk as follows:

Uninsured and collateral held by the pledging financial institutions agents not in the City's name	\$3,128,938
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Interest revenue credited to the General Fund during 2007 was \$452,167, which includes \$133,977 assigned from other funds not entitled to earn interest per Ohio statute.

B. Investment Policies

The City follows GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, and records all its investments at fair value. At December 31, 2007 fair value was \$17,975 below the City's net cost for its investments. At December 31, 2006 fair value was \$5,194 in excess of its net cost. Fair value is determined by quoted market prices and acceptable other pricing methodologies.

The City pools its cash, except for that held by trustees, and fiscal and escrow agents, for maximum investing efficiency. Interest earnings are allocated to City funds according to State statutes and City ordinances. In management's opinion, all statutory requirements were met in distributing earnings of the pool to various funds.

City Council Resolution 2006-29 provides the City with its authorized investment instruments, which do not include derivatives. The City does invest in STAROhio, an investment pool managed by the State Treasurer's office that allows governments within the State to pool their

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City of Powell, Ohio  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2007

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NOTE 2 – CASH, CASH EQUIVALENTS, AND INVESTMENTS (continued)

funds for investment purposes. STAROhio is not registered with the Securities Exchange Commission (SEC) as an investment company, but does operate in a manner similar to Rule 2a-7 of the Investment Company Act of 1940. Since, 1995 STAROhio has Standard and Poor's highest rating of AAAm. Investments in STAROhio are valued at STAROhio's share price that is the price the investment could be sold for on December 31, 2007. The annualized yield at December 31<sup>st</sup> was 4.52% with an overnight yield of 4.42%. Management of STAROhio states that its policy also prohibits investing in derivatives and/or engaging in the use of reverse repurchase agreements. Average days to maturity of the STAROhio portfolio at December 31, 2007 were 41 days.

The City is prohibited from using reverse repurchase agreements and does not leverage its investment portfolio in any manner. The City purchases their investments through financial institutions. Each financial institution must acknowledge in writing, their comprehension and receipt of the City policies. Investments may only be made through specified dealers and institutions.

Payment for investments may be made only upon delivery of the securities representing the investments to the Finance Director or qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

Investments of the cash management pool and investments with an original maturity of three months or less at the time of purchase are presented on the financial statements as cash equivalents. Investments with an initial maturity of more than three months that were not purchased from the pool are reported as investments.

The City's investment policy and practices have consistently protected the portfolio from unnecessary credit risk (safety) and market risks (liquidity) while providing a competitive yield. Average days to maturity of the City's investments at December 31, 2007 was 1,010 days, however, the Federal Farm Credit & Federal Home Loan investments were called in the first 45 days of 2008. The StarOhio balances which is excluded from the aforementioned average days to maturity calculation, has an average days to maturity of 1 day.

Investments permitted by City policy are:

1. United States Treasury bills, notes, bonds, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States (excluding investments in stripped principal or interest obligations);
2. Bonds, notes, debentures, or any other obligation or security 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 Association, Government Home Loan Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;

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City of Powell, Ohio  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2007

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NOTE 2 – CASH, CASH EQUIVALENTS, AND INVESTMENTS (continued)

3. Interim deposits in authorized depositories provided these deposits are properly insured or collateralized. These interim deposits include but are not limited to: certificates of deposit, CDARS®, and savings accounts.
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions; and
6. The State Treasurer's investment pool (STAR Ohio).
7. The City may also invest up to 25% of interim moneys in the following:
  - a. Commercial paper notes issued by an entity that has assets exceeding \$500 million and:
    - (a) Are rated at the time of purchase by at least two nationally recognized standard rating services.
    - (b) The aggregate value of notes does not exceed 10% of the aggregate value of the outstanding commercial paper of the issuing corporations.
    - (c) The notes mature not later than 180 days after purchase.
  - b. Bankers acceptance of banks that are insured by the Federal Deposit Insurance Corporation (FDIC) and:
    - (a) The obligations are eligible for purchase by the Federal Reserve System.
    - (b) The obligations mature not later than 180 days after purchase.
8. Written repurchase agreements in the securities listed above provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least 2 percent and be marked to market daily, and the term of the agreement must not exceed thirty days;

C. Investments

*Interest Rate Risk.* As a means of limiting its exposure to fair value losses arising from rising interest rates, the City's investment policy generally limits investment portfolio maturities to five years or less.

*Concentration Credit Risk.* As a means of limiting its exposure to losses arising from an issuer or other party not fulfilling its obligation, the City's investment policy has included portfolio diversifications limits by instrument and financial institution.

City of Powell, Ohio  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2007

**NOTE 2 – CASH, CASH EQUIVALENTS, AND INVESTMENTS (continued)**

At year-end, the City had the following investments and maturities as follows:

Investment Type	Fair Value	Investment Maturities			
		12 months or less	13 to 24 months	25 to 36 months	37 to 48 months
Federal Farm Credit	\$ 2,200,000	\$ 2,200,000	\$ -	\$ -	\$ -
Federal Home Loan	1,400,000	1,400,000			
StarOhio	2,639,994	2,639,994			
Total investments	<u>\$ 6,239,994</u>	<u>\$ 6,239,994</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

*Credit Risk.* The City's investments in U.S. government securities can include: U.S. Treasury Bills, Notes, and Bonds. Federal agency securities can include: Federal National Mortgage Association (FNMA), Federal Home Loan Mortgage Corp. (FHLMC), Federal Home Loan Bank (FHLB), Federal Farm Credit Bank (FFCB), Student Loan Marketing Association (SLMA), Government National Mortgage Association (GNMA), and Tennessee Valley Authority (TVA). The investments in FFCB and FHLB above were rated AAA and Aaa by Standard & Poor's and Moody's Investor Service, respectively. STAROhio has Standard and Poor's rating of AAAM.

In management's opinion, all of the City's cash deposits and investments comply with State statutes, City ordinances and resolutions, and applicable bond indentures.

**D. Reconciliation of Cash and Investments to the Statement of Net Assets**

The following is a reconciliation of cash and investments to the Statement of Net Assets as of December 31, 2007.

Investments (summarized above)	\$6,239,994
Certificate of deposits	2,187,594
Carry amount of the City's deposits	<u>1,135,254</u>
Total	<u>\$9,562,842</u>
Cash and Investments:	
Governmental Activities - Governmental funds	\$9,059,566
Agency funds	<u>503,276</u>
Total	<u>\$9,562,842</u>

**NOTE 3 – RECEIVABLES**

Receivables as of year-end for the City consisted of accounts; accrued interest; intergovernmental receivables arising from grants, entitlements, and shared revenues; municipal income taxes; other local taxes; and property taxes. All receivables are considered collectible in full within one year, except for assessments for sidewalks, which are due over the next five years.

City of Powell, Ohio  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2007

NOTE 3 – RECEIVABLES (continued)

	GOVERNMENTAL MAJOR FUNDS						Nonmajor Governmental Funds	Governmental Total
	General	Street Const. & Maint.	Debt Service	Police Facility	Golf Village	Parks & Rec Const.		
Receivables:								
Interest	\$ 82,741	\$ 12,040					\$ 1,135	\$ 96,137
Taxes	1,648,810		\$ 382,616				\$ 668,479	2,699,905
Intergovernmental	204,350	362,718	24,321				17,882	651,763
Other	37,568			\$ 88,500			75	126,143
Total receivables	<u>\$ 1,973,469</u>	<u>\$ 374,758</u>	<u>\$ 406,937</u>	<u>\$ 88,500</u>	<u>\$ 221</u>	<u>\$ 710,971</u>	<u>\$ 19,092</u>	<u>\$ 3,573,948</u>

There are two meanings for deferred revenue in the public sector. They are unearned revenue and unavailable revenue. Unearned revenue can be found in the government-wide financial reporting as well as in the governmental fund, proprietary fund, and fiduciary fund financial statements. Unavailable revenue is unique to governmental funds, since it is tied to the modified accrual basis of accounting.

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of deferred revenue reported in the governmental funds were as follows:

	GOVERNMENTAL MAJOR FUNDS						Nonmajor Governmental Funds	Governmental Total
	General	Street Const. & Maint.	Debt Service	Police Facility	Golf Village	Parks & Rec Const.		
Deferred Revenue								
Taxes receivable	\$ 1,405,693		\$ 382,616				\$ 668,479	\$ 2,456,788
Intergovernmental	177,383	\$ 321,259	24,321				\$ 14,848	580,303
Other	37,256				\$ 85,550			122,806
Total receivables	<u>\$ 1,620,332</u>	<u>\$ 321,259</u>	<u>\$ 406,937</u>	<u>\$ -</u>	<u>\$ 85,550</u>	<u>\$ 710,971</u>	<u>\$ 14,848</u>	<u>\$ 3,159,897</u>

City of Powell, Ohio  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2007

**NOTE 4 – CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2007, was as follows:

	Balance 12/31/06	Additions	Reductions	Transfers	Balance 12/31/07
Governmental Activities:					
Nondepreciable Capital Assets					
Land	\$3,722,514	\$130,145	\$0	\$0	\$3,852,659
Construction in Progress	2,679,945	1,389,149	0	(2,806,529)	1,262,565
Total Nondepreciable Capital Assets	6,402,459	1,519,294	0	(2,806,529)	5,115,224
Depreciable Capital Assets					
Land Improvements	8,293,356	364,811	0	0	8,658,167
Buildings	2,756,295	0	0	2,806,529	5,562,824
Equipment	323,136	168,872	(8,453)	0	483,555
Vehicles	742,013	43,972	(88,579)	0	697,406
Streets	18,833,537	446,633	0	0	19,280,170
Storm Sewers	15,473,985	0	0	0	15,473,985
Total Depreciable Capital Assets	46,422,322	1,024,288	(97,032)	2,806,529	50,156,107
Less Accumulated Depreciation for					
Land Improvements	(768,890)	(410,517)	0	0	(1,179,407)
Buildings	(335,554)	(111,255)	0	0	(446,809)
Equipment	(186,749)	(61,501)	8,453	0	(239,797)
Vehicles	(480,168)	(83,807)	88,579	0	(475,396)
Streets	(5,084,969)	(428,454)	0	0	(5,513,423)
Storm Sewers	(2,320,315)	(309,480)	0	0	(2,629,795)
Total Accumulated Depreciation	(9,176,645)	(1,405,014)	97,032	0	(10,484,627)
Total Depreciable Capital Assets, Net	37,245,677	(380,726)	0	2,806,529	39,671,480
Governmental Activities Capital Assets, Net	\$43,648,136	\$1,138,568	\$0	\$0	\$44,786,704

The City accepted contributions of capital assets for governmental activities with a fair value of \$805,595 during 2007.

Depreciation expense was charged to governmental functions as follows:

Governmental Activities	
Public Safety	\$120,963
General Government	77,995
Public Services	824,306
Parks and Recreation	379,265
Community Development	2,485
Total Depreciation Expense - Governmental Activities	<u>\$1,405,014</u>

City of Powell, Ohio  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2007

**NOTE 5 – INTERFUND TRANSACTIONS**

During 2007, the General Fund made transfers to the Debt Service Fund and the Police Facility & Debt Service fund in the amounts of \$74,150, and \$203,700, respectively, to move receipts to debt service funds as debt payments came due. The General Fund, also, advanced \$133,000 to the Downtown TIF Public Improvements Fund while the fund awaited tax receipt collection. Additionally, \$68,640 remains due to the General Fund as of result of an advance in 2006.

**NOTE 6 – CONTRACTUAL COMMITMENTS**

At December 31, 2007, the City had contractual commitments as follows:

<u>Company</u>	<u>Contract Amount</u>	<u>Amount Remaining on Contract</u>
<u>Village Green Parking Lot &amp; Signage</u>		
Moore Signs	\$ 11,882	\$ 5,941
Trucco Construction Co. Inc	697,294	321,484
<u>Bike Pathways</u>		
Trucco Construction Co. Inc	\$ 222,282	\$ 68,500
<u>Street &amp; Sidewalk Maintenance Programs</u>		
Columbus Asphalt Co.	\$ 200,000	\$ 78,162
Trucco Construction Co. Inc	268,000	268,000
Scodeller Construction	133,000	133,000
<u>Other</u>		
B. Eddy & Associates	\$ 10,000	\$ 2,500
Wiles, Boyle, Burkholder	43,200	3,600
RR Kinsey Electric	10,000	10,000
Julian & Grube, Inc.	18,000	18,000
EMH&T Consulting	19,750	12,374

**NOTE 7 – LONG TERM LIABILITIES**

Bonds payable in the Statement of Net Assets are comprised of the following:

Bonds payable outstanding at December 31, 2007	\$ 20,570,000
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**A. General Obligation Bonds and Notes**

General obligation bonds and notes are direct obligations and pledge the full faith and credit of the City. The City issues general obligation bonds and notes to provide funds for acquisition and construction of major capital equipment, infrastructure and facilities.



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City of Powell, Ohio  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2007

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NOTE 7 – LONG TERM LIABILITIES (continued)

All general obligation bonds are supported by the full faith and credit of the City of Powell and are payable from unvoted property tax revenues to the extent that other resources are not available to meet annual principal and interest expenditures.

Various Purposes 1997(A)

In 1997, the City issued in the aggregate \$2,750,000 in general obligation bonds for the purposes of retiring certain notes on a current basis and to mature on December 1, 2022. The outstanding notes were issued for the following purposes:

- ◆ \$1,400,000 of notes, originally dated July 22, 1996 and maturing July 22, 1997, were issued for the purposes of street and drainage improvements.
- ◆ \$1,350,000 of notes, originally dated January 7, 1997 and maturing July 9, 1997, were issued for the purposes of acquiring real estate for municipal purposes.

Various Purposes 1997 (B)

In 1997, the City issued in the aggregate \$720,000 in general obligation bonds for purposes of retiring certain notes on a current basis and refunding certain outstanding bonds. These bonds will mature on December 1, 2010. The outstanding notes and bonds were issued for the following purposes:

- ◆ \$180,000 of notes, dated July 22, 1996 and maturing July 22, 1997, were issued for street and drainage improvements.
- ◆ \$535,000 of bonds, dated December 1, 1989 and maturing December 1, 2009, were issued for acquiring and constructing a building for municipal purposes.

Road Improvement 1999

In 1999, the City issued \$2,571,501 in general obligation bonds for the purposes of road improvements. The bond issue summary is as follows:

- ◆ \$2,571,501 of bonds, dated February 1, 1999 and maturing December 1, 2018, were issued to construct roadway connections and traffic signalization to improve traffic flow and the related facilities and appurtenances.

Golf Village 2002

In 2002, the City issued \$10,915,000 in general obligation bonds to purchase certain assets from the Liberty Community Infrastructure Financing Authority (Financing Authority), currently known as Golf Village. Assets acquired primarily consisted of various roads and infrastructure improvements. As part of the agreement, the Financing Authority is required to collect, and remit to the City, the entire Community Development Charge in an amount at least sufficient to pay annual principal and interest

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City of Powell, Ohio  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2007

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NOTE 7 – LONG TERM LIABILITIES (continued)

costs on the City's general obligation bonds. The Community Development Charge is calculated and collected annually by the Financing Authority.

The Golf Village Bonds are term bonds with two different maturity date schedules. The series bonds maturing on December 1, 2025, are subject to mandatory sinking fund redemption, at a redemption price equal to 100 percent of the principal amount to be redeemed plus accrued interest to the redemption date, on December 1 in each of the years.

The term bonds maturing on December 1, 2032, are subject to mandatory sinking fund redemption, at a redemption price of 100 percent of the principal amount to be redeemed plus accrued interest to the redemption date, on December 1 in each of the years.

Park Improvements 2004

In 2004, the City issued \$6,000,000 in general obligation bonds to acquire land and interests in land for parks and recreational purposes. The bond issue summary is as follows:

- ◆ \$6,000,000 of bonds, dated February 15, 2004 and maturing December 1, 2013, were issued for the purpose of acquiring land for parks and recreational purposes, constructing and installing recreational improvements, including walking and biking trails, ballfields, and other park facilities, and all necessary appurtenances.

Police Facility Construction 2006

In 2006, the City issued \$2,750,000 in capital improvement and construction bonds. The bond issue summary is as follows:

- ◆ \$2,750,000 of bonds, dated April 25, 2006 and maturing December 1, 2025, were issued for the purpose of constructing, improving, furnishing and equipping a police facility with related facilities and site improvements and acquiring the necessary real estate.

City of Powell, Ohio  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2007

NOTE 7 – LONG TERM LIABILITIES (continued)

B. Compensated Absences

The criterion for determining vacation and sick leave benefits is derived from negotiated agreements and State laws.

City employees earn vacation at varying rates depending on length of service. Current policy credits vacation leave on the employee's anniversary date. Employees are paid for 100 percent of accumulated unused vacation leave upon termination.

Sick leave is earned at a rate of four and six-tenths hours for every eighty hours worked. Full-time employees with more than ten years of public service under the applicable retirement system, who retire from the City, are entitled to receive one-fourth of the value of their accumulated unused sick leave up to a maximum payment of two hundred sixty hours.

The compensated absences liability will be paid from the fund from which the employees' salaries are paid. These funds include the General Fund and the Parks and Recreation special revenue fund.

C. Changes in Long-term Liabilities

The City's long-term obligations activity for the year ended December 31, 2007, was as follows:

	Interest Rate	Balance 12/31/06	Additions	Reductions	Balance 12/31/07	Due Within One Year
<u>General Obligation Bonds</u>						
Various Purpose 1997A (Original Amount \$2,750,000)	7.10%	\$2,030,000	\$0	\$110,000	\$1,920,000	\$110,000
Various Purpose 1997B (Original Amount \$720,000)	5.75	270,000	0	60,000	210,000	65,000
Road Improvement 1999 (Original Amount \$2,571,501)	3.20	1,850,000	0	115,000	1,735,000	120,000
Golf Village 2002 (Original Amount \$10,915,000)	3-5.5	10,165,000	0	260,000	9,905,000	300,000
Park Improvements 2004 (Original Amount \$6,000,000)	2-3.5	4,855,000	0	570,000	4,285,000	605,000
Police Facility 2006 (Original Amount \$2,750,000)	4-4.3	2,610,000	0	95,000	2,515,000	95,000
Total General Obligation Bonds		21,780,000	0	1,210,000	20,570,000	1,295,000
<u>Other Long-Term Obligations</u>						
General Obligation Notes		6,900,000	0	6,900,000	0	0
Compensated Absences Payable		154,165	105,211	81,075	178,301	88,665
Total Long-Term Obligations		\$28,834,165	\$105,211	\$8,191,075	\$20,748,301	\$1,383,665

City of Powell, Ohio  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2007

NOTE 7 – LONG TERM LIABILITIES (continued)

The following is a summary of the City’s future annual debt service requirements for general obligation bonds:

Year	General Obligation Bonds	
	Principal	Interest
2008	\$ 1,295,000	\$ 860,130
2009	1,240,000	817,233
2010	1,330,000	777,442
2011	1,420,000	732,305
2012	1,390,000	683,105
2013-2017	4,430,000	2,737,274
2018-2022	3,055,000	1,973,100
2023-2027	2,955,000	1,394,625
2028-2032	3,455,000	580,250
	\$20,570,000	\$10,555,464

D. Operating Leases

The City leases a postage machine and occasionally other equipment under noncancelable operating leases. Total costs for such leases were \$1,620 for the year ended December 31, 2007. The future minimum lease payments for these leases are as follows:

<u>Year ending</u>	<u>Amount</u>
December 31, 2008	1,349
Total	\$1,349

E. Conduit Debt

The City has not been a party of conduit debt.

