

**CITY OF CENTERVILLE, OHIO**

**Audit Reports Required by  
Government Auditing Standards**

**December 31, 2002**





**Auditor of State  
Betty Montgomery**

City Council  
City of Centerville  
100 West Spring Valley Road  
Centerville, OH 45458

We have reviewed the Independent Auditor's Report of the City of Centerville, Montgomery County, prepared by Clark, Schaefer, Hackett & Co., for the audit period January 1, 2002 through December 31, 2002. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

*Betty Montgomery*

BETTY MONTGOMERY  
Auditor of State

July 18, 2003

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**CITY OF CENTERVILLE, OHIO**

Centerville, Ohio

Financial Statements

For the Year Ended December 31, 2002

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Clark, Schaefer, Hackett & Co.  
CERTIFIED PUBLIC ACCOUNTANTS  
BUSINESS CONSULTANTS

Independent Auditors' Report on Compliance and on Internal Control over  
Financial Reporting Based on an Audit of Financial Statements Performed  
in Accordance with *Government Auditing Standards*

City Council  
City of Centerville, Ohio  
100 West Spring Valley Road  
Centerville, Ohio 45458

We have audited the financial statements of the City of Centerville, Ohio (the City) as of and for the year ended December 31, 2002 and have issued our report thereon dated June 13, 2003. We conducted our audit in accordance with generally accepted accounting standards and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted one matter involving compliance that we have reported to management of the City in a separate letter dated June 13, 2003

## Internal Control over Financial Reporting

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

This report is intended for the information and use of the audit committee, management, and council and is not intended to be and should not be used by anyone other than these specified parties.

*Clark, Schaefer, Hackett & Co.*

Middletown, Ohio  
June 13, 2003



**CITY OF CENTERVILLE, OHIO**

Schedule of Prior Findings and Questioned Costs

December 31, 2002

Findings:

None

Questioned Costs:

None





Comprehensive Annual Financial Report  
For the Fiscal Year Ended  
December 31, 2002



# **City of Centerville, Ohio**

**Comprehensive Annual Financial Report**

**For the Fiscal Year Ended December 31, 2002**

*Prepared by:*

Department of Finance

Mark Schlagheck

Finance Director

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# City of Centerville, Ohio

Comprehensive Annual Financial Report  
For the Year Ended December 31, 2002

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# City of Centerville, Ohio

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# City of Centerville, Ohio

## Comprehensive Annual Financial Report For the Year Ended December 31, 2002

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*I ntroductory  
Section*



*Sally D. Beals, Mayor*  
*Gregory B. Horn, City Manager*

June 23, 2003

Honorable Mayor, Members of City Council,  
And Citizens of Centerville, Ohio:

The comprehensive annual financial report of the City of Centerville, Ohio (the City) for the fiscal year ended December 31, 2002 is hereby submitted. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The comprehensive annual financial report (CAFR) is presented in three sections: introductory, financial and statistical. The introductory section, which is unaudited, includes this transmittal letter, the Certificate of Achievement for Excellence in Financial Reporting, a list of principal officials and an organizational chart. The financial section includes the general purpose financial statements and the combining and individual fund and account group financial statements and schedules, as well as the independent auditor's report on these financial statements and schedules. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis.

The financial reporting entity includes all the funds and account groups of the City. The City provides a full range of services including police protection, refuse collection and disposal, street maintenance and repair, parks and recreation, economic development, planning, zoning and general administrative services. There are no component units that have met the established criteria for inclusion in the reporting entity.

## **City Overview**

The City is located in Montgomery County in southwest Ohio, approximately twelve miles south of the City of Dayton. It was first settled in 1796, incorporated as a village in 1830, and became a city in 1968. The City operates under and is governed by its Charter, first adopted by voters in 1968 and which has been amended by the voters from time to time. The Charter provides for a Council-Manager form of government. Legislative authority is vested in a seven member Council, all of whom are elected at-large for four-year terms. The presiding officer is the Mayor, who is elected by the voters for a four-year term. The City's chief executive and administrative officer is the Manager, who is appointed by council to serve at its pleasure.

## **Economic Condition and Outlook**

The City has a population of 23,024. The City is also home to over 700 businesses. The City continues to see moderate growth in both residential and business development. In the recent past, several residential subdivisions have begun to develop. The largest of these developments is Yankee Trace which surrounds the City's golf facility, The Golf Club at Yankee Trace. When complete, the Yankee Trace development will include over 1,000 residential units.

Despite the slowest economy in a decade, the City remains fiscally strong. Built on a diversified base of small businesses, the City was, and continues to be, well positioned to weather the economic downturn. In 2002, over forty new businesses opened within the City. The employers with the largest workforce within the City include the school district, multiple retirement communities, a retail store, several auto dealerships and small manufacturers.

The unemployment rate for Montgomery County has historically been less than the State of Ohio and the United States. For 2002, those rates were 5.6% for the County, 5.7% for the State and 5.8% for the United States.

## **Major Initiatives**

### ***For the Year:***

- The municipal income tax rate remained at 1.75% for the twenty-first year, the municipal property tax rate remained at its lowest rate for the twenty-fourth year, and waste collection fees remained constant for the eleventh year.
- The City maintained its municipal bond rating of Aa3 from Moody's Investor Services. This rating helps to lower the interest rate on any future bonds the City may issue.
- The Golf Club at Yankee Trace was ranked as one of the top ten municipal golf courses in the United States by *Golf Digest*. The course received a rating of 4 ½ out of a possible 5 stars.
- The City received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association of the United States and Canada for its 2001 comprehensive annual financial report, the highest recognition in governmental accounting and financial reporting.

- The police department's new 38,500 square foot facility was dedicated on March 17, 2002 during an open house where more than 3,000 visitors were welcomed. The facility includes a communications center, a large windowed lobby which hosts historical displays and rotating art exhibits, a five-lane firing range, multipurpose rooms, a state-of-the-art training facility and a fully-equipped jail designed to improve prisoner, employee and visitor safety. The new facility also includes a fitness room with equipment donated by John and Paula Kalaman, parents of Centerville Police Officer John Kalaman, who was killed in the line of duty. The total project cost for this new facility was \$6.4 million and no debt was issued to fund the project.
- Construction on a new nine-hole course was begun in May 2001 and the course opened August 15, 2002. Six new holes, designed by Gene Bates, were added east of the original golf course, extending east of Paragon Road and incorporated with three existing practice holes. Multiple tees on each hole bring the new course's total yardage to 3,150 yards.
- For the fourth year, the City and The Golf Club at Yankee Trace played host to the BUY.COM Dayton Open. This professional golf tournament, which was held in July 2002, attracted many future stars of the PGA TOUR and a record number of spectators (35,000+). The event, presented by the Dayton Area Toyota Dealers, raised \$61,800 for four local charities. Over the last four years, the event has raised \$337,800 for local charities. Support from more than 600 volunteers and 60 businesses made the event an overwhelming success.

***For the Future:***

- Construction began in 2001 on a 1.1-mile section of Alex-Bell Road, between Loop and Bigger Roads, widening the road to five lanes. The completion of construction in 2003 will include landscaped medians, an eight foot wide hiker/biker trail on the north side and a five foot wide sidewalk on the south side of the street. The majority of the funding of this project is being provided by state and federal governments, with the Ohio Department of Transportation administering the project.
- In September 2002, the City kicked off an eighteen month effort to develop a new Comprehensive Plan that will help staff and elected officials in Centerville and Washington Township guide the growth and development of our community in terms of lands use, transportation, thoroughfares and community facilities over the next twenty years.
- A cooperative effort between the City and private investors is behind a downtown enhancement plan that includes additional public parking, new buildings, new landscaping, new lighting and an outdoor plaza in the center of town. A \$100,000 Montgomery County ED/GE grant will help fund the effort.
- The contracts for the remodeling and reuse of the lower level of the Municipal Building (formerly occupied by the Police Department) will be awarded in the fall of 2003, with the work slated for completion in early 2004.
- The City will continue to set aside money for the construction of a new public works facility. By the end of 2003, \$3,000,000 will have been designated for this project for which construction is tentatively scheduled for 2005.

## Financial Information

Management of the City is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

In addition, the City maintains extensive budgetary controls. The objective of these controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by City Council. Activities of all funds are included in the annual appropriated budget. The level of budgetary control (i.e. the level at which expenditures cannot exceed the appropriated amount) is at the fund level. The City also maintains an encumbrance accounting system as one method of maintaining budgetary control.

### *General Government Functions:*

The following schedule presents a summary of general fund revenues by source for the year ended December 31, 2002.

Revenue by Source	Amount	Percentage of Total	Increase (Decrease) from 2001	Percent of Increase (Decrease)
Local taxes:				
Income taxes	\$8,918,530	64.23%	\$144,490	1.65%
Property taxes	1,220,877	8.79	52,219	4.47%
Estate taxes	1,268,800	9.14	(76,367)	(5.68%)
Intergovernmental	879,998	6.34	9,401	1.08%
Charges for services	44,284	0.32	13,832	45.42%
Fines, licenses and permits	286,748	2.07	(31,655)	(9.94%)
Interest earned	241,961	1.74	55,589	29.83%
Lot sales	716,204	5.16	(223,010)	(23.74%)
Miscellaneous	182,514	1.31	64,334	(54.44%)
Operating transfers-in	<u>125,000</u>	<u>0.90</u>	<u>125,000</u>	100.00%
Total	<u>\$13,884,916</u>	<u>100.00%</u>	<u>\$133,833</u>	0.97%

Local taxes, at over 80 percent of the total, are the primary source of revenue for the general fund. Income taxes were up slightly, but behind the pace of growth of the past several years. Estate taxes, by their nature, can fluctuate significantly from year to year. In addition, changes in the tax law may reduce the amount of estate tax generated over the next few years.

Interest earnings increased during the year despite the overall lower interest rates available on eligible investments. Lot sales decreased due to the reduction in the number of lots remaining in

which the City receives a per lot fee. Overall, residential sales activity in the Golf Club at Yankee Trace development remained strong.

The following schedule presents a summary of the general fund expenditures by function for the year ended December 31, 2002.

<b>Expenditures by Function</b>	<b>Amount</b>	<b>Percentage of Total</b>	<b>Increase (Decrease) from 2001</b>	<b>Percent of Increase (Decrease)</b>
Current:				
General government	\$4,139,483	28.30%	\$91,507	2.26%
Public safety	4,491,363	30.70	567,360	14.46%
Community environment	228,481	1.56	6,446	2.90%
Recreation	331,551	2.27	(28,875)	(8.01%)
Cost of lots	171,111	1.17	(294,239)	(63.23%)
Debt service	39,677	0.27	31,037	359.22%
Operating transfers-out	<u>5,227,763</u>	<u>35.73</u>	<u>(572,832)</u>	<u>(9.88%)</u>
Total	<u>\$14,629,429</u>	<u>100.00%</u>	<u>\$ (199,596)</u>	<u>(1.35%)</u>

The change in general government expenditures is primarily due to the annual increase of personnel costs paid by the City. The increase in public safety expenditures is due primarily to increased personnel costs and increased costs related to the new police facility (i.e. utilities and supplies). The expenditure for cost of lots corresponds with the decrease in revenue for the sale of lots. Debt service increased due to the payment on a capital lease for furniture.

***General Fund Balance:***

The fund balance of the general fund decreased by over 12% in 2002. Although this is a fairly significant decrease, it still provides the City with the necessary resources to provide the level of service that is expected by the citizens of the City.

***Enterprise Operations***

The City's enterprise operations comprise two separate and distinct activities: waste collection and a municipal golf facility.

The Waste Collection Fund includes all activities related to the collection of refuse from residents of the City. Over the years, the City has been able to provide high quality service without having to raise rates. The rate for residential waste and recycling collection has remained at \$45 per quarter for the last eleven years.

The Golf Club at Yankee Trace, the City's municipal golf facility, is home to a 7,139-yard eighteen hole championship golf course, a 3,150-yard nine hole golf course, best-in-class practice facilities, a golf shop offering apparel and equipment, and a full service restaurant and banquet rooms that accommodate up to 300 guests. All operations of Yankee Trace are accounted for in the Golf Course Operations Fund.

In addition to the Operations Fund, the City has established a capital and equipment fund. This fund will account for all future capital improvements relating to Yankee Trace.

### ***Debt Administration***

At year end, the City had a number of debt issues outstanding. These issues included \$17,970,000 of general obligation bonds and \$7,951,000 in special assessment bonds with City commitment. In 2002, the City issued \$650,000 of special assessment bonds. The City maintained its rating from Moody's Investor Service on general obligation and special assessment bond issues of Aa3.

Under current State statutes, the City's general obligation debt issuance are subject to legal limitation based on the total assessed valuation of real and personal property. Total general obligation debt of the City, exclusive of certain exempt debt, shall never exceed 10.5% of the total assessed valuation. The unvoted general obligation debt of the City cannot exceed 5.5% of the total assessed valuation. As of December 31, 2002, the City had a legal debt margin for total debt of \$52,671,625 and a legal debt margin for unvoted debt of \$27,589,899.

### ***Cash Management Policies and Practices***

The primary objective of the City's investment activities is the preservation of capital and the protection of investment principal. The second objective evaluated in investing the City's funds is liquidity. Investments are made keeping in mind anticipated cash flow requirements in order to meet the City's obligations.

Cash temporarily idle during the year was invested in certificates of deposit, federal agency securities, corporate stock and STAR Ohio. The City's investments earned \$793,013 in 2002.

Public depositories are required by Ohio law to give security for all public funds on deposit. These institutions may either specifically collateralize individual accounts for amounts in excess of the deposits insured by the Federal Deposit Insurance Corporation or may pledge a pool of securities valued at no less than 110% of the total value of public monies on deposit at that institution. At December 31, 2002, all City funds were secured in accordance with these provisions.

### ***Risk Management***

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the City carries commercial insurance. For fiscal year 2002, the City contracted with the Selective Insurance Company for coverage of these various risks.

The City is a member of a workers' compensation group rating plan, which allows local governments to group the experience of employers for workers compensation rating purposes. The City pays the State Workers' Compensation System a premium based on salaries paid. The



City also provides medical, dental and life insurance to all full time employees. In 2002, the City paid 100% of the premiums for these coverages for the majority of our employees.

## **Other Information**

### ***Independent Audit***

State statute requires an annual audit by the State Auditor's Office or, at the State Auditor's discretion, by an independent certified public accounting firm. The City and the State Auditor's Office selected the firm of Clark, Schaefer, Hackett & Company to perform the 2002 audit of the City. The auditor's unqualified opinion is included in the financial section of this report.

### ***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 Centerville, Ohio for its comprehensive annual financial report for the fiscal year ended December 31, 2001. This was the second year that the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

### ***Acknowledgements***

The preparation of the comprehensive annual financial report was made possible by the dedicated services of the Department of Finance. Our sincere appreciation is extended to all members of the staff, whose efforts have made this report possible.

Respectfully submitted,

Gregory B. Horn

Gregory B. Horn  
City Manager

Mark Schlagheck

Mark Schlagheck  
Finance Director

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

Presented to

**City of Centerville,  
Ohio**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2001

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.

# City of Centerville, Ohio

## List of Elected and Appointed Officials December 31, 2002

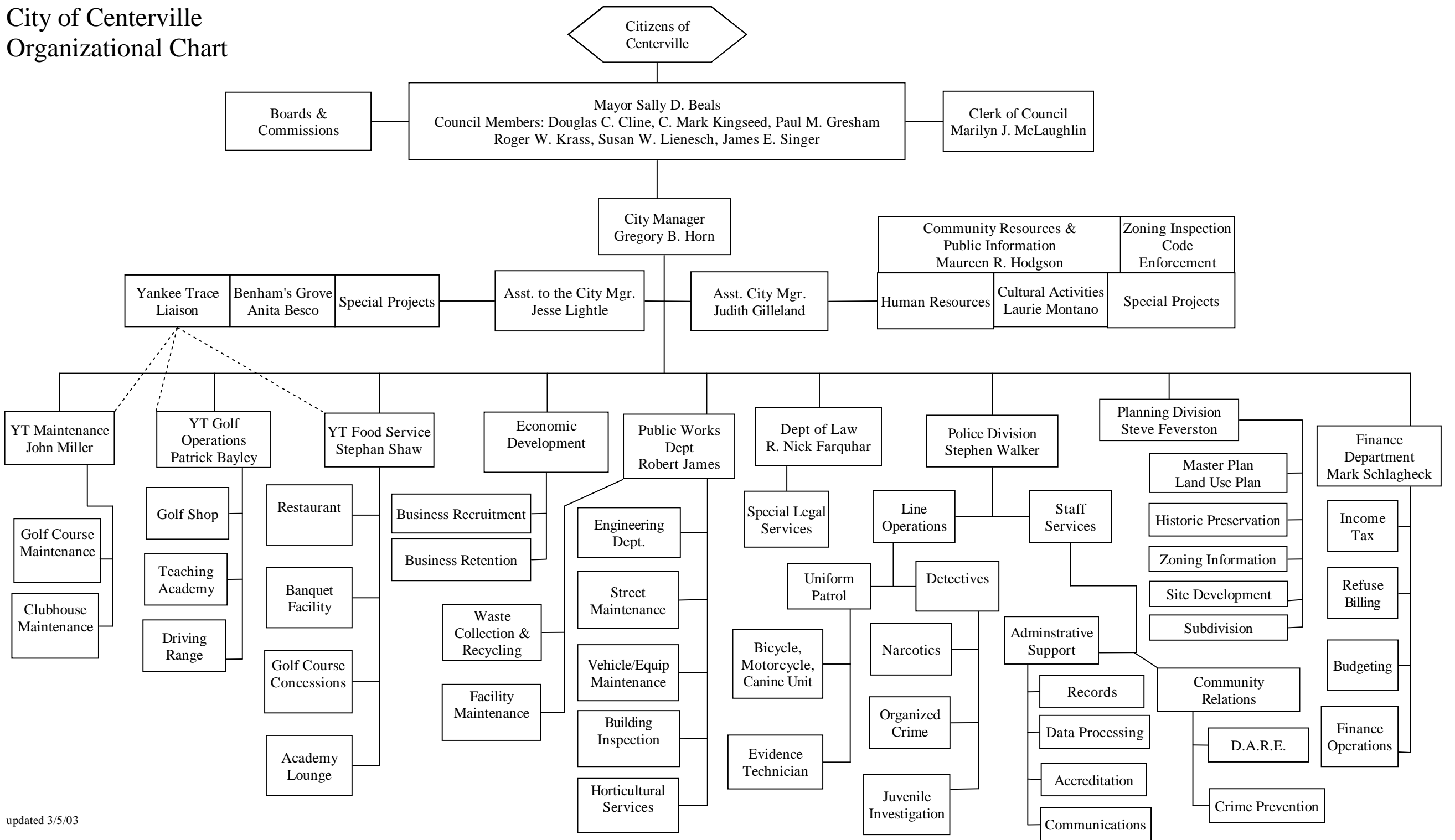
### Elected Officials

Mayor and Councilmember.....	Sally D. Beals
Deputy Mayor and Councilmember.....	C. Mark Kingseed
Councilmember .....	James E. Singer
Councilmember .....	Susan W. Lienesch
Councilmember .....	Douglas C. Cline
Councilmember .....	Paul M. Gresham
Councilmember .....	Roger W. Krass

### Appointed Officials

City Manager.....	Gregory B. Horn
Clerk of Council.....	Marilyn J. McLaughlin
Chief of Police.....	Stephen E. Walker
Finance Director.....	Mark A. Schlagheck
Public Works Director.....	Robert A. James
Assistant City Manager .....	Judith A. Gilleland
City Engineer.....	Norbert A. Hoffman
City Planner.....	Steve A. Feverston
Assistant to the City Manager .....	Jesse K. Lightle

# City of Centerville Organizational Chart



*Financial  
Section*

## Independent Auditors' Report

City Council  
City of Centerville  
100 West Spring Valley Road  
Centerville, Ohio 45458

We have audited the accompanying general purpose financial statements of the City of Centerville (the City) as of and for the year ended December 31, 2002, as listed in the table of contents. These general purpose financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the 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 that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the City of Centerville as of December 31, 2002, and the results of its operations and the cash flows of its proprietary fund types 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 13, 2003 on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

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

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

*Clark, Schaefer, Hackett PC.*

Middletown, Ohio  
June 13, 2003



# **General Purpose Financial Statements**

**CITY OF CENTERVILLE, OHIO**

Combined Balance Sheet -- All Fund Types and Account Groups

December 31, 2002

(with comparative totals for December 31, 2001)

	Governmental Fund Types			
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>
<b>Assets:</b>				
Pooled cash and cash equivalents	\$ 953,829	\$ 670,042	\$ 470,467	\$ 951,229
Investments	3,763,856	281,988	1,779,872	7,033,501
Receivables:				
Taxes	3,568,489	-	-	-
Accounts	447,574	460,436	124,221	1,102
Accrued interest	30,362	1,418	8,953	35,382
Special assessments	-	-	16,045,577	-
Prepaid items	156,872	22,437	-	-
Inventory	-	58,572	-	-
Property and equipment	-	-	-	-
Accumulated depreciation	-	-	-	-
Land held for investment	-	-	-	-
Other debits:				
Amount available for debt service	-	-	-	-
Amount to be provided for retirement of long-term debt	-	-	-	-
Total assets and other debits	<u>\$ 8,920,982</u>	<u>\$ 1,494,893</u>	<u>\$ 18,429,090</u>	<u>\$ 8,021,214</u>
<b>Liabilities:</b>				
Accounts payable	\$ 125,940	\$ 15,250	\$ -	\$ 56,189
Accrued liabilities	522,811	84,289	-	-
Compensated absences payable	125,711	33,002	-	-
Deferred revenue	2,697,652	395,141	15,402,434	103,835
Deposit liability	-	-	-	-
Capital lease payable	-	-	-	-
General obligation bonds payable	-	-	-	-
Special assessment bonds payable	-	-	-	-
Total liabilities	<u>3,472,114</u>	<u>527,682</u>	<u>15,402,434</u>	<u>160,024</u>
<b>Equity and other credits:</b>				
Investment in general fixed assets	-	-	-	-
Retained earnings	-	-	-	-
Contributed capital	-	-	-	-
<b>Fund balance:</b>				
Reserved for encumbrances	232,050	47,925	-	1,364,896
Reserved for prepaid expenditures	156,872	22,437	-	-
Reserved for inventory	-	58,572	-	-
Reserved for debt service	-	-	3,026,656	-
Reserved for land held for investments	-	-	-	-
Unreserved:				
Designated for capital projects	-	-	-	2,000,000
Undesignated	5,059,946	838,277	-	4,496,294
Total equity and other credits	<u>5,448,868</u>	<u>967,211</u>	<u>3,026,656</u>	<u>7,861,190</u>
Total liabilities, equity and other credits	<u>\$ 8,920,982</u>	<u>\$ 1,494,893</u>	<u>\$ 18,429,090</u>	<u>\$ 8,021,214</u>

See accompanying notes to general purpose financial statements.

