



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

CITY OF HILLIARD
FRANKLIN COUNTY

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REPORT OF INDEPENDENT ACCOUNTANTS ON COMPLIANCE AND ON INTERNAL CONTROL REQUIRED BY GOVERNMENT AUDITING STANDARDS

Members of Council
City of Hilliard
Franklin County
3800 Municipal Way
Hilliard, Ohio 43026

We have audited the general purpose financial statements of the City of Hilliard, Franklin County, Ohio (the City), as of and for the year ended December 31, 2000, and have issued our report thereon dated June 25, 2001. 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.

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 instances of noncompliance that are required to be reported under *Government Auditing Standards* which are described in the accompanying schedule of findings as items 2000-20625-001 and 2000-20625-002.

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. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the City's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. The reportable conditions are described in the accompanying schedule of findings as items 2000-20625-001 and 2000-20625-002.

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. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we do not believe either of the reportable conditions described above are material weaknesses. We also noted a matter involving the internal control over financial reporting that does not require inclusion in this report, that we have reported to management of the City in a separate letter dated June 25, 2001.

City of Hilliard
Report of Independent Accountants on Compliance and on
Internal Control Required by *Government Auditing Standards*
Franklin County
Page 2

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

JIM PETRO
Auditor of State

June 25, 2001

**CITY OF HILLIARD
SCHEDULE OF FINDINGS**

DECEMBER 31, 2000

**FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

Material Noncompliance

Finding Number 2000-20625-001

Section 6.06 of the City Charter states that the budget shall not exceed the total estimated resources certified by the County Budget Commission.

The City's appropriations exceeded estimated resources in the following funds:

Fund	Estimated Resources	Appropriation	Variance
Park Capacity & Benefit Fund	200,245	285,000	(84,755)
Street Improvement Fund	2,629,530	2,760,938	(131,408)
Britton Road Construction Fund	5,092	5,180	(88)
Capital Improvement Fund	5,074,184	6,921,395	(1,847,211)
Leap Road Construction Fund	3,860,782	4,339,000	(478,218)
Insurance Account Fund	1,306,339	1,550,000	(243,661)

We recommend the City ensure that total appropriations not exceed the total estimated resources for each fund. The Council should review the Official Certificate of Estimated Resources when approving the annual appropriation ordinance and any supplemental appropriations.

Finding Number 2000-20625-002

Section 6.13 of the City Charter states that no officer, department, or agency of the City shall, during any fiscal year, expend or contract to expend any money, or incur any liability, or enter into any contract which by its terms involves the expenditure of money on behalf of the City, for any purpose, in excess of the amounts appropriated and allotted for such expenditures and obligations.

Expenditures exceeded appropriations in the following funds:

Fund	Appropriation	Expenditure	Variance
Bond Retirement Fund	1,776,332	7,573,911	(5,797,579)
Special Assessment Fund	168,517	169,726	(1,209)
Insurance Account Fund	1,550,000	1,723,188	(173,188)
Police Benevolent Fund	40,000	40,946	(946)
Tax Depository Fund	13,600,000	13,703,432	(103,432)
Tax Refund Trust Fund	400,000	478,106	(78,106)

We recommend the City ensure that expenditures do not exceed appropriations at any time during the year or at year end. If appropriations are insufficient, the Finance Director should submit requests for amended appropriations to Council for their consideration. In addition, we recommend the City include the activity related to note rollovers in the appropriations.

THE CITY OF HILLIARD, OHIO

FRANKLIN COUNTY

COMPREHENSIVE
ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2000

Prepared by:
Department of Finance

Lynn A. Skeels
Director

David D. Delande
Deputy Director

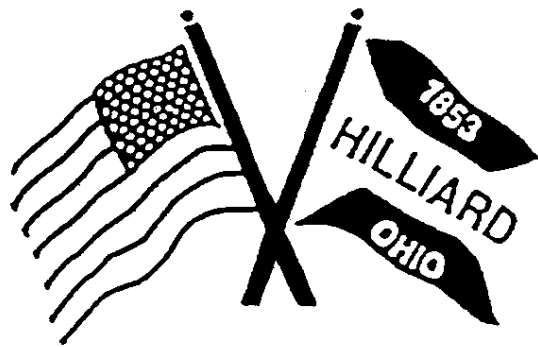


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INTRODUCTORY



Timothy A. Ward, Mayor

City of Hilliard

3800 Municipal Way • Hilliard, Ohio 43026-1696 • Municipal Offices (614) 876-7361

June 25, 2001

To The Council and The Citizens of the City of Hilliard, Ohio:

Submitted for your review is the comprehensive Annual financial Report (CAFR) of the City of Hilliard, (The City) for the year ended December 31, 2000. The report has been prepared in accordance with generally accepted accounting principles established by statements of the Governmental Accounting Government Finance Officers Association of the United States and Canada (GFOA).

INTRODUCTION

While there is no legal requirement for the preparation of this report, it represents a commitment by the City of Hilliard to conform to nationally recognized standards of excellence in financial reporting. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. I believe the data, as presented, is accurate in all material respects; that it is presented in a manner designed to fairly set forth the financial position and results of operation of the City; and that all disclosures necessary to enable the reader to gain an understanding of the City's financial activity have been presented.

The Report

This report is comprised of three major sections:

1. *The Introductory Section* includes this Letter of Transmittal which addresses the organization, accomplishments and operational structure of the City, a list of the principal City Officials an Organization Chart;
2. *The Financial Section* contains the Independent Auditor's Report, the General Purpose Financial Statement, which include explanatory notes and provide an overview of the City's financial position and operating results, and the Combining Financial Statement of the Individual Funds and Account Groups that provide detailed information to the General Purpose Financial Statements;
3. *The Statistical Section* presents social, economic, and historical data, which can be used to identify financial trends, and data relative to the fiscal capacity of the City.

The Reporting Entity

The accompanying general-purpose financial statements comply with the provisions of GASB Statement No. 14, *The Financial Reporting Entity*, in that the financial statement include all the organizations, activities, functions and component units for which the city (the reporting entity) is financially accountable. Financial accountability is defined as the appointment of a voting majority of the component unit's board, and either (1) the City's ability to impose its will over the component unit, or (2) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the City.

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

Early History

In 1852, John Reed Hilliard bought ten acres of land on the broad, flat plain of western Franklin County from Hoseah High and Abram Wendell. The land, located near the proposed route of the Columbus, Piqua & Indiana Railroad would become known as Hilliard's Station. Hilliard's Station served as an ideal shipping point for agricultural products going to market and supplies coming to the farmers in the area. He laid out about two hundred lots and recorded his plat on September 1, 1853. In 1854, a post office was established in Hilliard's Station and the word Station was dropped from the town's name. The Village of Hilliard became incorporated on July 13, 1869 with a population of approximately two hundred eighty residents. In 1886 the first railroad station was located on the north side of the tracks, west of Main Street, and remained there until 1962 when all services (passenger and freight) in and out of Hilliard ceased. The original train station has been restored in our historical Weaver Park. Today the City of Hilliard remains close to all major railroad traffic in Central Ohio. The Conrail Buckeye Yard, located just south of town, is an immense complex for assembling, switching and routing regional rail traffic.

Location

Hilliard is located ten miles northwest of downtown Columbus and comprises the western edge of the Columbus metropolitan area. Encompassing approximately fourteen square miles (14), the City lies near the geographic center of the state and is easily accessible from all areas in Ohio. Rail service is provided by CSX and private air service is available five miles to the north and south by Don Scott Field and Bolton Field, respectively. The City is twenty miles from Port Columbus International Airport and offers immediate accessibility to interstate highways I-70 and I-270 via three major interchanges. Hilliard is situated 833 feet above sea level and experiences man temperatures of 71.97 degrees during the summer and 29.8 degrees during the winter.

Form of Government

The City operates under a Charter first adopted by the voters in 1963 and last amended by the voters in 1982, which provides for a Mayor-Council form of government. The laws of the State of Ohio prevail when conflicts exist between the Charter and the State Constitution and in matters where the Charter is silent. The legislative body of Hilliard consists of a seven-member Council, all elected at-large for four year overlapping terms. The Mayor is elected for a four-year term and serves as the Chief Executive Officer of the City. The council fixes compensation levels of City officials and employees and enacts ordinances and resolutions relating to City services, tax levies, and appropriations, indebtedness, licensing of regulated business and trades and other municipal purposes. Voters approve a two-term limit for all elected officials at the November 1993 general election.

The Mayor serves full-time and appoints the following directors: Finance, Law, Public Safety, Economic Development, Public Service, and Parks and Recreation. The Directors serve as department heads and report directly to the Mayor. The Director of Finance is the Chief Fiscal and Accounting Officer of the City. The responsibilities of this office include preparation and management of the capital and operating budgets and debt and treasury programs of the City.

The City has one hundred fifty one (151) full-time and one hundred (100) part-time employees (during peak summer months). A statewide public employee collective bargaining law applies generally to public employee relations and collective bargaining.

The designated bargaining units represent the following full-time employees:

<u>Employees</u>	<u>Bargaining Unit</u>	<u>Agreement Duration</u>	<u>Number of Employees</u>
Police Officers, Sergeants, and Lieutenants	Fraternal Order of Police	12/31/01	43
Radio Technicians and Clerks	State Fraternal Order of Police	12/31/01	13
Service/Maintenance Workers and Custodians	United Steelworkers of America	12/31/01	26

Our current contract will expire December 31, 2001. All remaining full time employees have elected not to join a bargaining unit.

City Council establishes salaries, wages and other economic benefits for City employees. Ordinances affecting salaries, wages and economic benefits generally have been the product of negotiations with representatives of the employees or bargaining units. Increases in economic benefits have been provided on an annual basis. The City is of the belief that employee relations have been and will continue to be excellent.

Basis of Accounting

Except for that used for budgetary purposes, the basis of accounting used by the City are in conformity with generally accepted accounting principles (GAAP) as applicable to governmental units and are consistent with GASB Codified Section 1600, *Basis of Accounting*.

All government and expendable trust funds are accounted for by using a current financial resources (current assets and current liabilities) measurement focus. The modified accrual basis of accounting is utilized for the governmental, expendable trust and agency funds. Revenues are recognized when they are susceptible to accrual, both measurable and available. Expenditures are recognized when the related liability is incurred, except for interest on long-term debt which is recorded when due.

The measurement focus for the City's proprietary fund is on the flow of total economic resources (all assets and all liabilities). The accrual basis of accounting is utilized which recognizes revenues when earned and expenses when incurred.

The city's basis of accounting for budgetary purposes differs from generally accepted accounting principles in that revenues are recognized when received, rather than when susceptible to accrual (measurable and available), and encumbrances are recorded as expenditures rather than as reservations of fund balances. A reconciliation of the results of these two methods appears in Note 1.

ECONOMIC CONDITIONS AND OUTLOOK

The Columbus Metropolitan Area has been recognized as one of the emerging metropolitan areas of the 1990's. A strong residential, commercial and industrial tax base, a very diverse labor force and an unemployment rate below the state and national averages has resulted in phenomenal growth for Hilliard since 1970. Hilliard has also continued to prosper during this period of growth in the Columbus Metropolitan Area; not only has the population doubled, but the growth in the commercial and industrial tax base has been unparalleled in Franklin County.

Unemployment Rates

The great diversity of job opportunities in the Central Ohio area has helped the unemployment rate remain consistently lower than state and national averages. A large percentage of Hilliard residents work in Columbus and the surrounding area. Therefore, the city's rate of unemployment is influenced to a great extent by that of the metropolitan area. For 2000 Franklin County had a rate of unemployment at 2.1%. The Hilliard percentage would be below 2%.

Local Economy

The City's ability to provide opportunities for expansion of its residential, commercial and industrial tax base is greatly influenced by its aggressive development strategy, excellent school system, recreational programs, police department, city services and probably, most importantly, the annual five year Capital Improvement Program. The Capital Improvement Program provides the City with the framework to upgrade the infrastructure to make it possible to handle a growing and prosperous city. The Capital Improvement Program is a comprehensive five-year plan that is updated every year to prioritize projects that provide improvement to everything from streets, sewer and waterlines to ball fields, traffic signals and the municipal complex expansion. Input is gathered from a large committee comprised of civic, school, business, City and residential leaders with direction from the City Administration and City Council. This five year plan was the first adopted in Franklin county and has been used a model numerous times since.

Hilliard encompasses approximately 12 square miles of area and includes 126 lane miles of area and includes 126 lane miles of streets. The City has 8570 residential units comprised of 7070 single family and 1500 twin single/condominiums. We currently have 6 subdivisions under construction that will result in approximately 300 homes. The price range of homes will be \$200,000 to \$500,000.

The 2000 census declared our population 24,230 with a growth of 20.1% since 1996. The number of jobs within the city is 20,668 with an estimated annual payroll of \$550,000,000. The per capita income is \$24,343 and of our residents 51.6% are college graduates.

Building permits have slowed over the last year, as residential growth is down. Commercial development picked up in 2000 with a ground breaking for ADS (Advanced Drainage System) a producer of polyethylene piping; Cummerly Studio's, a photographic studio, with additional office space to be leased out; a Hampton Inn will soon break ground.

Our prestigious Heritage Lakes Gold Community continues to flourish with beautiful homes in the \$350,000 to \$500,000 price range.

The City's assessed value increased from \$581 million to \$617 million in 2000. Currently 61% of the tax base is comprised of residential with the balance commercial property.

Income tax remains the primary source of revenue for the city; this revenue supports our five-year Capital Improvement Program. In 2000 we received \$13,262,472 which is divided between three funds including General Fund, Street improvement fund, and Capital Improvement fund. Some of the City's largest employers include MCI WorldCom, which took over Compuserve in 1998, employs over 1600 people, Hilliard City Schools, Gates McDonald & co., Rich Products, and NCS Heathcare.

MAJOR INITIATIVES

For the year

During 2000 the City had many capital improvements that enhanced the life of our residents. Our enclosed 1,000,000 gallon water tank is complete along with the booster station established in an enclosed tower built by City of Columbus. This improves water pressure to our residents.

The City had a \$595,000 street program improving some traffic problems. Leap Road is under construction with widening and turn lanes; this \$3,750,000 project will greatly improve our traffic patterns. We continue to work with Columbus on the Hilliard Rome Road widening, due to environmental issues the project has been pushed back.

An expansion to our Senior Center has been completed and is a major asset to our community; many organizations use the meeting rooms and kitchen facilities. A new project currently underway is a 30 acre soccer field complex, this to be completed in 2001. With all our parks, pools, and ball field complexes Hilliard has a well rounded recreational program to service all residents. The city also sponsors an Arts council and a Garden Club.

The Police Department continued E 911 dispatching for themselves and the Norwich Township fire Department. Our overall crime rate decreased in 2000 and we continue our Safety town and DARE Programs. We started a new program in 2000, School Resource Officers in both of our high schools. In conjunction with the schools this has proven very beneficial to our teenagers.

Municipal Service

Our Master Plan update is almost complete, this enables us to review our zoning, land usage, density, etc.

The City provides the following services to our residents:

Police Protection

Leisure Time Activities

Water, Sewer, Snow Removal, and Refuse Pick-Up by an outside contractor.

In 2000 an Economic Development Director was appointed to assist the City in bringing in additional commercial business in order to increase our tax revenues.

The City continues to annex land that is available. We currently have 333 acres along the west and east sides of I – 270. When developed, 70% will be commercial and the balance multifamily, resulting in an increase of tax revenues to the City.

Hilliard continues to update and expand our infrastructure as required for growth and development. The following are some of our major goals for the future:

The City has started a major sewer project at a cost of \$875,000.00 to enable us to take our Northeast lift Station out of service. This station servicing northeastern section of our City is 23 years old and is no longer of use to us; the new system will open up additional areas for expansion.

Currently the City's 1 million gallon enclosed water tank is operational. An additional tower of the same size will be built in 2004.

Engineering and right of way acquisition is under way on Hilliard Rome Rd. Construction has been delayed due to environmental and funding source. This project is being planned and performed in conjunction with the City of Columbus.

Monies have been set aside to start engineering and right of way acquisition for the southern section of Britton Road. This project will open up areas for new business and greatly improve our traffic flow.

FINANCIAL INFORMATION

Accounting Controls

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

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

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

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

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

Budgetary Controls

Detailed provisions for the City's budget, tax levies, and appropriations are set forth in the Ohio revised Code and the City Charter. The Mayor, with the assistance of the Finance Director, is required to submit to Council a tax budget of estimated revenues and expenditures for all fund, except agency funds for the succeeding fiscal year by the first council meeting in July. The budget is required to be adopted by the legislative body by July 15 and to be submitted to the County Budget Commission by July 20 of each year.

The Mayor, with the assistance of the Finance Director, is required by Charter to submit to Council, on or before December 15 of each fiscal year, an appropriation ordinance, based on the tax budget, for the next succeeding fiscal year. Council is required to adopt the appropriation ordinance (the budget) in its original form or with revisions as it may find proper, within thirty days of the beginning of the fiscal year covered by such ordinance.

The City maintains budgetary control on a non-GAAP basis by fund and within each fund by department at major object levels, which include personal services, contractual services, supplies and materials, other expenditures, capital outlay, debt service and operating transfers. For management purposes, the major object level is further defined with budgeted amounts not to exceed the aggregate appropriated by Council.

Budgetary control is maintained by an encumbrance of purchase commitment amounts prior to the release of purchase orders to vendors. Requisitions for the expenditure of monies are submitted to the Finance Director for approval, preparation of a purchase order and certification, after approval by the appropriate Department Director. The purchase is reviewed for the availability of funds and the estimated expenditure is encumbered against the available appropriation. Encumbrances which would exceed the available appropriation are not approved or recorded until City Council authorizes additional appropriations. Unencumbered appropriations lapse at the end of each year.

The City's accounting system provides interim financial reports which detail year-to-date expenditures plus encumbrances versus the original appropriations plus any additional appropriations made to date. The reports permit the Finance Director and other city officials to ascertain the status of each department's appropriations at any time during the year.