City of Powell, Ohio  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2007

**NOTE 8 – NOTES PAYABLE (ONE-YEAR)**

According to Ohio law, notes can be issued in anticipation of bond proceeds, special assessment bond proceeds and levies, or for up to 50 percent of anticipated revenue collections. The City’s bond anticipation notes have a maturity of one year. The liability is presented in the fund receiving the proceeds. The various purpose bond anticipation notes were issued to retire notes previously issued for various activities related to the Liberty Community Infrastructure Financing Authority. These notes will be repaid from a community development charge received from the Financing Authority. The notes will continue to be reissued until such time as the development charges are sufficient to retire the notes. At December 31, 2006 these notes were treated as long-term obligations as they were refinanced prior to the issuance of the 2006 audited financial report. See Note 7 above. The current notes are due on April 24, 2008.

	Interest Rate	Balance 12/31/06	Additions	Reductions	Balance 12/31/07
<u>Bond Anticipation Notes</u>					
Capital Projects Funds					
Various Purpose Bond Anticipation Notes	4.50	\$0	\$6,900,000	\$0	\$6,900,000
Total Governmental Activities Notes		\$0	\$6,900,000	\$	\$6,900,000

**NOTE 9 – 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. The City participates in The Ohio Plan (Plan), an association of approximately 500 public entities from the state of Ohio joined together in the largest alternative insurance program in Ohio. The Ohio Plan provides comprehensive, liability and property coverage in addition to risk management services.

The coverage period is February 1 to February 1 with an occurrence form of coverage. Occurrence form coverage covers claims that arise out of damage or injury that took during the policy period, regardless of when claims are made.

The Ohio Plan is managed by a ten-member, Board of Directors consisting of individual representatives of the Ohio Plan membership from different regions of the state. Hylant Administrative Services, a third-party administrator, provides claims services while all lines of coverage are reinsured with multiple A-rated carriers. The additional information on the Plan can be attained at: P.O. Box 2083, Toledo, Ohio, 43603-2083.

City of Powell, Ohio  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2007

NOTE 9 – RISK MANAGEMENT (continued)

The City has contracted the following levels of coverage:

Type of Coverage	Coverage	Deductible
General Liability		
Occurrence	\$5,000,000	\$0
Aggregate	7,000,000	0
Public Official Liability		
Occurrence	5,000,000	2,500
Aggregate	7,000,000	2,500
Employer’s Liability		
Occurrence	5,000,000	0
Aggregate	5,000,000	0
Employee Benefits Liability		
Occurrence	1,000,000	0
Aggregate	3,000,000	0
Law Enforcement Liability		
Occurrence	5,000,000	5,000
Aggregate	7,000,000	5,000
Automobile Liability	5,000,000	1,000
Property	8,597,139	1,000

Other smaller types of coverage include: equipment, electronic/media equipment, crime, boiler and machinery and terrorism. No insurance settlement has exceeded insurance coverage during the last three years.

**NOTE 10 - CHANGE IN ACCOUNTING PRINCIPLES**

In November 2006, the GASB issued Statement No. 49, “*Accounting and Financial Reporting for Pollution Remediation Obligations.*” This statement is to establish accounting standards for pollution (including contamination) remediation obligations, which are obligations to address current or potential detrimental effects of existing pollution. The provisions of this statement are effective for fiscal periods beginning after December 15, 2007. The implementation of GASB Statement No. 49 had no impact on these financial statements.

In May 2007, the GASB issued Statement No. 50, “*Pension Disclosures.*” This statement is to amend Statements 25 and 27 and requires defined benefit pension plans and to present additional information related to note disclosures or RSI. The provisions of this statement are effective for fiscal periods beginning after June 15, 2007. The implementation of GASB Statement No. 50 had no impact on these financial statements.

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City of Powell, Ohio  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2007

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**NOTE 10 - CHANGE IN ACCOUNTING PRINCIPLES (continued)**

In June 2007, the GASB issued Statement No. 51, “*Accounting and Financial Reporting for Intangible Assets.*” This statement is to establish accounting and reporting requirements for intangible assets to reduce inconsistencies, thereby enhancing the comparability of the accounting and financial reporting of such assets among state and local governments. The provisions of this statement are effective for fiscal periods beginning after June 15, 2009. The implementation of GASB Statement No. 51 had no impact on these financial statements since the City already included easements, computer software and other intangible assets in their capital assets.

In November 2007, the GASB issued Statement No. 52, “*Land and Other Real Estate Held as Investments by Endowments.*” This statement is to improve the quality of financial reporting by requiring endowments to report their land and other real estate investments at fair value, creating consistency among similar entities. The provisions of this statement are effective for fiscal periods beginning after June 15, 2008. The implementation of GASB Statement No. 52 had no impact on these financial statements.

**NOTE 11 - ACCOUNTABILITY**

At December 31, 2007, the Golf Village capital projects fund had a deficit fund balance, in the amount of \$6,815,761. The deficit was due to the requirement to report the bond anticipation note liability in the fund receiving the note proceeds. The deficit will be alleviated when the notes are paid.

Additionally, the Downtown TIF capital projects fund had a deficit fund balance, in the amount of \$192,545. The deficit was due to the TIF Fund spending monies in advance of future receipts from monies advanced from the General Fund.

**NOTE 12 – SUBSEQUENT EVENT**

No event qualified for disclosure.

**NOTE 13 – CONTINGENT LIABILITIES**

**A. Litigation**

The City is a defendant in a lawsuit pertaining to matters, which are incidental to performing routine government functions. City management is of the opinion that ultimate settlement of such claims will not result in a material adverse effect on the City’s financial position as of December 31, 2007.

**B. Federal and State Grants**

For the period January 1, 2007 to December 31, 2007, the City received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their designees. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, the City believes such disallowances, if any, would be immaterial.

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City of Powell, Ohio  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2007

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**NOTE 14 - INSURANCE POOL**

The City is a participant in the Ohio Municipal League Workers' Compensation Group Rating Program (Program), an insurance purchasing pool for workers compensation. The Program is intended to (1) manage workers' compensation costs to potentially achieve a lower workers' compensation rate for participants, (2) foster safer working environments, and (3) foster cost-effective claims management skills in the area of workers' compensation.

The Program term is September 1 through August 31. The term is automatically renewed for each subsequent year unless the participant provides written notice to the Group Administrator of its intent to non-renew at least sixty (60) days prior to the renewal date. Each participant also agrees that OML has the right to remove any participant or rescind the Program invitation for any group rating year by providing written notice to the participant. The Ohio Bureau of Workers' Compensation group rating year is January 1 to December 31 as it relates to payroll reporting and premium payment.

The Program's business and affairs are conducted by a twenty-six member Board of Trustees consisting of fifteen mayors, two council members, three administrators, three finance officers, and three law directors which are voted on by the Ohio Municipal League (OML) members for staggered two-year terms. The Executive Director of the OML serves as coordinator of the Program. GatesMcDonald, the Program's third-party administrator, provides comprehensive claims management and cost control strategies to control the workers' compensation costs. Each year, the participants pay an enrollment fee to the Program to cover the costs of administering the premium reduction program. The principal office of the Program is 175 South Third Street, Suite 501, Columbus, Ohio 43215-7100.

**NOTE 15 - JOINTLY GOVERNED ORGANIZATIONS**

**A. Liberty Community Infrastructure Financing Authority**

The Liberty Community Infrastructure Financing Authority, Delaware County, Ohio (Financing Authority) is a jointly governed organization created according to Chapter 349 of the Ohio Revised Code. The Financing Authority was established to encourage the orderly development of a well planned, diversified, and economically sound community; to encourage initiative and participation of private enterprise in this undertaking; and to encourage cooperation between the developer and the financing authority to carry out the new community development program.

The Financing Authority is governed by a seven member Board of Trustees. The Delaware County Board of County Commissioners, a related organization appoints three of the Trustees, two (2) of whom are citizen members, to represent the interests of present and future residents of the community district, one (1) who is elected by the residents of the community and one (1) of whom is a representative of local government. The remaining three (3) Trustees are appointed by the developer. The Finance Director of the City of Powell is the appointed local government representative. All Trustees are empowered to vote on all matters within the authority of the Board of Trustees.

Financial information can be obtained from the Liberty Community Infrastructure Financing Authority, in care of: Parns & Company, LLC, 585 South Front Street, Suite 220, Columbus, Ohio 43215.



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City of Powell, Ohio  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2007

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NOTE 15 - JOINTLY GOVERNED ORGANIZATIONS (continued)

B. Powell Community Infrastructure Financing Authority

The Powell Community Infrastructure Financing Authority, Delaware County, Ohio (Financing Authority) is a jointly governed organization created according to Chapter 349 of the Ohio Revised Code. The Financing Authority was established to encourage the orderly development of a well planned, diversified, and economically sound community; to encourage initiative and participation of private enterprise in this undertaking; and to encourage cooperation between the developer and the financing authority to carry out the new community development program.

The Financing Authority is governed by a seven member Board of Trustees consisting of six members elected by the residents of the community and the Finance Director of the City of Powell (appointed by the Delaware County Commissioners as a local government representative). All Trustees are empowered to vote on all matters within the authority of the Board of Trustees.

Financial information can be obtained from the Powell Community Infrastructure Financing Authority, in care of: Village Communities, 470 Olde Worthington Road, Westerville, Ohio 43082.

**NOTE 16 - DEFINED BENEFIT PENSION PLANS – RETIREMENT BENEFITS**

All non-uniformed full time and part-time City employees participate in the Ohio Public Employee Retirement System while police officers participate in the Ohio Police and Fire Pension Fund.

A. Ohio Public Employees Retirement System

*Plan description* - The City participates in the Ohio Public Employees Retirement System (OPERS) which administers three separate pension plans: the traditional plan; member-directed plan; and combined plan. The traditional plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20 percent per year). Under the member-directed plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings. The combined plan is a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and a defined contribution plan. Under the combined plan, employer contributions are invested by OPERS to provide a formula retirement benefit similar to the traditional plan benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the member-directed plan.

OPERS provides retirement, disability, survivor and death benefits, annual cost of living adjustments to members of the traditional and combined plans, and post-retirement health coverage to qualifying members of the traditional and combined plans. Members of the member-directed plan do not qualify for ancillary benefits, including post-employment health care coverage.

Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report. The report may be obtained by writing to the Ohio

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City of Powell, Ohio  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2007

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NOTE 16 - DEFINED BENEFIT PENSION PLANS – RETIREMENT BENEFITS (continued)

Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling 614-222-5601 or 1-800-222-7377.

*Funding policy* – The Ohio Revised Code provides statutory authority for member and employer contributions. For 2007, member and employer contributions were consistent for the three plans. For the year ended December 31, 2007, members were required to contribute 9.5 percent of their annual covered salary to fund pension obligations. The City’s contribution rate for pension benefits for 2007 was 13.85 percent.

The City’s required employer contribution for pension obligations for the years ended December 31, 2007, 2006, and 2005 was \$198,869, \$181,481, and \$161,856, respectively. Total required employer contributions for all plans were equal to 100 percent of the employer charges.

The City’s employee’s contributions to OPERS for the years ended December 31, 2007, 2006 and 2005 were \$136,408, \$119,222, and \$101,534, respectively.

GASB Statement No. 27, “*Accounting for Pensions by State and Local Governmental Employers*” as amended by GASB Statement No. 50, establishes standards for the measurement, recognition, and display of pension expenditures/expenses and related liabilities, assets, note disclosures, and, if applicable, required supplementary information in the financial reports of state and local governmental employers.

B. Ohio Police and Fire Pension Fund

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

*Funding policy* - Plan members are required to contribute 10.0 percent of their annual covered salary to fund pension obligations while the City is required to contribute 19.5 percent for police officers. The City’s contributions to the OP&F for the years ended December 31, 2007, 2006, and 2005 were \$208,363, \$200,057, and \$187,072, respectively; or 100 percent of the required contributions for 2006, 100 percent of the required contributions for 2005 and 100 percent of required contributions for 2004. The City’s employee’s contributions to OP&F for the years ended December 31, 2007, 2006 and 2005 were \$95,874, \$98,698, and \$95,935, respectively.

The City provides postretirement health care benefits through the City’s pension contributions to Ohio Public Employees Retirement System and Ohio Police and Fire Pension Fund.

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City of Powell, Ohio  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2007

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**NOTE 16 - DEFINED BENEFIT PENSION PLANS – RETIREMENT BENEFITS (continued)**

GASB Statement No. 27, “Accounting for Pensions by State and Local Governmental Employers” as amended by GASB Statement No. 50, establishes standards for the measurement, recognition, and display of pension expenditures/expenses and related liabilities, assets, note disclosures, and, if applicable, required supplementary information in the financial reports of state and local governmental employers.

**NOTE 17 - POSTEMPLOYMENT BENEFITS**

**A. Ohio Public Employees Retirement System**

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

OPERS provides retirement, disability, survivor and death benefits, annual cost of living adjustments to members of the traditional and combined plans, and post-retirement health coverage to qualifying members of the traditional and combined plans. Members of the member-directed plan do not qualify for ancillary benefits, including postemployment health care coverage.

The Ohio Public Employees Retirement System (OPERS) provides postretirement health care coverage to age and service retirees with ten or more years of qualifying Ohio service credit with either the traditional or combined plans. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. Members of the member-directed plan do not qualify for postretirement health care coverage. The health care coverage provided by OPERS is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 45, “Accounting and Financial Reporting by Employers for Postemployment Benefits other than Pension.”

*Funding policy* - A portion of each employer's contribution to the traditional or combined plans is set aside for the funding of post-retirement health care based on authority granted by State statute. The authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code. OPERS' Postemployment Health Care plan was established under, and is administrated 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 post employment care benefits. The 2007 employer contribution rate was 13.85 percent of covered payroll; 5.00 percent (from January 1 – June 30, 2007) and 6.00 percent (from July 1 – December 31, 2007) was the portion used to fund health care. Active members do not make contributions to the OPEB Plan.

OPERS issues a stand-alone financial report. Interested parties may obtain a copy by writing OPERS, attention: Finance Director, 277 East Town Street, Columbus, OH 43215-4642, or by calling 614-222-5601 or 800-222-7377.

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City of Powell, Ohio  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2007

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NOTE 17 - POSTEMPLOYMENT BENEFITS (continued)

*Summary of Assumptions:*

Actuarial Review – the assumptions and calculations are based on OPERS’ latest actuarial review performed as of December 31, 2006.

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

Assets Valuation Method – all investments are carried at market value. For actuarial valuation purposes, a smoothed market approach is used. Under this approach, assets are adjusted to reflect 25 percent of unrealized market appreciation or depreciation on investment assets annually, not to exceed a 12 percent corridor.

Investment Return – the investment assumption rate for 2006 was 6.5 percent.

Active Employee Total Payroll – an annual increase of 4.0 percent, compounded annually, is the base portion of the individual pay increase assumption. This assumes no change in the number of active employees. Additionally, annual pay increases, over and above the 4.0 percent base increase, were assumed to range from 0.50 percent to 6.3 percent.

Health Care – health care costs were assumed to increase at the projected wage inflation rate plus an additional factor ranging from .5 percent to 5 percent for the next 8 years. In subsequent years (9 and beyond), health care costs were assumed to increase at 4 percent (the projected wage inflation rate).

OPEBs are advance-funded on an actuarially determined basis. The following disclosures are required:

1. The Traditional Pension and Combined Plans had 374,979 active contributing participants as of December 31, 2007. The number of active contributing participants for both plans used in the December 31, 2006, actuarial valuation was 362,130.
2. The rates stated above are the contractually required contributions rates for OPERS. Actual employer contributions for 2007 which were used to fund postemployment benefits was \$78,922 (0.3610 of actual contributions for January 1 – June 30, 2007 and 0.4332 for July 1 – December 31, 2007).
3. The amount of \$12.0 billion represents the actuarial value of OPERS’ net assets available for OPEB at December 31, 2006.
4. The Actuarial Valuation as of December 31, 2006, reported the actuarially accrued liability and the unfunded actuarially accrued liability for OPEB, based on the actuarial cost method used, at \$30.7 billion and \$18.7 billion, respectively.

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City of Powell, Ohio  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2007

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NOTE 17 – POSTEMPLOYMENT BENEFITS (continued)

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

	<u>2006</u>	<u>2007</u>	<u>2008</u>
Employer	13.70%	13.85%	14.00%
Employee	9.00%	9.50%	10.00%

B. Ohio Police and Fire Pension Fund

The Ohio Police and Fire Pension Fund (OP&F) provides postretirement 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. An eligible dependent child is any child under the age of eighteen, whether or not the child is attending school, or under the age of twenty-two if attending school full-time or on a two-thirds basis. The health care coverage provided by OP&F is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 45, “*Accounting and Financial Reporting by Employers for Postemployment Benefits other than Pension*.”. The Ohio Revised Code provides that health care costs paid from the funds of OP&F shall be included in the employer’s contribution rate. The total police employer contribution rate is 19.5 percent of covered payroll.

The Ohio Revised Code provides the statutory authority allowing the OP&F’s Board of Trustees to offer health care coverage to all eligible individuals. Health care funding and accounting is on a pay-as-you-go basis. A percentage of covered payroll, as defined by the Board, is used to pay retiree health care expenses. The Board defined allocation was 6.75 percent of covered payroll in 2007 and 7.75 percent of covered payroll in 2006. In addition, since July 1, 1992, most retirees have been required to contribute a portion of the cost of their health care coverage through a deduction from their monthly benefit payment. Beginning in 2001, all retirees and survivors have monthly health care contributions.

OPEBs are advance-funded on an actuarially determined basis. The following disclosures are required:

1. The number of participants eligible to receive health care benefits as of December 31, 2006, the date of the last actuarial valuation available was 14,120 for police and 10,563 for firefighters. The number of active contributing participants used in the December 31, 2005, actuarial valuation was 13,922 for police and 10,537 for firefighters.
2. The rates stated above are the actuarially determined contributions requirements for OP&F. Actual employer contributions for 2007 which were used to fund postemployment benefits was \$69,582 (0.346 of actual contributions).
3. OP&F’s total health care expense for the year ending December 31, 2006, the date of the last actuarial valuation available, was \$120,373,722, which was net of member contributions of \$58,532,848.