Proprietary Fund Types		Fiduciary Fund Type	Account Groups		Total	
<u>Enterprise</u>	<u>Internal Service</u>	<u>Agency</u>	<u>General Fixed Assets</u>	<u>General Long-Term Debt</u>	<u>(Memorandum Only)</u>	
					<u>2002</u>	<u>2001</u>
\$ 279,759	\$ 246,712	\$ 4,116	\$ -	\$ -	\$ 3,576,154	\$ 3,099,706
660,901	647,579	-	-	-	14,167,697	13,637,919
-	-	-	-	-	3,568,489	3,451,859
84,457	-	36,635	-	-	1,154,425	1,076,029
3,325	3,258	-	-	-	82,698	61,397
-	-	-	-	-	16,045,577	15,298,261
30,687	-	1,171	-	-	211,167	153,870
273,479	-	-	-	-	332,051	303,016
20,825,931	2,793,673	-	12,331,256	-	35,950,860	34,473,144
(1,375,581)	(1,636,805)	-	-	-	(3,012,386)	(2,483,809)
-	-	-	-	-	-	171,111
-	-	-	-	3,026,656	3,026,656	2,639,475
-	-	-	-	23,363,185	23,363,185	23,657,469
<u>\$20,782,958</u>	<u>\$ 2,054,417</u>	<u>\$ 41,922</u>	<u>\$12,331,256</u>	<u>\$26,389,841</u>	<u>\$98,466,573</u>	<u>\$95,539,447</u>
\$ 112,458	\$ 165	\$ 41,922	\$ -	\$ -	\$ 351,924	\$ 522,362
133,931	-	-	-	-	741,031	614,969
119,073	-	-	-	364,932	642,718	595,998
192,802	-	-	-	-	18,791,864	18,027,157
29,775	-	-	-	-	29,775	182,079
9,183	-	-	-	103,909	113,092	203,221
-	-	-	-	17,970,000	17,970,000	18,365,000
-	-	-	-	7,951,000	7,951,000	7,460,000
<u>597,222</u>	<u>165</u>	<u>41,922</u>	<u>-</u>	<u>26,389,841</u>	<u>46,591,404</u>	<u>45,970,786</u>
-	-	-	12,331,256	-	12,331,256	13,286,070
7,041	2,035,192	-	-	-	2,042,233	2,199,582
20,178,695	19,060	-	-	-	20,197,755	18,050,805
-	-	-	-	-	1,644,871	1,405,047
-	-	-	-	-	179,309	113,365
-	-	-	-	-	58,572	57,528
-	-	-	-	-	3,026,656	2,639,475
-	-	-	-	-	-	171,111
-	-	-	-	-	2,000,000	1,000,000
-	-	-	-	-	10,394,517	10,645,678
<u>20,185,736</u>	<u>2,054,252</u>	<u>-</u>	<u>12,331,256</u>	<u>-</u>	<u>51,875,169</u>	<u>49,568,661</u>
<u>\$20,782,958</u>	<u>\$ 2,054,417</u>	<u>\$ 41,922</u>	<u>\$12,331,256</u>	<u>\$26,389,841</u>	<u>\$98,466,573</u>	<u>\$95,539,447</u>

**CITY OF CENTERVILLE, OHIO**

Combined Statement of Revenues, Expenditures and Changes in Fund Balance

All Governmental Fund Types

For the Fiscal Year Ended December 31, 2002

(with comparative totals for December 31, 2001)

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
<b>Revenues:</b>				
Local taxes	\$ 11,408,207	\$ -	\$ -	\$ -
Intergovernmental	879,998	1,068,743	-	611,344
Special assessments	-	-	657,154	-
Charges for services	44,284	586	-	-
Fines, licenses and permits	286,748	2,202	-	-
Interest earned	241,961	33,110	109,148	332,826
Lot sales	716,204	-	149,571	-
Rent	-	-	592,902	-
Miscellaneous	182,514	142,498	-	-
Total revenues	<u>13,759,916</u>	<u>1,247,139</u>	<u>1,508,775</u>	<u>944,170</u>
<b>Expenditures:</b>				
Current:				
General government	4,139,483	53,890	30,352	38,135
Public safety	4,491,363	245,298	-	-
Community environment	228,481	-	-	-
Recreation	331,551	22,119	-	-
Transportation	-	1,458,064	-	-
Cost of lots	171,111	-	-	-
Capital outlay	-	422,751	-	3,005,241
Debt service:				
Principal	34,464	-	554,000	-
Interest and fiscal charges	5,213	-	1,423,763	-
Total expenditures	<u>9,401,666</u>	<u>2,202,122</u>	<u>2,008,115</u>	<u>3,043,376</u>
Excess (deficiency) of revenues over (under) expenditures	<u>4,358,250</u>	<u>(954,983)</u>	<u>(499,340)</u>	<u>(2,099,206)</u>
<b>Other financing sources (uses):</b>				
Proceeds from sale of bonds	-	-	20,493	629,507
Proceeds from capital leases	-	-	-	-
Operating transfers in	125,000	983,065	866,028	3,400,000
Operating transfers out	(5,227,763)	(125,000)	-	(204,330)
Total other financing sources (uses)	<u>(5,102,763)</u>	<u>858,065</u>	<u>886,521</u>	<u>3,825,177</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(744,513)	(96,918)	387,181	1,725,971
Fund balance at beginning of year	<u>6,193,381</u>	<u>1,064,129</u>	<u>2,639,475</u>	<u>6,135,219</u>
Fund balance at end of year	<u>\$ 5,448,868</u>	<u>\$ 967,211</u>	<u>\$ 3,026,656</u>	<u>\$ 7,861,190</u>

See accompanying notes to general purpose financial statements.

Total	
(Memorandum Only)	
<u>2002</u>	<u>2001</u>
\$11,408,207	\$11,287,865
2,560,085	2,441,947
657,154	611,861
44,870	30,925
288,950	320,574
717,045	562,189
865,775	1,091,792
592,902	592,100
325,012	446,001
<u>17,460,000</u>	<u>17,385,254</u>
4,261,860	4,196,468
4,736,661	4,288,344
228,481	222,035
353,670	360,426
1,458,064	1,346,245
171,111	465,350
3,427,992	9,791,204
588,464	522,787
<u>1,428,976</u>	<u>1,241,855</u>
<u>16,655,279</u>	<u>22,434,714</u>
<u>804,721</u>	<u>(5,049,460)</u>
650,000	4,290,000
-	115,000
5,374,093	5,619,155
<u>(5,557,093)</u>	<u>(5,825,155)</u>
<u>467,000</u>	<u>4,199,000</u>
1,271,721	(850,460)
<u>16,032,204</u>	<u>16,882,664</u>
<u>\$17,303,925</u>	<u>\$16,032,204</u>

**CITY OF CENTERVILLE, OHIO**

Combined Statement of Revenues, Expenditures and Changes in Fund Balance--Budget and Actual (Non-GAAP Budgetary Basis)--All Governmental Fund Types  
For the Fiscal Year Ended December 31, 2002

	General Fund			Special Revenue Funds		
	Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)	Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
<b>Revenues:</b>						
Local taxes	\$11,082,900	\$11,378,805	\$ 295,905	\$ -	\$ -	\$ -
Intergovernmental revenues	849,411	854,547	5,136	1,063,100	1,052,278	(10,822)
Special assessments	-	-	-	-	-	-
Charges for services	27,900	33,931	6,031	500	287	(213)
Fines, licenses and permits	303,600	296,435	(7,165)	2,500	2,300	(200)
Investment income	275,000	117,631	(157,369)	24,150	22,779	(1,371)
Sale of lots	-	-	-	-	-	-
Miscellaneous	159,940	182,652	22,712	139,640	245,496	105,856
Total revenues	<u>12,698,751</u>	<u>12,864,001</u>	<u>165,250</u>	<u>1,229,890</u>	<u>1,323,140</u>	<u>93,250</u>
<b>Expenditures:</b>						
<b>Current:</b>						
General government	4,436,935	4,288,725	148,210	79,290	76,009	3,281
Public safety	4,568,810	4,417,278	151,532	289,340	258,340	31,000
Community environment	246,150	223,780	22,370	-	-	-
Recreation	435,560	330,279	105,281	-	-	-
Transportation	-	-	-	1,557,870	1,450,521	107,349
Capital outlay	-	-	-	180,000	90,001	89,999
<b>Debt service:</b>						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Total expenditures	<u>9,687,455</u>	<u>9,260,062</u>	<u>427,393</u>	<u>2,106,500</u>	<u>1,874,871</u>	<u>231,629</u>
Excess (deficiency) of revenues over (under) expenditures	<u>3,011,296</u>	<u>3,603,939</u>	<u>592,643</u>	<u>(876,610)</u>	<u>(551,731)</u>	<u>324,879</u>
<b>Other financing sources (uses):</b>						
Sale of fixed assets	-	-	-	500	-	(500)
Proceeds from sale of bonds	-	-	-	-	-	-
Operating transfers in	-	125,000	125,000	1,000,000	983,065	(16,935)
Operating transfers out	<u>(4,666,065)</u>	<u>(4,666,065)</u>	<u>-</u>	<u>(50,000)</u>	<u>(125,000)</u>	<u>(75,000)</u>
Total other financing sources (uses)	<u>(4,666,065)</u>	<u>(4,541,065)</u>	<u>125,000</u>	<u>950,500</u>	<u>858,065</u>	<u>(92,435)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>(1,654,769)</u>	<u>(937,126)</u>	<u>717,643</u>	<u>73,890</u>	<u>306,334</u>	<u>232,444</u>
Fund balances at beginning of year	<u>5,357,024</u>	<u>5,357,024</u>	<u>-</u>	<u>593,754</u>	<u>593,754</u>	<u>-</u>
Fund balances at end of year	<u>\$ 3,702,255</u>	<u>\$ 4,419,898</u>	<u>\$ 717,643</u>	<u>\$ 667,644</u>	<u>\$ 900,088</u>	<u>\$ 232,444</u>

See accompanying notes to general purpose financial statements.

Debt Service Funds			Capital Projects Funds		
<u>Budget</u>	<u>Actual Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Budget</u>	<u>Actual Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	300,000	300,000	-
599,050	613,056	14,006	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
117,400	56,851	(60,549)	218,000	170,368	(47,632)
764,910	587,048	(177,862)	-	-	-
<u>756,110</u>	<u>797,232</u>	<u>41,122</u>	<u>-</u>	<u>(194,775)</u>	<u>(194,775)</u>
<u>2,237,470</u>	<u>2,054,187</u>	<u>(183,283)</u>	<u>518,000</u>	<u>275,593</u>	<u>(242,407)</u>
39,000	30,352	8,648	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	4,436,250	3,136,594	1,299,656
554,000	554,000	-	-	-	-
<u>1,423,100</u>	<u>1,423,763</u>	<u>(663)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>2,016,100</u>	<u>2,008,115</u>	<u>7,985</u>	<u>4,436,250</u>	<u>3,136,594</u>	<u>1,299,656</u>
<u>221,370</u>	<u>46,072</u>	<u>(175,298)</u>	<u>(3,918,250)</u>	<u>(2,861,001)</u>	<u>1,057,249</u>
-	-	-	-	-	-
20,000	20,493	493	650,000	591,372	(58,628)
100,000	100,000	-	3,400,000	3,400,000	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>120,000</u>	<u>120,493</u>	<u>493</u>	<u>4,050,000</u>	<u>3,991,372</u>	<u>(58,628)</u>
341,370	166,565	(174,805)	131,750	1,130,371	998,621
<u>2,092,727</u>	<u>2,092,727</u>	<u>-</u>	<u>5,468,763</u>	<u>5,468,763</u>	<u>-</u>
<u>\$ 2,434,097</u>	<u>\$ 2,259,292</u>	<u>\$ (174,805)</u>	<u>\$ 5,600,513</u>	<u>\$ 6,599,134</u>	<u>\$ 998,621</u>

**CITY OF CENTERVILLE, OHIO**

Combined Statement of Revenues, Expenses and Changes in Retained Earnings

All Proprietary Fund Types

For the Fiscal Year Ended December 31, 2002

(with comparative totals for December 31, 2001)

	Proprietary Fund Types		Total (Memorandum Only)	
	Enterprise	Internal Service	2002	2001
Operating revenues:				
Charges for services	\$ 4,473,511	\$ 285,780	\$ 4,759,291	\$ 4,773,190
Miscellaneous	<u>78,440</u>	<u>4,861</u>	<u>83,301</u>	<u>80,040</u>
Total operating revenues	<u>4,551,951</u>	<u>290,641</u>	<u>4,842,592</u>	<u>4,853,230</u>
Operating expenses:				
Salaries and wages	1,817,428	-	1,817,428	1,814,695
Fringe benefits	390,859	-	390,859	376,300
Purchased services	1,273,399	165	1,273,564	1,273,978
Supplies and materials	920,881	1,347	922,228	1,067,175
Other expenses	306,876	11,274	318,150	259,749
Depreciation	<u>304,445</u>	<u>297,179</u>	<u>601,624</u>	<u>539,220</u>
Total operating expenses	<u>5,013,888</u>	<u>309,965</u>	<u>5,323,853</u>	<u>5,331,117</u>
Operating income (loss)	<u>(461,937)</u>	<u>(19,324)</u>	<u>(481,261)</u>	<u>(477,887)</u>
Non-operating revenue (expenses):				
Interest income	38,766	37,202	75,968	60,198
Interest expense	(2,249)	-	(2,249)	(5,295)
Gain (loss) on disposal of assets	<u>52,177</u>	<u>15,016</u>	<u>67,193</u>	<u>1,966</u>
Net non-operating revenues (expenses)	<u>88,694</u>	<u>52,218</u>	<u>140,912</u>	<u>56,869</u>
Income (loss) before operating transfers	<u>(373,243)</u>	<u>32,894</u>	<u>(340,349)</u>	<u>(421,018)</u>
Operating transfers in	<u>183,000</u>	<u>-</u>	<u>183,000</u>	<u>206,000</u>
	<u>183,000</u>	<u>-</u>	<u>183,000</u>	<u>206,000</u>
Net income (loss)	(190,243)	32,894	(157,349)	(215,018)
Retained earnings, beginning of year	<u>197,284</u>	<u>2,002,298</u>	<u>2,199,582</u>	<u>2,414,600</u>
Retained earnings, end of year	<u>\$ 7,041</u>	<u>\$ 2,035,192</u>	<u>\$ 2,042,233</u>	<u>\$ 2,199,582</u>

See accompanying notes to general purpose financial statements.



**CITY OF CENTERVILLE, OHIO**

Combined Statement of Cash Flows -- All Proprietary Fund Types

For the Fiscal Year Ended December 31, 2002

(with comparative totals for December 31, 2001)

	Proprietary Fund Types		Total (Memorandum Only)	
	Enterprise	Internal Service	2002	2001
Cash flows from operating activities:				
Cash received from customers	\$ 4,552,764	\$ 290,641	\$ 4,843,405	\$ 4,784,283
Cash paid to suppliers and employees	(4,733,768)	(13,071)	(4,746,839)	(4,768,574)
Other receipts	<u>78,684</u>	<u>-</u>	<u>78,684</u>	<u>72,558</u>
Net cash provided (used) by operating activities	<u>(102,320)</u>	<u>277,570</u>	<u>175,250</u>	<u>88,267</u>
Cash flows from non-capital financing activities:				
Transfers in	<u>183,000</u>	<u>-</u>	<u>183,000</u>	<u>206,000</u>
Cash flows from capital and related financing activities:				
Purchase of property and equipment	(39,809)	(266,641)	(306,450)	(491,237)
Proceeds from sale of property and equipment	-	15,016	15,016	49,474
Principal payments on capital lease	(55,665)	-	(55,665)	(52,620)
Interest payments on capital lease	<u>(2,249)</u>	<u>-</u>	<u>(2,249)</u>	<u>(5,295)</u>
Net cash used by capital and related financing activities	<u>(97,723)</u>	<u>(251,625)</u>	<u>(349,348)</u>	<u>(499,678)</u>
Cash flows from investing activities:				
Purchase of investments	(664,225)	(650,836)	(1,315,061)	(1,334,113)
Sale of investments	698,302	635,811	1,334,113	-
Interest received	<u>20,088</u>	<u>20,194</u>	<u>40,282</u>	<u>110,718</u>
Net cash provided (used) by investing activities	<u>54,165</u>	<u>5,169</u>	<u>59,334</u>	<u>(1,223,395)</u>
Increase (decrease) in cash and cash equivalents	37,122	31,114	68,236	(1,428,806)
Cash and cash equivalents at beginning of year	<u>242,637</u>	<u>215,598</u>	<u>458,235</u>	<u>1,887,041</u>
Cash and cash equivalents at end of year	<u>\$ 279,759</u>	<u>\$ 246,712</u>	<u>\$ 526,471</u>	<u>\$ 458,235</u>

continued

continued

Reconciliation of Operating Income to Net Cash  
Provided (Used) by Operating Activities

Operating income (loss)	<u>\$ (461,937)</u>	<u>\$ (19,324)</u>	<u>\$ (481,261)</u>	<u>\$ (257,383)</u>
Adjustments to reconcile operating income to net cash provided (used) by operating activities:				
Depreciation	304,445	297,179	601,624	495,144
Change in operating assets and liabilities:				
Net receivables	72,669	-	72,669	(71,363)
Prepaid expenses	7,479	-	7,479	4,794
Inventory	(27,991)	-	(27,991)	(37,643)
Net liabilities	<u>3,015</u>	<u>(285)</u>	<u>2,730</u>	<u>130,270</u>
Total adjustments	<u>359,617</u>	<u>296,894</u>	<u>656,511</u>	<u>521,202</u>
Net cash provided (used) by operating activities	<u>\$ (102,320)</u>	<u>\$ 277,570</u>	<u>\$ 175,250</u>	<u>\$ 263,819</u>
Non-cash investing, capital and financing activities:				
Contribution of property and equipment				
from governmental funds	\$ 2,218,705	\$ -	\$ 2,218,705	\$ -
Change in fair value of investments	\$ (3,324)	\$ (3,257)	\$ (6,581)	\$ -

See accompanying notes to the general purpose financial statements.

# City of Centerville, Ohio

## Notes to the Financial Statements For the Fiscal Year Ended December 31, 2002

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### 1. Summary of Significant Accounting Policies

#### A. Reporting Entity

The City of Centerville (City) is a political unit incorporated and established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The City was organized in 1968, and is a home rule municipal corporation under the laws of the State of Ohio. The City operates under a council-manager form of government as prescribed by City Charter.

The financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) governmental organizations for which the primary government is not financially accountable, but for which the nature and significance of their financial relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Component units are legally separate organizations for which elected officials of the primary government are financially accountable. In addition, component units can be governmental organizations for which the primary government is not financially accountable, but for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. No separate government units meet the criteria for inclusion as a component unit.

#### B. Measurement Focus, Basis of Accounting and Basis of Presentation

The accounting policies and financial reporting practices of the City conform to generally accepted accounting principles for local governments as prescribed by the Governmental Accounting Standards Board (GASB).

The accounting system of the City is organized and operated on the basis of funds and account groups. A fund is an independent fiscal and accounting entity with a set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds are maintained consistent with legal and managerial requirements. Account groups are a reporting device to account for certain assets and liabilities of governmental funds not recorded in those funds.

The City has the following fund types and account groups:

## City of Centerville, Ohio

### Notes to the General Purpose Financial Statements For the Fiscal Year Ended December 31, 2002 (continued)

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*Governmental funds* are used to account for the City's general government activities. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The City considers all revenue available if they are collected within 60 days after year end. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on general long term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements and donations. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Those revenues susceptible to accrual are income taxes, property taxes, special assessments, interest revenue and charges for services. Other receipts become measurable and available when cash is received by the City and are recognized as revenue at that time.

Governmental funds include the following fund types:

The *general fund* is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The fund balance of the general fund is available to the City for any purpose provided it is expended or transferred according to the City's charter and code and the general laws and regulations of the State of Ohio.