General Governmental Revenues

Revenues for general governmental functions (including all governmental fund types except capital projects funds) totaled \$17,633,266, representing an increase of \$1,585,665 over 1999. The 9.9% increase is primarily the result of a large increase in the tax revenues for the year. The following schedule presents a summary of general governmental revenues for the years ended December 31, 1999 and 2000, the percentage of total revenues for each year and the amount and percentage of increase/(decrease) in relation to 1999 revenues.

Revenue Source	2000 Total	Percent Of Total	1999 Total	Increase (Decrease) Over 1999	Percent of Increase (Decrease)
1. Taxes	\$12,207,528	69.2%	\$10,536,133	\$1,671,395	15.9%
2. Intergovernmental Revenues	1,664,608	9.4%	2,510,280	(845,672)	(33.7%)
3. Charges for Services	2,130,192	12.1%	1,661,365	468,827	28.2%
4. Licenses and Permits	312,497	1.8%	351,828	(39,331)	(11.2%)
5. Investment Earnings	827,150	4.7%	545,081	282,069	51.7%
6. Special Assessments	158,117	0.9%	167,103	(8,986)	(5.4%)
7. Fines and Forfeitures	232,035	1.3%	228,963	3,072	1.3%
8. All Other Revenues	101,139	0.6%	46,848	54,291	115.9%
Total	\$17,633,266	100.0%	\$16,047,601	\$1,585,665	9.9%

Revenue Narrative

The City's income tax continues to be its primary source of revenue. The tax applies to all wages, salaries, commissions and other compensation paid by employers and/or the net proceeds from the operation of a business, profession or other enterprise activity. The initial tax rate of 1.0% collected in 1973 was increased to 1.5% in 1980 and increased to its current rate of 2% in July of 1985. Income tax rates of cities within the State of Ohio are limited to a maximum of 1% unless specifically approved by a majority of the resident voters of the City. Income tax revenues increased 7.0% during 2000.

Property taxes are levied and collected at the county level. Hilliard lies entirely within Franklin County. After collection, the county distributes portions of the taxes collected to the various political subdivisions within its geographic boundaries. The property tax rate for the City is 1.60 mills, which represents \$1.60 per \$1,000 of taxable valuation. The tax rate is applied to the assessed value of the property located within the City. Assessed value is approximately 35% of appraised value. Increases in the property tax rate can only occur with the approval of the city's voters. Revenues from property taxes are used for general fund operations.

Total assessed values in the City over the past five years are shown below:

Levy <u>Year</u>	Collection <u>Year</u>	Assessed Value <u>(in thousands)</u>
1996	1997	\$ 449,517.
1997	1998	479,390
1998	1999	502,315
1999	2000	581,612
2000	2001	616,975

Investment income is a very small part of the City’s budget. Investment earnings as a source of revenue do not lend well to year to year comparisons. Percentage increases or decreases in comparison to previous years are not necessarily indicative of future year estimates. Since the City’s portfolio is composed of short-term maturity, high quality instruments, earnings are directly related to changes in market rates and investable balances and tend to fluctuate year to year. The city’s investment policies are discussed later in more detail under the topic of “Cash Management.”

Intergovernmental revenues consist primarily of stat income, sales, corporate franchise and public utility taxes collected by the State of Ohio and redistributed to other political subdivisions from the local government fund and local government revenue assistance fund. The state also provides a reimbursement for real and personal property tax reductions, gasoline tax, state-levied motor vehicle license tax. These revenues are collected by the state or county and partially redistributed to the City and other political subdivisions. The increase in intergovernmental revenues is attributable to increases in the state provided reimbursement for real and personal property tax reductions (rollback, homestead and personal property tax exemption) and increases in the local government fund distribution.

Charges for Services increased from 1999 due primarily to the growth rate in the City. The major source of this increase was related to more subdivision starts in 2000.

The fines and forfeitures revenue source is derived from various fines and forfeitures imposed by the Mayor’s Court. Revenues increased from 1999 levels due in part to an increase in the number of cases heard by the court.

The special assessments revenue will vary with the nature and timing of special assessment projects completed by the city of Hilliard. The decrease is indicative of these timing differences.

All other revenue is a miscellaneous category, which includes a variety of less significant revenue sources including miscellaneous rental income and donations. As other revenue decreased, this did not affect our budget. Other revenue represents a very minor percentage of total revenue.

General Governmental Expenditures

Expenditures for general governmental purposes, including general, special revenue and debt service funds totaled \$18,825,681 in 2000, an increase of \$1,812,860 over 1999. Expenditures for the major functions of the City and the percentage of total for 1999 and 2000, and the amount and percentage increase/(decrease) over 1999 are shown in the following table:

Function	2000 Total	Percent of Total	1999 Total	Increase (Decrease) over 1999	Percent of Increase (Decrease)
1. Security of Persons and Property	\$ 5,213,032	27.7%	\$ 4,709,597	\$ 503,435	10.7%
2. Public Health and Welfare	86,423	0.5%	77,937	8,486	10.9%
3. Leisure Time Activities	2,468,887	13.1%	2,304,495	164,392	7.1%
4. Community Environment	1,293,415	6.9%	1,052,595	240,820	22.9%
5. Basic Utility Services	1,385,469	7.4%	1,422,919	(37,450)	-2.6%
6. Transportation	2,225,509	11.8%	1,614,934	610,575	37.8%
7. General Government	4,665,711	24.8%	4,396,185	269,526	6.1%
8. Debt Service	1,487,235	7.9%	1,434,159	53,076	3.7%
Total	<u>\$ 18,825,681</u>	<u>100.0%</u>	<u>\$ 17,012,821</u>	<u>\$ 1,812,860</u>	<u>10.7%</u>

Expenditure Narrative

Expenditures for general government increased in 2000 due to additional employees and capital equipment purchases from the general fund.

The increase in expenditures for security of persons and property was due to an increase in base wages of 3.75% and the hiring of additional employees.

The increase in expenditures for leisure time activities was due to an increase in base wages of approximately 3.75% and an increase in costs for materials and supplies for swimming pool and our new ball fields.

The major change to transportation expenditures in 2000 was a result of the number of road projects initiated in 2000. We had an increase in salt and gasoline costs.

Debt service costs included the payment of principal, interest and related fiscal administration charges for the retirement of the City's outstanding general obligation and special assessment debt. The expenditures vary with the nature and timing of debt service requirements.

General Fund Balance

The fund balance of the General Fund decreased by \$1,070,095 in 2000. This was the result of additional employees in the engineering and police departments and an increase in capital equipment purchases. Management believes that continued growth in General Fund resources and benefit reductions in insurance and the amount of carryover compensated absences balances will assist the City in maintaining the General Fund balance.

Special Revenue Funds

The special revenue funds are used to account for certain revenue sources, which are restricted by law or are used for expenditures for specific purposes. All special revenue funds are subject to an annual budget.

Debt Administration

The General Bond Retirement fund and Special Assessment Bond Retirement fund accumulate resources for the payment of principal and interest on long-term general obligation debt of the City and special assessment obligations respectively. The sources of revenue for the two bond retirement funds are in transfers in, and special assessments. The City maintains an "Aa3" rating from Moody's Investors Service on general obligation bond issues. Under state statutes, the City's debt limitation is 10.5 percent of the total assessed property valuation. As of December 31, 2000 the City's net debt of \$17,142,000 was well below the legal limit of \$43,858,223 and net general obligation bonded debt per capita payable from property taxes equaled \$368.93.

In January 2000, the City borrowed \$3,100,000. for the widening of Leap Road. This is a BAN and will go to bonds upon completion of the project.

The City had outstanding note liabilities of \$8,750,000 at December 31, 2000.

The city's general obligation and special assessment bonded indebtedness was \$7,660,000 and \$732,000. Respectively at December 31, 2000 during the year the City retired \$820,000 in general obligation debt and \$107,000 in special assessment bonds. General obligation bonds are retired from income tax collections while special assessment bonds are retired from the assessments levied against specific benefited property owners.

Internal Service Fund

The Internal Service Fund is the City's self-insurance fund to account for employee medical benefits provided to other City funds on a cost reimbursement basis. At December 31, 2000 the fund had an accumulated deficit of \$78,708. The deficit is a result of the accrual of claims incurred in 2000 but not paid until 2001. The City is reviewing the operation of the fund to determine an appropriate course of action to alleviate the deficit.

CASH MANAGEMENT

Cash management is an integral component of the City's overall financial plan. The City attempts to earn a market rate of return consistent with providing the liquidity needed to pay obligations on a timely basis. Cash flow forecasting and the use of short-term investments, such as repurchase agreement and the State Treasurer's Asset Reserve account (STAR Ohio), allows the City to earn interest on all funds.

The City's investments comply with Section 135.14 of the Ohio Revised Code, and the maximum maturity is limited to two years. Most investments mature within the current fiscal year. Interest earnings are allocated to funds based on the requirements of the Ohio Constitution and State Statutes. As required by law, all deposits and repurchase agreements are covered by eligible collateral, while investment securities (treasuries and agency/instrumentality issued) are specifically permitted by the Ohio Revised Code and the City's investment policy.

The city's cash Resources were invested as follows at December 31, 2000:

<u>Cash Resources</u>	<u>2000</u>	<u>%</u>
Cash	\$ 885,601	6.18%
Repurchase Agreements	11,126,000	77.61%
STAR Ohio	583,194	4.07%
Federal Securities	1,741,473	12.15%
Total Resources	<u>\$ 14,336,268</u>	<u>100.00%</u>

The City earned interest on governmental fund investments for the fiscal year 2000. Interest earned was allocated to the General Fund.

At December 31, 2000 the City had bank balances of \$319,437 which were collateralized by pooled collateral. Ohio Law requires that deposits be placed in eligible banks or savings and loan associations located in Ohio. Any public depository in which the City places deposits must pledge as collateral eligible securities of aggregate market value equal to the excess of deposits not insured by the Federal Deposit Insurance Corporation (FDIC). The securities pledged as collateral are pledged to a pool for each individual financial institution in amounts equal to at least 110% of the carrying value of all public deposits held by each institution. Obligations that may be pledged as collateral are limited to obligations of the United States and its agencies and obligations of any state, county, municipal corporation or other legally constituted authority of any other state, or any instrumentality of such county, municipal corporation or other authority.

The primary objectives of the City's investment program in order of priority are as follows:

1. Safety – The safety of principal balances is the City's foremost objective and all investments are undertaken in a manner to insure the preservation of capital.
2. Liquidity – All investments should be sufficiently liquid to meet all operating requirements that can be reasonably anticipated. Since all possible cash demands cannot be anticipated, the investment portfolio should consist of securities with active resale markets.
3. Yield – Return on investment is of least importance compared to the safety and liquidity objectives described above. Investments are limited to low risk securities with the expectation of earning market value.

All eligible financial institutions must meet the requirements of the Uniform Depository act which requires the financial institution to maintain a full service facility located in the City of Hilliard and to have a current Agreement for Deposit of Interim Funds with the City.

Authorized investments are described in detail in Note 3 of the footnotes to the general purpose financial statements included within the financial section of the comprehensive annual financial report. The City seeks to utilize those funds not needed for daily obligations most effectively by purchasing marketable, short-term instruments at higher yields. Currently, the City uses short-term treasury notes, agency/instrumentality discount notes, and bank CD's in this program. The yield curve and the yield spreads direct the City toward those instruments providing the highest, short-term yield at the time of the investment. The city uses eligible financial institutions as specified in the Ohio Revised Code for deposit and securities transactions. All depository relationships are based on requirements within the Ohio Revised Code.

RISK MANAGEMENT

The City maintains comprehensive insurance coverage with private carriers for real property, building contents, fleet, and general liability coverage. The City also carries police professional and public officials liability insurance. Employee medical benefits are provided through the City's self-insurance internal service fund. See Note 14 to the general Purpose Financial statement for additional information.

The proactive approach that the administration employs is addressing its ongoing operation is reflected in the composition of the City's insurance protection package and its very favorable loss experience.

The City reduces exposure to risk through several initiatives. They include insurance coverage for vehicles, general liability, inland marine, building and contents and computer insurance with the St. Paul Insurance Company, public officials liability with U.S.F. & G. Insurance, law enforcement liability coverage with National Casualty Company and boiler and machinery coverage with Continental Insurance through Buckeye Union Insurance Company.

Deductible levels have been selected so as not to expose the City of excessive “first Dollars” in claims. Deductibles for property damage and coverage are:

	<u>Occurrence Limits</u>	<u>Aggregate Limit</u>	<u>Deductible</u>
Bodily Injury	\$1,000,000	\$1,000,000	
Property Damage		Included	
Personal Injury		Included	
Public Officials Wrongful Act Liability	\$1,000,000	\$1,000,000	\$10,000/occurrence
Law Enforcement Agency Officers	\$1,000,000	\$1,000,000	\$10,000/occurrence
Employee Benefits Liability	\$ 100,000	\$ 300,000	
Automobile Liability	\$ 500,000	\$ 100 Comprehensive \$ 500 Collision	
Blanket Building and Contents	\$7,126,074		\$ 500/occurrence

OTHER INFORMATION

Independent Audit

Included in this report is an unqualified audit opinion rendered on the City’s financial statement for the year ended December 31, 2000, by the Auditor of State. City management plans to continue to subject the financial statements to an annual independent audit as part of the preparation of a Comprehensive Annual financial Report. An annual audit serves to maintain and strengthen the City’s accounting and budgetary controls.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Hilliard, Ohio for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 1999. This was the ninth consecutive year (1991-1999) that the city received this award.

The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards in state and local government financial reporting. To be awarded a Certificate of Achievement, a governmental unit must prepare an easily

readable and efficiently organized Comprehensive Annual Financial Report with contests conforming to all program standards. The report must satisfy both generally accepted accounting principles (GAAP) and applicable legal requirements respective to the reporting entity.

A Certificate of Achievement is valid for a period of one year. The City of Hilliard received its first Certificate of Achievement for the fiscal year ended December 31, 1991. I believe this current report continues to conform to the Certificate of Achievement program requirement, and I am submitting the report to the GFOA

Public Disclosure

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

Acknowledgements

I wish to convey my appreciation to the City Administration and to City Council for their support and for providing the necessary funds to prepare and publish this report.

The entire Finance Department played a part in preparing this report; they worked with extreme dedication to the project. Special thanks to David D. Delande, Deputy Finance Director, for his special attention to the project.

Respectfully submitted,



Lynn A. Skeels
Finance Director

**THE CITY OF HILLIARD, OHIO
FRANKLIN COUNTY
PRINCIPAL OFFICIALS
AS OF DECEMBER 31, 2000**

Elected Officials

<u>Name</u>	<u>Title</u>	<u>Term Expires</u>	<u>Service</u>	<u>Surety</u>
Timothy A. Ward	Mayor	12/31/03	1	A
Barb Rushley	President of Council	12/31/01	7	A
Larry Wolpert	Council	12/31/01	7	A
John Bryner	Council	12/31/01	23	A
Don Schonhardt	Council	12/31/01	1	A
Michael Cope	Council	12/31/01	1	A
Dana Peacock	Council	12/31/03	1	A
Jeff Snyder	Council	12/31/03	1	A

Appointed Officials

<u>Name</u>	<u>Title</u>	<u>Term Expires</u>	<u>Service</u>	<u>Surety</u>
Lynn A. Skeels	Director of Finance	Indefinite	26	A & B
Michael Close	Director of Law	Indefinite	1	A
Tracy Bradford	Director of Safety	Indefinite	1	A
Gregory Evans	Director of Service	Indefinite	2	A
John M. Brennan	Director of Recreations & Parks	Indefinite	1	A
Tracy Bradford	Director of Economic & Development	Indefinite	1	A
Rodney D. Garnett	Chief of Police	Indefinite	13.5	A
Brett Sciotto	Clerk of Council	Indefinite	1	A

(A) National Casualty Insurance Company, \$1,000,000/\$1,000,000.

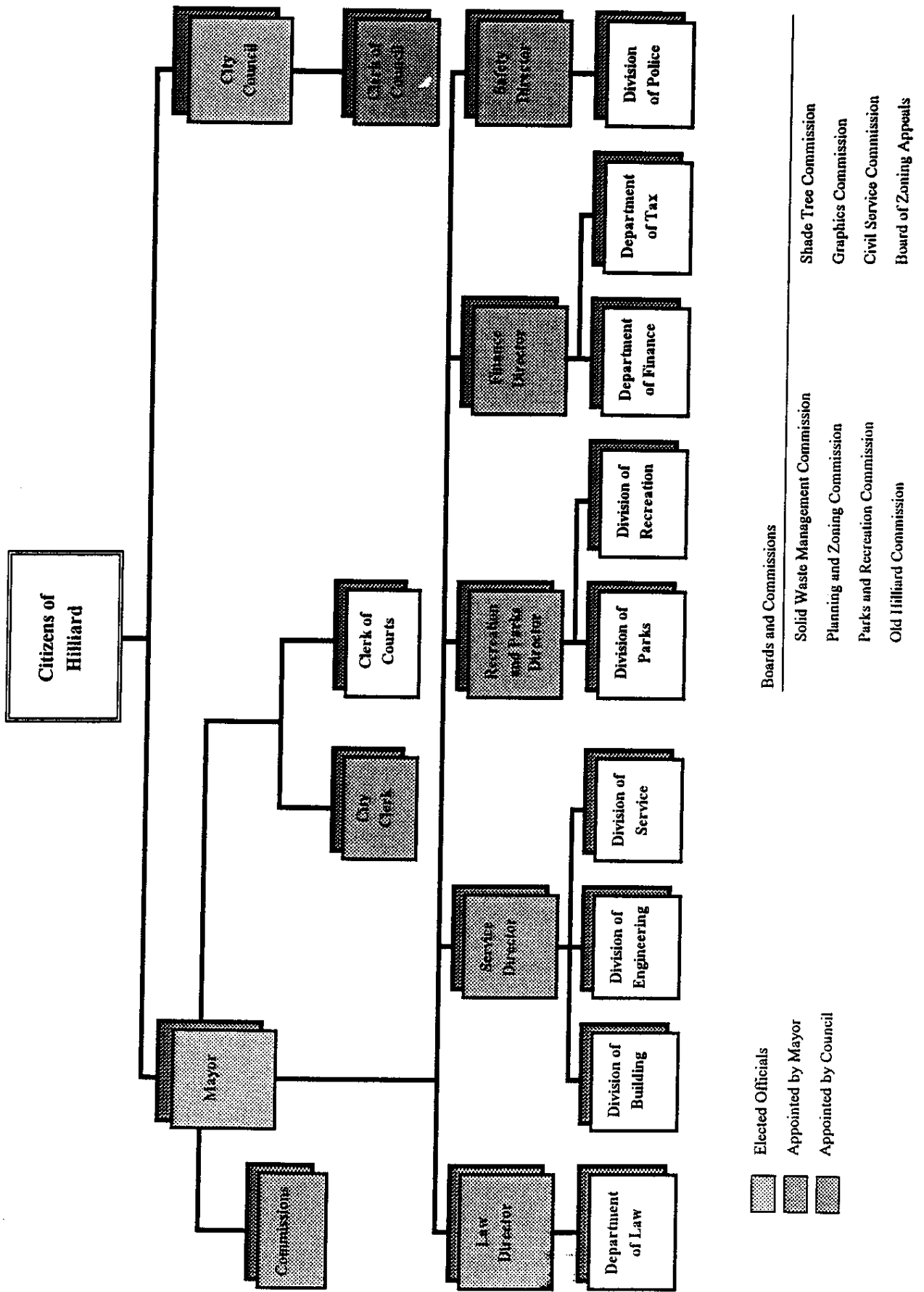
(B) US Fidelity Insurance Company, \$1000,000 Bond.