City of Powell, Ohio  
 Budgetary Comparison Schedule  
 General Fund  
 For the Year Ended December 31, 2007

<b>Revenues:</b>	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance</b>
Income tax	\$ 3,612,508	\$ 3,612,508	\$ 3,612,267	\$ (241)
Property tax	486,324	490,295	484,701	(5,594)
Estate tax	35,000	35,000	40,837	5,837
Intergovernmental	329,500	353,815	367,931	14,116
Licenses and permits	365,850	426,150	881,459	455,309
Charges for services	15,500	23,000	38,592	15,592
Fines and forfeits	7,500	4,500	3,841	(659)
Investment earnings	274,000	274,000	455,000	181,000
Miscellaneous	24,000	31,000	91,374	60,374
<b>Total revenues</b>	<b>5,150,182</b>	<b>5,250,268</b>	<b>5,976,002</b>	<b>725,734</b>
<b>Expenditures:</b>				
Current:				
Public safety	1,785,571	1,800,326	1,710,916	89,410
General government	1,609,589	1,621,245	1,606,976	14,269
Public services	585,743	591,853	523,568	68,285
Parks and recreation	454,551	460,551	361,955	98,596
Community development	1,055,932	1,079,432	1,004,008	75,424
Capital outlay	333,547	344,137	159,620	184,517
<b>Total expenditures</b>	<b>5,824,933</b>	<b>5,897,544</b>	<b>5,367,043</b>	<b>530,501</b>
Excess (deficiency) of revenues over expenditures	(674,751)	(647,276)	608,959	1,256,235
<b>Other Financing Sources (Uses):</b>				
Operating transfers-out	(277,850)	(277,850)	(277,850)	-
Advance to TIF Fund		(133,000)	(133,000)	-
<b>Total other financing sources (uses)</b>	<b>(277,850)</b>	<b>(410,850)</b>	<b>(410,850)</b>	<b>-</b>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	(952,601)	(1,058,126)	198,109	1,256,235
<b>Fund balances at beginning of the year</b>	<b>5,279,030</b>	<b>5,279,030</b>	<b>5,279,030</b>	<b>-</b>
<b>Prior year encumbrances appropriated</b>	<b>136,711</b>	<b>136,711</b>	<b>136,711</b>	<b>-</b>
<b>Lapsed encumbrances</b>	<b>125,254</b>	<b>125,254</b>	<b>125,254</b>	<b>-</b>
<b>Fund balances at end of year</b>	<b>\$ 4,588,394</b>	<b>\$ 4,482,869</b>	<b>\$ 5,739,104</b>	<b>\$ 1,256,235</b>

Adjustments necessary to convert the results of operations at end of year on the budget basis to the modified accrual basis (GAAP) are as follows:

<b>Excess of revenues and other financing sources over expenditures and other uses per the Budgetary Comparison Schedule</b>	
Increases (decreases) from revenues:	
Received in cash during year but already accrued as receivables (GAAP) at December 31, 2006	(386,848)
Accrued as receivables at December 31, 2007 but not recognized in budget	576,519
Increases (decreases) from expenditures:	
Accrued as liabilities at December 31, 2006 recognized as expenditures (GAAP) but not in budget	246,538
Accrued as liabilities at December 31, 2007	(237,291)
Fair value adjustment for investments	(20,665)
Encumbrances outstanding - Budget basis	333,787
Net change in fund balance per the Statement of Revenues, Expenditures, and Changes in Fund Balance	<u>\$ 710,149</u>

City of Powell, Ohio  
 Budgetary Comparison Schedule  
 Street Construction and Maintenance Fund  
 For the Year Ended December 31, 2007

<b>Revenues:</b>	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance</b>
Motor Fuel tax	\$ 100,000	\$ 100,000	\$ 113,324	\$ 13,324
Intergovernmental	262,000	262,000	375,150	113,150
Investment earnings	6,000	17,000	52,557	35,557
<b>Total revenues</b>	<b>368,000</b>	<b>379,000</b>	<b>541,031</b>	<b>162,031</b>
<b>Expenditures:</b>				
Current:				
Public services	883,654	883,654	785,713	97,941
<b>Total expenditures</b>	<b>883,654</b>	<b>883,654</b>	<b>785,713</b>	<b>97,941</b>
Excess (deficiency) of revenues over expenditures	(515,654)	(504,654)	(244,682)	259,972
<b>Other Financing Sources (Uses):</b>				
Operating transfers-in	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	(515,654)	(504,654)	(244,682)	259,972
<b>Fund balances at beginning of the year</b>	<b>659,091</b>	<b>659,091</b>	<b>659,091</b>	<b>-</b>
<b>Prior year encumbrances appropriated</b>	<b>209,218</b>	<b>209,218</b>	<b>209,218</b>	<b>-</b>
<b>Lapsed encumbrances</b>	<b>68,686</b>	<b>68,686</b>	<b>68,686</b>	<b>-</b>
<b>Fund balances at end of year</b>	<b>\$ 421,341</b>	<b>\$ 432,341</b>	<b>\$ 692,313</b>	<b>\$ 259,972</b>

Adjustments necessary to convert the results of operations at end of year on the budget basis to the modified accrual basis (GAAP) are as follows:

<b>Excess of revenues and other financing sources over expenditures and other uses per the Budgetary Comparison Schedule</b>	<b>(244,682)</b>
(Increases) decreases from revenues:	
Received in cash during year but already accrued as receivables (GAAP) at December 31, 2006	(68,716)
Accrued as receivables at December 31, 2007 but not recognized in budget	78,257
(Increases) decreases from expenditures:	
Accrued as liabilities at December 31, 2006 recognized as expenditures (GAAP) but not in budget	
Accrued as liabilities at December 31, 2007	(388,728)
Encumbrances outstanding - Budget basis	529,097
Net change in fund balance per the Statement of Revenues, Expenditures, and	(2,251)
Changes in Fund Balance	<b>\$ (97,023)</b>

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City of Powell, Ohio  
Notes to the Required Supplementary Information  
For the Year Ended December 31, 2007

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### Budgetary Information

All governmental fund types are subject to annual expenditures budgets. The City Council follows procedures outlined below in establishing the expenditure budget data reported in the Annual Budget adopted for 2007.

In November, the City Manager and the Finance Director submit to City Council an estimate of the expenditures necessary to conduct the affairs of the City for the fiscal year commencing the following January 1. Budget estimates are distributed through out the City including newspapers and are available to be picked up at the City offices. Public hearings are held to obtain taxpayers comments.

Subsequent to January 1, and after publication of the proposed budget ordinance, the budget is legally enacted through passage of the ordinance. The budget specifies expenditure amounts by category (object) for each activity within each fund. The approved budget is distributed to the library and is posted on the City's website.

No transfer of appropriations can be made without City Council action, with the exception of certain transfers within a department's appropriation and within the same fund. Expenditures cannot legally exceed appropriations at the object level which is: personal services, operating expenditures and capital outlay. During 2007 various transfer of appropriations and supplemental appropriations were made in the following amounts:

General Fund	\$ 342,318
Street Construction and Maintenance Fund	\$ 209,218
Police Facility Construction & Debt Debt Service Fund	\$ 1,018,801
Parks and Recreation Construction & Debt Service Fund	\$ 28,492
Nonmajor Special Revenue Funds	\$ 271,660
Nonmajor Capital Project Funds	\$ 345,950

Unencumbered appropriations lapse at year-end and additional appropriations are made for any encumbrances carried forward.

The City's budgetary process is based upon accounting for certain transactions on a basis other than accounting principles generally accepted in the United States of America (GAAP).

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g. purchase orders, contracts) outstanding at year-end are reported as reservations of fund balances and do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent year.

### Budgetary Control

The budgets presented in the required supplementary information are shown in a condensed version of the actual budget. The legal level of budgetary control is at the department level (function - police) and category level (object - personal services) which is shown in the Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual statements in the Other Supplementary Information section.



City of Powell, Ohio  
Notes to the Required Supplementary Information  
For the Year Ended December 31, 2007

Several departments presented more information than just operating expenditures (object level) for appropriation. The additional line separation has been included in the following chart:

	Adopted Budget	Revised Budget	Actual	Variance
General Government (Facility Maintenance)				
Personal services:				
Personal services	\$ 166,925	\$ 166,925	\$ 165,944	\$ 981
Personal services - Downtown	32,215	18,644	18,644	-
Total personal services	\$ 199,140	\$ 185,569	\$ 184,588	\$ 981
Operating expenditures:				
Operating	\$ 33,350	\$ 33,683	\$ 25,811	\$ 7,872
Operating - Downtown	7,300	21,871	21,871	-
Total operating expenditures	\$ 40,650	\$ 55,554	\$ 47,682	\$ 7,872
Capital outlay:				
Capital outlay	\$ 4,200	\$ 4,200	\$ 4,080	\$ 120
Capital outlay - Downtown	1,000	791	791	-
Total capital outlay	\$ 5,200	\$ 4,991	\$ 4,871	\$ 120
General Government (Other Charges)				
Operating expenditures:				
Legal Services	\$ 123,000	\$ 149,861	\$ 140,959	\$ 8,902
General operating	194,325	211,229	190,225	21,004
Total operating expenditures	\$ 317,325	\$ 361,090	\$ 331,184	\$ 29,906
Community Affairs Department				
Personal services:				
Personal services	\$ 57,410	\$ 59,910	\$ 59,415	\$ 495
Personal services - Parks Support	2,410	2,410	2,173	237
Total personal services	\$ 59,820	\$ 62,320	\$ 61,588	\$ 732
Operating expenditures:				
Operating	\$ 70,600	\$ 77,281	\$ 72,744	\$ 4,537
Operating - Parks Support	4,000	4,000	2,543	1,457
Total operating expenditures	\$ 74,600	\$ 81,281	\$ 75,287	\$ 5,994
Capital outlay:				
Capital outlay	\$ 550	\$ 550	\$ 503	\$ 47
Total capital outlay	\$ 550	\$ 550	\$ 503	\$ 47

**General Fund Budgetary Highlights**

The difference between the original appropriated budget and the final amended budget was \$394,965 summarized as follows:

- \$261,965 was the carry forward of prior year (2006) encumbrances was added to the original appropriated budget.

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City of Powell, Ohio  
Notes to the Required Supplementary Information  
For the Year Ended December 31, 2007

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- \$133,000 advance to the TIF Public Improvement Fund. The City authorized studies for the downtown incentive district.

**Special Revenue Funds: Street Construction and Maintenance Fund**

The difference between the original budget and the final amended budget was 277,904 for the carry forward of prior year (2006) encumbrances.

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City of Powell, Ohio  
Description of All Funds

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**MAJOR FUNDS**

These funds are characterized as "major funds", as defined by GASB Statement No. 34, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*. The criteria in GASB Statement No. 34 for characterizing a fund as "major" is as follows"

- a) The general fund is **always** a major fund.
- b) Total assets, liabilities, revenues or expenditures (excluding extraordinary items) of a fund are at least 10% of the corresponding total for all funds of that fund type **and**
- c) Total assets, liabilities, revenues or expenditures of a fund are at 5% of the corresponding total for all governmental and enterprise funds combined.
- d) Internal service funds and fiduciary funds are excluded from major fund testing.

**General Fund**

The general fund is the chief operating fund of the City. The general fund is used to account for all financial activities except those that have been required to be accounted for in another fund. The general fund is the first of the five governmental fund types.

The City has the following administrative departments operating in the general fund: police; parks maintenance; development; building; engineering; public service; administration; council; community affairs/special events; finance; lands and building maintenance; information technology; and other charges.

**Special Revenue Funds**

A special revenue fund is a fund used to account for the proceeds of a specific revenue source (other than major capital projects) that are restricted to expenditures for a specified purpose. Special revenue funds are the second of five governmental fund types.

**Street Construction and Maintenance Fund**

This fund is required by Ohio Revised Code Sections 4501.04 and 5735.27 to account for receipts from the licensing of motor vehicles and receipts from fuel taxes. The funds are used for the construction, repair and maintenance of the City’s streets. The City for financial reporting purposes combines the Street Construction and Maintenance Fund with the Municipal Motor Vehicle License Tax Fund. However, for budgeting/appropriation purposes the two funds are reflected separately.

**Capital Project Funds**

A capital project fund is a fund used to account for the financial resources to be used for the acquisition or construction of major capital facilities. Capital project funds are the third of five governmental fund types.

Golf Village (2002)

This fund is used to pay the debt payments on the Golf Village Infrastructure. The funding of development charges, tap fees and special assessments comes from the Liberty Community Infrastructure Financing Authority, a separate legal entity from the City.

Parks and Recreation Capital Projects Construction Fund

This fund received the proceeds from a voted bond levy in 2002 for the construction of capital improvements in city-owned parks. These funds also are used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. The City for financial reporting purposes combines the Parks and Recreation Capital Projects Construction Fund with the Voted Park Improvement Debt Service Fund (2002). However, for budgeting/appropriation purposes the two funds are reflected separately.

Police Facility Construction Fund

This fund is used for the construction and major repairs to the Police Facility and the Village Green complex. A non-voted general obligation bond was issued to fund this project.

**Debt Service Funds**

These funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. Debt service funds are the fourth of five governmental fund types.

Debt Service Fund

These funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. The City for financial reporting purposes combines the individual debt service funds into one Debt Service Fund. However, for budgeting/appropriation purposes the two funds are reflected separately.

**Nonmajor Funds**

Nonmajor funds are all the funds that did not qualify as a major fund as defined in GASB Statement No. 34.

**Special Revenue Funds**

State Highway Improvement Fund

This fund is required by Ohio Revised Code Sections 4501.04 and 5735.27 to account for receipts from licensing fee of motor vehicles and receipts from fuel taxes. These funds are used for the construction, repair and maintenance of the City's section of Highway 750 (or Powell Road).

Parks and Recreation Program Fund

The purpose of this fund is to create, design, sponsor and oversee recreational activities for the community. These are a fee-based activity.

**City of Powell, Ohio**  
**Description of All Funds**

Park and Recreation (Development) Fund

This fund is used to account for designated developer fees for the development of parks within the City.

Enforcement and Education (D.U.I.) Fund

This fund receives court fees assessed in criminal and traffic cases. The uses of these fees are limited to detection and prevention of driving while impaired. (ORC Section 4511.99)

Board of Pharmacy Fund

This fund receives court fines assessed in drug related cases. The uses of these fines are limited to detection and prevention of drug offenses. (ORC Section 513.99)

Historical Downtown Powell Fund

This fund was created from donations to assist in revitalizing the downtown area. The Historical Downtown Committee was working on becoming a separate entity from the City but during the time that it was part of the City, the use of this fund was limited to the supplies and materials to operate the revitalization program.

Old Fire Station Fund

This fund was created to account for the revenues received by utilizing or renting the building. The use of this fund is limited to the maintenance of the building and any unused balance at the end of the year is transferred to Capital Projects.

Justice Assistance Grant Fund

This fund is used to account for the justice assistance grant funding.

ODNR (Ohio Department of Natural Resources) Grant Fund

This fund is used to account for the natural resources grant funding.

Law Enforcement Fund

This fund was created to receive funds from Local, State, and Federal Agencies for the seizure of tangible property.

Special Projects Fund

This fund was created from a contribution from a developer for either a pedestrian tunnel or other projects as designated by City Council.

Powell's Golden Days (Festival) Fund

This fund is supported by annual donations to assist in the annual Powell Festival. All expenditures related to this festival are accounted for in this fund.

**Debt Service Funds**

Debt Service does not have any nonmajor funds.

### Capital Project Funds

#### Capital Improvement Notes (Projects) Fund

This fund is used for the construction and major repairs to various capital facilities around the City. The City targets a transfer of 10% of the general fund estimated revenue less the transfers for debt service and street maintenance to fund current and future projects.

#### Village Development and Improvement Fund

This fund is used to account for designated developer fees for the development of city.

#### Murphy Parkway (Construction) Fund

This fund is used to account for designated developer fees for the construction of Murphy Parkway and Liberty Road intersection.

#### Olentangy/Liberty Street Intersection Fund

This fund is used to account for designated developer fees for the improvements to the Olentangy/Liberty Street intersection. This fund has been authorized but at year-end no activity had begun.

#### Downtown TIF (Tax Increment Financing) Public Fund

This fund is used to account for designated real estate taxes to improve the downtown incentive area.

### *Fiduciary Funds*

These funds are used to report assets held in a trustee or agency capacity for others and which therefore cannot be used to support the government's own programs. The fiduciary fund category includes pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds, and agency funds. The City currently has only agency funds which involve only the receipt, temporary investment, and remittance of fiduciary resources to individuals, private organizations, or other governments.

#### Unclaimed Funds Fund

The City places the funds of stale dated checks in this fund. The payee has up to five years to claim the funds before it reverts back to the City.

#### Flexible Benefit Plan Fund

The City accounts for employee deductions collected from their paychecks to pay for miscellaneous medical, dental and/or childcare tax-deductible expenses.

#### Board of Building Standards Fund

The City collects the 3% required State of Ohio fee on all commercial building projects. The deposits are remitted to the state on a monthly basis.

Development (Engineering) Inspections Fund

The City collects fees from developers to pay for the inspections of infrastructure improvements in subdivisions. These inspections are handled by other organizations and are remitted on a billed basis. Any remaining fees are refunded at the developer's request. If after one-year after the close of the project the funds there has been no refund request the balance becomes the property of the City.

Plumbing Inspection Fund

The City collects the fees for plumbing inspections in Liberty Township and is required to remit 20% to the Delaware General Health Department. The deposits are remitted to the Delaware General Health Department on a monthly basis.

Escrowed Deposits Fund

The City collects security deposits for the use of the Community Meeting Room and for the construction of decks. These are returned to the depositor at completion. The security deposits for the Community Meeting Room may become the property of the City if the room was left damaged or unclean.

City of Powell, Ohio  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual (NON-GAAP Budgetary Basis)  
General Fund  
For the Fiscal Year Ended December 31, 2007

<b>Revenues:</b>	<b>Adopted Budget</b>	<b>Revised Budget</b>	<b>Actual</b>	<b>Variance</b>
Income tax	\$ 3,612,508	\$ 3,612,508	\$ 3,612,267	\$ (241)
Property tax	486,324	490,295	484,701	(5,594)
Estate tax	35,000	35,000	40,837	5,837
Intergovernmental	329,500	353,815	367,931	14,116
Licenses and permits	365,850	426,150	881,459	455,309
Charges for services	15,500	23,000	38,592	15,592
Fines and forfeits	7,500	4,500	3,841	(659)
Investment earnings	274,000	274,000	455,000	181,000
Miscellaneous	24,000	31,000	91,374	60,374
<b>Total revenues</b>	<b>5,150,182</b>	<b>5,250,268</b>	<b>5,976,002</b>	<b>725,734</b>

**Expenditures:**

Current:

Public Safety (Police)

Personal services	1,564,384	1,564,384	1,523,565	40,819
Operating expenditures	221,187	235,942	187,351	48,591
Capital outlay	90,755	76,000	63,885	12,115

General Government (Administration)

Personal services	189,800	189,800	186,450	3,350
Operating expenditures	25,780	25,780	15,811	9,969

General Government (Comm. Affairs)<sup>1</sup>

Personal services	59,820	62,320	61,588	732
Operating expenditures	89,390	89,740	75,287	14,453
Capital outlay	900	550	503	47

General Government (City Council)

Personal services	105,000	105,000	94,485	10,515
Operating expenditures	45,327	45,326	31,523	13,803
Capital outlay	4,710	4,710	4,694	16

General Government (Finance)

Personal services	250,500	250,500	232,867	17,633
Operating expenditures	244,177	244,177	206,892	37,285
Capital outlay	900	900	900	-

General Government (Technology)

Operating expenditures	58,270	57,075	56,892	183
Capital outlay	140,916	142,111	141,995	116

Note:

1. These departments presented more information than just operating expenditures for appropriation. The additional line separation has been included in the required supplementary notes.