The *special revenue funds* account for revenue sources that are legally restricted to expenditure for specific purposes (not including expendable trust or major capital projects). The uses and limitations of each special revenue fund are specified by City ordinances or federal and state statutes or grant provisions.

The *debt service funds* account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

The *capital projects funds* account for the acquisition of fixed assets or construction of

## City of Centerville, Ohio

### Notes to the General Purpose Financial Statements For the Fiscal Year Ended December 31, 2002 (continued)

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major capital projects not being financed by proprietary funds.

*Proprietary funds* are accounted for on the flow of economic resources measurement focus and use the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. In accordance with GASB Statement No. 20, "Accounting and Financial Reporting for Proprietary Fund Accounting," the City applies all GASB pronouncements and all Financial Accounting Standards Board Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins issued on or before November 30, 1989, unless they conflict with GASB pronouncements.

Proprietary funds include the following fund types:

*Enterprise funds* are used to account for those operations that are financed and operated in a manner similar to private business or where the City has decided that the determination of revenues earned, costs incurred and/or net income is necessary for management accountability.

*Internal service funds* account for operations that provide services to other departments of the City on a cost-reimbursement basis.

*Fiduciary funds* account for assets held by the City in a trustee capacity or as an agent on behalf of others.

The *agency fund* is custodial in nature and does not present results of operations or have a measurement focus. Agency funds are accounted for using the modified accrual basis of accounting. This fund is used to account for assets that the government holds for others in an agency capacity.

*Account Groups.* The *general fixed assets account group* is used to account for fixed assets not accounted for in the proprietary funds. The *general long-term debt account group* is used to account for general long-term debt and certain other liabilities that are not specific liabilities of any proprietary fund.

#### **C. Assets, Liabilities and Equity**

##### **1. Deposits and Investments**

The City's cash and cash equivalents are considered to be cash on hand, demand deposits

## City of Centerville, Ohio

### Notes to the General Purpose Financial Statements For the Fiscal Year Ended December 31, 2002 (continued)

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and short-term investments with original maturities of three months or less from the date of acquisition. Cash balances for all City funds are pooled and invested to improve cash management. Each fund's share of cash deposits and investments is shown separately on the combined balance sheet as "pooled cash and cash equivalents" and "investments." All investments are stated at fair value which is based on quoted market prices.

#### **2. Inventories and Prepaid Items**

Inventories are valued at cost using the first-in/first-out (FIFO) method. The costs of inventory items are recorded as expenditures in governmental fund-types when purchased and expenses in proprietary fund-types when used. Reported inventories in governmental fund-types are offset by a fund balance reserve which indicates they do not constitute "available spendable resources" and are not available for appropriations.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

#### **3. Fixed Assets**

Fixed assets used in governmental funds types of the City are recorded in the general fixed assets account group at cost or estimated historical cost if purchased or constructed. Donated fixed assets are recorded at their estimated fair value at the date of donation. Assets in the general fixed assets account group are not depreciated. Interest incurred during construction is not capitalized on general fixed assets.

Public domain assets (infrastructure) such as roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems, have not been capitalized. Such assets normally are immovable and of value only to the City. Therefore, the purpose of stewardship for capital expenditures can be satisfied without recording these assets.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the assets' lives are not included in the general fixed assets account group or capitalized in the proprietary funds.

Property, plant and equipment acquired by the proprietary funds are stated at cost (or estimated historical cost), including interest capitalized during construction where applicable. Donated fixed assets are recorded at fair market value at the date of donation. Depreciation has been provided using the straight-line method over the following estimated useful lives:

# City of Centerville, Ohio

## Notes to the General Purpose Financial Statements For the Fiscal Year Ended December 31, 2002 (continued)

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	Estimated lives (years)
Vehicles	3-8
Machinery, equipment, furniture and fixtures	3-15
Buildings and improvements	20-45

#### 4. Compensated Absences

Compensated absences of the City consist of vacation, sick and personal leave benefits accumulated by employees. Vacation and other severance benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive vacation and other severance benefits and those the City has identified as probable of receiving payment in the future. No liability is reported for unpaid accumulated sick leave.

Vacation pay is accrued when incurred in proprietary funds and reported as a fund liability. Vacation pay that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. Amounts not expected to be liquidated with expendable financial resources are reported in the general long-term debt account group.

#### 5. Long-term Obligations

The City reports long-term debt of governmental funds at face value in the general long-term debt account group. Certain other governmental fund obligations not expected to be financed with current available resources are also reported in the general long-term debt account group. Long-term debt and other obligations of the proprietary funds are reported as liabilities in the appropriate funds.

For governmental fund types, bond premiums and discounts, as well as issuance costs, are recognized during the current period. Bond proceeds are reported as an other financing source net of the applicable premium or discount. Issuance costs, even if withheld from actual net proceeds received, are reported as debt service expenditures.

#### 6. Fund Equity

Reservations of fund balance represent amounts that are not appropriable or are legally segregated for a specific purpose. Designations indicate tentative plans for financial resource

## City of Centerville, Ohio

### Notes to the General Purpose Financial Statements For the Fiscal Year Ended December 31, 2002 (continued)

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utilization in a future period. Such plans are subject to change; they may never legally be authorized or result in expenditures / expenses.

The proprietary fund's contributed capital represents equity acquired through capital grants and capital contributions from developers, customers or other funds.

#### **7. Estimates**

The preparation of financial statements in conformity with general 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.

#### **8. Interfund Transactions**

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered.

Routine transfers of resources from one fund to another fund are recorded as operating transfers. Reimbursements from one fund to another fund are treated as expenditures/ expenses in the reimbursing fund and as a reduction in expenditures/expenses in the reimbursed fund.

#### **9. Memorandum Only – Total Columns**

Total columns on the general purpose financial statements are captioned "memorandum only" because they do not represent consolidated financial information and are presented only to facilitate financial analysis. The columns do not present information that reflects financial position, results of operations or cash flows in conformity with generally accepted accounting principles. Interfund eliminations have not been made in the aggregation of this data.

#### **10. Comparative Data/Reclassifications**

Comparative total data for the prior year have been presented in selected sections of the accompanying financial statements in order to provide an understanding of the changes in the City's financial position and operations. Also, certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.



## City of Centerville, Ohio

### Notes to the General Purpose Financial Statements For the Fiscal Year Ended December 31, 2002 (continued)

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#### 2. Stewardship, Compliance and Accountability

##### A. Budgetary Information

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the certificate of estimated resources and the appropriation ordinance. These documents are prepared on the budgetary basis of accounting. The certificate of estimated resources and appropriation ordinance are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed certified estimated resources. All funds are legally required to be budgeted and appropriated. The legal level of budgetary control is at the fund level.

##### **Certificate of Estimated Resources**

The County Budget Commission determines if the budget substantiates a need to levy all or part of previously authorized taxes and revises estimated revenues. The Commission certifies its actions by September 1<sup>st</sup> and issues an official certificate of estimated resources which states the projected receipts of each fund. On or about January 1<sup>st</sup>, this certificate is amended to include any unencumbered balances from the preceding fiscal year. Prior to December 31<sup>st</sup>, the City must revise its budget so that the total contemplated expenditures from a fund during the ensuing fiscal year will not exceed the amount stated in the initial or amended certificate of estimated resources. The revised budget then serves as the basis for the annual appropriation measure. Budget receipts as shown in the accompanying financial statements do not include any January 1, 2002 unencumbered fund balances. However, those fund balances are available for appropriations.

##### **Appropriations**

A temporary appropriation measure to control cash disbursements may be passed on or about January 1<sup>st</sup> of each year for the period January 1<sup>st</sup> to March 31<sup>st</sup>. A permanent annual appropriation measure must be passed by April 1<sup>st</sup> of each year for the period January 1<sup>st</sup> to December 31<sup>st</sup>. The appropriation measure may only be amended or supplemented during the year by ordinance of the City Council. The allocation of appropriations among departments and objects within a fund may be modified with approval of the City Manager. Appropriations may not exceed estimated resources. During the year, supplemental appropriations were made.

##### **Encumbrances / Lapsing of Appropriations**

As part of formal budgetary control, purchase orders, contracts and other commitments for the expenditure of monies are recorded as the equivalent of expenditures on the non-GAAP

## City of Centerville, Ohio

### Notes to the General Purpose Financial Statements For the Fiscal Year Ended December 31, 2002 (continued)

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budgetary basis. Unencumbered appropriations lapse at year-end. Expenditures did not exceed appropriations at the legal level of control.

#### **B. Budget/GAAP Reconciliation**

While reporting financial position, results of operations and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis, as provided by law, requires accounting for certain transactions on the basis of cash receipts, disbursements, appropriations and encumbrances. The Ohio Revised Code prohibits expenditures plus encumbrances from exceeding appropriations.

To provide a meaningful comparison of actual results with the budget, the actual results of operations are presented on a budget basis in the Combined Statement of Revenues, Expenditures and Changes in Fund Balances--Budget and Actual--All Governmental Fund Types--Budget Basis. The major differences between the budget basis and the GAAP basis are as follows:

- 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. Encumbrances are recorded as the equivalent of expenditures (budget basis), as opposed to as a reservation of fund balance (GAAP basis).

The adjustments necessary to convert the results of operations and fund balances at end of the year on the GAAP basis to the budget basis are as follows:

	<b>General</b>	<b>Special Revenue</b>	<b>Debt Service</b>	<b>Capital Projects</b>
GAAP basis	\$ (744,513)	\$(96,918)	\$ 387,181	\$1,725,971
Net adjustment for revenue accruals	(895,915)	76,002	341,082	(464,247)
Net adjustment for expenditure accruals	298,609	(188,232)	-	344,047
Net adjustment for other financing sources (uses)	561,698	-	(561,698)	(38,135)
Net adjustment for encumbrances	<u>(157,005)</u>	<u>515,482</u>	<u>-</u>	<u>(437,265)</u>
Budget basis	<u>\$ (937,126)</u>	<u>\$306,334</u>	<u>\$ 166,565</u>	<u>\$1,130,371</u>

## City of Centerville, Ohio

### Notes to the General Purpose Financial Statements For the Fiscal Year Ended December 31, 2002 (continued)

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#### C. Deficit Fund Equity

At December 31, 2002, the Golf Course Operations Fund had a deficit retained earnings of \$610,533. This is due mainly to the depreciation of fixed assets that have been recorded as contributed capital.

### 3. Detailed Notes on All Funds and Account Groups

#### A. Pooled cash and investments

The City maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the combined balance sheet as "Pooled cash and cash equivalents" and "Investments."

**Deposits** - At December 31, 2002, the carrying amount of the City's cash deposits was \$1,302,209 and the bank balance was \$1,649,425. Of the bank balance, \$200,000 was covered by federal depository insurance and the remainder is insured or collateralized with securities held by the City or its safekeeping agent in the City's name.

**Investments** - All investments are reported at fair value which is based on quoted market prices. The Ohio Revised Code and the City's investment policy authorize the City to invest in the State Treasury Asset Reserve of Ohio, certificates of deposit, repurchase agreements, United States treasury bills and notes, federal agency securities, bankers' acceptances and commercial paper of the highest rating. The above legislative investment policy applies to all funds and fund types. All deposits are made to authorized public depositories and contracts with such institutions are in accordance with the Ohio Revised Code and the City's investment policy.

The City invests funds in the State Treasury Asset Reserve of Ohio (STAR Ohio) during fiscal year 2002. STAR Ohio is an investment pool managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price, which is the price the investment could be sold for on December 31, 2002.

The City's investments are categorized to give an indication of the level of risk assumed by the entity at year end. Category 1 includes investments that are insured or registered or for which

## City of Centerville, Ohio

### Notes to the General Purpose Financial Statements For the Fiscal Year Ended December 31, 2002 (continued)

the securities are held by the City or its agent in the City's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparty's trust department or agent in the City's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty, or by its trust department or agent, but not in the City's name.

	<b>Category</b>		<b>Uncategorzied</b>	<b>Fair Value</b>
	<b><u>1</u></b>	<b><u>3</u></b>		
Federal Agency Securities		\$14,238,951		\$14,163,574
Money Market Mutual Funds			\$4,123	<u>4,123</u>
Subtotal - Investments				14,167,697
STAR Ohio (classified as pooled cash and cash equivalents)			2,273,945	<u>2,273,945</u>
Total				<u>\$16,441,642</u>

#### **B. Fixed Assets**

A summary of proprietary fund type property, plant and equipment at December 31, 2002 follows:

	<b>Enterprise</b>	<b>Internal Service</b>	<b>Total</b>
Land	\$5,160,298	\$ -	\$5,160,298
Land improvements	10,006,578	-	10,006,578
Buildings and improvements	4,037,103	-	4,037,103
Machinery and equipment	1,621,952	2,793,673	4,415,625
Less accumulated depreciation	<u>(1,375,581)</u>	<u>(1,636,805)</u>	<u>(3,012,386)</u>
Net fixed assets	<u>\$19,450,350</u>	<u>\$1,156,868</u>	<u>\$20,607,218</u>

## City of Centerville, Ohio

### Notes to the General Purpose Financial Statements For the Fiscal Year Ended December 31, 2002 (continued)

A summary of changes in general fixed asset account group follows:

	Balance January 1, 2002	Additions	Disposals	Balance December 31, 2002
Land	\$ 2,012,352	\$ 173,480	(\$ -)	\$2,185,832
Building and improvements	1,860,842	5,705,438	( -)	7,566,280
Machinery and equipment	2,105,367	745,714	(271,937)	2,579,144
Construction in progress	<u>7,307,509</u>	<u>-</u>	<u>(7,307,509)</u>	<u>0</u>
	<u>\$13,286,070</u>	<u>\$6,624,632</u>	<u>(\$7,579,446)</u>	<u>\$12,331,256</u>

#### C. Yankee Trace Golf Course/Land Sales

During or around 1991, the City of Centerville purchased 400+ acres of land for the development of an 18-hole municipal golf course, pro shop, restaurant and residential golf community. During 1994, fees were reflected in the general fund as miscellaneous income since the facility was not fully operational. With construction fully completed in 1995, the golf course operations were reflected in the enterprise fund beginning January 1, 1995.

At December 31, 1994, the 200 acres of land used for the golf course and related construction were transferred to the enterprise fund from the general fixed asset account group. In 1996, costs to complete the golf course and buildings and obtain equipment were accumulated in the capital projects fund. These amounts together with those from 1994 were recorded as residual equity transactions and are reflected in the enterprise fund's contributed capital.

The remaining 200+ acres being held for sale were recorded as land held for investment in the general fund, offset by a reservation of fund balance. On June 27, 1994, the City entered into a contract with Yankee Trace Development, Inc. to develop, construct and market a high quality residential golf community. This contract has since been amended with the latest amendment approved on March 18, 2002. During 1994, an initial 60 acres were purchased by Yankee Trace Development at a cost of \$11,630 per acre. Since 1994, the remaining 140 acres have been purchased. Upon closing of the first 399 lots, Yankee Trace

## City of Centerville, Ohio

### Notes to the General Purpose Financial Statements For the Fiscal Year Ended December 31, 2002 (continued)

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Development will pay an additional amount per lot to the City, beginning at \$14,212 in 1994 and increasing to \$18,003 in 2002. Since the subsequent sales of lots to builders or residents is contingent upon economic conditions and developments and the City has certain additional infrastructure commitments, the initial sales have not been fully consummated as defined by Financial Accounting Standards Board Statement 66.

The amount of the developer's purchase is included as a deposit liability in the General Fund. The proceeds of lot sales and the corresponding portion of the developer's deposit, assuming an average of two lots per acre, are recognized as revenue. A similar reduction of the land held for investment is made. Costs and revenues recorded do not include costs of additional capital outlay required by the City or potential future contingent revenues allowed in the contract, if more than 399 lots are sold.

The amounts recorded to date are as follows:

	<b>Lots Sold</b>	<b>Sales Recorded</b>	<b>Cost of Lots Sold</b>
1994	5	\$ 99,300	\$ 56,750
1995	26	539,565	306,450
1996	39	806,656	442,650
1997	58	1,244,688	658,300
1998	45	1,011,566	510,750
1999	52	1,143,604	590,200
2000	67	1,519,020	760,450
2001	41	939,214	465,350
2002	<u>27</u>	<u>631,036</u>	<u>171,111</u>
	<u>360</u>	<u>\$7,934,650</u>	<u>\$3,962,011</u>

Proceeds of these land sales are anticipated to be used to retire the golf course residential land debt.

**City of Centerville, Ohio**

Notes to the General Purpose Financial Statements  
For the Fiscal Year Ended December 31, 2002  
(continued)

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**D. Debt**

A summary of long-term obligation transactions for the year ended December 31, 2002 follows:

	Balance January 1, 2002	Additions	Reductions	Balance December 31, 2002
<b>Fund Type/Account Group</b>				
General long-term obligations:				
Capital lease - see Note E	\$138,373	\$ -	\$(34,464)	\$ 103,909
Accrued liabilities-				
Compensated absences	<u>333,571</u>	<u>31,361</u>	<u>-</u>	<u>364,932</u>
	471,944	31,361	(34,464)	468,841
General obligation bonds	18,365,000	-	(395,000)	17,970,000
Special assessment bonds	<u>7,460,000</u>	<u>650,000</u>	<u>(159,000)</u>	<u>7,951,000</u>
Total general long-term obligations	<u>\$26,296,944</u>	<u>\$681,361</u>	<u>\$(588,464)</u>	<u>\$26,389,841</u>

Additions and reductions of compensated absences are shown net since it is impractical for the City to determine these amounts separately. The current portion of accrued compensated absences has been recorded in the appropriate governmental type fund.

## City of Centerville, Ohio

### Notes to the General Purpose Financial Statements For the Fiscal Year Ended December 31, 2002 (continued)

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Long-term bonds outstanding at December 31, 2002 are summarized below:

	<b>Interest Rates</b>	<b>Amount</b>
General obligation bonds – 1993 series	4.50% - 5.80%	6,725,000
General obligation bonds – 1995 series	4.30% - 5.625%	7,960,000
General obligation bonds – 2001 series	3.50% - 5.125%	<u>3,285,000</u>
Subtotal--General Obligation Bonds		<u>17,970,000</u>
Special assessment bonds – 1987 series	6.375%	52,000
Special assessment bonds – 1990 series	7.90%	129,000
Special assessment bonds – 1994 series	5.40% - 6.60%	265,000
Special assessment bonds – 1995 series	4.30% - 5.625%	1,015,000
Special assessment bonds – 1998-1 series	4.05% - 5.35%	1,095,000
Special assessment bonds – 1998-2 series	3.50% - 5.00%	1,175,000
Special assessment bonds – 1999 series	4.20% - 5.75%	1,510,000
Special assessment bonds – 2000 series	4.65% - 5.75%	1,070,000
Special assessment bonds – 2001 series	3.70% - 5.50%	990,000
Special assessment bonds – 2002 series	4.20% - 5.30%	<u>650,000</u>
Subtotal--Special Assessment Bonds		<u>7,951,000</u>
Grand Total		<u>\$25,921,000</u>

Outstanding general obligation bonds consist of street improvement, municipal and golf course and related structures and operational costs. General obligation bonds are direct obligations of the City for which its full faith, credit and resources are pledged and are payable from taxes levied on all taxable property in the government. The 1993 general obligation bonds are paid by the Golf Course Operations Enterprise Fund in the form of rent to the Debt Service Fund.

Special assessment bonds maturing through 2032 consist of street, sidewalk and curb improvement issues which are payable from the proceeds of assessments against individual property owners. These bonds are backed by the full faith and credit of the City. In the event of delinquencies related to special assessment bonds, the City is required to use other resources until foreclosure proceeds are received to satisfy debt service.



## City of Centerville, Ohio

### Notes to the General Purpose Financial Statements For the Fiscal Year Ended December 31, 2002 (continued)

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The following table summarizes the City's future long-term bond service requirements as of December 31, 2002:

<b>Year Ending December 31:</b>	<b>General Obligation</b>		<b>Special Assessment</b>	
	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>
2003	\$ 505,000	\$ 969,836	\$ 175,000	\$ 427,260
2004	530,000	946,449	190,000	418,733
2005	565,000	921,648	195,000	409,420
2006	590,000	894,602	204,000	399,621
2007	615,000	864,789	206,000	389,278
2008-2032	<u>15,165,000</u>	<u>7,934,928</u>	<u>6,981,000</u>	<u>5,101,198</u>
Total	<u>\$17,970,000</u>	<u>\$12,532,252</u>	<u>\$7,951,000</u>	<u>\$7,145,510</u>

The Ohio Revised Code provides that the net debt of a municipal corporation, whether or not approved by the electors, shall not exceed 10.5% of the total value of all property in the municipal corporation as listed and assessed for taxation. In addition, the unvoted net debt of municipal corporations cannot exceed 5.5% of the total taxation value of property. The statutory limitations on debt are measured by a direct ratio of net debt to tax valuation and expressed in terms of a percentage. At December 31, 2002, the City's total net debt and unvoted net debt were approximately 5.17% of the total assessed value of all property within the City.

To provide for the Bethany Lutheran Village Continuing Care Facility, the City has issued three series of Health Care Variable Rate Demand Revenue Bonds. These bonds are special limited obligations of the City, payable solely from and secured by a letter of credit. The bonds do not constitute a debt or pledge of the faith and credit of the City, the County or the State, and, accordingly, have not been reported in the accompanying financial statements. At December 31, 2002, Health Care Variable Rate Demand Revenue Bonds outstanding aggregated \$14,350,000.