City Address:

City of Hilliard
3800 Municipal Way
Hilliard, OH 43026

The City of Hilliard, Ohio

Organizational Chart



Elected Officials
 Appointed by Mayor
 Appointed by Council

Boards and Commissions
 Solid Waste Management Commission
 Planning and Zoning Commission
 Parks and Recreation Commission
 Old Hilliard Commission
 Shade Tree Commission
 Graphics Commission
 Civil Service Commission
 Board of Zoning Appeals

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Hilliard,
Ohio

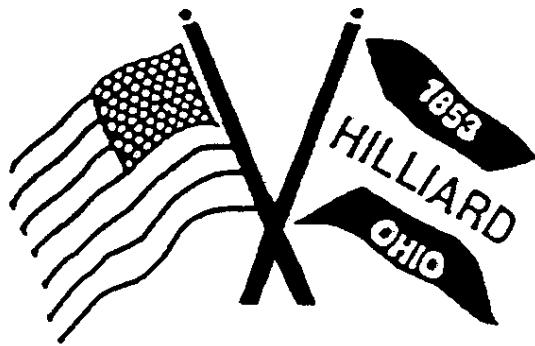
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 1999

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.



Anne Spray Kinsey
President

Jeffrey L. Essler
Executive Director



FINANCIAL



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

35 North Fourth Street
Columbus, Ohio 43215
Telephone 614-466-3402
800-443-9275
Facsimile 614-728-7199
www.auditor.state.oh.us

REPORT OF INDEPENDENT ACCOUNTANTS

Members of Council
City of Hilliard
Franklin County
3800 Municipal Way
Hilliard, Ohio 43026

We have audited the accompanying general purpose financial statements of the City of Hilliard, Franklin County, Ohio, (the City) as of and for the year ended December 31, 2000. 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 Hilliard, Franklin County, Ohio, as of December 31, 2000, and the results of its operations and the cash flows of its proprietary fund type for the year then ended in conformity with generally accepted accounting principles in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 25, 2001 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 performed for the purpose of forming an opinion on the general purpose financial statements of the City, 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. 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.

Members of Council
City of Hilliard
Franklin County
Report of Independent Accountants
Page 2

We did not audit the data included in the introductory and statistical sections of this report and therefore express no opinion thereon.

A handwritten signature in black ink, appearing to read "Jim Petro". The signature is fluid and cursive, with a large loop at the end of the last name.

JIM PETRO
Auditor of State

June 25, 2001

GENERAL PURPOSE FINANCIAL STATEMENTS

THE FOLLOWING GENERAL PURPOSE FINANCIAL STATEMENTS, ALONG WITH THE NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS, PRESENT AN OVERVIEW OF THE CITY'S FINANCIAL POSITION AT DECEMBER 31, 2000 AND THE RESULTS OF OPERATIONS AND CASH FLOWS OF ITS PROPRIETARY FUND FOR THE YEAR THEN ENDED.

THE CITY OF HILLIARD, OHIO
COMBINED BALANCE SHEET
ALL FUND TYPES AND ACCOUNT GROUPS
DECEMBER 31, 2000

	Governmental Fund Types			Proprietary Fund Type			Fiduciary Fund Types		Account Groups			Totals (Memorandum Only)
	General Fund	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Internal Service Fund	Trust and Agency Funds	General Fixed Assets	General Long-Term Obligations	General Fixed Assets	General Long-Term Obligations		
Assets and Other Debits:												
Assets:												
Pooled Cash and Cash Equivalents	\$ 2,105,055	\$ 3,351,467	\$ 247,013	\$ 6,595,382	\$ 51,432	\$ 122,139	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 12,472,488
Investments	1,741,473	0	0	0	0	0	0	0	0	0	0	1,741,473
Receivables (net of allowance for doubtful accounts):												
Taxes	1,960,565	181,992	55,021	363,985	0	0	0	0	0	0	0	2,561,563
Accounts	32,772	17,044	0	0	0	0	0	0	0	0	0	49,816
Interest	46,772	0	0	0	0	0	0	0	0	0	0	46,772
Special Assessments	0	0	960,590	0	0	0	0	0	0	0	0	960,590
Due from Other Funds	20,804	1,683	0	0	0	0	0	0	0	0	0	22,487
Intergovernmental Receivables	173,277	42,271	0	143,447	0	0	0	0	0	0	0	358,995
Prepaid Items	17,594	0	0	0	0	0	0	0	0	0	0	17,594
Restricted Assets:												
Cash with Fiscal Agent	0	122,307	0	0	0	30,771	0	0	0	0	0	153,078
Fixed Assets (Net, where applicable, of Accumulated Depreciation)	0	0	0	0	0	0	14,240,823	0	0	0	0	14,240,823
Other Debits:												
Amount available in Debt Service Funds	0	0	0	0	0	0	0	0	0	302,034	0	302,034
Amount to be Provided for												
General Long-Term Obligations	0	0	0	0	0	0	0	0	0	9,292,544	0	9,292,544
Total Assets and Other Debits	\$ 6,098,312	\$ 3,716,764	\$ 1,262,624	\$ 7,102,814	\$ 51,432	\$ 152,910	\$ 14,240,823	\$ 9,594,578	\$ 14,240,823	\$ 9,594,578	\$ 0	\$ 42,220,257

(Continued)

	Governmental				Proprietary		Fiduciary		Account			
	Fund Types				Fund Type		Fund Types		Groups			
	General Fund	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Internal Service Fund	Trust and Agency Funds	General Fixed Assets	Long-Term Obligations	Totals (Memorandum Only)			
Liabilities, Equity and Other Credits:												
Liabilities:												
Accounts Payable	\$ 194,330	\$ 52,843	\$ 0	\$ 65,726	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 312,899
Accrued Wages and Benefits	601,780	67,128	0	0	0	0	0	0	0	0	0	668,908
Due to Other Funds	0	0	0	0	0	0	22,487	0	0	0	0	22,487
Intergovernmental Payables	416,730	76,584	0	0	0	0	85,542	0	0	0	0	578,856
Due to Others	0	0	0	0	0	0	4,316	0	0	0	0	4,316
Undistributed Monies	0	0	0	0	0	0	11,660	0	0	0	0	11,660
Accrued Interest Payable	11,907	0	0	217,917	0	0	0	0	0	0	0	229,824
Deferred Revenue	1,167,504	17,583	960,590	35,167	0	0	0	0	0	0	0	2,180,844
Compensated Absences Payable	48,187	0	0	0	0	0	0	0	0	1,202,578	0	1,250,765
Claims and Judgments Payable	0	0	0	0	130,140	0	0	0	0	0	0	130,140
General Obligation Notes Payable	570,968	0	0	8,179,032	0	0	0	0	0	0	0	8,750,000
Special Assessment Bonds Payable with Governmental Commitment	0	0	0	0	0	0	0	0	0	732,000	0	732,000
General Obligation Bonds Payable	0	0	0	0	0	0	0	0	0	7,660,000	0	7,660,000
Total Liabilities	3,011,406	214,138	960,590	8,497,842	130,140	124,005	0	0	0	9,594,578	0	22,532,699
Equity and Other Credits:												
Investment in General Fixed Assets	0	0	0	0	0	0	0	0	14,240,823	0	0	14,240,823
Retained Earnings (Accumulated Deficit):												
Unreserved	0	0	0	0	(78,708)	0	0	0	0	0	0	(78,708)
Fund Balances:												
Reserved for Encumbrances	425,255	1,253,514	0	4,795,546	0	0	0	0	0	0	0	6,474,315
Reserved for Prepaid Items	17,594	0	0	0	0	0	0	0	0	0	0	17,594
Reserved for Debt Service	0	0	302,034	0	0	0	0	0	0	0	0	302,034
Unreserved and Undesignated	2,644,057	2,249,112	0	(6,190,574)	0	28,905	0	0	0	0	0	(1,268,500)
Total Equity and Other Credits	3,086,906	3,502,626	302,034	(1,395,028)	(78,708)	28,905	0	0	14,240,823	0	0	19,687,558
Total Liabilities, Equity and Other Credits	\$ 6,098,312	\$ 3,716,764	\$ 1,262,624	\$ 7,102,814	\$ 51,432	\$ 152,910	\$ 14,240,823	\$ 9,594,578	\$ 42,220,257			

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

THE CITY OF HILLIARD, OHIO
COMBINED STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2000

	<i>Governmental</i>			<i>Fiduciary</i>		Totals (Memorandum Only)
	<i>Fund Types</i>			<i>Fund Type</i>		
	General Fund	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Expendable Trust Fund	
Revenues:						
Taxes	\$ 9,449,422	\$ 2,703,085	\$ 55,021	\$ 3,315,618	\$ 0	\$ 15,523,146
Intergovernmental Revenues	1,445,150	219,458	0	750,000	0	2,414,608
Charges for Services	819,634	1,310,558	0	0	0	2,130,192
Licenses, Permits and Fees	255,053	57,444	0	0	0	312,497
Investment Earnings	827,150	0	0	0	0	827,150
Special Assessments	0	0	158,117	0	0	158,117
Fines and Forfeitures	212,831	19,204	0	0	0	232,035
Donations	0	0	0	0	52,678	52,678
All Other Revenues	84,853	16,286	0	167	0	101,306
Total Revenues	<u>13,094,093</u>	<u>4,326,035</u>	<u>213,138</u>	<u>4,065,785</u>	<u>52,678</u>	<u>21,751,729</u>
Expenditures:						
Current:						
Security of Persons and Property	5,213,032	0	0	0	40,946	5,253,978
Public Health and Welfare Services	86,423	0	0	0	0	86,423
Leisure Time Activities	2,347,661	121,226	0	0	0	2,468,887
Community Environment	1,035,346	258,069	0	0	0	1,293,415
Basic Utility Services	758,275	627,194	0	0	0	1,385,469
Transportation	0	2,225,509	0	0	0	2,225,509
General Government	4,654,500	11,211	0	0	0	4,665,711
Capital Outlay	0	0	0	3,848,416	0	3,848,416
Debt Service:						
Principal Retirements	0	0	927,000	0	0	927,000
Interest and Fiscal Charges	24,344	0	535,891	352,723	0	912,958
Total Expenditures	<u>14,119,581</u>	<u>3,243,209</u>	<u>1,462,891</u>	<u>4,201,139</u>	<u>40,946</u>	<u>23,067,766</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,025,488)	1,082,826	(1,249,753)	(135,354)	11,732	(1,316,037)
Other Financing Sources (Uses):						
Proceeds From General Obligation Notes	0	0	0	4,275	0	4,275
Operating Transfers In	0	0	1,763,821	240,121	0	2,003,942
Operating Transfers Out	(44,607)	(520,938)	(240,121)	(1,198,276)	0	(2,003,942)
Total Other Financing Sources (Uses)	<u>(44,607)</u>	<u>(520,938)</u>	<u>1,523,700</u>	<u>(953,880)</u>	<u>0</u>	<u>4,275</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(1,070,095)	561,888	273,947	(1,089,234)	11,732	(1,311,762)
Fund Balance (Deficit) Beginning of Year	4,157,001	2,940,738	28,087	(305,794)	17,173	6,837,205
Fund Balance (Deficit) End of Year	<u>\$ 3,086,906</u>	<u>\$ 3,502,626</u>	<u>\$ 302,034</u>	<u>\$ (1,395,028)</u>	<u>\$ 28,905</u>	<u>\$ 5,525,443</u>

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

THE CITY OF HILLIARD, OHIO
COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2000

	<u>General Fund</u>			<u>Special Revenue Funds</u>		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:						
Taxes	\$ 9,615,000	\$ 9,724,223	\$ 109,223	\$ 1,900,000	\$ 1,912,690	\$ 12,690
Intergovernmental	1,332,500	1,397,463	64,963	1,155,000	962,275	(192,725)
Charges for Services	900,000	819,634	(80,366)	1,586,500	1,344,761	(241,739)
Licenses and Permits	234,900	250,187	15,287	80,000	40,400	(39,600)
Investment Earnings	600,500	828,476	227,976	0	0	0
Special Assessments	0	0	0	0	0	0
Fines and Forfeitures	215,000	216,289	1,289	28,500	19,218	(9,282)
Other	150,900	87,574	(63,326)	2,000	18,296	16,296
Total Revenues	<u>13,048,800</u>	<u>13,323,846</u>	<u>275,046</u>	<u>4,752,000</u>	<u>4,297,640</u>	<u>(454,360)</u>
Expenditures:						
Current:						
Security of Persons and Property	5,146,385	5,060,166	86,219	16,000	0	16,000
Public Health and Welfare Services	87,000	86,423	577	0	0	0
Leisure Time Activities	2,557,913	2,357,930	199,983	286,100	121,226	164,874
Community Environment	1,164,840	1,041,407	123,433	311,809	255,438	56,371
Basic Utility Services	777,981	751,069	26,912	1,022,134	620,255	401,879
Transportation	0	0	0	4,823,436	3,447,562	1,375,874
General Government	6,949,241	5,023,235	1,926,006	23,500	12,138	11,362
Capital Outlay	0	0	0	0	0	0
Debt Service:						
Principal Retirement	0	0	0	0	0	0
Interest and Fiscal Charges	0	0	0	0	0	0
Total Expenditures	<u>16,683,360</u>	<u>14,320,230</u>	<u>2,363,130</u>	<u>6,482,979</u>	<u>4,456,619</u>	<u>2,026,360</u>
Excess of Revenues Over/ (Under) Expenditures	<u>(3,634,560)</u>	<u>(996,384)</u>	<u>2,638,176</u>	<u>(1,730,979)</u>	<u>(158,979)</u>	<u>1,572,000</u>
Other Financing Sources (Uses):						
Proceeds from Notes	0	0	0	0	0	0
Operating Transfers In	0	0	0	0	0	0
Operating Transfers Out	(96,471)	(96,471)	0	(520,938)	(520,938)	0
Income Tax Refunds	(285,000)	(293,381)	(8,381)	(55,000)	(55,615)	(615)
Total Other Financing Sources (Uses)	<u>(381,471)</u>	<u>(389,852)</u>	<u>(8,381)</u>	<u>(575,938)</u>	<u>(576,553)</u>	<u>(615)</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>(4,016,031)</u>	<u>(1,386,236)</u>	<u>2,629,795</u>	<u>(2,306,917)</u>	<u>(735,532)</u>	<u>1,571,385</u>
Fund Balances at Beginning of Year	4,114,384	4,114,384	0	1,444,555	1,444,555	0
Prior Year Encumbrances Appropriated	582,678	582,678	0	1,375,328	1,375,328	0
Fund Balances at End of Year	<u>\$ 681,031</u>	<u>\$ 3,310,826</u>	<u>\$ 2,629,795</u>	<u>\$ 512,966</u>	<u>\$ 2,084,351</u>	<u>\$ 1,571,385</u>

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

THE CITY OF HILLIARD, OHIO
COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2000