	Adopted Budget	Revised Budget	Actual	Variance
General Government (Facility Maintenance)				
Operating expenditures	170,984	170,985	150,535	20,450
Capital outlay	24,475	24,475	21,467	3,008
General Government (Other Charges) <sup>1</sup>				
Operating expenditures	370,541	380,542	331,184	49,358
Public Services				
Personal services	355,050	355,050	352,370	2,680
Operating expenditures	230,693	236,803	171,198	65,605
Capital outlay	45,900	45,400	44,000	1,400
Parks and Recreation (Maintenance)				
Personal services	267,500	267,500	225,927	41,573
Operating expenditures	187,051	193,051	136,028	57,023
Capital outlay	6,500	32,500	28,859	3,641
Community Development (Building)				
Personal services	371,700	366,700	338,245	28,455
Operating expenditures	120,650	145,650	139,732	5,918
Capital outlay	11,300	11,300	10,708	592
Community Development (Development) <sup>1</sup>				
Personal services	199,140	185,569	184,588	981
Operating expenditures	53,892	62,980	47,682	15,298
Capital outlay	5,991	4,991	4,871	120
Community Development (Engineering)				
Personal services	234,150	236,650	235,357	1,293
Operating expenditures	76,400	81,883	58,404	23,479
Capital outlay	1,200	1,200	1,200	-
<b>Total expenditures</b>	<b>5,824,933</b>	<b>5,897,544</b>	<b>5,367,043</b>	<b>530,501</b>
<b>Other Financing Sources (Uses):</b>				
Operating transfers-out	(277,850)	(277,850)	(277,850)	-
Advance to TIF Fund	-	(133,000)	(133,000)	-
Total other financing sources (uses)	<b>(277,850)</b>	<b>(410,850)</b>	<b>(410,850)</b>	<b>-</b>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	(952,601)	(1,058,126)	198,109	1,256,235
Fund balances at beginning of year	5,279,030	5,279,030	5,279,030	-
Prior year encumbrances appropriated	136,711	136,711	136,711	-
Lapsed encumbrances	125,254	125,254	125,254	
<b>Fund balances at end of year</b>	<b>\$ 4,588,394</b>	<b>\$ 4,482,869</b>	<b>\$ 5,739,104</b>	<b>\$ 1,256,235</b>

**City of Powell, Ohio**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual (NON-GAAP Budgetary Basis)**  
**Street Construction and Maintenance Fund**  
**For the Fiscal Year Ended December 31, 2007**

<b>Revenues:</b>	<b>Adopted Budget</b>	<b>Revised Budget</b>	<b>Actual</b>	<b>Variance</b>
Motor fuel tax	\$ 100,000	\$ 100,000	\$ 113,324	\$ 13,324
Intergovernmental	262,000	262,000	375,150	113,150
Investment earnings	6,000	17,000	52,557	35,557
<b>Total revenues</b>	<b>368,000</b>	<b>379,000</b>	<b>541,031</b>	<b>162,031</b>
<b>Expenditures:</b>				
Current:				
Public Service				
Operating expenditures (Maintenance)	775,510	775,510	721,030	54,480
Operating expenditures (Snow/Ice Removal)	102,234	102,234	61,683	40,551
Operating expenditures (Traffic)	5,910	5,910	3,000	2,910
<b>Total expenditures</b>	<b>883,654</b>	<b>883,654</b>	<b>785,713</b>	<b>97,941</b>
<b>Other Financing Sources (Uses):</b>				
Operating transfers-in	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	(515,654)	(504,654)	(244,682)	259,972
Fund balances at beginning of year	659,091	659,091	659,091	-
Prior year encumbrances appropriated	209,218	209,218	209,218	-
Lapsed encumbrances	68,686	68,686	68,686	
<b>Fund balances at end of year</b>	<b>\$ 421,341</b>	<b>\$ 432,341</b>	<b>\$ 692,313</b>	<b>\$ 259,972</b>

**City of Powell, Ohio**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual (NON-GAAP Budgetary Basis)**  
**Debt service Fund**  
**For the Fiscal Year Ended December 31, 2007**

<b>Revenues:</b>	<b>Adopted Budget</b>	<b>Revised Budget</b>	<b>Actual</b>	<b>Variance</b>
Property tax	\$ 378,450	\$ 386,066	\$ 381,636	\$ (4,430)
Intergovernmental	47,600	42,986	47,161	4,175
<b>Total revenues</b>	<b>426,050</b>	<b>429,052</b>	<b>428,797</b>	<b>(255)</b>
<b>Expenditures:</b>				
Current:				
Operating expenditures (Auditor's fees)	8,550	8,550	5,694	2,856
Bond principal	285,000	285,000	285,000	-
Bond interest	214,820	214,820	214,768	52
<b>Total expenditures</b>	<b>508,370</b>	<b>508,370</b>	<b>505,462</b>	<b>2,908</b>
<b>Other Financing Sources (Uses):</b>				
Operating transfers-in	74,150	74,150	74,150	-
<b>Total other financing sources (uses)</b>	<b>74,150</b>	<b>74,150</b>	<b>74,150</b>	<b>-</b>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	(8,170)	(5,168)	(2,515)	2,653
Fund balances at beginning of year	28,868	28,868	28,868	-
Prior year encumbrances appropriated	-	-	-	-
Lapsed encumbrances	-	-	-	-
<b>Fund balances at end of year</b>	<b>\$ 20,698</b>	<b>\$ 23,700</b>	<b>\$ 26,353</b>	<b>\$ 2,653</b>

**City of Powell, Ohio**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual (NON-GAAP Budgetary Basis)**  
**Golf Village Fund**  
**For the Fiscal Year Ended December 31, 2007**

<b>Revenues:</b>	<b>Adopted Budget</b>	<b>Revised Budget</b>	<b>Actual</b>	<b>Variance</b>
Community development charges	\$ 1,050,000	\$ 1,050,000	\$ 760,000	\$ (290,000)
Golf Village tap fees			32,450	32,450
<b>Total revenues</b>	<b>1,050,000</b>	<b>1,050,000</b>	<b>792,450</b>	<b>(257,550)</b>
<b>Expenditures:</b>				
Current:				
Bond principal	575,000	575,000	260,000	315,000
Bond interest	537,350	537,350	537,312	38
Note principal	6,900,000	6,900,000	6,900,000	-
Note interest	145,811	145,811	145,811	-
Issuance costs	25,000	25,000	19,253	5,747
<b>Total expenditures</b>	<b>8,183,161</b>	<b>8,183,161</b>	<b>7,862,376</b>	<b>320,785</b>
<b>Other Financing Sources (Uses):</b>				
Sale of notes	7,000,000	7,000,000	6,900,000	(100,000)
Note premium			57,063	57,063
<b>Total other financing sources (uses)</b>	<b>7,000,000</b>	<b>7,000,000</b>	<b>6,957,063</b>	<b>(42,937)</b>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	(133,161)	(133,161)	(112,863)	20,298
Fund balances at beginning of year	407,721	407,721	407,721	-
Prior year encumbrances appropriated	-	-	-	-
Lapsed encumbrances	-	-	-	-
<b>Fund balances at end of year</b>	<b>\$ 274,560</b>	<b>\$ 274,560</b>	<b>\$ 294,858</b>	<b>\$ 20,298</b>

**City of Powell, Ohio**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual (NON-GAAP Budgetary Basis)**  
**Parks and Recreation Capital Projects Construction Fund**  
**For the Fiscal Year Ended December 31, 2007**

<b>Revenues:</b>	<b>Adopted Budget</b>	<b>Revised Budget</b>	<b>Actual</b>	<b>Variance</b>
Property tax	\$ 656,700	\$ 654,281	\$ 646,773	\$ (7,508)
Intergovernmental	80,000	72,849	79,924	7,075
Investment earnings		17,750	4,228	(13,522)
<b>Total revenues</b>	<b>736,700</b>	<b>744,880</b>	<b>730,925</b>	<b>(13,955)</b>
<b>Expenditures:</b>				
Current:				
Capital outlay	164,215	184,794	171,274	13,520
Operating expenditures (auditor's fees)	12,000	12,000	9,651	2,349
Bond principal	570,000	570,000	570,000	-
Bond interest	146,625	146,625	146,625	-
<b>Total expenditures</b>	<b>892,840</b>	<b>913,419</b>	<b>897,550</b>	<b>15,869</b>
<b>Other Financing Sources (Uses):</b>				
Operating transfers-in				-
Total other financing sources (uses)	-	-	-	-
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	(156,140)	(168,539)	(166,625)	1,914
Fund balances at beginning of year	198,648	198,648	198,648	-
Prior year encumbrances appropriated	7,913	7,913	7,913	-
Lapsed encumbrances	6,747	6,747	6,747	
<b>Fund balances at end of year</b>	<b>\$ 57,168</b>	<b>\$ 44,769</b>	<b>\$ 46,683</b>	<b>\$ 1,914</b>

**City of Powell, Ohio**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual (NON-GAAP Budgetary Basis)**  
**Police Facility Construction Fund**  
**For the Fiscal Year Ended December 31, 2007**

<b>Revenues:</b>	<b>Adopted Budget</b>	<b>Revised Budget</b>	<b>Actual</b>	<b>Variance</b>
Investment earnings	\$ 500	\$ 19,950	\$ 21,137	\$ 1,187
<b>Total revenues</b>	<u>500</u>	<u>19,950</u>	<u>21,137</u>	<u>1,187</u>
<b>Expenditures:</b>				
Current:				
Capital outlay	1,108,082	1,159,916	1,153,801	6,115
Bond Principal	95,000	95,000	95,000	-
Bond Interest	108,655	108,655	108,655	-
<b>Total expenditures</b>	<u>1,311,737</u>	<u>1,363,571</u>	<u>1,357,456</u>	<u>6,115</u>
<b>Other Financing Sources (Uses):</b>				
Operating transfers-in	203,700	203,700	203,700	-
Total other financing sources (uses)	<u>203,700</u>	<u>203,700</u>	<u>203,700</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	(1,107,537)	(1,139,921)	(1,132,619)	7,302
Fund balances at beginning of year	303,774	303,774	303,774	-
Prior year encumbrances appropriated	831,966	831,966	831,966	-
Lapsed encumbrances	6,116	6,116	6,116	-
<b>Fund balances at end of year</b>	<u>\$ 34,319</u>	<u>\$ 1,935</u>	<u>\$ 9,237</u>	<u>\$ 7,302</u>



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**City of Powell, Ohio**  
Combining Balance Sheet  
Nonmajor Governmental Funds  
December 31, 2007

	<b>State Highway Improvement</b>	<b>Parks And Recreation Program Fund</b>	<b>Parks &amp; Recreation Development</b>	<b>Enforcement And Education</b>
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$ 112,917	\$ 90,916	\$ 204,196	\$ 4,827
Receivables (net of allowance for uncollectibles)	19,017			75
Prepaid items		908		
Total assets	<u>\$ 131,934</u>	<u>\$ 91,824</u>	<u>\$ 204,196</u>	<u>\$ 4,902</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Accrued wages payable		\$ 195		
Accounts payable		3,544	\$ 19,502	
Due to other governments		801		
Due to other funds				
Deferred revenue	\$ 14,848			
Retainage payable			24,447	
Total liabilities	<u>\$ 14,848</u>	<u>\$ 4,540</u>	<u>\$ 43,949</u>	<u>\$ -</u>
Fund balances:				
Reserved for:				
Encumbrances	15,000	8,038	31,686	
Debt service				
Capital equipment				
Prepaid items		908		
Unreserved, reported in:				
Special revenue funds	102,086	78,338	128,561	4,902
Capital project funds				
Debt service funds				
Total fund balances	<u>117,086</u>	<u>87,284</u>	<u>160,247</u>	<u>4,902</u>
Total liabilities and fund balances	<u>\$ 131,934</u>	<u>\$ 91,824</u>	<u>\$ 204,196</u>	<u>\$ 4,902</u>



<u>Board of Pharmacy</u>	<u>Historical Downtown Powell</u>	<u>Old Fire Station</u>	<u>Justice Assistance Grant</u>	<u>Law Enforcement</u>
\$ 3,869	\$ -	\$ 6,879	\$ 30	\$ 10,171
<u>\$ 3,869</u>	<u>\$ -</u>	<u>\$ 6,879</u>	<u>\$ 30</u>	<u>\$ 10,171</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
3,869		6,879	30	10,171
<u>3,869</u>	<u>-</u>	<u>6,879</u>	<u>30</u>	<u>10,171</u>
<u>\$ 3,869</u>	<u>\$ -</u>	<u>\$ 6,879</u>	<u>\$ 30</u>	<u>\$ 10,171</u>

(continued)

**City of Powell, Ohio**  
Combining Balance Sheet  
Nonmajor Governmental Funds  
December 31, 2007

	<u>Special Projects</u>	<u>Powell Festival</u>	<u>Total Nonmajor Special Revenue</u>	<u>Capital Projects</u>	<u>Murphy Parkway Construction</u>
<b>ASSETS</b>					
Cash, cash equivalents and investments	\$ 163,880	\$ 17,079	\$ 614,764	\$ 600,560	\$ 100,611
Receivables (net of allowance for uncollectibles)			19,092		
Prepaid items			908		
Total assets	\$ 163,880	\$ 17,079	\$ 634,764	\$ 600,560	\$ 100,611
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities:					
Accrued wages payable			\$ 195		
Accounts payable			23,046	\$ 157,412	
Due to other governments		\$ 15	816		
Due to other funds					
Deferred revenue			14,848		
Retainage payable			24,447	42,329	
Total liabilities	\$ -	\$ 15	\$ 63,352	\$ 199,741	\$ -
Fund balances:					
Reserved for:					
Encumbrances		653	55,377	143,082	
Debt service					
Capital equipment					
Prepaid items			908		
Unreserved, reported in:					
Special revenue funds	163,880	16,411	515,127		
Capital project funds				257,737	100,611
Debt service funds					
Total fund balances	163,880	17,064	571,412	400,819	100,611
Total liabilities and fund balances	\$ 163,880	\$ 17,079	\$ 634,764	\$ 600,560	\$ 100,611

<b>Village Development Fund</b>	<b>Downtown Public TIF Fund</b>	<b>Olentangy/ Liberty Fund</b>	<b>Total Nonmajor Capital Projects</b>	<b>Total Nonmajor Governmental Funds</b>
\$ 40,726	\$ 9,095	\$ 26,600	\$ 777,592	\$ 1,392,356
				19,092
				908
<u>\$ 40,726</u>	<u>\$ 9,095</u>	<u>\$ 26,600</u>	<u>\$ 777,592</u>	<u>\$ 1,412,356</u>
				\$ 195
			\$ 157,412	180,458
				816
	\$ 201,640		201,640	201,640
				14,848
			42,329	66,776
<u>\$ -</u>	<u>\$ 201,640</u>	<u>\$ -</u>	<u>\$ 401,381</u>	<u>\$ 464,733</u>
9,519			152,601	207,978
				908
31,207	(192,545)	26,600	223,610	515,127
				223,610
<u>40,726</u>	<u>(192,545)</u>	<u>26,600</u>	<u>376,211</u>	<u>947,623</u>
<u>\$ 40,726</u>	<u>\$ 9,095</u>	<u>\$ 26,600</u>	<u>\$ 777,592</u>	<u>\$ 1,412,356</u>

**City of Powell, Ohio**  
Statement of Revenues, Expenditures, and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Year Ended December 31, 2007

	<b>State Highway Improvement</b>	<b>Parks And Recreation Program Fund</b>	<b>Parks &amp; Recreation Development</b>	<b>Enforcement and Education</b>
<b>REVENUES</b>				
Motor Fuel taxes	\$ 11,269			
Intergovernmental	24,776			
Licenses and permits			\$ 83,061	
Charges for services		\$ 119,414		
Fines and forfeits				\$ 1,123
Development charges				
Investment earnings	4,872			
Miscellaneous		1,311		
Total revenues	<u>40,917</u>	<u>120,725</u>	<u>83,061</u>	<u>1,123</u>
<b>EXPENDITURES</b>				
Current:				
Public Safety				
Public Services				
Parks and Recreation		138,089	180,684	
Community Development				
Capital outlay:				
Capital outlay				
Total expenditures	<u>-</u>	<u>138,089</u>	<u>180,684</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	40,917	(17,364)	(97,623)	1,123
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in				
Transfers out				
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	40,917	(17,364)	(97,623)	1,123
Fund balances -- January 1	76,169	104,648	257,870	3,779
Fund balances -- December 31	<u>\$ 117,086</u>	<u>\$ 87,284</u>	<u>\$ 160,247</u>	<u>\$ 4,902</u>

<u>Board of Pharmacy</u>	<u>Historical Downtown Powell</u>	<u>Old Fire Station</u>	<u>Justice Assistance Grant</u>	<u>Law Enforcement</u>
\$ 531		\$ 5,139		\$ 1,555
<u>531</u>	<u>\$ 5,000</u> <u>5,000</u>	<u>5,139</u>	<u>-</u>	<u>1,555</u>
	5,000			
<u>-</u>	<u>5,000</u>	<u>15,000</u> <u>15,000</u>	<u>-</u>	<u>-</u>
531	-	(9,861)	-	1,555
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
531	-	(9,861)	-	1,555
<u>3,338</u>	<u>-</u>	<u>16,740</u>	<u>30</u>	<u>8,616</u>
<u>\$ 3,869</u>	<u>\$ -</u>	<u>\$ 6,879</u>	<u>\$ 30</u>	<u>\$ 10,171</u>

(continued)

**City of Powell, Ohio**  
Statement of Revenues, Expenditures, and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Year Ended December 31, 2007

	<u>Special Projects</u>	<u>Powell Festival</u>	<u>Total Nonmajor Special Revenue</u>	<u>Capital Projects</u>	<u>Murphy Parkway Construction</u>
<b>REVENUES</b>					
Motor Fuel taxes			\$ 11,269		
Intergovernmental			24,776		
Licenses and permits			83,061		
Charges for services			124,553		
Fines and forfeits			3,209		
Development charges					
Investment earnings			4,872		
Miscellaneous		\$ 55,052	61,363		
Total revenues	-	55,052	313,103	-	-
<b>EXPENDITURES</b>					
Current:					
Public Safety					
Public Services					
Parks and Recreation		55,477	374,250		
Community Development			5,000		
Capital outlay:					
Capital outlay			15,000	\$ 308,951	
Total expenditures	-	55,477	394,250	308,951	-
Excess (deficiency) of revenues over (under) expenditures	-	(425)	(81,147)	(308,951)	-
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in					
Transfers out					
Total other financing sources and uses	-	-	-	-	-
Net change in fund balances	-	(425)	(81,147)	(308,951)	-
Fund balances -- January 1	163,880	17,489	652,559	709,770	100,611
Fund balances -- December 31	<u>\$ 163,880</u>	<u>\$ 17,064</u>	<u>\$ 571,412</u>	<u>\$ 400,819</u>	<u>\$ 100,611</u>

<u>Village Development Fund</u>	<u>Downtown Public TIF Fund</u>	<u>Olentangy/ Liberty Fund</u>	<u>Total Nonmajor Capital Projects</u>	<u>Total Nonmajor Governmental Funds</u>
				\$ 11,269
				24,776
				83,061
				124,553
				3,209
\$ 83,895			\$ 83,895	83,895
				4,872
				61,363
<u>83,895</u>	<u>-</u>	<u>-</u>	<u>83,895</u>	<u>396,998</u>
				374,250
				5,000
351,125	\$ 146,695		806,771	821,771
<u>351,125</u>	<u>146,695</u>	<u>-</u>	<u>806,771</u>	<u>1,201,021</u>
(267,230)	(146,695)	-	(722,876)	(804,023)
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
(267,230)	(146,695)	-	(722,876)	(804,023)
307,956	(45,850)	26,600	1,099,087	1,751,646
<u>\$ 40,726</u>	<u>\$ (192,545)</u>	<u>\$ 26,600</u>	<u>\$ 376,211</u>	<u>\$ 947,623</u>

**City of Powell, Ohio**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual (NON-GAAP Budgetary Basis)**  
**Nonmajor Governmental Funds**  
**For the Fiscal Year Ended December 31, 2007**

	<b>State Highway Improvement Fund</b>			
	<b>Adopted Budget</b>	<b>Revised Budget</b>	<b>Actual</b>	<b>Variance</b>
<b>Revenues:</b>				
Property tax				
Motor fuel tax	\$ 5,475	\$ 5,475	\$ 5,346	\$ (129)
Intergovernmental	21,700	21,700	30,418	8,718
Investment earnings	3,750	3,750	4,522	772
Charges for services				-
Fines and forfeitures				-
Miscellaneous				-
<b>Total revenues</b>	<b>30,925</b>	<b>30,925</b>	<b>40,286</b>	<b>9,361</b>
<b>Expenditures:</b>				
Current:				
Personal service				-
Operating expenditures				-
Operating expenditures (Maintenance)	12,000	12,000	12,000	-
Operating expenditures (Storm Sewers)	5,000	5,000		5,000
Operating expenditures (Traffic)	5,000	5,000	3,000	2,000
Capital outlay				-
<b>Total expenditures</b>	<b>22,000</b>	<b>22,000</b>	<b>15,000</b>	<b>7,000</b>
<b>Other Financing Sources (Uses):</b>				
Operating transfers-in				-
Operating transfers-out				-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	8,925	8,925	25,286	16,361
Fund balances at beginning of year	72,843	72,843	72,843	-
Prior year encumbrances appropriated				-
Lapsed encumbrances				-
<b>Fund balances at end of year</b>	<b>\$ 81,768</b>	<b>\$ 81,768</b>	<b>\$ 98,129</b>	<b>\$ 16,361</b>