## City of Centerville, Ohio

### Notes to the General Purpose Financial Statements For the Fiscal Year Ended December 31, 2002 (continued)

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#### E. Capital Lease

The City has acquired machinery and equipment under the provisions of long-term lease agreements classified as capital leases. Accordingly, the amount of the assets, totaling \$151,500 and \$256,420 respectively, are capitalized in the General Fixed Asset Account Group and Enterprise Funds. The leases provide for a bargain purchase option at the end of the lease. The future minimum lease payments under the capital leases, together with the present value of the net minimum lease payments as of December 31, 2002, were as follows:

	General Fixed Asset Account Group	Enterprise Funds
2003	\$39,677	\$7,059
2004	39,677	2,436
2005	<u>31,037</u>	<u>-</u>
Total minimum lease payments	110,391	\$9,495
Less amount representing interest	<u>(6,482)</u>	<u>(312)</u>
Present value of net minimum capital lease payments	<u>\$103,909</u>	<u>\$9,183</u>

#### F. Defined Benefit Pension Plans

All City employees are covered by one of two cost-sharing multiple-employer defined benefit pension plans, namely, the Ohio Public Employees Retirement System and the Ohio Police and Fire Pension Fund. Both plans provide retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries.

##### 1. Ohio Public Employees Retirement System

Authority to establish and amend benefits is provided by state statute per Chapter 145 of the Ohio Revised Code. PERS issues a publicly available financial report that includes financial statements and required supplementary information for the plan. That report may be obtained by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215 or by calling 1-800-222-PERS (7377).

The Ohio Revised Code provides statutory authority for employee and employer contributions. Plan members are required to contribute 8.5% of their annual covered salary and the City is required to contribute 13.55%. The City's required contributions

## City of Centerville, Ohio

### Notes to the General Purpose Financial Statements For the Fiscal Year Ended December 31, 2002 (continued)

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to PERS for the years ended December 31, 2002, 2001 and 2000, were \$656,053, \$558,988, and \$517,743, respectively. The unpaid contribution for 2002 was \$163,789 and is recorded as a liability within the respective funds.

#### 2. Ohio Police and Fire Pension Fund

Authority to establish and amend benefits is provided by state statute per Chapter 742 of the Ohio Revised Code. The Ohio Police and Fire Pension Fund 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 or by calling (614) 228-2975.

The Ohio Revised Code provides statutory authority for employee and employer contributions. Plan members are required to contribute 10.0% of their annual covered salary, while the City is required to contribute 19.5% for police and 24.0% for firefighters. The City's contributions to the plan for police for the years ending December 31, 2002, 2001, and 2000 were \$469,628, \$440,443, and \$383,634, respectively. The unpaid contribution for 2002 was \$142,718 and is recorded as a liability within the respective funds.

### **G. Post-employment Benefits**

In addition to the pension benefits described in Note F, both the Public Employees Retirement System of Ohio and the Police and Fire Pension Fund provide post-retirement health care coverage, commonly referred to as OPEB (other postemployment benefits). For both systems, the Ohio Revised Code provides the authority for public employers to fund postretirement health care through their contributions.

#### 1. Ohio Public Employees Retirement System

The Ohio Public Employees Retirement System of Ohio (PERS) provides post-retirement health care coverage to age and service retirees with ten or more years of qualifying Ohio service credit. Health care coverage for disability recipients and primary survivor recipients is available.

The 2001 employer contribution rate was 13.55%, of which 5.0% was used to fund health care. The City's contribution for the year ended December 31, 2002, was \$196,422 to fund post-employment benefits.

## City of Centerville, Ohio

### Notes to the General Purpose Financial Statements For the Fiscal Year Ended December 31, 2002 (continued)

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OPEB are advanced funded on an actuarially determined basis using the following assumptions. An entry age normal actuarial cost method of valuation is used in determining the present value of OPEB. The difference between assumed and actual experience becomes part of unfunded actuarial accrued liability. All investments are carried at market value. For actuarial valuation purposes, a smoothed market approach is used. Under this approach assets are adjusted annually to reflect 25% of unrealized market appreciation or depreciation on investment assets. The investment assumption rate for 2001 was 8.00%. Individual base pay was assumed to increase 4.00% compounded annually with no change in the number of active employees. Health care costs were assumed to increase 4.00% annually.

The number of active contributing participants was 402,041 as of December 31, 2001, the date the latest actuarial review was performed. The actuarially determined accrued liability for OPEBs at December 31, 2001, are \$16.4 billion with net assets available for OPEB of \$11.6 billion, leaving an unfunded actuarial liability of \$4.8 billion.

#### 2. Ohio Police and Fire Pension Fund

The plan provides post-retirement health care coverage to any person who receives or is eligible to receive a monthly benefit check or is a spouse or eligible dependent child of such person. An eligible dependent child is any child under the age of 18 whether or not the child is attending school or under the age of 22 if attending school full-time or on a 2/3 basis.

Health care funding and accounting is on a pay-as-you-go basis. The Ohio Revised Code provides that health care costs paid shall be included in the employer's contribution rate. The 2002 employer contribution rate was 19.5% of covered payroll for Police and 24% of covered payroll for Fire of which 7.75% was used to fund health care. The City's contribution for the year ended December 31, 2002, was \$186,442 to pay post-employment benefits.

The number of participants eligible to receive health care benefits as of December 31, 2001, the date of the last actuarial valuation available, was 13,174 for Police and 10,239 for Firefighters. The plan's total health care expenses for the year ended December 31, 2000 were \$122,298,771, which was net of member contributions of \$6,874,699.

**City of Centerville, Ohio**

Notes to the General Purpose Financial Statements  
For the Fiscal Year Ended December 31, 2002  
(continued)

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**H. Contributed Capital**

The changes in the City's contributed capital accounts for its proprietary funds were as follows:

	<b>Enterprise</b>	<b>Internal Service</b>
	<b>Golf Course Operations</b>	<b>Yankee Trace Capital and Equipment</b>
		<b>Central Vehicle Purchase</b>
Beginning balance, contributed capital	\$17,690,120	\$341,625
Contributed from capital projects	2,132,805	85,900
Disposals	<u>(36,772)</u>	<u>(34,983)</u>
Ending balance, contributed capital	<u>\$19,786,153</u>	<u>\$19,060</u>

All assets were transferred from governmental funds. As such, no depreciation is allocated to contributed capital.

**I. Income Taxes**

The City collects an income tax of 1.75% of Centerville taxable income, defined as Ohio Adjusted Gross Income with specific adjustments. Filing is mandatory for all residents. Employers within the City are required to withhold tax on all employees working in the City and remit those monies either quarterly or monthly. Employers are required to reconcile those withholdings on an annual basis by filing an annual return.

**J. Property Taxes**

Property taxes include amounts levied against all real, public utility and tangible (used in business) property located in the City. Property taxes are levied each December 31<sup>st</sup> on the assessed value listed as of the prior December 31<sup>st</sup>. Assessed values are established for real property at 35 percent of true value, for public utility property at 100% of true value, and for tangible property at 25% of true value (excluding the first \$10,000 of value). Property market values are required to be updated every three years and revalued every six years. The last revaluation was completed in 2002.

## City of Centerville, Ohio

### Notes to the General Purpose Financial Statements For the Fiscal Year Ended December 31, 2002 (continued)

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The property tax calendar is as follows:

Levy date	December 31, 2001
Lien date	December 31, 2001
Tax bill mailed	January 20, 2002
First installment payment due	February 15, 2002
Second installment payment due	July 15, 2002

The assessed values for the City at December 31, 2001, were as follows:

	Assessed Value
Real Estate	\$459,488,570
Tangible Personal Property	29,655,641
Public Utility Personal Property	<u>12,490,310</u>
Total	<u>\$501,634,521</u>

The County Treasurer collects property taxes on behalf of all taxing districts in the County, including the City of Centerville. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes may be paid on either an annual or semi-annual basis.

#### **K. Risk Management**

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the City carries commercial insurance. For fiscal year 2002, the City contracted with the Selective Insurance Company for coverage of these various risks. Settled claims have not exceeded this commercial coverage in any of the past five years. There has been no significant reductions in insurance coverage from the previous year.

The City is a member of a workers' compensation group rating plan, which allows local governments to group the experience of employers for workers compensation rating purposes. The City pays the State Workers' Compensation System a premium based on salaries paid. The City also provides medical, dental and life insurance to all full time employees. In 2002, the City paid 100% of the premiums for these coverages.

## City of Centerville, Ohio

### Notes to the General Purpose Financial Statements For the Fiscal Year Ended December 31, 2002 (continued)

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#### L. Segment Information for Enterprise Funds

Included in the services provided by the City which are or will be financed primarily by user charges are refuse collection and golf course operations. The key financial information for the year ended December 31, 2002 for these enterprise activities is as follows:

	Waste Collection	Golf Course Operations	Yankee Trace Capital & Equipment	Totals
Operating revenues	\$1,064,883	\$3,392,328	\$ 94,740	\$4,551,951
Depreciation expense	1,072	191,230	112,143	304,445
Operating income (loss)	(71,870)	(371,602)	(18,465)	(461,937)
Net income (loss)	(34,237)	(155,832)	(174)	(190,243)
Contributed capital	-	19,786,153	392,542	20,178,695
Net change in property, plant, equipment	885	2,127,005	89,841	2,217,731
Net working capital	511,285	140,735	83,366	735,386
Total assets	873,797	19,413,890	495,271	20,782,958
Total equity	514,845	19,175,620	495,271	20,185,736

#### M. Contingent Liabilities

Accounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

The City is a defendant in various lawsuits. Although outcome of these lawsuits is not presently determinable, it is the opinion of the City's counsel that resolution of these matters will not have an adverse effect on the financial condition of the government.





## **General Fund**

The general fund is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

**CITY OF CENTERVILLE, OHIO**

General Fund

Comparative Balance Sheets

December 31, 2002 and 2001

	<u>2002</u>	<u>2001</u>
Assets:		
Pooled cash and cash equivalents	\$ 953,829	\$ 1,295,758
Investments	3,763,856	4,089,529
Receivables:		
Taxes	3,568,489	3,451,859
Accounts	447,574	465,936
Accrued interest	30,362	18,551
Prepaid items	156,872	89,766
Land held for investment	-	171,111
Total assets and other debits	<u>\$ 8,920,982</u>	<u>\$ 9,582,510</u>
Liabilities:		
Accounts payable	\$ 125,940	\$ 78,317
Accrued liabilities	522,811	395,262
Compensated absences payable	125,711	107,787
Deferred revenue	2,697,652	2,653,257
Deposit liability	-	154,506
Total liabilities	<u>3,472,114</u>	<u>3,389,129</u>
Equity and other credits:		
Fund balance:		
Reserved for encumbrances	232,050	119,715
Reserved for prepaid expenditures	156,872	89,766
Reserved for land held for investments	-	171,111
Unreserved, undesignated	5,059,946	5,812,789
Total equity and other credits	<u>5,448,868</u>	<u>6,193,381</u>
Total liabilities, equity and other credits	<u>\$ 8,920,982</u>	<u>\$ 9,582,510</u>

**CITY OF CENTERVILLE, OHIO**

## General Fund

## Comparative Statements of Revenues, Expenditures and Changes in Fund Balance

For the Fiscal Years Ended December 31, 2002 and 2001

	<u>2002</u>	<u>2001</u>
Revenues:		
Local taxes	\$ 11,408,207	\$ 11,287,865
Intergovernmental	879,998	870,597
Charges for services	44,284	30,452
Fines, licenses and permits	286,748	318,403
Interest earned	241,961	186,372
Lot sales	716,204	939,214
Miscellaneous	<u>182,514</u>	<u>118,180</u>
Total revenues	<u>13,759,916</u>	<u>13,751,083</u>
Expenditures:		
Current:		
General government	4,139,483	4,047,976
Public safety	4,491,363	3,924,003
Community environment	228,481	222,035
Recreation	331,551	360,426
Cost of lots	171,111	465,350
Debt service:		
Principal	34,464	6,787
Interest	<u>5,213</u>	<u>1,853</u>
Total expenditures	<u>9,401,666</u>	<u>9,028,430</u>
Excess (deficiency) of revenues over (under) expenditures:	<u>4,358,250</u>	<u>4,722,653</u>
Other financing sources (uses):		
Proceeds from capital leases	-	115,000
Operating transfers in	125,000	-
Operating transfers out	<u>(5,227,763)</u>	<u>(5,800,595)</u>
Total other financing sources (uses)	<u>(5,102,763)</u>	<u>(5,685,595)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(744,513)	(962,942)
Fund balance at beginning of year	<u>6,193,381</u>	<u>7,156,323</u>
Fund balance at end of year	<u>\$ 5,448,868</u>	<u>\$ 6,193,381</u>

**CITY OF CENTERVILLE, OHIO**

General Fund

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

For the Fiscal Years Ended December 31, 2002 and 2001

	2002			2001		
	<u>Budget</u>	<u>Actual Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Budget</u>	<u>Actual Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues:</b>						
Local taxes	\$11,082,900	\$11,378,805	\$ 295,905	\$11,028,763	\$ 11,408,143	\$ 379,380
Intergovernmental revenues	849,411	854,547	5,136	870,750	862,654	(8,096)
Charges for services	27,900	33,931	6,031	32,350	30,452	(1,898)
Fines, licenses and permits	303,600	296,435	(7,165)	314,200	323,210	9,010
Investment income	275,000	117,631	(157,369)	290,000	402,924	112,924
Miscellaneous	159,940	182,652	22,712	129,700	118,042	(11,658)
Total revenues	<u>12,698,751</u>	<u>12,864,001</u>	<u>165,250</u>	<u>12,665,763</u>	<u>13,145,425</u>	<u>479,662</u>
<b>Expenditures:</b>						
<b>Current:</b>						
General government	4,436,935	4,288,725	148,210	4,177,070	4,009,429	167,641
Public safety	4,568,810	4,417,278	151,532	3,973,900	3,776,365	197,535
Community environment	246,150	223,780	22,370	253,830	227,995	25,835
Recreation	435,560	330,279	105,281	446,760	350,336	96,424
Total expenditures	<u>9,687,455</u>	<u>9,260,062</u>	<u>427,393</u>	<u>8,851,560</u>	<u>8,364,125</u>	<u>487,435</u>
Excess (deficiency) of revenues over (under) expenditures	<u>3,011,296</u>	<u>3,603,939</u>	<u>592,643</u>	<u>3,814,203</u>	<u>4,781,300</u>	<u>967,097</u>
<b>Other financing sources (uses):</b>						
Sale of fixed assets	-	-	-	300	-	(300)
Operating transfers in	-	125,000	125,000	-	-	-
Operating transfers out	(4,666,065)	(4,666,065)	-	(5,096,000)	(5,096,000)	-
Advances in	-	-	-	100,000	100,000	-
Total other financing sources (uses)	<u>(4,666,065)</u>	<u>(4,541,065)</u>	<u>125,000</u>	<u>(4,995,700)</u>	<u>(4,996,000)</u>	<u>(300)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>(1,654,769)</u>	<u>(937,126)</u>	<u>717,643</u>	<u>(1,181,497)</u>	<u>(214,700)</u>	<u>966,797</u>
Fund balances at beginning of year	<u>5,357,024</u>	<u>5,357,024</u>	<u>-</u>	<u>5,571,724</u>	<u>5,571,724</u>	<u>-</u>
Fund balances at end of year	<u>\$ 3,702,255</u>	<u>\$ 4,419,898</u>	<u>\$ 717,643</u>	<u>\$ 4,390,227</u>	<u>\$ 5,357,024</u>	<u>\$ 966,797</u>

## Special Revenue Funds

Special revenue funds account for revenue sources that are legally restricted to expenditure for specific purposes.

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***Street Construction and Maintenance Fund*** – A fund provided to account for the allocation of revenues derived from motor vehicle license fees and gasoline taxes. Expenditures are restricted by state law to maintenance and repair of streets within the City.

***State Highway Fund*** – A fund provided to account for the allocation of revenues derived from motor vehicle license fees and gasoline taxes. Expenditures are restricted by state law for maintenance and repair of state highways within the City.

***Permissive Tax Fund*** – A fund provided to account for permissive tax fees received from both the county and state. Expenditures are restricted to construction or permanent improvements of the streets and state highways within the City.

***Law Enforcement Fund*** – A fund provided to account for the fines generated in the prosecution of those in possession of contraband and the proceeds gained from the sale of confiscated contraband.

***Enforcement and Education Fund*** – A fund provided to account for fines imposed for the purpose of educating the public and enforcing the laws governing the operation of a motor vehicle while under the influence of alcohol.

***Drug Law Fund*** – A fund provided to account for mandatory fines imposed for drug offense convictions.

***COPS Fast Fund*** – A fund provided to account for the expenditures made relating to the federal COPS Fast grant program. Grant proceeds for this fund were completely expended as of December 31, 2002.

***Friends of Benham's Grove*** – A fund provided to account for the activities of the Friends of Benham's Grove.

***Hospital Insurance Fund*** – A fund provided to account for the remaining balance of the City's self-insured health insurance plan. The City ceased self-insurance in 1995. The balance of this fund will be used to offset future health insurance costs of the City.

***Police Operations Project Fund*** – A fund provided to account for various police related operations. This fund has been utilized to account for the transactions relating to the construction of a new police facility.

**CITY OF CENTERVILLE, OHIO**  
Special Revenue Funds  
Combining Balance Sheet  
December 31, 2002  
(with comparative totals for December 31, 2001)

	Street Construction & Maintenance	State Highway	Permissive Tax	Law Enforcement
<b>Assets:</b>				
Pooled cash and cash equivalents	\$ 319,859	\$ 33,119	\$ 19,305	\$ 84,515
Investments	103,238	-	-	-
Receivables:				
Accounts	421,425	34,146	4,670	-
Accrued interest	519	-	-	-
Prepaid items	22,437	-	-	-
Inventory	58,572	-	-	-
Total assets and other debits	<u>\$ 926,050</u>	<u>\$ 67,265</u>	<u>\$ 23,975</u>	<u>\$ 84,515</u>
<b>Liabilities:</b>				
Accounts payable	\$ 7,176	\$ 3,246	\$ -	\$ -
Accrued liabilities	84,289	-	-	-
Compensated absences payable	33,002	-	-	-
Deferred revenue	365,504	29,637	-	-
Total liabilities	<u>489,971</u>	<u>32,883</u>	<u>-</u>	<u>-</u>
<b>Equity and other credits:</b>				
<b>Fund balance:</b>				
Reserved for encumbrances	16,759	1,736	-	-
Reserved for prepaid expenditures	22,437	-	-	-
Reserved for inventory	58,572	-	-	-
Unreserved, undesignated	338,311	32,646	23,975	84,515
Total equity and other credits	<u>436,079</u>	<u>34,382</u>	<u>23,975</u>	<u>84,515</u>
Total liabilities, equity and other credits	<u>\$ 926,050</u>	<u>\$ 67,265</u>	<u>\$ 23,975</u>	<u>\$ 84,515</u>

Enforcement & Education	Drug Law	COPS Fast	Friends of Benham's Grove	Hospital Insurance	Police Operations Project	Totals	
						2002	2001
\$ 7,627	\$ 777	\$ -	\$ 40,326	\$ 81,140	\$ 83,374	\$ 670,042	\$ 776,410
-	-	-	-	142,895	35,855	281,988	477,157
195	-	-	-	-	-	460,436	440,120
-	-	-	-	719	180	1,418	1,697
-	-	-	-	-	-	22,437	23,599
-	-	-	-	-	-	58,572	57,528
<u>\$ 7,822</u>	<u>\$ 777</u>	<u>\$ -</u>	<u>\$ 40,326</u>	<u>\$ 224,754</u>	<u>\$ 119,409</u>	<u>\$ 1,494,893</u>	<u>\$ 1,776,511</u>
\$ 1,749	\$ -	\$ -	\$ -	\$ -	\$ 3,079	\$ 15,250	\$ 199,451
-	-	-	-	-	-	84,289	88,928
-	-	-	-	-	-	33,002	32,512
-	-	-	-	-	-	395,141	391,491
<u>1,749</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,079</u>	<u>527,682</u>	<u>712,382</u>
190	-	-	-	-	29,240	47,925	373,148
-	-	-	-	-	-	22,437	23,599
-	-	-	-	-	-	58,572	57,528
<u>5,883</u>	<u>777</u>	<u>-</u>	<u>40,326</u>	<u>224,754</u>	<u>87,090</u>	<u>838,277</u>	<u>609,854</u>
<u>6,073</u>	<u>777</u>	<u>-</u>	<u>40,326</u>	<u>224,754</u>	<u>116,330</u>	<u>967,211</u>	<u>1,064,129</u>
<u>\$ 7,822</u>	<u>\$ 777</u>	<u>\$ -</u>	<u>\$ 40,326</u>	<u>\$ 224,754</u>	<u>\$ 119,409</u>	<u>\$ 1,494,893</u>	<u>\$ 1,776,511</u>

**CITY OF CENTERVILLE, OHIO**

Special Revenue Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balance

For the Fiscal Year Ended December 31, 2002

(with comparative totals for December 31, 2001)