<i>Debt Service</i>			<i>Capital Projects Funds</i>			<i>Totals (Memorandum Only)</i>		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$ 0	\$ 0	\$ 0	\$ 3,400,000	\$ 3,427,117	\$ 27,117	\$ 14,915,000	\$ 15,064,030	\$ 149,030
0	0	0	750,000	606,553	(143,447)	3,237,500	2,966,291	(271,209)
0	0	0	0	0	0	2,486,500	2,164,395	(322,105)
0	0	0	0	0	0	314,900	290,587	(24,313)
0	0	0	0	0	0	600,500	828,476	227,976
168,700	158,117	(10,583)	0	0	0	168,700	158,117	(10,583)
0	0	0	0	0	0	243,500	235,507	(7,993)
0	0	0	800,000	167	(799,833)	952,900	106,037	(846,863)
168,700	158,117	(10,583)	4,950,000	4,033,837	(916,163)	22,919,500	21,813,440	(1,106,060)
0	0	0	0	0	0	5,162,385	5,060,166	102,219
0	0	0	0	0	0	87,000	86,423	577
0	0	0	0	0	0	2,844,013	2,479,156	364,857
0	0	0	0	0	0	1,476,649	1,296,845	179,804
0	0	0	0	0	0	1,800,115	1,371,324	428,791
0	0	0	0	0	0	4,823,436	3,447,562	1,375,874
0	0	0	0	0	0	6,972,741	5,035,373	1,937,368
0	0	0	14,384,109	8,895,414	5,488,695	14,384,109	8,895,414	5,488,695
1,127,000	6,977,000	(5,850,000)	0	0	0	1,127,000	6,977,000	(5,850,000)
815,849	767,118	48,731	0	0	0	815,849	767,118	48,731
1,942,849	7,744,118	(5,801,269)	14,384,109	8,895,414	5,488,695	39,493,297	35,416,381	4,076,916
(1,774,149)	(7,586,001)	(5,811,852)	(9,434,109)	(4,861,577)	4,572,532	(16,573,797)	(13,602,941)	2,970,856
0	5,650,000	5,650,000	3,100,000	3,104,275	4,275	3,100,000	8,754,275	5,654,275
1,776,332	2,154,927	378,595	0	0	0	1,776,332	2,154,927	378,595
0	0	0	(1,498,595)	(1,537,518)	(38,923)	(2,116,004)	(2,154,927)	(38,923)
0	0	0	(115,000)	(117,353)	(2,353)	(455,000)	(466,349)	(11,349)
1,776,332	7,804,927	6,028,595	1,486,405	1,449,404	(37,001)	2,305,328	8,287,926	5,982,598
2,183	218,926	216,743	(7,947,704)	(3,412,173)	4,535,531	(14,268,469)	(5,315,015)	8,953,454
28,087	28,087	0	1,307,554	1,307,554	0	6,894,580	6,894,580	0
0	0	0	3,840,876	3,840,876	0	5,798,882	5,798,882	0
\$ 30,270	\$ 247,013	\$ 216,743	\$ (2,799,274)	\$ 1,736,257	\$ 4,535,531	\$ (1,575,007)	\$ 7,378,447	\$ 8,953,454

THE CITY OF HILLIARD, OHIO
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN ACCUMULATED DEFICIT
PROPRIETARY FUND TYPE
FOR THE YEAR ENDED DECEMBER 31, 2000

	<u><i>Internal Service Fund</i></u>
<u>Operating Revenues:</u>	
Charges for Services	\$ 1,768,280
Total Operating Revenues	<u>1,768,280</u>
 <u>Operating Expenses:</u>	
Administration Fees	37,678
Stop Loss Coverage	88,286
Health Insurance Claims	<u>1,568,202</u>
Total Operating Expenses	<u>1,694,166</u>
Net Income	74,114
Accumulated Deficit at Beginning of Year	<u>(152,822)</u>
Accumulated Deficit at End of Year	<u><u>\$ (78,708)</u></u>

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

THE CITY OF HILLIARD, OHIO
STATEMENT OF CASH FLOWS
PROPRIETARY FUND TYPE
FOR THE YEAR ENDED DECEMBER 31, 2000

	<u><i>Internal Service Fund</i></u>
<u>Cash Flows from Operating Activities:</u>	
Cash Received from Customers	\$ 1,768,280
Cash Payments for Services	(125,964)
Cash Payments for Claims	(1,597,224)
Net cash Provided by Operating Activities	<u>45,092</u>
Net Increase in Cash and Cash Equivalents	45,092
Cash and Cash Equivalents at Beginning of Year	<u>6,340</u>
Cash and Cash Equivalents at End of Year	<u><u>\$ 51,432</u></u>
<u>Reconciliation of Operating Income to Net Cash Provided by Operating Activities:</u>	
Operating Income	\$ 74,114
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:	
Decrease in Claims and Judgments Payable	(29,022)
Total Adjustments	<u>(29,022)</u>
Net Cash Provided by Operating Activities	<u><u>\$ 45,092</u></u>

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

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Hilliard, Ohio (the City) is a home rule municipal corporation created under the laws of the State of Ohio. The City operates under its own Charter. The current Charter, which provides for a Mayor-Council form of government, was adopted January 1, 1963 and was amended June 2, 1982.

The accompanying general purpose financial statements of the City present the financial position of the various fund types and account groups, the results of operations of the various fund types and the cash flows of the proprietary fund. The financial statements are presented as of December 31, 2000 and for the year then ended and have been prepared in conformity with generally accepted accounting principles (GAAP) applicable to local governments. The Governmental Accounting Standards Board (the GASB) is the standard-setting body for establishing governmental accounting and financial reporting principles, which are primarily set forth in the GASB's Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification).

A. REPORTING ENTITY

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

Based on the foregoing, the City's financial reporting entity has no component units but includes all funds, account groups, agencies, boards and commissions that are part of the primary government, which includes the following services: police protection, parks and recreation, planning, zoning, engineering, street maintenance, refuse collection (on a contractual basis) and other governmental services.

B. Basis of Presentation - Fund Accounting

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

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation - Fund Accounting (Continued)

Governmental Funds

The governmental funds are those funds through which most governmental functions typically are financed. The acquisition, use and balances of the City's expendable financial resources and the related current liabilities (except those accounted for in the proprietary fund) are accounted for through governmental funds. The measurement focus is upon determination of "financial flow" (sources, uses and balances of financial resources). The following are the City's governmental fund types:

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

Special Revenue Funds - These funds are used to account for the proceeds of specific revenue sources (other than expendable trusts, or major capital projects) that are legally restricted to expenditure for specified purposes.

Debt Service Funds - These funds are used for the accumulation of resources for, and the payment of, general obligation and special assessment long-term debt principal and interest.

Capital Projects Funds - These funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities.

Proprietary Fund

Internal Service Fund - This fund is used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City, or to other governments, on a cost-reimbursement basis. The internal service fund is accounted for on an economic resources" measurement focus. This measurement focus provides that all assets and liabilities associated with the operation of this fund are included on the balance sheet. The internal service fund operating statement presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The City created the Insurance Trust Internal Service Fund to pay employee health insurance claims and life insurance premiums.

Fiduciary Funds

Trust and Agency Funds - These funds are used to account for assets held by a government unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds. The City maintains both an expendable trust fund and agency funds. The expendable trust fund is accounted for and reported similarly to governmental funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation - Fund Accounting (Continued)

Account Groups- To make a clear distinction between fixed assets related to specific funds and those of general government and between long-term liabilities related to specific funds and those of a general nature, the following account groups are used:

General Fixed Assets Account Group - This account group is established to account for fixed assets of the City, other than those accounted for in the proprietary and similar trust funds.

General Long-Term Obligations Account Group - This account group is established to account for all long-term debt and other long-term obligations of the City except those accounted for in the proprietary fund.

C. Basis of Accounting

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

The modified accrual basis of accounting is followed by the governmental funds and expendable trust and agency funds. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. The term "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, which for the City is 60 days after year end. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt which is recognized when due.

Revenue considered susceptible to accrual at year end includes income taxes withheld by employers, interest on investments, and state levied locally shared taxes (including motor vehicle license fees and local government assistance). Other revenue, including licenses, permits, certain charges for services, income taxes other than those withheld by employers and miscellaneous revenues, is recorded as revenue when received in cash because it is generally not measurable until received.

Special assessment installments including related accrued interest, which are measurable but not available at December 31, are recorded as deferred revenue. Property taxes measurable as of December 31, 2000 but which are not intended to finance 2000 operations and delinquent property taxes, whose availability is indeterminate, are recorded as deferred revenue. Special assessments and property tax receivables are further described in Note 5.

Pursuant to GASB Statement No. 20, "Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that Use Proprietary Fund Accounting," the City follows GASB guidance as applicable to proprietary funds and FASB Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins issued on or before November 30, 1989 that do not conflict with or contradict GASB pronouncements.

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

NOTE 1-SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Budgetary Process

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

All funds, other than agency funds, are legally required to be budgeted and appropriated; however, only governmental funds are required to be reported. There was no budgetary activity to record in the Recreation Improvement Fund, Water Main Improvement Fund and Municipal Building Fund (capital projects funds) during 2000. All revenues and expenditures for these funds are related to accruals, therefore no budgetary schedules are included. The legal level of budgetary control is by fund. Budgetary modifications that amend the appropriations of any fund may be made only by ordinance of the City Council.

1. Tax Budget

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

2. Estimated Resources

The County Budget Commission reviews estimated revenue and determines if the budget substantiate a need to levy all or part of previously authorized taxes. The Budget Commission then certifies its actions to the City by September 1 of each year. As part of the certification process, the City receives an official certificate of estimated resources stating the projected receipts by fund. Prior to December 31, the City must revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year do not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriations measure. On or about January 1, the certificate of estimated resources is amended to include any unencumbered fund balances from the preceding year. The certificate may be further amended during the year if a new source of revenue is identified or if actual receipts exceed current estimates. The amounts reported on the budgetary statement reflect the amounts in the final amended official certificate of estimated resources issued during 2000.

NOTE 1-SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**D. Budgetary Process** (Continued)**3.Appropriations**

A temporary appropriation ordinance to control expenditures may be passed on or about January 1 of each year for the period January 1 through March 31. An annual appropriation ordinance must be passed by April 1 of each year for the period January 1 through December 31. The appropriation ordinance establishes spending controls at the fund, department and object level, and may be modified during the year by ordinance of the City Council. Total fund appropriations may not exceed the current estimated resources as certified by the County Budget Commission. Expenditures may not legally exceed budgeted appropriations at the fund level. During 2000, several supplemental appropriations were necessary to budget the use of contingency funds, intergovernmental grants proceeds and capital improvement projects. Administrative control is maintained through the establishment of more detailed line-item budgets. The budgetary figures which appear in the "Combined Statement of Revenues, Expenditures, and Changes in Fund Balances--Budget and Actual--All Governmental Fund Types" are provided on the budgetary basis to provide a comparison of actual results to the final budget, including all amendments and modifications

4.Encumbrances

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

5.Lapsing of Appropriations

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

6. Budgetary Basis of Accounting

The City's budgetary process accounts for certain transactions on a basis other than generally accepted accounting principles (GAAP). The major differences between the budgetary basis and the GAAP basis lie in the manner in which revenues and expenditures are recorded. Under the budgetary basis, revenues and expenditures are recognized on a cash basis. Utilizing the cash basis, revenues are recorded when received in cash and expenditures when paid. Under the GAAP basis, revenues and expenditures are recorded on the modified accrual basis of accounting.

NOTE 1-SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Budgetary Process (Continued)6. Budgetary Basis of Accounting (Continued)

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the governmental funds:

	General Fund	Special Revenue Funds	Debt Service Funds	Capital Project Funds
GAAP Basis (as reported)	\$ (1,070,095)	\$ 561,888	\$ 273,947	\$ (1,089,234)
Increase (Decrease):				
Accrued Revenues				
at December 31, 2000				
received during 2001	(1,066,686)	(225,407)	(55,021)	(472,265)
Accrued Revenues at				
December 31, 1999				
received during 2000	988,167	257,890	0	321,713
Accrued Expenditures at				
December 31, 2000				
paid during 2001	1,283,060	197,184	0	284,893
Accrued Expenditures at				
December 31, 1999				
paid during 2000	(963,664)	(229,382)	0	(330,255)
1999 Prepays for 2000	17,302	0	0	0
2000 Prepays for 2001	(17,594)	0	0	0
Change in Restricted Assets	0	(32,119)	0	0
Note Proceeds	0	0	0	3,100,000
Note Retirements, net	(29,032)	0	0	(370,968)
Outstanding Encumbrances	(527,694)	(1,265,586)	0	(4,856,057)
Budget Basis	<u>\$ (1,386,236)</u>	<u>\$ (735,532)</u>	<u>\$ 218,926</u>	<u>\$ (3,412,173)</u>

E. Cash and Cash Equivalents

During fiscal year 2000, cash and cash equivalents included amounts in demand deposits, short-term certificates of deposit with original maturities of three months or less, repurchase agreements and the State Treasury Asset Reserve (STAR Ohio). STAR Ohio is a very liquid investment and is reported as a cash equivalent in the general purpose financial statements.

The City pools its cash for investment and resource management purposes. Each fund's equity in pooled cash and cash equivalents represents the balance on hand as if each fund maintained its own cash and cash equivalent account.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Investments

Investment procedures and interest allocations are restricted by provisions of the Ohio Constitution and the Ohio Revised Code. In accordance with GASB Statement No. 31, “*Accounting and Financial Reporting for Certain Investments and for External Investment Pools*”, the City records all its investments at fair value except for nonparticipating investment contracts (repurchase agreements) which are reported at cost, which approximates fair value. All investment income, including changes in the fair value of investments, are recognized as revenue in the operating statements. Fair value is determined by quoted market prices. See Note 4, “Cash, Cash Equivalents and Investments.” Investment earnings from other funds totaling \$686,535 were assigned to the General Fund as required.

The City has invested funds in the STAR Ohio during 2000. 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, 2000.

G. Fixed Assets and Depreciation

The accounting and reporting treatment applied to fixed assets is determined by their ultimate use. Fixed assets acquired or constructed for general governmental purposes are recorded as expenditures in the governmental funds and are capitalized at cost (or estimated historical cost for assets not purchased in recent years) in the General Fixed Assets Account Group. Contributed fixed assets are recorded at fair market value at the date received.

Fixed assets consisting of certain improvements other than buildings, including 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 City has elected not to record depreciation or capitalize interest in the General Fixed Assets Account Group.

H. Long-Term Obligations

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

<u>Obligation</u>	<u>Fund</u>
Special Assessment Bonds	Special Assessment Bond Retirement Fund
General Obligation Bonds	General Bond Retirement Fund
Compensated Absences	General Fund, Street Maintenance and Repair Fund Water Revenue Fund, Sewer Revenue Fund Sewer Capacity and Benefit Fund Construction Inspection Fund

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**I. Compensated Absences**

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

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

For governmental funds, the portion of unpaid compensated absences that is expected to be paid using expendable, available resources is reported as an expenditure in the fund from which the individual earning the leave is paid, and a corresponding liability is reflected in the account "Compensated Absences Payable." The long-term portion of the liability is reported in the General Long-Term Obligations Account Group.

J. Pensions

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

K. Interfund Transactions

During the course of normal operations, the City has numerous transactions between funds. Interfund transactions are generally classified as follows:

- Operating transfers are reported as "Other Financing Sources and Uses" in the governmental funds, as "Operating Transfers In" by the recipient fund, and "Operating Transfers Out" by the disbursing fund.
- Residual equity transfers are nonroutine or nonrecurring transfers between funds and are reported as additions to or deductions from the fund equity balance. There were no residual equity transfers during 2000.

Transactions that would be treated as revenues and expenditures/expenses if the transactions involved organizations external to the City are similarly treated when involving other funds of the City. The City also advances cash from one fund to another as necessary to meet current obligations.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. Reservations of Fund Balance

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

M. Total Columns on Combined Financial Statements - Overview

Total columns on the “Combined Financial Statements - Overview” are captioned “Memorandum Only” to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations in conformity with generally accepted accounting principles, nor is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

NOTE 2 - COMPLIANCE AND ACCOUNTABILITY

A. Fund/Retained Earnings Deficits

At December 31, 2000 the following funds had a deficit in Fund Balance /Retained Earnings:

	Fund Deficit
Capital Project Funds	
Recreation Improvement Funds	\$ (411,864)
Municipal Building Funds	(1,144,068)
Leap Road Construction Fund	(418,578)
Water Tower Fund	(1,475,267)
Internal Service Fund	
Insurance Trust	(78,708)

The fund deficits in the Recreation Improvement Fund, the Municipal Building Fund, the Leap Road Construction Fund and the Water Tower Fund (capital projects funds) arise from recording notes payable as fund liabilities. The retained earnings deficit in the Insurance Trust Fund (internal service fund) arises from the recognition of expenses on the accrual basis of accounting which results in expenses greater than those on a cash basis. Deficits do not exist for any of the above noted funds under the budgetary/cash basis of accounting. The General Fund provides operating transfers when cash is required, not when accruals occur.

B. Excess of Appropriations Over Estimated Resources

For the year ended December 31, 2000, appropriations exceeded estimated resources by the following amounts in the following funds: by \$131,408 in the Street Capital Improvement Fund and by \$84,755 in the Park Maintenance Fund and by \$1,847,211 in the Capital Improvement and by \$88 in the Britton Road Improvement Fund, and by \$478,218 in the Leap Rd. Construction Fund and by \$243,661 in the Insurance Trust.

NOTE 2 - COMPLIANCE AND ACCOUNTABILITY (Continued)**C. Excess of Expenditures Over Appropriations**

For the year ended December 31, 2000 expenditures exceeded appropriations at the fund level (i.e. the legal level of budgetary control) by \$5,797,098 in the General Bond Retirement Fund because rollover notes were not budgeted for, and by \$3,209 in the Special Assessment Fund (debt service funds), by \$946 in the Police Benevolent Fund (trust fund), by 103,432 in the Income Tax Deposit Fund and by \$78,106 in the Refund Trust Fund (agency funds), and by \$173,188 in the Insurance Trust Fund (internal service fund). The excess expenditures were funded from available fund balances.

NOTE 3- CASH, CASH EQUIVALENTS AND INVESTMENTS

Cash resources of a majority of individual funds are combined to form a pool of cash and investments. Each fund type's portion of this pool is displayed on the combined balance sheet as "Cash and Cash Equivalents." Ohio law requires the classification of funds held by the City into three categories.

Category 1 consists of "active" funds - those funds required to be kept in a "cash" or "cash equivalent" status for immediate use by the City. Such funds must be maintained either as cash in the City treasury or in depository accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts.

Category 2 consists of "inactive" funds - those funds not required for use within the current two year period of designation of depositories. Inactive funds may be deposited or invested only as certificates of deposit maturing not later than the end of the current period of designation of depositories.

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

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

NOTE 3- CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

Ohio Law requires that deposits be placed in eligible banks or savings and loan associations located in Ohio. Any public depository in which the City places deposits must pledge as collateral eligible securities of aggregate market value equal to the excess of deposits not insured by the Federal Deposit Insurance Corporation (FDIC). The securities pledged as collateral are pledged to a pool for each individual financial institution in amounts equal to at least 110% of the carrying value of all public deposits held by each institution. Obligations that may be pledged as collateral are limited to obligations of the United States and its agencies and obligations of any state, county, municipal corporation or other legally constituted authority of any other state or any instrumentality of such county, municipal corporation or other authority. Based upon criteria described in GASB Statement No. 3 "*Deposits With Financial Institutions, Investments (including Repurchase Agreements) and Reverse Repurchase Agreements,*" collateral held in single financial collateral pools with securities being held by the pledging financial institutions' agent in the pool's name are classified as Category 3.