Parks and Recreation Program Fund				Park and Recreation (Development) Fund			
Adopted Budget	Revised Budget	Actual	Variance	Adopted Budget	Revised Budget	Actual	Variance
			-				-
			-				-
			-				-
			-				-
\$ 105,000	\$ 105,000	\$ 119,415	\$ 14,415	\$ 47,500	\$ 47,500	\$ 83,061	\$ 35,561
			-				-
		1,310	1,310				-
<u>105,000</u>	<u>105,000</u>	<u>120,725</u>	<u>15,725</u>	<u>47,500</u>	<u>47,500</u>	<u>83,061</u>	<u>35,561</u>
32,285	32,285	28,464	3,821				-
115,936	130,946	125,365	5,581				-
			-				-
			-				-
			-				-
			-				-
1,310	1,300	1,300	-	16,500	257,003	212,370	44,633
<u>149,531</u>	<u>164,531</u>	<u>155,129</u>	<u>9,402</u>	<u>16,500</u>	<u>257,003</u>	<u>212,370</u>	<u>44,633</u>
			-				-
			-				-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
(44,531)	(59,531)	(34,404)	25,127	31,000	(209,503)	(129,309)	80,194
107,142	107,142	107,142	-	255,370	255,370	255,370	-
5,897	5,897	5,897	-	2,500	2,500	2,500	-
699	699	699	-				-
<u>\$ 69,207</u>	<u>\$ 54,207</u>	<u>\$ 79,334</u>	<u>\$ 25,127</u>	<u>\$ 288,870</u>	<u>\$ 48,367</u>	<u>\$ 128,561</u>	<u>\$ 80,194</u>

(continued)

**City of Powell, Ohio**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual (NON-GAAP Budgetary Basis)**  
**Nonmajor Governmental Funds**  
**For the Fiscal Year Ended December 31, 2007**

	Enforcement and Education (D.U.I.) Fund			
	Adopted Budget	Revised Budget	Actual	Variance
<b>Revenues:</b>				
Property tax				-
Motor fuel tax				-
Intergovernmental				-
Investment earnings				-
Charges for services				-
Fines and forfeitures	\$ 500	\$ 500	\$ 1,048	\$ 548
Miscellaneous				-
<b>Total revenues</b>	<u>500</u>	<u>500</u>	<u>1,048</u>	<u>548</u>
<b>Expenditures:</b>				
Current:				
Personal service				-
Operating expenditures				-
Operating expenditures (Maintenance)				-
Operating expenditures (Storm Sewers)				-
Operating expenditures (Traffic)				-
Capital outlay				-
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Other Financing Sources (Uses):</b>				
Operating transfers-in				-
Operating transfers-out				-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	500	500	1,048	548
Fund balances at beginning of year	3,779	3,779	3,779	-
Prior year encumbrances appropriated				-
Lapsed encumbrances				-
<b>Fund balances at end of year</b>	<u>\$ 4,279</u>	<u>\$ 4,279</u>	<u>\$ 4,827</u>	<u>\$ 548</u>

Board of Pharmacy Fund				Historical Downtown Powell			
Adopted Budget	Revised Budget	Actual	Variance	Adopted Budget	Revised Budget	Actual	Variance
			-				-
			-				-
			-				-
			-				-
\$ 300	\$ 300	\$ 531	\$ 231		\$ 5,000	\$ 5,000	\$ -
			-		\$ 5,000	\$ 5,000	\$ -
<u>300</u>	<u>300</u>	<u>531</u>	<u>231</u>	<u>-</u>	<u>5,000</u>	<u>5,000</u>	<u>-</u>
			-				-
			-		5,000	5,000	-
			-				-
			-				-
			-				-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,000</u>	<u>5,000</u>	<u>-</u>
			-				-
			-				-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
			-				-
300	300	531	231	-	-	-	-
3,338	3,338	3,338	-	-	-	-	-
			-				-
<u>\$ 3,638</u>	<u>\$ 3,638</u>	<u>\$ 3,869</u>	<u>\$ 231</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(continued)

**City of Powell, Ohio**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual (NON-GAAP Budgetary Basis)**  
**Nonmajor Governmental Funds**  
**For the Fiscal Year Ended December 31, 2007**

	Old Fire Station Fund			
	Adopted Budget	Revised Budget	Actual	Variance
<b>Revenues:</b>				
Property tax				-
Motor fuel tax				-
Intergovernmental				-
Investment earnings				-
Charges for services	\$ 16,740	\$ 16,740	\$ 5,139	\$ (11,601)
Fines and forfeitures				-
Miscellaneous				-
<b>Total revenues</b>	<u>16,740</u>	<u>16,740</u>	<u>5,139</u>	<u>(11,601)</u>
<b>Expenditures:</b>				
Current:				
Personal service				-
Operating expenditures	1,740			-
Operating expenditures (Maintenance)				-
Operating expenditures (Storm Sewers)				-
Operating expenditures (Traffic)				-
Capital outlay	15,000	15,000	15,000	-
<b>Total expenditures</b>	<u>16,740</u>	<u>15,000</u>	<u>15,000</u>	<u>-</u>
<b>Other Financing Sources (Uses):</b>				
Operating transfers-in				-
Operating transfers-out				-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	-	1,740	(9,861)	(11,601)
Fund balances at beginning of year	16,740	16,740	16,740	-
Prior year encumbrances appropriated				-
Lapsed encumbrances				-
<b>Fund balances at end of year</b>	<u>\$ 16,740</u>	<u>\$ 18,480</u>	<u>\$ 6,879</u>	<u>\$ (11,601)</u>



**City of Powell, Ohio**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual (NON-GAAP Budgetary Basis)**  
**Nonmajor Governmental Funds**  
**For the Fiscal Year Ended December 31, 2007**

	Law Enforcement Fund			
	Adopted Budget	Revised Budget	Actual	Variance
<b>Revenues:</b>				
Property tax				-
Motor fuel tax				-
Intergovernmental				-
Investment earnings				-
Charges for services				-
Fines and forfeitures	\$ -	\$ 2,000	\$ 1,555	\$ (445)
Miscellaneous				-
<b>Total revenues</b>	<u>-</u>	<u>2,000</u>	<u>1,555</u>	<u>(445)</u>
<b>Expenditures:</b>				
Current:				
Personal service				-
Operating expenditures				-
Operating expenditures (Maintenance)				-
Operating expenditures (Storm Sewers)				-
Operating expenditures (Traffic)				-
Capital outlay	2,000			-
<b>Total expenditures</b>	<u>2,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Other Financing Sources (Uses):</b>				
Operating transfers-in				-
Operating transfers-out				-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	(2,000)	2,000	1,555	(445)
Fund balances at beginning of year	8,616	8,616	8,616	-
Prior year encumbrances appropriated				-
Lapsed encumbrances				-
<b>Fund balances at end of year</b>	<u>\$ 6,616</u>	<u>\$ 10,616</u>	<u>\$ 10,171</u>	<u>\$ (445)</u>



City of Powell, Ohio  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual (NON-GAAP Budgetary Basis)  
Nonmajor Governmental Funds  
For the Fiscal Year Ended December 31, 2007

	Total Nonmajor Special Revenue Funds			
	Adopted Budget	Revised Budget	Actual	Variance
<b>Revenues:</b>				
Property tax	-	-	-	-
Motor fuel tax	\$ 5,475	\$ 5,475	\$ 5,346	\$ (129)
Intergovernmental	21,700	21,700	30,418	8,718
Investment earnings	3,750	3,750	4,522	772
Charges for services	169,240	169,240	207,615	38,375
Fines and forfeitures	800	2,800	3,134	334
Miscellaneous	55,500	60,500	61,362	862
<b>Total revenues</b>	<b>256,465</b>	<b>263,465</b>	<b>312,397</b>	<b>48,932</b>
<b>Expenditures:</b>				
Current:				
Personal service	33,785	33,785	28,971	4,814
Operating expenditures	171,676	196,446	185,972	10,474
Operating expenditures (Maintenance)	12,000	12,000	12,000	-
Operating expenditures (Storm Sewers)	5,000	5,000	-	5,000
Operating expenditures (Traffic)	5,000	5,000	3,000	2,000
Capital outlay	34,810	273,303	228,670	44,633
<b>Total expenditures</b>	<b>262,271</b>	<b>525,534</b>	<b>458,613</b>	<b>66,921</b>
<b>Other Financing Sources (Uses):</b>				
Operating transfers-in	-	-	-	-
Operating transfers-out	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	(5,806)	(262,069)	(146,216)	115,853
Fund balances at beginning of year	649,226	649,226	649,226	-
Prior year encumbrances appropriated	8,397	8,397	8,397	-
Lapsed encumbrances	699	699	699	-
<b>Fund balances at end of year</b>	<b>\$ 652,516</b>	<b>\$ 396,253</b>	<b>\$ 512,106</b>	<b>\$ 115,853</b>





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**City of Powell, Ohio**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual (NON-GAAP Budgetary Basis)**  
**Nonmajor Governmental Funds**  
**For the Fiscal Year Ended December 31, 2007**

	<b>Capital Improvement Notes (Project) Fund</b>			
	<b>Adopted Budget</b>	<b>Revised Budget</b>	<b>Actual</b>	<b>Variance</b>
<b>Revenues:</b>				
Property tax				-
Motor fuel tax				-
Intergovernmental				-
Investment earnings				-
Charges for services				-
Fines and forfeitures				-
Miscellaneous				-
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenditures:</b>				
Current:				
Personal service				-
Operating expenditures				-
Operating expenditures (Maintenance)				-
Operating expenditures (Storm Sewers)				-
Operating expenditures (Traffic)				-
Capital outlay	\$ 329,745	\$ 505,182	\$ 452,441	\$ 52,741
<b>Total expenditures</b>	<u>329,745</u>	<u>505,182</u>	<u>452,441</u>	<u>52,741</u>
<b>Other Financing Sources (Uses):</b>				
Operating transfers-in	16,740	16,740	-	(16,740)
Operating transfers-out				-
<b>Total other financing sources (uses)</b>	<u>16,740</u>	<u>16,740</u>	<u>-</u>	<u>(16,740)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	(313,005)	(488,442)	(452,441)	36,001
Fund balances at beginning of year	692,925	692,925	692,925	-
Prior year encumbrances appropriated	16,745	16,745	16,745	-
Lapsed encumbrances	100	100	100	-
<b>Fund balances at end of year</b>	<u>\$ 396,765</u>	<u>\$ 221,328</u>	<u>\$ 257,329</u>	<u>\$ 36,001</u>

Village Development Fund				Murphy Parkway Fund			
Adopted Budget	Revised Budget	Actual	Variance	Adopted Budget	Revised Budget	Actual	Variance
			-				-
			-				-
			-				-
			-				-
			-				-
\$ 67,400	\$ 67,400	\$ 83,895	\$ 16,495				-
67,400	67,400	83,895	16,495	-	-	-	-
			-				-
			-				-
			-				-
			-				-
379,519	379,519	355,343	24,176				-
379,519	379,519	355,343	24,176	-	-	-	-
			-				-
			-				-
			-				-
			-				-
-	-	-	-	-	-	-	-
			-				-
			-				-
(312,119)	(312,119)	(271,448)	40,671	-	-	-	-
302,656	302,656	302,656	-	100,611	100,611	100,611	-
4,218	4,218	4,218	-				-
5,301	5,301	5,301	-				-
\$ 56	\$ 56	\$ 40,727	\$ 40,671	\$ 100,611	\$ 100,611	\$ 100,611	\$ -

(continued)

City of Powell, Ohio  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual (NON-GAAP Budgetary Basis)  
Nonmajor Governmental Funds  
For the Fiscal Year Ended December 31, 2007

	Olentangy/Liberty Intersection Fund			
	Adopted Budget	Revised Budget	Actual	Variance
<b>Revenues:</b>				
Property tax				-
Motor fuel tax				-
Intergovernmental				-
Investment earnings				-
Charges for services				-
Fines and forfeitures				-
Miscellaneous				-
<b>Total revenues</b>	-	-	-	-
<b>Expenditures:</b>				
Current:				
Personal service				-
Operating expenditures				-
Operating expenditures (Maintenance)				-
Operating expenditures (Storm Sewers)				-
Operating expenditures (Traffic)				-
Capital outlay				-
<b>Total expenditures</b>	-	-	-	-
<b>Other Financing Sources (Uses):</b>				
Operating transfers-in				-
Operating transfers-out				-
Advance from General Fund				-
<b>Total other financing sources (uses)</b>	-	-	-	-
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	-	-	-	-
Fund balances at beginning of year	26,600	26,600	26,600	-
Prior year encumbrances appropriated				-
Lapsed encumbrances				-
<b>Fund balances at end of year</b>	<b>\$ 26,600</b>	<b>\$ 26,600</b>	<b>\$ 26,600</b>	<b>\$ -</b>

Downtown TIF Public Fund			
Adopted Budget	Revised Budget	Actual	Variance
\$ 3,750	\$ 3,750		\$ (3,750)
			-
			-
			-
			-
			-
			-
3,750	3,750	-	(3,750)
			-
			-
			-
			-
			-
22,790	155,790	146,695	9,095
22,790	155,790	146,695	9,095
			-
			-
			-
			-
			-
			-
	133,000	133,000	-
-	133,000	133,000	-
			-
(19,040)	(19,040)	(13,695)	5,345
			-
16,550	16,550	16,550	-
6,240	6,240	6,240	-
\$ 3,750	\$ 3,750	\$ 9,095	\$ 5,345

(continued)

**City of Powell, Ohio**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual (NON-GAAP Budgetary Basis)**  
**Nonmajor Governmental Funds**  
**For the Fiscal Year Ended December 31, 2007**

	<b>Total Nonmajor Capital Project Funds</b>			
	<b>Adopted Budget</b>	<b>Revised Budget</b>	<b>Actual</b>	<b>Variance</b>
<b>Revenues:</b>				
Property tax	\$ 3,750	\$ 3,750	\$ -	\$ (3,750)
Motor fuel tax	-	-	-	-
Intergovernmental	-	-	-	-
Investment earnings	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Miscellaneous	67,400	67,400	83,895	16,495
<b>Total revenues</b>	<b>71,150</b>	<b>71,150</b>	<b>83,895</b>	<b>12,745</b>
<b>Expenditures:</b>				
Current:				
Personal service	-	-	-	-
Operating expenditures	-	-	-	-
Operating expenditures (Maintenance)	-	-	-	-
Operating expenditures (Storm Sewers)	-	-	-	-
Operating expenditures (Traffic)	-	-	-	-
Capital outlay	732,054	1,040,491	954,479	86,012
<b>Total expenditures</b>	<b>732,054</b>	<b>1,040,491</b>	<b>954,479</b>	<b>86,012</b>
<b>Other Financing Sources (Uses):</b>				
Operating transfers-in	16,740	16,740	-	(16,740)
Operating transfers-out	-	-	-	-
Advance from General Fund	-	133,000	133,000	-
<b>Total other financing sources (uses)</b>	<b>16,740</b>	<b>149,740</b>	<b>133,000</b>	<b>(16,740)</b>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	(644,164)	(819,601)	(737,584)	82,017
Fund balances at beginning of year	1,122,792	1,122,792	1,122,792	-
Prior year encumbrances appropriated	37,513	37,513	37,513	-
Lapsed encumbrances	11,641	11,641	11,641	-
<b>Fund balances at end of year</b>	<b>\$ 527,782</b>	<b>\$ 352,345</b>	<b>\$ 434,362</b>	<b>\$ 82,017</b>

Total Nonmajor Government Funds			
Adopted Budget	Revised Budget	Actual	Variance
\$ 3,750	\$ 3,750	\$ -	\$ (3,750)
5,475	5,475	5,346	(129)
21,700	21,700	30,418	8,718
3,750	3,750	4,522	772
169,240	169,240	207,615	38,375
800	2,800	3,134	334
122,900	127,900	145,257	17,357
327,615	334,615	396,292	61,677
33,785	33,785	28,971	4,814
171,676	196,446	185,972	10,474
12,000	12,000	12,000	-
5,000	5,000	-	5,000
5,000	5,000	3,000	2,000
766,864	1,313,794	1,183,149	130,645
994,325	1,566,025	1,413,092	152,933
16,740	16,740	-	(16,740)
-	-	-	-
-	133,000	133,000	-
16,740	149,740	133,000	(16,740)
(649,970)	(1,081,670)	(883,800)	197,870
1,772,018	1,772,018	1,772,018	-
45,910	45,910	45,910	-
12,340	12,340	12,340	-
\$ 1,180,298	\$ 748,598	\$ 946,468	\$ 197,870

**City of Powell, Ohio**  
Combining Statement of Fiduciary Assets and Liabilities  
Fiduciary Funds - (Agency Funds Only)  
As of December 31, 2007

	<u>Unclaimed Funds</u>	<u>Flexible Benefits</u>	<u>Agency Funds Board of Building Standards</u>	<u>Engineering Inspections</u>	<u>Plumbing Inspections</u>	<u>Escrowed Deposits</u>	<u>Total Agency Funds</u>
<b>ASSETS:</b>							
Cash and investments	\$ 917	\$ 1,993	\$ 1,290	\$ 491,039	\$ 387	\$ 7,650	\$ 503,276
Total assets	<u>\$ 917</u>	<u>\$ 1,993</u>	<u>\$ 1,290</u>	<u>\$ 491,039</u>	<u>\$ 387</u>	<u>\$ 7,650</u>	<u>\$ 503,276</u>
<b>LIABILITIES:</b>							
Due to others	\$ 917	\$ 1,993	\$ 1,290	\$ 491,039	\$ 387	\$ 7,650	\$ 503,276
Total liabilities	<u>\$ 917</u>	<u>\$ 1,993</u>	<u>\$ 1,290</u>	<u>\$ 491,039</u>	<u>\$ 387</u>	<u>\$ 7,650</u>	<u>\$ 503,276</u>



**City of Powell, Ohio**  
Agency Funds  
Combining Statement of Changes in Assets and Liabilities  
Fiduciary Funds - (Agency Funds Only)  
For the Fiscal Year Ended December 31, 2007

	Balances Jan. 1, 2007	Additions	Deductions	Balances Dec. 31, 2007
<b>UNCLAIMED FUNDS</b>				
<b>Assets</b>				
Cash and investments	\$ 700	1,067	850	\$ 917
<b>Liabilities</b>				
Due to others	\$ 700	1,067	850	\$ 917
<b>FLEXIBLE BENEFITS</b>				
<b>Assets</b>				
Cash and investments	\$ 829	20,517	19,353	\$ 1,993
<b>Liabilities</b>				
Due to others	\$ 829	20,517	19,353	\$ 1,993
<b>BOARD OF BUILDING STANDARDS</b>				
<b>Assets</b>				
Cash and investments	\$ 279	13,974	12,963	\$ 1,290
<b>Liabilities</b>				
Due to others	\$ 279	13,974	12,963	\$ 1,290
<b>ENGINEERING INSPECTIONS</b>				
<b>Assets</b>				
Cash and investments	\$ 456,530	91,325	56,816	\$ 491,039
<b>Liabilities</b>				
Due to others	\$ 456,530	91,325	56,816	\$ 491,039
<b>PLUMBING INSPECTION</b>				
<b>Assets</b>				
Cash and investments	\$ 1,040	10,265	10,918	\$ 387
<b>Liabilities</b>				
Due to others	\$ 1,040	10,265	10,918	\$ 387
<b>ESCROWED DEPOSITS</b>				
<b>Assets</b>				
Cash and investments	\$ 6,450	8,700	7,500	\$ 7,650
<b>Liabilities</b>				
Due to others	\$ 6,450	8,700	7,500	\$ 7,650
<b>TOTAL AGENCY FUNDS</b>				
<b>Assets</b>				
Cash and investments	\$ 465,828	\$ 145,848	\$ 108,400	\$ 503,276
<b>Liabilities</b>				
Due to others	\$ 465,828	\$ 145,848	\$ 108,400	\$ 503,276



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City of Powell, Ohio  
Statistical Section

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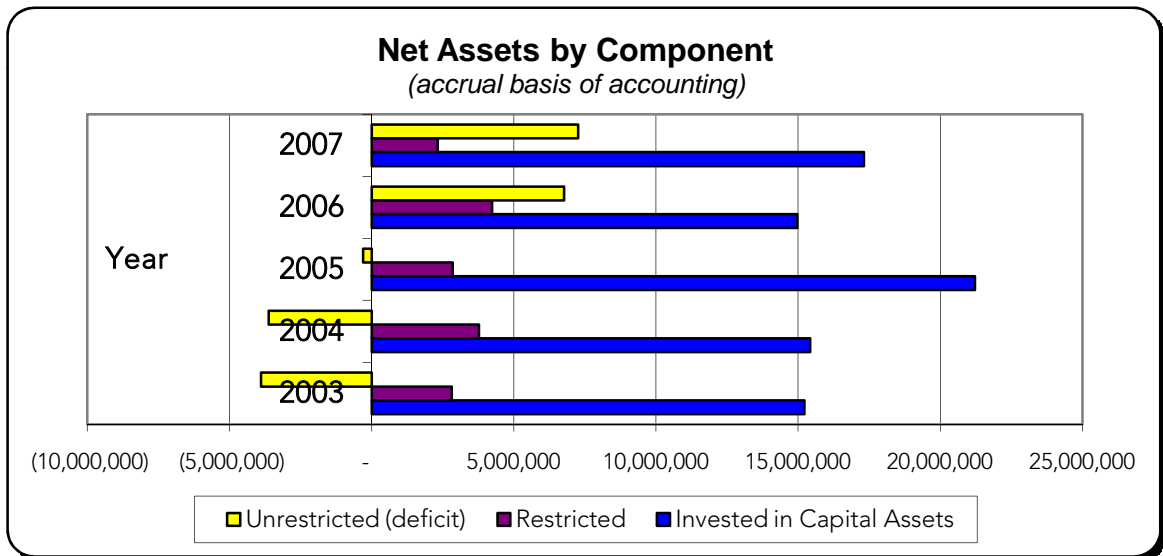
This part of the City's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health. These tables are presented in accordance with Governmental Accounting Standards Board (GASB) Statement No. 44, Economic Condition Reporting: *The Statistical Section*.

