

Mary Taylor, CPA
Auditor of State

CITY OF WESTERVILLE
FRANKLIN COUNTY

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Mary Taylor, CPA

Auditor of State

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

City of Westerville
Franklin County
21 South State Street
Westerville, Ohio 43081-2119

To the City Council:

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Westerville, Franklin County, Ohio, (the City) as of and for the year ended December 31, 2008, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 23, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

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

A control deficiency exists when the design or operation of a control does not allow management or employees, in 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's ability to initiate, authorize, record, process, or report financial data reliably in accordance with its applicable accounting basis, such that there is more than a remote likelihood that the City's internal control will not prevent or detect a more-than-inconsequential financial statement misstatement.

A material weakness is a significant deficiency, or combination of significant deficiencies resulting in more than a remote likelihood that the City's internal control will not prevent or detect a material financial statement misstatement.

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 internal control deficiencies that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above.

Compliance and Other Matters

As part of reasonably assuring whether the City's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

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

A handwritten signature in cursive script that reads "Mary Taylor".

Mary Taylor, CPA
Auditor of State

June 23, 2009

City of Westerville, Ohio

Comprehensive Annual Financial Report

For the Year Ended December 31, 2008

Issued by the Department of Finance

John P. Winkel
Director of Finance

Gina Love
Assistant Finance Director

City of Westerville, Ohio
Comprehensive Annual Financial Report
For the Year Ended December 31, 2008

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City of Westerville
Finance Department

June 23, 2009

To Members of Westerville City Council and Citizens of the City of Westerville, Ohio:

The Comprehensive Annual Financial Report (CAFR) of the City of Westerville, Ohio (the City), for the year ended December 31, 2008 is hereby submitted.

The report is prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) and in conformance with standards of financial reporting as established by the Governmental Accounting Standards Board (GASB) using guidelines as recommended by the Government Finance Officers Association of the United States and Canada (GFOA).

Ohio law requires that every city file its unaudited financial statements with the Auditor of State and publish their availability within 150 days of the close of each year. The general purpose external financial statements from this report were filed to fulfill that requirement for the year ended December 31, 2008.

The City's Department of Finance is responsible for the accuracy of the data and the completeness and fairness of the presentation, including all disclosures. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to fairly present the financial position and results of operations of the City. To provide a reasonable basis for making these representations, management of the City has implemented a comprehensive internal control structure, which meets the objectives of 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.

The Auditor of the State of Ohio (independent auditor) has audited the financial statements of the City. The objective of the independent audit was to provide reasonable assurance that the financial statements of the City for the year ended December 31, 2008, are free from material misstatement. The independent audit involved examining, on a test basis, evidence supporting amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the City's financial statements for the year ended December 31, 2008, are fairly presented in conformity with GAAP. The Independent Accountants' Report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This Letter of Transmittal is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the Independent Accountants' Report.

PROFILE OF THE CITY

The City operates under and is governed by its Charter, adopted by the voters in 1964, which has been and may be amended by the voters from time to time. The Charter provides for a Council-City Manager form of government. The City is also subject to some general laws applicable to all cities. Under the Ohio Constitution, the City may exercise all powers of local self-government, and police powers to the extent that they are not in conflict with applicable general laws.

Legislative authority is vested in a seven-member Council, all of whom are elected at-large for staggered four-year terms. Council fixes compensation of City officials and employees, and enacts ordinances and resolutions relating to City services, tax levies, appropriating and borrowing money, regulating businesses and trades, and other municipal purposes. The presiding officer of Council is the chairman elected by Council for a two-year term. The Charter establishes certain administrative departments. Council may establish divisions of those departments and additional departments.

The City's chief executive and administrative officer is the City Manager, who is appointed by the Council to serve at its pleasure. The City Manager may be removed at will by a vote of two-thirds of members of the Council. The Mayor, elected by Council, is the City's ceremonial and official chief executive.

Council appoints the Director of Law and Clerk of Council, and the City Manager appoints, subject to confirmation by Council, the directors of the other City departments. The principal officials appointed by, and who serve at the pleasure of, the City Manager are the Assistant City Manager, and the Directors of Finance, Public Safety, Public Service, Public Utilities and Parks and Recreation. The City Manager also appoints and removes, in accordance with civil service requirements, all other officers and employees.

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements are not misleading.

The primary government of the City consists of all funds and departments that provide various services including public safety, public service, street maintenance, parks and recreation, a senior center, engineering, and general administrative services. The City is responsible for the construction, maintenance and repairs associated with all public infrastructures that include the electric, water, sewer and storm sewer lines. The City of Columbus and Delaware County provide sewer treatment services pursuant to long-term contracts. Council and the City Manager have direct responsibility for the activities mentioned above.

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; is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to the organization; or is obligated for the debt of the organization. Component units may also include organizations for which the City approves the budgets, the issuance of debt or the levying of taxes.

Certain organizations, although sharing some degree of name similarity with the City, are separate and distinct entities, not only from the City but also from each other. The City is not financially accountable for these entities. Because of their independent nature, none of these organizations' financial statements are included in this report. Based on these criteria, the Westerville City School District and the Westerville Public Library have been excluded because the City is not financially accountable for them nor are the entities fiscally dependent on the City.

LOCAL ECONOMY

The City of Westerville, despite the current State and national economic conditions, continues to attract new employers and quality jobs to the community. These new employers have been attracted to the Westar Center of Business as well as our more mature developments such as Eastwind, Brooksedge, and the Westerville Commerce Center. These new developments, in combination with the expansion of several of our existing companies, have had a significantly positive impact on the City. Westerville continues to strive toward maintaining a delicate balance by attracting businesses across the entire Westerville landscape.

In 2003, Exel Logistics decided to stay in Westerville and moved its headquarters to the Westar Center of Business. The deal not only kept 225 current jobs in Westerville, but provided the opportunity for Exel to expand to a total of 581 employees by the end of 2008.

Other successes to bring new jobs to Westerville include ABB Industries and MacTools, which have brought 155 and 173 new jobs, respectively, to the Westar Center of Business. The ProCentury Corp., parent company of property-casualty insurer Century Insurance Group, moved its corporate headquarters to Westerville in late 2003. The company, located at 465 Cleveland Avenue, expanded into the building next door at 505 Cleveland Avenue in 2007 and has grown to 289 employees.

Children's Hospital opened a Children's Close to Home facility, which employs 75 medical professionals, in the Westar Center of Business in September 2003. In 2006, Children's Hospital opened the Children's Sports Medicine and Orthopedics Center in a new building next door – one of only four known facilities in the country dedicated to the youth athlete.

Two speculative office buildings, completed in 2006, 440 Polaris Parkway and 600 Cleveland Avenue, are now fully occupied and employ 583 and 275 employees, respectively. Another speculative office building at 460 Polaris Parkway (145,000 square feet) is currently under construction and is expected to create an additional 400 jobs when fully occupied. Construction of retail in the immediate vicinity to support these new office buildings continues to occur.

In January of 2009, OhioHealth celebrated the opening of its new 210,000 square foot urgent care, ambulatory service center and medical office building. Over the next few years, the facility will fill out and generate over 295 new jobs with a payroll of \$23 million dollars. Within the next five years, a second medical office building is expected to be constructed on the site, adding approximately another 100 jobs.

Since the onset of development beginning with the opening of Liebert Global Services in 1999 (now employing 307), the Westar Center of Business has brought over 4,100 jobs to the City of Westerville with a payroll approaching three hundred million dollars, over 1/3 of these jobs have been related to the health care industry.

Westerville officials continue to attract companies to well established office areas in the Brooksedge and Eastwind Office Parks in the South State Street area and the Westerville Commerce Center to the north. Some of the new companies attracted to the southern mature office areas within the last year include Johnson Controls (105 employees with growth expected to 160 employees) and CPA Advisory Group (13 employees).

One company in the Westerville Commerce Center light industrial/office park continues to experience growth. Progressive Medical, which completed an addition in 2006 that nearly tripled the size of its office space, has grown from 276 to 387 employees in the last two years and is expecting to add another 50 jobs in 2009.

Westerville remains committed to attracting companies and developers with a sharp eye for detail, both in building construction and the quality of employers that will reside in Westerville. These new businesses will supplement City services and provide good employment opportunities for Westerville residents.

One advantage Westerville has is its access to Interstate Highways 71 and 270, which have recently been reconstructed and expanded. The City also has its own electric and water utilities that provide commercial users with lower rates than elsewhere in central Ohio. Employers are also attracted by the highly educated workforce, and other amenities such as our own local Mt. Carmel St. Ann's Hospital, Otterbein College, and numerous recreational and cultural activities.

LONG-TERM FINANCIAL PLANNING

Fiscal policies have been established for the General Fund, Water Fund, Sewer Fund, Refuse Fund and Electric Fund. These are utilized each month to review the sufficiency of fund balance in the Monthly Interim Financial Reports that are reviewed with the Audit/Finance Review Committee and provided to Council members. The Fiscal policies are also integral to the five year financial plan presented each year to Council while presenting the annual budget request for the following year. Council can then make better decisions regarding the use of resources and the sufficiency of the funds to handle expected operating expenditures and projected capital projects.

RELEVANT FINANCIAL POLICES

Currently there is an additional .25 percent income tax approved by the voters to fund Parks and Recreation. This revenue source is segregated and distributed to provide for debt service on the bonds issued to finance major facilities, for reserves for future replacement and repairs of those facilities, and to supplement existing funds for the operations of the Parks and Recreation Department. This is in keeping with the proposals presented to the voters.

MAJOR INITIATIVES

FOR THE YEAR

Recreational opportunities continue to expand in Westerville. Aside from the Community Center, our most celebrated recreational initiatives during the past decade have been the expansion of our bike and leisure paths and the addition of new playing fields throughout Westerville. Westerville is home to 23 miles of bike and leisure paths, and our portion of the Alum Creek Leisure Path connects with the City of Columbus path for travel all the way to the Easton area. The central Ohio portion of the Alum Creek path will eventually allow users to head south to Three Creeks Metro Park in southeast Columbus. If that isn't far enough, this path is part of the 453-mile Ohio to Erie Trail which, when complete, will connect Cincinnati along the Ohio River to the Lake Erie waterfront in Cleveland. The City's Parks and Recreation department received the 2008 National Gold Medal for excellence in parks and recreation management.

Safety will always be an important component of a community's quality of life and Westerville's staff includes more than 190 full-time Police, Fire, Emergency Medical Service, and Communications Dispatcher personnel dedicated to being there for you when you need help the most. The Fire Division received Honorable Mention for the 2009 Heart Safe Community Award PAD Program, Small Community, which is presented to the agency that has implemented a community program to improve therapies for patients with acute coronary syndrome and its life-threatening complication, sudden cardiac arrest, and backend initiatives that include STEMI management. The Police Division's Westerville Citizen's Police Academy Alumni Association (WCPAAA) was named as the Citizen's Police Academy Alumni Association of the Year by the National Citizen's Police Academy Alumni Association (NCPAA) which is awarded to an NCPAA member's alumni association for outstanding efforts in a variety of activities and/or events that assist and benefit the police department and community as a whole, and the WCPAAA was the 2008 recipient of the Lifetime Presidential Service Award for the number of volunteer hours logged.

FOR THE FUTURE

The last several years have seen dramatic changes to the Westerville State Street Corridor, but the changes aren't anywhere near complete. With the State of Ohio committing to improve various I-270 interchanges in the coming years, and City leaders looking to create new City entryways into Westerville from those interchanges, look for changes to keep coming.

The SR3/I-270 interchange is currently in the Ohio Department of Transportation (ODOT) planning stages, with the City's ideas for changes being communicated to ODOT. The City is exploring different ways to take advantage of the new interchange by possibly creating a new gateway into Westerville, something that tells people that Westerville is a vibrant and fun place to live, work or visit. Conceptual ideas for the gateway could include welcoming entrance portals and fencing of brick and iron, decorative light posts and mast arms, and updated landscaping.

More streets than ever before are showing signs of age because many of the neighborhoods were built during the 1970s, '80s and '90s, and this is occurring at a time when the budget constraints are providing fewer dollars for infrastructure investment. In November 2008, the voters passed the Income Tax Restructuring issue to increase the City's 1.25 percent income tax to 2.0 percent, with full credit. Prior to passing the levy, a non-resident working in Westerville paid 1.25 percent while a City resident working in a City with a 2.0 percent tax paid an effective rate of 2.3 percent. By addressing this inequity the City will have a long-term sustainable income source for many infrastructure projects while allowing the City to maintain the current level of other City services. The levy went into effect on January 1, 2009.

The Electric Division is in the process of constructing a new substation in the Westar Center of Business, close to the Cleveland Avenue/County Line Road intersection. When complete, this substation will play a key role not only for the Westar area, but for all of Westerville, because it will serve as a crucial electric back-up in the event of a substation failure at another Westerville location.

AWARDS AND ACKNOWLEDGEMENTS

CERTIFICATE OF ACHIEVEMENT

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Westerville, Ohio, for its comprehensive annual financial report for the year ended December 31, 2007. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. The report must satisfy both generally accepted accounting principles and applicable legal requirements.

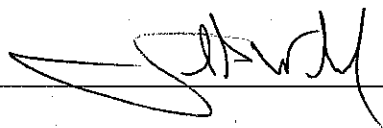
A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

ACKNOWLEDGMENTS


Sincere gratitude goes to City Council for granting the funds for this project. The Finance Department prepared this Comprehensive Annual Financial Report with the efficient and dedicated services of its entire staff and the City Manager's Office staff. We wish to express our appreciation to everyone who contributed to its preparation.

Copies of this Comprehensive Annual Financial Report are on file in the Westerville Public Library for use by the general public. It is also available on the City's website at www.westerville.org.

Respectfully submitted,



John P. Winkel
Director of Finance



Gina Love
Assistant Finance Director

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Westerville
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2007

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.



A handwritten signature in black ink, appearing to read "M. L. Post".

President

A handwritten signature in black ink, appearing to read "Jeffrey R. Emer".

Executive Director

City of Westerville, Ohio

Elected and Appointed Officials
As of December 31, 2008

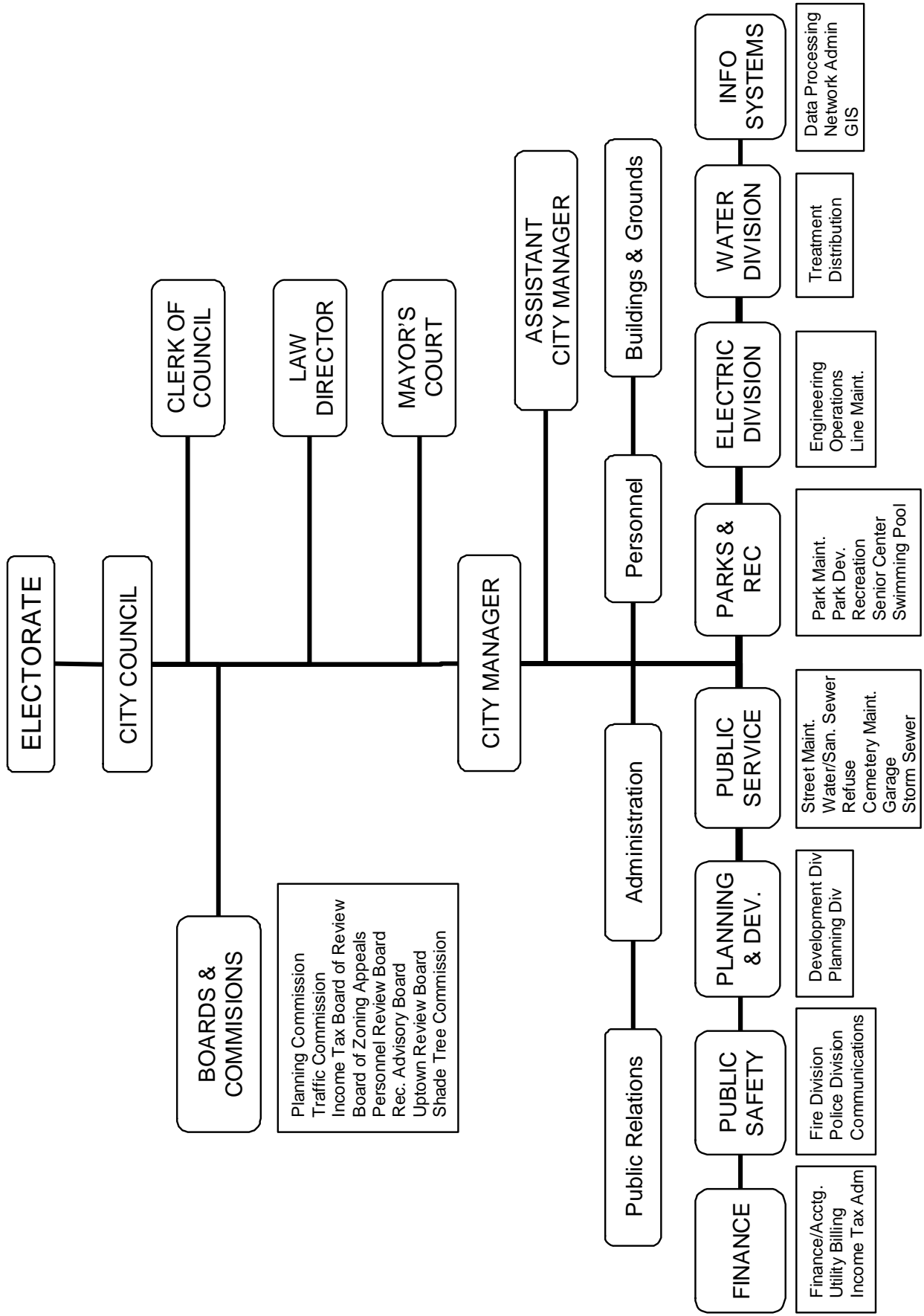
Elected Officials

Michael Heyeck	Council Member
Diane C. Fosselman	Council Member, Chair of Council
Anne H. Gonzales	Council Member, Mayor
Kathleen Cocuzzi	Council Member, Vice Mayor
William E. Highfield	Council Member
Craig P. Treneff	Council Member, Vice Chair
Terry L. Winebrenner	Council Member

Appointed Officials

David A. Collinworth	City Manager
Bruce E. Bailey	Director of Law
John P. Winkel	Director of Finance
Frank A. Wiseman	Director of Public Service
Jody L. Stowers	Director of Parks and Recreation
Karl P. Craven	Director of Planning and Development
Mary J. Johnston	Clerk of Council
Joseph A. Morbitzer	Police Chief
Bernard E. Ingles	Fire Chief
Andrew M. Boatright	Electric Utility Manager
Richard C. Lorenz	Water Plant Superintendent

CITY OF WESTERVILLE – ORGANIZATION CHART





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Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

City of Westerville
Franklin County
21 South State Street
Westerville, Ohio 43081-2119

To the City Council:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Westerville, Franklin County, Ohio (the City), as of and for the year ended December 31, 2008, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Westerville, Franklin County, Ohio, as of December 31, 2008, and the respective changes in financial position and where applicable, cash flows, thereof and the respective budgetary comparisons for the General, Fire Operating, and Parks and Recreation Operating Funds and for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 23, 2009, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

Management's Discussion and Analysis and Infrastructure Assets Accounted for Using the Modified Approach are not a required part of the basic financial statements but are supplementary information accounting principles generally accepted in the United States of America requires. We have applied certain limited procedures, consisting principally of inquiries of management regarding the methods of measuring and presenting the required supplementary information. However, we did not audit the information and express no opinion on them.

We conducted our audit to opine on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining nonmajor fund statements and schedules and statistical tables provide additional information and are not a required part of the basic financial statements. We subjected the combining nonmajor fund statements and schedules to the auditing procedures applied in the audit of the basic financial statements. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole. We did not subject the introductory section or statistical tables to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we express no opinion on them.

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

Mary Taylor, CPA
Auditor of State

June 23, 2009

City of Westerville, Ohio
Management's Discussion and Analysis
For The Year Ended December 31, 2008
(Unaudited)

MANAGEMENT'S DISCUSSION AND ANALYSIS

The City of Westerville's (the City) discussion and analysis of the annual financial report provides a review of the financial performance for the year ended December 31, 2008.

FINANCIAL HIGHLIGHTS

- The City's total net assets increased \$2,905,443 during 2008. Revenues of governmental activities exceeded expenses and transfers by \$3,087,117. The City's unrestricted net assets of \$23,755,848 may be used to meet the City's ongoing governmental activities' obligations based on the current levels of services provided. Net assets of business-type activities decreased by \$181,674. The City's business-type activities had unrestricted net assets of \$29,588,665, which may be used to meet the business-type activities' obligations to citizens and creditors based on the current levels of services provided.
- General revenues of governmental activities accounted for \$45,243,113. Program specific revenues in the form of charges for services and sales, grants, contributions and interest accounted for \$10,797,834. Total revenues equaled \$56,040,947.
- Enterprise funds reflected total operating income of \$507,544. The Water, Sewer, Refuse and Swimming Pool Funds reflected operating losses of (\$657,017), (\$190,746), (186,064) and (\$68,480), respectively. The Water Fund had an increase in operating expenses of \$342,576, which attributed to the loss, and this increase was due to increases in water treatment costs. The Sewer and Refuse Funds had increases in operating expenses of \$635,065 and \$216,721, respectively. The Electric Fund had operating income of \$1,609,851. The Electric Fund had an increase in operating revenues of \$2,618,205 and an increase in operating expenses of \$2,755,620.
- The City had \$52,944,207 in expenses related to governmental activities; \$10,797,834 of these expenses were offset by program specific charges for services and sales, grants, contributions and interest. General revenues (primarily income and property taxes) of \$45,243,113 were less than adequate to provide for the current year programs, and the City relied on the program specific charges of \$10,797,834 to meet expenses. The City had \$50,539,806 in expenses related to business-type activities. These expenses were offset by program specific charges for services and sales, grants, contributions and interest of \$49,865,576 which, along with \$482,933 in general revenues were adequate to cover all expenses.

USING THIS ANNUAL FINANCIAL REPORT

This annual report consists of a series of financial statements. These statements are presented so that the reader can understand the City's financial situation as a whole and also give a detailed view of the City's fiscal condition.

The Statement of Net Assets and the Statement of Activities provide information about the activities of the City as a whole and present a longer-term view of the City's finances. Major fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as the amount of funds available for future spending. The fund financial statements also look at the City's most significant funds with all other nonmajor funds presented in total in one column.

REPORTING THE CITY AS A WHOLE

Statement of Net Assets and the Statement of Activities

The analysis of the City as a whole begins with the Statement of Net Assets and the Statement of Activities. These statements provide information that will help the reader to determine if the City is financially better off or worse off as a result of the year's activities. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by private sector companies. All current year revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the City's net assets and changes to those net assets. This change informs the reader whether the City's financial position, as a whole, has improved or diminished. In evaluating the overall financial health, the reader of these financial statements needs to take into account non-financial factors that also impact the City's financial well-being. Some of these factors include the City's tax base and the condition of capital assets.

In the Statement of Net Assets and the Statement of Activities, the City is divided into two kinds of activities.

Governmental Activities – Most of the City's services are reported here including police, fire, public health, leisure time activities, community development, basic utilities, transportation, and general government.

Business-Type Activities – These services include water, sewer, electric, refuse and a swimming pool. Service fees for these operations are charged based upon the amount of usage, or, in the case of the swimming pool, admission charges. The intent is that the fees charged recoup operational costs.

REPORTING THE CITY'S MOST SIGNIFICANT FUNDS

Fund Financial Statements

The analysis of the City's major funds begins on page 9. Fund financial statements provide detailed information about the City's major funds – not the City as a whole. Some funds are required by State law and bond covenants. Other funds may be established by the Director of Finance, with the approval of Council, to help control, manage and report money received for a particular purpose or to show that the City is meeting legal responsibilities for the use of grants. The City's major funds are the General, Fire Operating, Parks and Recreation Operating, Water, Sewer and Electric Funds.

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

Proprietary Funds – Proprietary funds use the same basis of accounting as business-type activities. When the City charges citizens for the services it provides, with the intent of recapturing operating costs, these services are generally reported in enterprise funds. Internal service funds are used to account for services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis.

THE CITY AS A WHOLE

As stated previously, the Statement of Net Assets looks at the City as a whole. Table 1 provides a summary of the City's net assets for 2008 compared to 2007.

Table 1
Net Assets

	<i>Governmental Activities</i>		<i>Business-Type Activities</i>		<i>Totals</i>	
	<i>2007</i>	<i>2008</i>	<i>2007</i>	<i>2008</i>	<i>2007</i>	<i>2008</i>
<u>Assets:</u>						
Current and Other						
Assets	\$64,778,570	\$66,780,826	\$45,659,754	\$39,916,910	\$110,438,324	\$106,697,736
Water Rights, Net	0	0	1,325,202	1,277,873	1,325,202	1,277,873
Nondepreciable Capital						
Assets	129,692,644	131,598,837	6,599,837	11,309,135	136,292,481	142,907,972
Depreciable Capital						
Assets, Net	71,565,934	69,111,264	81,688,144	81,733,914	153,254,078	150,845,178
Total Assets	266,037,148	267,490,927	135,272,937	134,237,832	401,310,085	401,728,759
<u>Liabilities:</u>						
Current and Other						
Liabilities	13,758,800	13,681,122	6,085,919	7,730,335	19,844,719	21,411,457
Long-Term Liabilities:						
Due Within One Year	3,595,349	3,781,814	1,633,243	1,670,544	5,228,592	5,452,358
Due in More Than						
One Year	25,403,657	23,661,532	24,522,683	23,312,737	49,926,340	46,974,269
Total Liabilities	42,757,806	41,124,468	32,241,845	32,713,616	74,999,651	73,838,084
<u>Net Assets:</u>						
Invested in Capital						
Assets, Net Of						
Related Debt	175,905,966	177,018,595	73,089,932	71,935,551	248,995,898	248,954,146
Restricted for:						
Debt Service	37,781	0	0	0	37,781	0
Capital Outlay	6,349,140	7,707,359	0	0	6,349,140	7,707,359
Unclaimed Monies	75,329	82,778	0	0	75,329	82,778
Fire Protection	5,567,433	4,986,767	0	0	5,567,433	4,986,767
Streets and Transportation	1,693,478	1,879,630	0	0	1,693,478	1,879,630
Parks and Recreation	8,232,908	9,286,443	0	0	8,232,908	9,286,443
Other Purposes	1,643,363	1,649,039	0	0	1,643,363	1,649,039
Unrestricted	23,773,944	23,755,848	28,615,958	29,588,665	52,389,902	53,344,513
Total Net Assets	\$223,279,342	\$226,366,459	\$101,705,890	\$101,524,216	\$324,985,232	\$327,890,675

Total net assets increased \$2,905,443. Net assets of the City's governmental activities increased \$3,087,117 and unrestricted net assets decreased \$18,096. There were increases in several areas, none were significant, but they cause a significant increase overall. The City has recorded a note receivable for a loan payment in the amount of \$325,000 due from the Community Authority which began in 2008, see Note 9 of the notes to the basic financial statements.

The net assets of the City's business-type activities decreased \$181,674. The City strives to control operating expenses for business-type activities in order to maintain stability in charges for services and closely monitors the trends of our growing community in order to adjust for budgetary issues.

Table 2 shows the changes in net assets for the years ended December 31, 2007 and 2008.

Table 2
Changes In Net Assets

	<i>Governmental Activities</i>		<i>Business-Type Activities</i>		<i>Totals</i>	
	<i>2007</i>	<i>2008</i>	<i>2007</i>	<i>2008</i>	<i>2007</i>	<i>2008</i>
<i>Revenues</i>						
<i>Program Revenues:</i>						
Charges for Services and Sales	\$4,986,322	\$5,032,467	\$47,446,141	\$49,440,314	\$52,432,463	\$54,472,781
Operating Grants, Contributions and Interest	4,921,913	5,600,521	58,780	0	4,980,693	5,600,521
Capital Grants, Contributions and Interest	790,970	164,846	667,160	425,262	1,458,130	590,108
<i>Total Program Revenues</i>	10,699,205	10,797,834	48,172,081	49,865,576	58,871,286	60,663,410
<i>General Revenues:</i>						
Property Taxes	10,805,835	10,181,355	0	0	10,805,835	10,181,355
Municipal Income Taxes	21,974,035	23,107,340	0	0	21,974,035	23,107,340
Other Local Taxes	452,842	491,884	0	0	452,842	491,884
Grants and Entitlements	5,392,820	5,214,556	0	0	5,392,820	5,214,556
Unrestricted Investment Earnings	4,755,384	3,803,114	49,622	146,363	4,805,006	3,949,477
Payments in Lieu of Taxes	1,711,131	2,269,090	0	0	1,711,131	2,269,090
Other	17,826	175,774	118,229	336,570	136,055	512,344
<i>Total General Revenues</i>	45,109,873	45,243,113	167,851	482,933	45,277,724	45,726,046
<i>Total Revenues</i>	55,809,078	56,040,947	48,339,932	50,348,509	104,149,010	106,389,456
<i>Program Expenses:</i>						
Security of Persons and Property	22,438,202	23,812,277	0	0	22,438,202	23,812,277
Public Health	62,869	56,156	0	0	62,869	56,156
Leisure Time Activities	8,232,542	8,837,447	0	0	8,232,542	8,837,447
Community Development	2,407,120	2,434,545	0	0	2,407,120	2,434,545
Basic Utility Services	1,107,513	1,193,430	0	0	1,107,513	1,193,430
Transportation	6,691,837	3,988,338	0	0	6,691,837	3,988,338
General Government	9,139,331	11,437,810	0	0	9,139,331	11,437,810
Interest and Fiscal Charges	1,231,338	1,184,204	0	0	1,231,338	1,184,204
Water	0	0	3,335,622	3,700,446	3,335,622	3,700,446
Sewer	0	0	6,505,662	7,138,180	6,505,662	7,138,180
Electric	0	0	34,024,276	37,048,202	34,024,276	37,048,202
Refuse	0	0	1,920,950	2,137,563	1,920,950	2,137,563
Swimming Pool	0	0	462,718	515,415	462,718	515,415
<i>Total Expenses</i>	51,310,752	52,944,207	46,249,228	50,539,806	97,559,980	103,484,013
Increase (Decrease) in Net Assets before Transfers	4,498,326	3,096,740	2,090,704	(191,297)	6,589,030	2,905,443
Transfers	0	(9,623)	0	9,623	0	0
Change in Net Assets	4,498,326	3,087,117	2,090,704	(181,674)	6,589,030	2,905,443
Net Assets at Beginning of Year	218,781,016	223,279,342	99,615,186	101,705,890	318,396,202	324,985,232
<i>Net Assets at End of Year</i>	\$223,279,342	\$226,366,459	\$101,705,890	\$101,524,216	\$324,985,232	\$327,890,675

Governmental Activities

The most significant variances noted between 2007 and 2008 were the changes in revenues related to operating and capital grants, contributions and interest program revenues, property taxes, municipal income taxes, investment earnings and payments in lieu of taxes general revenues, and expenses related to security of persons and property, leisure time activities, transportation and general government.

Operating grants, contributions and interest increased \$678,608, due primarily to reimbursements received from FEMA for emergency related expenditures as a result of the snow storm in March 2008 and the wind storm in September 2008. Capital grants, contributions and interest decreased \$626,124, primarily due to significant capital contributions made during 2007 which did not occur during 2008. The City noted a slight decrease in property tax revenues, which was due to the phasing out of tangible personal property tax. The City's municipal income tax revenues increased somewhat due to continued growth of the City's tax base. This increase was consistent with the previous year. Unrestricted investment earnings decreased \$952,270, due to interest rates lowered by the Federal Reserve and U.S. agency securities called prior to maturity. Payments in lieu of taxes increased \$557,959 which consisted of Tax Incremental Financing (TIF) revenues for Westar, Northstar, Northridge, and Altair which increased by approximately \$350,000, as well as increases in tax incentive/redistribution revenues for payments in lieu of taxes which increased more than \$200,000. TIF revenues are earmarked for the related financing (debt) payments.

Security of persons and property expenses increased \$1,374,075, which was due to increases in personnel, personnel benefits and materials and supplies. Transportation expenses decreased \$2,703,499, due to a change in the City's capital assets policy in 2007 to expense road rehabilitation as maintenance and discontinue capitalizing those expenses. General government expenses increased \$2,298,479, due in part to an increase in materials and supplies purchases in 2008.

The 1.25 percent income tax is the largest source of revenue for the City. Employee withholding contributed 73 percent of the revenue received in 2008, with business earnings contributing nine percent and individuals contributing 18 percent. Residents are permitted, as a credit against their City income tax liability, up to a maximum of 0.95 percent of the 1.25 percent income tax of the amount paid as municipal income tax on the same income in another municipal corporation.

Governmental program expenses for 2008 were as follows:

Security of Persons and Property	44.98%
Public Health	0.11%
Leisure Time Activities	16.69%
Community Development	4.60%
Basic Utility Services	2.25%
Transportation	7.53%
General Government	21.60%
Interest and Fiscal Charges	2.24%
	<u>100.00%</u>

Citizen safety and well-being is emphasized in our family-oriented community, as indicated above.

Business-Type Activities

The City's business-type activities include Water, Sewer, Electric, Refuse and a Swimming Pool. The most significant variances noted between 2007 and 2008 were in charges for services and sales, and operating and capital grants, contributions and interest revenues and in sewer and electric expenses. Charges for services and sales increased almost \$2.0 million due primarily to an increase in electric and sewer treatment charges to offset increases in costs. Sewer expenses

increased \$632,518 due to an increase in sewer treatment charges while electric expenses increased over \$3.0 million due to the increased cost of wholesale electric power.

Water treatment and facility repair services are provided by the City and are paid for through user fees billed to Westerville residents and businesses. This revenue is used to pay for the necessary level of staffing required to complement the services, debt service on water system improvements and to fund system improvements and depreciation. The City also collects a tap fee each time a new tap to the system is made which funds a portion of system repairs and replacements. The City owns the infrastructure necessary to furnish services to their citizens and is responsible for major reconstruction and the extension of new service within the community.

Sewer treatment is contracted with the City of Columbus and Delaware County and is paid for through user fees billed by the City to Westerville residents and businesses. This revenue is used to pay for the necessary level of staffing required to complement the contracted services and to fund system improvements and depreciation. The City also collects a tap fee each time a new tap to the system is made which funds a portion of system repairs and replacements. The City owns and maintains the infrastructure necessary to furnish services to their citizens and is responsible for major reconstruction and the extension of new service within the community.

The City purchases wholesale electric power from independent sources and is paid for through user fees billed by the City to Westerville residents and businesses. This revenue is used to pay for the necessary level of staffing required to complement the contracted services and debt service on the electric distribution system improvements and to fund system improvements and depreciation. The City owns and maintains the infrastructure necessary to furnish services to their citizens and is responsible for major reconstruction and the extension of new service within the community.

The City contracts for refuse and solid waste collection and disposal with an independent provider which is paid by user fees billed by the City. This revenue is used to pay for the necessary level of staffing required to complement the contracted services and other related expenses.

The City owns and operates the Highlands Park Swimming Pool Complex, with its operations financed by user fees.

THE CITY'S FUNDS

Information about the City's major governmental funds begins on page 16. These funds are reported using the modified accrual basis of accounting. All governmental funds had total revenues of \$55,934,846 and expenditures of \$53,079,821. The General Fund balance increased \$837,127, however this increase is significantly less than the prior year's increase of \$2,596,383, which is due to an increase in expenditures which exceeded the slight increase in revenues and a higher amount of transfers out of the General Fund in 2008.

The Fire Operating Fund balance decreased \$908,674, due to a decrease in property tax revenues as well as an increase of expenditures.

The Parks and Recreation Operating Fund balance increased \$510,426, primarily due to the receipt of a federal grant for the bike path project.

General Fund Budgeting Highlights

The City's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of receipts, disbursements and encumbrances. The City's budget is adopted by function within each fund. Before the budget is adopted, Council reviews detailed budget worksheets of each function and object within the General Fund and then adopts the budget. During 2008 there were 18 revisions to the General Fund budget. The net effect of the revisions was an increase in appropriations of \$266,597. Actual expenditures were \$2,840,008 less than the final budgeted amounts. The primary categories where expenditures were less than final appropriations were security of persons and property and general government.

The Director of Finance has the authority to make line item adjustments within each function as long as the total does not exceed the original budget appropriations.

Original General Fund budgeted revenues and other financing sources were \$29,994,225. The final budgeted amount was \$32,594,657. Actual revenues and other financing sources received during the year were \$32,601,106, an increase of \$6,449 over the final budgeted amount.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

Table 3
Capital Assets
(Net Of Amortization/Depreciation)

	<i>Governmental Activities</i>		<i>Business-Type Activities</i>		<i>Totals</i>	
	2007	2008	2007	2008	2007	2008
Water Rights	\$0	\$0	\$1,325,202	\$1,277,873	\$1,325,202	\$1,277,873
Land	14,931,935	15,256,270	1,149,206	1,149,206	16,081,141	16,405,476
Construction in Progress	608,822	1,393,379	5,451,404	10,159,929	6,060,226	11,553,308
Non-depreciable						
Infrastructure	114,883,045	114,949,188	0	0	114,883,045	114,949,188
Land Improvements	10,405,521	9,383,700	1,442,484	1,233,737	11,848,005	10,617,437
Buildings	26,130,327	25,155,791	3,450,130	3,301,652	29,580,457	28,457,443
Furniture and Equipment	6,743,456	6,321,140	5,309,607	5,277,805	12,053,063	11,598,945
Vehicles	1,740,871	1,768,552	1,076,332	1,053,618	2,817,203	2,822,170
Depreciable Infrastructure	26,570,859	26,482,081	0	0	26,570,859	26,482,081
Water Lines	0	0	23,553,715	23,172,379	23,553,715	23,172,379
Sewer Lines	0	0	13,491,555	13,103,217	13,491,555	13,103,217
Electric System	0	0	33,363,548	34,591,506	33,363,548	34,591,506
<i>Totals</i>	<u>\$202,014,836</u>	<u>\$200,710,101</u>	<u>\$89,613,183</u>	<u>\$94,320,922</u>	<u>\$291,628,019</u>	<u>\$295,031,023</u>

The significant increase in construction in progress of business-type activities was the result of the construction of a new electric substation, which accounts for \$7.8 million of construction-in-progress at year-end. See Note 10 of the notes to the basic financial statements for more detailed information.

Included in the infrastructure class of capital assets in the governmental activities are the City's roads and bridges, which are accounted for using the "modified approach" instead of using the historical cost-based depreciation, as applied to the other capital assets. The City assesses the condition of the roads and bridges based on criteria outlined in the Required Supplementary Information located on pages 73 – 75 of this report. The City's policy states that at least 85 percent of the major arterial roadways will have a rating of "good" or better and the remaining roads will be maintained so that at least 60 percent will have a rating of "good" or better. Roads are assessed on a triennial basis. The City budgeted \$4,479,571 and spent \$4,301,218 on the preservation of roadways during 2008, and assessed 83 percent of the major arterials and 67 percent of the roads at "good" or better. The City's policy is to maintain the bridge system where 80 percent of the structures have a general appraisal summary of "good" or better and will also be assessed on a triennial basis. The City budgeted \$83,650 and spent \$22,650 to preserve bridges during 2008, and all five bridges in the City were assessed at "good" or better condition.

Debt

At December 31, 2008, the City of Westerville had \$48,104,342 in debt outstanding.

Table 4
Outstanding Debt at Year-end

	<i>Governmental Activities</i>		<i>Business-Type Activities</i>		<i>Totals</i>	
	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>
General Obligation Bonds	\$25,451,222	\$23,794,270	\$23,750,018	\$22,564,982	\$49,201,240	\$46,359,252
ODNR Debt	0	0	1,763,954	1,724,213	1,763,954	1,724,213
Police Pension Liability	21,463	20,877	0	0	21,463	20,877
<i>Totals</i>	<u>\$25,472,685</u>	<u>\$23,815,147</u>	<u>\$25,513,972</u>	<u>\$24,289,195</u>	<u>\$50,986,657</u>	<u>\$48,104,342</u>

All general obligation bond issues will be paid through the Debt Service Fund with property and income tax revenues, or paid by operating revenues of the Water and Electric Funds. The ODNR debt will be paid from Water Enterprise Fund revenues.