The Governmental Accounting Standards Board has established risk categories for deposits and investments as follows:

Deposits:

- Category 1 Insured or collateralized with securities held by the City or by its agent in the City's name.
- Category 2 Collateralized with securities held by the pledging financial institution's trust department or agent in the City's name.
- Category 3 Uncollateralized or collateralized with securities held by the pledging financial institution's trust department or agent but not in the City's name.

Investments:

- Category 1 Insured or registered, or securities held by the City or its agent in the City's name.
- Category 2 Uninsured and unregistered, with securities held by the counter party's trust department or agent in the City's name.
- Category 3 Uninsured and unregistered, with securities held by the counterparty or by its trust department or agent but not in the City's name.

A. Deposits

At year end the carrying amount of the City's deposits was \$763,294 and the bank balance was \$319,437. Federal depository insurance covered \$435,048 of the bank balance and an additional \$400,000 is covered by an Ohio Depository Bond. All remaining deposits were classified as Category 3.

NOTE 3- CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)**B. Investments**

The City's investments at December 31, 2000 are summarized below:

	Category 1	Category 3	Fair Value
<u>Categorized Investments</u>			
U.S. Government Securities	\$ 1,741,473	\$ 0	\$ 1,741,473
Repurchase Agreement	0	11,126,000	11,126,000
Total Categorized Investments	<u>1,741,473</u>	<u>11,126,000</u>	<u>12,867,473</u>
<u>Noncategorized Investments</u>			
STAR Ohio	N/A	N/A	583,194
Total Noncategorized Investments	N/A	N/A	583,194
Total Investments	<u>\$ 1,741,473</u>	<u>\$ 11,126,000</u>	<u>\$ 13,450,667</u>

C. Cash With Fiscal Agent

The City has uninsured and uncollateralized cash in the amount of \$122,307 being held by the Franklin County Engineer. This cash is restricted in its use for various road improvement projects. The City also has cash in the amount of \$30,771 in a Mayor's Court Account.

D. Reconciliation of Cash, Cash Equivalents and Investments

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

A reconciliation between classifications of cash and investments on the combined financial statements and the classifications per items A and B of this note are as follows:

Per Combined Balance Sheet	\$ 12,472,488	\$ 1,741,473
Investments:		
Repurchase Agreement	(11,126,000)	11,126,000
STAR Ohio	<u>(583,194)</u>	<u>583,194</u>
Per GASB Statement No. 3	<u>\$ 763,294</u>	<u>\$ 13,450,667</u>

* Includes Cash with Fiscal Agent

NOTE 4- TAXES**A. Property Taxes**

Property taxes include amounts levied against all real estate and public utility property, and tangible personal property used in business and located in the City. Real property taxes (other than public utility) collected during 2000 were levied after October 1, 1999 on assessed values as of January 1, 1999, the lien date. Assessed values were established by the County Auditor at 33.39 percent of appraised market value. All property is required to be reappraised every six years and equalization adjustments made in the third year following reappraisal. The last revaluation was completed in 1999. Real property taxes are payable annually or semi-annually. The first payment is due January 20, with the remainder payable by June 20.

Taxes collected from tangible personal property (other than public utility) in one calendar year are levied in the prior calendar year on assessed values during and at the close of the most recent fiscal year of the taxpayer that ended on or before March 31 of that calendar year, and at the tax rates determined in the preceding year. Tangible personal property used in business (except for public utilities) is currently assessed for ad valorem taxation purposes at 25 percent of its true value. Amounts paid by multi-county taxpayers are due September 20 of the year assessed. Single county taxpayers may pay annually or semi-annually: the first payment is due April 30; the remainder payable by September 20.

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

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

The full tax rate for all City operations for the year ended December 31, 2000 was \$1.60 per \$1,000 of assessed value. The assessed value upon which the 2000 levy was based was \$581,612,138. This amount constitutes \$520,706,420 in real property assessed value, \$19,792,520 in public utility assessed value and \$76,476,995 in tangible personal property assessed value.

Ohio law prohibits taxation of property from all taxing authorities in excess of 1% of assessed value without a vote of the people. Under current procedures, the City's share is .16% (1.60 mills) of assessed value.

NOTE 4- TAXES (Continued)**B. Income Tax**

The City levies a tax of 2.0% on all salaries, wages, commissions and other compensation and on net profits earned within the City as well as on incomes of residents earned outside the City. In the latter case, the City allows a credit of 100% of the tax paid to another municipality to a maximum of the total amount assessed.

Employers within the City are required to withhold income tax on employees compensation and remit the tax to the City either monthly or quarterly, as required. Corporations and other individual taxpayers are required to pay their estimated tax quarterly and file a declaration annually. Income tax proceeds are distributed to the General Fund, the Street Improvement Municipal Tax Fund (special revenue fund) and the Capital Improvement Municipal Tax Fund (capital projects fund) as required by City Ordinance Nos. 85—07 and 85—48.

NOTE 5- OPERATING TRANSFERS

Following is a summary of operating transfers in and out for all funds for 2000:

<u>Fund</u>	<u>Transfer In</u>	<u>Transfer Out</u>
General Fund	\$ 0	\$ 44,607
Special Revenue Funds:		
Street Improvement Municipal Tax Fund	<u>0</u>	<u>520,938</u>
Total Special Revenue Funds	<u>0</u>	<u>520,938</u>
Debt Service Funds:		
General Obligation Bond Retirement Fund	1,751,821	240,121
Special Assessment Bond Retirement Fund	<u>12,000</u>	<u>0</u>
Total Debt Service Funds	<u>1,763,821</u>	<u>240,121</u>
Capital Projects Funds:		
Capital Improvement Municipal Tax Fund	0	1,176,379
Recreation Improvement Fund	55,413	0
Water Tower Fund	0	21,897
Municipal Building Fund	153,923	0
Leap Road Construction Fund	<u>30,785</u>	<u>0</u>
Total Capital Projects Funds	<u>240,121</u>	<u>1,198,276</u>
Totals	<u>\$ 2,003,942</u>	<u>\$ 2,003,942</u>

NOTE 6- RECEIVABLES

Receivables at December 31, 2000 consisted of taxes, special assessments, interest, accounts receivable, interfund receivables, and intergovernmental receivables arising from shared revenues. All receivables other than those offset by deferred revenues are considered collectible in full.

NOTE 7- INTERFUND RECEIVABLES AND PAYABLES

The following is a summary of interfund receivables and payables for all funds for 2000:

<u>Due to/from Other Funds</u>	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
General Fund	\$ 20,804	\$ 0
Special Revenue Funds:		
Enforcement and Education Fund	219	0
Mayor's Court Computer Fund	<u>1,464</u>	<u>0</u>
Total Special Revenue Funds	<u>1,683</u>	<u>0</u>
Agency Fund:		
Mayor's Court Fund	<u>0</u>	<u>22,487</u>
Totals	<u>\$ 22,487</u>	<u>\$ 22,487</u>

NOTE 8- FIXED ASSETS

General Fixed Assets-Summary by category of changes in general fixed assets:

<u>Category</u>	<u>December 31, 1999</u>	<u>Additions</u>	<u>Deletions</u>	<u>December 31, 2000</u>
Land	\$ 2,610,207	\$ 575,000	\$ 0	\$ 3,185,207
Buildings	5,102,594	0	0	5,102,594
Improvements Other Than Buildings	1,222,385	863,856	(1,134)	2,085,107
Machinery and Equipment	1,289,319	429,477	(38,291)	1,680,505
Furniture and Fixtures	704,891	34,355	(154,665)	584,581
Vehicles	1,379,614	415,643	(192,428)	1,602,829
Construction In Progress	<u>38,341</u>	<u>0</u>	<u>(38,341)</u>	<u>0</u>
Totals	<u>\$ 12,347,351</u>	<u>\$ 2,318,331</u>	<u>\$ (424,859)</u>	<u>\$ 14,240,823</u>

NOTE 9- DEFINED BENEFIT PENSION PLANS***A. Public Employees Retirement System of Ohio***

All full-time employees, other than non-administrative full-time police officers and firefighters, participate in the Public Employees Retirement System of Ohio (PERS), a cost-sharing multiple-employer public employee retirement system administered by the Public Employees Retirement Board. PERS provides basic retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. Benefits are established by Chapter 145 of the Ohio Revised Code. PERS issues a stand-alone financial report which may be obtained by writing to the Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642

Plan members are required to contribute 8.5 percent of their annual covered salary to fund pension obligations. For calendar year 2000, PERS instituted a temporary employer rate rollback for state and local governments. The 2000 employer pension contribution rate for the City was 6.54 percent of covered payroll, reduced from 9.35 percent in 1999. Contributions are authorized by State statute. The contribution rates are determined actuarially. The City's required contributions to PERS for the years ended December 31, 2000, 1999, and 1998 were \$481,724, \$586,937 and \$539,082 respectively. The full amount has been contributed for all three years.

B. Ohio Police and Fire Pension Fund

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

Police and firefighters are required to contribute 10 percent of their annual salary to fund pension obligations and the City is required to contribute 12.25 percent for police and 16.75 percent for firefighters. For 2000, the City contributions were 12.5 percent for police and 17 percent for firefighters. Contributions are authorized by State statute. The City's contributions to the OP&F for police and firefighters were \$498,019 for the year ended December 31, 2000, \$465,697 for the year ended December 31, 1999, \$425,197 for the year ended December 31, 1998. The full amount has been contributed for all three years.

NOTE 10- POSTEMPLOYMENT BENEFITS***A. Public Employees Retirement System***

The Public Employees Retirement System of Ohio (PERS) provides postretirement 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 health care coverage provided by the retirement system is considered an Other Postemployment Benefit as described in GASB Statement No. 12. A portion of each employer's contribution to PERS is set aside for the funding of postretirement health care based on authority granted by State statute. The 2000 employer contribution rate was 10.84 percent of covered payroll; 4.30 percent was the portion that was used to fund health care for 2000. For 1999, the contribution rate was 13.55 percent of covered payroll; 4.20 percent was the portion that was used to fund health care.

Benefits are advance-funded using the entry age normal cost method. Significant actuarial assumptions, based on PERS's latest actuarial review performed as of December 31, 1999, include a rate of return on investments of 7.75 percent, an annual increase in active employee total payroll of 4.75 percent compounded annually (assuming no change in the number of active employees) and an additional increase in total payroll of between .54 and 5.1 percent based on additional pay increases. Health care premiums were assumed to increase 4.75 percent annually.

All investments are carried at market. For actuarial valuation purposes, a smoothed market approach is used. Assets are adjusted to reflect 25 percent of unrealized market appreciation or depreciation on investment assets.

The number of active contributing participants was 401,339. The City's actual contributions for 2000 which were used to fund postemployment benefits were \$191,090. The actual contribution and the actuarially required contribution amounts are the same. PERS's net assets available for payment of benefits at December 31, 1999, (the latest information available) were \$10,805.5 million. The actuarially accrued liability and the unfunded actuarial accrued liability were \$12,473.6 million and \$1,668.1 million, respectively.

For 2000, PERS elected to return to an actuarially pre-funded type of disclosure because it is a better presentation of PERS's actual funding methodology. Since 1997, disclosures had been based on a pay-as-you-go funding basis.

B. Ohio Police and Fire Pension Fund

The Ohio Police and Fire Pension Fund (OP&F) provides postretirement 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.

The health care coverage provided by the retirement system is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 12. The Ohio Revised Code provides the authority allowing the Ohio Police and Fire Pension Fund shall be included in the employer's contribution rate. Health care funding and accounting is on a pay-as-you-go basis. The total police employer contribution is 19.5 percent of covered payroll, of which 7.25 percent of covered payroll was applied to the postemployment health care program during 2000. For 1999, the percent used to fund healthcare was 7 percent. In addition, since July 1, 1992, most retirees have been required to contribute a portion of the cost of their health care coverage through a deduction from their monthly benefit payment.

NOTE 10- POSTEMPLOYMENT BENEFITS (Continued)

The City's actual contributions for 2000 that were used to fund postemployment benefits was \$178,776 for police. The OP&F's total health care expenses for the year ended December 31, 1999, (the latest information available) were \$95,004,633, which was net of member contributions of \$5,518,098. The number of OP&F participants eligible to receive health care benefits as of December 31, 1999, was 12,467 for police and 9,807 for fire.

NOTE 11- COMPENSATED ABSENCES

The costs of vacation and sick leave benefits are recorded as they are earned. Employees earn sick and vacation leave at varying rates based upon length of service. Upon retirement, and in certain instances, termination, an individual will be compensated for their accumulated sick leave at a maximum rate of 50% of the balance.

As of December 31, 2000, the liability for unpaid compensated absences was \$1,250,765 for all funds of the City. The balance of compensated absences that was considered long-term was \$1,202,578. The current portion of the liability has been recorded within the appropriate fund and the long-term portion of the liability has been reported in the General Long-Term Obligations Account Group.

NOTE 12- NOTES PAYABLE

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

General Obligation Notes:	Balance		Balance	
	December 31, 1999	Issued	(Retired)	December 31, 2000
4.55% Infrastructure Improvement	\$ 1,000,000	\$ 915,254	\$ (1,000,000)	\$ 915,254
4.55% Ballfield Improvement - Phase III	450,000	411,864	(450,000)	411,864
4.55% Municipal Building Improvement	1,250,000	1,144,068	(1,250,000)	1,144,068
4.55% Leap Road Improvement	250,000	3,328,814	(250,000)	3,328,814
4.55% Land Purchase	600,000	570,968	(600,000)	570,968
4.55% Water Tower Totals	2,500,000	2,379,032	(2,500,000)	2,379,032
Totals	\$ 6,050,000	\$ 8,750,000	\$ (6,050,000)	\$ 8,750,000

NOTE 13- LONG-TERM OBLIGATIONS

Activity in the General Long-Term Obligations Account Group in 2000 was as follows:

	Balance December 31, 1999	Issued	(Retired)	Balance December 31, 2000
General Long-Term Debt:				
General Obligation Bonds:				
6.375% Grade Separation Improvement - 1975	\$ 20,000	\$ 0	\$ (10,000)	\$ 10,000
12.125% Water Improvement - 1982	200,000	0	(20,000)	180,000
6.520% Various Purpose Improvement - 1991	310,000	0	(150,000)	160,000
5.840% Various Purpose Improvement - 1992	1,440,000	0	(145,000)	1,295,000
3.9 - 5.750% Various Purpose Improvement - 1995	3,055,000	0	(125,000)	2,930,000
5.1- 5.150% Cemetery Road Refunding - 1999	1,955,000	0	(120,000)	1,835,000
5.1- 5.150% Various Purpose Improvement - 1999	1,500,000	0	(250,000)	1,250,000
Total General Obligation Bonds	<u>8,480,000</u>	<u>0</u>	<u>(820,000)</u>	<u>7,660,000</u>
Special Assessment Bonds:				
7.500% N.E. Sanitary Sewer - 1977	45,000	0	(45,000)	0
1 3.625% Scioto Darby Sewer - 1982	4,000	0	(2,000)	2,000
7.350% Lyman Drive Extension - 1988	485,000	0	(40,000)	445,000
7.199% Hilliard Technology Park - 1989	305,000	0	(20,000)	285,000
Total Special Assessment Bonds	<u>839,000</u>	<u>0</u>	<u>(107,000)</u>	<u>732,000</u>
with Governmental Commitment				
Total General Long-Term Debt	<u>9,319,000</u>	<u>0</u>	<u>(927,000)</u>	<u>8,392,000</u>
Other Long-Term Obligations:				
Compensated Absences	1,109,881	1,202,578	(1,109,881)	1,202,578
Capital Leases	1,268	0	(1,268)	0
Total Other Long-Term Obligations	<u>1,111,149</u>	<u>1,202,578</u>	<u>(1,111,149)</u>	<u>1,202,578</u>
Total General Long-Term Debt and Other Long-Term Obligations	<u>\$ 10,430,149</u>	<u>\$ 1,202,578</u>	<u>\$ (2,038,149)</u>	<u>\$ 9,594,578</u>

Special assessment debt service is financed by assessments to affected property owners. However, the City is ultimately responsible for the debt service if the assessments are not collected. Special Assessment collections during 2000 amounted to \$158,117.

NOTE 13- LONG-TERM OBLIGATIONS (Continued)**A. Principal and Interest Requirements**

The City's future long-term obligation funding payments as of December 31, 2000, follow:

Years	General Obligation Bonds		Special Assessment Bonds	
	Principal	Interest	Principal	Interest
2001	\$ 865,000	\$ 428,126	\$ 72,000	\$ 54,609
2002	730,000	380,056	70,000	49,130
2003	795,000	340,744	75,000	43,924
2004	830,000	297,385	85,000	38,349
2005	870,000	252,263	85,000	32,028
2006-2010	2,320,000	682,307	345,000	55,986
2011-2015	1,250,000	224,250	0	0
Totals	\$ 7,660,000	\$ 2,605,130	\$ 732,000	\$ 274,026

NOTE 14- 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. During 2000 the City contracted with several different insurance providers for various insurance coverages, as follows:

Insurance Provider	Coverage	Deductible
St. Paul Insurance Company	Automobile	\$100 Comprehensive; \$500 Collision
St. Paul Insurance Company	General Liability	\$0
St. Paul Insurance Company	Property Casualty	\$1,000, 10% Co-Insurance
St. Paul Insurance Company	Inland Marine	\$250
St. Paul Insurance Company	Earthquake	\$25,000
Buckeye Union Insurance	Boiler and Machinery	\$1,000
National Casualty Insurance	Police Liability	\$10,000
U.S.F.& G. Insurance	Public Officials Liability	\$10,000

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

The City maintains a self-funded health insurance program with claims processed by Harrington Benefit Services Group on behalf of the City from January 1 through June 30, 2000. From July 1 through December 31, 2000 claims were processed by Polaris Benefits Administrators on behalf of the city. A separate Insurance Trust Fund (an internal service fund) was created in 1989 to account for and finance the health insurance program. As an integral part of the health insurance program, a reinsurance policy has been purchased covering claims in excess of \$10,000 per individual and \$1,000,000 per occurrence.