	Street Construction & Maintenance	State Highway	Permissive Tax	Law Enforcement
Revenues:				
Intergovernmental	\$ 731,606	\$ 59,318	\$ 187,213	\$ -
Charges for services	586	-	-	-
Fines, licenses and permits	-	-	-	-
Interest earned	10,076	673	2,079	1,769
Miscellaneous	13,498	-	-	17,076
Total revenues	<u>755,766</u>	<u>59,991</u>	<u>189,292</u>	<u>18,845</u>
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	21,425
Recreation	-	-	-	-
Transportation	1,406,177	51,887	-	-
Capital outlay	-	-	180,000	-
Total expenditures	<u>1,406,177</u>	<u>51,887</u>	<u>180,000</u>	<u>21,425</u>
Excess (deficiency) of revenues over (under) expenditures:	<u>(650,411)</u>	<u>8,104</u>	<u>9,292</u>	<u>(2,580)</u>
Other financing sources (uses):				
Operating transfers in	850,000	-	-	-
Operating transfers out	-	-	-	-
Total other financing sources (uses)	<u>850,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	199,589	8,104	9,292	(2,580)
Fund balance at beginning of year	<u>236,490</u>	<u>26,278</u>	<u>14,683</u>	<u>87,095</u>
Fund balance at end of year	<u>\$ 436,079</u>	<u>\$ 34,382</u>	<u>\$ 23,975</u>	<u>\$ 84,515</u>



Enforcement & Education	Drug Law	COPS Fast	Friends of Benham's Grove	Hospital Insurance	Police Operations Project	Totals	
						2002	2001
\$ -	\$ -	\$ 90,606	\$ -	\$ -	\$ -	\$ 1,068,743	\$ 1,086,210
-	-	-	-	-	-	586	473
2,202	-	-	-	-	-	2,202	2,171
171	17	137	807	5,336	12,045	33,110	209,298
3,150	-	-	61,638	42,411	4,725	142,498	102,671
<u>5,523</u>	<u>17</u>	<u>90,743</u>	<u>62,445</u>	<u>47,747</u>	<u>16,770</u>	<u>1,247,139</u>	<u>1,400,823</u>
-	-	-	-	53,890	-	53,890	-
7,029	-	216,844	-	-	-	245,298	364,341
-	-	-	22,119	-	-	22,119	-
-	-	-	-	-	-	1,458,064	1,346,245
-	-	-	-	-	242,751	422,751	5,211,136
<u>7,029</u>	<u>-</u>	<u>216,844</u>	<u>22,119</u>	<u>53,890</u>	<u>242,751</u>	<u>2,202,122</u>	<u>6,921,722</u>
<u>(1,506)</u>	<u>17</u>	<u>(126,101)</u>	<u>40,326</u>	<u>(6,143)</u>	<u>(225,981)</u>	<u>(954,983)</u>	<u>(5,520,899)</u>
-	-	133,065	-	-	-	983,065	820,000
-	-	-	-	-	(125,000)	(125,000)	-
-	-	133,065	-	-	(125,000)	858,065	820,000
(1,506)	17	6,964	40,326	(6,143)	(350,981)	(96,918)	(4,700,899)
<u>7,579</u>	<u>760</u>	<u>(6,964)</u>	<u>-</u>	<u>230,897</u>	<u>467,311</u>	<u>1,064,129</u>	<u>5,765,028</u>
<u>\$ 6,073</u>	<u>\$ 777</u>	<u>\$ -</u>	<u>\$ 40,326</u>	<u>\$ 224,754</u>	<u>\$ 116,330</u>	<u>\$ 967,211</u>	<u>\$ 1,064,129</u>

**CITY OF CENTERVILLE, OHIO**

Street Construction and Maintenance Special Revenue Fund

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

For the Fiscal Year Ended December 31, 2002

(with comparative totals for December 31, 2001)

	2002			2001		
	<u>Budget</u>	<u>Actual Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Budget</u>	<u>Actual Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues:</b>						
Intergovernmental revenues	\$ 733,000	\$ 716,349	\$ (16,651)	\$ 715,000	\$ 715,225	\$ 225
Charges for services	500	287	(213)	1,000	473	(527)
Investment income	5,000	7,365	2,365	25,000	20,855	(4,145)
Miscellaneous	<u>13,140</u>	<u>13,498</u>	<u>358</u>	<u>5,000</u>	<u>4,343</u>	<u>(657)</u>
Total revenues	<u>751,640</u>	<u>737,499</u>	<u>(14,141)</u>	<u>746,000</u>	<u>740,896</u>	<u>(5,104)</u>
<b>Expenditures:</b>						
Current:						
Transportation	<u>1,494,270</u>	<u>1,399,289</u>	<u>94,981</u>	<u>1,442,130</u>	<u>1,270,179</u>	<u>171,951</u>
Total expenditures	<u>1,494,270</u>	<u>1,399,289</u>	<u>94,981</u>	<u>1,442,130</u>	<u>1,270,179</u>	<u>171,951</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(742,630)</u>	<u>(661,790)</u>	<u>80,840</u>	<u>(696,130)</u>	<u>(529,283)</u>	<u>166,847</u>
<b>Other financing sources (uses):</b>						
Operating transfers in	<u>850,000</u>	<u>850,000</u>	<u>-</u>	<u>450,000</u>	<u>450,000</u>	<u>-</u>
Total other financing sources (uses)	<u>850,000</u>	<u>850,000</u>	<u>-</u>	<u>450,000</u>	<u>450,000</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	107,370	188,210	80,840	(246,130)	(79,283)	166,847
Fund balances at beginning of year	<u>214,397</u>	<u>214,397</u>	<u>-</u>	<u>293,680</u>	<u>293,680</u>	<u>-</u>
Fund balances at end of year	<u>\$ 321,767</u>	<u>\$ 402,607</u>	<u>\$ 80,840</u>	<u>\$ 47,550</u>	<u>\$ 214,397</u>	<u>\$ 166,847</u>

**CITY OF CENTERVILLE, OHIO**

State Highway Special Revenue Fund

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

For the Fiscal Year Ended December 31, 2002

(with comparative totals for December 31, 2001)

	2002			2001		
	<u>Budget</u>	<u>Actual Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Budget</u>	<u>Actual Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues:</b>						
Intergovernmental revenues	\$ 59,500	\$ 58,082	\$ (1,418)	\$ 57,500	\$ 57,991	\$ 491
Investment income	1,000	673	(327)	900	1,872	972
Total revenues	<u>60,500</u>	<u>58,755</u>	<u>(1,745)</u>	<u>58,400</u>	<u>59,863</u>	<u>1,463</u>
<b>Expenditures:</b>						
Current:						
Transportation	<u>63,600</u>	<u>51,232</u>	<u>12,368</u>	<u>59,700</u>	<u>51,059</u>	<u>8,641</u>
Total expenditures	<u>63,600</u>	<u>51,232</u>	<u>12,368</u>	<u>59,700</u>	<u>51,059</u>	<u>8,641</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,100)</u>	<u>7,523</u>	<u>10,623</u>	<u>(1,300)</u>	<u>8,804</u>	<u>10,104</u>
<b>Other financing sources (uses):</b>						
Operating transfers in	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>(3,100)</u>	<u>7,523</u>	<u>10,623</u>	<u>(1,300)</u>	<u>8,804</u>	<u>10,104</u>
Fund balances at beginning of year	<u>23,268</u>	<u>23,268</u>	<u>-</u>	<u>14,464</u>	<u>14,464</u>	<u>-</u>
Fund balances at end of year	<u>\$ 20,168</u>	<u>\$ 30,791</u>	<u>\$ 10,623</u>	<u>\$ 13,164</u>	<u>\$ 23,268</u>	<u>\$ 10,104</u>

**CITY OF CENTERVILLE, OHIO**

Permissive Tax Special Revenue Fund

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

For the Fiscal Year Ended December 31, 2002

(with comparative totals for December 31, 2001)

	2002			2001		
	<u>Budget</u>	<u>Actual Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Budget</u>	<u>Actual Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues:</b>						
Intergovernmental revenues	\$ 180,000	\$ 187,241	\$ 7,241	\$ 175,000	\$ 182,817	\$ 7,817
Investment income	3,000	2,079	(921)	6,000	3,595	(2,405)
Total revenues	<u>183,000</u>	<u>189,320</u>	<u>6,320</u>	<u>181,000</u>	<u>186,412</u>	<u>5,412</u>
<b>Expenditures:</b>						
Capital outlay	<u>180,000</u>	<u>180,000</u>	<u>-</u>	<u>195,000</u>	<u>195,000</u>	<u>-</u>
Total expenditures	<u>180,000</u>	<u>180,000</u>	<u>-</u>	<u>195,000</u>	<u>195,000</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>3,000</u>	<u>9,320</u>	<u>6,320</u>	<u>(14,000)</u>	<u>(8,588)</u>	<u>5,412</u>
<b>Other financing sources (uses):</b>						
Operating transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>3,000</u>	<u>9,320</u>	<u>6,320</u>	<u>(14,000)</u>	<u>(8,588)</u>	<u>5,412</u>
Fund balances at beginning of year	<u>9,985</u>	<u>9,985</u>	<u>-</u>	<u>18,573</u>	<u>18,573</u>	<u>-</u>
Fund balances at end of year	<u>\$ 12,985</u>	<u>\$ 19,305</u>	<u>\$ 6,320</u>	<u>\$ 4,573</u>	<u>\$ 9,985</u>	<u>\$ 5,412</u>

**CITY OF CENTERVILLE, OHIO**

Law Enforcement Special Revenue Fund

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

For the Fiscal Year Ended December 31, 2002

(with comparative totals for December 31, 2001)

	2002			2001		
	<u>Budget</u>	<u>Actual Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Budget</u>	<u>Actual Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues:</b>						
Investment income	\$ 3,750	\$ 1,769	\$ (1,981)	\$ 4,000	\$ 4,880	\$ 880
Miscellaneous	5,000	17,076	12,076	12,000	2,425	(9,575)
Total revenues	<u>8,750</u>	<u>18,845</u>	<u>10,095</u>	<u>16,000</u>	<u>7,305</u>	<u>(8,695)</u>
<b>Expenditures:</b>						
Current:						
Public safety	<u>26,000</u>	<u>21,415</u>	<u>4,585</u>	<u>25,000</u>	<u>920</u>	<u>24,080</u>
Total expenditures	<u>26,000</u>	<u>21,415</u>	<u>4,585</u>	<u>25,000</u>	<u>920</u>	<u>24,080</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(17,250)</u>	<u>(2,570)</u>	<u>14,680</u>	<u>(9,000)</u>	<u>6,385</u>	<u>15,385</u>
<b>Other financing sources (uses):</b>						
Sale of fixed assets	<u>500</u>	<u>-</u>	<u>(500)</u>	<u>250</u>	<u>1,225</u>	<u>975</u>
Total other financing sources (uses)	<u>500</u>	<u>-</u>	<u>(500)</u>	<u>250</u>	<u>1,225</u>	<u>975</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>(16,750)</u>	<u>(2,570)</u>	<u>14,180</u>	<u>(8,750)</u>	<u>7,610</u>	<u>16,360</u>
Fund balances at beginning of year	<u>87,085</u>	<u>87,085</u>	<u>-</u>	<u>79,475</u>	<u>79,475</u>	<u>-</u>
Fund balances at end of year	<u>\$ 70,335</u>	<u>\$ 84,515</u>	<u>\$ 14,180</u>	<u>\$ 70,725</u>	<u>\$ 87,085</u>	<u>\$ 16,360</u>

**CITY OF CENTERVILLE, OHIO**

Enforcement and Education Special Revenue Fund

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

For the Fiscal Year Ended December 31, 2002

(with comparative totals for December 31, 2001)

	2002			2001		
	<u>Budget</u>	<u>Actual Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Budget</u>	<u>Actual Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues:</b>						
Fines, licenses and permits	\$ 2,500	\$ 2,300	\$ (200)	\$ 2,600	\$ 2,394	\$ (206)
Investment income	300	171	(129)	100	319	219
Miscellaneous	<u>7,500</u>	<u>3,150</u>	<u>(4,350)</u>	<u>4,000</u>	<u>5,963</u>	<u>1,963</u>
Total revenues	<u>10,300</u>	<u>5,621</u>	<u>(4,679)</u>	<u>6,700</u>	<u>8,676</u>	<u>1,976</u>
<b>Expenditures:</b>						
Current:						
Public safety	<u>10,910</u>	<u>4,629</u>	<u>6,281</u>	<u>10,020</u>	<u>8,137</u>	<u>1,883</u>
Total expenditures	<u>10,910</u>	<u>4,629</u>	<u>6,281</u>	<u>10,020</u>	<u>8,137</u>	<u>1,883</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(610)</u>	<u>992</u>	<u>1,602</u>	<u>(3,320)</u>	<u>539</u>	<u>3,859</u>
<b>Other financing sources (uses):</b>						
Operating transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>(610)</u>	<u>992</u>	<u>1,602</u>	<u>(3,320)</u>	<u>539</u>	<u>3,859</u>
Fund balances at beginning of year	<u>5,853</u>	<u>5,853</u>	<u>-</u>	<u>5,314</u>	<u>5,314</u>	<u>-</u>
Fund balances at end of year	<u>\$ 5,243</u>	<u>\$ 6,845</u>	<u>\$ 1,602</u>	<u>\$ 1,994</u>	<u>\$ 5,853</u>	<u>\$ 3,859</u>

**CITY OF CENTERVILLE, OHIO**

Drug Law Special Revenue Fund

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

For the Fiscal Year Ended December 31, 2002

(with comparative totals for December 31, 2001)

	2002			2001		
	<u>Budget</u>	<u>Actual Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Budget</u>	<u>Actual Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues:</b>						
Fines, licenses and permits	\$ -	\$ -	\$ -	\$ 100	\$ -	\$ (100)
Investment income	<u>40</u>	<u>17</u>	<u>(23)</u>	<u>30</u>	<u>42</u>	<u>12</u>
Total revenues	<u>40</u>	<u>17</u>	<u>(23)</u>	<u>130</u>	<u>42</u>	<u>(88)</u>
<b>Expenditures:</b>						
Current:						
Public safety	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>40</u>	<u>17</u>	<u>(23)</u>	<u>130</u>	<u>42</u>	<u>(88)</u>
<b>Other financing sources (uses):</b>						
Operating transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>40</u>	<u>17</u>	<u>(23)</u>	<u>130</u>	<u>42</u>	<u>(88)</u>
Fund balances at beginning of year	<u>759</u>	<u>759</u>	<u>-</u>	<u>717</u>	<u>717</u>	<u>-</u>
Fund balances at end of year	<u>\$ 799</u>	<u>\$ 776</u>	<u>\$ (23)</u>	<u>\$ 847</u>	<u>\$ 759</u>	<u>\$ (88)</u>

**CITY OF CENTERVILLE, OHIO**

COPS Fast Special Revenue Fund

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

For the Fiscal Year Ended December 31, 2002

(with comparative totals for December 31, 2001)

	2002			2001		
	<u>Budget</u>	<u>Actual Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Budget</u>	<u>Actual Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues:</b>						
Intergovernmental revenues	\$ 90,600	\$ 90,606	\$ 6	\$ 150,000	\$ 139,578	\$ (10,422)
Investment income	200	136	(64)	2,000	1,906	(94)
Total revenues	<u>90,800</u>	<u>90,742</u>	<u>(58)</u>	<u>152,000</u>	<u>141,484</u>	<u>(10,516)</u>
<b>Expenditures:</b>						
Current:						
Public safety	<u>238,000</u>	<u>237,600</u>	<u>400</u>	<u>358,310</u>	<u>345,807</u>	<u>12,503</u>
Total expenditures	<u>238,000</u>	<u>237,600</u>	<u>400</u>	<u>358,310</u>	<u>345,807</u>	<u>12,503</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(147,200)</u>	<u>(146,858)</u>	<u>342</u>	<u>(206,310)</u>	<u>(204,323)</u>	<u>1,987</u>
<b>Other financing sources (uses):</b>						
Operating transfers in	<u>150,000</u>	<u>133,065</u>	<u>(16,935)</u>	<u>200,000</u>	<u>200,000</u>	<u>-</u>
Total other financing sources (uses)	<u>150,000</u>	<u>133,065</u>	<u>(16,935)</u>	<u>200,000</u>	<u>200,000</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>2,800</u>	<u>(13,793)</u>	<u>(16,593)</u>	<u>(6,310)</u>	<u>(4,323)</u>	<u>1,987</u>
Fund balances at beginning of year	<u>13,793</u>	<u>13,793</u>	<u>-</u>	<u>18,116</u>	<u>18,116</u>	<u>-</u>
Fund balances at end of year	<u>\$ 16,593</u>	<u>\$ -</u>	<u>\$ (16,593)</u>	<u>\$ 11,806</u>	<u>\$ 13,793</u>	<u>\$ 1,987</u>



**CITY OF CENTERVILLE, OHIO**

Friends of Benham's Grove Special Revenue Fund

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

For the Fiscal Year Ended December 31, 2002

(with comparative totals for December 31, 2001)

	2002			2001		
	<u>Budget</u>	<u>Actual Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Budget</u>	<u>Actual Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues:</b>						
Investment income	\$ 1,200	\$ 807	\$ (393)	\$ -	\$ -	\$ -
Miscellaneous	59,000	61,638	2,638	-	-	-
Total revenues	<u>60,200</u>	<u>62,445</u>	<u>2,245</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenditures:</b>						
Current:						
Recreation	25,400	22,119	3,281	-	-	-
Total expenditures	<u>25,400</u>	<u>22,119</u>	<u>3,281</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>34,800</u>	<u>40,326</u>	<u>5,526</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Other financing sources (uses):</b>						
Operating transfers in	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>34,800</u>	<u>40,326</u>	<u>5,526</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances at end of year	<u>\$ 34,800</u>	<u>\$ 40,326</u>	<u>\$ 5,526</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**CITY OF CENTERVILLE, OHIO**

Hospital Insurance Special Revenue Fund

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

For the Fiscal Year Ended December 31, 2002

(with comparative totals for December 31, 2001)

	2002			2001		
	<u>Budget</u>	<u>Actual Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Budget</u>	<u>Actual Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues:</b>						
Investment income	\$ 6,500	\$ 3,980	\$ (2,520)	\$ 8,400	\$ 9,644	\$ 1,244
Miscellaneous	<u>50,000</u>	<u>145,409</u>	<u>95,409</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>56,500</u>	<u>149,389</u>	<u>92,889</u>	<u>8,400</u>	<u>9,644</u>	<u>1,244</u>
<b>Expenditures:</b>						
Current:						
General government	<u>53,890</u>	<u>53,890</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>53,890</u>	<u>53,890</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,610</u>	<u>95,499</u>	<u>92,889</u>	<u>8,400</u>	<u>9,644</u>	<u>1,244</u>
<b>Other financing sources (uses):</b>						
Operating transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>2,610</u>	<u>95,499</u>	<u>92,889</u>	<u>8,400</u>	<u>9,644</u>	<u>1,244</u>
Fund balances at beginning of year	<u>129,255</u>	<u>129,255</u>	<u>-</u>	<u>119,611</u>	<u>119,611</u>	<u>-</u>
Fund balances at end of year	<u>\$ 131,865</u>	<u>\$ 224,754</u>	<u>\$ 92,889</u>	<u>\$ 128,011</u>	<u>\$ 129,255</u>	<u>\$ 1,244</u>

**CITY OF CENTERVILLE, OHIO**

Police Operations Project Special Revenue Fund

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

For the Fiscal Year Ended December 31, 2002

(with comparative totals for December 31, 2001)

	2002			2001		
	<u>Budget</u>	<u>Actual Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Budget</u>	<u>Actual Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues:</b>						
Investment income	\$ 3,160	\$ 5,782	\$ 2,622	\$ 200,000	\$ 209,296	\$ 9,296
Miscellaneous	<u>5,000</u>	<u>4,725</u>	<u>(275)</u>	<u>6,000</u>	<u>4,450</u>	<u>(1,550)</u>
Total revenues	<u>8,160</u>	<u>10,507</u>	<u>2,347</u>	<u>206,000</u>	<u>213,746</u>	<u>7,746</u>
<b>Expenditures:</b>						
Current:						
Public safety	14,430	(5,304)	19,734	9,180	9,228	(48)
Capital outlay	<u>-</u>	<u>(89,999)</u>	<u>89,999</u>	<u>632,500</u>	<u>594,705</u>	<u>37,795</u>
Total expenditures	<u>14,430</u>	<u>(95,303)</u>	<u>109,733</u>	<u>641,680</u>	<u>603,933</u>	<u>37,747</u>
Excess (deficiency) of revenues over (under) expenditures						
	<u>(6,270)</u>	<u>105,810</u>	<u>112,080</u>	<u>(435,680)</u>	<u>(390,187)</u>	<u>45,493</u>
<b>Other financing sources (uses):</b>						
Operating transfers in	-	-	-	170,000	170,000	-
Operating transfers out	<u>(50,000)</u>	<u>(125,000)</u>	<u>(75,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(50,000)</u>	<u>(125,000)</u>	<u>(75,000)</u>	<u>170,000</u>	<u>170,000</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses						
	<u>(56,270)</u>	<u>(19,190)</u>	<u>37,080</u>	<u>(265,680)</u>	<u>(220,187)</u>	<u>45,493</u>
Fund balances at beginning of year	<u>109,359</u>	<u>109,359</u>	<u>-</u>	<u>329,546</u>	<u>329,546</u>	<u>-</u>
Fund balances at end of year	<u>\$ 53,089</u>	<u>\$ 90,169</u>	<u>\$ 37,080</u>	<u>\$ 63,866</u>	<u>\$ 109,359</u>	<u>\$ 45,493</u>

## Debt Service Funds

Debt service funds account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

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***Unvoted Debt Retirement Fund*** – A fund provided to account for the payment of principal and interest on the City’s unvoted general obligations.