The City's overall 10.5 percent legal debt margin was \$87,944,899 as of December 31, 2008. The more restrictive unvoted legal debt margin within 5.5 percent was \$34,691,407 as of the same date. See Note 15 of the notes to the basic financial statements for more detailed information.

CONTACTING THE CITY'S FINANCE DEPARTMENT

This financial report is designed to provide our citizens, taxpayers, creditors and investors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact John P. Winkel, Director of Finance, City of Westerville, 21 South State Street, Westerville, Ohio 43081-2119.

Basic Financial Statements

City of Westerville, Ohio
Statement of Net Assets
December 31, 2008

	<i>Governmental Activities</i>	<i>Business-Type Activities</i>	<i>Totals</i>
<u>Assets:</u>			
Equity in Pooled Cash and Cash Equivalents	\$47,028,051	\$30,071,555	\$77,099,606
Cash and Cash Equivalents with Fiscal Agents	50,885	641	51,526
Accrued Interest Receivable	428,497	0	428,497
Accounts Receivable, Net	207,815	8,159,497	8,367,312
Municipal Income Taxes Receivable	3,018,682	0	3,018,682
Intergovernmental Receivable	2,975,251	0	2,975,251
Property Taxes Receivable	11,338,166	0	11,338,166
Other Local Taxes Receivable	117,382	0	117,382
Payments in Lieu of Taxes Receivable	641,670	0	641,670
Notes Receivable	325,000	0	325,000
Prepaid Items	326,503	0	326,503
Materials and Supplies Inventory	662,417	1,004,839	1,667,256
Internal Balances	(431,835)	431,835	0
Deferred Charges	92,342	248,543	340,885
Water Rights, Net	0	1,277,873	1,277,873
Nondepreciable Capital Assets	131,598,837	11,309,135	142,907,972
Depreciable Capital Assets, Net	69,111,264	81,733,914	150,845,178
<i>Total Assets</i>	<u>267,490,927</u>	<u>134,237,832</u>	<u>401,728,759</u>
<u>Liabilities:</u>			
Accounts Payable	665,038	3,045,300	3,710,338
Contracts Payable	19,725	230,793	250,518
Accrued Wages Payable	1,177,921	195,929	1,373,850
Retainage Payable	0	216,743	216,743
Intergovernmental Payable	783,400	1,493,227	2,276,627
Accrued Interest Payable	93,170	106,707	199,877
Matured Interest Payable	3,067	641	3,708
Matured Compensated Absences Payable	208,501	0	208,501
Claims Payable	193	0	193
Unearned Revenue	10,730,107	17,676	10,747,783
Deposits Held and Due to Others	0	190,319	190,319
Notes Payable	0	2,233,000	2,233,000
Long-Term Liabilities:			
Due Within One Year	3,781,814	1,670,544	5,452,358
Due in More Than One Year	23,661,532	23,312,737	46,974,269
<i>Total Liabilities</i>	<u>41,124,468</u>	<u>32,713,616</u>	<u>73,838,084</u>
<u>Net Assets:</u>			
Invested in Capital Assets, Net of Related Debt	177,018,595	71,935,551	248,954,146
Restricted for:			
Capital Outlay	7,707,359	0	7,707,359
Unclaimed Monies	82,778	0	82,778
Fire Protection	4,986,767	0	4,986,767
Streets and Transportation	1,879,630	0	1,879,630
Parks and Recreation	9,286,443	0	9,286,443
Other Purposes	1,649,039	0	1,649,039
Unrestricted	23,755,848	29,588,665	53,344,513
<i>Total Net Assets</i>	<u>\$226,366,459</u>	<u>\$101,524,216</u>	<u>\$327,890,675</u>

See accompanying notes to the basic financial statements

City of Westerville, Ohio
Statement of Activities
For the Year Ended December 31, 2008

	<i>Expenses</i>	<i>Program Revenues</i>		
		<i>Charges for Services and Sales</i>	<i>Operating Grants, Contributions and Interest</i>	<i>Capital Grants, Contributions and Interest</i>
<i>Governmental Activities:</i>				
Security of Persons and Property	\$23,812,277	\$201,340	\$3,107,424	\$0
Public Health	56,156	37,892	0	0
Leisure Time Activities	8,837,447	3,138,743	162,923	0
Community Development	2,434,545	941,293	0	0
Basic Utility Services	1,193,430	0	330,767	140,603
Transportation	3,988,338	22,500	1,990,695	24,243
General Government	11,437,810	690,699	8,712	0
Interest and Fiscal Charges	1,184,204	0	0	0
<i>Total Governmental Activities</i>	<u>52,944,207</u>	<u>5,032,467</u>	<u>5,600,521</u>	<u>164,846</u>
<i>Business-Type Activities:</i>				
Water	3,700,446	2,958,745	0	296,932
Sewer	7,138,180	6,955,790	0	128,018
Electric	37,048,202	37,127,200	0	312
Refuse	2,137,563	1,951,752	0	0
Swimming Pool	515,415	446,827	0	0
<i>Total Business-Type Activities</i>	<u>50,539,806</u>	<u>49,440,314</u>	<u>0</u>	<u>425,262</u>
<i>Total Activities</i>	<u>\$103,484,013</u>	<u>\$54,472,781</u>	<u>\$5,600,521</u>	<u>\$590,108</u>

General Revenues and Transfers:

Property Taxes Levied for:
 General Purposes
 Fire
 Debt Service
Municipal Income Taxes Levied for:
 General Purposes
 Parks and Recreation
Other Local Taxes
Grants and Entitlements not Restricted to Specific Programs
Unrestricted Investment Earnings
Payments in Lieu of Taxes
Other
Transfers

Total General Revenues and Transfers

Change in Net Assets

Net Assets at Beginning of Year - Restated (See Note 3)

Net Assets at End of Year

See accompanying notes to the basic financial statements

Net (Expense) Revenue and Changes in Net Assets

<i>Governmental Activities</i>	<i>Business-Type Activities</i>	<i>Totals</i>
(\$20,503,513)	\$0	(\$20,503,513)
(18,264)	0	(18,264)
(5,535,781)	0	(5,535,781)
(1,493,252)	0	(1,493,252)
(722,060)	0	(722,060)
(1,950,900)	0	(1,950,900)
(10,738,399)	0	(10,738,399)
(1,184,204)	0	(1,184,204)
<u>(42,146,373)</u>	<u>0</u>	<u>(42,146,373)</u>
0	(444,769)	(444,769)
0	(54,372)	(54,372)
0	79,310	79,310
0	(185,811)	(185,811)
0	(68,588)	(68,588)
<u>0</u>	<u>(674,230)</u>	<u>(674,230)</u>
<u>(42,146,373)</u>	<u>(674,230)</u>	<u>(42,820,603)</u>
3,063,892	0	3,063,892
6,981,668	0	6,981,668
135,795	0	135,795
18,730,035	0	18,730,035
4,377,305	0	4,377,305
491,884	0	491,884
5,214,556	0	5,214,556
3,803,114	146,363	3,949,477
2,269,090	0	2,269,090
175,774	336,570	512,344
<u>(9,623)</u>	<u>9,623</u>	<u>0</u>
<u>45,233,490</u>	<u>492,556</u>	<u>45,726,046</u>
3,087,117	(181,674)	2,905,443
<u>223,279,342</u>	<u>101,705,890</u>	<u>324,985,232</u>
<u>\$226,366,459</u>	<u>\$101,524,216</u>	<u>\$327,890,675</u>

City of Westerville, Ohio
Balance Sheet
Governmental Funds
December 31, 2008

	<i>General</i>	<i>Fire Operating</i>	<i>Parks and Recreation Operating</i>	<i>Nonmajor Governmental Funds</i>	<i>Total Governmental Funds</i>
<u>Assets:</u>					
Equity in Pooled Cash and Cash Equivalents	\$17,917,686	\$6,099,416	\$6,192,780	\$15,584,496	\$45,794,378
Cash and Cash Equivalents with Fiscal Agents	0	0	0	50,885	50,885
Receivables:					
Property Taxes	3,412,007	7,717,074	0	209,085	11,338,166
Municipal Income Taxes	2,414,945	0	0	603,737	3,018,682
Other Local Taxes	0	0	0	117,382	117,382
Accounts	99,763	0	104,232	181	204,176
Payments in Lieu of Taxes	0	0	0	641,670	641,670
Accrued Interest	373,134	46,698	0	1,839	421,671
Intergovernmental Receivable	1,361,196	412,253	500	1,201,302	2,975,251
Prepaid Items	326,503	0	0	0	326,503
Materials and Supplies Inventory	190,636	0	116,590	313,459	620,685
Notes Receivable	0	0	0	325,000	325,000
Interfund Receivable	9,687,787	0	50,000	12,937	9,750,724
Total Assets	\$35,783,657	\$14,275,441	\$6,464,102	\$19,061,973	\$75,585,173
<u>Liabilities and Fund Balances:</u>					
<u>Liabilities:</u>					
Accounts Payable	\$194,074	\$32,822	\$74,176	\$356,387	\$657,459
Contracts Payable	0	0	0	19,725	19,725
Accrued Wages Payable	608,264	359,064	161,446	37,938	1,166,712
Intergovernmental Payable	410,643	238,355	106,655	21,133	776,786
Matured Interest Payable	0	0	0	3,067	3,067
Due To Other Funds	9,686	3,316	25,816	153	38,971
Deferred Revenue	6,109,931	8,129,327	2,824	1,987,594	16,229,676
Matured Compensated Absences Payable	104,741	28,949	60,847	13,964	208,501
Interfund Payable	0	112,669	0	9,935,385	10,048,054
Total Liabilities	7,437,339	8,904,502	431,764	12,375,346	29,148,951
<u>Fund Balances:</u>					
Reserved for Encumbrances	245,645	37,216	260,489	1,696,096	2,239,446
Reserved for Interfund Receivable	9,368,540	0	50,000	12,937	9,431,477
Reserved for Notes Receivable	0	0	0	266,366	266,366
Reserved for Unclaimed Monies	82,778	0	0	0	82,778
Unreserved:					
Undesignated (Deficit), Reported in:					
General Fund	18,649,355	0	0	0	18,649,355
Special Revenue Funds	0	5,333,723	5,721,849	5,896,192	16,951,764
Debt Service Fund	0	0	0	74,435	74,435
Capital Projects Funds	0	0	0	(1,259,399)	(1,259,399)
Total Fund Balances	28,346,318	5,370,939	6,032,338	6,686,627	46,436,222
Total Liabilities and Fund Balances	\$35,783,657	\$14,275,441	\$6,464,102	\$19,061,973	\$75,585,173

See accompanying notes to the basic financial statements

City of Westerville, Ohio
 Reconciliation of Total Governmental Fund Balances to
 Net Assets of Governmental Activities
 December 31, 2008

Total Governmental Fund Balances	\$46,436,222
Amounts reported for governmental activities in the Statement of Net Assets are different because:	
Capital Assets used in governmental activities are not financial resources and therefore are not reported in the funds. These assets consist of:	
Land	\$15,256,270
Construction In Progress	1,393,379
Infrastructure	150,315,901
Other Capital Assets	70,659,028
Accumulated Depreciation	<u>(37,120,338)</u>
	200,504,240
Internal service funds are used by management to charge the costs of insurance and automotive maintenance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Assets.	
	1,410,144
An internal balance is recorded in governmental activities to reflect underpayments to the internal service fund by the business-type activities.	
	(95,534)
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:	
Municipal Income Taxes	1,511,978
Property Taxes	608,059
Other Local Taxes	114,927
Payments in Lieu of Taxes	604,624
Intergovernmental	2,287,198
Accrued Interest Receivable	336,034
Accounts	<u>36,749</u>
	5,499,569
Bond issuance costs reported as an expenditure in governmental funds are recognized as an asset and allocated as an expense over the life of the debt on the accrual basis of accounting.	
	92,342
Some liabilities, including bonds payable, loans payable and accrued interest payable, are not due and payable in the current period and therefore are not reported in the funds:	
Accrued Interest	(93,170)
General Obligation Bonds	(23,813,000)
Premium on Bonds	(10,422)
Discount on Bonds	29,152
Police Pension	(20,877)
Compensated Absences	<u>(3,572,207)</u>
	<u>(27,480,524)</u>
Net Assets of Governmental Activities	<u><u>\$226,366,459</u></u>

See accompanying notes to the basic financial statements

City of Westerville, Ohio
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2008

	<u>General</u>	<u>Fire Operating</u>	<u>Parks and Recreation Operating</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>Revenues:</u>					
Property Taxes	\$3,028,754	\$6,905,349	\$0	\$130,929	\$10,065,032
Municipal Income Taxes	18,799,543	0	0	4,394,681	23,194,224
Other Local Taxes	0	0	0	477,009	477,009
Payments in Lieu of Taxes	0	0	0	1,949,200	1,949,200
Intergovernmental	5,556,335	2,771,606	285,897	2,503,523	11,117,361
Charges for Services	547,743	3,990	3,118,648	0	3,670,381
Fees, Licenses and Permits	766,468	75	19,026	22,500	808,069
Fines and Forfeitures	470,287	0	0	80,750	551,037
Interest	2,977,249	348,166	0	18,436	3,343,851
Increase in Fair Value of Cash Equivalents	583,680	0	0	0	583,680
Other	62,658	14,097	12,685	85,562	175,002
Total Revenues	32,792,717	10,043,283	3,436,256	9,662,590	55,934,846
<u>Expenditures:</u>					
Current:					
Security of Persons and Property	11,854,399	10,958,042	0	190,646	23,003,087
Public Health	53,589	0	0	0	53,589
Leisure Time Activities	0	0	7,229,515	0	7,229,515
Community Development	2,421,397	0	0	0	2,421,397
Basic Utility Services	571,237	0	0	0	571,237
Transportation	0	0	0	2,183,713	2,183,713
General Government	8,799,628	0	0	2,101,937	10,901,565
Capital Outlay	0	0	0	3,874,933	3,874,933
Debt Service:					
Principal Retirement	586	0	0	1,658,395	1,658,981
Interest and Fiscal Charges	906	0	0	1,180,898	1,181,804
Total Expenditures	23,701,742	10,958,042	7,229,515	11,190,522	53,079,821
Excess of Revenues Over (Under) Expenditures	9,090,975	(914,759)	(3,793,259)	(1,527,932)	2,855,025
<u>Other Financing Sources (Uses):</u>					
Transfers - In	7,836	6,085	4,303,685	7,606,615	11,924,221
Transfers - Out	(8,261,684)	0	0	(3,672,163)	(11,933,847)
Total Other Financing Sources (Uses)	(8,253,848)	6,085	4,303,685	3,934,452	(9,626)
Net Change in Fund Balances	837,127	(908,674)	510,426	2,406,520	2,845,399
Fund Balances at Beginning of Year - Restated (See Note 3)	27,509,191	6,279,613	5,521,912	4,280,107	43,590,823
Fund Balances at End of Year	\$28,346,318	\$5,370,939	\$6,032,338	\$6,686,627	\$46,436,222

See accompanying notes to the basic financial statements

City of Westerville, 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, 2008

Net Change in Fund Balances - Total Governmental Funds	\$2,845,399
 <i>Amounts reported for governmental activities in the Statement of Activities are different because:</i>	
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:	
Capital Outlay	\$2,858,713
Depreciation	<u>(4,251,062)</u>
Excess of Depreciation Over Capital Outlay	(1,392,349)
Governmental funds do not report the revenue from the contribution of capital assets since they do not represent current financial resources. However the revenue is reported in the Statement of Activities.	140,603
Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the Statement of Activities, a gain or loss is reported for each sale.	
Loss on Disposal of Assets	(59,628)
The internal service funds used by management to charge the costs of maintaining City vehicles and equipment and the costs of general liability claims, actions, and judgments against the City, its officers and employees are not reported in the entity-wide Statement of Activities. Governmental expenditures and related internal service fund revenues are eliminated. The net revenues (expenses) of the internal service funds are allocated among the governmental activities, net of the change in the internal balance resulting from activity with the enterprise funds.	80,070
Repayment of long-term obligations is reported as an expenditure in governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets. In the current year, these amounts consist of:	
General Obligation Bond Principal Payments	1,658,395
Police Pension Principal Payments	<u>586</u>
	1,658,981
Some revenues that will not be collected for several months after the City's year-end are not considered "available" revenues and are deferred in the governmental funds.	
Accrued Interest Receivable	(171,352)
Municipal Income Taxes	(86,884)
Property Taxes	116,323
Other Local Taxes	14,875
Payments in Lieu of Taxes	319,890
Intergovernmental	(278,041)
Charges for Services	4,819
Fees, Licenses and Permits	(1,839)
Miscellaneous	<u>772</u>
	(81,437)
Governmental funds report discounts and bond issuance costs as other financing uses and as expenditures, respectively, whereas these amounts are deferred and amortized in the Statement of Activities. In the current period, these amounts are:	
Amortization of Bond Discount	(1,999)
Amortization of Bond Premium	556
Amortization of Bond Issuance Costs	<u>(6,268)</u>
	(7,711)
Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. The additional amount of interest on the Statement of Activities is the result of the following:	
Decrease in Accrued Interest	5,311
Some items reported as expenses in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds. These activities consist of:	
Increase in Compensated Absences	<u>(102,122)</u>
Change in Net Assets of Governmental Activities	<u><u>\$3,087,117</u></u>

See accompanying notes to the basic financial statements

City of Westerville, Ohio
Statement of Revenues, Expenditures and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
General Fund
For the Year Ended December 31, 2008

	<u>Budget</u>		<u>Actual</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues:</u>				
Property Taxes	\$3,400,000	\$3,028,754	\$3,028,754	\$0
Municipal Income Taxes	17,928,500	18,760,810	18,805,643	44,833
Intergovernmental	5,067,123	5,673,410	5,690,031	16,621
Charges for Services	560,368	527,648	528,606	958
Fees, Licenses and Permits	638,552	770,603	771,758	1,155
Fines and Forfeitures	384,965	472,657	472,657	0
Interest	1,525,000	3,075,000	3,009,850	(65,150)
Other	39,850	54,186	62,218	8,032
<i>Total Revenues</i>	<u>29,544,358</u>	<u>32,363,068</u>	<u>32,369,517</u>	<u>6,449</u>
<u>Expenditures:</u>				
Current:				
Security of Persons and Property	13,075,899	13,060,275	11,818,756	1,241,519
Public Health	59,027	58,159	53,878	4,281
Community Development	2,759,420	2,744,671	2,462,239	282,432
Basic Utility Services	652,632	649,665	581,887	67,778
General Government	9,986,923	10,287,728	9,043,730	1,243,998
<i>Total Expenditures</i>	<u>26,533,901</u>	<u>26,800,498</u>	<u>23,960,490</u>	<u>2,840,008</u>
Excess of Revenues Over Expenditures	<u>3,010,457</u>	<u>5,562,570</u>	<u>8,409,027</u>	<u>2,846,457</u>
<u>Other Financing Sources (Uses):</u>				
Advances - In	200,495	223,753	223,753	0
Advances - Out	0	(298,140)	(298,140)	0
Transfers - In	249,372	7,836	7,836	0
Transfers - Out	(7,329,684)	(8,261,684)	(8,261,684)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(6,879,817)</u>	<u>(8,328,235)</u>	<u>(8,328,235)</u>	<u>0</u>
Net Change in Fund Balance	(3,869,360)	(2,765,665)	80,792	2,846,457
Fund Balance at Beginning of Year	15,584,534	15,667,935	15,667,935	0
Prior Year Encumbrances Carried Over	439,442	356,039	356,039	0
<i>Fund Balance at End of Year</i>	<u>\$12,154,616</u>	<u>\$13,258,309</u>	<u>\$16,104,766</u>	<u>\$2,846,457</u>

See accompanying notes to the basic financial statements

City of Westerville, Ohio
Statement of Revenues, Expenditures and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Fire Operating Special Revenue Fund
For the Year Ended December 31, 2008

	<i>Budget</i>		<i>Actual</i>	<i>Variance Positive (Negative)</i>
	<i>Original</i>	<i>Final</i>		
<u>Revenues:</u>				
Property Taxes	\$8,450,000	\$6,905,347	\$6,905,349	\$2
Intergovernmental	1,325,000	2,771,604	2,771,606	2
Charges for Services	0	3,990	3,990	0
Fees, Licenses and Permits	0	75	75	0
Interest	175,000	345,000	374,474	29,474
Other	1,500	14,097	14,097	0
<i>Total Revenues</i>	<u>9,951,500</u>	<u>10,040,113</u>	<u>10,069,591</u>	<u>29,478</u>
<u>Expenditures:</u>				
Current:				
Security of Persons and Property	11,899,589	11,858,129	11,031,766	826,363
Excess of Revenues Over (Under) Expenditures	(1,948,089)	(1,818,016)	(962,175)	855,841
<u>Other Financing Uses:</u>				
Advances - Out	(118,753)	(118,753)	(118,753)	0
Net Change in Fund Balance	(2,066,842)	(1,936,769)	(1,080,928)	855,841
Fund Balance at Beginning of Year	6,986,475	7,027,938	7,027,938	0
Prior Year Encumbrances Carried Over	119,689	78,229	78,229	0
<i>Fund Balance at End of Year</i>	<u>\$5,039,322</u>	<u>\$5,169,398</u>	<u>\$6,025,239</u>	<u>\$855,841</u>

See accompanying notes to the basic financial statements

City of Westerville, Ohio
Statement of Revenues, Expenditures and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Parks and Recreation Operating Special Revenue Fund
For the Year Ended December 31, 2008

	<i>Budget</i>		<i>Actual</i>	<i>Variance Positive (Negative)</i>
	<i>Original</i>	<i>Final</i>		
<u>Revenues:</u>				
Intergovernmental	\$0	\$285,896	\$285,897	\$1
Charges for Services	2,851,776	3,014,498	3,019,798	5,300
Fees, Licenses and Permits	80,000	19,026	19,026	0
Other	16,500	17,970	17,971	1
<i>Total Revenues</i>	<u>2,948,276</u>	<u>3,337,390</u>	<u>3,342,692</u>	<u>5,302</u>
<u>Expenditures:</u>				
Current:				
Leisure Time Activities	8,222,573	8,130,665	7,583,436	547,229
Excess of Revenues Over (Under) Expenditures	<u>(5,274,297)</u>	<u>(4,793,275)</u>	<u>(4,240,744)</u>	<u>552,531</u>
<u>Other Financing Sources:</u>				
Proceeds from Sale of Capital Assets	0	6,126	6,126	0
Advances - In	0	50,000	50,000	0
Transfers - In	4,300,982	4,303,685	4,303,685	0
<i>Total Other Financing Sources</i>	<u>4,300,982</u>	<u>4,359,811</u>	<u>4,359,811</u>	<u>0</u>
Net Change in Fund Balance	(973,315)	(433,464)	119,067	552,531
Fund Balance at Beginning of Year	5,326,273	5,418,177	5,418,177	0
Prior Year Encumbrances Carried Over	389,842	297,934	297,934	0
<i>Fund Balance at End of Year</i>	<u>\$4,742,800</u>	<u>\$5,282,647</u>	<u>\$5,835,178</u>	<u>\$552,531</u>

See accompanying notes to the basic financial statements



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City of Westerville, Ohio
Statement of Fund Net Assets
Proprietary Funds
December 31, 2008

	<i>Business-Type Activities --</i>		
	<i>Water</i>	<i>Sewer</i>	<i>Electric</i>
<u>Assets:</u>			
<u>Current Assets:</u>			
Equity in Pooled Cash and Cash Equivalents	\$7,991,044	\$4,881,381	\$16,438,567
Cash and Cash Equivalents with Fiscal Agents	641	0	0
Receivables:			
Accounts, Net	381,817	1,064,540	6,395,134
Accrued Interest	0	0	0
Due From Other Funds	0	0	53,634
Materials and Supplies Inventory	133,801	11,318	859,720
Total Current Assets	8,507,303	5,957,239	23,747,055
<u>Non-current Assets:</u>			
Interfund Receivable	57,000	280,330	320,000
Deferred Charges	12,000	0	236,543
Water Rights, Net	1,277,873	0	0
Capital Assets:			
Nondepreciable Capital Assets	1,303,133	1,231,152	8,694,850
Depreciable Capital Assets, Net	25,186,029	13,591,589	42,016,502
Total Non-current Assets	27,836,035	15,103,071	51,267,895
Total Assets	36,343,338	21,060,310	75,014,950
<u>Liabilities:</u>			
<u>Current Liabilities:</u>			
Accounts Payable	23,631	32,492	2,832,978
Contracts Payable	0	230,793	0
Accrued Wages Payable	51,249	15,120	123,762
Retainage Payable	19,457	0	197,286
Matured Interest Payable	641	0	0
Accrued Interest Payable	36,615	0	70,092
Intergovernmental Payable	29,250	1,382,645	76,768
Due To Other Funds	13,966	64	0
Unearned Revenue	0	0	17,676
Deposits Held and Due to Others	0	0	190,319
Claims Payable	0	0	0
Notes Payable	935,000	1,298,000	0
Compensated Absences Payable	112,435	27,007	288,523
ODNR Loans Payable	41,022	0	0
General Obligation Bonds Payable	410,000	0	784,935
Total Current Liabilities	1,673,266	2,986,121	4,582,339
<u>Long-Term Liabilities:</u>			
Interfund Payable	0	0	0
Compensated Absences Payable, Net	125,892	14,569	119,038
ODNR Loans Payable, Net	1,683,191	0	0
General Obligation Bonds Payable, Net	1,865,053	0	19,504,994
Total Long-Term Liabilities	3,674,136	14,569	19,624,032
Total Liabilities	5,347,402	3,000,690	24,206,371
<u>Net Assets:</u>			
Invested in Capital Assets, Net of Related Debt	23,809,822	14,822,741	32,283,194
Unrestricted	7,186,114	3,236,879	18,525,385
Total Net Assets	\$30,995,936	\$18,059,620	\$50,808,579

Adjustment to reflect the consolidation of the Garage Internal Service Fund's activities related to Enterprise Funds
Net assets of business-type activities

See accompanying notes to the basic financial statements

<i>Enterprise Funds</i>		<i>Governmental Activities</i>
<i>Nonmajor Enterprise Funds</i>	<i>Totals</i>	<i>Internal Service Funds</i>
\$760,563	\$30,071,555	\$1,233,673
0	641	0
318,006	8,159,497	3,639
0	0	6,826
0	53,634	0
0	1,004,839	41,732
<u>1,078,569</u>	<u>39,290,166</u>	<u>1,285,870</u>
0	657,330	0
0	248,543	0
0	1,277,873	0
80,000	11,309,135	0
939,794	81,733,914	205,861
<u>1,019,794</u>	<u>95,226,795</u>	<u>205,861</u>
<u>2,098,363</u>	<u>134,516,961</u>	<u>1,491,731</u>
156,199	3,045,300	7,579
0	230,793	0
5,798	195,929	11,209
0	216,743	0
0	641	0
0	106,707	0
4,564	1,493,227	6,614
633	14,663	0
0	17,676	0
0	190,319	0
0	0	193
0	2,233,000	0
6,622	434,587	39,129
0	41,022	0
0	1,194,935	0
<u>173,816</u>	<u>9,415,542</u>	<u>64,724</u>
360,000	360,000	0
0	259,499	16,863
0	1,683,191	0
0	21,370,047	0
<u>360,000</u>	<u>23,672,737</u>	<u>16,863</u>
<u>533,816</u>	<u>33,088,279</u>	<u>81,587</u>
1,019,794	71,935,551	199,222
544,753	29,493,131	1,210,922
<u>\$1,564,547</u>	<u>101,428,682</u>	<u>\$1,410,144</u>
	95,534	
	<u>\$101,524,216</u>	

City of Westerville, Ohio
Statement of Revenues,
Expenses and Changes in Fund Net Assets
Proprietary Funds
For the Year Ended December 31, 2008

	Business-Type Activities -		
	Water	Sewer	Electric
<u>Operating Revenues:</u>			
Charges for Services	\$2,761,770	\$6,935,963	\$37,122,700
Tap-In Fees	0	4,875	0
Other Operating Revenues	63,369	11,234	261,810
Total Operating Revenues	2,825,139	6,952,072	37,384,510
<u>Operating Expenses:</u>			
Personal Services	1,360,588	445,480	2,685,459
Contractual Services	825,443	6,222,621	31,035,159
Materials and Supplies	431,000	27,964	65,167
Claims	0	0	0
Other	435	2,395	79,626
Depreciation	864,690	444,358	1,909,248
Total Operating Expenses	3,482,156	7,142,818	35,774,659
Operating Income (Loss)	(657,017)	(190,746)	1,609,851
<u>Non-Operating Revenues (Expenses):</u>			
Interest	0	0	146,363
Operating Grants	0	0	312
Underground Line and Capacity Charges	196,975	139,750	4,500
Interest and Fiscal Charges	(232,404)	0	(940,169)
Loss on Disposal of Capital Assets	0	0	(343,556)
Total Non-Operating Revenues (Expenses)	(35,429)	139,750	(1,132,550)
Income (Loss) Before Capital Contributions and Transfers	(692,446)	(50,996)	477,301
Capital Contributions	296,932	3,220	0
Transfers - In	5,371	4,211	38
Change in Net Assets	(390,143)	(43,565)	477,339
Net Assets at Beginning of Year - Restated (See Note 3)	31,386,079	18,103,185	50,331,240
Net Assets at End of Year	\$30,995,936	\$18,059,620	\$50,808,579

Adjustment to reflect the consolidation of the Garage Internal Service Fund's activities related to Enterprise Funds

Change in Net Assets of business-type activities

See accompanying notes to the basic financial statements

<i>Enterprise Funds</i>		<i>Governmental Activities</i>	
<i>Nonmajor Enterprise Funds</i>	<i>Totals</i>	<i>Internal Service Funds</i>	
\$2,398,579	\$49,219,012	\$1,125,340	
0	4,875	0	
157	336,570	27,574	
<u>2,398,736</u>	<u>49,560,457</u>	<u>1,152,914</u>	
414,953	4,906,480	331,315	
1,953,901	40,037,124	70,329	
70,713	594,844	606,524	
0	0	60,199	
6,006	88,462	0	
207,707	3,426,003	22,179	
<u>2,653,280</u>	<u>49,052,913</u>	<u>1,090,546</u>	
(254,544)	507,544	62,368	
0	146,363	46,935	
0	312	0	
0	341,225	0	
0	(1,172,573)	0	
0	(343,556)	0	
<u>0</u>	<u>(1,028,229)</u>	<u>46,935</u>	
(254,544)	(520,685)	109,303	
0	300,152	0	
<u>3</u>	<u>9,623</u>	<u>3</u>	
(254,541)	(210,910)	109,306	
<u>1,819,088</u>		<u>1,300,838</u>	
<u>\$1,564,547</u>		<u>\$1,410,144</u>	
	<u>29,236</u>		
	<u>(\$181,674)</u>		

City of Westerville, Ohio
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2008

	<i>Business-Type Activities --</i>		
	<u>Water</u>	<u>Sewer</u>	<u>Electric</u>
<u>Increases (Decreases) in Cash and Cash Equivalents:</u>			
<u>Cash Flows from Operating Activities:</u>			
Cash Received from Customers	\$2,778,909	\$6,927,794	\$36,197,224
Internal Services Provided	0	0	0
Cash Payments for Personal Services	(1,361,652)	(439,586)	(3,460,700)
Cash Payments for Materials and Supplies	(348,060)	(23,753)	(511,914)
Cash Payments for Other Services and Charges	(927,495)	(5,807,771)	(30,739,224)
Internal Services Used	(13,966)	(64)	0
Cash Payments for Claims	0	0	0
Cash Received From Operating Portion of Tap-in Fees	0	4,875	0
Other Operating Revenues	63,287	10,425	232,858
Underground Lines and Capacity Charges	196,975	139,750	4,500
Deposits Received	0	0	1,039,761
Deposits Refunded/Applied	0	0	(1,014,326)
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>387,998</u>	<u>811,670</u>	<u>1,748,179</u>
<u>Cash Flows from Non-Capital Financing Activities:</u>			
Advances to Other Funds	0	0	0
Transfers from Other Funds	5,371	4,211	38
<i>Net Cash Provided by (Used for) Non-Capital Financing Activities</i>	<u>5,371</u>	<u>4,211</u>	<u>38</u>
<u>Cash Flows from Capital and Related Financing Activities:</u>			
Acquisition and Construction of Capital Assets	(691,747)	(914,451)	(6,607,001)
Capital Grants Received	69	0	59,092
Proceeds from the Sale of Notes	935,000	1,298,000	0
Principal Paid on General Obligation Bonds	(395,000)	0	(761,605)
Interest Paid on General Obligation Bonds	(127,449)	0	(956,544)
Principal Paid on ODNR Debt	(39,741)	0	0
Interest Paid on ODNR Debt	(56,835)	0	0
<i>Net Cash Provided by (Used for) Capital and Related Financing Activities</i>	<u>(375,703)</u>	<u>383,549</u>	<u>(8,266,058)</u>
<u>Cash Flows From Investing Activities:</u>			
Interest	0	0	146,363
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	17,666	1,199,430	(6,371,478)
<i>Cash and Cash Equivalents at Beginning of Year</i>	<u>7,974,019</u>	<u>3,681,951</u>	<u>22,810,045</u>
<i>Cash and Cash Equivalents at End of Year</i>	<u><u>\$7,991,685</u></u>	<u><u>\$4,881,381</u></u>	<u><u>\$16,438,567</u></u>

<i>Enterprise Funds</i>		<i>Governmental Activities</i>	
<i>Nonmajor Enterprise Funds</i>	<i>Totals</i>	<i>Internal Service Funds</i>	
\$2,379,434	\$48,283,361		\$0
0	0	1,125,340	
(414,069)	(5,676,007)	(332,474)	
(58,691)	(942,418)	(606,452)	
(1,949,972)	(39,424,462)	(67,878)	
(633)	(14,663)	0	
0	0	(65,318)	
0	4,875	0	
157	306,727	36,129	
0	341,225	0	
0	1,039,761	0	
0	(1,014,326)	0	
(43,774)	2,904,073	89,347	
(105,000)	(105,000)	0	
3	9,623	3	
(104,997)	(95,377)	3	
(11,345)	(8,224,544)	(28,818)	
0	59,161	0	
0	2,233,000	0	
0	(1,156,605)	0	
0	(1,083,993)	0	
0	(39,741)	0	
0	(56,835)	0	
(11,345)	(8,269,557)	(28,818)	
0	146,363	49,459	
(160,116)	(5,314,498)	109,991	
920,679	35,386,694	1,123,682	
\$760,563	\$30,072,196	\$1,233,673	

(Continued)

City of Westerville, Ohio
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2008
(Continued)

	<i>Business-Type Activities --</i>		
	<u>Water</u>	<u>Sewer</u>	<u>Electric</u>
<u>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:</u>			
Operating Income (Loss)	(\$657,017)	(\$190,746)	\$1,609,851
<u>Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:</u>			
Depreciation	864,690	444,358	1,909,248
Change in Provision for Uncollectable Accounts Receivable	(455)	169	14,352
Underground Lines and Capacity Charges	196,975	139,750	4,500
<u>Changes in Assets and Liabilities:</u>			
(Increase) Decrease in Accounts Receivable	17,947	(6,752)	(884,398)
Increase in Due from Other Funds	0	0	(4,557)
Decrease in Material and Supplies Inventory	13,570	1,559	24,952
Increase (Decrease) in Accounts Payable	(38,114)	24,308	451,944
Increase (Decrease) in Contracts Payable	0	230,393	(1,351,214)
Decrease in Claims Payable	0	0	0
Increase (Decrease) in Accrued Wages Payable	(11,165)	1,703	6,238
Increase (Decrease) in Compensated Absences Payable	12,810	3,849	36,244
Decrease in Retainage Payable	(10,195)	0	(91,435)
Increase (Decrease) in Due to Other Funds	1,661	(3)	0
Increase (Decrease) in Intergovernmental Payable	(2,709)	163,082	(2,782)
Increase in Unearned Revenue	0	0	904
Increase in Deposits Held and Due to Others	0	0	24,332
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>\$387,998</u>	<u>\$811,670</u>	<u>\$1,748,179</u>
<u>Noncash Capital and Related Financing Activities:</u>			
Trade-In Allowance of Equipment and Vehicles	\$0	\$0	\$22,000
Service Lines Donated by Developers and Capitalized at Fair Market Value	296,932	3,220	0
<i>Total Noncash Capital and Related Financing Activities</i>	<u>\$296,932</u>	<u>\$3,220</u>	<u>\$22,000</u>

See accompanying notes to the basic financial statements

<i>Enterprise Funds</i>		<i>Governmental Activities</i>	
<i>Nonmajor Enterprise Funds</i>	<i>Totals</i>	<i>Internal Service Funds</i>	
(\$254,544)	\$507,544	\$62,368	
207,707	3,426,003	22,179	
337	14,403	0	
0	341,225	0	
(13,476)	(886,679)	8,555	
0	(4,557)	0	
0	40,081	23,572	
15,341	453,479	(19,942)	
0	(1,120,821)	0	
0	0	(5,119)	
1,693	(1,531)	200	
(771)	52,132	(244)	
0	(101,630)	0	
(23)	1,635	(1,107)	
(38)	157,553	(1,115)	
0	904	0	
0	24,332	0	
<u>(\$43,774)</u>	<u>\$2,904,073</u>	<u>\$89,347</u>	
\$0	\$22,000	\$0	
0	300,152	0	
<u>\$0</u>	<u>\$322,152</u>	<u>\$0</u>	

City of Westerville, Ohio
Statement of Fiduciary
Assets and Liabilities
Agency Funds
December 31, 2008

<u>Assets:</u>	
Equity in Pooled Cash and Cash Equivalents	\$1,169,946
Cash and Cash Equivalents with Fiscal Agents	9,005
Receivables:	
Other Local Taxes	818
	<hr/>
<i>Total Assets</i>	<u><u>\$1,179,769</u></u>
<u>Liabilities:</u>	
Accounts Payable	\$818
Undistributed Monies	800,402
Intergovernmental Payable	140,036
Deposits Held and Due to Others	238,513
	<hr/>
<i>Total Liabilities</i>	<u><u>\$1,179,769</u></u>

See accompanying notes to the basic financial statements

City of Westerville, Ohio

Notes to the Basic Financial Statements

For the Year Ended December 31, 2008

NOTE 1 – DESCRIPTION OF THE CITY AND REPORTING ENTITY

The City of Westerville (the City) is a home rule municipal corporation established under the laws of the State of Ohio that operates under its own Charter. The current Charter, which provides for a Council-City Manager form of government, was adopted by the electorate in 1964.

The legislative authority is vested in a seven member council all of whom are elected at-large for staggered four year terms. The presiding officer is the chairman, who is elected by the Council for a two year term. Council enacts ordinances and resolutions relating to tax levies, city services, and licensing, appropriates and borrows money, and accepts bids for materials and services and other municipal purposes. The Council also elects one of its members to serve as Mayor who is the ceremonial head of the City and exercises the judicial powers granted to the mayor of a municipality under State law. The Council also appoints a City Manager.

The City Manager is the chief executive officer of the City. The City Manager supervises the administration of all departments and appoints their directors and all other employees in accordance with civil service requirements.

THE REPORTING ENTITY

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements are fairly presented and complete. The primary government of the City consists of all funds, departments, boards and commissions that are not legally separate from the City. The City departments include a public safety department, a public service department (street maintenance, sanitation services, and storm sewer), a parks and recreation department, a planning and zoning department, utility departments including water, sewer, refuse, and electric, and a staff to provide support (i.e., payroll processing, accounts payable, and revenue collection) to the service providers.

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. The City has no blended or discretely presented component units.

The Westerville Mayor's Court, which provides judicial services, is included as an agency fund in the City's financial statements. The Mayor is an elected City Official who has a fiduciary responsibility for the collection and distribution of the court fees and fines.