NOTE 14- RISK MANAGEMENT (Continued)

All funds of the City from which employee salaries are paid participate in the health insurance program and make payments to the Insurance Trust Fund based on actuarial estimates of the amounts needed to pay prior and current year claims. Total contributions to the program during 2000 were \$1,768,280. The claims liability of \$130,140 reported in the Insurance Trust Fund at December 31, 2000 is based on the requirements of GASB Statement No. 10, "Accounting and Financial Reporting for Risk Financing and Related Insurance Issues," as amended by GASB Statement No. 30 "Risk Management Omnibus," which requires that a liability for claims be reported if information prior to issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in the Insurance Trust Fund's claims liability amount for fiscal years 1999 and 2000 were:

Fiscal Year	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claims Payments	Balance at Fiscal Year End
1999	\$387,167	\$1,014,654	(\$1,242,659)	\$159,162
2000	159,162	1,568,202	(1,597,224)	\$130,140

There has been no significant reduction in insurance coverages from coverages in the prior year. In addition, settled claims resulting from these risks have not exceeded commercial insurance coverages in any of the past three fiscal years.

NOTE 15- CONTINGENCIES

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

***COMBINING AND INDIVIDUAL FUND AND ACCOUNT
GROUP STATEMENTS AND SCHEDULES***

The following combining statements and schedules include the General Fund, Special Revenue Funds, Debt Service Funds, Capital Project Funds, Fiduciary Funds, and the General Fixed Assets Account Group.

GENERAL FUND

The General Fund is used to account for government resources not accounted for in any other fund. The General Fund balance is available to the City for any purpose provided it is expended or transferred according to the Charter and/or the general laws of Ohio.

THE CITY OF HILLIARD, OHIO
SCHEDULE OF REVENUES, EXPEDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2000

GENERAL FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Taxes	\$ 9,615,000	\$ 9,724,223	\$ 109,223
Intergovernmental Revenues	1,332,500	1,397,463	64,963
Charges for Services	900,000	819,634	(80,366)
Licenses, Permits and Fees	234,900	250,187	15,287
Investment Earnings	600,500	828,476	227,976
Fines and Forfeitures	215,000	216,289	1,289
All Other Revenues	150,900	87,574	(63,326)
Total Revenues	13,048,800	13,323,846	275,046
<u>Expenditures</u>			
Security of Persons and Property:			
Police Department:			
Personal Services	4,674,895	4,614,743	60,152
Contractual Services	162,975	154,406	8,569
Materials and Supplies	221,515	204,301	17,214
Capital Outlay	84,000	83,716	284
Other	3,000	3,000	0
Total Security of Persons and Property	5,146,385	5,060,166	86,219
Public Health and Welfare Services:			
County Health District:			
Contractual Services	87,000	86,423	577
Total Public Health and Welfare Services	87,000	86,423	577
Leisure Time Activities			
Recreation Department:			
Personal Services	1,626,691	1,525,467	101,224
Contractual Services	381,620	348,869	32,751
Materials and Supplies	549,602	483,594	66,008
Total Leisure Time Activities	2,557,913	2,357,930	199,983

(Continued)

THE CITY OF HILLIARD, OHIO
SCHEDULE OF REVENUES, EXPEDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2000

GENERAL FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Community Environment:			
Service/Engineer:			
Personal Services	603,190	562,496	40,694
Contractual Services	120,289	89,652	30,637
Materials and Supplies	22,660	19,520	3,140
Total Service/Engineer	<u>746,139</u>	<u>671,668</u>	<u>74,471</u>
Building Inspection:			
Personal Services	343,315	329,555	13,760
Contractual Services	5,000	3,521	1,479
Materials and Supplies	70,386	36,663	33,723
Total Building Inspection	<u>418,701</u>	<u>369,739</u>	<u>48,962</u>
Total Community Environment	<u>1,164,840</u>	<u>1,041,407</u>	<u>123,433</u>
Basic Utility Services:			
General Refuse:			
Personal Services	205,990	183,500	22,490
Contractual Services	540,000	537,187	2,813
Materials and Supplies	31,991	30,382	1,609
Total Basic Utility Services	<u>777,981</u>	<u>751,069</u>	<u>26,912</u>
General Government:			
Mayor:			
Personal Services	334,700	308,738	25,962
Materials and Supplies	58,000	45,192	12,808
Total Mayor	<u>392,700</u>	<u>353,930</u>	<u>38,770</u>
City Council:			
Personal Services	57,167	38,060	19,107
Material and Supplies	24,954	19,955	4,999
Total City Council	<u>82,121</u>	<u>58,015</u>	<u>24,106</u>

(Continued)

THE CITY OF HILLIARD, OHIO
SCHEDULE OF REVENUES, EXPEDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2000

GENERAL FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
City Clerk:			
Personal Services	209,270	185,371	23,899
Material and Supplies	71,500	63,271	8,229
Total City Clerk	<u>280,770</u>	<u>248,642</u>	<u>32,128</u>
Finance Department:			
Personal Services	617,178	598,394	18,784
Contractual Services	202,088	197,955	4,133
Materials and Supplies	54,660	54,136	524
Total Finance Department	<u>873,926</u>	<u>850,485</u>	<u>23,441</u>
Public Buildings:			
Personal Services	289,893	252,833	37,060
Contractual Services	324,374	317,035	7,339
Materials and Supplies	41,478	39,237	2,241
Total Public Buildings	<u>655,745</u>	<u>609,105</u>	<u>46,640</u>
Civil Service:			
Personal Services	4,160	3,600	560
Materials and Supplies	21,500	14,526	6,974
Total Civil Service	<u>25,660</u>	<u>18,126</u>	<u>7,534</u>
Boards and Commissions:			
Personal Services	48,725	37,937	10,788
Materials and Supplies	65,998	62,045	3,953
Total Boards and Commissions	<u>114,723</u>	<u>99,982</u>	<u>14,741</u>
Law Department			
Personal Services	7,546	6,694	852
Contractual Services	381,496	366,862	14,634
Total Law Department	<u>389,042</u>	<u>373,556</u>	<u>15,486</u>

(Continued)

THE CITY OF HILLIARD, OHIO
SCHEDULE OF REVENUES, EXPEDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2000

GENERAL FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
General Administrative:			
Personal Services	95,000	94,002	998
Contractual Services	740,496	589,131	151,365
Materials and Supplies	150,032	138,157	11,875
Capital Outlay	3,149,026	1,590,104	1,558,922
Total General Administrative	<u>4,134,554</u>	<u>2,411,394</u>	<u>1,723,160</u>
Total General Government	<u>6,949,241</u>	<u>5,023,235</u>	<u>1,926,006</u>
Total Expenditures	<u>16,683,360</u>	<u>14,320,230</u>	<u>2,363,130</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,634,560)	(996,384)	2,638,176
Other Financing Sources (Uses):			
Income Tax Refunds	(285,000)	(293,381)	(8,381)
Operating Transfers Out	(96,471)	(96,471)	0
Total Other Financing Sources (Uses)	<u>(381,471)</u>	<u>(389,852)</u>	<u>(8,381)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(4,016,031)	(1,386,236)	2,629,795
Fund Balance at Beginning of Year	4,114,384	4,114,384	0
Prior Year Encumbrances Appropriated	582,678	582,678	0
Fund Balance at End of Year	<u>\$ 681,031</u>	<u>\$ 3,310,826</u>	<u>\$ 2,629,795</u>

SPECIAL REVENUE FUNDS

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

Street Maintenance and Repair Fund

To account for that portion of the state gasoline tax and motor vehicle registration fees designated for maintenance and repair of dedicated streets.

County Municipal Motor Vehicle Tax Fund

To account for the City's share of the motor vehicle license tax levied by the County.

Street Improvement Municipal Tax Fund

To account for 12.5% of the City's income tax collections to be used for repair and improvement of streets and highways.

Park Maintenance Fund

To account for public use fees collected on all lots developed in the City and the expenditures for all park maintenance, repair and upkeep.

Enforcement and Education Fund

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

Law Enforcement Trust Fund

To account for proceeds received from the sale of property confiscated during drug related arrests.

Mandatory Drug Fine Fund

To account for proceeds from mandatory drug fines disbursed for law enforcement purposes.

Law Enforcement Seizure Fund

To account for seized and forfeited cash and other property received as a result of the Safety Department's participation in drug investigations with the federal government. Expenditures are for law enforcement purposes.

Mayor's Court Computer Fund

To account for court imposed fines to be used to maintain and upgrade the computer system in the Mayor's court.

(Continued)

SPECIAL REVENUE FUNDS

Justice Seizure Fund

To account for seized and forfeited cash and other property received as a result of the Safety Department's investigations.

Water Revenue Fund

To account for water surcharge revenues and water tap fees collected by the City of Columbus for Hilliard. These revenues are used for upgrading and making minor repairs to waterlines.

Sewer Revenue Fund

To account for sewer surcharge revenues collected by the City of Columbus for Hilliard and 20% of sewer tap fees. These revenues are being used for sewer line upgrading and repairs.

Sewer Capacity and Benefit Fund

To account for system capacity charges and 80% of sewer tap fees. These revenues are being used to maintain all sewer lift stations.

Construction Inspection Fund

To account for the construction inspection fees and landscape deposits made by developers.

THE CITY OF HILLIARD, OHIO
COMBINING BALANCE SHEET
SPECIAL REVENUE FUNDS
DECEMBER 31, 2000

	Street Maintenance and Repair	County Municipal Motor Vehicle Tax	Street Improvement Municipal Tax	Park Maintenance	Enforcement and Education	Law Enforcement Trust
Assets:						
Pooled Cash and Cash Equivalents	\$ 353,202	\$ 233,963	\$ 1,993,221	\$ 2,533	\$ 6,622	\$ 124
Receivables (net of allowances for doubtful accounts)						
Taxes	0	0	181,992	0	0	0
Accounts	17,044	0	0	0	0	0
Due from Other Funds	0	0	0	0	219	0
Intergovernmental Receivables	0	15,794	0	0	0	0
Restricted Assets:						
Cash with Fiscal Agent	0	122,307	0	0	0	0
Total Assets	<u>\$ 370,246</u>	<u>\$ 372,064</u>	<u>\$ 2,175,213</u>	<u>\$ 2,533</u>	<u>\$ 6,841</u>	<u>\$ 124</u>
Liabilities and Fund Equity:						
Liabilities:						
Accounts Payable	\$ 9,729	\$ 0	\$ 37,683	\$ 0	\$ 0	\$ 0
Accrued Wages and Benefits	36,708	0	0	0	0	0
Intergovernmental Payables	56,938	0	0	0	0	0
Deferred Revenue	0	0	17,583	0	0	0
Total Liabilities	<u>103,375</u>	<u>0</u>	<u>55,266</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Equity:						
Reserved for Encumbrances	15,276	19,102	1,216,901	0	0	0
Unreserved	251,595	352,962	903,046	2,533	6,841	124
Total Fund Equity	<u>266,871</u>	<u>372,064</u>	<u>2,119,947</u>	<u>2,533</u>	<u>6,841</u>	<u>124</u>
Total Liabilities and Fund Equity	<u>\$ 370,246</u>	<u>\$ 372,064</u>	<u>\$ 2,175,213</u>	<u>\$ 2,533</u>	<u>\$ 6,841</u>	<u>\$ 124</u>

THE CITY OF HILLIARD, OHIO
COMBINING BALANCE SHEET
SPECIAL REVENUE FUNDS
DECEMBER 31, 2000

Mandatory Drug Fine	Law Enforcement Seizure	Mayor's Court Computer	Justice Seizure	Water Revenue	Sewer Revenue	Sewer Capacity and Benefit	Construction Inspection	Totals
\$ 2,170	\$ 2,527	\$ 31,790	\$ 256	\$ 101,489	\$ 26,005	\$ 69,072	\$ 528,493	\$ 3,351,467
0	0	0	0	0	0	0	0	181,992
0	0	0	0	0	0	0	0	17,044
0	0	1,464	0	0	0	0	0	1,683
0	0	0	0	14,408	12,069	0	0	42,271
0	0	0	0	0	0	0	0	122,307
<u>\$ 2,170</u>	<u>\$ 2,527</u>	<u>\$ 33,254</u>	<u>\$ 256</u>	<u>\$ 115,897</u>	<u>\$ 38,074</u>	<u>\$ 69,072</u>	<u>\$ 528,493</u>	<u>\$ 3,716,764</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,781	\$ 2,366	\$ 0	\$ 284	\$ 52,843
0	0	0	0	11,715	1,610	8,990	8,105	67,128
0	0	0	0	5,059	4,358	5,186	5,043	76,584
0	0	0	0	0	0	0	0	17,583
0	0	0	0	19,555	8,334	14,176	13,432	214,138
0	0	928	0	300	1,000	7	0	1,253,514
2,170	2,527	32,326	256	96,042	28,740	54,889	515,061	2,249,112
2,170	2,527	33,254	256	96,342	29,740	54,896	515,061	3,502,626
<u>\$ 2,170</u>	<u>\$ 2,527</u>	<u>\$ 33,254</u>	<u>\$ 256</u>	<u>\$ 115,897</u>	<u>\$ 38,074</u>	<u>\$ 69,072</u>	<u>\$ 528,493</u>	<u>\$ 3,716,764</u>

THE CITY OF HILLIARD, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2000

	Street Maintenance and Repair	County Municipal Motor Vehicle Tax	Street Improvement Municipal Tax	Park Maintenance	Enforcement and Education	Law Enforcement Trust
Revenues						
Taxes	\$ 859,915	\$ 182,300	\$ 1,660,870	\$ 0	\$ 0	\$ 0
Intergovernmental Revenues	0	217,913	1,545	0	0	0
Charges for Services	0	0	2,070	82,014	0	0
Licenses, Permits and Fees	17,044	0	0	40,400	0	0
Fines and forfeitures	0	0	0	0	2,799	0
All Other Revenues	60	0	0	0	0	0
Total Revenues	<u>877,019</u>	<u>400,213</u>	<u>1,664,485</u>	<u>122,414</u>	<u>2,799</u>	<u>0</u>
Expenditures						
Current:						
Security of Persons and Property	0	0	0	0	0	0
Leisure Time Activities	0	0	0	121,226	0	0
Community Environment	0	0	0	0	0	0
Basic Utility Services	0	0	0	0	0	0
Transportation	991,788	198,696	1,035,025	0	0	0
General Government	0	0	0	0	0	0
Total Expenditures	<u>991,788</u>	<u>198,696</u>	<u>1,035,025</u>	<u>121,226</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(114,769)	201,517	629,460	1,188	2,799	0
Other Financing Sources (Uses)						
Operating Transfers In	0	0	0	0	0	0
Operating Transfers Out	0	0	(520,938)	0	0	0
Total Other Financing Source (Uses)	<u>0</u>	<u>0</u>	<u>(520,938)</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(114,769)	201,517	108,522	1,188	2,799	0
Fund Balance at Beginning of Year	381,640	170,547	2,011,425	1,345	4,042	124
Fund Balance at End of Year	<u>\$ 266,871</u>	<u>\$ 372,064</u>	<u>\$ 2,119,947</u>	<u>\$ 2,533</u>	<u>\$ 6,841</u>	<u>\$ 124</u>

THE CITY OF HILLIARD, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2000

Mandatory Drug Fine	Law Enforcement Seizure	Mayor's Court Computer	Justice Seizure	Water Revenue	Sewer Revenue	Sewer Capacity and Benefit	Construction Inspection	Totals
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,703,085
0	0	0	0	0	0	0	0	219,458
0	0	0	0	310,860	151,254	286,553	477,807	1,310,558
0	0	0	0	0	0	0	0	57,444
0	0	16,405	0	0	0	0	0	19,204
0	0	0	0	0	7,726	0	8,500	16,286
0	0	16,405	0	310,860	158,980	286,553	486,307	4,326,035
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	121,226
0	0	0	0	0	0	0	258,069	258,069
0	0	0	0	240,132	170,467	216,595	0	627,194
0	0	0	0	0	0	0	0	2,225,509
0	0	11,211	0	0	0	0	0	11,211
0	0	11,211	0	240,132	170,467	216,595	258,069	3,243,209
0	0	5,194	0	70,728	(11,487)	69,958	228,238	1,082,826
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	(520,938)
0	0	0	0	0	0	0	0	(520,938)
0	0	5,194	0	70,728	(11,487)	69,958	228,238	561,888
2,170	2,527	28,060	256	25,614	41,227	(15,062)	286,823	2,940,738
<u>\$ 2,170</u>	<u>\$ 2,527</u>	<u>\$ 33,254</u>	<u>\$ 256</u>	<u>\$ 96,342</u>	<u>\$ 29,740</u>	<u>\$ 54,896</u>	<u>\$ 515,061</u>	<u>\$ 3,502,626</u>

THE CITY OF HILLIARD, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2000

STREET MAINTENANCE AND REPAIR FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues</u>			
Intergovernmental Revenues	\$ 900,000	\$ 877,275	\$ (22,725)
Total Revenues	<u>900,000</u>	<u>877,275</u>	<u>(22,725)</u>
<u>Expenditures</u>			
Transportation:			
Personal Services	774,990	666,086	108,904
Contractual Services	37,500	31,854	5,646
Material Services	276,349	252,282	24,067
Total Expenditures	<u>1,088,839</u>	<u>950,222</u>	<u>138,617</u>
Excess (Deficiency) of			
Revenues Over (Under) Expenditures	(188,839)	(72,947)	115,892
Fund Balance at Beginning of Year	387,719	387,719	0
Prior Year Encumbrances	20,049	20,049	0
Fund Balance at End of Year	<u>\$ 218,929</u>	<u>\$ 334,821</u>	<u>\$ 115,892</u>