	<b><u>Tables</u></b>
<b><i><u>Financial Trends</u></i></b> These schedules contain trend information to help understand how the City's financial performance and well-being have changed over time.	A - G
<b><i><u>Revenue Capacity</u></i></b> These schedules contain information to help assess the City's most significant local revenue sources.	H - L
<b><i><u>Debt Capacity</u></i></b> 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.	M - P
<b><i><u>Demographic and Economic Information</u></i></b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	Q - T
<b><i><u>Operating Information</u></i></b> 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.	U - W

Sources: Unless otherwise noted, the information in these tables is derived from the comprehensive annual financial report for the relevant year. The City of Powell implemented GASB Statement No. 34 in the fiscal year 2003.

City of Powell, Ohio  
**Net Assets by Component**  
**Last Five Fiscal Years <sup>(1)</sup>**  
*(accrual basis of accounting)*

	(as restated)		
	Fiscal Year		
	<u>2003</u>	<u>2004</u>	<u>2005</u>
Governmental activities			
Invested in capital assets, net of related debt	\$ 15,222,775	\$ 15,428,140	\$ 21,220,003
Restricted	2,819,724	3,769,723	2,856,770
Unrestricted (Deficit)	(3,886,106)	(3,621,400)	(293,513)
Total governmental activities net assets	<u>\$ 14,156,393</u>	<u>\$ 15,576,463</u>	<u>\$ 23,783,260</u>



Note:

(1) GASB Statement No. 44, Economic Condition Reporting: The Statistical Section recommended that this information be presented starting with the fiscal year in which a government implemented GASB Statement No. 34.

Sources:

1. City of Powell Finance Department

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Table A

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<u>Fiscal Year</u>	<u>Fiscal Year</u>
<u>2006</u>	<u>2007</u>
\$ 14,968,136	\$ 17,316,704
4,236,327	2,328,571
<u>6,772,822</u>	<u>7,265,633</u>
<u>\$ 25,977,285</u>	<u>\$ 26,910,908</u>

**City of Powell, Ohio**  
**Changes in Net Assets**  
**Last Five Fiscal Years <sup>(1)</sup>**  
*(accrual basis of accounting)*

	Fiscal Year		
	2003	2004	2005
<b>Expenses</b>			
Governmental activities:			
Public Safety	\$ 1,400,471	\$ 1,485,194	\$ 1,669,072
Parks and Recreation	249,788	279,825	555,384
Community Development	488,123	517,027	831,796
Public Services/Transportation	1,214,517	1,508,520	1,133,601
General Government	1,005,800	1,073,846	1,207,091
Interest on long-term debt	1,034,196	1,157,462	1,120,174
Total governmental activities expenses	<u>\$ 5,392,895</u>	<u>\$ 6,021,874</u>	<u>\$ 6,517,118</u>
<b>Program Revenues</b>			
Governmental activities:			
Charges for services:			
Public Safety	\$ 5,870	\$ 7,299	\$ 10,950
Parks and Recreation	60,966	96,780	140,082
Community Development	1,318,846	1,110,945	1,886,062
Public Services/Transportation	64,415	76,317	
General Government	7,784	6,661	86,187
Operating grants and contributions	353,036	486,283	493,150
Capital grants and contributions	855,369	33,200	955,288
Total governmental activities program revenues	<u>\$ 2,666,286</u>	<u>\$ 1,817,485</u>	<u>\$ 3,571,719</u>
Net(expense)revenue			
Governmental activities	<u>\$ (2,726,609)</u>	<u>\$ (4,204,389)</u>	<u>\$ (2,945,399)</u>
<b>General Revenues and Other Changes in Net Assets</b>			
Governmental activities:			
Taxes:			
Property taxes	\$ 1,279,259	\$ 1,329,809	\$ 1,175,367
Municipal Income taxes	2,565,596	2,870,327	3,587,005
Estate taxes			120,033
Intergovernmental	870,603	628,268	382,852
Interest	57,758	92,453	284,191
Other	132,701	261,479	22,405
Transfers			
Total governmental activities	<u>\$ 4,905,917</u>	<u>\$ 5,182,336</u>	<u>\$ 5,571,853</u>
<b>Change in Net Assets</b>			
Governmental activities	<u>\$ 2,179,308</u>	<u>\$ 977,947</u>	<u>\$ 2,626,454</u>

Note:

(1) GASB Statement No. 44, Economic Condition Reporting: The Statistical Section recommended that this information be presented starting with the fiscal year in which a government implemented GASB Statement No. 34.

Sources:

1. City of Powell Finance Department

Table B

	Fiscal year 2006		Fiscal year 2007
\$	1,769,938	\$	1,739,711
	1,343,765		1,495,493
	1,377,920		1,952,026
	793,040		1,097,107
	943,962		989,893
	1,321,920		1,290,132
\$	<u>7,550,545</u>	\$	<u>8,564,362</u>
\$	14,729	\$	17,792
	137,284		208,786
	1,750,039		1,713,481
			11,979
	19,729		15,928
	564,235		211,786
	715,853		805,595
\$	<u>3,201,869</u>	\$	<u>2,985,347</u>
\$	<u>(4,348,676)</u>	\$	<u>(5,579,015)</u>
\$	1,476,350	\$	1,532,329
	3,699,738		3,480,691
	23,659		42,485
	632,249		730,945
	548,968		527,353
	161,737		198,835
\$	<u>6,542,701</u>	\$	<u>6,512,638</u>
\$	<u>2,194,025</u>	\$	<u>933,623</u>



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City of Powell, Ohio  
 Governmental Activities Tax Revenues by Source  
 Last Five Fiscal Years <sup>(1)</sup>  
*(accrual basis of accounting)*

Fiscal Year	Municipal Income Taxes	Property Taxes	Estate Taxes	Total
2003	\$ 2,565,596	\$ 1,279,259	\$ 379,170	4,224,025
2004	2,870,327	1,329,809	145,300	4,345,436
2005	3,587,005	1,175,367	120,033	4,882,405
2006	3,699,738	1,476,350	23,659	5,199,747
2007	3,480,691	1,532,329	42,485	5,055,505

Note:

(1) GASB Statement No. 44, Economic Condition Reporting: The Statistical Section recommended that this information be presented starting with the fiscal year in which a government implemented GASB Statement No. 34.

Sources:

1. City of Powell Finance Department

**City of Powell, Ohio**  
**Program Revenues of Governmental Activities by Program**  
**Last Five Fiscal Years <sup>(1)</sup>**  
*(accrual basis of accounting)*

Program	Fiscal Year		
	2003	2004	2005
<b>General Government</b>			
<i>Charges for services:</i>			
Public Safety	\$ 5,870	\$ 7,299	\$ 10,950
Parks and Recreation	60,966	96,780	140,082
Community Environment	1,318,846	1,110,945	1,886,062
Public Services/Transportation	64,415	76,317	
General Government	7,784	6,661	86,187
<i>Operating grants and contributions:</i>			
Public Safety	51,808	19,672	8,325
Parks and Recreation	37,308	82,293	41,893
Community Environment		13,768	
Public Services/Transportation	263,920	370,550	442,932
General Government			
<i>Capital grants and contributions:</i>			
Public Safety			
Parks and Recreation	174,949		
Community Environment			
Public Services/Transportation	680,420	33,200	955,288
General Government			
Total Program Revenues	\$ <u>2,666,286</u>	\$ <u>1,817,485</u>	\$ <u>3,571,719</u>

Note:

(1) GASB Statement No. 44, Economic Condition Reporting: The Statistical Section recommended that this information be presented starting with the fiscal year in which a government implemented GASB Statement No. 34.

Sources:

1. City of Powell Finance Department

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Table D

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<u>Fiscal Year</u> <u>2006</u>	<u>Fiscal Year</u> <u>2007</u>
\$ 14,729	\$ 17,792
137,284	208,786
1,750,039	1,713,481
	11,979
19,729	15,928
7,823	
57,809	
498,603	211,786
715,853	805,595
<u>\$ 3,201,869</u>	<u>\$ 2,985,347</u>

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**City of Powell, Ohio**  
**Governmental Tax Revenues by Source**  
**Last Ten Fiscal Years**  
*(modified accrual basis of accounting)*

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Fiscal Year	Miscellaneous Taxes	Property Taxes	Income Taxes	Charges and Fees for Services
1998	\$ 1,907,841			\$ 573,320
1999	2,276,941			440,316
2000	44,012	\$ 533,769	\$ 2,011,942	460,103
2001	37,144	601,877	2,298,958	713,895
2002	57,836	609,437	2,582,992	1,010,161
2003	53,306	1,272,963	2,472,209	1,432,494
2004	70,372	1,313,071	2,838,732	1,282,732
2005	120,033	1,186,474	3,108,450	1,261,934
2006	23,659	1,477,581	3,653,309	1,031,254
2007	31,385	1,513,111	3,655,321	1,163,063

Note:

Modified accrual reports not prepared prior to FY2000; FY1997 - 1999 shown on cash basis; additional information on tax allocation is not available in FY1997-1999.

Sources:

1. City of Powell Finance Department

Table E

	<u>Intergovernmental</u>	<u>Other</u>	<u>Total</u>
\$	529,527	\$ 261,920	\$ 3,272,608
	740,728	408,916	3,866,901
	993,207	481,274	4,524,307
	739,679	319,524	4,711,077
	949,816	490,675	5,700,917
	1,295,967	195,933	6,722,872
	958,350	398,746	6,862,003
	753,933	1,320,546	7,751,370
	818,101	1,835,312	8,839,216
	825,285	1,732,767	8,920,932

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

	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>
General fund				
Reserved	\$ 115,142	\$ 114,988	\$ 133,437	\$ 114,739
Unreserved	1,368,974	1,417,330	2,254,761	2,947,626
Total general fund	<u>\$ 1,484,116</u>	<u>\$ 1,532,318</u>	<u>\$ 2,388,198</u>	<u>\$ 3,062,365</u>
All other governmental funds				
Reserved	\$ 683,284	\$ 537,142	\$ 1,214,859	\$ 436,247
Unreserved, reported in:				
Special revenue funds	651,169	494,478	538,542	510,960
Capital projects funds (deficit)	658,795	2,662,612	507,646	643,661
Debt service funds	2,764,814	69,218	26,069	36,199
Total all other governmental funds	<u>\$ 4,758,062</u>	<u>\$ 3,763,450</u>	<u>\$ 2,287,116</u>	<u>\$ 1,627,067</u>

Note:

Modified accrual reports not prepared prior to FY2000; FY1998 - 1999 shown on cash basis from audited reports

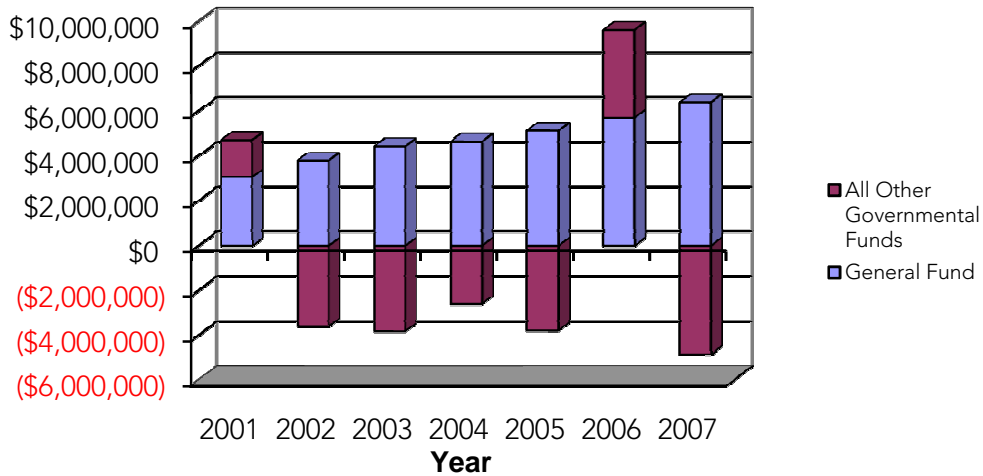
Sources:

1. City of Powell Finance Department

Table F

	2002	2003	2004	2005	2006	2007
\$	143,288	\$ 221,074	\$ 175,084	\$ 191,597	\$ 226,673	\$ 351,330
	3,639,973	4,193,749	4,446,555	4,926,795	5,459,827	6,045,319
\$	<u>3,783,261</u>	<u>\$ 4,414,823</u>	<u>\$ 4,621,639</u>	<u>\$ 5,118,392</u>	<u>\$ 5,686,500</u>	<u>\$ 6,396,649</u>
\$	179,906	\$ 704,828	\$ 1,305,501	\$ 352,351	\$ 642,600	\$ 387,550
	381,491	693,357	1,041,754	1,071,474	1,351,708	1,258,689
	(4,215,068)	(5,277,905)	(5,017,150)	(5,252,381)	1,900,299	(6,536,050)
	40,607	51,703	61,237	35,826	28,868	26,354
\$	<u>(3,613,064)</u>	<u>\$ (3,828,017)</u>	<u>\$ (2,608,658)</u>	<u>\$ (3,792,730)</u>	<u>\$ 3,923,475</u>	<u>\$ (4,863,457)</u>

General & All Other Governmental Fund Balances  
(modified accrual basis only)



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

	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>
<b>Revenues</b>				
Property Taxes	\$	\$	\$ 533,769	\$ 601,877
Municipal Income Taxes			2,011,942	2,298,958
Other Local Taxes	1,907,841	2,276,941	44,012	37,144
Charges for Services	152,757	3,600	56,642	55,101
Development Charges				
Fees, Licenses, and Permits	420,563	436,716	393,720	644,673
Fines and Forfeitures			9,741	14,121
Intergovernmental	529,527	740,728	993,207	739,679
Interest	146,920	291,952	306,642	212,231
Other	115,000	116,964	174,632	107,293
<b>Total Revenues</b>	<b>3,272,608</b>	<b>3,866,901</b>	<b>4,524,307</b>	<b>4,711,077</b>
<b>Expenditures</b>				
Public Safety	674,742	857,004	868,542	1,011,334
Parks and Recreation	54,005	75,764	156,002	208,600
Community Development	256,866	304,324	353,423	368,968
Public Services/Transportation	280,593	617,975	552,237	591,878
General Government	429,089	594,712	652,635	818,897
Capital outlay	1,696,527	1,534,014	1,065,764	1,184,299
Debt service:				
Principal	105,000	2,908,002	195,000	200,000
Interest	273,798	346,721	316,017	296,232
Other charges	4,158			
<b>Total Expenditures</b>	<b>3,774,778</b>	<b>7,238,516</b>	<b>4,159,620</b>	<b>4,680,208</b>
Excess of revenues over(under) expenditures	(502,170)	(3,371,615)	364,687	30,869
<b>Other financing sources (uses)</b>				
Transfers in	380,482	921,760	461,702	457,350
Transfers out	(380,482)	(921,760)	(461,702)	(457,350)
Refunding bonds issued				
Bonds issued	3,121,501	2,571,501		
Repayment of refunded notes				
Proceeds from issuance of notes				
Premium on notes issued				
<b>Total other financing sources (uses)</b>	<b>3,121,501</b>	<b>2,571,501</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>\$ 2,619,331</b>	<b>\$ (800,114)</b>	<b>\$ 364,687</b>	<b>\$ 30,869</b>
Debt service as a percentage of noncapital expenditures	22.29%	132.86%	19.79%	16.54%

Note:

Modified accrual reports not prepared prior to FY2000; FY1998 - 1999 shown on cash basis

Sources:

1. City of Powell Finance Department



Table G

	2002	2003	2004	2005	2006	2007
\$	609,437	\$ 1,272,963	\$ 1,313,071	\$ 1,186,474	\$ 1,477,581	\$ 1,513,111
	2,582,992	2,472,209	2,838,732	3,108,450	3,653,309	3,655,321
	57,836	63,306	70,372	120,033	23,659	233,061
	381,905	566,407	234,689	15,330	19,729	163,145
			150,450	782,108	861,573	843,895
	617,863	857,125	889,517	1,246,604	1,011,525	999,918
	10,393	8,962	8,076	17,033	41,515	7,107
	949,816	1,295,967	958,350	874,395	994,872	825,285
	122,557	62,365	126,292	296,392	548,968	527,353
	368,118	133,568	272,454	104,551	206,485	152,736
	<u>5,700,917</u>	<u>6,732,872</u>	<u>6,862,003</u>	<u>7,751,370</u>	<u>8,839,216</u>	<u>8,920,932</u>
	1,281,760	1,386,237	1,461,605	1,602,864	1,729,631	1,690,199
	241,503	207,665	272,445	504,761	516,993	745,912
	444,120	487,558	514,002	827,663	939,814	992,969
	604,041	794,007	1,189,586	794,210	599,953	1,128,269
	879,362	974,851	1,020,681	1,157,487	1,280,222	1,494,396
	17,020,759	1,054,493	5,322,512	1,454,010	2,668,504	1,542,623
	210,000	370,000	510,000	975,000	1,145,000	1,210,000
	453,607	1,047,480	1,144,997	1,098,544	1,280,043	1,331,157
				24,150	68,617	76,316
	<u>21,135,152</u>	<u>6,322,291</u>	<u>11,435,828</u>	<u>8,438,689</u>	<u>10,228,777</u>	<u>10,211,841</u>
	(15,434,235)	410,581	(4,573,825)	(687,319)	(1,389,561)	(1,290,909)
	370,370	529,351	665,350	316,914	726,550	277,850
	(370,370)	(529,351)	(665,350)	(316,914)	(726,550)	(277,850)
	10,915,000		6,000,000		2,750,000	
						(6,900,000)
					6,900,000	
					23,874	114,126
	<u>10,915,000</u>	<u>-</u>	<u>6,000,000</u>	<u>-</u>	<u>9,673,874</u>	<u>(6,785,874)</u>
\$	(4,519,235)	\$ 410,581	\$ 1,426,175	\$ (687,319)	\$ 8,284,313	\$ (8,076,783)
	19.23%	36.81%	37.12%	42.22%	47.22%	41.47%

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City of Powell, Ohio  
Assessed Value and Estimated Actual Value of Taxable Property  
Last Ten Fiscal Years

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Fiscal <sup>1</sup> Year Ended December 31	Real Property <sup>2</sup>				Total Real Property
	Residential Property	Agricultural Property	Commercial Property	Public Utility Property	
1998	143,818,530	974,720	11,158,550	7,700	155,959,500
1999	174,894,300	268,210	14,669,620	6,940	189,839,070
2000	186,541,960	522,280	16,005,210	5,170	203,074,620
2001	196,653,760	461,570	17,249,840	4,840	214,370,010
2002	237,562,010	138,240	22,537,190	5,110	260,242,550
2003	262,345,910	898,850	25,628,270	5,300	288,878,330
2004	295,965,200	9,530	28,366,700	5,390	324,346,820
2005	376,005,140	68,220	35,201,380	5,330	411,280,070
2006	411,273,840	68,220	36,843,460	5,970	448,191,490
2007	432,044,290	68,220	39,467,020	5,970	471,585,500

Note:

1. Fiscal year ended is the tax year assessed but collections are in following year, i.e. Tax year 2004 collected in '2005.
2. Assessed real property is 35% of estimated actual value; assessed public utility property is 50% of estimated actual value; tangible personal property is being phased out. In the tax year 2006, the assessment percentage for machinery and equipment, inventory and fixtures was reduced to 18.75%; in tax year 2007, to 12.5%; in tax year 2008, 6.5%; and for tax year 2009 and thereafter, 0%.