City of Westerville, Ohio

Notes to the Basic Financial Statements (Continued)

NOTE 1 – DESCRIPTION OF THE CITY AND REPORTING ENTITY *(continued)*

The City is associated with three organizations which are defined as a jointly governed organization, a related organization and a risk sharing pool. These organizations are the Westerville, Minerva Park, and Blendon Township Joint Hospital District, the Westerville Industry and Commerce Corporation (WICC), and the Central Ohio Risk Management Association (CORMA) Self-Insurance Pool, Inc. These organizations are presented in Notes 19, 20 and 21 to the basic financial statements.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to local governmental units. 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 and business-type activities and to its enterprise and internal service funds provided they do not conflict with or contradict GASB pronouncements. The City has elected not to apply FASB Pronouncements and Interpretations issued after November 30, 1989 to its business-type activities and to its enterprise funds. The more significant of the City's accounting policies are described below.

BASIS OF PRESENTATION

The City's basic financial statements consist of government-wide statements, including a Statement of Net Assets and a Statement of Activities, and fund financial statements which provide a more detailed level of financial information.

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 activity of the internal service funds is eliminated to avoid the "doubling up" of revenues and expenses. The statements distinguish between those activities of the City that are governmental in nature and those that are considered business-type activities.

The Statement of Net Assets presents the financial condition of the governmental and business-type activities of the City at year-end. The Statement of Activities presents a comparison between direct expenses and program revenues for each program or function of the City's governmental activities and for the business-type activities of the City. 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, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of

City of Westerville, Ohio

Notes to the Basic Financial Statements (Continued)

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental program or business segment is self-financing or draws from the general revenues of the City.

FUND FINANCIAL STATEMENTS

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. Fund financial statements are designed to present financial information of the City at this more detailed level. The focus of governmental and enterprise 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. Internal service funds are combined and the totals are presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by type.

FUND ACCOUNTING

The City uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain City functions or activities. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. There are three categories of funds utilized by the City: governmental, proprietary and fiduciary.

GOVERNMENTAL FUNDS

Governmental funds are those through which most governmental functions 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 following are the City's major governmental funds:

General Fund – This 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 and the Charter of the City.

Fire Operating Fund – This fund accounts for the property tax revenues generated from continuing levies and used to finance the operations of the Fire Department.

Parks and Recreation Operating Fund – This fund accounts for the receipt of monies from the operations of the parks and recreation facilities which are used to fund programs and activities of the Parks and Recreation Department.

City of Westerville, Ohio

Notes to the Basic Financial Statements (Continued)

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

PROPRIETARY FUNDS

Proprietary funds focus on the determination of operating income, changes in net assets, financial position, and cash flows. The City's proprietary funds are enterprise and internal service funds.

Enterprise Funds – Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The following are the City's major enterprise funds:

Water Fund – This fund is used to account for the revenues and expenses of the City-owned water filtration and distribution system.

Sewer Fund – This fund is used to account for the revenues and expenses of the City-owned sanitary sewer collection system.

Electric Fund – This fund is used to account for the revenues and expenses of the City-owned electric transmission and distribution system.

The other enterprise funds of the City account for solid waste collection and disposal services and activities of the City's swimming pool complex.

Internal Service Funds – The internal service funds are used to account for the financing of fleet maintenance and self-insurance services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis.

FIDUCIARY 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 three types of trust funds should be used to report resources held and administered by the City when it is acting in a fiduciary capacity for individuals, private organizations, or other governments. These funds are distinguished by the existence of a trust agreement that affects the degree of management involvement and the length of time that the resources are held. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The City's only fiduciary funds consist of seven agency funds which are used to account for money held for individuals and organizations. These funds account for money belonging to the convention and visitors' bureau, for payroll withholding liabilities, for sewer capacity fees collected and remitted to the City of Columbus, for building and related permit fees collected and remitted to the State of Ohio, for deposits by contractors, developers or individuals held to ensure compliance with City building codes, for distributing court fines and forfeitures and for recreation fees used by other subdivisions in maintaining their park systems.

City of Westerville, Ohio

Notes to the Basic Financial Statements (Continued)

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

MEASUREMENT FOCUS

Government-Wide Financial Statements

The government-wide financial statements are prepared using the economic resources measurement focus. All assets and liabilities associated with the operation of the City are included on the Statement of Net Assets. The Statement of Activities presents increases (e.g., revenues) and decreases (e.g., expenses) in total net assets.

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the Balance Sheet. The Statement of Revenues, Expenditures and Changes in Fund Balances reports on 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. The governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the governmental fund financial statements.

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

BASIS OF ACCOUNTING

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting; proprietary and agency funds also use the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

Revenues – Exchange and Non-Exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available.

City of Westerville, Ohio

Notes to the Basic Financial Statements (Continued)

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

“Measurable” means the amount of the transaction can be determined and “available” means the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For the City, available means expected to be received within thirty-one days of year-end.

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, payments in lieu of taxes, grants, entitlements and donations. On an accrual basis, revenue from income tax is recognized in the year in which the income is earned. Revenue from property taxes and payments in lieu of taxes is recognized in the year for which the taxes are levied. (See Note 8.) 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 a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: income taxes, interest on investments, intergovernmental revenues (including motor vehicle license tax, gasoline tax, and local government assistance) and grants.

Unearned/Deferred Revenues

Unearned/deferred revenues arise when assets are recognized before revenue recognition criteria have been satisfied.

Property taxes for which there is an enforceable legal claim as of December 31, 2008, but were levied to finance 2009 operations, have been recorded as unearned/deferred revenue. Grants and entitlements received before the eligibility requirements are met have also been recorded as unearned/deferred revenue.

On governmental fund financial statements, receivables that will not be collected within the available period have also been reported as deferred revenue.

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

City of Westerville, Ohio

Notes to the Basic Financial Statements (Continued)

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

BUDGETS AND BUDGETARY ACCOUNTING

All funds, except agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations resolution, 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 Council may appropriate. The appropriations resolution is Council's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by Council. The legal level of control has been established by Council at the function level for all funds. The Director of Finance has been authorized to allocate appropriations to the object level within each fund.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the Director of Finance. 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 final budgeted amounts represent estimates from the amended certificate in force at the time final appropriations were passed by Council.

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

CASH AND CASH EQUIVALENTS

To improve cash management, cash received by the City is pooled. Monies for all funds, including proprietary funds, are maintained in this pool. Individual fund integrity is maintained through the City's records. Interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents" on the financial statements.

The Westerville Mayor's Court has its own checking account for the collection and distribution of court fines and forfeitures. The City utilizes financial institutions to service bonded debt as principal and interest payments come due. The City also has permissive motor vehicle license money which is held by the Franklin County Engineer as agent and distributed to the City for approved street projects. The balances in these accounts are presented on the balance sheet as "Cash and Cash Equivalents with Fiscal Agents".

During the year, investments were limited to STAROhio, Federal Home Loan Mortgage Corporation Medium Term Notes, Federal Home Loan Bank Bonds and Notes, and Federal National Mortgage Association Step Up Medium Term Notes and Medium Term Notes. Except for nonparticipating investment contracts, such as repurchase agreements which are reported at cost, investments are reported at fair value which is based on quoted market prices.

City of Westerville, Ohio

Notes to the Basic Financial Statements (Continued)

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

The City has invested funds in the State Treasury Asset Reserve of Ohio (STAROhio) during 2008. STAROhio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAROhio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAROhio are valued at STAROhio's share price which is the price the investment could be sold for on December 31, 2008.

Interest allocation is determined by the Ohio Constitution, State statutes, and local ordinances adopted under City Charter. Under these provisions, the City's funds required to receive interest allocations are: 1) those which receive proceeds from the sale of notes and/or bonds; 2) special tax levy funds; 3) the Self-Insurance Internal Service Fund; 4) the Parks and Recreation Capital Improvement Capital Projects Fund; 5) the Recreation Capital Improvement Capital Projects Fund; 6) the DARE Special Revenue Fund; 7) the Criminal Activity Forfeiture Special Revenue Fund; and 8) the Drug Enforcement Special Revenue Fund. All remaining interest is credited to the General Fund. Interest revenue credited to the General Fund during 2008 amounted to \$2,977,249, which includes \$2,224,931 assigned from other funds.

Investments with an original maturity of three months or less at the time of purchase and investments of the cash management pool are reported as cash equivalents on the financial statements.

INVENTORY OF SUPPLIES

Materials and supplies inventories are presented at cost on a first-in, first-out basis and are expended/expensed when used. Materials and supplies inventory consists of expendable supplies held for consumption.

PREPAID ITEMS

Payments made to vendors for services that will benefit periods beyond December 31, 2008, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

INTANGIBLE ASSETS – WATER RIGHTS

In 1974, the City entered into a sixty year agreement with the State of Ohio, Department of Natural Resources (ODNR), whereby the City acquired the right to seven and one-half percent of the storage capacity of the Alum Creek Reservoir. The cost of these rights is amortized, on a straight line basis, over the term of the agreement, starting in the tenth year, for the remaining fifty years of the agreement.

City of Westerville, Ohio

Notes to the Basic Financial Statements (Continued)

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

CAPITAL ASSETS

General capital assets are capital assets that are associated with and generally rise from governmental activities. They generally result from expenditures in governmental funds. These assets are reported in the governmental activities column of the government-wide Statement of Net Assets but are not reported in the fund financial statements. Capital assets used by the enterprise funds are reported in both the business-type activities column of the government-wide Statement of Net Assets and in the respective funds.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and reductions during the year. For certain assets, estimates were calculated by indexing estimated current costs back to the year of acquisition. Donated capital assets are recorded at their fair market values on the date donated. The City maintains a capitalization threshold of five thousand dollars. 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 expensed.

All capital assets except land, construction in progress, and road and bridge infrastructure 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 replacements. Depreciation is computed using the straight-line method over the following useful lives:

	<u>YEARS</u>
Land Improvements	10-25
Buildings	5-50
Furniture and Equipment	5-20
Vehicles	3-10
Infrastructure	10-50
Water, Sewer and Electric Lines	20-50

The City's infrastructure consists of roads, bridges, curbs and gutters, streets, sidewalks, drainage systems, lighting systems, water distribution systems, dams, sewer lines, storm sewers, electric distribution systems and similar items. Infrastructure assets under *GASB Statement No. 34* do not need to be depreciated. The City has chosen to apply the modified approach for reporting roads and bridges. Under the modified approach, the City:

1. Uses an asset management system that maintains an inventory of road and bridge infrastructure;
2. Performs a conditional assessment of those eligible infrastructure assets, using a rating methodology generally accepted in the industry, that considers all relevant factors affecting overall condition, and results in an overall single rating for each element (road segment or bridge) being considered; and

City of Westerville, Ohio

Notes to the Basic Financial Statements (Continued)

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

3. Estimates each year the annual budget requirements to maintain and preserve the road and bridge infrastructure at a minimum condition level.

The City documents that the eligible road and bridge infrastructure assets are being maintained at approximately the condition level established by the City. Condition appraisals are performed at least every three years, or more frequently if required by federal or State regulations, in accordance with the City's capital assets policy.

Costs for maintenance and preservation of these assets should be expensed in the period incurred. Additions and improvements should be capitalized.

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 that the City will compensate the employees for the benefits through paid time off or some other means. The City records a liability for all 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 that 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 the City's termination policy. The City records a liability for accumulated unused sick leave for employees and administrators after 10 years of service.

The entire compensated absences liability is reported on the government-wide financial statements. On governmental fund financial statements, compensated absences are reported as liabilities and expenditures to the extent payments come due each period upon the occurrence of employee resignations or retirements. These amounts are recorded in the account "Matured Compensated Absences Payable" in the funds from which the employees are paid. In the proprietary funds, the entire amount of compensated absences is reported as a fund liability.

INTERFUND RECEIVABLES AND PAYABLES

On fund financial statements, receivables and payables arising between funds for goods provided or services rendered are classified as "Due from Other Funds" and "Due to Other Funds". Long-term interfund loans and unpaid amounts for interfund services are reported as "Interfund Receivable" and "Interfund Payable". Interfund balances are eliminated on the governmental-wide Statement of Net Assets except for any net residual amounts due between governmental and business-type activities, which are presented as "Internal Balances."

City of Westerville, Ohio

Notes to the Basic Financial Statements (Continued)

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

ACCRUED LIABILITIES AND LONG-TERM OBLIGATIONS

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements. All payables, accrued liabilities, and long-term obligations payable from the proprietary funds are reported on the proprietary fund financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However, compensated absences that will be paid from governmental funds are reported as liabilities on the fund financial statements only to the extent that they are due for payment during the current year. Long-term bonds and the police pension liability are recognized as liabilities on the governmental fund financial statements when due.

BOND DISCOUNTS, PREMIUMS/ISSUANCE COSTS

Bond discounts, premiums and issuance costs for government-wide statements and proprietary fund statements are deferred and amortized over the term of the bonds using the straight-line method since the results are not significantly different from the effective interest method. Bond discounts/premiums are presented as a reduction/increase to the face amount of bonds payable whereas issuance costs are recorded as deferred charges. The accounting gain/loss on refunded bonds (difference between the reacquisition price and the net carrying amount of the old debt) is amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter.

CONTRIBUTIONS OF CAPITAL

Contributions of capital arise from outside contributions of capital assets, tap-in fees to the extent they exceed the cost of the connection to the system, grants or outside contributions of resources restricted to capital acquisition, and from the construction or transfers of capital assets between governmental and business-type activities.

RESERVES OF FUND BALANCE

Reserves of fund equity in governmental funds indicate that a portion of fund balance is not available for expenditure or is legally segregated for a specific future use. Under Ohio law, unclaimed monies are not available for appropriation until they have remained unclaimed for five years. The reserves for notes receivable and interfund receivable are the portion of the notes and interfund loans that are not expected to be repaid in 2009. Fund balances are reserved for encumbrances, interfund receivable, notes receivable and unclaimed monies.

City of Westerville, Ohio

Notes to the Basic Financial Statements (Continued)

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

INTERNAL ACTIVITY

Transfers within governmental activities are eliminated on the government-wide financial statements.

Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the Statement of Activities. Payments for interfund services provided and used are not eliminated.

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

NET ASSETS

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

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

The government-wide Statement of Net Assets reports \$25,592,016 of restricted net assets, of which \$7,998,648 are restricted by enabling legislation.

OPERATING REVENUES AND EXPENSES

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for services for water, sewer, refuse and electric utility services, and for use of the City's public swimming pools. Operating expenses are the necessary costs incurred to provide the service that is the primary activity of the fund. Revenues and expenses that do not meet these definitions are reported as non-operating.

City of Westerville, Ohio

Notes to the Basic Financial Statements
(Continued)

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

ESTIMATES

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

NOTE 3 – CHANGE IN ACCOUNTING PRINCIPLES AND RESTATEMENT OF FUND EQUITY

CHANGE IN ACCOUNTING PRINCIPLES

For 2008, the City has implemented *GASB Statement No. 49, “Accounting and Financial Reporting for Pollution Remediation Obligations.”* This statement provides guidance on how to calculate and report the costs and obligations associated with pollution cleanup efforts. The implementation of this statement did not result in any changes to the financial statements.

RESTATEMENT OF FUND BALANCES/NET ASSETS

The City restated December 31, 2007 fund balances/net assets due to an overstatement of compensated absences liability, overstatement/understatement of capital assets and overstatement/understatement of interest revenue due to the change in allocation of interest revenue earned on federal securities. The restatement resulted in the following changes to fund balances/net assets at December 31, 2007:

	<i>Governmental Activities</i>			<i>Business-Type Activities</i>	
Net Assets, December 31, 2007	\$222,538,909			\$102,454,185	
Compensated Absences Payable	604,014			50,076	
Capital Assets, Net	136,419			(798,371)	
<i>Adjusted Net Assets, December 31, 2007</i>	<i>\$223,279,342</i>			<i>\$101,705,890</i>	
			<i>Nonmajor Enterprise Funds</i>		
	<i>Water</i>	<i>Sewer</i>	<i>Electric</i>	<i>Internal Service Funds</i>	
Net Assets, December 31, 2007	\$31,386,303	\$18,085,784	\$51,097,126	\$1,818,674	\$1,311,932
Compensated Absences Payable	(224)	17,401	32,485	414	(595)
Capital Assets, Net	0	0	(798,371)	0	0
Change in Fair Value of Investments	0	0	0	0	(10,499)
<i>Adjusted Net Assets, December 31, 2007</i>	<i>\$31,386,079</i>	<i>\$18,103,185</i>	<i>\$50,331,240</i>	<i>\$1,819,088</i>	<i>\$1,300,838</i>

City of Westerville, Ohio

Notes to the Basic Financial Statements
(Continued)

NOTE 3 – CHANGE IN ACCOUNTING PRINCIPLES AND RESTATEMENT OF FUND EQUITY
(continued)

	<i>General Fund</i>	<i>Fire Operating Fund</i>	<i>Nonmajor Governmental Funds</i>
Fund Balances/Net Assets, December 31, 2007	\$28,168,877	\$6,361,591	\$4,284,202
Land Held for Resale	(756,258)	0	0
Change in Fair Value of Investments	96,572	(81,978)	(4,095)
<i>Adjusted Fund Balances/Net Assets, December 31, 2007</i>	<i>\$27,509,191</i>	<i>\$6,279,613</i>	<i>\$4,280,107</i>

NOTE 4 – ACCOUNTABILITY

At December 31, 2008, the following funds had deficit fund balances:

Funds	Amounts
Hotel Tax	\$10,482
Africa Road Improvement	134,952
Spring Road Improvement	1,558,452
Maxtown Road Improvement	2,501,455
Cleveland Avenue Extension Improvement	994,639
Northridge Crossing TIF	889,783
Altair TIF Incentive	875,398

These deficits were the result of advances from other funds being classified as a liability on the balance sheet as opposed to being classified as an other financing source. As the advances are repaid, the deficits will be eliminated.

NOTE 5 – BUDGETARY BASIS OF ACCOUNTING

While reporting financial position and results of operations on the basis of generally accepted accounting principles (GAAP), the budgetary basis, as provided by law, is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The Statement of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual is presented for the General Fund, and each major special revenue fund, on the budgetary basis to provide a meaningful comparison of actual results with the budget.

City of Westerville, Ohio

Notes to the Basic Financial Statements
(Continued)

NOTE 5 – BUDGETARY BASIS OF ACCOUNTING (continued)

The major differences between the budget basis and the GAAP basis are that:

- (a) Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
- (b) Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
- (c) Outstanding year-end encumbrances are treated as expenditures (budget basis) rather than as a reservation of fund balance (GAAP basis).
- (d) Unrecorded cash represents amounts received but not included as revenue on the budget basis operating statements. These amounts are included as revenue on the GAAP basis operating statements.
- (e) Investments are reported at fair value (GAAP basis) rather than at cost (budget basis).
- (f) Advances – In and Advances – Out are operating transactions (budget basis) as opposed to balances sheet transactions (GAAP basis).

The adjustments necessary to convert the results of operations for the year on the GAAP basis to the budget basis for the General Fund and the Fire Operating and Parks and Recreation Operating Special Revenue Funds are as follows:

	<i>Net Change In Fund Balance</i>		
	<i>General</i>	<i>Fire Operating</i>	<i>Parks and Recreation Operating</i>
	<u> </u>	<u> </u>	<u> </u>
GAAP Basis	\$837,127	(\$908,674)	\$510,426
<u>Increases (decreases) Due To:</u>			
Revenue Accruals	189,871	26,308	(87,438)
Expenditure Accruals	196,525	456	3,677
Encumbrances Outstanding			
At Year-end (Budget Basis)	(455,273)	(74,180)	(357,598)
Unrecorded Cash	(29,391)	0	0
Change in Fair Value of Investments - 2008	64,324	0	0
Change in Fair Value of Investments - 2007	(648,004)	0	0
Transfers	0	(6,085)	0
Advances	(74,387)	(118,753)	50,000
<i>Budget Basis</i>	<u> </u> <u>\$80,792</u>	<u> </u> <u>(\$1,080,928)</u>	<u> </u> <u>\$119,067</u>

City of Westerville, Ohio

Notes to the Basic Financial Statements (Continued)

NOTE 6 – DEPOSITS AND INVESTMENTS

The investment and deposit of City monies are governed by the Ohio Revised Code and the City's charter. State statutes classify monies held by the City into three categories.

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

Interim monies may be deposited or invested in the following securities:

1. United States Treasury notes, bills, bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above;
4. Commercial paper and bankers acceptances if training requirements have been met;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2); and
7. The State Treasurer's investment pool (STAROhio).

City of Westerville, Ohio

Notes to the Basic Financial Statements (Continued)

NOTE 6 – DEPOSITS AND INVESTMENTS *(continued)*

The City may also invest any monies not required to be used for a period of six months or more in the following:

1. Bonds of the State of Ohio;
2. Bonds of any municipal corporation, village, county, township, or other political subdivision of this State, as to which there is no default of principal, interest or coupons; and
3. Obligations of the City.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. Investments may only be made through specified dealers and institutions.

DEPOSITS

Custodial credit risk for deposits is the risk that in the event of bank failure, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. At year-end, \$2,531,462 of the City's bank balance of \$2,781,462 was exposed to custodial credit risk because it was uninsured and collateralized. Although the balance was collateralized by securities held by the financial institution's trust department in the City's name and all State statutory requirements for the deposit of money had been followed, non-compliance with federal requirements could potentially subject the City to a successful claim by the FDIC.

The City has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits be either insured or be protected by eligible securities pledged to and deposited either with the City or a qualified trustee by the financial institution as security for repayment, or by a collateral pool of eligible securities deposited with a qualified trustee and pledged to secure the repayment of all public monies deposited in the financial institution whose market value at all times shall be at least one hundred five percent of the deposits being secured.

City of Westerville, Ohio

Notes to the Basic Financial Statements (Continued)

NOTE 6 – DEPOSITS AND INVESTMENTS (continued)

INVESTMENTS

As of December 31, 2008, the City had the following investments. All investments are in an internal investment pool.

	<i>Fair Value</i>	<i>Investment Maturities (in Years)</i>			<i>Standard & Poor's Rating</i>	<i>Percent of Total Investments</i>
		<i>Less than 1</i>	<i>1 - 2</i>	<i>3 - 4</i>		
STAROhio	\$22,830,947	\$22,830,947	\$0	\$0	AAAm	30.77%
Federal Home Loan Mortgage Corporation						
Medium Term Notes	10,096,200	0	5,031,200	5,065,000	AAA	13.61%
Federal Home Loan Bank Bonds	1,005,310	1,005,310	0	0	AAA	1.35%
Federal Home Loan Bank Notes	24,786,446	0	7,214,070	17,572,376	AAA	33.41%
Federal National Mortgage Association						
Step Up Medium Term Notes	5,067,200	5,067,200	0	0	AAA	6.83%
Federal National Mortgage Association						
Medium Term Notes	10,409,350	0	5,145,300	5,264,050	AAA	14.03%
Totals	<u>\$74,195,453</u>	<u>\$28,903,457</u>	<u>\$17,390,570</u>	<u>\$27,901,426</u>		

INTEREST RATE RISK

As a means of limiting its exposure to fair value losses caused by rising interest rates, the Director of Finance will attempt to match investments with anticipated cash flow requirements. Unless matched to a specific cash flow requirement, the Director of Finance will directly invest in securities as follows; not more than 20 percent of the value (computed at the time the investment is made) of investments to mature or be redeemable within ten years from the date of purchase and the balance of all investments to mature or be redeemable within five years from the date of purchase.

CREDIT RISK

The City's investment policy limits investments to those authorized by State statute which restricts investments to those that are highly rated or backed by the enterprises of the United States Government. Ohio law requires that STAROhio maintain the highest rating provided by at least one nationally recognized standard rating service. The Standard & Poor's rating of each investment is listed in the table above.

City of Westerville, Ohio

Notes to the Basic Financial Statements (Continued)

NOTE 6 – DEPOSITS AND INVESTMENTS *(continued)*

CONCENTRATION OF CREDIT RISK

The City places no limit on the amount it may invest in any one issuer. The percentage that each investment represents of total investments is listed in the table above.

NOTE 7 – MUNICIPAL INCOME TAX

The City levies a 1.0 percent income tax whose proceeds are placed into the General Fund. During 1999, the City started collecting an additional .25 percent income tax that is placed into the Parks and Recreation Income Tax Allocation Special Revenue Fund. The City levies and collects the 1.25 percent tax 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 the lesser of actual taxes paid to another city or ninety-five percent of the 1.25 percent tax rate on taxable income. 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.

The City passed an income tax restructuring levy in November 2008 that took effect January 1, 2009. The levy increases the income tax rate from 1.25 percent to 2.00 percent, with a 100 percent credit for residents working in other municipalities.

NOTE 8 – PROPERTY TAX

Property taxes include amounts levied against all real, public utility, and tangible personal property (used in business) located in the City. Property tax revenue received during 2008 for real and public utility property taxes represents collections of 2007 taxes. Property tax payments received during 2008 for tangible personal property (other than public utility property) are for 2008 taxes.

2008 real property taxes are levied after October 1, 2008 on the assessed value as of January 1, 2008, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2008 real property taxes are collected in and intended to finance 2009.

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2008 public utility property taxes became a lien December 31, 2007, are levied after October 1, 2008, and are collected in 2009 with real property taxes.

City of Westerville, Ohio

Notes to the Basic Financial Statements
(Continued)

NOTE 8 – PROPERTY TAX (continued)

Tangible personal property taxes received in 2008 were levied after October 1, 2007, on the value as of December 31, 2007. In prior years, tangible personal property was assessed at 25 percent of true value for capital assets and 23 percent of true value for inventory. The tangible personal property tax is being phased out – the assessment percentage for all property including inventory for 2008 is 6.25 percent. This will be reduced to zero for 2009.

Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established.

Tangible personal property taxes paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable by September 20.

The full tax rate for all City operations for the year ended December 31, 2008, was \$17.64 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2008 property tax receipts were based are as follows:

<u>Category</u>	<u>Franklin County</u>	<u>Delaware County</u>	<u>Total</u>
Real Property:			
Residential and Agricultural	\$615,048,920	\$229,937,410	\$844,986,330
Commercial and Industrial	161,133,270	50,207,500	211,340,770
Public Utility Personal	1,978,360	4,338,420	6,316,780
General Business Personal	<u>2,267,120</u>	<u>158,846</u>	<u>2,425,966</u>
 <i>Totals</i>	 <u>\$780,427,670</u>	 <u>\$284,642,176</u>	 <u>\$1,065,069,846</u>

The County Treasurers collect property taxes on behalf of all taxing districts in the county, including the City of Westerville. The County Auditors periodically remit to the City its portion of the taxes. Property taxes receivable represents real and tangible personal property taxes, public utility taxes and outstanding delinquencies which are measurable as of December 31, 2008, and for which there is 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, nor are they intended to finance 2008 operations. The receivable is offset by deferred revenue. On a full accrual basis, collectible delinquent property taxes have been recorded as revenue while the remainder of the receivable is unearned.

City of Westerville, Ohio

Notes to the Basic Financial Statements (Continued)

NOTE 9 – RECEIVABLES

Receivables at December 31, 2008 consisted of taxes, payments in lieu of taxes, interest, interfund, accounts (billings for user charged services including unbilled utility services), notes and intergovernmental receivables arising from grants, entitlements and shared revenues. All receivables are considered fully collectible except accounts receivable related to business-type services. A summary of accounts receivable related to business-type services is as follows:

	<u>Water</u>	<u>Sewer</u>	<u>Electric</u>	<u>Refuse</u>	<u>Totals</u>
Accounts Receivable - Gross	\$391,561	\$1,091,062	\$6,550,614	\$326,161	\$8,359,398
Allowance for Uncollectibles	(9,744)	(26,522)	(155,480)	(8,155)	(199,901)
<i>Net Accounts Receivable</i>	<u>\$381,817</u>	<u>\$1,064,540</u>	<u>\$6,395,134</u>	<u>\$318,006</u>	<u>\$8,159,497</u>

The City has an agreement with the Millstone Community Authority (Millstone) whereas the City issued a \$325,000, zero interest note to Millstone on 4/22/08 so that Millstone could purchase approximately six acres of land from M/I Homes. The property held options for both the Westerville City School District and the City of Westerville. If, within a five-year period, the School District desires to build a school building on the property, the property would be deeded over to them; if the School District waives that option, the parcel may be conveyed to the City for development as a park facility. The School District has waived the option, and the City has developed the property as park grounds. The School District has rights to use the property during school days until 5:30 PM.

The notes will be retired by Millstone via community development charges collected from residents within the Millstone Community Authority. These charges will be collected and distributed by the Delaware County Auditor as part of the real property settlements. One-half of the collections will be remitted to the School District, while the other half will be paid to the City, to reduce the outstanding balance on the notes. Once the full amount has been paid to the City, all of the community development charges will be remitted to the School District. At December 31, 2008, the balance of this loan was \$325,000, with \$58,634 expected to be repaid within one year.

City of Westerville, Ohio

Notes to the Basic Financial Statements
(Continued)

NOTE 9 – RECEIVABLES (continued)

A summary of the principal items of intergovernmental receivable follows:

	<u>Amounts</u>
<u>Governmental Activities:</u>	
Local Government - Franklin County	\$736,922
Local Government - Delaware County	150,615
Local Government - State	133,146
Liquor Permits	15,186
Estate Taxes	112,797
OPATA Grant	9,800
After School Archery Program	500
FEMA Wind Storm Reimbursement	403,038
Franklin County DUI Task Force	967
Franklin County DEA Task Force	5,420
Joint Terrorism Task Force	1,560
Cyber Crime Task Force	396
Homestead and Rollbacks	627,284
Gasoline Tax - Cents Per Gallon	424,392
Gasoline Tax - Municipal Excise	205,639
Motor Vehicle License Tax	128,104
Permissive Motor Vehicle License Tax	19,485
<i>Total Intergovernmental Receivable</i>	<u><u>\$2,975,251</u></u>

City of Westerville, Ohio

Notes to the Basic Financial Statements
(Continued)

NOTE 10 – CAPITAL ASSETS

Capital assets activity of the governmental activities for the year ended December 31, 2008, was as follows:

	<i>Restated Balance At 12/31/2007</i>	<i>Additions</i>	<i>Deletions</i>	<i>Balance At 12/31/2008</i>
<u>Governmental Activities</u>				
<u>Capital Assets, Not Being Depreciated:</u>				
Land	\$14,931,935	\$324,335	\$0	\$15,256,270
Construction in Progress	608,822	2,095,522	(1,310,965)	1,393,379
Infrastructure	114,883,045	66,143	0	114,949,188
<i>Total Capital Assets, Not Being Depreciated</i>	130,423,802	2,486,000	(1,310,965)	131,598,837
<u>Depreciable Capital Assets:</u>				
Land Improvements	16,785,363	77,484	0	16,862,847
Buildings	34,996,920	57,415	0	35,054,335
Furniture and Equipment	13,646,179	547,716	(132,234)	14,061,661
Vehicles	5,251,055	544,615	(389,975)	5,405,695
Infrastructure	34,740,844	625,869 *	0	35,366,713
<i>Total Depreciable Capital Assets</i>	105,420,361	1,853,099	(522,209)	106,751,251
<u>Less Accumulated Depreciation:</u>				
Land Improvements	(6,379,842)	(1,099,305)	0	(7,479,147)
Buildings	(8,866,593)	(1,031,951)	0	(9,898,544)
Furniture and Equipment	(6,902,723)	(931,318)	93,520	(7,740,521)
Vehicles	(3,510,184)	(496,020)	369,061	(3,637,143)
Infrastructure	(8,169,985)	(714,647)	0	(8,884,632)
<i>Total Accumulated Depreciation</i>	(33,829,327)	(4,273,241)	462,581	(37,639,987)
<i>Depreciable Capital Assets, Net</i>	71,591,034	(2,420,142)	(59,628)	69,111,264
<i>Governmental Activities Capital Assets, Net</i>	\$202,014,836	\$65,858	(\$1,370,593)	\$200,710,101

* \$140,603 of the additions to infrastructure consisted of assets donated by developers.

Depreciation expense was charged to functions/programs of the governmental activities of the City as follows:

<u>Governmental Activities:</u>	
Security of Persons and Property	\$847,418
Public Health	2,567
Leisure Time Activities	1,655,165
Community Development	19,379
Basic Utility Services	675,858
Transportation	387,938
General Government	684,916
<i>Total Depreciation Expense</i>	\$4,273,241

City of Westerville, Ohio

Notes to the Basic Financial Statements
(Continued)

NOTE 10 – CAPITAL ASSETS (continued)

Capital Assets reported in governmental activities at December 31, 2007 have been restated, as described in Note 3. Capital Assets were understated due to “land held for resale” reported in the General Fund which will not be sold and was not reported as “land” in capital assets for \$756,258; construction in progress was understated for \$86,245; donated bikeways were understated for \$161,516, net of depreciation; and non-depreciable infrastructure was overstated for \$111,345, for a total restatement to governmental activities capital assets of \$892,677.

Capital assets activity of the business-type activities for the year ended December 31, 2008, was as follows:

	<i>Restated Balance At 12/31/2007</i>	<i>Additions</i>	<i>Deletions</i>	<i>Balance At 12/31/2008</i>
<u>Business-Type Activities</u>				
<u>Intangible Assets, Being Amortized:</u>				
Water Rights	\$2,366,450	\$0	\$0	\$2,366,450
Less Amortization	(1,041,248)	(47,329)	0	(1,088,577)
<i>Total Intangible Assets, Being Amortized</i>	1,325,202	(47,329)	0	1,277,873
<u>Capital Assets, Not Being Depreciated:</u>				
Land	1,149,206	0	0	1,149,206
Construction in Progress	5,451,404	6,190,652	(1,482,127)	10,159,929
<i>Total Capital Assets, Not Being Depreciated</i>	6,600,610	6,190,652	(1,482,127)	11,309,135
<u>Depreciable Capital Assets:</u>				
Land Improvements	3,008,413	5,000	0	3,013,413
Buildings	6,957,947	28,294	0	6,986,241
Furniture and Equipment	9,084,884	246,549	(68,724)	9,262,709
Vehicles	2,095,598	208,111	(155,830)	2,147,879
Infrastructure				
Water Lines	36,668,886	296,863	0	36,965,749
Sewer Lines	24,650,696	3,220	0	24,653,916
Electric System	52,413,223	3,028,065	(808,226)	54,633,062
<i>Total Depreciable Capital Assets</i>	134,879,647	3,816,102	(1,032,780)	137,662,969
<u>Less Accumulated Depreciation:</u>				
Land Improvements	(1,565,929)	(213,747)	0	(1,779,676)
Buildings	(3,507,817)	(176,772)	0	(3,684,589)
Furniture and Equipment	(3,775,277)	(270,086)	60,459	(3,984,904)
Vehicles	(1,019,266)	(213,751)	138,756	(1,094,261)
Infrastructure				
Water Lines	(13,115,171)	(678,199)	0	(13,793,370)
Sewer Lines	(11,159,141)	(391,558)	0	(11,550,699)
Electric System	(19,049,675)	(1,481,890)	490,009	(20,041,556)
<i>Total Accumulated Depreciation</i>	(53,192,276)	(3,426,003)	689,224	(55,929,055)
<i>Depreciable Capital Assets, Net</i>	81,687,371	390,099	(343,556)	81,733,914
<i>Business-Type Activities Capital Assets, Net</i>	\$89,613,183	\$6,533,422	(\$1,825,683)	\$94,320,922

City of Westerville, Ohio

Notes to the Basic Financial Statements (Continued)

NOTE 10 – CAPITAL ASSETS (continued)

Depreciation expense was charged to the enterprise funds of the City as follows:

<u>Business-Type Activities</u>	
Water	\$864,690
Sewer	444,358
Electric	1,909,248
Refuse	162,243
Swimming Pool	45,464
<i>Total Depreciation Expense</i>	<u><u>\$3,426,003</u></u>

Capital Assets reported in business-type activities at December 31, 2007 have been restated, as described in Note 3. Capital assets were overstated due to construction in progress projects in the Electric Fund that will not be capitalized in the amount of \$798,371.

NOTE 11 – DEFINED BENEFIT PENSION PLANS

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM

Plan Description – The City participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The Traditional Pension 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. Under the Combined Plan, OPERS invests employer contributions to provide a formula retirement benefit similar in nature to the Traditional Pension Plan benefit. Member contributions, the investment of which is self-directed by the members, accumulate retirement assets in a manner similar to the Member-Directed Plan.

OPERS provides retirement, disability, survivor and death benefits and annual cost-of-living adjustments to members of the Traditional Pension and Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report. Interested parties may obtain a copy by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 614-222-5601 or 800-222-7377.

City of Westerville, Ohio

Notes to the Basic Financial Statements (Continued)

NOTE 11 – DEFINED BENEFIT PENSION PLANS (continued)

Funding Policy – The Ohio Revised Code provides statutory authority for member and employer contributions. For 2008, member and employer contribution rates were consistent across all three plans. While members in the state and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the Traditional Pension Plan. The 2008 member contribution rates were 10.0 percent for members in state and local classifications, while public safety and law enforcement members contributed 10.1 percent.

The 2008 contribution rate for state and local employers was 14.0 percent of covered payroll. The City's required contributions for pension obligations to the Traditional Pension and Combined Plans for the years ended December 31, 2008, 2007, and 2006 were \$1,116,675, \$1,193,028, and \$1,323,525, respectively; 95.94 percent has been contributed for 2008 and 100 percent for 2007 and 2006. Contributions to the Member-Directed Plan for 2008 were \$24,345 made by the City and \$17,389 made by plan members.

OHIO POLICE AND FIRE PENSION FUND

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

Funding Policy – Plan members are required to contribute 10.0 percent of their annual covered salary, while employers are required to contribute 19.5 percent for police officers and 24.0 percent for firefighters. The City's contributions to OP&F for police and firefighters were \$752,133 and \$1,089,826 for the year ended December 31, 2008, \$717,141 and \$1,028,260 for the year ended December 31, 2007, and \$621,957 and \$915,971 for the year ended December 31, 2006. 93.78 percent for police and 94.32 percent for firefighters has been contributed for 2008. The full amount has been contributed for 2007 and 2006.

NOTE 12 – POST-EMPLOYMENT BENEFITS

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM

Plan Description – Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the Traditional Pension Plan – a cost-sharing, multiple-employer defined benefit plan; the Member-Directed Plan – a defined contribution plan; and the Combined Plan – a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

City of Westerville, Ohio

Notes to the Basic Financial Statements (Continued)

NOTE 12 – POST-EMPLOYMENT BENEFITS *(continued)*

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

In order to qualify for post-employment health care coverage, age and service retirees under the Traditional Pension and Combined Plans must have 10 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement No. 45. The Ohio Revised Code permits, but does not mandate, OPERS to provide OPEB benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

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

Funding Policy – The Ohio Revised Code provides the statutory authority requiring public employers to fund post-retirement health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside for the funding of post-retirement health care benefits.

Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2008, state and local employers contributed at a rate of 14.0 percent of covered payroll. The Ohio Revised Code currently limits the employer contribution to a rate not to exceed 14.0 percent of covered payroll for state and local employer units and 18.1 percent of covered payroll for law and public safety employer units. Active members do not make contributions to the OPEB Plan.

OPERS' Post Employment 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 health care benefits. For 2008, the employer contribution allocated to the health care plan was 7.0 percent of covered payroll. The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care benefits provided, by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The rates stated above are the contractually required contribution rates for OPERS. The City's contributions allocated to fund post-employment health care benefits for the years ended December 31, 2008, 2007, and 2006 were \$1,116,675, \$911,869, and \$647,376, respectively; 95.94 percent has been contributed for 2008 and 100 percent for 2007 and 2006.

City of Westerville, Ohio

Notes to the Basic Financial Statements (Continued)

NOTE 12 – POST-EMPLOYMENT 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.

OHIO POLICE AND FIRE PENSION FUND

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

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

The Ohio Revised Code allows, but does not mandate OP&F to provide OPEB benefits. Authority for the OP&F Board of Trustees to provide health care coverage to eligible participants and to establish and amend benefits is codified in Chapter 742 of the Ohio Revised Code.

OP&F issues a publicly available financial report that includes financial information and required supplementary information for the plan. That report may be obtained by writing to OP&F, 140 East Town Street, Columbus, Ohio 43215-5164.