***Voted Bond Retirement Fund*** – A fund provided to account for the payment of principal and interest on the City’s voted general obligations.

***Golf Course Debt Retirement Fund*** – A fund provided to account for the payment of principal and interest on the City’s general obligation debt related to the Golf Club at Yankee Trace and its related facilities.

***Special Assessment Debt Retirement Fund*** – A fund provided to account for the payment of principal and interest on the City’s special assessment debt.

**CITY OF CENTERVILLE, OHIO**

Debt Service Funds

Combining Balance Sheet

December 31, 2002

(with comparative totals for December 31, 2001)

	Unvoted Debt Retirement	Voted Bond Retirement	Golf Course Debt Retirement	Special Assessment Debt Retirement	Totals 2002	Totals 2001
Assets:						
Pooled cash and cash equivalents	\$ 21,387	\$ -	\$ 348,055	\$ 101,025	\$ 470,467	\$ 137,551
Investments	-	-	1,775,471	4,401	1,779,872	1,894,286
Receivables:						
Accounts	-	-	124,221	-	124,221	-
Accrued interest	-	-	8,931	22	8,953	8,593
Special assessments	-	-	-	16,045,577	16,045,577	15,298,261
Total assets and other debits	<u>\$ 21,387</u>	<u>\$ -</u>	<u>\$ 2,256,678</u>	<u>\$ 16,151,025</u>	<u>\$ 18,429,090</u>	<u>\$ 17,338,691</u>
Liabilities:						
Deferred revenue	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,402,434</u>	<u>\$ 15,402,434</u>	<u>\$ 14,699,216</u>
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,402,434</u>	<u>15,402,434</u>	<u>14,699,216</u>
Equity and other credits:						
Fund balance:						
Reserved for debt service	<u>21,387</u>	<u>-</u>	<u>2,256,678</u>	<u>748,591</u>	<u>3,026,656</u>	<u>2,639,475</u>
Total equity and other credits	<u>21,387</u>	<u>-</u>	<u>2,256,678</u>	<u>748,591</u>	<u>3,026,656</u>	<u>2,639,475</u>
Total liabilities, equity and other credits	<u>\$ 21,387</u>	<u>\$ -</u>	<u>\$ 2,256,678</u>	<u>\$ 16,151,025</u>	<u>\$ 18,429,090</u>	<u>\$ 17,338,691</u>

**CITY OF CENTERVILLE, OHIO**

Debt Service Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balance

For the Fiscal Year Ended December 31, 2002

(with comparative totals for December 31, 2001)

	Unvoted Debt Retirement	Voted Bond Retirement	Golf Course Debt Retirement	Special Assessment Debt Retirement	Totals	
					2002	2001
<b>Revenues:</b>						
Special assessments	\$ -	\$ -	\$ -	\$ 657,154	\$ 657,154	\$ 611,861
Interest earned	1,046	-	101,652	6,450	109,148	80,895
Lot sales	-	-	149,571	-	149,571	152,578
Rent	-	-	592,902	-	592,902	592,100
Miscellaneous	-	-	-	-	-	2,034
Total revenues	<u>1,046</u>	<u>-</u>	<u>844,125</u>	<u>663,604</u>	<u>1,508,775</u>	<u>1,439,468</u>
<b>Expenditures:</b>						
<b>Current:</b>						
General government	-	-	-	30,352	30,352	27,122
<b>Debt service:</b>						
Principal	50,000	-	345,000	159,000	554,000	516,000
Interest and fiscal charges	<u>61,823</u>	<u>-</u>	<u>939,289</u>	<u>422,651</u>	<u>1,423,763</u>	<u>1,240,002</u>
Total expenditures	<u>111,823</u>	<u>-</u>	<u>1,284,289</u>	<u>612,003</u>	<u>2,008,115</u>	<u>1,783,124</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(110,777)</u>	<u>-</u>	<u>(440,164)</u>	<u>51,601</u>	<u>(499,340)</u>	<u>(343,656)</u>
<b>Other financing sources (uses):</b>						
Proceeds from sale of bonds	-	-	-	20,493	20,493	28,408
Operating transfers in	100,000	-	766,028	-	866,028	799,155
Operating transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(24,560)</u>
Total other financing sources (uses)	<u>100,000</u>	<u>-</u>	<u>766,028</u>	<u>20,493</u>	<u>886,521</u>	<u>803,003</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(10,777)	-	325,864	72,094	387,181	459,347
Fund balance at beginning of year	<u>32,164</u>	<u>-</u>	<u>1,930,814</u>	<u>676,497</u>	<u>2,639,475</u>	<u>2,180,128</u>
Fund balance at end of year	<u>\$ 21,387</u>	<u>\$ -</u>	<u>\$ 2,256,678</u>	<u>\$ 748,591</u>	<u>\$ 3,026,656</u>	<u>\$ 2,639,475</u>

**CITY OF CENTERVILLE, OHIO**

Unvoted Debt Retirement Debt Service Fund

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

For the Fiscal Year Ended December 31, 2002

(with comparative totals for December 31, 2001)

	2002			2001		
	<u>Budget</u>	<u>Actual Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Budget</u>	<u>Actual Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues:</b>						
Investment income	\$ 1,500	\$ 1,046	\$ (454)	\$ 1,500	\$ 3,914	\$ 2,414
Total revenues	<u>1,500</u>	<u>1,046</u>	<u>(454)</u>	<u>1,500</u>	<u>3,914</u>	<u>2,414</u>
<b>Expenditures:</b>						
Debt service:						
Principal	50,000	50,000	-	45,000	45,000	-
Interest	<u>61,830</u>	<u>61,823</u>	<u>7</u>	<u>63,830</u>	<u>63,825</u>	<u>5</u>
Total expenditures	<u>111,830</u>	<u>111,823</u>	<u>7</u>	<u>108,830</u>	<u>108,825</u>	<u>5</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(110,330)</u>	<u>(110,777)</u>	<u>(447)</u>	<u>(107,330)</u>	<u>(104,911)</u>	<u>2,419</u>
<b>Other financing sources (uses):</b>						
Operating transfers in	<u>100,000</u>	<u>100,000</u>	<u>-</u>	<u>70,000</u>	<u>94,560</u>	<u>24,560</u>
Total other financing sources (uses)	<u>100,000</u>	<u>100,000</u>	<u>-</u>	<u>70,000</u>	<u>94,560</u>	<u>24,560</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>(10,330)</u>	<u>(10,777)</u>	<u>(447)</u>	<u>(37,330)</u>	<u>(10,351)</u>	<u>26,979</u>
Fund balances at beginning of year	<u>32,164</u>	<u>32,164</u>	<u>-</u>	<u>42,515</u>	<u>42,515</u>	<u>-</u>
Fund balances at end of year	<u>\$ 21,834</u>	<u>\$ 21,387</u>	<u>\$ (447)</u>	<u>\$ 5,185</u>	<u>\$ 32,164</u>	<u>\$ 26,979</u>

**CITY OF CENTERVILLE, OHIO**

Voted Bond Retirement Debt Service Fund

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

For the Fiscal Year Ended December 31, 2002

(with comparative totals for December 31, 2001)

	2002			2001		
	<u>Budget</u>	<u>Actual Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Budget</u>	<u>Actual Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues:</b>						
Investment income	\$ -	\$ -	\$ -	\$ 777	\$ 777	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>777</u>	<u>777</u>	<u>-</u>
<b>Expenditures:</b>						
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>777</u>	<u>777</u>	<u>-</u>
<b>Other financing sources (uses):</b>						
Operating transfers out	-	-	-	(24,560)	(24,560)	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(24,560)</u>	<u>(24,560)</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>(23,783)</u>	<u>(23,783)</u>	<u>-</u>
Fund balances at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>23,783</u>	<u>23,783</u>	<u>-</u>
Fund balances at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



**CITY OF CENTERVILLE, OHIO**

Golf Course Debt Retirement Debt Service Fund

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

For the Fiscal Year Ended December 31, 2002

(with comparative totals for December 31, 2001)

	2002			2001		
	<u>Budget</u>	<u>Actual Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Budget</u>	<u>Actual Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues:</b>						
Investment income	\$ 103,900	\$ 49,355	\$ (54,545)	\$ 95,000	\$ 130,770	\$ 35,770
Sale of lots	764,910	587,048	(177,862)	1,115,000	857,173	(257,827)
Miscellaneous	<u>756,110</u>	<u>797,232</u>	<u>41,122</u>	<u>592,100</u>	<u>592,100</u>	<u>-</u>
Total revenues	<u>1,624,920</u>	<u>1,433,635</u>	<u>(191,285)</u>	<u>1,802,100</u>	<u>1,580,043</u>	<u>(222,057)</u>
<b>Expenditures:</b>						
Debt service:						
Principal	345,000	345,000	-	325,000	325,000	-
Interest	<u>939,290</u>	<u>939,289</u>	<u>1</u>	<u>850,860</u>	<u>790,857</u>	<u>60,003</u>
Total expenditures	<u>1,284,290</u>	<u>1,284,289</u>	<u>1</u>	<u>1,175,860</u>	<u>1,115,857</u>	<u>60,003</u>
Excess (deficiency) of revenues over (under) expenditures	<u>340,630</u>	<u>149,346</u>	<u>(191,284)</u>	<u>626,240</u>	<u>464,186</u>	<u>(162,054)</u>
<b>Other financing sources (uses):</b>						
Operating transfers in	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	340,630	149,346	(191,284)	626,240	464,186	(162,054)
Fund balances at beginning of year	<u>1,983,111</u>	<u>1,983,111</u>	<u>-</u>	<u>1,518,925</u>	<u>1,518,925</u>	<u>-</u>
Fund balances at end of year	<u>\$ 2,323,741</u>	<u>\$ 2,132,457</u>	<u>\$ (191,284)</u>	<u>\$ 2,145,165</u>	<u>\$ 1,983,111</u>	<u>\$ (162,054)</u>

**CITY OF CENTERVILLE, OHIO**

Special Assessment Debt Retirement Debt Service Fund

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

For the Fiscal Year Ended December 31, 2002

(with comparative totals for December 31, 2001)

	2002			2001		
	Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)	Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
<b>Revenues:</b>						
Special assessments	\$ 599,050	\$ 613,056	\$ 14,006	\$ 530,100	\$ 571,587	\$ 41,487
Investment income	12,000	6,450	(5,550)	10,000	15,341	5,341
Miscellaneous	-	-	-	-	2,034	2,034
Total revenues	<u>611,050</u>	<u>619,506</u>	<u>8,456</u>	<u>540,100</u>	<u>588,962</u>	<u>48,862</u>
<b>Expenditures:</b>						
Current:						
General government	39,000	30,352	8,648	27,750	27,122	628
Debt service:						
Principal	159,000	159,000	-	146,000	146,000	-
Interest	<u>421,980</u>	<u>422,651</u>	<u>(671)</u>	<u>384,700</u>	<u>385,319</u>	<u>(619)</u>
Total expenditures	<u>619,980</u>	<u>612,003</u>	<u>7,977</u>	<u>558,450</u>	<u>558,441</u>	<u>9</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(8,930)</u>	<u>7,503</u>	<u>16,433</u>	<u>(18,350)</u>	<u>30,521</u>	<u>48,871</u>
<b>Other financing sources (uses):</b>						
Proceeds from sale of bonds	<u>20,000</u>	<u>20,493</u>	<u>493</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>20,000</u>	<u>20,493</u>	<u>493</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	11,070	27,996	16,926	(18,350)	30,521	48,871
Fund balances at beginning of year	<u>77,452</u>	<u>77,452</u>	<u>-</u>	<u>46,931</u>	<u>46,931</u>	<u>-</u>
Fund balances at end of year	<u>\$ 88,522</u>	<u>\$ 105,448</u>	<u>\$ 16,926</u>	<u>\$ 28,581</u>	<u>\$ 77,452</u>	<u>\$ 48,871</u>

## Capital Projects Funds

Capital projects funds account for the acquisition of fixed assets or construction of major capital projects not being financed by proprietary funds.

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***Capital Improvements Fund*** – A fund provided to account for the various capital improvement projects of the City including streets, sidewalks, land acquisition and building improvements.

***Recreational Projects Fund (Golf Course Expansion Fund)*** – A fund provided to account for the costs related to the expansion of the golf course.

***Capital Equipment Purchase Fund*** – A fund provided to account for the acquisition of major operating and office equipment.

***Special Assessment Improvements Fund*** – A fund provided to account for the revenues and expenditures relating to various special assessment projects throughout the City.

**CITY OF CENTERVILLE, OHIO**

Capital Projects Funds

Combining Balance Sheet

December 31, 2002

(with comparative totals for December 31, 2001)

	<u>Capital</u> <u>Improvements</u>	<u>Recreational</u> <u>Projects</u>	<u>Capital</u> <u>Equipment</u> <u>Purchase</u>	<u>Special</u> <u>Assessment</u> <u>Improvements</u>	<u>Totals</u>	
					<u>2002</u>	<u>2001</u>
<b>Assets:</b>						
Pooled cash and cash equivalents	\$ 115,513	\$ 317,399	\$ 38,659	\$ 479,658	\$ 951,229	\$ 378,944
Investments	6,649,317	72,785	158,198	153,201	7,033,501	5,884,381
<b>Receivables:</b>						
Accounts	966	136	-	-	1,102	11,444
Accrued interest	<u>33,449</u>	<u>366</u>	<u>796</u>	<u>771</u>	<u>35,382</u>	<u>26,693</u>
Total assets and other debits	<u>\$6,799,245</u>	<u>\$ 390,686</u>	<u>\$ 197,653</u>	<u>\$ 633,630</u>	<u>\$ 8,021,214</u>	<u>\$ 6,301,462</u>
<b>Liabilities:</b>						
Accounts payable	\$ 49,051	\$ -	\$ 7,138	\$ -	\$ 56,189	\$ 71,963
Interfund payable	-	-	-	-	-	-
Deferred revenue	<u>103,835</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>103,835</u>	<u>94,280</u>
Total liabilities	<u>152,886</u>	<u>-</u>	<u>7,138</u>	<u>-</u>	<u>160,024</u>	<u>166,243</u>
<b>Equity and other credits:</b>						
<b>Fund balance:</b>						
Reserved for encumbrances	1,241,405	58,216	34,163	31,112	1,364,896	912,184
<b>Unreserved:</b>						
Designated for capital projects	2,000,000	-	-	-	2,000,000	1,000,000
Undesignated	<u>3,404,954</u>	<u>332,470</u>	<u>156,352</u>	<u>602,518</u>	<u>4,496,294</u>	<u>4,223,035</u>
Total equity and other credits	<u>6,646,359</u>	<u>390,686</u>	<u>190,515</u>	<u>633,630</u>	<u>7,861,190</u>	<u>6,135,219</u>
Total liabilities, equity and other credits	<u>\$6,799,245</u>	<u>\$ 390,686</u>	<u>\$ 197,653</u>	<u>\$ 633,630</u>	<u>\$ 8,021,214</u>	<u>\$ 6,301,462</u>

**CITY OF CENTERVILLE, OHIO**

Capital Projects Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balance

For the Fiscal Year Ended December 31, 2002

(with comparative totals for December 31, 2001)

	<u>Capital Improvements</u>	<u>Recreational Projects</u>	<u>Capital Equipment Purchase</u>	<u>Special Assessment Improvements</u>	Totals	
					<u>2002</u>	<u>2001</u>
<b>Revenues:</b>						
Intergovernmental	\$ 611,344	\$ -	\$ -	\$ -	\$ 611,344	\$ 485,140
Interest earned	247,179	46,157	9,305	30,185	332,826	85,624
Miscellaneous	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>223,116</u>
Total revenues	<u>858,523</u>	<u>46,157</u>	<u>9,305</u>	<u>30,185</u>	<u>944,170</u>	<u>793,880</u>
<b>Expenditures:</b>						
<b>Current:</b>						
General government	-	-	-	38,135	38,135	121,370
Capital outlay	<u>1,784,521</u>	<u>634,777</u>	<u>20,084</u>	<u>565,859</u>	<u>3,005,241</u>	<u>4,580,068</u>
Total expenditures	<u>1,784,521</u>	<u>634,777</u>	<u>20,084</u>	<u>603,994</u>	<u>3,043,376</u>	<u>4,701,438</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(925,998)</u>	<u>(588,620)</u>	<u>(10,779)</u>	<u>(573,809)</u>	<u>(2,099,206)</u>	<u>(3,907,558)</u>
<b>Other financing sources (uses):</b>						
Proceeds from sale of bonds	-	-	-	629,507	629,507	4,261,592
Operating transfers in	3,400,000	-	-	-	3,400,000	4,000,000
Operating transfers out	<u>-</u>	<u>(204,330)</u>	<u>-</u>	<u>-</u>	<u>(204,330)</u>	<u>-</u>
Total other financing sources (uses)	<u>3,400,000</u>	<u>(204,330)</u>	<u>-</u>	<u>629,507</u>	<u>3,825,177</u>	<u>8,261,592</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	2,474,002	(792,950)	(10,779)	55,698	1,725,971	4,354,034
Fund balance at beginning of year	<u>4,172,357</u>	<u>1,183,636</u>	<u>201,294</u>	<u>577,932</u>	<u>6,135,219</u>	<u>1,781,185</u>
Fund balance at end of year	<u>\$ 6,646,359</u>	<u>\$ 390,686</u>	<u>\$ 190,515</u>	<u>\$ 633,630</u>	<u>\$ 7,861,190</u>	<u>\$ 6,135,219</u>

**CITY OF CENTERVILLE, OHIO**

Capital Improvements Capital Projects Fund

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

For the Fiscal Year Ended December 31, 2002

(with comparative totals for December 31, 2001)

	2002			2001		
	<u>Budget</u>	<u>Actual Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Budget</u>	<u>Actual Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues:</b>						
Intergovernmental revenues	\$ 300,000	\$ 300,000	\$ -	\$ -	\$ -	\$ -
Investment income	170,000	132,941	(37,059)	150,000	152,622	2,622
Miscellaneous	-	9,555	9,555	-	-	-
Total revenues	<u>470,000</u>	<u>442,496</u>	<u>(27,504)</u>	<u>150,000</u>	<u>152,622</u>	<u>2,622</u>
<b>Expenditures:</b>						
Capital outlay	<u>3,301,500</u>	<u>2,190,613</u>	<u>1,110,887</u>	<u>4,354,500</u>	<u>1,453,757</u>	<u>2,900,743</u>
Total expenditures	<u>3,301,500</u>	<u>2,190,613</u>	<u>1,110,887</u>	<u>4,354,500</u>	<u>1,453,757</u>	<u>2,900,743</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,831,500)</u>	<u>(1,748,117)</u>	<u>1,083,383</u>	<u>(4,204,500)</u>	<u>(1,301,135)</u>	<u>2,903,365</u>
<b>Other financing sources (uses):</b>						
Operating transfers in	<u>3,400,000</u>	<u>3,400,000</u>	<u>-</u>	<u>4,000,000</u>	<u>4,000,000</u>	<u>-</u>
Total other financing sources (uses)	<u>3,400,000</u>	<u>3,400,000</u>	<u>-</u>	<u>4,000,000</u>	<u>4,000,000</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	568,500	1,651,883	1,083,383	(204,500)	2,698,865	2,903,365
Fund balances at beginning of year	<u>3,855,933</u>	<u>3,855,933</u>	<u>-</u>	<u>1,157,068</u>	<u>1,157,068</u>	<u>-</u>
Fund balances at end of year	<u>\$ 4,424,433</u>	<u>\$ 5,507,816</u>	<u>\$ 1,083,383</u>	<u>\$ 952,568</u>	<u>\$ 3,855,933</u>	<u>\$ 2,903,365</u>

**CITY OF CENTERVILLE, OHIO**

Recreational Projects Capital Projects Fund

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

For the Fiscal Year Ended December 31, 2002

(with comparative totals for December 31, 2001)

	2002			2001		
	<u>Budget</u>	<u>Actual Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Budget</u>	<u>Actual Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues:</b>						
Investment income	\$ 20,000	\$ 17,846	\$ (2,154)	\$ -	\$ 41,008	\$ 41,008
Miscellaneous	<u>-</u>	<u>(204,330)</u>	<u>(204,330)</u>	<u>100,000</u>	<u>205,183</u>	<u>105,183</u>
Total revenues	<u>20,000</u>	<u>(186,484)</u>	<u>(206,484)</u>	<u>100,000</u>	<u>246,191</u>	<u>146,191</u>
<b>Expenditures:</b>						
Capital outlay	<u>417,850</u>	<u>336,985</u>	<u>80,865</u>	<u>2,820,000</u>	<u>2,496,559</u>	<u>323,441</u>
Total expenditures	<u>417,850</u>	<u>336,985</u>	<u>80,865</u>	<u>2,820,000</u>	<u>2,496,559</u>	<u>323,441</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(397,850)</u>	<u>(523,469)</u>	<u>(125,619)</u>	<u>(2,720,000)</u>	<u>(2,250,368)</u>	<u>469,632</u>
<b>Other financing sources (uses):</b>						
Proceeds from sale of bonds	-	-	-	3,000,000	3,205,446	205,446
Advances out	<u>-</u>	<u>-</u>	<u>-</u>	<u>(100,000)</u>	<u>(100,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,900,000</u>	<u>3,105,446</u>	<u>205,446</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>(397,850)</u>	<u>(523,469)</u>	<u>(125,619)</u>	<u>180,000</u>	<u>855,078</u>	<u>675,078</u>
Fund balances at beginning of year	<u>855,802</u>	<u>855,802</u>	<u>-</u>	<u>724</u>	<u>724</u>	<u>-</u>
Fund balances at end of year	<u>\$ 457,952</u>	<u>\$ 332,333</u>	<u>\$ (125,619)</u>	<u>\$ 180,724</u>	<u>\$ 855,802</u>	<u>\$ 675,078</u>