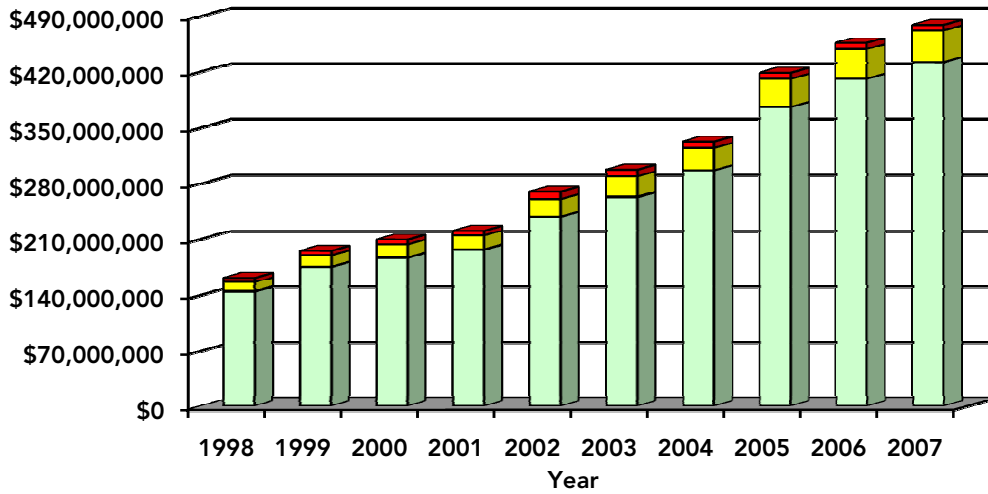
Source:

Delaware County Auditor's Office

Table H

<u>Personal Property</u>	<u>Total Taxable Assessed Value</u>	<u>Total Direct Tax Rate</u>	<u>Estimated Actual Taxable Value</u>	<u>Assessed Value as a Percentage of Actual Value</u>
<u>General</u>				
5,506,067	161,465,567	2.93	467,616,239	34.53%
5,503,712	195,342,782	3.09	564,406,242	34.61%
6,083,614	209,158,234	3.25	604,543,225	34.60%
6,206,020	220,576,030	3.13	637,305,674	34.61%
9,002,984	269,245,534	5.30	779,557,699	34.54%
7,765,704	296,644,034	4.95	856,424,930	34.64%
7,685,849	332,032,669	4.01	957,443,976	34.68%
7,133,677	418,413,747	3.95	1,203,616,054	34.76%
7,788,137	455,979,627	3.95	1,311,694,545	34.76%
6,692,620	478,278,120	3.76	1,374,152,506	34.81%

**Assessed Valuation by Property Type Collections by Collection Year**



City of Powell, Ohio  
 Property Tax Rates  
 Direct and Overlapping Governments  
 Last Ten Fiscal Years

Fiscal Year	Direct			Overlapping		
	City of Powell			Delaware County		
	Operating Millage	Debt Service Millage	Total City Millage	Operating Millage	Debt Service Millage	Total County Millage
1998	1.20	1.73	2.93	4.50		4.50
1999	1.20	1.89	3.09	4.70		4.70
2000	1.20	2.05	3.25	3.90		3.90
2001	1.20	1.93	3.13	3.90		3.90
2002	1.20	4.10	5.30	3.90		3.90
2003	1.20	3.75	4.95	3.90		3.90
2004	1.20	2.81	4.01	3.90		3.90
2005	1.20	2.75	3.95	4.10	0.17	4.27
2006	1.20	2.56	3.76	4.10	0.15	4.25
2007	1.20	2.39	3.59	4.10	0.15	4.25

Note:

1. Other Operating Millage includes: Preservation Park District, 911 District, County Health Department, Mental Health District and Library.
2. JVSD - Joint Vocational School District

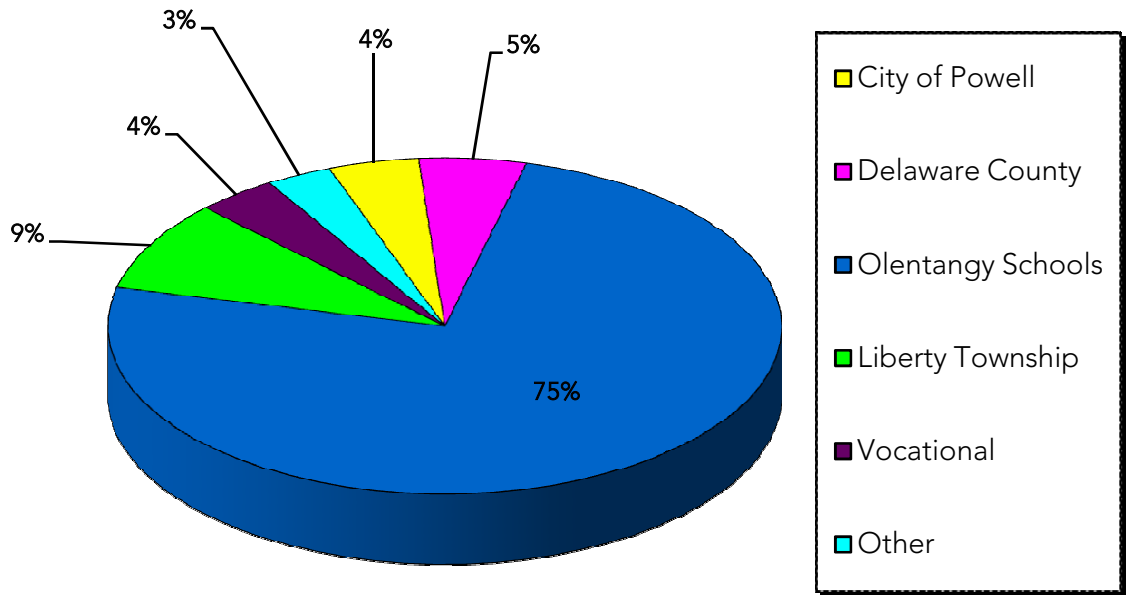
Sources:

1. Delaware County Auditor

Table I

Overlapping							Total Direct & Overlapping Rates
Olentangy Schools			Liberty Township Millage	JVSD <sup>2</sup> Millage	Other Millage <sup>1</sup>		
Operating Millage	Debt Service Millage	Total School Millage					
36.40	5.17	41.57	4.90	3.40	2.61	59.91	
43.60	6.17	49.77	5.73	3.40	2.96	69.65	
43.60	6.20	49.80	5.22	3.40	2.91	68.48	
43.60	6.20	49.80	5.55	3.20	2.59	68.17	
43.60	6.96	50.56	7.50	3.20	2.56	73.02	
43.60	6.90	50.50	7.42	3.20	2.53	72.50	
54.10	6.90	61.00	7.40	3.20	2.50	82.01	
54.10	7.90	62.00	7.30	3.20	2.49	83.21	
54.10	7.90	62.00	7.29	3.20	2.62	83.12	
54.10	7.90	62.00	7.23	3.20	2.61	82.88	

How each \$1 of Property Tax is allocated for Powell Residents



City of Powell, Ohio  
Income Tax Rates  
Direct and Overlapping Governments  
Last Ten Years

Fiscal Year	Resident of the City of Powell <sup>1</sup>	Works in City of					
		Powell	Columbus	Gahanna	Worthington	Dublin	Delaware
1998	0.50%	0.25%	n/a	n/a	n/a	n/a	n/a
1999	0.50%	0.25%	n/a	n/a	n/a	n/a	n/a
2000	0.50%	0.25%	n/a	n/a	n/a	n/a	n/a
2001	0.50%	0.25%	n/a	n/a	n/a	n/a	n/a
2002	0.50%	0.25%	n/a	n/a	n/a	n/a	n/a
2003	0.50%	0.25%	2.00%	1.50%	1.65%	2.00%	1.40%
2004	0.50%	0.25%	2.00%	1.50%	1.65%	2.00%	1.40%
2005	0.50%	0.25%	2.00%	1.50%	1.65%	2.00%	1.40%
2006	0.50%	0.25%	2.00%	1.50%	1.65%	2.00%	1.40%
2007	0.50%	0.25%	2.00%	1.50%	2.00%	2.00%	1.40%

n/a = not available

Note:

1. The City of Powell gives the resident a .25% credit if they work outside the city and pay taxes where they work.

Sources:

City of Powell, Columbus, Gahanna, Worthington, Dublin and Delaware Finance/Income Tax Departments



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City of Powell, Ohio  
Property Tax Levies and Collection  
Last Ten Fiscal Years

Fiscal Year Ended <u>December 31</u>	Fiscal Year Received <u>In</u>	Total Tax Levy for <u>Fiscal Year</u>	Collected within the <u>Fiscal Year of the Levy</u>		Delinquent Tax <u>Collections</u> <sup>1</sup>	Total Tax <u>Collected</u>	Percent of Total Tax Collections to Current Tax Levy
			<u>Current Tax Collections</u>	<u>Percent of Levy</u>			
1998	1999	473,094	464,101	98.10%	10,224	474,325	100.26%
1999	2000	603,609	598,819	99.21%	8,043	606,862	100.54%
2000	2001	679,764	673,204	99.03%	11,100	684,304	100.67%
2001	2002	690,402	681,951	98.78%	12,008	693,959	100.52%
2002	2003	1,427,001	1,407,999	98.67%	36,468	1,444,467	101.22%
2003	2004	1,468,387	1,459,524	99.40%	26,103	1,485,627	101.17%
2004	2005	1,331,451	1,323,631	99.41%	19,182	1,342,813	100.85%
2005	2006	1,652,734	1,620,199	98.03%	32,163	1,652,362	99.98%
2006	2007	1,709,090	1,664,836	97.41%	31,385	1,696,221	99.25%
2007	2008	1,791,939		<sup>2</sup>	<sup>2</sup>	<sup>2</sup>	

## Note:

1. No County in the State of Ohio identifies delinquent tax collections by tax year.
2. Information not available at this time.



**City of Powell**  
**Principal Revenue Payers for Property Taxes**  
**December 31, 2007**

<b>Property Taxpayer</b>	<b>2006<sup>1</sup></b>			<b>1997</b>		
	<b>Taxable Assessed Value</b>	<b>Rank</b>	<b>Percentage of Total Taxable Assessed Value</b>	<b>Taxable Assessed Value</b>	<b>Rank</b>	<b>Percentage of Total Taxable Assessed Value</b>
Kinsale Golf & Fitness Club LLC	3,607,600	1	0.79%			
Huffman Louis V				1,155,280	1	0.77%
Columbus Southern Power				898,440	3	0.60%
Columbia Gas of Ohio				901,750	2	0.60%
Triangle Properties Inc.	2,109,570	2	0.46%			
LDH 2000 Family Ltd. Partnership	1,723,860	3	0.38%			
R P Estates				681,810	4	0.45%
M/I Homes of Central Ohio LLC	1,588,160	4	0.35%			
Bob Webb Lakes Edge LLC	1,292,890	5	0.28%			
Your Financial Community				490,530	6	0.33%
CV Real Property LLC	1,159,820	6	0.25%			
Scioto Run Associates				439,720	7	0.29%
Alcot, William M.	1,072,830	7	0.24%	667,800	5	0.45%
Rennob Inc.				416,420	8	0.28%
Virginia Homes Ltd.	835,830	8	0.18%			
VJP Ltd.	772,730	9	0.17%			
North Central Ohio District Church of the Nazarene	766,430	10	0.17%			
President's Club				414,200	9	0.28%
Bus				405,120	10	0.27%

**City of Powell**  
**Principal Revenue Payer Type for Income Taxes**  
**December 31, 2007**  
(cash basis of accounting)

<b>Year</b>	<b>Individual</b>			<b>Business</b>		<b>Total Income Tax</b>	
	<b>Withholding</b>	<b>% of total</b>	<b>Non-withholding</b>	<b>% of total</b>	<b>Net Profits</b>		<b>% of total</b>
1998	477,027	31.9%	954,316	63.8%	65,136	4.4%	1,496,479
1999	534,868	29.7%	1,146,583	63.7%	119,644	6.6%	1,801,095
2000	662,961	32.3%	1,328,672	64.8%	59,697	2.9%	2,051,330
2001	681,049	30.5%	1,476,055	66.1%	76,026	3.4%	2,233,130
2002	739,567	29.4%	1,642,261	65.2%	135,072	5.4%	2,516,900
2003	838,370	31.6%	1,634,050	61.6%	182,105	6.9%	2,654,525
2004	859,794	31.4%	1,670,349	60.9%	212,291	7.7%	2,742,434
2005	938,613	30.1%	1,931,808	62.0%	244,241	7.8%	3,114,662
2006	1,024,848	28.2%	2,345,698	64.5%	263,559	7.3%	3,634,105
2007	1,076,455	29.9%	2,420,306	67.2%	102,336	2.8%	3,599,097

Note:

1. The 2006 year is the most recent year available for this information.

Sources:

1. City of Powell Finance Department
2. Delaware County, Ohio Auditor's Office
3. Regional Income Tax Agency

City of Powell, Ohio  
Ratios of Outstanding Debt by Type  
Last Ten Fiscal Years

Governmental Activities						
Fiscal Year	General Obligation Bonds	Percentage of Personal Income	Per Capita	Bond Anticipation Notes	Percentage of Personal Income	Per Capita
1998	\$ 3,310,000	1.68%	\$ 664.53	550,000	0.28%	\$ 110.42
1999	5,720,000	2.91%	\$ 1,017.25	375,000	0.19%	\$ 66.69
2000	5,525,000	2.81%	\$ 884.42	190,000	0.10%	\$ 30.41
2001	5,325,000	2.71%	\$ 797.75			
2002	16,030,000	7.48%	\$ 2,201.92	6,000,000	2.80%	\$ 824.18
2003	15,660,000	6.50%	\$ 1,914.66	7,000,000	2.91%	\$ 855.85
2004	21,150,000	7.93%	\$ 2,335.47	6,210,000	2.33%	\$ 685.73
2005	20,175,000	6.74%	\$ 1,986.31	6,900,000	2.31%	\$ 679.33
2006	21,780,000	6.26%	\$ 1,844.36	6,900,000	1.98%	\$ 584.30
2007	20,570,000	5.68%	\$ 1,673.45	6,900,000	1.91%	\$ 561.34

City of Powell, Ohio  
 Ratios of General Bonded Debt Outstanding  
 Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Funds	Total	Percentage of Estimated Actual Taxable Value of Property	Per Capita
1998	\$ 3,310,000	2,764,814	545,186	0.117%	\$ 109.45
1999	5,720,000	69,218	5,650,782	1.001%	\$ 1,004.94
2000	5,525,000	26,069	5,498,931	0.910%	\$ 880.25
2001	5,325,000	36,199	5,288,801	0.830%	\$ 792.33
2002	16,030,000	40,607	15,989,393	2.051%	\$ 2,196.35
2003	15,660,000	51,703	15,608,297	1.822%	\$ 1,908.34
2004	21,150,000	61,237	21,088,763	2.203%	\$ 2,328.71
2005	20,175,000	35,826	20,139,174	1.673%	\$ 1,982.79
2006	21,780,000	28,868	21,751,132	1.658%	\$ 1,841.91
2007	21,570,000	26,354	21,543,646	1.568%	\$ 1,752.66

Note:

Modified accrual reports not prepared prior to FY2000; FY1998 - 1999 shown on cash basis

**City of Powell, Ohio**  
**Legal Debt Margin Information**  
*(accrual basis of accounting)*

	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>
Overall debt limit	\$ 15,755,786	\$ 16,953,885	\$ 20,510,992	\$ 21,961,615
Total net debt applicable to limit	1,095,186	6,025,782	5,688,931	5,288,801
Legal debt margin	\$ 14,660,600	\$ 10,928,103	\$ 14,822,061	\$ 16,672,814
Total net debt applicable to the limit as a percentage of debt limit	7.0%	35.5%	27.7%	24.1%
-----				
Unvoted debt limit	\$ 8,253,031	\$ 8,880,606	\$ 10,743,853	\$ 11,503,703
Total net debt applicable to limit	-	-	-	-
Legal debt margin	\$ 8,253,031	\$ 8,880,606	\$ 10,743,853	\$ 11,503,703
Total net debt applicable to the limit as a percentage of debt limit	0.0%	0.0%	0.0%	0.0%

**Legal Debt Margin Calculation for Fiscal Year 2007**

<u>Overall (Voted and Unvoted) Debt Limitation:</u>	
Total assessed value	\$ 455,979,627
Debt limit (10 1/2% of total assessed value)	47,877,861
Debt applicable to limit:	
General obligation bonds & notes	28,680,000
Less: Amount set aside for repayment of general obligation debt	<u>368,685</u>
Total net debt applicable to limit	<u>28,311,315</u>
Legal debt margin	<u>\$ 19,566,546</u>

Sources:

1. City of Powell Finance Department
2. Inside debt limit information not currently available

Table O

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
\$	23,160,483	\$ 28,270,781	\$ 31,147,624	\$ 34,863,430	\$ 43,933,443	\$ 47,877,861
	21,989,393	22,608,297	27,298,763	27,039,174	28,651,132	28,680,000
\$	1,171,090	\$ 5,662,484	\$ 3,848,861	\$ 7,824,256	\$ 15,282,311	\$ 19,197,861
	94.9%	80.0%	87.6%	77.6%	65.2%	59.9%

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\$	12,131,682	\$ 14,808,504	\$ 16,315,422	\$ 18,261,797	\$ 23,012,756	\$ 25,078,879
	15,966,370	17,339,374	16,788,391	16,690,949	19,266,532	19,024,350
\$	23,006,075	\$ 25,521,801	\$ 26,844,185	\$ 28,590,971	\$ 34,953,888	\$ 6,054,529
	89.6%	72.3%	64.5%	56.6%	51.9%	75.9%

Unvoted Debt Limitation:

Total assessed value	\$ 455,979,627
Debt limit (5 1/2% of total assessed value)	25,078,879
Debt applicable to limit:	
General obligation bonds & notes	28,680,000
Less: Debt outside limitations	<u>9,360,000</u>
Debt within limitation	19,320,000
Less: Amount set aside for repayment of general obligation debt	<u>295,650</u>
Total net debt applicable to limit	<u>19,024,350</u>
Legal debt margin	<u><u>\$ 6,054,529</u></u>

City of Powell, Ohio  
 Computation of Direct and Overlapping  
 Debt Attributable to Governmental Activities  
 December 31, 2007

	Debt Outstanding	Percentage Applicable to City <sup>1</sup>	Amount of Direct and Overlapping Debt
Direct:			
City of Powell	\$ 28,680,000	100.00%	\$ 28,680,000
Overlapping:			
Delaware County	46,480,000	2.55%	1,185,240
Olentangy Schools <sup>2</sup>	310,171,014	14.54%	45,098,865
Liberty Township <sup>3</sup>	5,044,984	52.53%	2,650,130
Other Governments - Library	575,000	2.55%	14,663
Other Governments - JVSD	-	8.72%	-
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total	\$ <u>390,950,998</u>		\$ <u>77,628,898</u>

## Note:

1. The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the government's taxable assessed value that is within the City's boundaries and dividing it by City's total taxable assessed value.
2. The school district debt is as of June 30, 2006.
3. Liberty Township debt is an estimation as of December 31, 2006 based on the December 31, 2004 annual financial report. No current information was available.