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

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

City of Westerville, Ohio

Notes to the Basic Financial Statements (Continued)

NOTE 12 – POST-EMPLOYMENT BENEFITS *(continued)*

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For the year ended December 31, 2008, the employer contribution allocated to the health care plan was 6.75 percent of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

The OP&F Board of Trustees also is authorized to establish requirements for contributions to the health care plan by retirees and their eligible dependents, or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The City's contributions to OP&F which were allocated to fund post-employment health care benefits for police and firefighters were \$398,188 and \$426,453 for the year ended December 31, 2008, \$379,663 and \$402,363 for the year ended December 31, 2007, and \$410,277 and \$436,847 for the year ended December 31, 2006. The full amount has been contributed for 2007 and 2006. 93.78 percent has been contributed for police and 94.32 percent has been contributed for firefighters for 2008.

NOTE 13 – EMPLOYEE BENEFITS

DEFERRED COMPENSATION

Employees of the City may elect to participate in the International City Managers Association or Ohio Public Employees Deferred Compensation Plan created in accordance with Internal Revenue Code Section 457. Under these plans, employees elect to defer a portion of their pay. The deferred pay and any income earned on it is not subject to federal and state income taxation until actually received by the employee. According to the plans, the deferred compensation is not available until termination, retirement, death or an unforeseeable emergency.

COMPENSATED ABSENCES

Vacation leave is earned at rates which vary depending upon length of service. Current policy credits vacation leave on the employee's first anniversary date; thereafter, vacation leave accrues on a pro-rated basis each pay period. A maximum of two years' accrual may be carried into the next calendar year. City employees are paid for earned, unused vacation leave at the time of termination of employment and those employees with six years of service may request pay in lieu of vacation for up to three weeks accumulated balance. Pay in lieu of vacation is subject to the availability of funds, and the employee must have taken or scheduled ten days of vacation in a calendar year.

City of Westerville, Ohio

Notes to the Basic Financial Statements (Continued)

NOTE 13 – EMPLOYEE BENEFITS *(continued)*

Sick leave is earned at the rate of ten hours a month for employees hired prior to January 1, 1997. All others earn eight hours per month. Each employee with ten or more years of service with the City is paid for fifty percent of their accumulated unused sick leave up to a maximum of 1120 hours upon retirement or termination from the City, or the full balance may be transferred to another governmental agency. The maximum payment for sick leave is \$20,500 for all employees.

Compensated absences at December 31, 2007 have been restated, as described in Note 3. Compensated absences included an estimate of sick leave balances for employees who were not vested (had less than 10 years of service with the City) in the amount of \$677,027, which included \$604,014 in governmental activities and \$50,076 in business-type activities; therefore compensated absences have been restated from \$4,130,335 to \$3,526,321 in governmental activities and from \$692,030 to \$641,954 in business-type activities.

HEALTH CARE/DENTAL/VISION/LIFE INSURANCE BENEFITS

The City provides health care coverage for its employees through United Health Care, dental coverage through Delta Dental, vision coverage through Vision Service Plan, and life insurance through Jefferson Financial Insurance.

NOTE 14 – SHORT-TERM DEBT

On December 18, 2008, the City received note proceeds of \$2,233,000 with a 2.50 percent interest rate. \$935,000 of the proceeds were received into the Water Enterprise Fund in anticipation of the issuance of bonds, for the purpose of paying the costs of improving and enlarging the municipal water system by improving, repairing, reconstructing and replacing water lines, together with the necessary valves, hydrants, connections and other appurtenances, and installing a new water well, together with all necessary appurtenances thereto. The remaining \$1,298,000 of the proceeds were received into the Sewer Enterprise Fund in anticipation of the issuance of bonds, for the purpose of paying the costs of improving and extending the municipal sewer system by constructing and installing new sanitary sewer lines, manholes and connections, improving existing sanitary sewer lines and manholes, removing existing septic systems, sealing of certain existing manholes, and installing a generator at the Mariner's Cove Sanitary Sewer Lift Station, together with all necessary appurtenances thereto. The notes were issued for a one year period with payment due December 17, 2009.

City of Westerville, Ohio

Notes to the Basic Financial Statements (Continued)

NOTE 15 – BONDED DEBT AND OTHER LONG-TERM OBLIGATIONS

Bonded debt and other long-term obligations payable activity for the year ended December 31, 2008, were as follows:

<i>Types / Issues</i>	<i>Interest Rates</i>	<i>Balance 12/31/07</i>	<i>Issued</i>	<i>Retired</i>	<i>Balance 12/31/08</i>	<i>Due Within One Year</i>
<u>Business-Type Activities</u>						
<u>General Obligation Bonds</u>						
1998 Water Works Refunding and Improvement Bonds	3.10 - 5.25%	\$1,555,000	\$0	\$360,000	\$1,195,000	\$375,000
2007 Water System Improvement Bonds	4.13 - 5.00%	1,085,000	0	35,000	1,050,000	35,000
Premium on Debt Issue		31,656	0	1,603	30,053	0
1998 Transportation Improvement Bonds	3.10 - 5.25%	898,605	0	61,605	837,000	64,935
1999 Electric System Improvement Bonds	3.80 - 5.55%	1,555,000	0	95,000	1,460,000	100,000
2004 Electric Capital Facilities Bonds	2.25 - 5.25%	1,155,000	0	50,000	1,105,000	50,000
Premium on Debt Issue		30,428	0	1,799	28,629	0
2007 Electric System Improvement Bonds	4.13 - 5.00%	16,945,000	0	555,000	16,390,000	570,000
Premium on Debt Issue		494,329	0	25,029	469,300	0
<i>Total General Obligation Bonds</i>		<u>23,750,018</u>	<u>0</u>	<u>1,185,036</u>	<u>22,564,982</u>	<u>1,194,935</u>
<u>Other Long-Term Obligations</u>						
Compensated Absences		641,954	482,743	430,611	694,086	434,587
ODNR Debt		1,763,954	0	39,741	1,724,213	41,022
<i>Total Other Long-Term Obligations</i>		<u>2,405,908</u>	<u>482,743</u>	<u>470,352</u>	<u>2,418,299</u>	<u>475,609</u>
<i>Total Business-Type Activities</i>		<u>\$26,155,926</u>	<u>\$482,743</u>	<u>\$1,655,388</u>	<u>\$24,983,281</u>	<u>\$1,670,544</u>
<u>Governmental Activities</u>						
<u>General Obligation Bonds</u>						
1998 Transportation Improvement Bonds	3.10 - 5.25%	\$1,721,395	\$0	\$123,395	\$1,598,000	\$130,065
1998 Recreation Facilities Bonds	3.10 - 5.25%	17,855,000	0	1,265,000	16,590,000	1,315,000
2003 Fire/EMS Improvement Bonds-Voted	2.00 - 4.65%	2,185,000	0	105,000	2,080,000	105,000
Discount on Debt Issue		(12,786)	0	(820)	(11,966)	0
2003 Fire/EMS Improvement Bonds-Blendon	2.00 - 4.65%	360,600	0	16,800	343,800	17,300
Discount on Debt Issue		(1,988)	0	(128)	(1,860)	0
2003 Municipal Facilities Improvement Bonds	2.00 - 4.65%	2,969,400	0	138,200	2,831,200	142,700
Discount on Debt Issue		(16,377)	0	(1,051)	(15,326)	0
2007 Westar TIF Improvement Bonds	4.13 - 5.00%	380,000	0	10,000	370,000	15,000
Premium on Debt Issue		10,978	0	556	10,422	0
<i>Total Governmental General Obligation Bonds</i>		<u>25,451,222</u>	<u>0</u>	<u>1,656,952</u>	<u>23,794,270</u>	<u>1,725,065</u>
<u>Other Long-Term Obligations</u>						
Compensated Absences		3,526,321	2,613,933	2,512,055	3,628,199	2,056,138
Police Pension Liability		21,463	0	586	20,877	611
<i>Total Other Long-Term Obligations</i>		<u>3,547,784</u>	<u>2,613,933</u>	<u>2,512,641</u>	<u>3,649,076</u>	<u>2,056,749</u>
<i>Total Governmental Activities</i>		<u>\$28,999,006</u>	<u>\$2,613,933</u>	<u>\$4,169,593</u>	<u>\$27,443,346</u>	<u>\$3,781,814</u>

City of Westerville, Ohio

Notes to the Basic Financial Statements
(Continued)

NOTE 15 – BONDED DEBT AND OTHER LONG-TERM OBLIGATIONS (continued)

GENERAL OBLIGATION BONDS

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities and refinancing of bond anticipation notes. General obligation bonds are direct obligations and pledge the full faith and credit of the City for repayment. General obligation bonds are to be repaid from voted and unvoted general property taxes and from income tax monies. Property tax monies will be received in and the debt will be repaid from the General Obligation Bond Retirement Fund. Income tax monies are transferred from the General Fund and the Parks and Recreation Income Tax Allocation Special Revenue Fund into the General Obligation Bond Retirement Fund for payment. The general obligation bonds reported as enterprise fund obligations are payable from unvoted property tax revenues to the extent operating resources of the Water and Electric Enterprise Funds are not available to meet the annual debt service requirements.

General obligation bonds outstanding at December 31, 2008 consisted of the following:

<i>Bond Issues</i>	<i>Original Issue</i>	<i>Maturity Date</i>	<i>12/31/2008 Balance</i>
1998 Water Works Refunding and Improvement	\$3,325,000	December, 2011	\$1,195,000
2007 Water System Improvement	1,085,000	December, 2027	1,050,000
1998 Transportation Improvement	1,333,320	December, 2018	837,000
1999 Electric System Improvement	2,200,000	December, 2019	1,460,000
2004 Electric Capital Facilities	1,300,000	December, 2024	1,105,000
2007 Electric System Improvement	16,945,000	December, 2027	16,390,000
1998 Transportation Improvement	2,666,680	December, 2018	1,598,000
1998 Recreation Facilities	27,250,000	December, 2018	16,590,000
2003 Fire/EMS Improvement - Voted	2,575,000	December, 2023	2,080,000
2003 Fire/EMS Improvement - Blendon	425,000	December, 2023	343,800
2003 Municipal Facilities Improvement	3,500,000	December, 2023	2,831,200
2007 Westar TIF Improvement	380,000	December, 2027	370,000

At December 31, 2008, \$1,127,299 of the 2007 Electric System Improvement Bond proceeds remained unspent.

City of Westerville, Ohio

Notes to the Basic Financial Statements (Continued)

NOTE 15 – BONDED DEBT AND OTHER LONG-TERM OBLIGATIONS *(continued)*

ODNR DEBT PAYABLE

In 1974, the City entered into a sixty year agreement with the State of Ohio, Department of Natural Resources (ODNR), whereby the City acquired the right to seven and one-half percent of the storage capacity of the Alum Creek Reservoir. In exchange for the water rights, the City agreed to pay to ODNR, beginning in the tenth year of the agreement, seven and one-half percent of their annual payment due to the United States Army Corps of Engineers as reimbursement of the project investment costs. In addition, the City is required to pay seven and one-half percent of the annual operation and maintenance costs for as long as the contract is in effect. The original ODNR Debt of \$2,366,440 will be fully retired in June, 2035.

POLICE PENSION LIABILITY

The City pays installments on the accrued liability incurred when the State of Ohio established the statewide pension system for police personnel in 1967. The original liability was \$29,842, with the principal payable semiannually from the General Fund. The liability will be fully retired in April, 2030.

COMPENSATED ABSENCES

Compensated absences will be paid from the General, Fire Operating, Street Maintenance, Parks and Recreation Operating, Water, Sewer, Refuse, Electric, Swimming Pool and Garage Funds.

INDUSTRIAL DEVELOPMENT REVENUE BONDS

The City has outstanding issues of industrial development revenue bonds in the aggregate principal amount of \$665,000 at December 31, 2008 for facilities used by private corporations or other entities. The City is not obligated in any way to pay debt charges on the bonds from any of its funds, and therefore they have been excluded entirely from the City's debt presentation. There has not been and is not any condition of default under the bonds or the related financing documents.

The City's overall legal debt margin was \$87,944,899, with an unvoted debt margin of \$34,691,407 at December 31, 2008.

City of Westerville, Ohio

Notes to the Basic Financial Statements
(Continued)

NOTE 15 – BONDED DEBT AND OTHER LONG-TERM OBLIGATIONS (continued)

FUTURE DEBT SERVICE REQUIREMENTS

The principal and interest requirements to retire the long-term debt obligations outstanding at December 31, 2008 are:

<i>Governmental Activities</i>						
<i>General</i>						
<i>Obligation</i>			<i>Police</i>			
<i>Bonds</i>			<i>Pension</i>			
<i>Year</i>	<i>Principal</i>	<i>Interest</i>	<i>Principal</i>	<i>Interest</i>		
2009	\$1,725,065	\$1,115,371	\$611	\$881		
2010	1,811,735	1,030,673	637	855		
2011	1,893,405	940,948	665	827		
2012	1,985,075	846,333	693	799		
2013	2,091,745	746,640	723	769		
2014-2018	11,965,975	2,187,218	4,109	3,351		
2019-2023	2,235,000	346,418	5,071	2,389		
2024-2028	105,000	13,350	6,258	1,203		
2029-2030	0	0	2,110	89		
<i>Totals</i>	\$23,813,000	\$7,226,951	\$20,877	\$11,163		
<i>Business-Type Activities</i>						
<i>Water Refunding and Improvement Bonds</i>			<i>Electric System, Electric Facilities and Transportation Improvement Bonds</i>		<i>ODNR Debt</i>	
<i>Year</i>	<i>Principal</i>	<i>Interest</i>	<i>Principal</i>	<i>Interest</i>	<i>Principal</i>	<i>Interest</i>
2009	\$410,000	\$106,051	\$784,935	\$841,106	\$41,022	\$55,554
2010	440,000	84,919	823,265	807,685	42,344	54,232
2011	460,000	62,269	856,595	772,467	43,708	52,868
2012	40,000	38,569	894,925	735,680	45,116	51,460
2013	45,000	36,919	933,255	697,030	46,571	50,006
2014-2018	240,000	161,907	5,334,025	2,933,315	256,349	226,533
2019-2023	305,000	123,250	5,340,000	2,008,348	300,395	182,487
2024-2028	305,000	38,600	4,825,000	603,950	352,011	130,871
2029-2033	0	0	0	0	412,493	70,389
2034-2035	0	0	0	0	184,204	8,950
<i>Totals</i>	\$2,245,000	\$652,484	\$19,792,000	\$9,399,581	\$1,724,213	\$883,350

City of Westerville, Ohio

Notes to the Basic Financial Statements (Continued)

NOTE 16 – CONSTRUCTION COMMITMENTS

The City has entered into various contracts for the construction and acquisition of capital assets. At December 31, 2008, the significant outstanding construction commitments are:

<i>Projects</i>	<i>Contract Amount</i>	<i>Amount Expended</i>	<i>Balance At 12/31/08</i>
Electric Substation #3	\$8,129,182	\$6,542,030	\$1,587,152
2008 Sidewalks	481,289	452,694	28,595
2008 Street Rehabilitation - Contract A	1,577,547	1,459,820	117,727
2007 Street Lighting Improvements	498,296	486,296	12,000
2008 Uptown District Improvements	309,249	0	309,249
Hillsdowne Road Extension	369,934	0	369,934
Water Supply Well Improvements	230,363	63,884	166,479
Mariner's Cove Lift Station Backup Generator	47,281	5,449	41,832
2007 Cable Replacement	302,418	300,963	1,455
Central College Sanitary Sewer	842,031	703,125	138,906
2008 Street Tree Planting	53,635	0	53,635
2008 West Main Street Conduit and Manholes	575,433	0	575,433
<i>Totals</i>	<u>\$13,416,658</u>	<u>\$10,014,261</u>	<u>\$3,402,397</u>

NOTE 17 – RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to or destruction of assets; errors and omissions; injuries to employees; and natural disasters. On October 1, 1997, the City established membership in the Central Ohio Risk Management Association Self-Insurance Pool, Inc. (CORMA). CORMA was formed pursuant to Section 2744.081 of the Ohio Revised Code. Members of CORMA are the cities of Westerville, Dublin, Upper Arlington, and Pickerington. Each member has two representatives on the Board of Trustees.

Membership in CORMA enables the City to take advantage of any economies to be realized from an insurance pool with other cities and also provides the City with more control over claims than what is normally available with traditional insurance coverage. A third-party claims administrator investigates, processes and advises the CORMA Treasurer/Board regarding payment of claims.

City of Westerville, Ohio

Notes to the Basic Financial Statements
(Continued)

NOTE 17 – RISK MANAGEMENT (continued)

As part of participating in CORMA, coverage is provided for up to \$20,000,000 annual umbrella/excess liability for liability claims and \$200,000,000 limit for property claims for the pool. Coverage is provided on an annual aggregate basis for crime (\$975,000 blanket public employee dishonesty, \$475,000 forgery/computer fraud, and \$75,000 money and securities). Coverage is provided for general liability (\$900,000/\$2,000,000), law enforcement liability (\$900,000/\$2,000,000), public official liability (\$900,000/\$2,000,000), employment practices liability (\$900,000/\$2,000,000) and automobile liability (\$900,000). Pool retentions are \$25,000 per loss for property and \$550,000 aggregate for liability, with a \$100,000 per loss self-insurance retention. A third-party broker, with expertise in public entity pools, markets the program, identifies coverage lines and limits, and recommends the best insurer and insurance for procurement.

The City has created a self-insurance internal service fund to account for deductible amounts and any other amounts not covered by CORMA. A third-party administrator processes and pays the claims. Claims liabilities and expenses are estimated through a case by case review of all claims. The estimate was not affected by incremental claims adjustment expenses and does not include other allocated or unallocated claim adjustment expenses.

The changes in claims payable during the years December 31, 2007 and 2008 are:

	<u>Beginning of Year Liability</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claims Payments</u>	<u>End of Year Liability</u>
2007	\$0	\$31,696	\$26,384	\$5,312
2008	5,312	60,199	65,318	193

All employees of the City are covered by a blanket bond, while certain individuals in policy making roles are covered by a separate, higher limit bond coverage.

Workers' Compensation coverage is provided by the State of Ohio and is based on a rate per \$100 of salaries. The rate is calculated based on accident history and administrative costs.

Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years. There has been no significant change in coverage from last year.

City of Westerville, Ohio

Notes to the Basic Financial Statements
(Continued)

NOTE 18 – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund balances at December 31, 2008, consist of the following individual fund receivables and payables:

	<i>Payable</i>			<i>Totals</i>
	<i>Fire</i>	<i>Nonmajor</i>	<i>Nonmajor</i>	
		<i>Operating</i>	<i>Governmental</i>	
	<i>Funds</i>	<i>Funds</i>	<i>Funds</i>	
<i>Receivable</i>				
General	\$112,669	\$9,215,118	\$360,000	\$9,687,787
Parks and Recreation Operating	0	50,000	0	50,000
Nonmajor Governmental Funds	0	12,937	0	12,937
Water	0	57,000	0	57,000
Sewer	0	280,330	0	280,330
Electric	0	320,000	0	320,000
<i>Totals</i>	<u>\$112,669</u>	<u>\$9,935,385</u>	<u>\$360,000</u>	<u>\$10,408,054</u>

The amount payable from the Fire Operating Special Revenue Fund was originally advanced to the Safety Building Capital Projects Fund, but according to a stipulation addressed in ordinance 03-65, the original advance of \$333,000 is to be paid from revenues of the Fire Operating Special Revenue Fund. This amount has been reduced by \$101,578, the unexpended, unencumbered balance of the Safety Building Capital Projects Fund, and a repayment of \$118,753 made during 2008, thus leaving a remaining obligation of the Fire Operating Special Revenue Fund of \$112,669. This balance is expected to be repaid during 2009.

The amounts due to the General Fund from the Nonmajor Governmental Funds results from loans to various capital projects funds for the purpose of funding construction projects. The General Fund will be reimbursed when funds become available in the Nonmajor Governmental Funds.

The amount due to the General Fund from the Nonmajor Enterprise Funds results from a long-term loan to the Refuse Enterprise Fund to help fund operations.

Of the total amount due to the General Fund at year-end, \$9,368,540 is not expected to be repaid in 2009.

The amount due to the Parks and Recreation Operating Special Revenue Fund was advanced to the Recreation Capital Improvement Capital Projects Fund, a Nonmajor Governmental Fund, to enable improvements to Towers Park. \$50,000 of this advance was repaid in 2009. The balance of \$50,000 is not expected to be repaid in 2009.

City of Westerville, Ohio

Notes to the Basic Financial Statements
(Continued)

NOTE 18 – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (continued)

The amount due to the Nonmajor Governmental Funds from the Nonmajor Governmental Funds resulted from a loan from the Cable Franchise Fee Special Revenue Fund to the Hotel Tax Special Revenue Fund. This loan is not expected to be repaid in 2009.

The amounts payable to the Water, Sewer and Electric Enterprise Funds were advanced to the Northridge Crossing TIF Capital Projects Fund, a Nonmajor Governmental Fund, to provide funding for infrastructure improvements to property along Africa Road between Polaris Parkway and the City’s north corporation line. These loans are expected to be repaid in full during 2009.

Interfund receivables/payables outstanding at December 31, 2007 have been restated to properly reflect the portion of the advance originally provided to the Fire Operating Special Revenue Fund that was reduced and will be repaid by the balance in the Safety Building Capital Projects Fund, in accordance with ordinance 03-65, in the amount of \$101,578, the balance in the fund at December 31, 2007.

Transfers made during the year ended December 31, 2008 were as follows:

		Transfers To									
								Nonmajor			
		Fire	Parks and	Nonmajor	Water	Sewer	Electric	Enterprise	Internal		
		Operating	Recreation	Governmental	Fund	Fund	Fund	Funds	Service		
		Fund	Fund	Funds	Fund	Fund	Fund	Funds	Funds	Totals	
Transfers From	General Fund	\$0	\$6,085	\$819,562	\$7,436,037	\$0	\$0	\$0	\$0	\$0	\$8,261,684
	Nonmajor										
	Governmental										
	Funds	7,836	0	3,484,123	170,578	5,371	4,211	38	3	3	3,672,163
	Totals	\$7,836	\$6,085	\$4,303,685	\$7,606,615	\$5,371	\$4,211	\$38	\$3	\$3	\$11,933,847

Transfers from the General Fund represent subsidy monies for operations of the various funds receiving these monies. Transfers from the Nonmajor Governmental Funds were made to move available balances of restricted funds to support programs and projects accounted for in other funds. The funds receiving these transfers expended the money in a manner consistent with the nature of the transferring fund. Transfers from the Nonmajor Governmental Funds also included a reimbursement to funds for costs incurred due to the March, 2008 snow and September, 2008 wind storms.

City of Westerville, Ohio

Notes to the Basic Financial Statements
(Continued)

NOTE 18 – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (continued)

Due From Other Funds and Due To Other Funds consist of electric service provided by the Electric Enterprise Fund to various other funds of the City. Due to/from amounts at December 31, 2008 were as follows:

		<i>Due to</i>
		<u><i>Electric Fund</i></u>
<i>Due From</i>	General Fund	\$9,686
	Fire Operating Fund	3,316
	Parks and Recreation Operating Fund	25,816
	Nonmajor Governmental Funds	153
	Water Fund	13,966
	Sewer Fund	64
	Nonmajor Enterprise Funds	633
	<i>Total</i>	<u><u>\$53,634</u></u>

NOTE 19 – JOINTLY GOVERNED ORGANIZATION

The Westerville, Minerva Park, and Blendon Township Joint Hospital District is a jointly governed organization managed by a nine member board consisting of three elected officials from each of the governmental entities comprising the Joint Hospital District. The Joint Hospital District possesses its own budgeting and taxing authority and does not receive contributions or payments from its members. The participating members do not retain an ongoing financial interest or an ongoing financial responsibility for the Joint Hospital District. Nothing was paid to the organization by the City in 2008.

NOTE 20 – RELATED ORGANIZATION

The Westerville Industry and Commerce Corporation (WICC) is a not-for-profit corporation formed to promote industrial, economic, commercial and civic development in and around the City. WICC is governed by a seven member self-perpetuating board of trustees of which four trustees are elected and/or appointed officials from the City. The board of trustees possesses its own contracting and budgeting authority, hires and fires personnel and does not depend on the City for operating subsidies. There were no financial transactions from the City to WICC during 2008.

City of Westerville, Ohio

Notes to the Basic Financial Statements (Continued)

NOTE 21 – RISK SHARING POOL

On October 1, 1997, the City established membership in the Central Ohio Risk Management Association (CORMA) Self-Insurance Pool, Inc., a not for profit risk sharing pool, for the purpose of obtaining reduced rates on traditional liability insurance coverage. CORMA was formed pursuant to Section 2744.081 of the Ohio Revised Code. Members of CORMA are the Cities of Westerville, Dublin, Upper Arlington and Pickerington. Each member has two representatives on the Board of Trustees. This Board establishes its own budget, hires and fires personnel and determines annual rates for its members.

NOTE 22 – CONTINGENT LIABILITIES

LITIGATION

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

FEDERAL AND STATE GRANTS

For the period January 1, 2008, to December 31, 2008, 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 disallowance, if any, would be immaterial.

City of Westerville, Ohio

Required Supplementary Information
Condition Assessment of the City's Infrastructure
Reported Using the Modified Approach as Outlined in GASB Statement No. 34
For the Year Ended December 31, 2008

The City of Westerville reports its Road and Bridge infrastructure assets using the modified approach as outlined in *Governmental Accounting Standards Board (GASB) Statement No. 34*. The following disclosures pertain to the conditional assessment and budgeted versus actual expenditures for the preservation of these assets. Data for the conditional assessment is presented in each of the following two sections for 2008.

Roads

The condition of road pavement is evaluated and measured using a pavement condition index (pci) rating system. This approach assigns a numerical rating to each road, or section thereof, being evaluated for the presence of numerous distresses (39 in all) and the severity level of each (low, medium, high).

The physical condition rating is determined by the City's Planning and Development Department based on the criteria below:

Pavement Condition Index	Road Condition Rating	Description
90-100	Excellent	Pavement structure is stable with no cracking, no patching and no deformation evident. Roadways in this category are usually fairly new. Nothing is needed to improve the roadway.
70-89	Good	Pavement structure is stable, but may have surface erosion or minor cracking, which is generally hairline and hard to detect, minor patching and possibly some minor deformation. Riding qualities are very good. The pavement has a dry or light colored appearance. Some type of surface rejuvenation is all that is required to improve the roadway.
50-69	Fair	Pavement structure is generally stable with minor areas of structural weakness evident. Cracking is easier to detect. The pavement might be patched, but not excessively. Although riding qualities are good, deformation is more pronounced and easily noticed.
30-49	Poor	Roadway has areas of instability, marked evidence of structural deficiency, large crack patterns (alligating), heavy and numerous patches and very noticeable deformation. Riding qualities range from acceptable to poor. Spot repair of the pavement base may be required.
0-29	Failed	Cost of saving the pavement structural section would equal or exceed complete reconstruction of roadway.

It is the City's policy that at least 85 percent of the major arterial roadways will have a rating of "Good" or better. The remaining roads will be maintained so that at least 60 percent will have a rating of "Good" or better. Each roadway in the City will be assessed on a triennial basis, with higher emphasis on more heavily used pavements.

City of Westerville, Ohio

Required Supplementary Information Condition Assessment of the City's Infrastructure (Continued)

The following summarizes the physical condition assessment of City roads as of December 31, 2008:

Road Condition Rating	Major Arterials		All Other	
	Road Miles	% of Total	Road Miles	% of Total
Good or Better	12.3	83%	91.9	67%
Less than Good	2.5	17%	45.2	33%
Total	14.8	100%	137.1	100%

The following is a comparison of budgeted and actual cash expenditures, including encumbrances for preservation of the existing roadways:

Year	Budget	Actual	Difference
2008	\$ 4,479,571	\$ 4,301,218	\$ 178,353
2007	3,452,797	3,166,904	285,893

Bridges

The condition of the City's bridges is determined using a general appraisal and operational status rating which is a conditional coding system developed by the Federal Highway Administration. This system is comprised of ratings for the individual elements of the structure. The primary elements of this appraisal system include the following:

- i) Bridge decks (riding surface, roadway approaches, end joints, curbing and sidewalks)
- ii) Superstructures (side rails, above-road piers and overhead truss)
- iii) Substructures (undercarriage, piers, footings, abutments and erosion protection)

The Federal Highway Administration has defined specific criteria for each element of the bridge, based on its construction. For each element, a 1-9 rating scale is used, where 4 or less is defined as "Poor" condition.

City of Westerville, Ohio

Required Supplementary Information Condition Assessment of the City's Infrastructure (Continued)

The ratings of all elements are combined to summarize the structural condition of a bridge as follows:

Bridge Rating	Condition Rating	Description
9	Excellent	Superior to present desirable criteria.
8	Very Good	No problems noted.
7	Good	Some minor problems.
6	Satisfactory	Structural elements show some minor deterioration.
5	Fair	All primary structural elements are sound but may have minor section loss, cracking, spalling or scour.
4	Poor	Advanced section loss, deterioration, spalling or scour.
3	Serious	Loss of section, deterioration, spalling or scour have seriously affected primary structural components. Local failures are possible. Fatigue cracks in steel or shear cracks in concrete may be present.
2	Critical	Advanced deterioration of primary structural elements. Fatigue cracks in steel or shear cracks in concrete may be present or scour may have removed substructure support. Unless closely monitored it may be necessary to close the bridge until corrective action is taken.
1	Imminent Failure	Major deterioration or section loss present in critical structural components, or obvious vertical or horizontal movement affecting structure stability. Bridge is closed to traffic but corrective action may put the bridge back in light service.
0	Failed	Out of service; beyond corrective action.

It is the City's policy to maintain the bridge system in the City where 80 percent of the structures have a general appraisal summary of 7 (Good) condition or better. Each bridge in the City will be assessed on a triennial basis. The following is a summary of the conditional assessment for bridges as of December 31, 2008:

Bridge Condition	Number of Bridges	% of Total
Good or Better	5	100%
Less than Good	0	0%
Total	5	100%

The following is a comparison of budgeted and actual cash expenditures for preservation of the existing bridges:

Year	Budget	Actual	Difference
2008	\$ 83,650	\$ 22,650	\$61,000
2007	26,031	26,031	0

Combining Statements
And
Individual Fund Schedules

City of Westerville, Ohio

Nonmajor Governmental Fund Descriptions

SPECIAL REVENUE FUNDS

Special Revenue Funds are established to account for the proceeds of specific revenue resources (other than major capital projects) that are restricted by law and administrative action to expenditures for a specified purpose. The following are the City's nonmajor special revenue funds:

Nonmajor Special Revenue Funds

Street Maintenance Fund – To account for the portion (92.5 percent) of the State gasoline tax and motor vehicle registration fees restricted for maintenance and repair of streets within the City.

State Highway Fund – To account for the portion (7.5 percent) of the State gasoline tax and motor vehicle registration fees restricted for maintenance of State highways within the City.

Drug Abuse Resistance Education (DARE) Fund – To account for all charitable contributions and State grants used to finance the City's DARE programs.

Permissive Motor Vehicle License Fund – To account for the permissive motor vehicle registration fees used for maintenance of streets within the City.

Mayor's Operating Fund – To account for money received by the Mayor and used to promote the City and its governmental functions.

Hotel Tax Fund – To account for the receipt of 75 percent of the hotel tax revenues collected by the City and expended as required by local ordinance.

OMVI Education Fund – To account for contributions to the Mayor's Task Force on alcohol and drug abuse programs and court fines restricted for OMVI education.

Tax Incentive / Redistribution Fund – To account for monies received from payments in lieu of taxes to be redistributed to area school districts.

Mayor's Court Computer Fund – To account for court costs collected for the acquisition and maintenance of computer equipment used in the operations of the Court.

Cable TV Franchise Fee Fund – To account for cable franchise fees which are used primarily to supplement funding to the Otterbein College community access channel.

Parks and Recreation Income Tax Allocation Fund – To account for the receipts generated by the additional .25 percent City income tax which are designated for the development of the parks and recreation projects.

(continued)

City of Westerville, Ohio

Nonmajor Governmental Fund Descriptions
(continued)

Nonmajor Special Revenue Funds (continued)

FEMA Fund – To account for the 75 percent reimbursement from the Federal Emergency Management Agency for expenditures associated with the March, 2008 snow and September, 2008 wind storms.

Drug Enforcement Fund – To account for confiscated monies related to criminal offenses which are designated, by State statute, for expenditures that would enhance the police department.

Criminal Activity Forfeiture Fund – To account for assets seized and forfeited by individuals engaged in criminal activities which are used to further law enforcement activities.

McVay Endowment – To account for monies received from the Columbus Foundation endowed fund established by Dorothy McVay to be used for expenditures at the City's Fire Department, Police Department, or the Senior Citizens Center.

DEBT SERVICE FUND

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. Following is the description of the City's nonmajor debt service fund:

Nonmajor Debt Service Fund

General Bond Retirement Fund – To account for the accumulation of property tax revenues used for the payment of general obligation debt principal and interest.

CAPITAL PROJECTS FUNDS

Capital Projects Funds are established to account for financial resources to be used for the acquisition and construction of major capital facilities (other than those financed by proprietary funds).

Nonmajor Capital Projects Funds

General Capital Improvement Fund – To account for general capital improvements financed by transfers from the General Fund.

Recreation Improvement Fund – To account for receipts restricted for recreation capital improvements.

Africa Road Improvement Fund – To account for street improvements financed by transfers from the General Fund.

(continued)

City of Westerville, Ohio

Nonmajor Governmental Fund Descriptions
(continued)

Nonmajor Capital Projects Funds (continued)

Spring Road Improvement Fund – To account for street improvements financed by OPWC grants and transfers from the General Fund.

Maxtown Road Improvement Fund – To account for street improvements financed by developer fees and transfers from the General Fund.

Parks and Recreation Capital Improvement Fund – To account for monies originally received from the proceeds of general obligation bonds issued by the City for the purpose of funding park and recreation improvements.

North State Street Improvement Fund – To account for street improvements financed by intergovernmental grants and transfers from the General Fund.

Cleveland Avenue Extension Improvement Fund – To account for street improvements financed by transfers from the General Fund.

Parks and Recreation Replacement and Reserve Fund – To account for monies received by transfer from the Parks and Recreation Tax Allocation Fund to be earmarked for future capital repairs and replacements.

Street Replacement and Reserve Fund – To account for annual transfers from the General Fund to make advance preparation for the long-term funding of major street rehabilitation and reconstruction projects.

Tree Replacement Fund – To account for fees paid by developers for the replacement of trees removed or destroyed during construction projects.

City Buildings Improvement Fund – To account for the proceeds of general obligation bonds in order to renovate, improve, furnish and to equip municipal facilities.

Safety Building Capital Improvement Fund – To account for the proceeds of general obligation bonds used for paying the costs of improving the provision of municipal fire services, including the constructing, furnishing and equipping of buildings to house municipal fire functions, including related site improvements, and the acquisition of safety vehicles and communication equipment.

(continued)

City of Westerville, Ohio

Nonmajor Governmental Fund Descriptions
(continued)

Nonmajor Capital Projects Funds (continued)

Westar / Olentangy TIF Fund – To account for service payments in lieu of taxes made by developers and/or owners to fund public improvements and acquisition of interests in real estate relating to the TIF area.

Northridge Crossing TIF Fund – To account for service payments in lieu of taxes made by developers and/or owners to fund public improvements and acquisition of interests in real estate relating to the TIF area.

Northstar / Worthington Road TIF Fund – To account for service payments in lieu of taxes made by developers and/or owners to fund public infrastructure improvements and acquisition of interests in real estate relating to the TIF area.

Altair TIF Incentive Fund – To account for service payments in lieu of taxes made by developers and/or owners to fund public infrastructure improvements and acquisition of interests in real estate relating to the TIF area.

Perimeter Road Improvement Fund – To account for fees charged to developers for deferred planned improvements to each perimeter street providing access to developments. The activity of each perimeter road (Spring Road, Hempstead Road, County Line Road, and Maxtown Road) is maintained through the use of separate account codes.

Recreation Capital Improvement Fund – To account for interest, grants and the proceeds from the sale of certain real estate which is restricted to recreation capital improvements.