THE CITY OF HILLIARD, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2000

COUNTY MUNICIPAL MOTOR VEHICLE TAX FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues</u>			
Taxes	\$ 200,000	\$ 199,132	\$ (868)
Intergovernmental Revenues	255,000	85,000	(170,000)
Total Revenues	<u>455,000</u>	<u>284,132</u>	<u>(170,868)</u>
<u>Expenditures</u>			
Transportation:			
Personal Services	40,000	36,917	3,083
Contractual Services	135,000	78,929	56,071
Material and Supplies	29,534	21,464	8,070
Total Expenditures	<u>204,534</u>	<u>137,310</u>	<u>67,224</u>
Excess (Deficiency) of			
Revenues Over (Under) Expenditures	250,466	146,822	(103,644)
Fund Balance at Beginning of Year	63,506	63,506	0
Prior Year Encumbrances	4,534	4,534	0
Fund Balance at End of Year	<u>\$ 318,506</u>	<u>\$ 214,862</u>	<u>\$ (103,644)</u>

THE CITY OF HILLIARD, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2000

STREET IMPROVEMENT MUNICIPAL TAX FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues</u>			
Taxes	\$ 1,700,000	\$ 1,713,558	\$ 13,558
Charges for Services	2,000	1,545	(455)
All Other Revenues	2,000	2,070	70
Total Revenues	<u>1,704,000</u>	<u>1,717,173</u>	<u>13,173</u>
<u>Expenditures</u>			
Transportation:			
Personal Services	75,000	72,425	2,575
Contractual Services	444,333	437,438	6,895
Capital Outlay	3,010,730	1,850,167	1,160,563
Total Expenditures	<u>3,530,063</u>	<u>2,360,030</u>	<u>1,170,033</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,826,063)	(642,857)	1,183,206
<u>Other Financing Sources (Uses)</u>			
Operating Transfers Out	(520,938)	(520,938)	0
Income Tax Refunds	(55,000)	(55,615)	(615)
Total Other Financing Source (Uses)	<u>(575,938)</u>	<u>(576,553)</u>	<u>(615)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(2,402,001)	(1,219,410)	1,182,591
Fund Balance at Beginning of Year	642,968	642,968	0
Prior Year Encumbrances	1,342,904	1,342,904	0
Fund Balance at End of Year	<u>\$ (416,129)</u>	<u>\$ 766,462</u>	<u>\$ 1,182,591</u>

THE CITY OF HILLIARD, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2000

PARK MAINTENANCE FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues</u>			
Charges for Services	\$ 120,000	\$ 82,014	\$ (37,986)
Licenses, Permits and Fees	80,000	40,400	(39,600)
Total Revenues	<u>200,000</u>	<u>122,414</u>	<u>(77,586)</u>
<u>Expenditures</u>			
Leisure Time Activities			
Materials and Supplies	166,100	20,831	145,269
Capital Outlay	120,000	100,395	19,605
Total Expenditures	<u>286,100</u>	<u>121,226</u>	<u>164,874</u>
Excess (Deficiency) of			
Revenues Over (Under) Expenditures	(86,100)	1,188	87,288
Fund Balance at Beginning of Year	245	245	0
Prior Year Encumbrances	1,100	1,100	0
Fund Balance at End of Year	<u>\$ (84,755)</u>	<u>\$ 2,533</u>	<u>\$ 87,288</u>

THE CITY OF HILLIARD, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2000

ENFORCEMENT AND EDUCATION FUND

	<u>Revised</u> <u>Budget</u>	<u>Actual</u>	<u>Variance:</u> <u>Favorable</u> <u>(Unfavorable)</u>
<u>Revenues</u>			
Fines and Forfeitures	\$ 2,500	\$ 2,880	\$ 380
Total Revenues	2,500	2,880	380
 <u>Expenditures</u>			
Security of Persons and Property:			
Materials and Supplies	6,000	0	6,000
Total Expenditures	6,000	0	6,000
 Excess (Deficiency) of			
Revenues Over (Under) Expenditures	(3,500)	2,880	6,380
Fund Balance at Beginning of Year	3,742	3,742	0
Fund Balance at End of Year	\$ 242	\$ 6,622	\$ 6,380

THE CITY OF HILLIARD, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2000

LAW ENFORCEMENT TRUST FUND

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
<u>Revenues</u>			
Fines and Forfeitures	\$ 1,000	\$ 0	\$ (1,000)
Total Revenues	1,000	0	(1,000)
<u>Expenditures</u>			
Security of Person and Property			
Materials and Supplies	1,000	0	1,000
Total Expenditures	1,000	0	1,000
Excess (Deficiency) of			
Revenues Over (Under) Expenditures	0	0	0
Fund Balance at Beginning of Year	124	124	0
Fund Balance at End of Year	\$ 124	\$ 124	\$ 0

THE CITY OF HILLIARD, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2000

MANDATORY DRUG FINE FUND

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
<u>Revenues</u>			
Fines and Forfeitures	\$ 2,000	\$ 0	\$ (2,000)
Total Revenues	2,000	0	(2,000)
 <u>Expenditures</u>			
Security of Persons and Property			
Materials and Supplies	4,000	0	4,000
Total Expenditures	4,000	0	4,000
 Excess (Deficiency) of			
Revenues Over (Under) Expenditures	(2,000)	0	2,000
Fund Balance at Beginning of Year	2,170	2,170	0
Fund Balance at End of Year	\$ 170	\$ 2,170	\$ 2,000

THE CITY OF HILLIARD, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2000

LAW ENFORCEMENT SEIZURE FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues</u>			
Fines and Forfeitures	\$ 2,000	\$ 0	\$ (2,000)
Total Revenues	2,000	0	(2,000)
<u>Expenditures</u>			
Security of Persons and Property			
Materials and Supplies	4,000	0	4,000
Total Expenditures	4,000	0	4,000
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,000)	0	2,000
Fund Balance at Beginning of Year	2,527	2,527	0
Fund Balance at End of Year	\$ 527	\$ 2,527	\$ 2,000

THE CITY OF HILLIARD, OHIO
SCHEDULE OF REVENUES, EXPEDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2000

MAYOR'S COURT COMPUTER FUND

	<u>Revised</u> <u>Budget</u>	<u>Actual</u>	<u>Variance:</u> <u>Favorable</u> <u>(Unfavorable)</u>
<u>Revenues:</u>			
Fines and Forfeitures	\$ 18,000	\$ 16,338	\$ (1,662)
Total Revenues	18,000	16,338	(1,662)
 <u>Expenditures:</u>			
General Government:			
Contractual Services	16,000	9,090	6,910
Materials and Supplies	7,500	3,048	4,452
Total Expenditures	23,500	12,138	11,362
 Excess (Deficiency) of			
Revenues Over (Under) Expenditures	(5,500)	4,200	9,700
Fund Balance at Beginning of Year	26,663	26,663	0
Fund Balance at End of Year	\$ 21,163	\$ 30,863	\$ 9,700

THE CITY OF HILLIARD, OHIO
SCHEDULE OF REVENUES, EXPEDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2000

JUSTICE SEIZURE FUND

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
<u>Revenues:</u>			
Fines and Forfeitures	\$ 3,000	\$ 0	\$ (3,000)
Total Revenues	3,000	0	(3,000)
 <u>Expenditures:</u>			
Security of Persons and Property:			
Others	1,000	0	1,000
Total Expenditures	1,000	0	1,000
 Excess (Deficiency) of			
Revenues Over (Under) Expenditures	2,000	0	(2,000)
Fund Balance at Beginning of Year	256	256	0
Fund Balance at End of Year	\$ 2,256	\$ 256	\$ (2,000)

THE CITY OF HILLIARD, OHIO
SCHEDULE OF REVENUES, EXPEDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2000

WATER REVENUE FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Charges for Services	\$ 380,000	\$ 330,405	\$ (49,595)
Total Revenues	<u>380,000</u>	<u>330,405</u>	<u>(49,595)</u>
<u>Expenditures:</u>			
Basic Utility Services:			
Personal Services	262,336	211,962	50,374
Material and Supplies	34,522	19,455	15,067
Other	15,000	3,332	11,668
Total Expenditures	<u>311,858</u>	<u>234,749</u>	<u>77,109</u>
Excess (Deficiency) of			
Revenues Over (Under) Expenditures	68,142	95,656	27,514
Fund Balance at Beginning of Year	653	653	0
Prior Year Encumbrances	4,522	4,522	0
Fund Balance at End of Year	<u>\$ 73,317</u>	<u>\$ 100,831</u>	<u>\$ 27,514</u>

THE CITY OF HILLIARD, OHIO
SCHEDULE OF REVENUES, EXPEDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2000

SEWER REVENUE FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Charges for Services	\$ 284,500	\$ 166,437	\$ (118,063)
All Other Revenue	0	7,726	7,726
Total Revenues	284,500	174,163	(110,337)
<u>Expenditures:</u>			
Basic Utility Services:			
Personal Services	157,010	110,691	46,319
Contractual Services	35,000	35,000	0
Materials and Supplies	35,000	19,991	15,009
Capital Outlay	4,000	0	4,000
Other	915	915	0
Total Expenditures	231,925	166,597	65,328
Excess (Deficiency) of			
Revenues Over (Under) Expenditures	52,575	7,566	(45,009)
Fund Balance at Beginning of Year	16,524	16,524	0
Prior Year Encumbrances	915	915	0
Fund Balance at End of Year	\$ 70,014	\$ 25,005	\$ (45,009)

THE CITY OF HILLIARD, OHIO
SCHEDULE OF REVENUES, EXPEDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2000

SEWER CAPACITY AND BENEFIT FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Charges for Services	\$ 495,000	\$ 286,553	\$ (208,447)
Total Revenues	<u>495,000</u>	<u>286,553</u>	<u>(208,447)</u>
<u>Expenditures:</u>			
Basic Utility Services:			
Personal Services	307,325	197,929	109,396
Materials and Supplies	161,026	16,026	145,000
Capital Outlay	10,000	4,954	5,046
Total Expenditures	<u>478,351</u>	<u>218,909</u>	<u>259,442</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	16,649	67,644	50,995
Excess (Deficiency) of Revenue and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	16,649	67,644	50,995
Fund Balance at Beginning of Year	396	396	0
Prior Year Encumbrances	1,026	1,026	0
Fund Balance at End of Year	<u>\$ 18,071</u>	<u>\$ 69,066</u>	<u>\$ 50,995</u>

THE CITY OF HILLIARD, OHIO
SCHEDULE OF REVENUES, EXPEDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2000

CONSTRUCTION INSPECTION FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Charges for Services	\$ 305,000	\$ 477,807	\$ 172,807
All Other Revenue	0	8,500	8,500
Total Revenues	305,000	486,307	181,307
<u>Expenditures:</u>			
Community Environment:			
Personal Services	231,531	192,346	39,185
Materials and Supplies	75,278	60,685	14,593
Capital Outlay	5,000	2,407	2,593
Total Expenditures	311,809	255,438	56,371
Excess (Deficiency) of			
Revenues Over (Under) Expenditures	(6,809)	230,869	237,678
Fund Balance at Beginning of Year	297,062	297,062	0
Prior Year Encumbrances	278	278	0
Fund Balance at End of Year	\$ 290,531	\$ 528,209	\$ 237,678

DEBT SERVICE FUNDS

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

General Obligation Bond Retirement Fund

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

Special Assessment Bond Retirement Fund

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

THE CITY OF HILLIARD, OHIO
COMBINING BALANCE SHEET
DEBT SERVICE FUNDS
DECEMBER 31, 2000

	General Obligation Bond Retirement	Special Assessment Bond Retirement	Totals
<u>Assets:</u>			
Pooled Cash and Cash Equivalents	\$ 246,622	\$ 391	\$ 247,013
<u>Receivables:</u>			
Taxes	0	55,021	55,021
Special Assessments	0	960,590	960,590
Total Assets	<u>\$ 246,622</u>	<u>\$ 1,016,002</u>	<u>\$ 1,262,624</u>
<u>Liabilities:</u>			
Deferred Revenue	\$ 0	\$ 960,590	\$ 960,590
Total Liabilities	<u>0</u>	<u>960,590</u>	<u>960,590</u>
<u>Fund Equity:</u>			
<u>Fund Balances:</u>			
Reserved for Debt Service	246,622	55,412	302,034
Total Fund Equity	<u>246,622</u>	<u>55,412</u>	<u>302,034</u>
Total Liabilities and Fund Equity	<u>\$ 246,622</u>	<u>\$ 1,016,002</u>	<u>\$ 1,262,624</u>

THE CITY OF HILLIARD, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
DEBT SERVICE FUNDS
DECEMBER 31, 2000

	General Obligation Bond Retirement	Special Assessment Bond Retirement	Totals
<u>Revenues:</u>			
Taxes	\$ 0	\$ 55,021	\$ 55,021
Special Assessments	0	158,117	158,117
Total Revenues	0	213,138	213,138
<u>Expenditures:</u>			
Debt Service:			
Principal Retirement	820,000	107,000	927,000
Interest and Fiscal Charges	473,165	62,726	535,891
Total Expenditures	1,293,165	169,726	1,462,891
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,293,165)	43,412	(1,249,753)
<u>Other Financing Sources (Uses):</u>			
Operating Transfers In	1,751,821	12,000	1,763,821
Operating Transfers Out	(240,121)	0	(240,121)
Total Other Financing Sources (Uses)	1,511,700	12,000	1,523,700
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	218,535	55,412	273,947
Fund Balance at Beginning of Year	28,087	0	28,087
Fund Balance at End of Year	\$ 246,622	\$ 55,412	\$ 302,034

THE CITY OF HILLIARD, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
DEBT SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2000

GENERAL OBLIGATION BOND RETIREMENT FUND

	<u>Revised</u> <u>Budget</u>	<u>Actual</u>	<u>Variance:</u> <u>Favorable</u> <u>(Unfavorable)</u>
<u>Revenues</u>			
Total Revenues	\$ 0	\$ 0	\$ 0
<u>Expenditures</u>			
Debt Service			
Principal Retirement	1,020,000	6,870,000	(5,850,000)
Interest and Fiscal Charges	756,332	703,430	52,902
Total Expenditures	<u>1,776,332</u>	<u>7,573,430</u>	<u>(5,797,098)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,776,332)	(7,573,430)	(5,797,098)
<u>Other Financing Sources (Uses)</u>			
Proceeds from Notes	0	5,650,000	5,650,000
Operating Transfers In	1,776,332	2,141,965	365,633
Total Other Financing Source (Uses)	<u>1,776,332</u>	<u>2,141,965</u>	<u>6,015,633</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	0	(5,431,465)	(5,431,465)
Fund Balance at Beginning of Year	28,087	28,087	0
Fund Balance at End of Year	<u>\$ 28,087</u>	<u>\$ (5,403,378)</u>	<u>\$ (5,431,465)</u>

THE CITY OF HILLIARD, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
DEBT SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2000

SPECIAL ASSESSMENT BOND RETIREMENT FUND

	<u>Revised</u>		<u>Variance:</u>
	<u>Budget</u>	<u>Actual</u>	<u>Favorable</u>
			<u>(Unfavorable)</u>
<u>Revenues</u>			
Special Assessment	\$ 168,700	\$ 158,117	\$ (10,583)
Total Revenues	168,700	158,117	(10,583)
 <u>Expenditures</u>			
Debt Service			
Principal Retirement	107,000	107,000	0
Interest and Fiscal Charges	59,517	62,726	(3,209)
Total Expenditures	166,517	169,726	(3,209)
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,183	(11,609)	(13,792)
 <u>Other Financing Sources (Uses)</u>			
Operating Transfers In	0	12,000	12,000
Total Other Financing Source (Uses)	0	12,000	12,000
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	2,183	391	(1,792)
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	\$ 2,183	\$ 391	\$ (1,792)

CAPITAL PROJECTS FUNDS

The Capital Projects Funds are used to account for the financial resources to be used for the acquisition or construction of major capital facilities.

Capital Improvement Municipal Tax Fund

To account for 25% of the City's income tax collections which is used for capital projects financing or related capital expenditures attributable to various capital improvements.

Hilliard-Rome Road Improvement Fund

To account for revenues received through the issuance of debt to finance additions and major repairs to Hilliard-Rome Road.

Britton Road Improvement Fund

To account for revenue received through the issuance of various debt instruments to finance additions and major repairs to Britton Road.

Leap Road Construction Fund

To account for revenue received through the issuance of various debt instruments to finance the engineering for the widening of Leap Road.

Water Tower Fund

To account for revenues received through the issuance of debt to finance the construction of a new water tower.

There was no budgetary activity to record for the following funds during 2000. All revenues and expenditures are related to accruals, therefore no budgetary schedules are included for these funds.

Recreation Improvement Fund

To account for revenues received through the issuance of debt to finance water main improvements.

Municipal Building Fund

To account for costs associated with the planning and construction of an addition to the City's municipal building.