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**City of Powell, Ohio  
General Demographic Characteristics  
Based on Census Years**

	<u>2000</u>	<u>1990</u>
<b>Population</b>	6,247	2,154
<b>Age Distribution</b>		
Under 5 years	736	241
5 to 19 years	1,590	401
20 to 64 years	3,681	1,462
65 years and older	240	50
<b>Race</b>		
White	5,890	2,088
Asian	186	28
Black	97	34
Other	74	4
<b>Education Attainment</b>		
No diploma	48	*
High School	321	*
Some college	599	*
College degree	1,914	*
Graduate	968	*
<b>Income of Households</b>		
Less than \$74,999	431	*
Over \$75,000	1,563	*
Median income	\$ 115,904	*
<b>Sex</b>		
Male	3,137	1,091
Female	3,110	1,063
<b>Housing Units</b>		
Total housing units	2,002	752
Owner-occupied units	1,835	637
Renter-occupied units	62	30
Median value of unit	\$259,200	\$236,600

\*Information not available or kept

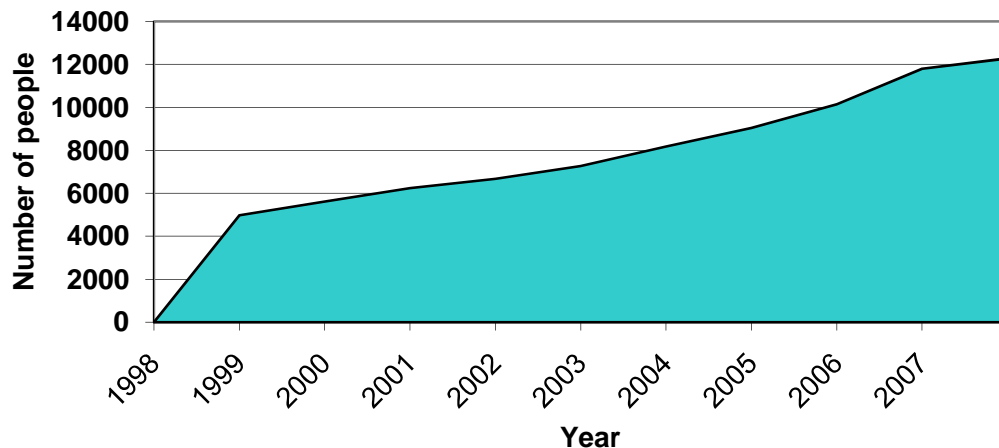
Source:  
U.S. Bureau of the Census



**City of Powell, Ohio**  
**Demographic and Economic Statistics**  
**Last Ten Fiscal Years**

Fiscal Year	Population <sup>1</sup>	Personal Income (amount expressed in thousands)	Per Capita Personal Income <sup>2</sup>	Median Age <sup>2</sup>	School Enrollment <sup>3</sup>	Unemployment		
						Delaware County Rate <sup>4</sup>	State Rate <sup>4</sup>	U.S. Rate <sup>4</sup>
1998	4,981	*	*	*	4,338	2.00%	4.30%	4.50%
1999	5,623	*	*	*	4,971	2.10%	4.20%	4.20%
2000	6,247	\$ 183,976	\$ 117,801	34.7	5,489	1.80%	4.10%	4.00%
2001	6,675	\$ 196,580	\$ 117,801	34.7	6,345	2.20%	4.30%	4.80%
2002	7,280	\$ 214,398	\$ 117,801	34.7	6,802	3.30%	5.70%	5.80%
2003	8,179	\$ 240,874	\$ 117,801	34.7	7,548	3.60%	6.10%	6.00%
2004	9,056	\$ 266,701	\$ 117,801	34.7	8,582	4.00%	6.10%	5.50%
2005	10,157	\$ 299,126	\$ 117,801	34.7	9,615	3.80%	5.90%	4.90%
2006	11,809	\$ 347,778	\$ 117,801	34.7	11,961	3.40%	5.60%	4.50%
2007	12,292	\$ 362,002	\$ 117,801	34.7	12,907	4.20%	5.50%	4.50%

### Population Growth



Source:

1. Non Census years are estimates from City of Powell Development Department

2. U.S. Census Bureau, 2000 Census

\*Information not available or kept

3. Olentangy Local School District, Audited Financial Statements and website for projected 2007-2008

4. Ohio Workforce Informer and Delaware County, Ohio Audited Financial Statements

**City of Powell, Ohio**  
**Principal Employers**  
**As of December 31, 2006 and December 31, 1997**

<u>Employer</u>	<u>Principal Business</u>	<u>Rank</u>	<u>2006</u>		<u>Rank</u>	<u>1997</u>	
			<u>Number of Employees</u>	<u>% of Total Employment</u>		<u>Number of Employees</u>	<u>% of Total Employment</u>
State of Ohio	Government	1	26,613	3.96%	1	28,015	4.71%
The Ohio State University	Education	2	19,919	2.97%	3	15,707	2.64%
JP Morgan Chase & Co. (formerly Bank One)	Finance	3	14,276	2.13%	4	10,992	1.84%
Nationwide	Finance	4	11,834	1.76%	6	8,640	1.45%
United States Government Ohio Health (formerly Grant/Riverside)	Government	5	10,477	1.56%	2	16,500	2.77%
City of Columbus	Health Care	6	9,413	1.40%			
Columbus Public Schools	Government	7	8,106	1.21%	7	7,570	1.27%
Limited Brands	Education	8	7,432	1.11%	8	7,557	1.27%
AT&T Ohio (formerly SBC Ohio)	Trade	9	7,200	1.07%	5	10,000	1.68%
Wal-Mart Stores, Inc.	Utility	17		0.00%			
Franklin County	Trade	10	6,449	0.96%			
Kroger Co.	Government	11		0.00%	10	6,300	1.06%
Mount Carmel Health	Trade	12		0.00%	9	7,500	1.26%
American Electric Power	Health Care	13		0.00%			
Huntington Bancshares, Inc.	Utility	14		0.00%			
Children's Hospital, Inc.	Finance	15		0.00%			
Battelle	Health Care	16		0.00%			
Medco Health Solutions, Inc.	Techology	18		0.00%			
South-Western City Schools	Health Care	19		0.00%			
	Education	20		0.00%			
Total Principal Employers			121,719	18.32%		118,781	19.96%
Franklin County Employment			590,100			552,400	
Delaware County Employment			81,500			42,750	

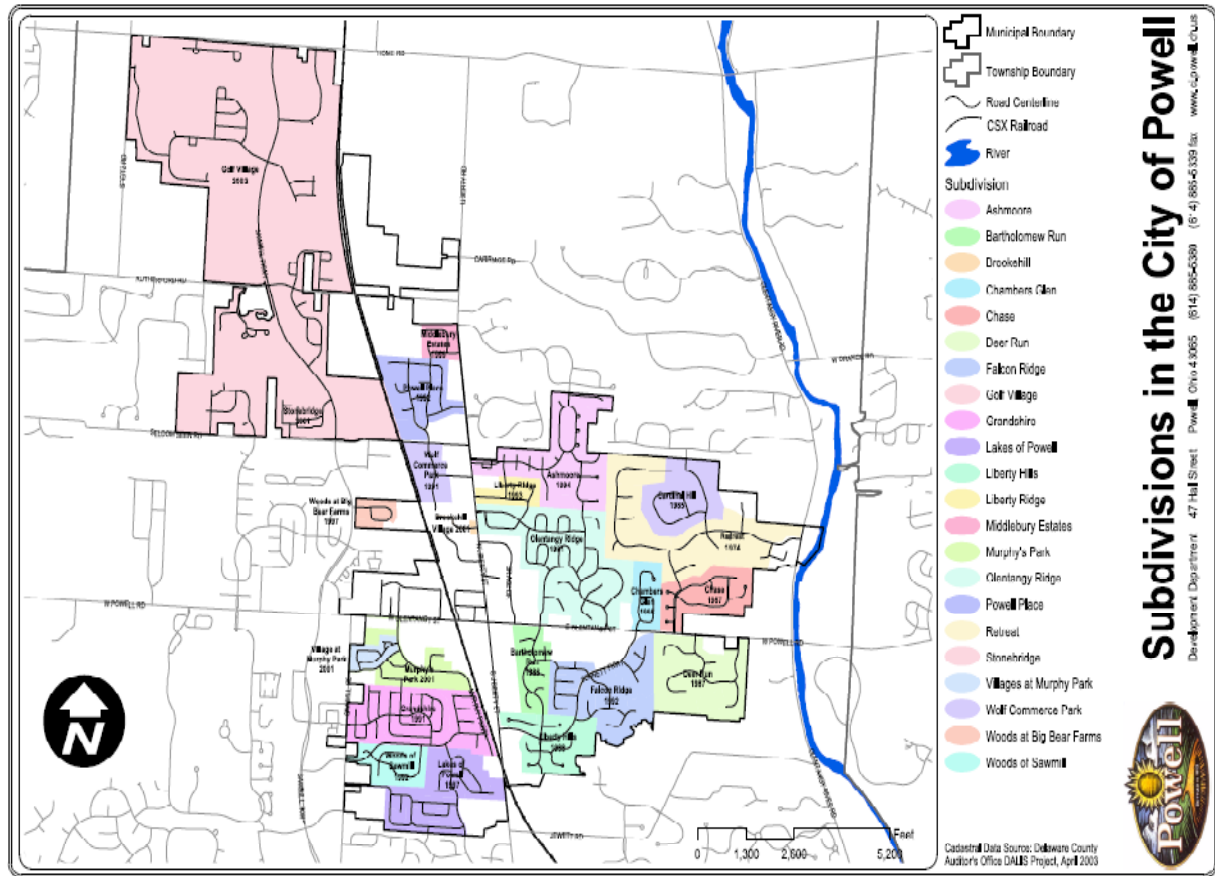
## Note:

The City of Powell receives over 90% of its income tax revenue from individuals who work outside the City of Powell. Therefore, the City has reported the largest employers within Delaware and Franklin County where the majority of its residents work. The 2006 year is the most recent year available for this information.

## Source:

1. Franklin and Delaware County audited Financial Statements
2. Business First, Columbus Metropolitan Book of Lists

### City of Powell, Ohio Growth in Land Area For Selected Years



Years	Acres annexed	Total Acres	Square Miles
1947		263.0	0.41
1948 - 1975	480.5	743.5	1.16
1976 - 1980	56.3	799.8	1.25
1981 - 1985	28.1	827.9	1.29
1986 - 1990	450.9	1,278.8	2.00
1991 - 1995	487.4	1,766.2	2.76
1996 - 2000	212.0	1,978.2	3.09
2001 - 2005	1,157.1	3,135.3	4.90
2006	2.5	3,137.8	4.90
2007	4.1	3,141.9	4.91

Source:  
 City of Powell, Development Department  
 City of Powell Codified Ordinances, Resolutions and Record of Proceedings

City of Powell, Ohio  
Operating Indicators by Function  
Last Ten Fiscal Years

	1998	1999	2000
<i>Public Safety</i>			
Traffic Citations	825	535	413
Arrests	129	111	120
Accidents	53	65	96
<i>Parks and Leisure</i>			
Programs offered	(1)	(1)	n/a
Program registrations	(1)	(1)	n/a
<i>Community Environment</i>			
<i>Building Dept.</i>			
Single-family building permits issued	165	141	103
Remodeling permits issued	27	32	25
Commercial building permits issued	47	28	34
<i>Development Dept.</i>			
Number of Planning & Zoning Projects Reviewed	11	6	8
Number of Board of Zoning Projects Reviewed	12	3	9
Number of Historical Downtown Projects Reviewed	12	9	10
<i>Engineering Dept.</i>			
Number of Engineering Plan Approvals	15	11	9
Number of Conditional Inspection Approvals	4	2	12
Number of Final Inspection Approvals	120	116	122
<i>Public Services</i>			
Snow accumulation per winter season (inches)	3.75	30.25	18.75
<i>General Government</i>			
<i>Community Affairs Dept.</i>			
Number of City sponsored events	(1)	(1)	(1)
<i>Finance Dept.</i>			
Vehicle registrations	5,815	5,672	6,354
Number of purchase orders issued	n/a	n/a	1,298
Finance Committee Meetings	n/a	n/a	n/a
<i>Council</i>			
Number of ordinances issued	67	61	48
Number of resolutions issued	23	18	15
Council meetings	24	24	24

n/a = information not kept or available

Note:

(1) Department didn't exist during this period

(2) Information is not for the complete year

Sources:

1. Ohio Department of Public Safety, License Statistics report
2. City of Powell various departments

Table U

<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
759	570	414	417	493	348	420
164	158	167	117	169	180	208
81	73	82	88	91	104	105
175	169	204	259	321	266	268
458	961	1,249	1,631	1,370	2,011	2115
105	127	261	209	216	138	94
43	27	54	38	36	31	34
83	174	203	271	283	221	268
6	8	8	14	8	31	14
8	8	4	1	5	2	3
13	12	3	11	4	4	7
39	37	24	29	28	13	10
16	9	43	53	21	86	62
97	52	168	102	211	244	103
16.75	5.25	54.00	25.25	35.25	3.50	25.25
(1)	7	7	8	7	11	10
4,836	8,227	9,218	10,190	9,369	9,922	9,986
1,951	1,595	1,400	1,420	1,603	1,254	1,459
7	5	10	10	11	11	14
77	59	77	83	66	71	64
21	26	18	24	37	41	26
25	26	25	26	24	24	27

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City of Powell, Ohio  
Capital Assets Statistics by Function  
Last Ten Years

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	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>
<b>Parks</b>				
Bike paths (feet) <sup>2</sup>	41,676	42,521	42,521	48,782
Buildings	1	1	1	1
Park Land (undeveloped)	2	3	3	4
Parks	2	2	2	2
<b>Public Service</b>				
Streets - Commercial (miles) <sup>2</sup>	9.99	9.99	9.99	9.99
Streets - Residential (miles) <sup>2</sup>	52.82	52.82	52.82	52.82
Vehicles				
Building <sup>1</sup>	1.3	1.3	1.5	1.5
<b>Police</b>				
Vehicles				
Police Station <sup>1</sup>	0.3	0.3	0.5	0.5
<b>Administration</b>				
Building <sup>1</sup>	1.3	1.3	1	1

Note:

1. Administration, Public Service and Police shared a building prior to 2000; After 2000, only Public Service and Police shared the building because a building was purchased in 1997 and then renovated for the administration use.
2. The City implemented GASB Statement No. 34 in 2002 which required the tracking of capital assets therefore only the balance at the beginning of the 2002 is known for many of the previous years. When the actual number is actually available it has been reflected.
3. Administration utilized a building which was connected to an open garage. In 2007, the open garage section and exterior was renovated to include a new police facility.

Table V

2002	2003	2004	2005	2006	2007
62,166	63,888	63,888	64,036	64,841	65,587
1	1	1	1	1	1
6	7	7	3	3	3
2	2	2	9	9	9
21.82	21.82	21.82	21.82	21.82	22.29
92.06	95.22	95.22	96.32	96.32	98.49
	9	10	12	12	11
1.5	2.5	2.5	3.5	3.5	4.0
	10	10	9	10	10
0.5	0.5	0.5	0.5	0.5	0.5
1	1	1	1	1	0.5



**City of Powell, Ohio**  
**Full-time Equivalent Employees by Function**  
**Last Ten Fiscal Years**

<b>Function</b>	<b>Full-time Equivalent Employees as of December 31</b>				
	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>
Public Safety	15.0	16.0	16.0	16.0	17.0
Parks and Recreation					
Park Maintenance	1.0	1.0	1.0	0.5	0.5
Recreation Programs			4.0	4.0	4.5
Community Environment					
Building Dept.	3.0	3.0	3.0	3.0	4.0
Development Dept.	2.0	2.0	2.0	2.0	2.0
Engineering Dept.	3.0	2.0	2.0	2.0	2.0
Public Services	3.0	3.0	4.0	4.0	4.0
General Government					
Administration	2.0	2.0	2.0	2.0	2.0
Community Affairs					1.0
Finance	2.0	1.5	1.5	2.0	2.0
Mayor/Council	1.0	1.0	1.0	1.0	1.0
<b>Total</b>	<b>32.0</b>	<b>31.5</b>	<b>36.5</b>	<b>36.5</b>	<b>40.0</b>

<b>Function</b>	<b>Full-time Equivalent Employees as of December 31</b>				
	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
Public Safety	17.0	18.0	18.0	18.0	18.0
Parks and Recreation					
Park Maintenance	0.5	2.0	5.0	5.0	7.0
Recreation Programs	4.0	4.0	4.5	4.5	3.5
Community Environment					
Building Dept.	4.0	5.0	5.0	5.0	5.0
Development Dept.	2.0	2.0	2.0	2.5	2.5
Engineering Dept.	3.0	3.0	3.0	3.0	3.0
Public Services	4.0	5.0	5.0	5.0	6.0
General Government					
Administration	2.0	2.0	2.0	2.0	2.0
Community Affairs	1.0	1.0	1.0	1.0	1.0
Finance	2.0	2.0	3.0	3.0	3.0
Mayor/Council	1.0	1.0	1.0	1.0	1.5
<b>Total</b>	<b>40.5</b>	<b>45.0</b>	<b>49.5</b>	<b>50.0</b>	<b>52.5</b>

Note:

All part-time employees for the purposes of this chart are considered to be a 1/2 time employees.

Sources:

1. City of Powell Finance Department





**Mary Taylor, CPA**  
Auditor of State

**CITY OF POWELL**  
**DELAWARE 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**  
**MAY 22, 2008**