City of Westerville, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2008

	<i>Nonmajor Special Revenue Funds</i>	<i>Nonmajor Debt Service Fund</i>	<i>Nonmajor Capital Projects Funds</i>	<i>Total Nonmajor Governmental Funds</i>
<u>Assets:</u>				
Equity in Pooled Cash and Cash Equivalents	\$5,087,582	\$74,435	\$10,422,479	\$15,584,496
Cash and Cash Equivalents with Fiscal Agents	47,818	3,067	0	50,885
Receivables:				
Property Taxes	0	209,085	0	209,085
Municipal Income Taxes	603,737	0	0	603,737
Other Local Taxes	117,382	0	0	117,382
Accounts	181	0	0	181
Payments in Lieu of Taxes	50,344	0	591,326	641,670
Accrued Interest	1,830	0	9	1,839
Intergovernmental Receivable	1,181,054	12,012	8,236	1,201,302
Materials and Supplies Inventory	313,459	0	0	313,459
Notes Receivable	0	0	325,000	325,000
Interfund Receivable	12,937	0	0	12,937
<i>Total Assets</i>	<u>\$7,416,324</u>	<u>\$298,599</u>	<u>\$11,347,050</u>	<u>\$19,061,973</u>
<u>Liabilities and Fund Balances</u>				
<u>Liabilities:</u>				
Accounts Payable	\$128,098	\$0	\$228,289	\$356,387
Contracts Payable	0	0	19,725	19,725
Accrued Wages Payable	37,938	0	0	37,938
Intergovernmental Payable	21,133	0	0	21,133
Matured Interest Payable	0	3,067	0	3,067
Due To Other Funds	153	0	0	153
Deferred Revenue	1,166,935	221,097	599,562	1,987,594
Matured Compensated Absences Payable	13,964	0	0	13,964
Interfund Payable	12,937	0	9,922,448	9,935,385
<i>Total Liabilities</i>	<u>1,381,158</u>	<u>224,164</u>	<u>10,770,024</u>	<u>12,375,346</u>
<u>Fund Balances:</u>				
Reserved for Encumbrances	126,037	0	1,570,059	1,696,096
Reserved for Interfund Receivable	12,937	0	0	12,937
Reserved for Notes Receivable	0	0	266,366	266,366
Unreserved:				
Undesignated (Deficit), Reported in:				
Special Revenue Funds	5,896,192	0	0	5,896,192
Debt Service Fund	0	74,435	0	74,435
Capital Projects Funds	0	0	(1,259,399)	(1,259,399)
<i>Total Fund Balances</i>	<u>6,035,166</u>	<u>74,435</u>	<u>577,026</u>	<u>6,686,627</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$7,416,324</u>	<u>\$298,599</u>	<u>\$11,347,050</u>	<u>\$19,061,973</u>

City of Westerville, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2008

	<u>Street Maintenance</u>	<u>State Highway</u>	<u>DARE</u>
<u>Assets:</u>			
Equity in Pooled Cash and Cash Equivalents	\$567,560	\$363,726	\$20,647
Cash and Cash Equivalents with Fiscal Agents	0	0	0
Receivables:			
Municipal Income Taxes	0	0	0
Other Local Taxes	0	0	0
Accounts	181	0	0
Payments in Lieu of Taxes	0	0	0
Accrued Interest	0	0	133
Intergovernmental Receivable	701,274	56,861	0
Materials and Supplies Inventory	313,459	0	0
Interfund Receivable	0	0	0
<i>Total Assets</i>	<u>\$1,582,474</u>	<u>\$420,587</u>	<u>\$20,780</u>
<u>Liabilities and Fund Balances</u>			
<u>Liabilities:</u>			
Accounts Payable	\$88,095	\$0	\$0
Accrued Wages Payable	37,938	0	0
Intergovernmental Payable	21,133	0	0
Due To Other Funds	153	0	0
Deferred Revenue	588,800	47,738	0
Matured Compensated Absences Payable	13,964	0	0
Interfund Payable	0	0	0
<i>Total Liabilities</i>	<u>750,083</u>	<u>47,738</u>	<u>0</u>
<u>Fund Balances:</u>			
Reserved for Encumbrances	79,033	0	750
Reserved for Interfund Receivable	0	0	0
Unreserved:			
Undesignated (Deficit), Reported in:			
Special Revenue Funds	753,358	372,849	20,030
<i>Total Fund Balances (Deficit)</i>	<u>832,391</u>	<u>372,849</u>	<u>20,780</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$1,582,474</u>	<u>\$420,587</u>	<u>\$20,780</u>

<i>Permissive Motor Vehicle License</i>	<i>Mayor's Operating</i>	<i>Hotel Tax</i>	<i>OMVI Education</i>	<i>Tax Incentive/ Redistribution</i>	<i>Mayor's Court Computer</i>
\$33,604	\$369	\$0	\$5,611	\$29,740	\$43,871
47,818	0	0	0	0	0
0	0	0	0	0	0
0	0	2,455	0	0	0
0	0	0	0	0	0
0	0	0	0	50,344	0
0	0	0	0	0	0
19,485	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>\$100,907</u>	<u>\$369</u>	<u>\$2,455</u>	<u>\$5,611</u>	<u>\$80,084</u>	<u>\$43,871</u>
\$0	\$0	\$0	\$0	\$0	\$0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	13,298	0
0	0	0	0	0	0
0	0	12,937	0	0	0
<u>0</u>	<u>0</u>	<u>12,937</u>	<u>0</u>	<u>13,298</u>	<u>0</u>
0	0	0	0	0	6,300
0	0	0	0	0	0
<u>100,907</u>	<u>369</u>	<u>(10,482)</u>	<u>5,611</u>	<u>66,786</u>	<u>37,571</u>
<u>100,907</u>	<u>369</u>	<u>(10,482)</u>	<u>5,611</u>	<u>66,786</u>	<u>43,871</u>
<u>\$100,907</u>	<u>\$369</u>	<u>\$2,455</u>	<u>\$5,611</u>	<u>\$80,084</u>	<u>\$43,871</u>

(continued)

City of Westerville, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2008
(Continued)

	<i>Cable TV Franchise Fee</i>	<i>Parks and Recreation Income Tax Allocation</i>	<i>FEMA</i>
<u>Assets:</u>			
Equity in Pooled Cash and Cash Equivalents	\$667,904	\$3,017,122	\$0
Cash and Cash Equivalents with Fiscal Agents	0	0	0
Receivables:			
Municipal Income Taxes	0	603,737	0
Other Local Taxes	114,927	0	0
Accounts	0	0	0
Payments in Lieu of Taxes	0	0	0
Accrued Interest	0	0	0
Intergovernmental Receivable	0	0	403,038
Materials and Supplies Inventory	0	0	0
Interfund Receivable	12,937	0	0
<i>Total Assets</i>	<u>\$795,768</u>	<u>\$3,620,859</u>	<u>\$403,038</u>
<u>Liabilities and Fund Balances</u>			
<u>Liabilities:</u>			
Accounts Payable	\$6,250	\$0	\$0
Accrued Wages Payable	0	0	0
Intergovernmental Payable	0	0	0
Due To Other Funds	0	0	0
Deferred Revenue	114,927	302,396	99,380
Matured Compensated Absences Payable	0	0	0
Interfund Payable	0	0	0
<i>Total Liabilities</i>	<u>121,177</u>	<u>302,396</u>	<u>99,380</u>
<u>Fund Balances:</u>			
Reserved for Encumbrances	26,880	0	0
Reserved for Interfund Receivable	12,937	0	0
Unreserved:			
Undesignated (Deficit), Reported in:			
Special Revenue Funds	634,774	3,318,463	303,658
<i>Total Fund Balances (Deficit)</i>	<u>674,591</u>	<u>3,318,463</u>	<u>303,658</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$795,768</u>	<u>\$3,620,859</u>	<u>\$403,038</u>

<i>Drug Enforcement</i>	<i>Criminal Activitiy Forfeiture</i>	<i>McVay Endowment</i>	<i>Total Nonmajor Special Revenue Funds</i>
\$27,757	\$231,241	\$78,430	\$5,087,582
0	0	0	47,818
0	0	0	603,737
0	0	0	117,382
0	0	0	181
0	0	0	50,344
180	1,517	0	1,830
0	396	0	1,181,054
0	0	0	313,459
0	0	0	12,937
<u>\$27,937</u>	<u>\$233,154</u>	<u>\$78,430</u>	<u>\$7,416,324</u>
\$0	\$33,753	\$0	\$128,098
0	0	0	37,938
0	0	0	21,133
0	0	0	153
0	396	0	1,166,935
0	0	0	13,964
0	0	0	12,937
<u>0</u>	<u>34,149</u>	<u>0</u>	<u>1,381,158</u>
0	13,074	0	126,037
0	0	0	12,937
<u>27,937</u>	<u>185,931</u>	<u>78,430</u>	<u>5,896,192</u>
<u>27,937</u>	<u>199,005</u>	<u>78,430</u>	<u>6,035,166</u>
<u>\$27,937</u>	<u>\$233,154</u>	<u>\$78,430</u>	<u>\$7,416,324</u>

City of Westerville, Ohio
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2008

	General Capital Improvement	Recreation Improvement	Africa Road Improvement	Spring Road Improvement
<u>Assets:</u>				
Equity in Pooled Cash and Cash Equivalents	\$2,141,422	\$141,231	\$48	\$163,548
Receivables:				
Payments in Lieu of Taxes	0	0	0	0
Accrued Interest	0	0	0	0
Intergovernmental Receivable	0	0	0	0
Notes Receivable	0	0	0	0
Total Assets	\$2,141,422	\$141,231	\$48	\$163,548
<u>Liabilities and Fund Balances</u>				
<u>Liabilities:</u>				
Accounts Payable	\$24,821	\$0	\$0	\$0
Contracts Payable	8,925	0	0	0
Deferred Revenue	0	0	0	0
Interfund Payable	0	50,000	135,000	1,722,000
Total Liabilities	33,746	50,000	135,000	1,722,000
<u>Fund Balances:</u>				
Reserved for Encumbrances	1,416,457	933	0	0
Reserved for Notes Receivable	0	0	0	0
Unreserved:				
Undesignated (Deficit), Reported in:				
Capital Projects Funds	691,219	90,298	(134,952)	(1,558,452)
Total Fund Balances (Deficit)	2,107,676	91,231	(134,952)	(1,558,452)
Total Liabilities and Fund Balances	\$2,141,422	\$141,231	\$48	\$163,548

<i>Maxtown Road Improvement</i>	<i>Parks and Recreation Capital Improvement</i>	<i>North State Street Improvement</i>	<i>Cleveland Avenue Extension Improvement</i>	<i>Parks and Recreation Replacement and Reserve</i>	<i>Street Replacement and Reserve</i>
\$191,942	\$1,588,812	\$1,501,064	\$24,561	\$783,516	\$1,885,304
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	325,000	0	0	0	0
<u>\$191,942</u>	<u>\$1,913,812</u>	<u>\$1,501,064</u>	<u>\$24,561</u>	<u>\$783,516</u>	<u>\$1,885,304</u>
\$187,397	\$0	\$0	\$0	\$0	\$0
0	10,800	0	0	0	0
0	0	0	0	0	0
2,506,000	0	1,261,000	1,019,200	0	0
<u>2,693,397</u>	<u>10,800</u>	<u>1,261,000</u>	<u>1,019,200</u>	<u>0</u>	<u>0</u>
0	57,239	0	0	0	0
0	266,366	0	0	0	0
(2,501,455)	1,579,407	240,064	(994,639)	783,516	1,885,304
<u>(2,501,455)</u>	<u>1,903,012</u>	<u>240,064</u>	<u>(994,639)</u>	<u>783,516</u>	<u>1,885,304</u>
<u>\$191,942</u>	<u>\$1,913,812</u>	<u>\$1,501,064</u>	<u>\$24,561</u>	<u>\$783,516</u>	<u>\$1,885,304</u>

(continued)

City of Westerville, Ohio
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2008
(Continued)

	<i>Tree Replacement</i>	<i>City Buildings Improvement</i>	<i>Safety Building Capital Improvement</i>	<i>Westar/ Olentangy TIF</i>
<i>Assets:</i>				
Equity in Pooled Cash and Cash Equivalents	\$61,288	\$2,669	\$101,578	\$179,147
Receivables:				
Payments in Lieu of Taxes	0	0	0	47,074
Accrued Interest	0	0	0	0
Intergovernmental Receivable	0	0	0	0
Notes Receivable	0	0	0	0
<i>Total Assets</i>	<u>\$61,288</u>	<u>\$2,669</u>	<u>\$101,578</u>	<u>\$226,221</u>
<i>Liabilities and Fund Balances</i>				
<i>Liabilities:</i>				
Accounts Payable	\$0	\$0	\$0	\$0
Contracts Payable	0	0	0	0
Deferred Revenue	0	0	0	47,074
Interfund Payable	0	0	101,578	0
<i>Total Liabilities</i>	<u>0</u>	<u>0</u>	<u>101,578</u>	<u>47,074</u>
<i>Fund Balances:</i>				
Reserved for Encumbrances	61,250	0	0	0
Reserved for Notes Receivable	0	0	0	0
Unreserved:				
Undesignated (Deficit), Reported in:				
Capital Projects Funds	38	2,669	0	179,147
<i>Total Fund Balances (Deficit)</i>	<u>61,288</u>	<u>2,669</u>	<u>0</u>	<u>179,147</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$61,288</u>	<u>\$2,669</u>	<u>\$101,578</u>	<u>\$226,221</u>

<i>Northridge Crossing TIF</i>	<i>Northstar/ Worthington Road TIF</i>	<i>Altair TIF Incentive</i>	<i>Perimeter Road Improvement</i>	<i>Recreation Capital Improvement</i>	<i>Total Nonmajor Capital Projects Funds</i>
\$1,158,618	\$431,951	\$19,942	\$44,330	\$1,508	\$10,422,479
408,153	120,344	15,755	0	0	591,326
0	0	0	0	9	9
0	8,236	0	0	0	8,236
0	0	0	0	0	325,000
<u>\$1,566,771</u>	<u>\$560,531</u>	<u>\$35,697</u>	<u>\$44,330</u>	<u>\$1,517</u>	<u>\$11,347,050</u>
\$16,071	\$0	\$0	\$0	\$0	\$228,289
0	0	0	0	0	19,725
408,153	128,580	15,755	0	0	599,562
2,032,330	200,000	895,340	0	0	9,922,448
<u>2,456,554</u>	<u>328,580</u>	<u>911,095</u>	<u>0</u>	<u>0</u>	<u>10,770,024</u>
0	34,180	0	0	0	1,570,059
0	0	0	0	0	266,366
(889,783)	197,771	(875,398)	44,330	1,517	(1,259,399)
(889,783)	231,951	(875,398)	44,330	1,517	577,026
<u>\$1,566,771</u>	<u>\$560,531</u>	<u>\$35,697</u>	<u>\$44,330</u>	<u>\$1,517</u>	<u>\$11,347,050</u>



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City of Westerville, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2008

	<i>Nonmajor Special Revenue Funds</i>	<i>Nonmajor Debt Service Fund</i>	<i>Nonmajor Capital Projects Funds</i>	<i>Total Nonmajor Governmental Funds</i>
<u>Revenues:</u>				
Property Taxes	\$0	\$130,929	\$0	\$130,929
Municipal Income Taxes	4,394,681	0	0	4,394,681
Other Local Taxes	477,009	0	0	477,009
Payments in Lieu of Taxes	1,181,531	0	767,669	1,949,200
Intergovernmental	2,330,627	49,121	123,775	2,503,523
Fees, Licenses and Permits	0	0	22,500	22,500
Fines and Forfeitures	80,750	0	0	80,750
Interest	17,382	0	1,054	18,436
Other	31,618	0	53,944	85,562
<i>Total Revenues</i>	<u>8,513,598</u>	<u>180,050</u>	<u>968,942</u>	<u>9,662,590</u>
<u>Expenditures:</u>				
Current:				
Security of Persons and Property	190,646	0	0	190,646
Transportation	2,183,713	0	0	2,183,713
General Government	2,101,937	0	0	2,101,937
Capital Outlay	0	0	3,874,933	3,874,933
Debt Service:				
Principal Retirement	0	1,648,395	10,000	1,658,395
Interest and Fiscal Charges	0	1,163,360	17,538	1,180,898
<i>Total Expenditures</i>	<u>4,476,296</u>	<u>2,811,755</u>	<u>3,902,471</u>	<u>11,190,522</u>
Excess of Revenues Over (Under) Expenditures	<u>4,037,302</u>	<u>(2,631,705)</u>	<u>(2,933,529)</u>	<u>(1,527,932)</u>
<u>Other Financing Sources (Uses):</u>				
Transfers - In	833,372	2,584,757	4,188,486	7,606,615
Transfers - Out	(3,666,078)	0	(6,085)	(3,672,163)
<i>Total Other Financing Sources (Uses)</i>	<u>(2,832,706)</u>	<u>2,584,757</u>	<u>4,182,401</u>	<u>3,934,452</u>
Net Change in Fund Balances	1,204,596	(46,948)	1,248,872	2,406,520
Fund Balances (Deficit) at Beginning of Year	<u>4,830,570</u>	<u>121,383</u>	<u>(671,846)</u>	<u>4,280,107</u>
<i>Fund Balances at End of Year</i>	<u>\$6,035,166</u>	<u>\$74,435</u>	<u>\$577,026</u>	<u>\$6,686,627</u>

City of Westerville, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2008

	<i>Street Maintenance</i>	<i>State Highway</i>	<i>DARE</i>
<u>Revenues:</u>			
Municipal Income Taxes	\$0	\$0	\$0
Other Local Taxes	0	0	0
Payments in Lieu of Taxes	0	0	0
Intergovernmental	1,433,815	116,181	15,255
Fines and Forfeitures	0	0	0
Interest	68	1,009	1,063
Other	668	0	529
<i>Total Revenues</i>	<u>1,434,551</u>	<u>117,190</u>	<u>16,847</u>
<u>Expenditures:</u>			
Current:			
Security of Persons and Property	0	0	14,243
Transportation	1,696,358	37,355	0
General Government	0	0	0
<i>Total Expenditures</i>	<u>1,696,358</u>	<u>37,355</u>	<u>14,243</u>
Excess of Revenues Over (Under) Expenditures	<u>(261,807)</u>	<u>79,835</u>	<u>2,604</u>
<u>Other Financing Sources (Uses):</u>			
Transfers - In	361,790	0	0
Transfers - Out	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>361,790</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balances	99,983	79,835	2,604
Fund Balances (Deficit) at Beginning of Year	<u>732,408</u>	<u>293,014</u>	<u>18,176</u>
<i>Fund Balances (Deficit) at End of Year</i>	<u><u>\$832,391</u></u>	<u><u>\$372,849</u></u>	<u><u>\$20,780</u></u>

<i>Permissive Motor Vehicle License</i>	<i>Mayor's Operating</i>	<i>Hotel Tax</i>	<i>OMVI Education</i>	<i>Tax Incentive/ Redistribution</i>
\$0	\$0	\$0	\$0	\$0
0	0	52,364	0	0
0	0	0	0	1,181,531
407,933	0	0	0	0
0	0	0	3,337	0
2,826	0	0	0	0
0	370	0	0	0
<u>410,759</u>	<u>370</u>	<u>52,364</u>	<u>3,337</u>	<u>1,181,531</u>
0	0	0	7,970	0
450,000	0	0	0	0
0	1	53,067	0	1,670,090
<u>450,000</u>	<u>1</u>	<u>53,067</u>	<u>7,970</u>	<u>1,670,090</u>
<u>(39,241)</u>	<u>369</u>	<u>(703)</u>	<u>(4,633)</u>	<u>(488,559)</u>
0	0	0	0	471,582
0	0	0	0	0
0	0	0	0	471,582
<u>(39,241)</u>	<u>369</u>	<u>(703)</u>	<u>(4,633)</u>	<u>(16,977)</u>
<u>140,148</u>	<u>0</u>	<u>(9,779)</u>	<u>10,244</u>	<u>83,763</u>
<u>\$100,907</u>	<u>\$369</u>	<u>(\$10,482)</u>	<u>\$5,611</u>	<u>\$66,786</u>

(Continued)

City of Westerville, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2008
(Continued)

	<i>Mayor's Court Computer</i>	<i>Cable TV Franchise Fee</i>	<i>Parks and Recreation Income Tax Allocation</i>
<u>Revenues:</u>			
Municipal Income Taxes	\$0	\$0	\$4,394,681
Other Local Taxes	0	424,645	0
Payments in Lieu of Taxes	0	0	0
Intergovernmental	0	0	0
Fines and Forfeitures	17,250	0	0
Interest	0	0	0
Other	0	0	0
<i>Total Revenues</i>	<u>17,250</u>	<u>424,645</u>	<u>4,394,681</u>
<u>Expenditures:</u>			
Current:			
Security of Persons and Property	0	0	0
Transportation	0	0	0
General Government	16,976	361,803	0
<i>Total Expenditures</i>	<u>16,976</u>	<u>361,803</u>	<u>0</u>
Excess of Revenues Over (Under) Expenditures	<u>274</u>	<u>62,842</u>	<u>4,394,681</u>
<u>Other Financing Sources (Uses):</u>			
Transfers - In	0	0	0
Transfers - Out	0	0	(3,634,123)
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>(3,634,123)</u>
Net Change in Fund Balances	274	62,842	760,558
Fund Balances (Deficit) at Beginning of Year	<u>43,597</u>	<u>611,749</u>	<u>2,557,905</u>
<i>Fund Balances (Deficit) at End of Year</i>	<u>\$43,871</u>	<u>\$674,591</u>	<u>\$3,318,463</u>

<i>FEMA</i>	<i>Drug Enforcement</i>	<i>Criminal Activity Forfeiture</i>	<i>McVay Endowment</i>	<i>Total Nonmajor Special Revenue Funds</i>
\$0	\$0	\$0	\$0	\$4,394,681
0	0	0	0	477,009
0	0	0	0	1,181,531
335,613	0	21,830	0	2,330,627
0	7,541	52,622	0	80,750
0	1,151	11,265	0	17,382
0	0	8,951	21,100	31,618
<u>335,613</u>	<u>8,692</u>	<u>94,668</u>	<u>21,100</u>	<u>8,513,598</u>
0	6,740	159,743	1,950	190,646
0	0	0	0	2,183,713
0	0	0	0	2,101,937
<u>0</u>	<u>6,740</u>	<u>159,743</u>	<u>1,950</u>	<u>4,476,296</u>
<u>335,613</u>	<u>1,952</u>	<u>(65,075)</u>	<u>19,150</u>	<u>4,037,302</u>
0	0	0	0	833,372
(31,955)	0	0	0	(3,666,078)
<u>(31,955)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(2,832,706)</u>
303,658	1,952	(65,075)	19,150	1,204,596
0	25,985	264,080	59,280	4,830,570
<u>\$303,658</u>	<u>\$27,937</u>	<u>\$199,005</u>	<u>\$78,430</u>	<u>\$6,035,166</u>

City of Westerville, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2008

	<i>General Capital Improvement</i>	<i>Recreation Improvement</i>	<i>Africa Road Improvement</i>	<i>Spring Road Improvement</i>
<u>Revenues:</u>				
Payments in Lieu of Taxes	\$0	\$0	\$0	\$0
Intergovernmental	0	100,000	0	0
Fees, Licenses and Permits	0	0	0	0
Interest	0	0	0	0
Other	8,799	22,816	0	0
<i>Total Revenues</i>	<u>8,799</u>	<u>122,816</u>	<u>0</u>	<u>0</u>
<u>Expenditures:</u>				
Current:				
Capital Outlay	2,719,630	2,944	0	14,474
Debt Service:				
Principal Retirement	0	0	0	0
Interest and Fiscal Charges	0	0	0	0
<i>Total Expenditures</i>	<u>2,719,630</u>	<u>2,944</u>	<u>0</u>	<u>14,474</u>
Excess of Revenues Over (Under) Expenditures	<u>(2,710,831)</u>	<u>119,872</u>	<u>0</u>	<u>(14,474)</u>
<u>Other Financing Sources (Uses):</u>				
Transfers - In	3,413,261	0	0	0
Transfers - Out	0	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>3,413,261</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balances	702,430	119,872	0	(14,474)
Fund Balances (Deficit) at Beginning of Year	<u>1,405,246</u>	<u>(28,641)</u>	<u>(134,952)</u>	<u>(1,543,978)</u>
<i>Fund Balances (Deficit) at End of Year</i>	<u>\$2,107,676</u>	<u>\$91,231</u>	<u>(\$134,952)</u>	<u>(\$1,558,452)</u>

<i>Maxtown Road Improvement</i>	<i>Parks and Recreation Capital Improvement</i>	<i>North State Street Improvement</i>	<i>Cleveland Avenue Extension Improvement</i>	<i>Parks and Recreation Replacement and Reserve</i>	<i>Street Replacement and Reserve</i>
\$0	\$0	\$0	\$0	\$0	\$0
0	0	0	0	0	0
0	0	0	0	0	0
0	976	0	0	0	0
0	22,000	0	0	0	0
0	22,976	0	0	0	0
187,397	25,135	0	0	61,770	355,601
0	0	0	0	0	0
0	0	0	0	0	0
187,397	25,135	0	0	61,770	355,601
(187,397)	(2,159)	0	0	(61,770)	(355,601)
0	150,000	625,225	0	0	0
0	0	0	0	0	0
0	150,000	625,225	0	0	0
(187,397)	147,841	625,225	0	(61,770)	(355,601)
(2,314,058)	1,905,171	240,064	(994,639)	695,286	1,615,680
(\$2,501,455)	\$2,053,012	\$865,289	(\$994,639)	\$633,516	\$1,260,079

(Continued)

City of Westerville, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2008
(Continued)

	<i>Tree Replacement</i>	<i>City Buildings Improvement</i>	<i>Safety Building Capital Improvement</i>	<i>Westar/ Olentangy TIF</i>
<u>Revenues:</u>				
Payments in Lieu of Taxes	\$0	\$0	\$0	\$44,373
Intergovernmental	0	0	0	0
Fees, Licenses and Permits	0	0	0	0
Interest	0	0	0	0
Other	0	0	0	0
<i>Total Revenues</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>44,373</u>
<u>Expenditures:</u>				
Current:				
Capital Outlay	0	2,035	0	0
Debt Service:				
Principal Retirement	0	0	0	0
Interest and Fiscal Charges	0	0	0	0
<i>Total Expenditures</i>	<u>0</u>	<u>2,035</u>	<u>0</u>	<u>0</u>
Excess of Revenues Over (Under) Expenditures	<u>0</u>	<u>(2,035)</u>	<u>0</u>	<u>44,373</u>
<u>Other Financing Sources (Uses):</u>				
Transfers - In	0	0	0	0
Transfers - Out	0	0	(6,085)	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>(6,085)</u>	<u>0</u>
Net Change in Fund Balances	0	(2,035)	(6,085)	44,373
Fund Balances (Deficit) at Beginning of Year	<u>61,288</u>	<u>4,704</u>	<u>6,085</u>	<u>134,774</u>
<i>Fund Balances (Deficit) at End of Year</i>	<u>\$61,288</u>	<u>\$2,669</u>	<u>\$0</u>	<u>\$179,147</u>

<i>Northridge Crossing TIF</i>	<i>Northstar/ Worthington Road TIF</i>	<i>Altair TIF Incentive</i>	<i>Perimeter Road Improvement</i>	<i>Recreation Capital Improvement</i>	<i>Total Nonmajor Capital Projects Funds</i>
\$558,851	\$118,241	\$46,204	\$0	\$0	\$767,669
0	23,775	0	0	0	123,775
0	0	0	22,500	0	22,500
0	0	0	0	78	1,054
0	0	329	0	0	53,944
<u>558,851</u>	<u>142,016</u>	<u>46,533</u>	<u>22,500</u>	<u>78</u>	<u>968,942</u>
194,915	12,892	298,140	0	0	3,874,933
0	0	10,000	0	0	10,000
0	0	17,538	0	0	17,538
<u>194,915</u>	<u>12,892</u>	<u>325,678</u>	<u>0</u>	<u>0</u>	<u>3,902,471</u>
363,936	129,124	(279,145)	22,500	78	(2,933,529)
0	0	0	0	0	4,188,486
0	0	0	0	0	(6,085)
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>4,182,401</u>
363,936	129,124	(279,145)	22,500	78	1,248,872
<u>(1,253,719)</u>	<u>102,827</u>	<u>(596,253)</u>	<u>21,830</u>	<u>1,439</u>	<u>(671,846)</u>
<u>(\$889,783)</u>	<u>\$231,951</u>	<u>(\$875,398)</u>	<u>\$44,330</u>	<u>\$1,517</u>	<u>\$577,026</u>

City of Westerville, Ohio

Nonmajor Enterprise Fund Descriptions

ENTERPRISE FUNDS

Enterprise Funds are used to account for the City's water, sewer, refuse, electric and swimming pool operations. These activities are financed and operated in a manner similar to private sector business enterprises where the intent is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The following are the City's nonmajor enterprise funds.

Nonmajor Enterprise Funds

Refuse Fund – To account for the revenues and expenses of the City's solid waste collection and disposal services.

Swimming Pool Fund – To account for the revenues and expenses of the Highlands Park Swimming Pool complex.

City of Westerville, Ohio
Combining Statement of Fund Net Assets
Nonmajor Enterprise Funds
December 31, 2008

	<u>Refuse</u>	<u>Swimming Pool</u>	<u>Total Nonmajor Enterprise Funds</u>
<u>Assets:</u>			
<i>Current Assets:</i>			
Equity in Pooled Cash and Cash Equivalents	\$573,324	\$187,239	\$760,563
Receivables:			
Accounts, Net	318,006	0	318,006
<i>Total Current Assets</i>	<u>891,330</u>	<u>187,239</u>	<u>1,078,569</u>
<i>Non-current Assets:</i>			
<i>Capital Assets:</i>			
Nondepreciable Capital Assets	12,500	67,500	80,000
Depreciable Capital Assets, Net	651,282	288,512	939,794
<i>Total Non-current Assets</i>	<u>663,782</u>	<u>356,012</u>	<u>1,019,794</u>
<i>Total Assets</i>	<u>1,555,112</u>	<u>543,251</u>	<u>2,098,363</u>
<u>Liabilities:</u>			
<i>Current Liabilities:</i>			
Accounts Payable	156,144	55	156,199
Accrued Wages Payable	2,814	2,984	5,798
Intergovernmental Payable	1,632	2,932	4,564
Due To Other Funds	0	633	633
Compensated Absences Payable	2,969	3,653	6,622
<i>Total Current Liabilities</i>	<u>163,559</u>	<u>10,257</u>	<u>173,816</u>
<i>Long-Term Liabilities:</i>			
Interfund Payable	360,000	0	360,000
<i>Total Liabilities</i>	<u>523,559</u>	<u>10,257</u>	<u>533,816</u>
<u>Net Assets:</u>			
Invested in Capital Assets	663,782	356,012	1,019,794
Unrestricted	367,771	176,982	544,753
<i>Total Net Assets</i>	<u>\$1,031,553</u>	<u>\$532,994</u>	<u>\$1,564,547</u>

City of Westerville, Ohio
Combining Statement of Revenues,
Expenses and Changes in Fund Net Assets
Nonmajor Enterprise Funds
For the Year Ended December 31, 2008

	<u>Refuse</u>	<u>Swimming Pool</u>	<u>Total Nonmajor Enterprise Funds</u>
<u>Operating Revenues:</u>			
Charges for Services	\$1,951,752	\$446,827	\$2,398,579
Other Operating Revenues	49	108	157
<i>Total Operating Revenues</i>	<u>1,951,801</u>	<u>446,935</u>	<u>2,398,736</u>
<u>Operating Expenses:</u>			
Personal Services	81,150	333,803	414,953
Contractual Services	1,886,251	67,650	1,953,901
Materials and Supplies	2,215	68,498	70,713
Other	6,006	0	6,006
Depreciation	162,243	45,464	207,707
<i>Total Operating Expenses</i>	<u>2,137,865</u>	<u>515,415</u>	<u>2,653,280</u>
<i>Operating Loss</i>	(186,064)	(68,480)	(254,544)
Transfers In	<u>3</u>	<u>0</u>	<u>3</u>
Change in Net Assets	(186,061)	(68,480)	(254,541)
Net Assets at Beginning of Year	<u>1,217,614</u>	<u>601,474</u>	<u>1,819,088</u>
<i>Net Assets at End of Year</i>	<u><u>\$1,031,553</u></u>	<u><u>\$532,994</u></u>	<u><u>\$1,564,547</u></u>

City of Westerville, Ohio
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Year Ended December 31, 2008

	<i>Refuse</i>	<i>Swimming Pool</i>	<i>Total Nonmajor Enterprise Funds</i>
<u>Increases (Decreases) in Cash and Cash Equivalents:</u>			
<u>Cash Flows from Operating Activities:</u>			
Cash Received from Customers	\$1,932,607	\$446,827	\$2,379,434
Cash Payments for Personal Services	(79,895)	(334,174)	(414,069)
Cash Payments for Materials and Supplies	(2,215)	(56,476)	(58,691)
Cash Payments for Other Services and Charges	(1,870,930)	(79,042)	(1,949,972)
Interfund Services Used	0	(633)	(633)
Other Operating Revenues	49	108	157
<i>Net Cash Used for Operating Activities</i>	(20,384)	(23,390)	(43,774)
<u>Cash Flows from Non-Capital Financing Activities:</u>			
Advances to Other Funds	(105,000)	0	(105,000)
Transfers from Other Funds	3	0	3
<i>Net Cash Used for Non-Capital Financing Activities</i>	(104,997)	0	(104,997)
<u>Cash Flows from Capital and Related Financing Activities:</u>			
Acquisition and Construction of Capital Assets	0	(11,345)	(11,345)
<i>Net Decrease in Cash and Cash Equivalents</i>	(125,381)	(34,735)	(160,116)
<i>Cash and Cash Equivalents at Beginning of Year</i>	698,705	221,974	920,679
<i>Cash and Cash Equivalents at End of Year</i>	\$573,324	\$187,239	\$760,563
<u>Reconciliation of Operating Loss to Net Cash Used for Operating Activities:</u>			
Operating Loss	(\$186,064)	(\$68,480)	(\$254,544)
<u>Adjustments to Reconcile Operating Loss to Net Cash Used for Operating Activities:</u>			
Depreciation	162,243	45,464	207,707
Change in Provision for Uncollectable Accounts Receivable	337	0	337
<u>Changes in Assets and Liabilities:</u>			
Increase in Accounts Receivable	(13,476)	0	(13,476)
Increase in Accounts Payable	15,321	20	15,341
Increase in Accrued Wages	530	1,163	1,693
Increase (Decrease) in Compensated Absences Payable	700	(1,471)	(771)
Decrease in Due to Other Funds	0	(23)	(23)
Increase (Decrease) in Intergovernmental Payable	25	(63)	(38)
<i>Net Cash Used for Operating Activities</i>	(\$20,384)	(\$23,390)	(\$43,774)

City of Westerville, Ohio

Internal Service Fund Descriptions

INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City and to other governmental units, on a cost reimbursement basis. The following are the City's internal service funds:

Garage Fund – To account for the operations of the City Garage which provides maintenance and repair services on all City vehicles and equipment.

Self-Insurance Fund – To account for general liability claims, actions, and judgments against the City, its officers and employees.

City of Westerville, Ohio
Combining Statement of Fund Net Assets
Internal Service Funds
December 31, 2008

	<u>Garage</u>	<u>Self- Insurance</u>	<u>Total Internal Service Funds</u>
<u>Assets</u>			
<i>Current Assets:</i>			
Equity in Pooled Cash and Cash Equivalents	\$188,511	\$1,045,162	\$1,233,673
Receivables:			
Accounts	396	3,243	3,639
Accrued Interest	0	6,826	6,826
Materials and Supplies Inventory	41,732	0	41,732
Total Current Assets	230,639	1,055,231	1,285,870
<i>Non-current Assets:</i>			
Capital Assets:			
Depreciable Capital Assets, Net	205,861	0	205,861
Total Assets	436,500	1,055,231	1,491,731
<u>Liabilities</u>			
<i>Current Liabilities:</i>			
Accounts Payable	7,579	0	7,579
Accrued Wages Payable	11,209	0	11,209
Intergovernmental Payable	6,614	0	6,614
Claims Payable	0	193	193
Compensated Absences Payable	39,129	0	39,129
Total Current Liabilities	64,531	193	64,724
<i>Long-Term Liabilities:</i>			
Compensated Absences Payable, Net	16,863	0	16,863
Total Liabilities	81,394	193	81,587
<u>Net Assets</u>			
Invested in Capital Assets	199,222	0	199,222
Unrestricted	155,884	1,055,038	1,210,922
Total Net Assets	\$355,106	\$1,055,038	\$1,410,144

City of Westerville, Ohio
Combining Statement of Revenues,
Expenses and Changes in Fund Net Assets
Internal Service Funds
For the Year Ended December 31, 2008

	<u>Garage</u>	<u>Self- Insurance</u>	<u>Total Internal Service Funds</u>
<u>Operating Revenues:</u>			
Charges for Services	\$1,125,340	\$0	\$1,125,340
Other Operating Revenues	5,823	21,751	27,574
<i>Total Operating Revenues</i>	<u>1,131,163</u>	<u>21,751</u>	<u>1,152,914</u>
<u>Operating Expenses:</u>			
Personal Services	331,315	0	331,315
Contractual Services	70,329	0	70,329
Materials and Supplies	606,524	0	606,524
Claims	0	60,199	60,199
Depreciation	22,179	0	22,179
<i>Total Operating Expenses</i>	<u>1,030,347</u>	<u>60,199</u>	<u>1,090,546</u>
<i>Operating Income (Loss)</i>	100,816	(38,448)	62,368
<u>Non-Operating Revenues:</u>			
Interest	0	46,935	46,935
Income Before Transfers	100,816	8,487	109,303
Transfers In	3	0	3
Change in Net Assets	100,819	8,487	109,306
Net Assets at Beginning of Year	<u>254,287</u>	<u>1,046,551</u>	<u>1,300,838</u>
<i>Net Assets at End of Year</i>	<u><u>\$355,106</u></u>	<u><u>\$1,055,038</u></u>	<u><u>\$1,410,144</u></u>

City of Westerville, Ohio
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended December 31, 2008

	<u>Garage</u>	<u>Self- Insurance</u>	<u>Total Internal Service Funds</u>
<u>Increases (Decreases) in Cash and Cash Equivalents:</u>			
<u>Cash Flows from Operating Activities:</u>			
Internal Services Provided	\$1,125,340	\$0	\$1,125,340
Cash Payments for Personal Services	(332,474)	0	(332,474)
Cash Payments for Materials and Supplies	(606,452)	0	(606,452)
Cash Payments for Other Services and Charges	(67,878)	0	(67,878)
Cash Payments for Claims	0	(65,318)	(65,318)
Other Operating Revenues	5,427	30,702	36,129
<i>Net Cash Provided by (Used for) Operating Activities</i>	123,963	(34,616)	89,347
<u>Cash Flows from Non-Capital Financing Activities:</u>			
Transfers from Other Funds	3	0	3
<u>Cash Flows from Capital and Related Financing Activities:</u>			
Acquisition and Construction of Capital Assets	(28,818)	0	(28,818)
<u>Cash Flows From Investing Activities:</u>			
Interest	0	49,459	49,459
Net Increase in Cash and Cash Equivalents	95,148	14,843	109,991
Cash and Cash Equivalents at Beginning of Year	93,363	1,030,319	1,123,682
<i>Cash and Cash Equivalents at End of Year</i>	<u>\$188,511</u>	<u>\$1,045,162</u>	<u>\$1,233,673</u>
<u>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:</u>			
Operating Income (Loss)	\$100,816	(\$38,448)	\$62,368
<u>Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:</u>			
Depreciation	22,179	0	22,179
<u>Changes in Assets and Liabilities:</u>			
(Increase) Decrease in Accounts Receivable	(396)	8,951	8,555
Decrease in Material and Supplies Inventory	23,572	0	23,572
Decrease in Accounts Payable	(19,942)	0	(19,942)
Decrease in Claims Payable	0	(5,119)	(5,119)
Increase in Accrued Wages Payable	200	0	200
Decrease in Compensated Absences Payable	(244)	0	(244)
Decrease in Due to Other Funds	(1,107)	0	(1,107)
Decrease in Intergovernmental Payable	(1,115)	0	(1,115)
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>\$123,963</u>	<u>(\$34,616)</u>	<u>\$89,347</u>



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City of Westerville, Ohio

Agency Fund Descriptions

AGENCY FUNDS

Agency Funds are used to account for assets held by the City while acting in the capacity of an agent for individuals, private organizations, other governments, and/or other funds. The following are the City's agency funds.

Hotel Tax Fund – To account for a portion of the tax imposed on establishments that provide sleeping accommodations for transient guests that, by statute, must be allocated to the Visitor's Bureau.

Payroll Revolving Fund – To account for all payroll related liabilities including the City's portion of payments made to various State pension systems.

Columbus Sewer Capacity Fund – To account for the sewer capacity fees collected and distributed to the City of Columbus.

State Building Standards Fund – To account for a three percent assessment by the State of Ohio collected on all building and related permits.

Performance Bond Fund – To account for deposits from contractors, developers, or individuals that are held to ensure compliance with City Ordinances pertaining to development.

Mayor's Court Fund – To account for the collection of court fines and costs and the subsequent remittance to the City, other local governments, and the State of Ohio.

Public Use Fees Fund – To account for the portion of recreation fees which is allocated to other subdivisions for use in maintaining their park systems.