**CITY OF CENTERVILLE, OHIO**

Capital Equipment Purchase Capital Projects Fund

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

For the Fiscal Year Ended December 31, 2002

(with comparative totals for December 31, 2001)

	2002			2001		
	<u>Budget</u>	<u>Actual Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Budget</u>	<u>Actual Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues:</b>						
Investment income	\$ 8,000	\$ 4,490	\$ (3,510)	\$ 15,000	\$ 13,845	\$ (1,155)
Total revenues	<u>8,000</u>	<u>4,490</u>	<u>(3,510)</u>	<u>15,000</u>	<u>13,845</u>	<u>(1,155)</u>
<b>Expenditures:</b>						
Capital outlay	<u>66,900</u>	<u>50,093</u>	<u>16,807</u>	<u>142,850</u>	<u>94,305</u>	<u>48,545</u>
Total expenditures	<u>66,900</u>	<u>50,093</u>	<u>16,807</u>	<u>142,850</u>	<u>94,305</u>	<u>48,545</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(58,900)</u>	<u>(45,603)</u>	<u>13,297</u>	<u>(127,850)</u>	<u>(80,460)</u>	<u>47,390</u>
<b>Other financing sources (uses):</b>						
Sale of fixed assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>630</u>	<u>630</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>630</u>	<u>630</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>(58,900)</u>	<u>(45,603)</u>	<u>13,297</u>	<u>(127,850)</u>	<u>(79,830)</u>	<u>48,020</u>
Fund balances at beginning of year	<u>202,071</u>	<u>202,071</u>	<u>-</u>	<u>281,901</u>	<u>281,901</u>	<u>-</u>
Fund balances at end of year	<u>\$ 143,171</u>	<u>\$ 156,468</u>	<u>\$ 13,297</u>	<u>\$ 154,051</u>	<u>\$ 202,071</u>	<u>\$ 48,020</u>



**CITY OF CENTERVILLE, OHIO**

Special Assessment Improvements Capital Projects Fund

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

For the Fiscal Year Ended December 31, 2002

(with comparative totals for December 31, 2001)

	2002			2001		
	<u>Budget</u>	<u>Actual Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Budget</u>	<u>Actual Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues:</b>						
Investment income	\$ 20,000	\$ 15,091	\$ (4,909)	\$ 10,000	\$ 49,264	\$ 39,264
Total revenues	<u>20,000</u>	<u>15,091</u>	<u>(4,909)</u>	<u>10,000</u>	<u>49,264</u>	<u>39,264</u>
<b>Expenditures:</b>						
Capital outlay	<u>650,000</u>	<u>558,903</u>	<u>91,097</u>	<u>1,100,000</u>	<u>767,638</u>	<u>332,362</u>
Total expenditures	<u>650,000</u>	<u>558,903</u>	<u>91,097</u>	<u>1,100,000</u>	<u>767,638</u>	<u>332,362</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(630,000)</u>	<u>(543,812)</u>	<u>86,188</u>	<u>(1,090,000)</u>	<u>(718,374)</u>	<u>371,626</u>
<b>Other financing sources (uses):</b>						
Proceeds from sale of bonds	<u>650,000</u>	<u>591,372</u>	<u>(58,628)</u>	<u>1,100,000</u>	<u>950,312</u>	<u>(149,688)</u>
Total other financing sources (uses)	<u>650,000</u>	<u>591,372</u>	<u>(58,628)</u>	<u>1,100,000</u>	<u>950,312</u>	<u>(149,688)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	20,000	47,560	27,560	10,000	231,938	221,938
Fund balances at beginning of year	<u>554,957</u>	<u>554,957</u>	<u>-</u>	<u>323,019</u>	<u>323,019</u>	<u>-</u>
Fund balances at end of year	<u>\$ 574,957</u>	<u>\$ 602,517</u>	<u>\$ 27,560</u>	<u>\$ 333,019</u>	<u>\$ 554,957</u>	<u>\$ 221,938</u>

## **Enterprise Funds**

Enterprise funds are used to account for those operations that are financed and operated in a manner similar to private business or where the City has decided that the determination of revenues earned, costs incurred and/or net income is necessary for management accountability.

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***Waste Collection Fund*** – A fund provided to account for the collection of fees relating to the collection of refuse by the City.

***Golf Course Operations Fund*** – A fund provided to account for the operation of the City's municipal golf course, The Golf Club at Yankee Trace.

***Yankee Trace Capital and Equipment Fund*** – A fund provided to account for the acquisition of capital and equipment related to The Golf Club at Yankee Trace.

**CITY OF CENTERVILLE, OHIO**

Enterprise Funds

Combining Balance Sheet

December 31, 2002

(with comparative totals for December 31, 2001)

	<u>Waste Collection</u>	<u>Golf Course Operations</u>	<u>Yankee Trace Capital and Equipment</u>	Totals	
				<u>2002</u>	<u>2001</u>
<b>Assets:</b>					
Pooled cash and cash equivalents	\$ 135,417	\$ 60,976	\$ 83,366	\$ 279,759	\$ 242,637
Investments	660,901	-	-	660,901	676,556
Receivables:					
Accounts	53,027	31,430	-	84,457	157,126
Accrued interest	3,325	-	-	3,325	3,069
Prepaid items	17,567	13,120	-	30,687	38,166
Inventory	-	273,479	-	273,479	245,488
Property and equipment	21,073	20,051,803	753,055	20,825,931	18,608,200
Accumulated depreciation	<u>(17,513)</u>	<u>(1,016,918)</u>	<u>(341,150)</u>	<u>(1,375,581)</u>	<u>(1,092,341)</u>
Total assets and other debits	<u>\$ 873,797</u>	<u>\$ 19,413,890</u>	<u>\$ 495,271</u>	<u>\$ 20,782,958</u>	<u>\$ 18,878,901</u>
<b>Liabilities:</b>					
Accounts payable	\$ 38,530	\$ 73,928	\$ -	\$ 112,458	\$ 115,631
Accrued liabilities	47,595	86,336	-	133,931	130,779
Compensated absences payable	80,025	39,048	-	119,073	122,128
Deferred revenue	192,802	-	-	192,802	188,913
Deposit liability	-	29,775	-	29,775	27,573
Capital lease payable	<u>-</u>	<u>9,183</u>	<u>-</u>	<u>9,183</u>	<u>64,848</u>
Total liabilities	<u>358,952</u>	<u>238,270</u>	<u>-</u>	<u>597,222</u>	<u>649,872</u>
<b>Equity and other credits:</b>					
Retained earnings	514,845	(610,533)	102,729	7,041	197,284
Contributed capital	<u>-</u>	<u>19,786,153</u>	<u>392,542</u>	<u>20,178,695</u>	<u>18,031,745</u>
Total equity and other credits	<u>514,845</u>	<u>19,175,620</u>	<u>495,271</u>	<u>20,185,736</u>	<u>18,229,029</u>
 Total liabilities, equity and other credits	 <u>\$ 873,797</u>	 <u>\$ 19,413,890</u>	 <u>\$ 495,271</u>	 <u>\$ 20,782,958</u>	 <u>\$ 18,878,901</u>

**CITY OF CENTERVILLE, OHIO**

Enterprise Funds

Combining Statement of Revenues, Expenses and Changes in Retained Earnings

For the Fiscal Year Ended December 31, 2002

(with comparative totals for December 31, 2001)

	<u>Waste Collection</u>	<u>Golf Course Operations</u>	<u>Yankee Trace Capital and Equipment</u>	Totals	
				<u>2002</u>	<u>2001</u>
Operating revenues:					
Charges for services	\$1,058,064	\$3,320,707	\$ 94,740	\$ 4,473,511	\$ 4,506,760
Miscellaneous	<u>6,819</u>	<u>71,621</u>	<u>-</u>	<u>78,440</u>	<u>35,507</u>
Total operating revenues	<u>1,064,883</u>	<u>3,392,328</u>	<u>94,740</u>	<u>4,551,951</u>	<u>4,542,267</u>
Operating expenses:					
Salaries and wages	550,551	1,266,877	-	1,817,428	1,814,695
Fringe benefits	149,074	241,785	-	390,859	376,300
Purchased services	280,422	992,977	-	1,273,399	1,262,396
Supplies and materials	59,392	860,427	1,062	920,881	1,064,981
Other expenses	96,242	210,634	-	306,876	259,749
Depreciation	<u>1,072</u>	<u>191,230</u>	<u>112,143</u>	<u>304,445</u>	<u>277,515</u>
Total operating expenses	<u>1,136,753</u>	<u>3,763,930</u>	<u>113,205</u>	<u>5,013,888</u>	<u>5,055,636</u>
Operating income (loss)	<u>(71,870)</u>	<u>(371,602)</u>	<u>(18,465)</u>	<u>(461,937)</u>	<u>(513,369)</u>
Non-operating revenue (expenses):					
Interest income	37,633	-	1,133	38,766	26,932
Interest expense	-	(2,249)	-	(2,249)	(5,295)
Gain (loss) on disposal of assets	<u>-</u>	<u>35,019</u>	<u>17,158</u>	<u>52,177</u>	<u>(20,227)</u>
Net non-operating revenues (expense)	<u>37,633</u>	<u>32,770</u>	<u>18,291</u>	<u>88,694</u>	<u>1,410</u>
Income (loss) before operating transfers	<u>(34,237)</u>	<u>(338,832)</u>	<u>(174)</u>	<u>(373,243)</u>	<u>(511,959)</u>
Operating transfers in	<u>-</u>	<u>183,000</u>	<u>-</u>	<u>183,000</u>	<u>206,000</u>
	<u>-</u>	<u>183,000</u>	<u>-</u>	<u>183,000</u>	<u>206,000</u>
Net income (loss)	(34,237)	(155,832)	(174)	(190,243)	(305,959)
Retained earnings, beginning of year	<u>549,082</u>	<u>(454,701)</u>	<u>102,903</u>	<u>197,284</u>	<u>503,243</u>
Retained earnings, end of year	<u>\$ 514,845</u>	<u>\$ (610,533)</u>	<u>\$ 102,729</u>	<u>\$ 7,041</u>	<u>\$ 197,284</u>

**CITY OF CENTERVILLE, OHIO**

**Enterprise Funds**

Combining Statement of Cash Flows

For the Fiscal Year Ended December 31, 2002

(with comparative totals for December 31, 2001)

	<u>Waste Collection</u>	<u>Golf Course Operations</u>	<u>Yankee Trace Capital and Equipment</u>	<u>Totals 2002</u>	<u>2001</u>
Cash flows from operating activities:					
Cash received from customers	\$ 1,055,966	\$ 3,402,058	\$ 94,740	\$ 4,552,764	\$4,510,370
Cash paid to suppliers and employees	(1,134,353)	(3,598,353)	(1,062)	(4,733,768)	(4,755,248)
Other receipts	<u>6,819</u>	<u>71,865</u>	<u>-</u>	<u>78,684</u>	<u>35,508</u>
Net cash provided (used) by operating activities	<u>(71,568)</u>	<u>(124,430)</u>	<u>93,678</u>	<u>(102,320)</u>	<u>(209,370)</u>
Cash flows from non-capital financing activities:					
Transfers in	<u>-</u>	<u>183,000</u>	<u>-</u>	<u>183,000</u>	<u>206,000</u>
Cash flows from capital and related financing activities:					
Purchase of property and equipment	(885)	-	(38,924)	(39,809)	(90,911)
Proceeds from sale of property and equipment	-	-	-	-	20,846
Principal payments on capital lease	-	(55,665)	-	(55,665)	(52,620)
Interest payments on capital lease	<u>-</u>	<u>(2,249)</u>	<u>-</u>	<u>(2,249)</u>	<u>(5,295)</u>
Net cash used by capital and related financing activities	<u>(885)</u>	<u>(57,914)</u>	<u>(38,924)</u>	<u>(97,723)</u>	<u>(127,980)</u>
Cash flows from investing activities:					
Purchase of investments	(664,225)	-	-	(664,225)	(698,302)
Sale of investments	698,302	-	-	698,302	-
Interest received	<u>18,955</u>	<u>-</u>	<u>1,133</u>	<u>20,088</u>	<u>51,748</u>
Net cash provided (used) by investing activities	<u>53,032</u>	<u>-</u>	<u>1,133</u>	<u>54,165</u>	<u>(646,554)</u>
Increase (decrease) in cash and cash equivalents	(19,421)	656	55,887	37,122	(777,904)
Cash and cash equivalents, beginning of year	<u>154,838</u>	<u>60,320</u>	<u>27,479</u>	<u>242,637</u>	<u>1,020,541</u>
Cash and cash equivalents, end of year	<u>\$ 135,417</u>	<u>\$ 60,976</u>	<u>\$ 83,366</u>	<u>\$ 279,759</u>	<u>\$ 242,637</u>

continued

continued

Reconciliation of Operating Income to Net Cash  
 Provided (Used) by Operating Activities

Operating income (loss)	\$ (71,870)	\$ (371,602)	\$ (18,465)	\$ (461,937)	\$ (513,369)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:					
Depreciation	1,072	191,230	112,143	304,445	277,515
Change in operating assets and liabilities:					
Net receivables	(5,987)	78,656	-	72,669	13,584
Prepaid expenses	(3,179)	10,658	-	7,479	(22,750)
Inventory	-	(27,991)	-	(27,991)	(14,973)
Net liabilities	8,396	(5,381)	-	3,015	50,623
Total adjustments	<u>302</u>	<u>247,172</u>	<u>112,143</u>	<u>359,617</u>	<u>303,999</u>
Net cash provided (used) by operating activities	\$ <u>(71,568)</u>	\$ <u>(124,430)</u>	\$ <u>93,678</u>	\$ <u>(102,320)</u>	\$ <u>(209,370)</u>
Non-cash investing, capital and financing activities:					
Contribution of property and equipment					
from governmental funds	\$ -	\$ 2,132,805	\$ 85,900	\$ 2,218,705	\$ 626,759
Change in fair value of investments	\$ (3,324)	\$ -	\$ -	\$ (3,324)	\$ -

## **Internal Service Funds**

Internal service funds account for operations that provide services to other departments of the City on a cost-reimbursement basis.

---

***Central Vehicle Purchase Fund*** – A fund provided to account for the acquisition of motor vehicles by the City.

***Insurance Deductible Trust Fund*** – A fund provided to account for the payment of deductibles relating to the City's general insurance coverage.

**CITY OF CENTERVILLE, OHIO**

Internal Service Funds

Combining Balance Sheet

December 31, 2002

(with comparative totals for December 31, 2001)

	Central Vehicle <u>Purchase</u>	Insurance <u>Deductible</u>	Totals	
			<u>2002</u>	<u>2001</u>
<b>Assets:</b>				
Pooled cash and cash equivalents	\$ 136,641	\$ 110,071	\$ 246,712	\$ 215,598
Investments	492,722	154,857	647,579	616,010
Receivables:				
Accrued interest	2,479	779	3,258	2,794
Property and equipment	2,793,673	-	2,793,673	2,578,874
Accumulated depreciation	<u>(1,636,805)</u>	<u>-</u>	<u>(1,636,805)</u>	<u>(1,391,468)</u>
Total assets and other debits	<u>\$ 1,788,710</u>	<u>\$ 265,707</u>	<u>\$2,054,417</u>	<u>\$ 2,021,808</u>
<b>Liabilities:</b>				
Accounts payable	<u>\$ -</u>	<u>\$ 165</u>	<u>\$ 165</u>	<u>\$ 450</u>
Total liabilities	<u>-</u>	<u>165</u>	<u>165</u>	<u>450</u>
<b>Equity and other credits:</b>				
Retained earnings	1,769,650	265,542	2,035,192	2,002,298
Contributed capital	<u>19,060</u>	<u>-</u>	<u>19,060</u>	<u>19,060</u>
Total equity and other credits	<u>1,788,710</u>	<u>265,542</u>	<u>2,054,252</u>	<u>2,021,358</u>
Total liabilities, equity and other credits	<u>\$ 1,788,710</u>	<u>\$ 265,707</u>	<u>\$2,054,417</u>	<u>\$ 2,021,808</u>



**CITY OF CENTERVILLE, OHIO**

Internal Service Funds

Combining Statement of Revenues, Expenses and Changes in Retained Earnings

For the Fiscal Year Ended December 31, 2002

(with comparative totals for December 31, 2001)

	Central Vehicle Purchase	Insurance Deductible	Totals 2002	2001
Operating revenues:				
Charges for services	\$ 285,780	\$ -	\$ 285,780	\$ 266,430
Miscellaneous	<u>-</u>	<u>4,861</u>	<u>4,861</u>	<u>44,533</u>
Total operating revenues	<u>285,780</u>	<u>4,861</u>	<u>290,641</u>	<u>310,963</u>
Operating expenses:				
Purchased services	-	165	165	11,582
Supplies and materials	1,347	-	1,347	2,194
Other expenses	-	11,274	11,274	-
Depreciation	<u>297,179</u>	<u>-</u>	<u>297,179</u>	<u>261,705</u>
Total operating expenses	<u>298,526</u>	<u>11,439</u>	<u>309,965</u>	<u>275,481</u>
Operating income	<u>(12,746)</u>	<u>(6,578)</u>	<u>(19,324)</u>	<u>35,482</u>
Non-operating revenue (expenses):				
Interest income	27,435	9,767	37,202	33,266
Gain (loss) on disposal of assets	<u>15,016</u>	<u>-</u>	<u>15,016</u>	<u>22,193</u>
Net non-operating revenues	<u>42,451</u>	<u>9,767</u>	<u>52,218</u>	<u>55,459</u>
Income before operating transfers	<u>29,705</u>	<u>3,189</u>	<u>32,894</u>	<u>90,941</u>
Operating transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net income	29,705	3,189	32,894	90,941
Retained earnings, beginning of year	<u>1,739,945</u>	<u>262,353</u>	<u>2,002,298</u>	<u>1,911,357</u>
Retained earnings, end of year	<u>\$ 1,769,650</u>	<u>\$ 265,542</u>	<u>\$2,035,192</u>	<u>\$ 2,002,298</u>

**CITY OF CENTERVILLE, OHIO**

**Internal Service Funds**

Combining Statement of Cash Flows

For the Fiscal Year Ended December 31, 2002

(with comparative totals for December 31, 2001)

	Central Vehicle <u>Purchase</u>	Insurance <u>Deductible</u>	Totals <u>2002</u>	<u>2001</u>
Cash flows from operating activities:				
Cash received from customers	\$ 285,780	\$ 4,861	\$ 290,641	\$ 273,913
Cash paid to suppliers and employees	(1,797)	(11,274)	(13,071)	(13,326)
Other receipts	<u>-</u>	<u>-</u>	<u>-</u>	<u>37,050</u>
Net cash provided (used) by operating activities	<u>283,983</u>	<u>(6,413)</u>	<u>277,570</u>	<u>297,637</u>
Cash flows from capital and related financing activities:				
Purchase of property and equipment	(266,641)	-	(266,641)	(400,326)
Proceeds from sale of property and equipment	<u>15,016</u>	<u>-</u>	<u>15,016</u>	<u>28,628</u>
Net cash used by capital and related financing activities	<u>(251,625)</u>	<u>-</u>	<u>(251,625)</u>	<u>(371,698)</u>
Cash flows from investing activities:				
Purchase of investments	(495,200)	(155,636)	(650,836)	(635,811)
Sale of investments	483,768	152,043	635,811	-
Interest received	<u>14,494</u>	<u>5,700</u>	<u>20,194</u>	<u>58,970</u>
Net cash provided (used) by investing activities	<u>3,062</u>	<u>2,107</u>	<u>5,169</u>	<u>(576,841)</u>
Increase (decrease) in cash and cash equivalents	35,420	(4,306)	31,114	(650,902)
Cash and cash equivalents at beginning of year	<u>101,221</u>	<u>114,377</u>	<u>215,598</u>	<u>866,500</u>
Cash and cash equivalents at end of year	<u>\$ 136,641</u>	<u>\$ 110,071</u>	<u>\$ 246,712</u>	<u>\$ 215,598</u>

Reconciliation of Operating Income to Net Cash

Provided (Used) by Operating Activities

Operating income (loss)	\$ (12,746)	\$ (6,578)	\$ (19,324)	\$ 35,482
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Adjustments to reconcile operating income to net cash provided (used) by operating activities:

Depreciation	297,179	-	297,179	261,705
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Change in operating assets and liabilities:

Net liabilities	<u>(450)</u>	<u>165</u>	<u>(285)</u>	<u>450</u>
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Total adjustments	<u>296,729</u>	<u>165</u>	<u>296,894</u>	<u>262,155</u>
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Net cash provided (used) by operating activities	<u>\$ 283,983</u>	<u>\$ (6,413)</u>	<u>\$ 277,570</u>	<u>\$ 297,637</u>
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Non-cash investing, capital and financing activities:

Change in fair value of investments	\$ (2,478)	\$ (779)	\$ (3,257)	\$ -
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## **Agency Fund**

The agency fund is used to account for assets held by the City as an agent for individuals, private organizations, other governments and/or funds.