City of Westerville, Ohio

Combining Statement of Assets and Liabilities
Agency Funds

December 31, 2008

	<i>Hotel Tax</i>	<i>Payroll Revolving</i>	<i>Columbus Sewer Capacity</i>
<u>Assets:</u>			
Equity in Pooled Cash and Cash Equivalents	\$0	\$800,402	\$108,083
Cash and Cash Equivalents with Fiscal Agents	0	0	0
Receivables: Other Local Taxes	818	0	0
<i>Total Assets</i>	\$818	\$800,402	\$108,083
 <u>Liabilities:</u>			
Accounts Payable	\$818	\$0	\$0
Undistributed Monies	0	800,402	0
Intergovernmental Payable	0	0	108,083
Deposits Held and Due to Others	0	0	0
<i>Total Liabilities</i>	\$818	\$800,402	\$108,083

<i>State Building Standards</i>	<i>Performance Bond</i>	<i>Mayor's Court</i>	<i>Public Use Fees</i>	<i>Totals</i>
\$1,283	\$236,678	\$0	\$23,500	\$1,169,946
0	0	9,005	0	9,005
0	0	0	0	818
<u>\$1,283</u>	<u>\$236,678</u>	<u>\$9,005</u>	<u>\$23,500</u>	<u>\$1,179,769</u>
\$0	\$0	\$0	\$0	\$818
0	0	0	0	800,402
1,283	0	7,170	23,500	140,036
0	236,678	1,835	0	238,513
<u>\$1,283</u>	<u>\$236,678</u>	<u>\$9,005</u>	<u>\$23,500</u>	<u>\$1,179,769</u>

City of Westerville, Ohio
 Combining Statement of Changes in Assets and Liabilities
 Agency Funds

For the Year Ended December 31, 2008

Hotel Tax	<i>Balance January 1, 2008</i>	<i>Additions</i>	<i>Deductions</i>	<i>Balance December 31, 2008</i>
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$0	\$17,689	\$17,689	\$0
Receivables:				
Other Local Taxes	1,053	818	1,053	818
Total Assets	\$1,053	\$18,507	\$18,742	\$818
Liabilities:				
Accounts Payable	\$1,053	\$18,507	\$18,742	\$818
Payroll Revolving				
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$834,834	\$20,430,232	\$20,464,664	\$800,402
Liabilities:				
Undistributed Monies	\$834,834	\$20,430,232	\$20,464,664	\$800,402
Columbus Sewer Capacity				
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$124,318	\$461,721	\$477,956	\$108,083
Liabilities:				
Intergovernmental Payable	\$124,318	\$461,721	\$477,956	\$108,083
State Building Standards				
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$1,160	\$16,824	\$16,701	\$1,283
Liabilities:				
Intergovernmental Payable	\$1,160	\$16,824	\$16,701	\$1,283
Performance Bond				
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$183,139	\$597,258	\$543,719	\$236,678
Liabilities:				
Deposits Held and Due to Others	\$183,139	\$597,258	\$543,719	\$236,678

(continued)

City of Westerville, Ohio
Combining Statement of Changes in Assets and Liabilities
Agency Funds
(Continued)
For the Year Ended December 31, 2008

Mayor's Court	<i>Balance January 1, 2008</i>	<i>Additions</i>	<i>Deductions</i>	<i>Balance December 31, 2008</i>
<u>Assets:</u>				
Cash and Cash Equivalents with Fiscal Agents	\$14,227	\$9,005	\$14,227	\$9,005
<u>Liabilities:</u>				
Intergovernmental Payable	\$6,247	\$7,170	\$6,247	\$7,170
Deposits Held and Due to Others	7,980	1,835	7,980	1,835
Total Liabilities	\$14,227	\$9,005	\$14,227	\$9,005
<u>Public Use Fees</u>				
<u>Assets:</u>				
Equity in Pooled Cash and Cash Equivalents	\$23,500	\$0	\$0	\$23,500
<u>Liabilities:</u>				
Intergovernmental Payable	\$23,500	\$0	\$0	\$23,500
<u>TOTAL - ALL AGENCY FUNDS</u>				
<u>Assets:</u>				
Equity in Pooled Cash and Cash Equivalents	\$1,166,951	\$21,523,724	\$21,520,729	\$1,169,946
Cash and Cash Equivalents with Fiscal Agents	14,227	9,005	14,227	9,005
Receivables:				
Other Local Taxes	1,053	818	1,053	818
Total Assets	\$1,182,231	\$21,533,547	\$21,536,009	\$1,179,769
<u>Liabilities:</u>				
Accounts Payable	\$1,053	\$18,507	\$18,742	\$818
Undistributed Monies	834,834	20,430,232	20,464,664	800,402
Intergovernmental Payable	155,225	485,715	500,904	140,036
Deposits Held and Due to Others	191,119	599,093	551,699	238,513
Total Liabilities	\$1,182,231	\$21,533,547	\$21,536,009	\$1,179,769



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City of Westerville, Ohio

General Governmental Capital Assets

General governmental capital assets are long-lived assets that are associated with and generally rise from governmental activities. These assets are not used in the operation of the City's business-type activities.

City of Westerville, Ohio
Schedule of Governmental Activities Capital Assets
By Program and Department
December 31, 2008

<i>Program / Department</i>	<i>Land</i>	<i>Land Improvements</i>	<i>Buildings</i>
Security of Persons and Property			
Police	\$0	\$0	\$5,154,729
Fire	110,512	0	5,340,618
Communications	0	0	0
Total Security of Persons and Property	110,512	0	10,495,347
Public Health			
Cemetery Maintenance	0	60,463	34,663
Leisure Time Activities			
Parks and Recreation	4,834,543	16,668,107	19,001,785
Community Development			
Planning, Engineering and Building	0	0	5,355
Basic Utility Services			
Storm Sewer	522,794	5,666	0
Transportation			
Street Maintenance	0	72,791	88,813
Roads and Bridges	0	0	0
Sidewalks	0	0	0
Traffic Signal Maintenance and Repair	0	0	0
Total Transportation	0	72,791	88,813
General Government			
City Manager	0	0	0
Legislative	0	0	0
Cable TV Commission	0	0	0
Finance	0	0	0
Management Information Systems	0	0	39,600
Income Tax	0	0	0
Mayor's Court	0	0	0
Lands and Buildings	9,788,421	55,820	4,745,616
Total General Government	9,788,421	55,820	4,785,216
Total General Capital Assets	15,256,270	16,862,847	34,411,179
Less Accumulated Depreciation	0	(7,479,147)	(9,419,996)
Net General Capital Assets	15,256,270	9,383,700	24,991,183
Internal Service Fund Capital Assets	0	0	643,156
Less Accumulated Depreciation	0	0	(478,548)
Net Internal Service Fund Capital Assets	0	0	164,608
Total Before Construction in Progress	\$15,256,270	\$9,383,700	\$25,155,791
Construction in Progress			
Total Governmental Activities Capital Assets			

<i>Furniture and Equipment</i>	<i>Vehicles</i>	<i>Infrastructure</i>	<i>Totals</i>
\$659,477	\$1,093,751	\$0	\$6,907,957
469,054	2,414,247	0	8,334,431
1,098,557	0	0	1,098,557
2,227,088	3,507,998	0	16,340,945
0	0	0	95,126
1,262,583	774,495	0	42,541,513
64,916	234,134	0	304,405
297,801	41,743	33,628,524	34,496,528
489,009	707,341	0	1,357,954
0	0	114,949,188	114,949,188
0	0	1,738,189	1,738,189
7,308,490	0	0	7,308,490
7,797,499	707,341	116,687,377	125,353,821
49,478	0	0	49,478
14,623	0	0	14,623
701,354	71,189	0	772,543
77,122	45,905	0	123,027
1,353,419	0	0	1,393,019
18,960	0	0	18,960
72,866	0	0	72,866
64,488	0	0	14,654,345
2,352,310	117,094	0	17,098,861
14,002,197	5,382,805	150,315,901	236,231,199
(7,700,533)	(3,636,030)	(8,884,632)	(37,120,338)
6,301,664	1,746,775	141,431,269	199,110,861
59,464	22,890	0	725,510
(39,988)	(1,113)	0	(519,649)
19,476	21,777	0	205,861
\$6,321,140	\$1,768,552	\$141,431,269	199,316,722
			1,393,379
			\$200,710,101

City of Westerville, Ohio
Schedule of Changes in Governmental Activities Capital Assets
By Program and Department
For the Year Ended December 31, 2008

<i>Program / Department</i>	<i>Restated Balance 12/31/2007</i>	<i>Additions</i>	<i>Deletions</i>	<i>Balance 12/31/2008</i>
Security of Persons and Property				
Police	\$6,804,283	\$296,796	\$193,122	\$6,907,957
Fire	8,246,079	172,795	84,443	8,334,431
Communications	1,091,108	7,449	0	1,098,557
Total Security of Persons and Property	<u>16,141,470</u>	<u>477,040</u>	<u>277,565</u>	<u>16,340,945</u>
Public Health				
Cemetery Maintenance	95,126	0	0	95,126
Leisure Time Activities				
Parks and Recreation	42,079,213	529,866	67,566	42,541,513
Community Development				
Planning, Engineering and Building	270,414	48,991	15,000	304,405
Basic Utility Services				
Storm Sewer	34,399,073	121,351	23,896	34,496,528
Transportation				
Street Maintenance	1,343,819	36,526	22,391	1,357,954
Roads and Bridges	114,883,045	66,143	0	114,949,188
Sidewalks	1,186,780	551,409	0	1,738,189
Traffic Signal Maintenance and Repair	7,204,110	131,048	26,668	7,308,490
Total Transportation	<u>124,617,754</u>	<u>785,126</u>	<u>49,059</u>	<u>125,353,821</u>
General Government				
City Manager	49,478	0	0	49,478
Legislative	14,623	0	0	14,623
Cable TV Commission	772,543	0	0	772,543
Finance	91,049	31,978	0	123,027
Management Information Systems	1,251,828	213,291	72,100	1,393,019
Income Tax	18,960	0	0	18,960
Mayor's Court	72,866	0	0	72,866
Lands and Buildings	14,647,229	7,116	0	14,654,345
Total General Government	<u>16,918,576</u>	<u>252,385</u>	<u>72,100</u>	<u>17,098,861</u>
Total General Capital Assets	234,521,626	2,214,759	505,186	236,231,199
Less Accumulated Depreciation	(33,314,834)	(4,251,062)	(445,558)	(37,120,338)
Total General Capital Assets (Net of Accumulated Depreciation) Allocated To Programs	<u>201,206,792</u>	<u>(2,036,303)</u>	<u>59,628</u>	<u>199,110,861</u>
Internal Service Fund Capital Assets	713,715	28,818	17,023	725,510
Less Accumulated Depreciation	(514,493)	(22,179)	(17,023)	(519,649)
Net Internal Service Fund Capital Assets	<u>199,222</u>	<u>6,639</u>	<u>0</u>	<u>205,861</u>
Totals Before Transfers Between Departments and Construction in Progress	201,406,014	(2,029,664)	59,628	199,316,722
Construction in Progress	608,822	2,095,522	1,310,965	1,393,379
Total Governmental Activities Capital Assets	<u>\$202,014,836</u>	<u>\$65,858</u>	<u>\$1,370,593</u>	<u>\$200,710,101</u>

City of Westerville, Ohio

Schedule of Revenues, Expenditures and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
General Fund
For the Year Ended December 31, 2008

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Property Taxes	\$3,400,000	\$3,028,754	\$3,028,754	\$0
Municipal Income Taxes	17,928,500	18,760,810	18,805,643	44,833
Intergovernmental	5,067,123	5,673,410	5,690,031	16,621
Charges for Services	560,368	527,648	528,606	958
Fees, Licenses and Permits	638,552	770,603	771,758	1,155
Fines and Forfeitures	384,965	472,657	472,657	0
Interest	1,525,000	3,075,000	3,009,850	(65,150)
Other	39,850	54,186	62,218	8,032
Total Revenues	29,544,358	32,363,068	32,369,517	6,449
<u>Expenditures:</u>				
Current Operations and Maintenance				
Security of Persons and Property				
Police Department				
Police Services				
Personal Services	10,105,095	10,105,095	9,207,449	897,646
Supplies and Materials	400,373	479,852	414,858	64,994
Other Services and Charges	667,805	654,435	535,123	119,312
Capital Outlay	413,067	333,067	284,389	48,678
Other Financing Uses	1,493	1,493	1,492	1
Total Police Department	11,587,833	11,573,942	10,443,311	1,130,631
Communications				
Personal Services	1,236,152	1,263,152	1,170,746	92,406
Supplies and Materials	32,614	32,560	27,393	5,167
Other Services and Charges	178,178	154,499	146,394	8,105
Capital Outlay	33,922	28,922	28,117	805
Total Communications	1,480,866	1,479,133	1,372,650	106,483
Fire Hydrant Maintenance				
Supplies and Materials	7,200	7,200	2,795	4,405
Total Security of Persons and Property	13,075,899	13,060,275	11,818,756	1,241,519
Public Health				
Cemetery Maintenance				
Supplies and Materials	2,600	2,600	2,395	205
Other Services and Charges	56,427	55,559	51,483	4,076
Total Public Health	59,027	58,159	53,878	4,281
Community Development				
Planning, Engineering, and Building Department				
Building, Planning and Zoning				
Personal Services	2,200,885	2,192,885	1,958,727	234,158
Supplies and Materials	48,900	56,900	39,614	17,286
Other Services and Charges	427,991	413,242	397,661	15,581
Capital Outlay	80,644	80,644	66,082	14,562
Other Financing Uses	1,000	1,000	155	845
Total Community Development	\$2,759,420	\$2,744,671	\$2,462,239	\$282,432

(Continued)

City of Westerville, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual

General Fund

For the Year Ended December 31, 2008

(Continued)

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
Basic Utility Services				
General Public Services				
Storm Sewer Maintenance and Improvements				
Personal Services	\$505,323	\$505,323	\$465,127	\$40,196
Supplies and Materials	28,131	34,113	20,726	13,387
Other Services and Charges	71,878	68,929	54,943	13,986
Capital Outlay	47,300	41,300	41,091	209
Total Basic Utility Services	652,632	649,665	581,887	67,778
General Government				
City Manager				
Administration				
Personal Services	1,146,901	1,146,901	988,724	158,177
Supplies and Materials	15,656	19,408	17,677	1,731
Other Services and Charges	1,155,863	1,116,157	964,918	151,239
Capital Outlay	17,937	13,179	13,179	0
Total Administration	2,336,357	2,295,645	1,984,498	311,147
Economic Development				
Personal Services	99,234	99,234	39,279	59,955
Supplies and Materials	4,200	4,200	1,182	3,018
Other Services and Charges	157,961	151,963	101,047	50,916
Capital Outlay	1,250	1,250	1,206	44
Other Financing Uses	176,000	176,000	176,000	0
Total Economic Development	438,645	432,647	318,714	113,933
Total City Manager	2,775,002	2,728,292	2,303,212	425,080
Legislative				
Personal Services	132,557	132,557	131,629	928
Supplies and Materials	11,242	11,242	10,912	330
Other Services and Charges	77,812	75,896	50,977	24,919
Total Legislative	221,611	219,695	193,518	26,177
Management Information Systems				
Personal Services	996,290	996,290	845,543	150,747
Supplies and Materials	35,233	62,133	39,528	22,605
Other Services and Charges	582,040	578,848	404,053	174,795
Capital Outlay	318,838	291,868	238,474	53,394
Total Management Information Systems	1,932,401	1,929,139	1,527,598	401,541
Finance Department				
Administration and Accounting				
Personal Services	822,700	822,700	756,466	66,234
Supplies and Materials	26,496	26,456	18,597	7,859
Other Services and Charges	345,684	342,925	324,755	18,170
Capital Outlay	7,530	2,430	2,422	8
Total Administration	\$1,202,410	\$1,194,511	\$1,102,240	\$92,271

(Continued)

City of Westerville, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual

General Fund

For the Year Ended December 31, 2008

(Continued)

	Budget		Actual	Variance
	Original	Final		Positive (Negative)
Income Tax				
Personal Services	\$358,871	\$358,871	\$335,477	\$23,394
Supplies and Materials	54,608	54,142	35,830	18,312
Other Services and Charges	74,091	71,137	55,393	15,744
Capital Outlay	2,500	2,500	2,412	88
Other Financing Uses	725,000	1,075,000	1,021,409	53,591
Total Income Tax	1,215,070	1,561,650	1,450,521	111,129
Utility Billing Services				
Personal Services	545,376	545,376	509,429	35,947
Supplies and Materials	22,492	22,492	20,392	2,100
Other Services and Charges	93,972	93,235	76,861	16,374
Capital Outlay	40,000	40,000	36,448	3,552
Total Utility Billing Services	701,840	701,103	643,130	57,973
Mayor's Court				
Personal Services	320,266	320,266	286,207	34,059
Supplies and Materials	15,981	15,621	13,323	2,298
Other Services and Charges	283,303	271,297	270,912	385
Total Mayor's Court	619,550	607,184	570,442	36,742
Law Administration				
Personal Services	95,153	95,153	94,812	341
Other Services and Charges	416,600	416,600	405,291	11,309
Total Law Administration	511,753	511,753	500,103	11,650
Buildings and Grounds				
Personal Services	411,120	411,120	387,589	23,531
Supplies and Materials	69,100	69,100	43,230	25,870
Other Services and Charges	271,815	300,157	268,180	31,977
Capital Outlay	55,251	54,024	53,967	57
Total Buildings and Grounds	807,286	834,401	752,966	81,435
Total Finance Department	5,057,909	5,410,602	5,019,402	391,200
Total General Government	9,986,923	10,287,728	9,043,730	1,243,998
Total Expenditures	26,533,901	26,800,498	23,960,490	2,840,008
Excess of Revenues Over Expenditures	3,010,457	5,562,570	8,409,027	2,846,457
<u>Other Financing Sources (Uses):</u>				
Advances - In	200,495	223,753	223,753	0
Advances - Out	0	(298,140)	(298,140)	0
Transfers - In	249,372	7,836	7,836	0
Transfers - Out	(7,329,684)	(8,261,684)	(8,261,684)	0
Total Other Financing Sources (Uses)	(6,879,817)	(8,328,235)	(8,328,235)	0
Net Change in Fund Balance	(3,869,360)	(2,765,665)	80,792	2,846,457
Fund Balance at Beginning of Year	15,584,534	15,667,935	15,667,935	0
Prior Year Encumbrances Carried Over	439,442	356,039	356,039	0
Fund Balance at End of Year	\$12,154,616	\$13,258,309	\$16,104,766	\$2,846,457

City of Westerville, Ohio

Schedule of Revenues, Expenditures and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Fire Operating Special Revenue Fund
For the Year Ended December 31, 2008

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Property Taxes	\$8,450,000	\$6,905,347	\$6,905,349	\$2
Intergovernmental	1,325,000	2,771,604	2,771,606	2
Charges for Services	0	3,990	3,990	0
Fees, Licenses and Permits	0	75	75	0
Interest	175,000	345,000	374,474	29,474
Other	1,500	14,097	14,097	0
<i>Total Revenues</i>	<u>9,951,500</u>	<u>10,040,113</u>	<u>10,069,591</u>	<u>29,478</u>
<u>Expenditures:</u>				
Current Operations and Maintenance				
Security of Persons and Property				
Fire Department				
Operations				
Personal Services	10,348,161	10,348,161	9,689,687	658,474
Supplies and Materials	472,795	461,783	385,592	76,191
Other Services and Charges	920,475	893,589	803,059	90,530
Capital Outlay	158,158	154,596	153,428	1,168
<i>Total Expenditures</i>	<u>11,899,589</u>	<u>11,858,129</u>	<u>11,031,766</u>	<u>826,363</u>
Excess of Revenues Over (Under)				
Expenditures	(1,948,089)	(1,818,016)	(962,175)	855,841
<u>Other Financing Uses:</u>				
Advances - Out	(118,753)	(118,753)	(118,753)	0
Net Change in Fund Balance	(2,066,842)	(1,936,769)	(1,080,928)	855,841
Fund Balance at Beginning of Year	6,986,475	7,027,938	7,027,935	0
Prior Year Encumbrances Carried Over	119,689	78,229	78,229	0
<i>Fund Balance at End of Year</i>	<u><u>\$5,039,322</u></u>	<u><u>\$5,169,398</u></u>	<u><u>\$6,025,236</u></u>	<u><u>\$855,841</u></u>

City of Westerville, Ohio

Schedule of Revenues, Expenditures and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Parks and Recreation Operating Special Revenue Fund
For the Year Ended December 31, 2008

	Budget		Actual	Variance
	Original	Final		Positive (Negative)
<u>Revenues:</u>				
Intergovernmental	\$0	\$285,896	\$285,897	\$1
Charges for Services	2,851,776	3,014,498	3,019,798	5,300
Fees, Licenses and Permits	80,000	19,026	19,026	0
Other	16,500	17,970	17,971	1
Total Revenues	2,948,276	3,337,390	3,342,692	5,302
<u>Expenditures:</u>				
Current Operations and Maintenance				
Leisure Time Activities				
Parks and Recreation				
Administration				
Personal Services	618,511	618,511	536,099	82,412
Supplies and Materials	16,569	16,434	11,789	4,645
Other Services and Charges	118,705	117,069	93,005	24,064
Capital Outlay	17,500	17,500	6,291	11,209
Other Financing Uses	10,000	10,000	7,509	2,491
Total Administration	781,285	779,514	654,693	124,821
Recreation Services				
Personal Services	2,417,776	2,412,685	2,215,471	197,214
Supplies and Materials	238,920	236,356	225,014	11,342
Other Services and Charges	1,166,909	1,127,979	1,100,903	27,076
Capital Outlay	72,287	85,552	83,928	1,624
Total Recreation Services	3,895,892	3,862,572	3,625,316	237,256
Parks				
Personal Services	1,507,971	1,507,971	1,462,148	45,823
Supplies and Materials	270,506	270,307	260,626	9,681
Other Services and Charges	565,855	528,390	476,564	51,826
Capital Outlay	545,067	529,176	470,528	58,648
Total Parks	2,889,399	2,835,844	2,669,866	165,978
Senior Center				
Personal Services	506,327	504,653	499,008	5,645
Supplies and Materials	44,271	43,652	41,686	1,966
Other Services and Charges	84,594	83,625	78,313	5,312
Capital Outlay	20,805	20,805	14,554	6,251
Total Senior Center	655,997	652,735	633,561	19,174
Total Expenditures	8,222,573	8,130,665	7,583,436	547,229
Excess of Revenues Over (Under) Expenditures	(5,274,297)	(4,793,275)	(4,240,744)	552,531
<u>Other Financing Sources:</u>				
Proceeds from Sale of Capital Assets	0	6,126	6,126	0
Advances - In	0	50,000	50,000	0
Transfers - In	4,300,982	4,303,685	4,303,685	0
Total Other Financing Sources	4,300,982	4,359,811	4,359,811	0
Net Change in Fund Balance	(973,315)	(433,464)	119,067	552,531
Fund Balance at Beginning of Year	5,326,273	5,418,177	5,418,181	0
Prior Year Encumbrances Carried Over	389,842	297,934	297,934	0
Fund Balance at End of Year	\$4,742,800	\$5,282,647	\$5,835,182	\$552,531

City of Westerville, Ohio

Schedule of Revenues, Expenses and Changes in Fund
Equity - Budget (Non-GAAP Budgetary Basis) and Actual
Water Enterprise Fund
For the Year Ended December 31, 2008

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Charges for Services	\$2,850,000	\$2,747,705	\$2,752,899	\$5,194
Capacity Charges	335,000	196,975	196,975	0
Proceeds of Bonds	1,224,000	0	0	0
Premium on Notes	0	7,330	7,330	0
Proceeds of Notes	0	935,000	935,000	0
Sale of Meters	30,000	26,010	26,010	0
Grants	0	69	69	0
Other	37,380	50,555	55,957	5,402
<i>Total Revenues</i>	<u>4,476,380</u>	<u>3,963,644</u>	<u>3,974,240</u>	<u>10,596</u>
<u>Expenses:</u>				
Personal Services				
Water Treatment	935,539	935,539	866,226	69,313
System Improvements	584,950	584,950	495,426	89,524
Total Personal Services	<u>1,520,489</u>	<u>1,520,489</u>	<u>1,361,652</u>	<u>158,837</u>
Supplies and Materials				
Water Treatment	377,683	373,822	315,711	58,111
System Improvements	55,073	72,905	60,754	12,151
Total Supplies and Materials	<u>432,756</u>	<u>446,727</u>	<u>376,465</u>	<u>70,262</u>
Other Services and Charges				
Water Treatment	825,327	808,631	767,310	41,321
System Improvements	106,154	105,723	88,886	16,837
Total Other Services and Charges	<u>931,481</u>	<u>914,354</u>	<u>856,196</u>	<u>58,158</u>
Capital Outlay				
Water Treatment	383,943	383,944	345,877	38,067
System Improvements	1,166,613	842,537	799,240	43,297
Total Capital Outlay	<u>1,550,556</u>	<u>1,226,481</u>	<u>1,145,117</u>	<u>81,364</u>
Debt Service				
Principal Retirement	451,835	395,000	395,000	0
Interest and Fiscal Charges	214,966	214,966	184,284	30,682
ODNR Debt	39,742	39,742	39,741	1
Total Debt Service	<u>706,543</u>	<u>649,708</u>	<u>619,025</u>	<u>30,683</u>
<i>Total Expenses</i>	<u>5,141,825</u>	<u>4,757,759</u>	<u>4,358,455</u>	<u>399,304</u>
Excess of Revenues Over (Under) Expenses	(665,445)	(794,115)	(384,215)	409,900
Transfers - In	0	5,371	5,371	0
Net Change in Fund Equity	(665,445)	(788,744)	(378,844)	409,900
Fund Equity at Beginning of Year	7,719,892	7,741,123	7,741,123	0
Prior Year Encumbrances Carried Over	253,486	232,255	232,255	0
<i>Fund Equity at End of Year</i>	<u>\$7,307,933</u>	<u>\$7,184,634</u>	<u>\$7,594,534</u>	<u>\$409,900</u>

City of Westerville, Ohio

Schedule of Revenues, Expenses and Changes in Fund
Equity - Budget (Non-GAAP Budgetary Basis) and Actual
Sewer Enterprise Fund
For the Year Ended December 31, 2008

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Charges for Services	\$7,255,347	\$6,788,000	\$6,802,996	\$14,996
Tap-In Fees	10,000	4,875	4,875	0
Capacity Charges	200,000	139,750	139,750	0
Assessments	88,940	124,798	124,798	0
Proceeds of Bonds	2,435,000	0	0	0
Premium on Notes	0	10,176	10,176	0
Proceeds of Notes	0	1,298,000	1,298,000	0
Other	0	248	249	1
<i>Total Revenues</i>	<u>9,989,287</u>	<u>8,365,847</u>	<u>8,380,844</u>	<u>14,997</u>
<u>Expenses:</u>				
Personal Services				
System Improvements	528,086	528,086	439,586	88,500
Supplies and Materials				
System Improvements	34,181	34,000	24,117	9,883
Other Services and Charges				
Sewer Treatment	8,422,118	8,041,183	7,371,729	669,454
System Improvements	143,012	137,480	106,728	30,752
Total Other Services and Charges	<u>8,565,130</u>	<u>8,178,663</u>	<u>7,478,457</u>	<u>700,206</u>
Capital Outlay				
System Improvements	2,545,685	1,427,278	1,366,338	60,940
Debt Service				
Interest and Fiscal Charges	61,036	61,036	0	61,036
<i>Total Expenses</i>	<u>11,734,118</u>	<u>10,229,063</u>	<u>9,308,498</u>	<u>920,565</u>
Excess of Revenues Over (Under) Expenses	(1,744,831)	(1,863,216)	(927,654)	935,562
Transfers - In	0	4,211	4,211	0
Net Change in Fund Equity	(1,744,831)	(1,859,005)	(923,443)	935,562
Fund Equity at Beginning of Year	1,873,354	2,261,409	2,261,409	0
Prior Year Encumbrances Carried Over	1,808,596	1,420,541	1,420,541	0
<i>Fund Equity at End of Year</i>	<u>\$1,937,119</u>	<u>\$1,822,945</u>	<u>\$2,758,507</u>	<u>\$935,562</u>

City of Westerville, Ohio

Schedule of Revenues, Expenses and Changes in Fund
Equity - Budget (Non-GAAP Budgetary Basis) and Actual
Electric Enterprise Fund
For the Year Ended December 31, 2008

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Charges for Services	\$37,640,831	\$36,187,910	\$36,218,859	\$30,949
Underground Line Charge	40,000	4,500	4,500	0
Proceeds of Bonds	3,217,000	0	0	0
Sale of Meters	9,000	3,800	3,800	0
Interest	0	145,165	146,363	1,198
Grants	0	59,092	59,092	0
Other	75,000	232,752	232,858	106
<i>Total Revenues</i>	<u>40,981,831</u>	<u>36,633,219</u>	<u>36,665,472</u>	<u>32,253</u>
<u>Expenses:</u>				
Personal Services				
Electric System Maintenance	3,961,741	3,961,741	3,460,700	501,041
Supplies and Materials				
Electric System Maintenance	796,310	791,413	558,094	233,319
Other Services and Charges				
Purchased Power	33,819,338	33,773,924	32,980,295	793,629
Electric System Maintenance	1,737,762	1,717,794	1,199,467	518,327
Total Other Services and Charges	<u>35,557,100</u>	<u>35,491,718</u>	<u>34,179,762</u>	<u>1,311,956</u>
Capital Outlay				
Electric System Maintenance	15,263,221	11,570,809	10,279,420	1,291,389
Debt Service				
Principal Retirement	761,605	761,605	761,605	0
Interest and Fiscal Charges	1,037,183	1,037,183	956,544	80,639
Total Debt Service	<u>1,798,788</u>	<u>1,798,788</u>	<u>1,718,149</u>	<u>80,639</u>
<i>Total Expenses</i>	<u>57,377,160</u>	<u>53,614,469</u>	<u>50,196,125</u>	<u>3,418,344</u>
Excess of Revenues Over (Under) Expenses	(16,395,329)	(16,981,250)	(13,530,653)	3,450,597
Transfers - In	0	38	38	0
Net Change in Fund Equity	(16,395,329)	(16,981,212)	(13,530,615)	3,450,597
Fund Equity at Beginning of Year	11,877,681	12,035,372	12,035,372	0
Prior Year Encumbrances Carried Over	10,932,360	10,774,669	10,774,669	0
<i>Fund Equity at End of Year</i>	<u>\$6,414,712</u>	<u>\$5,828,829</u>	<u>\$9,279,426</u>	<u>\$3,450,597</u>

City of Westerville, Ohio

Schedule of Revenues, Expenditures and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Street Maintenance Special Revenue Fund
For the Year Ended December 31, 2008

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	\$1,394,500	\$1,432,360	\$1,432,361	\$1
Interest	150	67	68	1
Other	0	2,340	2,340	0
<i>Total Revenues</i>	<u>1,394,650</u>	<u>1,434,767</u>	<u>1,434,769</u>	<u>2</u>
<u>Expenditures:</u>				
Current Operations and Maintenance				
Transportation				
Right of Way Maintenance				
Personal Services	1,098,349	1,096,691	994,057	102,634
Supplies and Materials	366,181	728,359	700,460	27,899
Other Services and Charges	466,650	455,279	371,645	83,634
Capital Outlay	62,200	39,800	37,187	2,613
<i>Total Expenditures</i>	<u>1,993,380</u>	<u>2,320,129</u>	<u>2,103,349</u>	<u>216,780</u>
Excess of Revenues Over (Under) Expenditures	(598,730)	(885,362)	(668,580)	216,782
<u>Other Financing Sources:</u>				
Transfers - In	350,000	361,790	361,790	0
Net Change in Fund Balance	(248,730)	(523,572)	(306,790)	216,782
Fund Balance at Beginning of Year	659,178	673,429	673,429	0
Prior Year Encumbrances Carried Over	47,976	33,725	33,725	0
<i>Fund Balance at End of Year</i>	<u>\$458,424</u>	<u>\$183,582</u>	<u>\$400,364</u>	<u>\$216,782</u>

City of Westerville, Ohio

Schedule of Revenues, Expenditures and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
State Highway Special Revenue Fund
For the Year Ended December 31, 2008

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	\$113,055	\$116,061	\$116,063	\$2
Interest	750	925	1,009	84
<i>Total Revenues</i>	113,805	116,986	117,072	86
<u>Expenditures:</u>				
Current Operations and Maintenance				
Transportation				
Right of Way Maintenance				
Capital Outlay	5,000	41,000	37,355	3,645
Net Change in Fund Balance	108,805	75,986	79,717	3,731
Fund Balance at Beginning of Year	284,008	284,008	284,008	0
<i>Fund Balance at End of Year</i>	\$392,813	\$359,994	\$363,725	\$3,731

City of Westerville, Ohio

Schedule of Revenues, Expenditures and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
DARE Special Revenue Fund
For the Year Ended December 31, 2008

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	\$7,415	\$15,255	\$15,255	\$0
Interest	0	954	1,063	109
Other	0	528	529	1
<i>Total Revenues</i>	<u>7,415</u>	<u>16,737</u>	<u>16,847</u>	<u>110</u>
<u>Expenditures:</u>				
Current Operations and Maintenance				
Security of Persons and Property				
Police Department				
Police Services				
Supplies and Materials	3,300	12,606	12,606	0
Other Services and Charges	0	2,388	2,387	1
<i>Total Expenditures</i>	<u>3,300</u>	<u>14,994</u>	<u>14,993</u>	<u>1</u>
Net Change in Fund Balance	4,115	1,743	1,854	111
Fund Balance at Beginning of Year	14,882	14,947	14,947	0
Prior Year Encumbrances Carried Over	3,160	3,095	3,095	0
<i>Fund Balance at End of Year</i>	<u>\$22,157</u>	<u>\$19,785</u>	<u>\$19,896</u>	<u>\$111</u>

City of Westerville, Ohio

Schedule of Revenues, Expenditures and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Permissive Motor Vehicle License Special Revenue Fund
For the Year Ended December 31, 2008

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	\$267,500	\$465,364	\$465,364	\$0
Interest	2,000	2,820	2,826	6
<i>Total Revenues</i>	269,500	468,184	468,190	6
<u>Expenditures:</u>				
Current Operations and Maintenance				
Transportation				
Right of Way Maintenance				
Capital Outlay	250,000	450,000	450,000	0
Net Change in Fund Balance	19,500	18,184	18,190	6
Fund Balance at Beginning of Year	15,414	15,414	15,414	0
<i>Fund Balance at End of Year</i>	\$34,914	\$33,598	\$33,604	\$6

City of Westerville, Ohio
Schedule of Revenues, Expenditures and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Mayor's Operating Special Revenue Fund
For the Year Ended December 31, 2008

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Other	\$0	\$370	\$370	\$0
<u>Expenditures:</u>				
Current Operations and Maintenance				
General Government				
Other Government				
Other Services and Charges	1,214	1,214	1,214	0
Net Change in Fund Balance	(1,214)	(844)	(844)	0
Fund Balance at Beginning of Year	1,214	1,214	1,214	0
<i>Fund Balance at End of Year</i>	<u>\$0</u>	<u>\$370</u>	<u>\$370</u>	<u>\$0</u>

City of Westerville, Ohio

Schedule of Revenues, Expenditures and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Hotel Tax Special Revenue Fund
For the Year Ended December 31, 2008

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Other Local Taxes	\$60,000	\$53,067	\$53,067	\$0
<u>Expenditures:</u>				
Current Operations and Maintenance				
General Government				
Other Government				
Other Services and Charges	3,158	53,067	53,067	0
Net Change in Fund Balance	56,842	0	0	0
Fund Balance at Beginning of Year	0	0	0	0
<i>Fund Balance at End of Year</i>	\$56,842	\$0	\$0	\$0

City of Westerville, Ohio

Schedule of Revenues, Expenditures and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
OMVI Education Special Revenue Fund
For the Year Ended December 31, 2008

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Fines and Forfeitures	\$2,000	\$3,433	\$3,433	\$0
<u>Expenditures:</u>				
Current Operations and Maintenance				
Security of Persons and Property				
Police Department				
Police Services				
Supplies and Materials	0	6,048	6,048	0
Other Services and Charges	0	646	646	0
Capital Outlay	12,557	12,607	12,606	1
<i>Total Expenditures</i>	12,557	19,301	19,300	1
Net Change in Fund Balance	(10,557)	(15,868)	(15,867)	1
Fund Balance at Beginning of Year	8,725	8,725	8,725	0
Prior Year Encumbrances Carried Over	12,557	12,557	12,557	0
<i>Fund Balance at End of Year</i>	\$10,725	\$5,414	\$5,415	\$1

City of Westerville, Ohio

Schedule of Revenues, Expenditures and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Tax Incentive / Redistribution Special Revenue Fund
For the Year Ended December 31, 2008

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Payments in Lieu of Taxes	\$1,693,520	\$1,146,880	\$1,146,880	\$0
<u>Expenditures:</u>				
Current Operations and Maintenance				
General Government				
Other Government				
Other Services and Charges	1,450,898	1,670,093	1,670,090	3
Excess of Revenues Over (Under) Expenditures	242,622	(523,213)	(523,210)	3
<u>Other Financing Sources:</u>				
Transfers - In	471,582	471,582	471,582	0
Net Change in Fund Balance	714,204	(51,631)	(51,628)	3
Fund Balance at Beginning of Year	61,477	61,477	61,477	0
Prior Year Encumbrances Carried Over	19,890	19,891	19,891	0
<i>Fund Balance at End of Year</i>	<u>\$795,571</u>	<u>\$29,737</u>	<u>\$29,740</u>	<u>\$3</u>

City of Westerville, Ohio

Schedule of Revenues, Expenditures and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Mayor's Court Computer Special Revenue Fund
For the Year Ended December 31, 2008

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Fines and Forfeitures	\$1,251	\$17,461	\$17,461	\$0
<u>Expenditures:</u>				
Current Operations and Maintenance				
General Government				
Other Government				
Supplies and Materials	124	3,806	3,805	1
Other Services and Charges	3,740	11,965	11,824	141
Capital Outlay	0	7,767	7,767	0
<i>Total Expenditures</i>	3,864	23,538	23,396	142
Net Change in Fund Balance	(2,613)	(6,077)	(5,935)	142
Fund Balance at Beginning of Year	42,342	42,346	42,346	0
Prior Year Encumbrances Carried Over	124	120	120	0
<i>Fund Balance at End of Year</i>	\$39,853	\$36,389	\$36,531	\$142

City of Westerville, Ohio

Schedule of Revenues, Expenditures and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Cable TV Franchise Fee Special Revenue Fund
For the Year Ended December 31, 2008

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Other Local Taxes	\$375,000	\$424,644	\$424,645	\$1
<u>Expenditures:</u>				
Current Operations and Maintenance				
General Government				
Other Government				
Other Services and Charges	420,137	424,340	405,050	19,290
Capital Outlay	0	33,000	0	33,000
<i>Total Expenditures</i>	420,137	457,340	405,050	52,290
Net Change in Fund Balance	(45,137)	(32,696)	19,595	52,291
Fund Balance at Beginning of Year	541,546	541,546	541,546	0
Prior Year Encumbrances Carried Over	73,637	73,637	73,637	0
<i>Fund Balance at End of Year</i>	\$570,046	\$582,487	\$634,778	\$52,291

City of Westerville, Ohio

Schedule of Revenues, Expenditures and Changes in Fund

Balance - Budget (Non-GAAP Budgetary Basis) and Actual

Parks and Recreation Income Tax Allocation Special Revenue Fund

For the Year Ended December 31, 2008

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Municipal Income Taxes	\$4,232,000	\$4,420,000	\$4,396,206	(\$23,794)
<u>Expenditures:</u>	0	0	0	0
Excess of Revenues Over (Under) Expenditures	4,232,000	4,420,000	4,396,206	(23,794)
<u>Other Financing Uses:</u>				
Transfers - Out	(3,634,123)	(3,634,123)	(3,634,123)	0
Net Change in Fund Balance	597,877	785,877	762,083	(23,794)
Fund Balance at Beginning of Year	2,255,039	2,255,039	2,255,039	0
<i>Fund Balance at End of Year</i>	<u>\$2,852,916</u>	<u>\$3,040,916</u>	<u>\$3,017,122</u>	<u>(\$23,794)</u>

City of Westerville, Ohio

Schedule of Revenues, Expenditures and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
FEMA Special Revenue Fund
For the Year Ended December 31, 2008

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	\$31,955	\$31,955	\$31,955	\$0
<u>Expenditures:</u>	0	0	0	0
Excess of Revenues Over Expenditures	31,955	31,955	31,955	0
<u>Other Financing Uses:</u>				
Transfers - Out	(31,955)	(31,955)	(31,955)	0
Net Change in Fund Balance	0	0	0	0
Fund Balance at Beginning of Year	0	0	0	0
<i>Fund Balance at End of Year</i>	\$0	\$0	\$0	\$0

City of Westerville, Ohio

Schedule of Revenues, Expenditures and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Drug Enforcement Special Revenue Fund
For the Year Ended December 31, 2008

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Fines and Forfeitures	\$1,945	\$7,527	\$7,527	\$0
Interest	200	1,146	1,303	157
<i>Total Revenues</i>	<u>2,145</u>	<u>8,673</u>	<u>8,830</u>	<u>157</u>
<u>Expenditures:</u>				
Current Operations and Maintenance				
Security of Persons and Property				
Police Department				
Police Services				
Supplies and Materials	5,000	5,000	5,000	0
Capital Outlay	17,123	17,191	17,190	1
<i>Total Expenditures</i>	<u>22,123</u>	<u>22,191</u>	<u>22,190</u>	<u>1</u>
Net Change in Fund Balance	(19,978)	(13,518)	(13,360)	158
Fund Balance at Beginning of Year	23,981	23,981	23,981	0
Prior Year Encumbrances Carried Over	17,123	17,123	17,123	0
<i>Fund Balance at End of Year</i>	<u>\$21,126</u>	<u>\$27,586</u>	<u>\$27,744</u>	<u>\$158</u>

City of Westerville, Ohio

Schedule of Revenues, Expenditures and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Criminal Activity Forfeiture Special Revenue Fund
For the Year Ended December 31, 2008

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	\$0	\$21,829	\$21,830	\$1
Fines and Forfeitures	30,867	52,622	52,622	0
Interest	500	11,627	12,931	1,304
Other	0	5,000	5,001	1
<i>Total Revenues</i>	31,367	91,078	92,384	1,306
<u>Expenditures:</u>				
Current Operations and Maintenance				
Security of Persons and Property				
Police Department				
Police Services				
Supplies and Materials	211	98,419	98,418	1
Other Services and Charges	4,445	20,422	20,300	122
Capital Outlay	99,040	130,974	130,973	1
<i>Total Expenditures</i>	103,696	249,815	249,691	124
Excess of Revenues Over				
(Under) Expenditures	(72,329)	(158,737)	(157,307)	1,430
<u>Other Financing Sources:</u>				
Proceeds from Disposition of Capital Assets	0	3,950	3,950	0
Net Change in Fund Balance	(72,329)	(154,787)	(153,357)	1,430
Fund Balance at Beginning of Year	238,730	239,330	239,330	0
Prior Year Encumbrances Carried Over	99,040	98,440	98,440	0
<i>Fund Balance at End of Year</i>	\$265,441	\$182,983	\$184,413	\$1,430

City of Westerville, Ohio

Schedule of Revenues, Expenditures and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
McVay Endowment Special Revenue Fund
For the Year Ended December 31, 2008

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Other	\$4,425	\$21,097	\$21,100	\$3
<u>Expenditures:</u>				
Current Operations and Maintenance				
Security of Persons and Property				
Police Department				
Police Services				
Supplies and Materials	1,950	1,950	1,950	0
Net Change in Fund Balance	2,475	19,147	19,150	3
Fund Balance at Beginning of Year	59,280	59,280	59,280	0
<i>Fund Balance at End of Year</i>	\$61,755	\$78,427	\$78,430	\$3

City of Westerville, Ohio

Schedule of Revenues, Expenditures and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
General Bond Retirement Debt Service Fund
For the Year Ended December 31, 2008

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Property Taxes	\$195,348	\$130,928	\$130,928	\$0
Intergovernmental	31,651	49,120	49,121	1
<i>Total Revenues</i>	<u>226,999</u>	<u>180,048</u>	<u>180,049</u>	<u>1</u>
<u>Expenditures:</u>				
Debt Service				
Principal Retirement	1,648,395	1,648,395	1,648,395	0
Interest and Fiscal Charges	1,163,361	1,163,361	1,163,360	1
Total Expenditures	<u>2,811,756</u>	<u>2,811,756</u>	<u>2,811,755</u>	<u>1</u>
Excess of Revenues Over (Under) Expenditures	(2,584,757)	(2,631,708)	(2,631,706)	2
<u>Other Financing Sources:</u>				
Transfers - In	2,584,757	2,584,757	2,584,757	0
Net Change in Fund Balance	0	(46,951)	(46,949)	2
Fund Balance at Beginning of Year	121,384	121,384	121,384	0
<i>Fund Balance at End of Year</i>	<u>\$121,384</u>	<u>\$74,433</u>	<u>\$74,435</u>	<u>\$2</u>

City of Westerville, Ohio

Schedule of Revenues, Expenditures and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
General Capital Improvement Capital Projects Fund
For the Year Ended December 31, 2008

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Other	\$0	\$8,799	\$8,799	\$0
<u>Expenditures:</u>				
Capital Outlay	4,578,460	4,844,473	4,479,024	365,449
Excess of Revenues Over (Under) Expenditures	(4,578,460)	(4,835,674)	(4,470,225)	365,449
<u>Other Financing Sources:</u>				
Transfers - In	2,841,261	3,413,261	3,413,261	0
Net Change in Fund Balance	(1,737,199)	(1,422,413)	(1,056,964)	365,449
Fund Balance at Beginning of Year	1,068,723	1,314,710	1,314,710	0
Prior Year Encumbrances Carried Over	679,460	433,473	433,473	0
<i>Fund Balance at End of Year</i>	<u>\$10,984</u>	<u>\$325,770</u>	<u>\$691,219</u>	<u>\$365,449</u>

City of Westerville, Ohio

Schedule of Revenues, Expenditures and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Recreation Improvement Capital Projects Fund
For the Year Ended December 31, 2008

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	\$100,000	\$100,000	\$100,000	\$0
Other	22,815	22,815	22,816	1
<i>Total Revenues</i>	122,815	122,815	122,816	1
<u>Expenditures:</u>				
Capital Outlay	10,569	9,795	9,795	0
Excess of Revenues Over Expenditures	112,246	113,020	113,021	1
<u>Other Financing Uses:</u>				
Advances - Out	(50,000)	(50,000)	(50,000)	0
Net Change in Fund Balance	62,246	63,020	63,021	1
Fund Balance at Beginning of Year	66,710	67,484	67,484	0
Prior Year Encumbrances Carried Over	10,569	9,795	9,795	0
<i>Fund Balance at End of Year</i>	\$139,525	\$140,299	\$140,300	\$1

City of Westerville, Ohio

Schedule of Revenues, Expenditures and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Africa Road Improvement Capital Projects Fund
For the Year Ended December 31, 2008

	Budget			Variance Positive (Negative)
	Original	Final	Actual	
<u>Revenues:</u>	\$0	\$0	\$0	\$0
<u>Expenditures:</u>	0	0	0	0
Net Change in Fund Balance	0	0	0	0
Fund Balance at Beginning of Year	48	48	48	0
<i>Fund Balance at End of Year</i>	\$48	\$48	\$48	\$0

City of Westerville, Ohio

Schedule of Revenues, Expenditures and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Spring Road Improvement Capital Projects Fund
For the Year Ended December 31, 2008

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>	\$0	\$0	\$0	\$0
<u>Expenditures:</u>				
Capital Outlay	18,000	18,000	14,474	3,526
Net Change in Fund Balance	(18,000)	(18,000)	(14,474)	3,526
Fund Balance at Beginning of Year	178,022	178,022	178,022	0
<i>Fund Balance at End of Year</i>	<u>\$160,022</u>	<u>\$160,022</u>	<u>\$163,548</u>	<u>\$3,526</u>

City of Westerville, Ohio

Schedule of Revenues, Expenditures and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Maxtown Road Improvement Capital Projects Fund
For the Year Ended December 31, 2008

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>	\$0	\$0	\$0	\$0
<u>Expenditures:</u>				
Capital Outlay	187,397	187,398	187,397	1
Net Change in Fund Balance	(187,397)	(187,398)	(187,397)	1
Fund Balance at Beginning of Year	4,548	4,547	4,547	0
Prior Year Encumbrances Carried Over	187,397	187,398	187,398	0
<i>Fund Balance at End of Year</i>	<u>\$4,548</u>	<u>\$4,547</u>	<u>\$4,548</u>	<u>\$1</u>

City of Westerville, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund
 Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Parks and Recreation Capital Improvement Capital Projects Fund
 For the Year Ended December 31, 2008

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Interest	\$1,000	\$976	\$976	\$0
Other	10,000	22,000	22,000	0
<i>Total Revenues</i>	11,000	22,976	22,976	0
<u>Expenditures:</u>				
Capital Outlay	412,289	412,289	407,624	4,665
Net Change in Fund Balance	(401,289)	(389,313)	(384,648)	4,665
Fund Balance at Beginning of Year	1,888,132	1,888,132	1,888,132	0
Prior Year Encumbrances Carried Over	17,289	17,289	17,289	0
<i>Fund Balance at End of Year</i>	<u>\$1,504,132</u>	<u>\$1,516,108</u>	<u>\$1,520,773</u>	<u>\$4,665</u>

City of Westerville, Ohio

Schedule of Revenues, Expenditures and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
North State Street Improvement Capital Projects Fund
For the Year Ended December 31, 2008

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	\$0	\$0	\$0	\$0
<u>Expenditures:</u>	0	0	0	0
Net Change in Fund Balance	0	0	0	0
Fund Balance at Beginning of Year	1,501,064	1,501,064	1,501,064	0
<i>Fund Balance at End of Year</i>	<u>\$1,501,064</u>	<u>\$1,501,064</u>	<u>\$1,501,064</u>	<u>\$0</u>

City of Westerville, Ohio

Schedule of Revenues, Expenditures and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Cleveland Avenue Extension Improvement Capital Projects Fund
For the Year Ended December 31, 2008

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>	\$0	\$0	\$0	\$0
<u>Expenditures:</u>	0	0	0	0
Net Change in Fund Balance	0	0	0	0
Fund Balance at Beginning of Year	24,561	24,561	24,561	0
<i>Fund Balance at End of Year</i>	\$24,561	\$24,561	\$24,561	\$0

City of Westerville, Ohio
Schedule of Revenues, Expenditures and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Parks and Recreation Replacement and Reserve Capital Projects Fund
For the Year Ended December 31, 2008

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>	\$0	\$0	\$0	\$0
<u>Expenditures:</u>				
Capital Outlay	89,377	78,768	62,538	16,230
Excess of Revenues Over (Under) Expenditures	(89,377)	(78,768)	(62,538)	16,230
<u>Other Financing Sources:</u>				
Transfers - In	150,000	150,000	150,000	0
Net Change in Fund Balance	60,623	71,232	87,462	16,230
Fund Balance at Beginning of Year	684,676	695,286	695,286	0
Prior Year Encumbrances Carried Over	11,377	768	768	0
<i>Fund Balance at End of Year</i>	<u>\$756,676</u>	<u>\$767,286</u>	<u>\$783,516</u>	<u>\$16,230</u>

City of Westerville, Ohio

Schedule of Revenues, Expenditures and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Street Replacement and Reserve Capital Projects Fund
For the Year Ended December 31, 2008

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>	\$0	\$0	\$0	\$0
<u>Expenditures:</u>				
Capital Outlay	360,000	360,000	355,601	4,399
Excess of Revenues Over (Under) Expenditures	(360,000)	(360,000)	(355,601)	4,399
<u>Other Financing Sources:</u>				
Transfers - In	265,225	625,225	625,225	0
Net Change in Fund Balance	(94,775)	265,225	269,624	4,399
Fund Balance at Beginning of Year	1,615,680	1,615,680	1,615,680	0
<i>Fund Balance at End of Year</i>	<u>\$1,520,905</u>	<u>\$1,880,905</u>	<u>\$1,885,304</u>	<u>\$4,399</u>

City of Westerville, Ohio

Schedule of Revenues, Expenditures and Changes in Fund
 Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Tree Replacement Capital Projects Fund
 For the Year Ended December 31, 2008

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>	\$0	\$0	\$0	\$0
<u>Expenditures:</u>				
Capital Outlay	61,250	61,250	61,250	0
Net Change in Fund Balance	(61,250)	(61,250)	(61,250)	0
Fund Balance at Beginning of Year	61,288	61,288	61,288	0
<i>Fund Balance at End of Year</i>	\$38	\$38	\$38	\$0

City of Westerville, Ohio

Schedule of Revenues, Expenditures and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
City Buildings Improvements Capital Projects Fund
For the Year Ended December 31, 2008

	Budget			Variance Positive (Negative)
	Original	Final	Actual	
<u>Revenues:</u>	\$0	\$0	\$0	\$0
<u>Expenditures:</u>				
Capital Outlay	1,660	2,036	2,035	1
Net Change in Fund Balance	(1,660)	(2,036)	(2,035)	1
Fund Balance at Beginning of Year	4,704	4,704	4,704	0
<i>Fund Balance at End of Year</i>	\$3,044	\$2,668	\$2,669	\$1

City of Westerville, Ohio

Schedule of Revenues, Expenditures and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Safety Building Capital Improvement Capital Projects Fund
For the Year Ended December 31, 2008

	Budget			Variance Positive (Negative)
	Original	Final	Actual	
<u>Revenues:</u>	\$0	\$0	\$0	\$0
<u>Expenditures:</u>	0	0	0	0
Net Change in Fund Balance	0	0	0	0
Fund Balance at Beginning of Year	101,578	101,578	101,578	0
<i>Fund Balance at End of Year</i>	\$101,578	\$101,578	\$101,578	\$0

City of Westerville, Ohio

Schedule of Revenues, Expenditures and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Westar / Olentangy TIF Capital Projects Fund
For the Year Ended December 31, 2008

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Payments in Lieu of Taxes	\$0	\$44,372	\$44,373	\$1
<u>Expenditures:</u>	0	0	0	0
Net Change in Fund Balance	0	44,372	44,373	1
Fund Balance at Beginning of Year	134,774	134,774	134,774	0
<i>Fund Balance at End of Year</i>	<u>\$134,774</u>	<u>\$179,146</u>	<u>\$179,147</u>	<u>\$1</u>

City of Westerville, Ohio

Schedule of Revenues, Expenditures and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Northridge Crossing TIF Capital Projects Fund
For the Year Ended December 31, 2008

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Payments in Lieu of Taxes	\$558,851	\$558,851	\$558,851	\$0
<u>Expenditures:</u>				
Capital Outlay	290,557	206,791	192,990	13,801
Net Change in Fund Balance	268,294	352,060	365,861	13,801
Fund Balance at Beginning of Year	637,200	720,966	720,966	0
Prior Year Encumbrances Carried Over	155,557	71,791	71,791	0
<i>Fund Balance at End of Year</i>	<u>\$1,061,051</u>	<u>\$1,144,817</u>	<u>\$1,158,618</u>	<u>\$13,801</u>

City of Westerville, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund
 Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Northstar / Worthington Road TIF Capital Projects Fund
 For the Year Ended December 31, 2008

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Payments in Lieu of Taxes	\$0	\$118,240	\$118,241	\$1
Intergovernmental	0	23,774	23,775	1
<i>Total Revenues</i>	0	142,014	142,016	2
<u>Expenditures:</u>				
Capital Outlay	47,073	47,073	47,072	1
Net Change in Fund Balance	(47,073)	94,941	94,944	3
Fund Balance at Beginning of Year	255,754	255,754	255,754	0
Prior Year Encumbrances Carried Over	47,073	47,073	47,073	0
<i>Fund Balance at End of Year</i>	\$255,754	\$397,768	\$397,771	\$3

City of Westerville, Ohio

Schedule of Revenues, Expenditures and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual

Altair TIF Incentive Capital Projects Fund

For the Year Ended December 31, 2008

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Payments in Lieu of Taxes	\$46,203	\$46,203	\$46,204	\$1
Other	329	329	329	0
<i>Total Revenues</i>	<u>46,532</u>	<u>46,532</u>	<u>46,533</u>	<u>1</u>
<u>Expenditures:</u>				
Capital Outlay	0	298,140	298,140	0
Debt Service:				
Debt Retirement	10,000	10,000	10,000	0
Interest and Other Charges	17,538	17,538	17,538	0
<i>Total Debt Service</i>	<u>27,538</u>	<u>27,538</u>	<u>27,538</u>	<u>0</u>
<i>Total Expenditures</i>	<u>27,538</u>	<u>325,678</u>	<u>325,678</u>	<u>0</u>
Excess of Revenues Over (Under) Expenditures	18,994	(279,146)	(279,145)	1
<u>Other Financing Sources:</u>				
Proceeds of Notes	380,000	0	0	0
Advances - In	0	298,140	298,140	0
<i>Total Other Financing Sources</i>	<u>380,000</u>	<u>298,140</u>	<u>298,140</u>	<u>0</u>
Net Change in Fund Balance	398,994	18,994	18,995	1
Fund Balance at Beginning of Year	947	947	947	0
<i>Fund Balance at End of Year</i>	<u>\$399,941</u>	<u>\$19,941</u>	<u>\$19,942</u>	<u>\$1</u>

City of Westerville, Ohio

Schedule of Revenues, Expenditures and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Perimeter Road Improvement Capital Projects Fund
For the Year Ended December 31, 2008

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Fees, Licenses and Permits	\$0	\$22,500	\$22,500	\$0
<u>Expenditures:</u>	0	0	0	0
Net Change in Fund Balance	0	22,500	22,500	0
Fund Balance at Beginning of Year	21,830	21,830	21,830	0
<i>Fund Balance at End of Year</i>	<u>\$21,830</u>	<u>\$44,330</u>	<u>\$44,330</u>	<u>\$0</u>

City of Westerville, Ohio

Schedule of Revenues, Expenditures and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Recreation Capital Improvement Capital Projects Fund
For the Year Ended December 31, 2008

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Interest	\$0	\$63	\$69	\$6
<u>Expenditures:</u>	0	0	0	0
Net Change in Fund Balance	0	63	69	6
Fund Balance at Beginning of Year	1,439	1,439	1,439	0
<i>Fund Balance at End of Year</i>	<u>\$1,439</u>	<u>\$1,502</u>	<u>\$1,508</u>	<u>\$6</u>

City of Westerville, Ohio

Schedule of Revenues, Expenditures and Changes in Fund
Equity - Budget (Non-GAAP Budgetary Basis) and Actual
Refuse Enterprise Fund
For the Year Ended December 31, 2008

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Charges for Services	\$2,087,814	\$1,928,500	\$1,932,607	\$4,107
Other	100	49	49	0
<i>Total Revenues</i>	<u>2,087,914</u>	<u>1,928,549</u>	<u>1,932,656</u>	<u>4,107</u>
<u>Expenses:</u>				
Personal Services				
Refuse Operations	83,653	83,653	79,895	3,758
Supplies and Materials				
Refuse Operations	4,400	4,400	2,215	2,185
Other Services and Charges				
Refuse Operations and Disposal	2,047,337	2,047,337	2,027,906	19,431
<i>Total Expenses</i>	<u>2,135,390</u>	<u>2,135,390</u>	<u>2,110,016</u>	<u>25,374</u>
Excess of Revenues Over				
(Under) Expenses	(47,476)	(206,841)	(177,360)	29,481
Advances - Out	(105,000)	(105,000)	(105,000)	0
Transfers - In	0	3	3	0
Net Change in Fund Equity	<u>(152,476)</u>	<u>(311,838)</u>	<u>(282,357)</u>	<u>29,481</u>
Fund Equity at Beginning of Year	558,002	558,002	558,002	0
Prior Year Encumbrances Carried Over	140,703	140,703	140,703	0
<i>Fund Equity at End of Year</i>	<u><u>\$546,229</u></u>	<u><u>\$386,867</u></u>	<u><u>\$416,348</u></u>	<u><u>\$29,481</u></u>

City of Westerville, Ohio

Schedule of Revenues, Expenses and Changes in Fund
Equity - Budget (Non-GAAP Budgetary Basis) and Actual
Swimming Pool Enterprise Fund
For the Year Ended December 31, 2008

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Charges for Services	\$425,100	\$446,825	\$446,827	\$2
Other	0	107	108	1
<i>Total Revenues</i>	425,100	446,932	446,935	3
<u>Expenses:</u>				
Personal Services				
Swimming Pool	351,300	351,300	334,174	17,126
Supplies and Materials				
Swimming Pool	73,821	71,925	62,487	9,438
Other Services and Charges				
Swimming Pool	74,319	72,386	72,186	200
Capital Outlay				
Swimming Pool	22,489	22,489	17,356	5,133
<i>Total Expenses</i>	521,929	518,100	486,203	31,897
Net Change in Fund Equity	(96,829)	(71,168)	(39,268)	31,900
Fund Equity at Beginning of Year	208,366	212,195	212,195	0
Prior Year Encumbrances Carried Over	13,609	9,780	9,780	0
<i>Fund Equity at End of Year</i>	\$125,146	\$150,807	\$182,707	\$31,900

City of Westerville, Ohio

Schedule of Revenues, Expenses and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Garage Internal Service Fund
For the Year Ended December 31, 2008

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Charges for Services	\$932,840	\$1,120,000	\$1,125,340	\$5,340
Other	3,500	5,824	5,427	(397)
<i>Total Revenues</i>	<u>936,340</u>	<u>1,125,824</u>	<u>1,130,767</u>	<u>4,943</u>
<u>Expenses:</u>				
Personal Services				
Garage Operations	371,620	371,620	332,474	39,146
Supplies and Materials				
Garage Operations	502,088	627,358	617,923	9,435
Other Services and Charges				
Garage Operations	70,321	93,466	73,105	20,361
Capital Outlay				
Garage Operations	26,000	26,000	24,818	1,182
<i>Total Expenses</i>	<u>970,029</u>	<u>1,118,444</u>	<u>1,048,320</u>	<u>70,124</u>
Excess of Revenues Over (Under) Expenses	(33,689)	7,380	82,447	75,067
Transfers - In	0	3	3	0
Net Change in Fund Balance	<u>(33,689)</u>	<u>7,383</u>	<u>82,450</u>	<u>75,067</u>
Fund Balance at Beginning of Year	59,675	61,260	61,260	0
Prior Year Encumbrances Carried Over	33,689	32,104	32,104	0
<i>Fund Balance at End of Year</i>	<u><u>\$59,675</u></u>	<u><u>\$100,747</u></u>	<u><u>\$175,814</u></u>	<u><u>\$75,067</u></u>

City of Westerville, Ohio

Schedule of Revenues, Expenses and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Self-Insurance Internal Service Fund
For the Year Ended December 31, 2008

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Other Charges	\$3,367	\$30,702	\$30,702	\$0
Interest	0	43,814	49,459	5,645
<i>Total Revenues</i>	3,367	74,516	80,161	5,645
<u>Expenses:</u>				
Other Services and Charges				
Self-Insurance	12,549	44,272	44,271	1
Capital Outlay				
Self-Insurance	0	23,795	23,795	0
<i>Total Expenses</i>	12,549	68,067	68,066	1
Net Change in Fund Balance	(9,182)	6,449	12,095	5,646
Fund Balance at Beginning of Year	1,021,086	1,021,314	1,021,314	0
Prior Year Encumbrances Carried Over	9,231	9,003	9,003	0
<i>Fund Balance at End of Year</i>	\$1,021,135	\$1,036,766	\$1,042,412	\$5,646



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City of Westerville, Ohio

Statistical Tables

This part of the City of Westerville'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.

<u>Contents</u>	<u>Pages</u>
<u>Financial Trends</u>	169-175
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	
<u>Revenue Capacity</u>	176-189
These schedules contain information to help the reader assess the City's most significant local revenue sources, municipal income taxes and property taxes.	
<u>Debt Capacity</u>	190-195
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.	
<u>Demographic and Economic Information</u>	196-197
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	
<u>Operating information</u>	198-203
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The City implemented *GASB Statement No. 34* in 2003. Schedules presenting government-wide information include information beginning in that year.



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City of Westerville, Ohio
Net Assets by Component
Last Six Years
(accrual basis of accounting)

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Governmental Activities:						
Invested in Capital Assets, Net of Related Debt (1)	\$43,583,753	\$53,450,973	\$60,621,053	\$174,424,267	\$175,905,966	\$177,018,595
Restricted	23,469,787	22,014,550	17,713,068	16,207,725	23,599,432	25,592,016
Unrestricted	24,341,745	22,517,201	25,208,439	27,408,591	23,773,944	23,755,848
<i>Total Governmental Activities Net Assets</i>	<u>91,395,285</u>	<u>97,982,724</u>	<u>103,542,560</u>	<u>218,040,583</u>	<u>223,279,342</u>	<u>226,366,459</u>
Business-Type Activities:						
Invested in Capital Assets, Net of Related Debt	66,100,531	66,883,895	69,957,465	73,070,150	73,089,932	71,935,551
Unrestricted	36,087,428	32,615,367	29,543,305	27,293,331	28,615,958	29,588,665
<i>Total Business-Type Activities</i>	<u>102,187,959</u>	<u>99,499,262</u>	<u>99,500,770</u>	<u>100,363,481</u>	<u>101,705,890</u>	<u>101,524,216</u>
Primary Government:						
Invested in Capital Assets, Net of Related Debt	109,684,284	120,334,868	130,578,518	247,494,417	248,995,898	248,954,146
Restricted	23,469,787	22,014,550	17,713,068	16,207,725	23,599,432	25,592,016
Unrestricted	60,429,173	55,132,568	54,751,744	54,701,922	52,389,902	53,344,513
<i>Total Primary Government Net Assets</i>	<u>\$193,583,244</u>	<u>\$197,481,986</u>	<u>\$203,043,330</u>	<u>\$318,404,064</u>	<u>\$324,985,232</u>	<u>\$327,890,675</u>

(1) The large increase of Invested in Capital Assets, Net of Related Debt for 2006 was a result of the City recording its roads and bridges infrastructure from 1980 through 2003 in that year.

City of Westerville, Ohio
Changes in Net Assets
Last Six Years
(accrual basis of accounting)

	2003	2004	2005	2006	2007	2008
Program Revenues:						
Governmental Activities:						
Charges for Services and Sales:						
Security of Persons and Property	\$120,874	\$233,947	\$121,914	\$78,934	\$248,491	\$201,340
Public Health	41,681	35,246	37,320	27,696	25,950	37,892
Leisure Time Activities	2,657,185	2,733,907	3,015,018	2,872,625	3,061,612	3,138,743
Community Development	687,798	884,132	839,071	964,288	823,959	941,293
Transportation	27,840	524	84,625	39,600	45,000	22,500
General Government	721,914	887,454	920,985	817,796	781,310	690,699
Operating Grants, Contributions and Interest	4,576,376	4,594,674	4,827,917	4,703,862	4,921,913	5,600,521
Capital Grants, Contributions and Interest	4,433,334	3,580,626	2,922,366	2,543,228	790,970	164,846
<i>Total Governmental Activities Program Revenues</i>	<u>13,267,002</u>	<u>12,950,510</u>	<u>12,769,216</u>	<u>12,048,029</u>	<u>10,699,205</u>	<u>10,797,834</u>
Business-Type Activities:						
Charges for Services:						
Water	3,417,030	3,447,858	3,847,391	3,394,398	3,536,123	2,958,745
Sewer	3,919,162	4,636,563	5,333,784	5,837,587	6,829,737	6,955,790
Electric	21,308,910	23,758,104	28,482,231	30,976,955	34,701,328	37,127,200
Refuse	1,678,786	1,716,930	1,850,321	1,924,673	1,919,708	1,951,752
Swimming Pool	379,970	330,189	406,581	403,826	459,245	446,827
Operating Grants, Contributions and Interest	29,433	897,426	0	1,180	58,780	0
Capital Grants, Contributions and Interest	620,769	2,796,036	1,642,537	1,806,312	667,160	425,262
<i>Total Business-Type Activities Program Revenues</i>	<u>31,354,060</u>	<u>37,583,106</u>	<u>41,562,845</u>	<u>44,344,931</u>	<u>48,172,081</u>	<u>49,865,576</u>
<i>Total Primary Government Program Revenues</i>	<u>44,621,062</u>	<u>50,533,616</u>	<u>54,332,061</u>	<u>56,392,960</u>	<u>58,871,286</u>	<u>60,663,410</u>
Expenses:						
Governmental Activities:						
Current:						
Security of Persons and Property	17,861,792	18,294,807	21,059,425	20,547,925	21,913,868	23,812,277
Public Health	53,158	64,095	57,364	51,609	62,869	56,156
Leisure Time Activities	6,393,207	8,241,110	8,268,953	8,304,966	8,225,686	8,837,447
Community Development	2,104,386	2,311,744	2,381,720	2,290,453	2,401,588	2,434,545
Basic Utility Services	294,465	280,901	395,574	308,478	1,104,555	1,193,430
Transportation	1,698,334	3,193,662	3,097,704	5,402,240	6,690,507	3,988,338
General Government	8,941,895	8,482,028	9,484,791	9,724,111	8,939,908	11,437,810
Interest and Fiscal Charges	1,340,456	1,446,681	1,371,225	1,299,571	1,231,338	1,184,204
<i>Total Governmental Activities Expenses</i>	<u>38,687,693</u>	<u>42,315,028</u>	<u>46,116,756</u>	<u>47,929,353</u>	<u>50,570,319</u>	<u>52,944,207</u>
Business Type Activities:						
Water	2,328,572	4,060,430	3,171,504	3,138,646	3,335,846	3,700,446
Sewer	4,612,333	4,789,093	5,041,390	5,641,950	6,488,261	7,138,180
Electric	19,205,055	29,445,916	31,124,552	32,346,965	34,790,162	37,048,202
Refuse	1,689,437	1,711,896	1,921,206	1,941,027	1,920,950	2,137,563
Swimming Pool	419,286	438,847	465,973	514,499	462,304	515,415
<i>Total Business-Type Activities Expenses</i>	<u>28,254,683</u>	<u>40,446,182</u>	<u>41,724,625</u>	<u>43,583,087</u>	<u>46,997,523</u>	<u>50,539,806</u>
<i>Total Primary Government Expenses</i>	<u>\$66,942,376</u>	<u>\$82,761,210</u>	<u>\$87,841,381</u>	<u>\$91,512,440</u>	<u>\$97,567,842</u>	<u>\$103,484,013</u>

(Continued)

City of Westerville, Ohio
Changes in Net Assets
Last Six Years
(accrual basis of accounting)
(Continued)

	2003	2004	2005	2006	2007	2008
Net (Expense) / Revenue:						
Governmental Activities	(\$25,420,691)	(\$29,364,518)	(\$33,347,540)	(\$35,881,324)	(\$39,871,114)	(\$42,146,373)
Business-Type Activities	3,099,377	(2,863,076)	(161,780)	761,844	1,174,558	(674,230)
<i>Total Primary Government Net Assets</i>	<u>(22,321,314)</u>	<u>(32,227,594)</u>	<u>(33,509,320)</u>	<u>(35,119,480)</u>	<u>(38,696,556)</u>	<u>(42,820,603)</u>
General Revenues and Transfers:						
Governmental Activities:						
Property Taxes Levied for:						
General Purposes	3,064,515	3,158,862	3,133,506	3,633,506	3,212,914	3,063,892
Fire	7,321,671	7,485,143	7,260,582	7,588,375	7,495,299	6,981,668
Debt Service	346,546	478,843	381,885	451,365	97,622	135,795
Municipal Income Taxes Levied for:						
General Purposes	14,507,687	14,879,559	16,208,734	17,027,641	17,755,394	18,730,035
Parks and Recreation	3,392,022	3,477,793	3,854,039	4,015,810	4,218,641	4,377,305
Other Local Taxes (1)	0	0	0	423,190	452,842	491,884
Grants and Entitlements not Restricted to Specific Programs	5,177,486	4,787,086	5,778,664	4,828,247	5,392,820	5,214,556
Unrestricted Investment Earnings	1,549,328	1,339,752	1,725,206	3,550,908	4,755,384	3,803,114
Payments in Lieu of Taxes	219,691	294,277	505,051	990,236	1,711,131	2,269,090
Other	45,945	50,642	75,587	94,763	17,826	175,774
Transfers	(6,702)	0	(15,878)	0	0	(9,623)
<i>Total Governmental Activities</i>	<u>35,618,189</u>	<u>35,951,957</u>	<u>38,907,376</u>	<u>42,604,041</u>	<u>45,109,873</u>	<u>45,233,490</u>
Business-Type Activities:						
Unrestricted Investment Earnings	68,536	47,236	16,338	12,812	49,622	146,363
Other	101,583	127,143	131,072	89,107	118,229	336,570
Transfers	6,702	0	15,878	0	0	9,623
<i>Total Business-Type Activities</i>	<u>176,821</u>	<u>174,379</u>	<u>163,288</u>	<u>101,919</u>	<u>167,851</u>	<u>492,556</u>
Change in Net Assets:						
Governmental Activities	10,197,498	6,587,439	5,559,836	6,722,717	5,238,759	3,087,117
Business-Type Activities	3,276,198	(2,688,697)	1,508	863,763	1,342,409	(181,674)
<i>Total Primary Government</i>	<u>\$13,473,696</u>	<u>\$3,898,742</u>	<u>\$5,561,344</u>	<u>\$7,586,480</u>	<u>\$6,581,168</u>	<u>\$2,905,443</u>

(1) Prior to 2006, Other Local Taxes were reported as part of Property Taxes

City of Westerville, Ohio
Fund Balances - Governmental Funds
Last Ten Years
(modified accrual basis of accounting)

	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>
General Fund					
Reserved	\$1,744,357	\$2,849,000	\$3,739,839	\$4,281,968	\$4,224,161
Unreserved	13,031,337	15,785,641	20,826,043	20,102,695	18,928,266
<i>Total General Fund</i>	<u>14,775,694</u>	<u>18,634,641</u>	<u>24,565,882</u>	<u>24,384,663</u>	<u>23,152,427</u>
All Other Governmental Funds					
Reserved	7,402,480	16,058,633	5,113,628	2,654,691	8,706,933
Unreserved, Undesignated (Deficit)					
Reported in:					
Special Revenue Funds	7,813,995	10,138,859	10,145,548	10,453,257	13,357,816
Debt Service Funds	(26,024)	9,621	51,031	86,435	33,638
Capital Projects Funds	25,179,112	5,938,922	5,297,984	7,438,290	4,659,444
<i>Total All Other Governmental Funds</i>	<u>40,369,563</u>	<u>32,146,035</u>	<u>20,608,191</u>	<u>20,632,673</u>	<u>26,757,831</u>
<i>Total Governmental Funds</i>	<u>\$55,145,257</u>	<u>\$50,780,676</u>	<u>\$45,174,073</u>	<u>\$45,017,336</u>	<u>\$49,910,258</u>

<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
\$6,945,451	\$5,520,107	\$10,415,540	\$10,382,188	\$9,696,963
<u>14,339,936</u>	<u>17,763,200</u>	<u>15,156,954</u>	<u>17,127,003</u>	<u>18,649,355</u>
<u>21,285,387</u>	<u>23,283,307</u>	<u>25,572,494</u>	<u>27,509,191</u>	<u>28,346,318</u>
4,562,592	3,300,041	2,638,377	1,375,144	2,323,104
14,130,666	13,863,104	15,274,266	16,100,108	16,951,764
89,866	99,873	199,513	121,383	74,435
<u>3,045,822</u>	<u>1,066,589</u>	<u>(2,202,362)</u>	<u>(1,515,003)</u>	<u>(1,259,399)</u>
<u>21,828,946</u>	<u>18,329,607</u>	<u>15,909,794</u>	<u>16,081,632</u>	<u>18,089,904</u>
<u>\$43,114,333</u>	<u>\$41,612,914</u>	<u>\$41,482,288</u>	<u>\$43,590,823</u>	<u>\$46,436,222</u>

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

	<i>1999</i>	<i>2000</i>	<i>2001</i>	<i>2002</i>	<i>2003</i>
Revenues:					
Property Taxes	\$7,117,419	\$7,573,929	\$7,933,107	\$8,006,605	\$10,430,292
Municipal Income Taxes	15,054,734	16,293,144	17,010,117	17,044,400	17,779,422
Other Local Taxes	89,536	84,260	73,650	58,460	363,723
Payments in Lieu of Taxes	0	0	0	0	219,691
Intergovernmental	6,368,610	6,740,701	8,251,942	8,549,939	10,068,502
Charges for Services	1,901,639	1,570,159	1,873,729	2,750,166	2,714,383
Fees, Licenses and Permits	644,933	944,522	1,004,198	1,169,884	852,988
Fines and Forfeitures	475,577	362,585	402,814	503,779	569,604
Special Assessments	76,395	76,935	67,942	67,805	0
Interest	5,265,192	5,060,136	4,216,092	3,171,205	2,545,711
Net Change in Fair Value of Cash Equivalents	(1,589,939)	298,703	2,141,613	(323,124)	(997,606)
Other	125,322	641,796	202,033	264,280	167,963
<i>Total Revenues</i>	<u>35,529,418</u>	<u>39,646,870</u>	<u>43,177,237</u>	<u>41,263,399</u>	<u>44,714,673</u>
Expenditures:					
Current:					
Security of Persons and Property	11,992,399	13,274,945	14,576,189	16,240,667	17,042,390
Public Health	66,685	41,875	64,476	43,072	46,113
Leisure Time Activities	2,626,899	3,042,156	3,935,183	5,225,703	5,765,100
Community Development	1,945,609	1,820,948	1,873,543	2,037,680	2,054,743
Basic Utility Services	175,710	172,554	189,730	308,077	257,312
Transportation	1,784,131	1,878,920	2,051,760	1,645,043	1,674,169
General Government	5,506,546	5,940,576	6,992,962	7,267,158	8,189,150
Capital Outlay	22,382,376	15,675,951	17,331,013	6,723,329	8,171,645
Debt Service:					
Principal Retirement	1,266,901	1,376,819	1,398,817	1,535,842	1,547,532
Interest and Fiscal Charges	1,395,293	1,446,758	1,386,703	1,322,991	1,321,680
Issuance Costs	0	0	0	0	120,875
<i>Total Expenditures</i>	<u>49,142,549</u>	<u>44,671,502</u>	<u>49,800,376</u>	<u>42,349,562</u>	<u>46,190,709</u>
Excess of Revenues Over (Under) Expenditures	<u>(13,613,131)</u>	<u>(5,024,632)</u>	<u>(6,623,139)</u>	<u>(1,086,163)</u>	<u>(1,476,036)</u>
Other Financing Sources (Uses):					
General Obligation Bonds Issued	0	0	0	0	6,500,000
Premium on Debt Issued	0	0	0	0	0
Discount on Debt Issued	0	0	0	0	(39,984)
Proceeds from Sale of Capital Assets	332,775	501,475	144,878	13,696	0
Transfers - In	7,622,514	8,729,025	7,671,378	11,238,364	13,428,670
Transfers - Out	(10,678,514)	(8,729,025)	(7,921,378)	(11,438,364)	(13,435,372)
<i>Total Other Financing Sources (Uses)</i>	<u>(2,723,225)</u>	<u>501,475</u>	<u>(105,122)</u>	<u>(186,304)</u>	<u>6,453,314</u>
<i>Prior Period Adjustments</i>	<u>96,454</u>	<u>158,576</u>	<u>1,121,658</u>	<u>1,115,730</u>	<u>(84,356)</u>
<i>Net Change in Fund Balances</i>	<u>(\$16,239,902)</u>	<u>(\$4,364,581)</u>	<u>(\$5,606,603)</u>	<u>(\$156,737)</u>	<u>\$4,892,922</u>
<i>Debt Service as a Percentage of Noncapital Expenditures</i>	9.9%	9.7%	8.6%	8.0%	7.9%

2004	2005	2006	2007	2008
\$10,748,595	\$10,445,069	\$11,227,471	\$10,761,808	\$10,065,032
18,359,467	19,989,848	21,232,835	21,801,514	23,194,224
362,261	392,450	345,566	444,698	477,009
294,277	419,948	860,139	1,641,597	1,949,200
12,338,083	12,771,663	10,655,342	10,442,132	11,117,361
3,370,392	3,219,498	3,543,986	3,540,980	3,670,381
867,242	1,204,137	716,669	810,696	808,069
499,091	505,907	515,463	653,108	551,037
0	0	0	0	0
2,153,282	1,791,483	2,639,112	3,868,360	3,343,851
(827,981)	(333,350)	541,300	912,388	583,680
148,019	223,105	229,739	178,036	175,002
<u>48,312,728</u>	<u>50,629,758</u>	<u>52,507,622</u>	<u>55,055,317</u>	<u>55,934,846</u>
18,492,909	19,390,459	20,252,931	21,498,778	23,003,087
55,412	49,572	46,945	67,269	53,589
6,202,645	6,491,507	7,466,748	7,007,948	7,229,515
2,260,454	2,332,143	2,252,948	2,387,252	2,421,397
232,736	323,997	325,564	532,666	571,237
2,495,398	3,325,763	2,157,229	2,319,041	2,183,713
9,423,507	8,994,886	9,470,124	11,026,743	10,901,565
12,671,378	8,069,949	7,588,335	4,934,906	3,874,933
1,830,887	1,922,915	1,783,929	1,590,622	1,658,981
1,444,627	1,369,138	1,297,711	1,227,015	1,181,804
0	0	0	4,482	0
<u>55,109,953</u>	<u>52,270,329</u>	<u>52,642,464</u>	<u>52,596,722</u>	<u>53,079,821</u>
<u>(6,797,225)</u>	<u>(1,640,571)</u>	<u>(134,842)</u>	<u>2,458,595</u>	<u>2,855,025</u>
0	0	0	380,000	0
0	0	0	11,117	0
0	0	0	0	0
1,300	155,030	5,669	4,582	0
10,686,542	9,800,829	10,823,630	10,328,138	11,924,221
(10,686,542)	(9,816,707)	(10,823,630)	(10,328,138)	(11,933,847)
1,300	139,152	5,669	395,699	(9,626)
0	0	(1,453)	(745,759)	0
<u>(\$6,795,925)</u>	<u>(\$1,501,419)</u>	<u>(\$130,626)</u>	<u>\$2,108,535</u>	<u>\$2,845,399</u>
7.7%	7.4%	6.8%	5.9%	5.8%

City of Westerville, Ohio
Income Tax Revenue by Payer Type (1)
Last Ten Years
(cash basis of accounting)

<i>Year</i>	<i>Individual</i>				<i>Total Individual</i>	<i>Percentage of Total</i>
	<i>Withholding</i>	<i>Percentage of Total</i>	<i>Non-Withholding</i>	<i>Percentage of Total</i>		
1999	\$10,783,448	72%	\$3,111,261	21%	\$13,894,709	93%
2000	11,485,497	70	3,576,688	22	15,062,185	92
2001	11,668,108	70	3,700,367	22	15,368,475	92
2002	12,107,459	71	3,633,923	21	15,741,382	92
2003	12,701,957	71	3,733,943	21	16,435,900	92
2004	13,086,987	73	3,694,537	20	16,781,524	93
2005	14,169,776	72	3,636,007	19	17,805,783	91
2006	15,401,321	72	3,878,839	18	19,280,160	90
2007	15,961,301	73	3,862,328	18	19,823,629	91
2008	16,836,106	73	3,878,343	17	20,714,449	89

Source: City Income Tax Department

(1) These amounts are reported gross and do not take into account tax refunds.