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***Agency Fund*** – A fund provided to account for assets held by the City as an agent for another organization.

**CITY OF CENTERVILLE, OHIO**

Agency Fund

Comparative Balance Sheets

December 31, 2002 and 2001

	<u>2002</u>	<u>2001</u>
Assets:		
Pooled cash and cash equivalents	\$ 4,116	\$ 52,808
Receivables:		
Accounts	36,635	1,403
Prepaid items	<u>1,171</u>	<u>2,339</u>
Total assets and other debits	<u>\$ 41,922</u>	<u>\$ 56,550</u>
Liabilities:		
Accounts payable	<u>\$ 41,922</u>	<u>\$ 56,550</u>
Total liabilities	<u>41,922</u>	<u>56,550</u>
Equity and other credits:		
Fund balance:		
Unreserved, undesignated	<u>-</u>	<u>-</u>
Total equity and other credits	<u>-</u>	<u>-</u>
Total liabilities, equity and other credits	<u>\$ 41,922</u>	<u>\$ 56,550</u>

**CITY OF CENTERVILLE, OHIO**  
 Agency Fund  
 Statement of Changes in Assets and Liabilities  
 For the Fiscal Year Ended December 31, 2002

	<u>Balance</u> <u>12/31/01</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12/31/02</u>
<b>Assets:</b>				
Pooled cash and cash equivalents	\$ 52,808	\$ 372,426	\$ (421,118)	\$ 4,116
Receivables:				
Accounts	1,403	36,635	(1,403)	36,635
Prepaid items	<u>2,339</u>	<u>1,171</u>	<u>(2,339)</u>	<u>1,171</u>
Total assets	<u>\$ 56,550</u>	<u>\$ 410,232</u>	<u>\$ (424,860)</u>	<u>\$ 41,922</u>
<b>Liabilities:</b>				
Accounts payable	<u>\$ 56,550</u>	<u>\$ 41,922</u>	<u>\$ (56,550)</u>	<u>\$ 41,922</u>

## **General Fixed Assets Account Group**

**CITY OF CENTERVILLE, OHIO**  
 Schedule of General Fixed Assets - By Source  
 December 31, 2002

General Fixed Assets:

Land	\$ 2,185,832
Buildings and improvements	7,566,280
Machinery and equipment	<u>2,579,144</u>
 Total general fixed assets	 <u>\$ 12,331,256</u>

Investment in General Fixed Assets by Source:

General fund revenues	\$ 652,171
Special revenue fund revenues	6,132,477
Capital projects fund revenues	592,556
Donated assets	391,939
Acquisitions prior to January 1, 2000 *	<u>4,562,113</u>
 Total investment in general fixed assets	 <u><u>\$ 12,331,256</u></u>

\* Source not available for years prior to the production of the first Comprehensive Annual Financial Report.

**CITY OF CENTERVILLE, OHIO**

## Schedule of General Fixed Assets - By Function and Activity

December 31, 2002

<u>Function and Activity</u>	<u>Land</u>	<u>Buildings and Improvements</u>	<u>Machinery and Equipment</u>	<u>Construction in Progress</u>	<u>Total</u>
General government	\$ 957,257	\$ 1,188,053	\$ 523,536	\$ -	\$ 2,668,846
Public safety	343,556	5,705,438	1,198,113	-	7,247,107
Community environment	-	-	36,477	-	36,477
Recreation	735,278	672,789	259,257	-	1,667,324
Transportation	<u>149,741</u>	<u>-</u>	<u>561,761</u>	<u>-</u>	<u>711,502</u>
Total general fixed assets	<u>\$ 2,185,832</u>	<u>\$ 7,566,280</u>	<u>\$ 2,579,144</u>	<u>\$ -</u>	<u>\$ 12,331,256</u>

**CITY OF CENTERVILLE, OHIO**

## Schedule of Changes in General Fixed Assets - By Function and Activity

For the Fiscal Year Ended December 31, 2002

<u>Function and Activity</u>	<u>Assets 1/1/02</u>	<u>Additions</u>	<u>Deletions</u>	<u>Assets 12/31/02</u>
General government	\$ 2,643,995	\$ 28,401	\$ (3,550)	\$ 2,668,846
Public safety	6,742,076	6,518,835	(6,013,804)	7,247,107
Community environment	37,139	5,338	(6,000)	36,477
Recreation	3,147,267	49,150	(1,529,093)	1,667,324
Transportation	<u>715,593</u>	<u>22,908</u>	<u>(26,999)</u>	<u>711,502</u>
Total general fixed assets	<u>\$ 13,286,070</u>	<u>\$ 6,624,632</u>	<u>\$ (7,579,446)</u>	<u>\$ 12,331,256</u>



*Statistical  
Section*

**CITY OF CENTERVILLE, OHIO**  
 General Fund Expenditures by Function  
 Last Ten Years

<u>Year</u>	<u>General Government</u>	<u>Public Safety</u>	<u>Community Environment</u>	<u>Recreation</u>	<u>Cost of Lots</u>	<u>Debt Service</u>	<u>Total</u>
2002	\$ 4,139,483	\$ 4,491,363	\$ 228,481	\$ 331,551	\$ 171,111	\$ 39,677	\$ 9,401,666
2001	4,047,976	3,924,003	222,035	360,426	465,350	8,640	9,028,430
2000	3,664,056	3,611,464	203,051	347,284	760,450	18,699	8,605,004
1999	3,499,509	3,457,981	180,843	425,353	590,200	-	8,153,886
1998	3,208,842	3,308,311	429,639	320,375	510,750	-	7,777,917
1997	2,920,129	3,165,281	376,821	445,398	658,300	-	7,565,929
1996	3,270,535	2,781,713	401,333	223,938	442,650	-	7,120,169
1995	2,114,985	2,745,441	421,869	219,633	295,100	-	5,797,028
1994	3,009,601	2,438,698	396,922	1,008,760	-	-	6,853,981
1993	2,529,013	2,403,519	376,386	297,935	-	-	5,606,853

Source: Finance Department, City of Centerville

**CITY OF CENTERVILLE, OHIO**

General Fund Revenues by Source

Last Ten Years

<u>Year</u>	<u>Local Taxes</u>	<u>Inter-governmental</u>	<u>Charges for Services</u>	<u>Fines, Licenses and Permits</u>	<u>Interest Earned</u>
2002	\$ 11,408,207	\$ 879,998	\$ 44,284	\$ 286,748	\$ 241,961
2001	11,287,865	870,597	30,452	318,403	186,372
2000	11,275,083	816,120	35,933	321,238	333,983
1999	10,724,323	799,672	29,543	259,743	183,762
1998	9,035,221	2,346,212	32,720	316,182	153,393
1997	8,192,543	1,294,834	45,922	304,547	103,703
1996	6,309,085	1,371,518	51,313	301,666	83,314
1995	4,660,356	1,390,470	60,819	215,428	83,953
1994	4,543,310	1,103,364	28,352	162,757	71,088
1993	4,900,405	861,757	15,475	173,532	40,844

Source: Finance Department, City of Centerville

<u>Sale of Lots</u>	<u>Miscellaneous</u>	<u>Total</u>
\$ 716,204	\$ 182,514	\$ 13,759,916
939,214	118,180	13,751,083
1,519,020	155,583	14,456,960
1,143,604	166,592	13,307,239
1,011,566	329,040	13,224,334
1,244,689	175,650	11,361,888
806,656	176,737	9,100,289
533,917	155,324	7,100,267
104,947	552,743	6,566,561
-	492,914	6,484,927

**CITY OF CENTERVILLE, OHIO**

Property Tax Levies and Collections

Last Ten Years

<u>Collection Year</u>	<u>Total Tax Levy</u>	<u>Current Tax Collections</u>	<u>Delinquent Tax Collections</u>	<u>Total Tax Collections</u>	<u>Percent of Total Tax Collections To Tax Levy</u>
2002	\$ 1,185,463	\$ 1,168,410	\$ 27,344	\$ 1,195,754	100.87%
2001	1,168,383	1,149,444	25,006	1,174,450	100.52%
2000	1,150,828	1,132,106	26,776	1,158,882	100.70%
1999	1,088,920	1,063,995	13,037	1,077,033	98.91%
1998	1,113,734	1,109,067	23,236	1,132,303	101.67%
1997	1,138,357	1,123,686	24,423	1,148,109	100.86%
1996	1,036,472	1,023,907	23,457	1,047,364	101.05%
1995	1,018,282	998,222	20,327	1,018,549	100.03%
1994	1,001,929	970,097	24,032	994,130	99.22%
1993	971,491	930,547	21,906	952,453	98.04%

Source: County Auditor, Montgomery County, Ohio

**CITY OF CENTERVILLE, OHIO**  
Municipal Income Tax Receipts (Cash Basis)  
Last Ten Years

<u>Year</u>	<u>Amount</u>	<u>% change</u>
2002	\$ 8,899,240	0.04%
2001	8,895,896	2.75%
2000	8,657,970	4.53%
1999	8,282,809	3.53%
1998	8,000,116	14.25%
1997	7,002,375	7.97%
1996	6,485,425	4.88%
1995	6,183,755	0.16%
1994	6,173,851	4.33%
1993	5,917,512	11.41%

Source: Finance Department, City of Centerville

**CITY OF CENTERVILLE, OHIO**

Assessed and Estimated Actual Value of Property

Last Ten Years

Collection Year	Real	Public Utility Personal	Tangible Personal	Total Assessed Value	(1) Estimated Value
2002	\$ 459,488,570	\$ 12,490,310	\$ 29,655,641	\$ 501,634,521	\$ 1,445,640,584
2001	448,369,510	15,979,680	29,983,962	494,333,152	1,419,150,318
2000	441,096,120	16,878,640	28,910,686	486,885,446	1,395,097,645
1999	412,613,990	18,692,690	29,334,972	460,641,652	1,317,478,695
1998	398,544,910	17,534,230	25,019,921	441,099,061	1,258,704,688
1997	388,494,970	17,476,020	22,688,137	428,659,127	1,220,597,290
1996	351,180,550	17,477,930	21,395,490	390,053,970	1,108,816,244
1995	345,112,460	19,788,700	18,448,218	383,349,378	1,082,315,631
1994	340,657,600	18,136,280	18,486,303	377,280,183	1,067,862,050
1993	327,546,220	17,520,030	16,433,757	361,500,007	1,021,490,496

Source: County Auditor, Montgomery County, Ohio

(1) This is calculated by dividing the assessed value by the assessment percentage. The percentages for 2000 were 35 percent for real property and public utility real, 88 percent for public utility tangible personal, and 25 percent for tangible personal and interexchange telecom public utility.

**CITY OF CENTERVILLE, OHIO**

Property Tax Rates - Direct and Overlapping Governments

(Per \$1,000 of Assessed Valuation)

Last Ten Years

<u>Collection Year</u>	<u>City of Centerville</u>	<u>Centerville City School District</u>	<u>Montgomery County</u>	<u>Washington Township</u>	<u>Washington- Centerville Public Library</u>	<u>Total</u>
2002	\$2.35	\$60.75	\$17.24	\$7.90	\$1.63	\$89.87
2001	2.35	60.75	17.24	7.90	1.63	89.87
2000	2.35	55.85	16.64	7.90	1.63	84.37
1999	2.35	56.05	16.64	7.90	1.63	84.57
1998	2.51	56.48	16.64	7.40	1.63	84.66
1997	2.64	56.48	16.64	7.40	1.63	84.79
1996	2.64	56.48	16.64	7.40	1.63	84.79
1995	2.64	56.48	16.64	7.40	1.63	84.79
1994	2.64	52.21	16.14	7.40	0.00	78.39
1993	2.64	51.11	13.65	8.20	0.00	75.60

Source: County Auditor, Montgomery County, Ohio



**CITY OF CENTERVILLE, OHIO**

Principal Taxpayers

December 31, 2002

Real Estate	2001 Real Property Assessed Valuation For Collection in 2002	Percentage of Total Assessed Valuation
Cross Pointe Ventures LLC	\$ 5,198,470	1.04%
Steeplechase Advisors Ltd.	4,754,130	0.95%
Roselawn Center LP	2,801,700	0.56%
Woods I LLC	2,742,290	0.55%
Elder Beerman Stores	2,115,410	0.42%
CBA Conduit, Inc.	2,028,290	0.40%
Oberer Holdings II	1,985,630	0.40%
Sexton Hillside Ltd.	1,683,560	0.34%
Bethany Commons at Yankee Trace	1,655,820	0.33%
Manor Care Health Services	1,600,580	0.32%
 <u>Public Utilities</u>		
Dayton Power and Light Company	6,131,300	1.22%
Ohio Bell Telephone Company	5,256,080	1.05%
 <u>Tangible Personal Property</u>		
Voss Chevrolet, Inc.	3,058,860	0.61%
Bob Ross Buick, Inc.	2,803,820	0.56%
Planet Ford	1,776,620	0.35%
Dayton Wheel Products, Inc.	1,222,510	0.24%
Elder Beerman Store, Inc.	1,154,420	0.23%
Time Warner Entertainment	1,126,220	0.22%
Autorama, Inc.	1,024,910	0.20%
Dimco Gray Company	953,630	0.19%
Tom Harrigan Chrysler	929,120	0.19%
Total Safety	875,870	0.17%
All Others	453,953,751	90.49%
Total Assessed Valuation	\$501,634,521	100.00%

Source: County Auditor, Montgomery County, Ohio

**CITY OF CENTERVILLE, OHIO**

Special Assessments Billings and Collections

Last Ten Years

<u>Collection Year</u>	<u>Billed</u>	<u>Amount Collected</u>	<u>Percent Collected</u>
2002	\$ 599,045	\$ 613,056	102.34%
2001	530,360	536,249	101.11%
2000	446,931	448,306	100.31%
1999	248,656	255,719	102.84%
1998	165,144	138,072	83.61%
1997	168,108	206,051	122.57%
1996	170,006	135,242	79.55%
1995	89,972	90,009	100.04%
1994	57,507	57,507	100.00%
1993	59,421	59,576	100.26%
1992	60,428	60,428	100.00%

Source: County Auditor, Montgomery County, Ohio

**CITY OF CENTERVILLE, OHIO**

Computation of Legal Debt Margins

December 31, 2002

	Overall Debt Limit 10.50%	Total Unvoted Debt Limit 5.50%
	<u>10.50%</u>	<u>5.50%</u>
Total assessed property value	\$ 501,634,521	\$ 501,634,521
Debt limit	52,671,625	27,589,899
<hr/>		
Total Outstanding Debt as of December 31, 2002		
Bonds	25,921,000	25,921,000
<hr/>		
Less Exempt Debt		
General obligation bonds issued in anticipation of the collection of special assessments	7,951,000	7,951,000
General obligation bonds issued in anticipation of the collection of municipal income tax	<u>17,970,000</u>	<u>17,970,000</u>
Net Debt	-	-
Legal Debt Margin (1)	<u>\$ 52,671,625</u>	<u>\$ 27,589,899</u>

(1) The legal debt margin was determined without considering the fund balances in the Debt Service Funds.

Source: Finance Department, City of Centerville

**CITY OF CENTERVILLE, OHIO**

Ratio of Annual Debt Service Expenditures for General Obligation  
Bonded Debt to Total General Fund Expenditures  
Last Ten Years

<u>Year</u>	<u>Debt Principal and Interest</u>	<u>General Fund Expenditures</u>	<u>Ratio</u>
2002	\$ 1,396,112	\$ 9,401,666	14.85%
2001	1,224,683	9,028,430	13.56%
2000	1,114,898	8,605,004	12.96%
1999	1,224,270	8,153,886	15.01%
1998	1,324,034	7,777,917	17.02%
1997	1,341,472	7,565,929	17.73%
1996	1,348,666	7,120,169	18.94%
1995	733,313	5,797,028	12.65%
1994	745,616	6,853,981	10.88%
1993	159,875	5,606,853	2.85%

Source: Finance Department, City of Centerville

**CITY OF CENTERVILLE, OHIO**

Ratio of Net General Obligation Bonded Debt to Assessed Value and  
Net General Obligation Bonded Debt per Capita  
Last Ten Years

<u>Collection Year</u>	<u>Population (1)</u>	<u>Assessed Value</u>	<u>Gross Bonded Debt (2)</u>	<u>Debt Service Monies Available (3)</u>
2002	23,024	\$ 501,634,521	\$ 17,970,000	\$ 2,278,065
2001	23,024	494,333,152	18,365,000	1,962,978
2000	23,024	486,885,446	15,450,000	1,602,834
1999	23,285	460,641,652	15,795,000	1,857,735
1998	23,404	441,099,061	16,135,000	700,851
1997	23,324	428,659,127	16,555,000	815,422
1996	23,250	390,053,970	16,975,000	495,052
1995	22,678	383,349,378	17,375,000	9,339,022
1994	22,683	377,280,183	8,425,000	122,905
1993	22,796	361,500,007	8,700,000	601,675

- Source:
- (1) U.S. Census Bureau Population Division
  - (2) Excludes special assessment bonded debt.
  - (3) Excludes debt service money available to pay special assessment bonded debt.

	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Valuation	Net Bonded Debt Per Capita
\$	15,691,935	3.13%	\$ 681.55
	16,402,022	3.32%	712.39
	13,847,166	2.84%	601.42
	13,937,265	3.03%	598.55
	15,434,149	3.50%	659.47
	15,739,578	3.67%	674.82
	16,479,948	4.23%	708.81
	8,035,978	2.10%	354.35
	8,302,095	2.20%	366.01
	8,098,325	2.24%	355.25

**CITY OF CENTERVILLE, OHIO**

Computation of Direct and Overlapping Bonded Debt - General Obligation Bonds

December 31, 2002

Jurisdiction	Net Debt Outstanding	Percentage Applicable To City (1)	Amount Applicable To City of Centerville
<b>Direct:</b>			
City of Centerville	\$ 25,921,000	100.00%	\$ 25,921,000
<b>Overlapping:</b>			
Centerville City School District	17,640,000	38.59%	6,807,276
Washington Township	67,500	38.65%	26,089
Montgomery County	67,702,900	5.51%	3,730,430
Washington-Centerville Library District	1,390,000	38.59%	536,401
Miami Valley Regional Transit Authority	12,880,000	5.51%	<u>709,688</u>
		Subtotal - Overlapping	11,809,884
<b>Total Direct and Overlapping Debt</b>			<u><u>\$ 37,730,884</u></u>

Source: Ohio Municipal Advisory Council

(1) Calculated by the Ohio Municipal Advisory Council.

**CITY OF CENTERVILLE, OHIO**

Demographic Statistics

Last Ten Years

<u>Year</u>	<u>Population (1)</u>	<u>School Enrollment (2)</u>	<u>Unemployment Rate Montgomery County (3)</u>
2002	23,024	7,561	5.60%
2001	23,024	7,419	4.30%
2000	23,024	7,446	3.80%
1999	23,285	7,371	3.80%
1998	23,404	7,295	4.10%
1997	23,324	7,221	4.00%
1996	23,250	7,295	4.40%
1995	22,678	7,233	4.00%
1994	22,683	7,188	4.90%
1993	22,796	7,067	6.40%

- Source: (1) U.S. Census Bureau Population Division  
(2) Centerville City School District Board of Education  
(3) Ohio Department of Job and Family Services



**CITY OF CENTERVILLE, OHIO**

Property Value, Construction and Bank Deposits  
Last Ten Years

<u>Year</u>	<u>Property Values (1)</u>	<u>Value of Construction Permits (2)</u>	<u>County Bank Deposits (3)</u>
2002	\$ 1,312,824,486	\$ 45,299,041	\$ 241,447,000
2001	1,281,055,743	42,526,970	224,099,000
2000	1,260,274,629	33,166,657	191,473,000
1999	1,178,897,114	21,771,515	2,994,378,000
1998	1,138,699,743	24,276,587	3,264,705,000
1997	1,109,985,629	27,319,741	3,530,314,000
1996	1,003,373,000	38,751,513	3,899,145,000
1995	986,035,600	28,523,191	3,995,114,000
1994	973,307,429	20,812,020	4,034,766,000
1993	935,846,343	37,054,220	3,834,335,000

- (1) Estimated actual real property values (public utility real property not included).  
Source: County Auditor, Montgomery County, Ohio
- (2) Source: Public Works Department, City of Centerville
- (3) Source: Federal Reserve Bank of Cleveland.  
Decrease for 2000 due to bank restructuring. Deposits at year end no longer held in Montgomery County, but in Cuyahoga County.

**CITY OF CENTERVILLE, OHIO**

Miscellaneous Statistics

December 31, 2002

Date Settled:	1796
Date Incorporated as a City:	December 2, 1968
Form of Government:	Council/Manager
Land Area:	10.08 square miles
Miles of Streets:	95.56 miles
Number of Employees:	
Full-time	141
Part-time	25
Seasonal	115
Sworn police officers	42
Waste Collection:	
Volume of waste	6,978 tons
Volume of recyclable	1,483 tons
The Golf Club at Yankee Trace:	
Rounds of golf	33,738







**Auditor of State  
Betty Montgomery**

88 East Broad Street  
P.O. Box 1140  
Columbus, Ohio 43216-1140

Telephone 614-466-4514  
800-282-0370

Facsimile 614-466-4490

**CITY OF CENTERVILLE**

**MONTGOMERY 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  
AUGUST 12, 2003**