The City levies a municipal income tax of 1.25 percent which became effective January 1, 1999.

<i>Business Accounts</i>		
<i>Business Accounts</i>	<i>Percentage of Total</i>	<i>Total</i>
\$1,029,294	7%	\$14,924,003
1,250,295	8	16,312,480
1,292,198	8	16,660,673
1,288,482	8	17,029,864
1,415,124	8	17,851,024
1,251,854	7	18,033,378
1,727,688	9	19,533,471
2,213,900	10	21,494,060
1,943,513	9	21,767,142
2,487,400	11	23,201,849

City of Westerville, Ohio
Income Tax Revenue Fund Distribution
Last Ten Years
(modified accrual basis of accounting)

<i>Year</i>	<i>General Fund</i>	<i>Parks and Recreation Income Tax Allocation Fund</i>	<i>Total</i>	<i>Percentage Increase</i>
1999	\$12,407,839	\$2,646,895	\$15,054,734	27.93%
2000	13,194,892	3,098,252	16,293,144	8.23
2001	13,755,742	3,254,375	17,010,117	4.40
2002	13,784,049	3,260,351	17,044,400	0.20
2003	14,411,457	3,367,965	17,779,422	4.31
2004	14,881,251	3,478,216	18,359,467	3.26
2005	16,150,394	3,839,454	19,989,848	8.88
2006	17,179,148	4,053,687	21,232,835	6.22
2007	17,617,377	4,184,137	21,801,514	2.68
2008	18,799,543	4,394,681	23,194,224	6.39

City of Westerville, Ohio
Principal Income Taxpayers - Withholding Accounts
2008 and 1999

<u>Range of Withholding Amount</u>	<u>2008</u>		<u>1999</u>	
	<i>Number of Withholding Accounts</i>	<i>Percentage of Total Withholding Revenue</i>	<i>Number of Withholding Accounts</i>	<i>Percentage of Total Withholding Revenue</i>
\$500,001 and higher	5	25.1%	2	26.6%
\$300,001 - 500,000	4	7.9%	1	4.1%
\$100,001 - 300,000	16	14.6%	8	12.5%
\$55,001 - 100,000	22	9.5%	12	7.8%
Total	47	57.1%	23	51.0%
All Others	3,401	42.9%	2,759	49.0%
Total Withholding Accounts	3,448	100.0%	2,771	100.0%

Source: City Income Tax Department

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

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

Collection Year	Real Property			Tangible	
	Residential/ Agricultural	Commercial/ Industrial/PU	Estimated Actual Value	Public	Utility
	Assessed Value	Assessed Value		Assessed Value	Estimated Actual Value
1999	\$510,267,370	\$135,398,120	\$1,844,758,543	\$22,504,370	\$25,573,148
2000	579,887,060	151,051,170	2,088,394,943	23,198,260	26,361,659
2001	589,883,390	169,893,880	2,170,792,200	25,005,670	28,415,534
2002	603,244,580	179,701,610	2,236,989,114	21,627,750	24,576,989
2003	683,824,380	199,217,280	2,522,976,171	20,857,380	23,701,568
2004	694,331,340	201,348,190	2,559,084,371	19,630,910	22,307,852
2005	701,694,570	210,274,550	2,605,626,057	19,697,000	22,382,955
2006	826,421,760	211,306,370	2,964,937,514	18,025,150	20,483,125
2007	839,638,340	223,024,940	3,036,180,800	20,100,820	22,841,841
2008	844,986,330	211,340,770	3,018,077,429	6,316,780	7,178,159

Real property is reappraised every six years with a State mandated update of the current market value in the third year following each reappraisal.

The assessed value of real property (including public utility real property) is 35 percent of estimated true value. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property was assessed in previous years at 25 percent for machinery and equipment and 23 percent for inventories. General business tangible personal property tax is being phased out beginning in 2006. For collection year 2006 both types of general business tangible personal property were assessed at 18.75 percent. The percentage was 12.5 percent for 2007, 6.25 percent for 2008 and will be zero for 2009.

The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10 percent and 2 1/2 percent rollback and homestead exemptions before being billed. Beginning in the 2006 collection year, the 10 percent rollback for commercial/industrial property was eliminated.

Source: Franklin County Auditor

Personal Property

<i>General Business</i>		<i>Totals</i>			<i>Weighted Average Tax Rate</i>
<i>Assessed Value</i>	<i>Estimated Actual Value</i>	<i>Assessed Value</i>	<i>Estimated Actual Value</i>	<i>Ratio</i>	
\$66,114,875	\$264,459,500	\$734,284,735	\$2,134,791,191	34.40%	\$10.83
77,437,297	309,749,188	831,573,787	2,424,505,790	34.30	10.15
78,058,573	312,234,292	862,841,513	2,511,442,026	34.36	10.06
74,734,200	311,392,500	879,308,140	2,572,958,603	34.17	10.31
46,595,889	202,590,822	950,494,929	2,749,268,561	34.57	12.21
46,324,344	201,410,191	961,634,784	2,782,802,415	34.56	12.40
32,567,248	141,596,730	964,233,368	2,769,605,742	34.81	12.17
25,812,208	137,665,109	1,081,565,488	3,123,085,749	34.63	11.21
14,593,774	116,750,192	1,097,357,874	3,175,772,833	34.55	10.75
2,425,966	19,407,728	1,065,069,846	3,044,663,316	34.98	10.66

City of Westerville, Ohio
Principal Property Taxpayers
2008 and 1999

<i>Taxpayer</i>	<i>2008 (1)</i>			<i>1999 (2)</i>		
	<i>Total Assessed Valuation</i>	<i>Rank</i>	<i>Percentage of Total Assessed Valuation</i>	<i>Total Assessed Valuation</i>	<i>Rank</i>	<i>Percentage of Total Assessed Valuation</i>
<u>Public Utilities:</u>						
Columbus Southern Power Co.	\$3,911,060	1	0.37%	-	-	-
Columbia Gas of Ohio, Inc.	379,540	2	0.04%	4,132,530	3	0.56%
Ohio Power Company	46,900	3	0.00%	8,320,980	1	1.13%
American Municipal Power Ohio, Inc.	920	4	0.00%	-	-	-
Nextel West Corporation	-	-	-	4,224,910	2	0.58%
<u>Real Estate:</u>						
Banc One Management Corporation	13,955,000	1	1.31%	18,788,700	1	2.56%
NRI Brooksedge LLC	9,812,350	2	0.92%	2,624,980	4	0.36%
Maxtown Communities LLC	5,508,090	3	0.52%	-	-	-
Meijer Stores Limited Partnership	4,930,670	4	0.46%	-	-	-
Westerville Plaza LP	3,672,510	5	0.34%	-	-	-
Altair Realty LTD	3,596,950	6	0.34%	-	-	-
Westerville Square, Inc.	3,338,660	7	0.31%	1,986,350	8	0.27%
HCRA Properties, LLC.	2,775,520	8	0.26%	-	-	-
Brooksedge Associates, LLC.	2,670,520	9	0.25%	-	-	-
Spectrum Equities LLC	2,590,000	10	0.24%	2,187,490	7	0.30%
Partners at Brooksedge	-	-	-	11,171,200	2	1.52%
Richard J. Solove and John J. Chester	-	-	-	2,869,270	3	0.39%
Health Care & Retirement Corp. of America	-	-	-	2,585,270	5	0.35%
John W. Messmore TR	-	-	-	2,485,000	6	0.34%
Donald R. Kenney TR	-	-	-	1,884,530	9	0.26%
Kimco Westerville 178 Inc.	-	-	-	1,695,050	10	0.23%
<u>Tangible Personal Property:</u>						
Sprint Nextel Corporation	1,698,900	1	0.16%	-	-	-
Ohio Bell Telephone Company	1,332,440	2	0.13%	-	-	-
Rockwell Automation, Inc.	934,140	3	0.09%	-	-	-
Roush Equipment Company, Inc.	757,360	4	0.07%	1,252,840	7	0.17%
Exel, Inc.	754,610	5	0.07%	904,300	9	0.12%
Worthington Cylinder Corp.	634,910	6	0.06%	-	-	-
Meijer Stores Limited Partnership	610,550	7	0.06%	-	-	-
Road Runner Holdco, LLC.	551,060	8	0.05%	-	-	-
Time Warner Entertainment Co. LP	479,690	9	0.05%	1,451,250	4	0.20%
Lake Shore Cryotronics, Inc.	403,230	10	0.04%	-	-	-
IBM Credit Corporation	-	-	-	12,914,890	1	1.76%
Banc One Corporation	-	-	-	10,321,530	2	1.41%
West-Camp Press, Inc.	-	-	-	1,642,390	3	0.22%
Mettler Toledo, Inc.	-	-	-	1,422,800	5	0.19%
Cutler-Hammer IDT, Inc.	-	-	-	1,411,200	6	0.19%
McGraw Hill Companies, Inc.	-	-	-	1,075,600	8	0.15%
Robin Enterprises Company	-	-	-	876,540	10	0.12%
Totals	65,345,580		6.14%	98,229,600		13.38%
All Others	999,724,266		93.86%	636,055,135		86.62%
Total Property Assessed Valuation	\$1,065,069,846		100.00%	\$734,284,735		100.00%

Sources: (1) Franklin and Delaware County Auditors
(2) Franklin County Auditor



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City of Westerville, Ohio

Property Tax Levies and Collections
Last Ten Years

<i>Collection Year</i>	<i>Total Current Tax Levy (1)</i>	<i>Current Tax (1) Collections</i>	<i>Percent of Levy Collected (1)</i>	<i>Delinquent Tax Collections (1)</i>	<i>Tax Collected Delaware County (2)</i>
1999	\$6,502,629	\$6,299,611	96.88%	\$139,307	\$1,448,097
2000	6,449,184	6,306,357	97.79	139,304	1,556,103
2001	6,846,544	6,575,146	96.04	167,683	1,677,472
2002	6,750,991	6,408,731	94.93	141,351	1,726,314
2003	8,846,108	8,404,735	95.01	210,460	2,289,736
2004	9,320,227	8,908,894	95.59	226,691	2,654,132
2005	9,159,299	8,801,727	96.10	191,058	2,806,773
2006	9,268,229	8,840,226	95.38	185,000	3,223,639
2007	8,771,296	8,312,446	94.77	209,533	3,409,488
2008	8,472,981	7,919,738	93.47	217,307	3,354,050

(1) Source: Franklin County Auditor's Office

Total Current Tax Levy includes rollback and homestead exemptions.

(2) Source: Settlement Sheets - Delaware County Auditor's Office.

(3) Comparison of Franklin County only.

(4) Includes current and prior years' delinquencies - Franklin County only.

<i>Total Tax Collections</i>	<i>Percentage of Total Tax Collections to Total Tax Levy (3)</i>	<i>Outstanding Delinquent Taxes (4)</i>	<i>Percentage of Outstanding Delinquent Taxes to Total Tax Levy (3)</i>
\$7,887,015	99.02%	\$285,849	4.40%
8,001,764	99.95	293,721	4.55
8,420,301	98.49	271,398	3.96
8,276,396	97.02	342,260	5.07
10,904,931	97.39	441,373	4.99
11,789,717	98.02	411,333	4.41
11,799,558	98.18	357,572	3.90
12,248,865	97.38	428,003	4.62
11,931,467	97.16	458,850	5.23
11,491,095	96.04	553,243	6.53

City of Westerville, Ohio
Property Tax Rates
(per \$1,000 of assessed value)
Last Ten Years

	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>
Unvoted Millage				
Operating	<u>\$2.65</u>	<u>\$2.65</u>	<u>\$2.65</u>	<u>\$2.65</u>
Voted Millage - By Levy				
1976 Bond				
Residential/Agricultural Real	0.09	0.08	0.07	0.06
Commercial/Industrial and Public Utility Real	0.09	0.08	0.07	0.06
General Business and Public Utility Personal	0.09	0.08	0.07	0.06
1976 Charter				
Residential/Agricultural Real	0.60	0.60	0.60	0.60
Commercial/Industrial and Public Utility Real	0.60	0.60	0.60	0.60
General Business and Public Utility Personal	0.60	0.60	0.60	0.60
1977 Fire				
Residential/Agricultural Real	1.38	1.22	1.21	1.20
Commercial/Industrial and Public Utility Real	1.39	1.29	1.26	1.23
General Business and Public Utility Personal	3.60	3.60	3.60	3.60
1982 Fire				
Residential/Agricultural Real	0.67	0.60	0.59	0.59
Commercial/Industrial and Public Utility Real	0.77	0.72	0.70	0.69
General Business and Public Utility Personal	1.20	1.20	1.20	1.20
1983 Fire				
Residential/Agricultural Real	0.67	0.60	0.59	0.59
Commercial/Industrial and Public Utility Real	0.79	0.73	0.71	0.70
General Business and Public Utility Personal	1.20	1.20	1.20	1.20
1985 Bond				
Residential/Agricultural Real	0.46	0.39	0.37	0.34
Commercial/Industrial and Public Utility Real	0.46	0.39	0.37	0.34
General Business and Public Utility Personal	0.46	0.39	0.37	0.34
1986 Fire				
Residential/Agricultural Real	1.40	1.24	1.23	1.23
Commercial/Industrial and Public Utility Real	1.66	1.54	1.50	1.47
General Business and Public Utility Personal	2.40	2.40	2.40	2.40
1995 Fire				
Residential/Agricultural Real	1.95	1.72	1.71	1.70
Commercial/Industrial and Public Utility Real	1.98	1.84	1.79	1.76
General Business and Public Utility Personal	2.10	2.10	2.10	2.10

<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
<u>\$2.65</u>	<u>\$2.65</u>	<u>\$2.65</u>	<u>\$2.65</u>	<u>\$2.65</u>	<u>\$2.65</u>
0.05	0.06	0.00	0.00	0.00	0.00
0.05	0.06	0.00	0.00	0.00	0.00
0.05	0.06	0.00	0.00	0.00	0.00
0.60	0.60	0.60	0.60	0.60	0.60
0.60	0.60	0.60	0.60	0.60	0.60
0.60	0.60	0.60	0.60	0.60	0.60
1.07	1.07	1.06	0.92	0.91	0.91
1.14	1.14	1.14	1.11	1.09	1.13
3.60	3.60	3.60	3.60	3.60	3.60
0.52	0.52	0.52	0.45	0.45	0.45
0.64	0.64	0.63	0.62	0.61	0.63
1.20	1.20	1.20	1.20	1.20	1.20
0.52	0.52	0.52	0.45	0.45	0.45
0.65	0.65	0.64	0.63	0.62	0.64
1.20	1.20	1.20	1.20	1.20	1.20
0.30	0.27	0.25	0.27	0.00	0.00
0.30	0.27	0.25	0.27	0.00	0.00
0.30	0.27	0.25	0.27	0.00	0.00
1.09	1.09	1.08	0.93	0.93	0.93
1.37	1.37	1.36	1.33	1.31	1.36
2.40	2.40	2.40	2.40	2.40	2.40
1.51	1.51	1.50	1.29	1.29	1.29
1.63	1.63	1.62	1.58	1.56	1.62
2.10	2.10	2.10	2.10	2.10	2.10

(Continued)

City of Westerville, Ohio
Property Tax Rates
(per \$1,000 of assessed value)
Last Ten Years
(Continued)

	<i>1999</i>	<i>2000</i>	<i>2001</i>	<i>2002</i>
1996 Fire and EMS				
Residential/Agricultural Real	0.33	0.29	0.29	0.29
Commercial/Industrial and Public Utility Real	0.33	0.31	0.30	0.30
General Business and Public Utility Personal	0.35	0.35	0.35	0.35
2002 Fire and EMS				
Residential/Agricultural Real	0.00	0.00	0.00	0.00
Commercial/Industrial and Public Utility Real	0.00	0.00	0.00	0.00
General Business and Public Utility Personal	0.00	0.00	0.00	3.40
2002 Bond				
Residential/Agricultural Real	0.00	0.00	0.00	0.00
Commercial/Industrial and Public Utility Real	0.00	0.00	0.00	0.00
General Business and Public Utility Personal	0.00	0.00	0.00	0.00
Total Voted Millage By Type of Property				
Residential/Agricultural Real	7.55	6.74	6.66	6.60
Commercial/Industrial and Public Utility Real	8.07	7.50	7.30	7.15
General Business and Public Utility Personal	12.00	11.92	11.89	15.25
Total Voted and Unvoted Millage By Type of Property				
Residential/Agricultural Real	10.20	9.39	9.31	9.25
Commercial/Industrial and Public Utility Real	10.72	10.15	9.95	9.80
General Business and Public Utility Personal	14.65	14.57	14.54	17.90
Overlapping Rates By Taxing District				
School District				
Residential/Agricultural Real	38.52	34.48	38.12	38.81
Commercial/Industrial and Public Utility Real	36.40	33.78	37.11	37.43
General Business and Public Utility Personal	61.15	59.66	63.50	63.40
Library				
Residential/Agricultural Real	0.00	0.00	0.00	0.00
Commercial/Industrial and Public Utility Real	0.00	0.00	0.00	0.00
General Business and Public Utility Personal	0.00	0.00	0.00	0.80
County				
Residential/Agricultural Real	0.09-2.76	0.32-2.75	0.31-2.73	0.31-2.71
Commercial/Industrial and Public Utility Real	0.11-3.34	0.41-3.13	0.40-3.09	0.40-3.05
General Business and Public Utility Personal	0.23-3.50	0.65-3.15	0.65-3.50	0.65-3.50

Source: Ohio Department of Taxation

The rates presented for a particular calendar year are the rates that, when applied to the assessed values presented in the Assessed Value Table, generated the property tax revenue for that year.

Rates may only be raised by obtaining the approval of a majority of the voters at a public election.

Real property tax rates are reduced so that inflationary increases in value do not generate additional taxes. Real property is reappraised every six years and property values are updated in the third year following each reappraisal.

2003	2004	2005	2006	2007	2008
0.25	0.25	0.25	0.22	0.22	0.22
0.27	0.27	0.27	0.27	0.26	0.27
0.35	0.35	0.35	0.35	0.35	0.35
3.02	3.02	3.01	2.59	2.58	2.58
3.15	3.15	3.14	3.07	3.02	3.13
3.40	3.40	3.40	3.40	3.40	3.40
0.00	0.23	0.20	0.20	0.10	0.14
0.00	0.23	0.20	0.20	0.10	0.14
0.00	0.20	0.20	0.20	0.10	0.14
8.93	9.14	8.99	7.92	7.53	7.57
9.80	10.01	9.85	9.68	9.17	9.52
15.20	15.38	15.30	15.32	14.95	14.99
11.58	11.79	11.64	10.57	10.18	10.22
12.45	12.66	12.50	12.33	11.82	12.17
17.85	18.03	17.95	17.97	17.60	17.64
35.45	35.37	40.69	35.70	41.54	41.54
35.20	34.98	40.33	39.02	44.11	45.08
63.20	63.20	68.01	67.31	72.50	72.50
0.71	0.71	0.71	0.61	0.61	0.80
0.74	0.73	0.73	0.72	0.72	0.80
0.80	0.80	0.80	0.80	0.80	0.80
0.28-3.09	0.27-3.07	0.27-3.06	0.23-2.61	0.23-2.60	0.23-2.60
0.38-3.30	0.38-3.31	0.38-3.34	0.37-3.21	0.37-3.21	0.37-3.22
0.65-3.50	0.65-3.50	0.65-3.50	0.65-3.50	0.65-3.50	0.65-3.50

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

<i>Year</i>	<i>Governmental Activities</i>				<i>Business-Type Activities</i>		
	<i>General Obligation Bonds</i>	<i>Special Assessment Bonds</i>	<i>Notes Payable</i>	<i>Police Pension Liability</i>	<i>General Obligation Bonds</i>	<i>Notes Payable</i>	<i>ODNR Debt</i>
1999	\$30,967,500	\$114,000	\$0	\$25,362	\$9,884,130	\$0	\$2,040,333
2000	29,635,100	70,000	0	24,943	9,377,227	0	2,009,496
2001	28,271,720	35,000	0	24,506	8,846,304	0	1,977,666
2002	26,870,005	0	394,687	24,051	8,283,716	0	1,944,810
2003	31,882,473	0	296,015	23,576	7,687,798	0	1,910,896
2004	30,152,752	0	197,343	23,081	6,790,925	0	1,875,889
2005	28,429,696	0	0	22,564	6,284,181	1,350,000	1,839,754
2006	26,648,305	0	0	22,025	5,750,772	7,925,000	1,802,455
2007	25,451,222	0	0	21,463	23,750,018	0	1,763,954
2008	23,794,270	0	0	20,877	22,564,982	0	1,724,213

(1) Includes Governmental and Business-Type Activities debt.

(2) Source: Franklin County Auditor

(3) "Population Estimates," published by the Mid-Ohio Regional Planning Commission

(4) Computation of per capita personal income multiplied by population (in thousands) - See Demographic and Economic Statistics Table

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements

<i>Total Outstanding Debt (1)</i>	<i>Estimated Actual Value of Taxable Property (2)</i>	<i>Population (3)</i>	<i>Personal Income (4)</i>	<i>Ratio of Debt to Personal Income</i>	<i>Debt Per Capita</i>
\$43,031,325	\$2,134,791,191	34,948	\$1,008,285	4.27%	\$1,231
41,116,766	2,424,505,790	35,318	1,085,781	3.79%	1,164
39,155,196	2,511,442,026	35,671	1,121,211	3.49%	1,098
37,517,269	2,572,958,603	35,908	1,159,038	3.24%	1,045
41,800,758	2,749,268,561	36,018	1,181,174	3.54%	1,161
39,039,990	2,782,802,415	36,069	1,216,427	3.21%	1,082
37,926,195	2,769,605,742	36,325	1,269,922	2.99%	1,044
42,148,557	3,123,085,749	36,517	1,326,845	3.18%	1,154
50,986,657	3,175,772,833	36,569	1,380,995	3.69%	1,394
48,104,342	3,044,663,316	37,845	1,485,392	3.24%	1,271

City of Westerville, Ohio
Ratio of General Obligation Bonded Debt to Estimated
Actual Value and General Obligation Bonded Debt Per Capita
Last Ten Years

<i>Collection Year</i>	<i>General Obligation Bonded Debt (1)</i>	<i>Estimated Actual Value of Taxable Property (2)</i>	<i>Population (3)</i>	<i>Ratio of General Obligation Bonded Debt to Estimated Actual Value</i>	<i>General Obligation Bonded Debt Per Capita</i>
1998	\$32,190,000	\$2,080,649,219	34,833	1.55%	\$924.12
1999	30,967,500	2,134,791,191	34,948	1.45%	886.10
2000	29,635,100	2,424,505,790	35,318	1.22%	839.09
2001	28,271,720	2,511,442,026	35,671	1.13%	792.57
2002	26,870,005	2,572,958,603	35,908	1.04%	748.30
2003	31,882,473	2,749,268,561	36,018	1.16%	885.18
2004	30,152,752	2,782,802,415	36,069	1.08%	835.97
2005	28,429,696	2,769,605,742	36,325	1.03%	782.65
2006	26,648,305	3,123,085,749	36,517	0.85%	729.75
2007	25,451,222	3,175,772,833	36,569	0.80%	695.98
2008	23,794,270	3,044,663,316	37,845	0.78%	628.73

(1) Includes all general obligation debt financed with general governmental resources

(2) Source: Franklin County Auditor

(3) Source: "Population Estimates," published by the Mid-Ohio Regional Planning Commission

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements

City of Westerville, Ohio
 Computation of Direct and Overlapping Governmental Debt
 December 31, 2008

<i>Jurisdiction</i>	<i>Debt Outstanding</i>	<i>Percentage Applicable to the City of Westerville (1)</i>	<i>Amount Applicable to the City of Westerville</i>
Direct:			
City of Westerville General Obligation Bonds	\$23,794,270	100.00%	\$23,794,270
Overlapping:			
Westerville City School District	100,650,447	31.83%	32,037,037
Franklin County	201,911,371	3.85%	7,773,588
Total Overlapping Debt	302,561,818		39,810,625
Grand Total	\$326,356,088		\$63,604,895

Source: Franklin County Auditor - Note: The Franklin County Auditor was unable to provide additional information as to the type of debt comprising the amounts for the overlapping debt outstanding.

(1) Percentages determined by dividing each overlapping subdivision's assessed valuation within the City by the subdivision's total assessed valuation.

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account.

City of Westerville, Ohio
 Legal Debt Margin Information
 Last Ten Years

	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>
Total Assessed Valuation	<u>\$734,284,735</u>	<u>\$831,573,787</u>	<u>\$862,841,513</u>	<u>\$879,308,140</u>
Overall debt limitation - 10.5% of assessed valuation	<u>77,099,897</u>	<u>87,315,248</u>	<u>90,598,359</u>	<u>92,327,355</u>
Net Debt Subject to Limitation (General Obligation Bonds)	30,967,500	29,635,100	28,271,720	26,870,005
Less amount available in the debt service fund	<u>(959)</u>	<u>(17,229)</u>	<u>(34,272)</u>	<u>(86,435)</u>
Total Net Debt Subject to Limitation	<u>30,968,459</u>	<u>29,652,329</u>	<u>28,305,992</u>	<u>26,956,440</u>
Legal debt margin within 10.5% limitation	<u>\$46,131,438</u>	<u>\$57,662,919</u>	<u>\$62,292,367</u>	<u>\$65,370,915</u>
Legal Debt Margin as a Percentage of the Debt Limit	59.8%	66.0%	68.8%	70.8%
<hr/>				
Unvoted debt limitation 5.5% of assessed valuation	<u>\$40,385,660</u>	<u>\$45,736,558</u>	<u>\$47,456,283</u>	<u>\$48,361,948</u>
Net Debt Subject to Limitation (General Obligation Bonds)	30,967,500	29,635,100	28,271,720	26,870,005
Less amount available in the debt service fund	<u>(959)</u>	<u>(17,229)</u>	<u>(34,272)</u>	<u>(86,435)</u>
Total Net Debt Subject to Limitation	<u>30,968,459</u>	<u>29,652,329</u>	<u>28,305,992</u>	<u>26,956,440</u>
Legal debt margin within 10% limitation	<u>\$9,417,201</u>	<u>\$16,084,229</u>	<u>\$19,150,291</u>	<u>\$21,405,508</u>
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limitation	23.3%	35.2%	40.4%	44.3%

Ohio Bond Law sets a limit of 10.5 percent for voted debt and 5.5 percent for unvoted debt.

<i>2003</i>	<i>2004</i>	<i>2005</i>	<i>2006</i>	<i>2007</i>	<i>2008</i>
\$950,494,929	\$961,634,784	\$964,233,368	\$1,081,565,488	\$1,097,357,874	\$1,065,069,846
99,801,968	100,971,652	101,244,504	113,564,376	115,222,577	111,832,334
31,921,620	30,189,900	28,464,845	26,681,455	25,471,395	23,813,000
(33,638)	(89,866)	(99,873)	(199,513)	(121,383)	(74,435)
31,955,258	30,279,766	28,564,718	26,880,968	25,592,778	23,887,435
\$67,846,710	\$70,691,886	\$72,679,786	\$86,683,408	\$89,629,799	\$87,944,899
68.0%	70.0%	71.8%	76.3%	77.8%	78.6%
\$52,277,221	\$52,889,913	\$53,032,835	\$59,486,102	\$60,354,683	\$58,578,842
31,921,620	30,189,900	28,464,845	26,681,455	25,471,395	23,813,000
(33,638)	(89,866)	(99,873)	(199,513)	(121,383)	(74,435)
31,955,258	30,279,766	28,564,718	26,880,968	25,592,778	23,887,435
\$20,321,963	\$22,610,147	\$24,468,117	\$32,605,134	\$34,761,905	\$34,691,407
38.9%	42.7%	46.1%	54.8%	57.6%	59.2%

City of Westerville, Ohio
Demographic and Economic Statistics
Last Ten Years

<i>Year</i>	<i>Population (1)</i>	<i>Total Personal Income (2)</i>	<i>Per Capita Income (3)</i>	<i>School Enrollment (4)</i>	<i>Unemployment Rates (5)</i>		
					<i>Franklin County</i>	<i>Ohio</i>	<i>United States</i>
1999	34,948	\$1,008,285	\$28,851	13,390	2.2%	4.2%	4.1%
2000	35,318	1,085,781	30,743	13,609	2.1%	4.0%	4.0%
2001	35,671	1,121,211	31,432	13,706	3.2%	4.8%	5.8%
2002	35,908	1,159,038	32,278	13,834	4.4%	5.7%	5.8%
2003	36,018	1,181,174	32,794	14,043	4.9%	6.1%	6.0%
2004	36,069	1,216,427	33,725	14,156	5.4%	6.1%	5.5%
2005	36,325	1,269,922	34,960	14,023	5.3%	5.9%	5.1%
2006	36,517	1,326,845	36,335	14,217	4.5%	5.5%	4.5%
2007	36,569	1,380,995	37,764	14,252	4.7%	5.6%	5.0%
2008	37,845	1,485,392	39,249	14,477	5.5%	6.5%	5.8%

Source: (1) "Population Estimates," published by the Mid-Ohio Regional Planning Commission

(2) Per capita income multiplied by population (in thousands)

(3) U.S. Department of Commerce, Bureau of Economic Analysis, Columbus MSA

Note: 2007 and 2008 estimates are interpolated based upon percentage increases from the prior years.

(4) Westerville City School District's CAFR

(5) State of Ohio's CAFR and the Bureau of Labor Statistics

City of Westerville, Ohio

Principal Employers

2008 and 1999

<i>Employer</i>	<i>2008</i>			<i>1999</i>		
	<i>Number of Employees</i>	<i>Rank</i>	<i>Percentage of Total Employment</i>	<i>Number of Employees</i>	<i>Rank</i>	<i>Percentage of Total Employment</i>
JP Morgan Chase Bank NA	3,979	1	6.73%	6,721	1	NA
Mount Carmel Health Systems	2,203	2	3.7%	1,684	3	NA
Westerville City Schools	2,197	3	3.7%	1,912	2	NA
Otterbein College	1,841	4	3.1%	1,491	5	NA
CMS Subsidiary	1,371	5	2.3%	1,602	4	NA
Alliance Data Systems Inc	1,269	6	2.1%	1,346	6	NA
1-800 Flowers (Cheryls Cookies)	980	7	1.7%	830	7	NA
City of Westerville	850	8	1.4%	648	9	NA
Heartland Employment	819	9	1.4%	-	-	NA
Worthington Cylinders	685	10	1.2%	744	8	NA
Westerville Athletic Club	-	-	-	449	10	NA
Total Employees	16,194		27.4%	17,427		NA
All Other Employers	42,922		72.6%	NA		NA
Total Employment within the City	59,116		100.00%	NA		NA

Source: City Income Tax Department

City of Westerville, Ohio
City Government Employees by Function/Program
Last Four Years

<i>Function/Program</i>	<i>2005</i>		<i>2006</i>		<i>2007</i>	
	<i>Full-Time</i>	<i>All</i>	<i>Full-Time</i>	<i>All</i>	<i>Full-Time</i>	<i>All</i>
Security of Persons and Property						
Fire	84.00	109.00	84.00	104.00	92.00	103.00
Police	85.00	93.00	87.00	91.00	88.00	92.00
Communications	13.00	18.00	15.00	19.00	15.00	23.00
Total	182.00	220.00	186.00	214.00	195.00	218.00
Leisure Time Activities						
Administration	7.00	12.00	7.00	7.00	8.00	8.00
Recreation	21.40	289.60	20.65	296.20	22.75	286.75
Parks	18.75	42.00	19.25	51.60	19.80	44.80
Senior Center	6.50	13.50	6.75	14.75	7.90	16.90
Total	53.65	357.10	53.65	369.55	58.45	356.45
Community Development	24.00	30.00	24.00	32.00	25.00	28.00
Basic Utility Services	3.90	7.35	6.25	12.20	7.25	9.25
Transportation	16.00	22.25	14.05	23.33	14.05	22.38
General Government						
Legislative	1.00	9.00	1.00	8.00	1.00	9.00
City Manager	12.00	13.00	12.00	15.00	13.00	17.00
Administrative Services *	N/A	N/A	N/A	N/A	N/A	N/A
Finance	21.00	29.00	21.00	29.20	21.60	26.60
Information Systems	10.00	12.00	10.00	11.00	10.00	10.00
Mayor's Court	3.00	6.00	3.00	7.00	3.00	6.00
Legal	0.00	3.00	0.00	2.00	0.00	2.00
Buildings and Grounds	6.00	6.00	6.00	6.00	6.00	6.00
Total	53.00	78.00	53.00	78.20	54.60	76.60
Business-Type Activities						
Water	18.00	20.60	18.10	24.68	18.60	23.93
Sewer	8.00	12.60	6.40	9.69	5.90	6.74
Refuse	1.05	1.10	1.10	2.05	1.10	1.10
Electric	45.00	48.00	45.00	49.80	47.40	48.40
Swimming Pool	1.35	44.90	1.35	63.45	1.55	56.55
Garage	4.05	4.10	4.10	5.05	5.10	5.60
Total	77.45	131.30	76.05	154.72	79.65	142.32
Total - All Employees	410.00	846.00	413.00	884.00	434.00	853.00

* The Department of Administrative Services was created in 2008
Source: City Payroll Records

2008	
<i>Full-Time</i>	<i>All</i>
90.00	101.00
87.00	92.00
17.00	26.00
<u>194.00</u>	<u>219.00</u>
8.00	8.00
19.05	286.05
19.25	38.25
6.45	15.45
<u>52.75</u>	<u>347.75</u>
<u>24.00</u>	<u>27.00</u>
<u>6.95</u>	<u>7.95</u>
<u>14.05</u>	<u>21.38</u>
1.00	9.00
3.25	3.25
8.75	8.75
23.00	28.00
10.00	10.00
3.00	5.00
0.00	2.00
7.00	7.00
<u>56.00</u>	<u>73.00</u>
18.25	25.58
7.55	7.89
1.10	1.10
45.00	47.00
1.25	58.25
5.10	5.10
<u>78.25</u>	<u>144.92</u>
<u>426.00</u>	<u>841.00</u>

City of Westerville, Ohio
 Operating Indicators by Function/Program
 Last Ten Years

<i>Function/Program</i>	<i>1999</i>	<i>2000</i>	<i>2001</i>	<i>2002</i>
General Government:				
Active Income Tax Accounts				
Individual	NA	NA	NA	NA
Business	NA	NA	NA	NA
Withholding	NA	NA	NA	NA
Clerk of Courts:				
Mayor's Court Cases	5,451	5,163	6,927	7,387
Security of Persons and Property - Police				
Police calls	49,997	55,295	70,040	67,736
Physical Arrests	138	192	205	206
Citations	5,045	4,682	5,901	5,560
Parking Violations	968	900	1,059	652
Security of Persons and Property - Fire				
EMT Calls	NA	NA	3,625	3,920
Fire Calls	NA	NA	2,279	2,437
Total Calls	3,966	6,415	5,904	6,357
Leisure Time Activities:				
Swimming Pool Revenues	\$509,963	\$503,110	\$494,978	\$441,705
Parks & Recreation Revenues	641,185	738,553	1,666,056	2,434,829

Source: Department annual reports

NA - Information not available

<i>2003</i>	<i>2004</i>	<i>2005</i>	<i>2006</i>	<i>2007</i>	<i>2008</i>
NA	17,026	16,844	16,737	16,883	16,704
NA	2,475	2,615	2,689	2,724	2,644
NA	2,744	2,894	3,361	3,365	3,490
7,966	8,004	7,338	8,117	7,496	8,656
65,805	63,042	58,852	63,453	61,391	59,998
297	346	357	346	447	421
5,956	5,600	5,532	5,849	5,612	6,843
752	683	552	619	470	814
3,557	3,319	3,600	3,701	3,683	4,548
2,385	2,986	2,986	2,680	2,833	2,336
5,942	6,305	6,586	6,381	6,516	6,884
\$380,711	\$330,281	\$406,640	\$403,979	\$459,366	\$446,935
2,600,032	2,813,641	3,016,530	3,545,571	3,083,129	3,436,256

City of Westerville, Ohio
 Capital Assets Statistics by Function/Program
 Last Ten Years

<i>Function/Program</i>	<i>1999</i>	<i>2000</i>	<i>2001</i>	<i>2002</i>
General Government:				
Government Center	1	1	1	1
Security of Persons and Property:				
Number of Police Stations	1	1	1	1
Number of Fire/EMS Stations	3	3	3	3
Leisure Time Activities:				
Number of Parks and Recreation Sites:	31	31	31	31
Developed Acres	229.801	258.233	347.411	350.584
Undeveloped Acres	168.960	158.960	130.780	3.060
Greenways Acreage	82.583	82.583	82.583	82.583
Number of Aquatic Centers	1	1	2	2
Number of Miles: Bike/Walk Trails	6.000	10.370	13.730	15.290
Number of Community Program Centers	1	1	2	2
Number of Senior Centers	1	1	1	1
Number of Playground Sites	8	9	10	10
Number of Skate Parks	0	0	0	0
Number of BMX Tracks	0	0	0	0
Number of Cultural/Historic Sites	2	3	3	3
Number of Athletic Fields	32	38	44	46
Number of Tennis Courts	11	11	11	11
Number of Basketball/Multi Courts	8	8	8	8
Number of Dog Parks	0	0	0	0
Basic Utility Services:				
Miles of Water Mains	164	164	164	170
Miles of Sanitary Sewers	140	140	140	142
Miles of Storm Sewers	110	110	110	134
Miles of Electric Lines	221	229	236	239
Transportation:				
Miles of Streets	141	146	146	147
Number of Street Lights	2,845	2,908	3,039	3,084

Source: City capital asset records

<i>2003</i>	<i>2004</i>	<i>2005</i>	<i>2006</i>	<i>2007</i>	<i>2008</i>
1	1	1	1	1	1
1	1	1	1	1	1
3	3	3	3	3	3
31	32	32	33	34	34
392.862	442.477	446.477	446.477	446.827	446.827
3.060	12.920	12.920	12.920	12.920	12.920
87.204	87.204	93.134	93.134	93.134	93.134
2	2	2	2	2	2
16.370	18.020	22.610	22.740	25.090	25.090
2	2	2	2	2	2
1	1	1	1	1	1
11	12	13	13	13	13
0	1	1	1	1	1
0	1	1	1	1	1
3	3	3	3	3	3
47	48	48	50	48	48
11	11	11	11	11	11
9	9	9	11	11	11
0	0	1	1	1	1
171	178	178	174	190	190
143	150	153	155	162	162
135	140	140	146	147	147
242	251	261	269	270	271
148	150	151	152	152	152
3,212	3,437	3,744	4,002	4,019	4,019



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Mary Taylor, CPA
Auditor of State

CITY OF WESTERVILLE

FRANKLIN COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
JULY 30, 2009**