THE CITY OF HILLIARD, OHIO
COMBINING BALANCE SHEET
CAPITAL PROJECTS FUNDS
DECEMBER 31, 2000

	<u>Capital Improvement Municipal Tax</u>	<u>Hilliard-Rome Road Improvement</u>	<u>Recreation Improvement</u>
<u>Assets:</u>			
Pooled Cash and Cash Equivalents	\$ 2,922,842	\$ 36	\$ 0
Receivables:			
Taxes	363,985	0	0
Intergovernmental Receivables	0	0	0
Total Assets	<u>\$ 3,286,827</u>	<u>\$ 36</u>	<u>\$ 0</u>
<u>Liabilities and Fund Equity:</u>			
Liabilities:			
Accounts Payable	\$ 63,846	\$ 0	\$ 0
Deferred Revenue	35,167	0	0
Accrued Interest Payable	12,146	0	5,466
General Obligation Notes Payable	915,254	0	411,864
Total Liabilities	<u>1,026,413</u>	<u>0</u>	<u>417,330</u>
Fund Equity:			
Reserved for Encumbrances	1,378,450	0	0
Unreserved	881,964	36	(417,330)
Total Fund Equity	<u>2,260,414</u>	<u>36</u>	<u>(417,330)</u>
Total Liabilities and Fund Equity	<u>\$ 3,286,827</u>	<u>\$ 36</u>	<u>\$ 0</u>

THE CITY OF HILLIARD, OHIO
COMBINING BALANCE SHEET
CAPITAL PROJECTS FUNDS
DECEMBER 31, 2000

Britton Road Improvement	Municipal Building	Leap Road Construction	Water Tower	Totals
\$ 70	\$ 0	\$ 2,767,039	\$ 905,395	\$ 6,595,382
0	0	0	0	363,985
0	0	143,447	0	143,447
<u>\$ 70</u>	<u>\$ 0</u>	<u>\$ 2,910,486</u>	<u>\$ 905,395</u>	<u>\$ 7,102,814</u>
\$ 0	\$ 0	\$ 250	\$ 1,630	\$ 65,726
0	0	0	0	35,167
0	15,183	138,209	46,913	217,917
0	1,144,068	3,328,814	2,379,032	8,179,032
<u>0</u>	<u>1,159,251</u>	<u>3,467,273</u>	<u>2,427,575</u>	<u>8,497,842</u>
0	0	2,687,633	729,463	4,795,546
70	(1,159,251)	(3,244,420)	(2,251,643)	(6,190,574)
70	(1,159,251)	(556,787)	(1,522,180)	(1,395,028)
<u>\$ 70</u>	<u>\$ 0</u>	<u>\$ 2,910,486</u>	<u>\$ 905,395</u>	<u>\$ 7,102,814</u>

THE CITY OF HILLIARD, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2000

	Capital Improvement Municipal Tax	Hilliard-Rome Road Improvement	Recreation Improvement
<u>Revenues</u>			
Taxes	\$ 3,315,618	\$ 0	\$ 0
Intergovernmental	0	0	0
All Other Revenues	167	0	0
Total Revenues	<u>3,315,785</u>	<u>0</u>	<u>0</u>
<u>Expenditures</u>			
Capital Outlay	1,392,370	8,813	0
Debt Service:			
Interest and Fiscal Charges	39,524	0	17,786
Total Expenditures	<u>1,431,894</u>	<u>8,813</u>	<u>17,786</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,883,891	(8,813)	(17,786)
<u>Other Financing Sources (Uses)</u>			
Proceeds from General Obligation Notes	0	0	0
Operating Transfers In	0	0	55,413
Operating Transfers Out	(1,176,379)	0	0
Total Other Financing Source (Uses)	<u>(1,176,379)</u>	<u>0</u>	<u>55,413</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	707,512	(8,813)	37,627
Fund Balance at Beginning of Year	1,552,902	8,849	(454,957)
Fund Balance at End of Year	<u>\$ 2,260,414</u>	<u>\$ 36</u>	<u>\$ (417,330)</u>

THE CITY OF HILLIARD, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2000

Britton Road Improvement	Municipal Building	Leap Road Construction	Water Tower	Totals
\$ 0	\$ 0	\$ 0	\$ 0	\$ 3,315,618
0	0	750,000	0	750,000
0	0	0	0	167
<u>0</u>	<u>0</u>	<u>750,000</u>	<u>0</u>	<u>4,065,785</u>
5,023	0	1,086,127	1,356,083	3,848,416
0	49,405	147,273	98,735	352,723
<u>5,023</u>	<u>49,405</u>	<u>1,233,400</u>	<u>1,454,818</u>	<u>4,201,139</u>
(5,023)	(49,405)	(483,400)	(1,454,818)	(135,354)
0	0	4,275	0	4,275
0	153,923	30,785	0	240,121
0	0	0	(21,897)	(1,198,276)
<u>0</u>	<u>153,923</u>	<u>35,060</u>	<u>(21,897)</u>	<u>(953,880)</u>
<u>(5,023)</u>	<u>104,518</u>	<u>(448,340)</u>	<u>(1,476,715)</u>	<u>(1,089,234)</u>
5,093	(1,263,769)	(108,447)	(45,465)	(305,794)
<u>\$ 70</u>	<u>\$ (1,159,251)</u>	<u>\$ (556,787)</u>	<u>\$ (1,522,180)</u>	<u>\$ (1,395,028)</u>

THE CITY OF HILLIARD, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2000

CAPITAL IMPROVEMENT MUNICIPAL TAX FUND

	<u>Revised</u> <u>Budget</u>	<u>Actual</u>	<u>Variance:</u> <u>Favorable</u> <u>(Unfavorable)</u>
<u>Revenues</u>			
Taxes	\$ 3,400,000	\$ 3,427,117	\$ 27,117
All Other Revenues	800,000	167	(799,833)
Total Revenues	4,200,000	3,427,284	(772,716)
<u>Expenditures</u>			
Capital Outlay:			
Security of Persons	55,388	55,388	0
Leisure Time Activities	989,500	676,345	313,155
Community Environment	22,898	22,898	0
Basic Utility Services	764,253	519,100	245,153
Transportation	5,135,429	1,472,680	3,662,749
General Government	652,823	264,210	388,613
Total Expenditures	7,620,291	3,010,621	4,609,670
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,420,291)	416,663	3,836,954
<u>Other Financing Sources (Uses)</u>			
Operating Transfers Out	(1,260,595)	(1,299,518)	(38,923)
Income Tax Refunds	(115,000)	(117,353)	(2,353)
Total Other Financing Source (Uses)	(1,375,595)	(1,416,871)	(41,276)
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(4,795,886)	(1,000,208)	3,795,678
Fund Balance at Beginning of Year	411,100	411,100	0
Prior Year Encumbrances	2,070,171	2,070,171	0
Fund Balance at End of Year	\$ (2,314,615)	\$ 1,481,063	\$ 3,795,678

THE CITY OF HILLIARD, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2000

HILLIARD-ROME ROAD IMPROVEMENT FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues</u>			
Total Revenues	\$ 0	\$ 0	\$ 0
<u>Expenditures</u>			
Capital Outlay	8,813	8,813	0
Total Expenditures	8,813	8,813	0
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources Over (Under)	(8,813)	(8,813)	0
Fund Balance at Beginning of Year	36	36	0
Prior Year Encumbrances	8,814	8,814	0
Fund Balance at End of Year	\$ 37	\$ 37	\$ 0

THE CITY OF HILLIARD, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2000

BRITTON ROAD IMPROVEMENT FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues</u>			
Total Revenues	\$ 0	\$ 0	\$ 0
<u>Expenditures</u>			
Capital Outlay	5,180	5,023	157
Total Expenditures	5,180	5,023	157
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources Over (Under)	(5,180)	(5,023)	157
Fund Balance at Beginning of Year	5,093	5,093	0
Fund Balance at End of Year	\$ (87)	\$ 70	\$ 157

THE CITY OF HILLIARD, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2000

LEAP ROAD CONSTRUCTION FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues</u>			
Intergovernmental	\$ 750,000	\$ 606,553	\$ (143,447)
Total Revenues	<u>750,000</u>	<u>606,553</u>	<u>(143,447)</u>
<u>Expenditures</u>			
Capital Outlay	4,487,877	3,785,940	701,937
Total Expenditures	<u>4,487,877</u>	<u>3,785,940</u>	<u>701,937</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,737,877)	(3,179,387)	558,490
<u>Other Financing Sources (Uses)</u>			
Proceeds from General Obligation Notes	3,100,000	3,104,275	4,275
Total Other Financing Sources (Uses)	<u>3,100,000</u>	<u>3,104,275</u>	<u>4,275</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources Over (Under)	(637,877)	(75,112)	562,765
Fund Balance at Beginning of Year	5,391	5,391	0
Prior Year Encumbrances	148,877	148,877	0
Fund Balance at End of Year	<u>\$ (483,609)</u>	<u>\$ 79,156</u>	<u>\$ 562,765</u>

THE CITY OF HILLIARD, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2000

WATER TOWER FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues</u>			
Total Revenues	\$ 0	\$ 0	\$ 0
<u>Expenditures</u>			
Capital Outlay	2,261,948	2,085,017	176,931
Total Expenditures	2,261,948	2,085,017	176,931
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,261,948)	(2,085,017)	176,931
<u>Other Financing Sources (Uses)</u>			
Operating Transfers Out	(238,000)	(238,000)	0
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(2,499,948)	(2,323,017)	176,931
Fund Balance at Beginning of Year	885,934	885,934	0
Prior Year Encumbrances	1,613,014	1,613,014	0
Fund Balance at End of Year	\$ (1,000)	\$ 175,931	\$ 176,931

FIDUCIARY FUND TYPES

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

EXPENDABLE TRUST FUND

Police Benevolent Fund

To account for all donations and charitable contributions to the City's police department for the D.A.R.E. program.

AGENCY FUNDS

Refund Trust Fund

To account for income tax refunds issued to individuals and corporations.

Columbus Escrow Fund

To account for the collection and distribution of charges for plumbing and electrical inspections provided by the City of Columbus, Franklin County Board of Health and electrical contractors. This fund also accounts for the collection and remittance of sewer capacity charges to the City of Columbus.

Mayor's Court Fund

To account for the collection and distribution of court fines and forfeitures.

THE CITY OF HILLIARD, OHIO
COMBINING BALANCE SHEET
FIDUCIARY FUNDS
DECEMBER 31, 2000

	<i>Expendable Trust Fund</i>		<i>Agency Funds</i>			Totals
	Police Benevolent	Refund Trust	Columbus Escrow	Mayor's Court		
<u>Assets:</u>						
Pooled Cash and Cash Equivalents	\$ 28,905	\$ 11,660	\$ 81,574	\$ 0	\$ 122,139	
Restricted Assets:						
Cash with Fiscal Agent	0	0	0	30,771	30,771	
Total Assets	<u>\$ 28,905</u>	<u>\$ 11,660</u>	<u>\$ 81,574</u>	<u>\$ 30,771</u>	<u>\$ 152,910</u>	
<u>Liabilities and Fund Equity:</u>						
Liabilities:						
Due to Other Funds	\$ 0	\$ 0	\$ 0	\$ 22,487	\$ 22,487	
Intergovernmental Payables	0	0	81,574	3,968	85,542	
Due to Others	0	0	0	4,316	4,316	
Undistributed Monies	0	11,660	0	0	11,660	
Total Liabilities	<u>0</u>	<u>11,660</u>	<u>81,574</u>	<u>30,771</u>	<u>124,005</u>	
Fund Equity:						
Unreserved	28,905	0	0	0	28,905	
Total Fund Equity	<u>28,905</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>28,905</u>	
Total Liabilities and Fund Equity	<u>\$ 28,905</u>	<u>\$ 11,660</u>	<u>\$ 81,574</u>	<u>\$ 30,771</u>	<u>\$ 152,910</u>	

THE CITY OF HILLIARD, OHIO
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2000

	Balance December 31, 1999	Additions	Deductions	Balance December 31, 2000
<u>Refund Trust Fund</u>				
Assets:				
Cash and Cash Equivalents	\$ 12,664	\$ 477,102	\$ (478,106)	\$ 11,660
Total Assets	<u>\$ 12,664</u>	<u>\$ 477,102</u>	<u>\$ (478,106)</u>	<u>\$ 11,660</u>
Liabilities:				
Undistributed Monies	\$ 12,664	\$ 477,102	\$ (478,106)	\$ 11,660
Total Liabilities	<u>\$ 12,664</u>	<u>\$ 477,102</u>	<u>\$ (478,106)</u>	<u>\$ 11,660</u>
<u>Columbus Escrow Fund</u>				
Assets:				
Cash and Cash Equivalents	\$ 45,728	\$ 377,952	\$ (342,106)	\$ 81,574
Total Assets	<u>\$ 45,728</u>	<u>\$ 377,952</u>	<u>\$ (342,106)</u>	<u>\$ 81,574</u>
Liabilities:				
Accounts Payable	\$ 1,338	\$ 0	\$ (1,338)	\$ 0
Intergovernmental Payable	44,390	377,952	(340,768)	81,574
Total Liabilities	<u>\$ 45,728</u>	<u>\$ 377,952</u>	<u>\$ (342,106)</u>	<u>\$ 81,574</u>
<u>Mayor's Court Fund</u>				
Assets:				
Cash with Fiscal Agent	\$ 29,001	\$ 281,368	\$ (279,598)	\$ 30,771
Total Assets	<u>\$ 29,001</u>	<u>\$ 281,368</u>	<u>\$ (279,598)</u>	<u>\$ 30,771</u>
Liabilities:				
Due to Other Funds	\$ 21,193	\$ 205,615	\$ (204,321)	\$ 22,487
Intergovernmental Payable	3,740	36,286	(36,058)	3,968
Due to Others	4,068	39,467	(39,219)	4,316
Total Liabilities	<u>\$ 29,001</u>	<u>\$ 281,368</u>	<u>\$ (279,598)</u>	<u>\$ 30,771</u>
<u>Totals - All Agency Funds</u>				
Assets:				
Cash and Cash Equivalents	\$ 58,392	\$ 855,054	\$ (820,212)	\$ 93,234
Cash with Fiscal Agent	29,001	281,368	(279,598)	30,771
Total Assets	<u>\$ 87,393</u>	<u>\$ 1,136,422</u>	<u>\$ (1,099,810)</u>	<u>\$ 124,005</u>
Liabilities:				
Accounts Payable	\$ 1,338	\$ 0	\$ (1,338)	\$ 0
Due to Other Funds	21,193	205,615	(204,321)	22,487
Intergovernmental Payables	48,130	414,238	(376,826)	85,542
Due to Others	4,068	39,467	(39,219)	4,316
Undistributed Monies	12,664	477,102	(478,106)	11,660
Total Liabilities	<u>\$ 87,393</u>	<u>\$ 1,136,422</u>	<u>\$ (1,099,810)</u>	<u>\$ 124,005</u>

GENERAL FIXED ASSETS ACCOUNT GROUP

The General Fixed Assets Account Group is used to account for the general fixed assets of the city.

THE CITY OF HILLIARD, OHIO
SCHEDULE OF GENERAL FIXED ASSETS
BY SOURCE
DECEMBER 31, 2000

General Fixed Assets:

Land	\$ 3,185,207
Buildings	5,102,594
Improvements Other Than Buildings	2,085,107
Machinery and Equipment	1,680,505
Furniture and Fixtures	584,581
Vehicles	1,602,829
Construction In Progress	0
Total General Fixed Assets	\$ 14,240,823

Investment in General Fixed Assets from:

Acquired Prior to December 31, 1990	\$ 2,578,976
General Fund	9,694,118
Special Revenue Funds	386,278
Capital Project Funds	1,469,001
Donated	112,450
Total Investment in General Fixed Assets	\$ 14,240,823

THE CITY OF HILLIARD, OHIO
SCHEDULE OF GENERAL FIXED ASSETS
BY CATEGORY AND FUNCTION
DECEMBER 31, 2000

Function and Activity	Land	Buildings	Improvements Other Than Buildings	Machinery and Equipment
<u>General Government:</u>				
Mayor	\$ 0	\$ 0	\$ 0	\$ 106,543
Finance	0	0	0	90,663
Buildings and Grounds	708,774	4,064,873	0	6,279
Engineering	0	0	0	181,666
Total	708,774	4,064,873	0	385,151
<u>Security of Persons and Property:</u>				
Police	0	0	0	497,943
<u>Transportation:</u>				
Street	0	0	0	394,048
<u>Basic Utility Services:</u>				
Refuse Collection	0	0	0	37,606
<u>Leisure Time Activities:</u>				
Recreation	2,406,433	1,037,721	2,085,107	348,543
<u>Community Environment:</u>				
Economic and Community Development	70,000	0	0	17,214
 Total General Fixed Assets	\$ 3,185,207	\$ 5,102,594	\$ 2,085,107	\$ 1,680,505

THE CITY OF HILLIARD, OHIO
SCHEDULE OF GENERAL FIXED ASSETS
BY CATEGORY AND FUNCTION
DECEMBER 31, 2000

Furniture and Fixtures	Vehicles	Totals
\$ 22,057	\$ 0	\$ 128,600
32,084	0	122,747
0	0	4,779,926
4,705	30,904	217,275
<u>58,846</u>	<u>30,904</u>	<u>5,248,548</u>
313,125	634,136	1,445,204
3,623	743,619	1,141,290
0	16,138	53,744
196,779	178,032	6,252,615
<u>12,208</u>	<u>0</u>	<u>99,422</u>
<u>\$ 584,581</u>	<u>\$ 1,602,829</u>	<u>\$ 14,240,823</u>

THE CITY OF HILLIARD, OHIO
SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS
BY FUNCTION AND ACTIVITY
FOR THE YEAR ENDED DECEMBER 31, 2000

Function and Activity	December 31, 1999	Transfers	Additions	Deletions	December 31, 2000
<u>General Government:</u>					
Mayor	\$ 126,845	\$ (1,934)	\$ 18,151	\$ (14,462)	\$ 128,600
Finance	120,730	0	2,017	0	122,747
Buildings and Grounds	4,779,926	0	0	0	4,779,926
Engineering	88,608	21,518	116,012	(8,863)	217,275
Total	<u>5,116,109</u>	<u>19,584</u>	<u>136,180</u>	<u>(23,325)</u>	<u>5,248,548</u>
<u>Security of Persons and Property:</u>					
Police	1,343,809	(21,483)	406,858	(283,980)	1,445,204
<u>Transportation:</u>					
Street	917,578	1,899	258,836	(37,023)	1,141,290
<u>Basic Utility Services:</u>					
Refuse Collection	53,744	0	0	0	53,744
<u>Leisure Time Activities:</u>					
Recreation	4,816,689	0	1,478,116	(42,190)	6,252,615
<u>Community Environment:</u>					
Economic and Community Development	<u>99,422</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>99,422</u>
Total General Fixed Assets	<u>\$ 12,347,351</u>	<u>\$ 0</u>	<u>\$ 2,279,990</u>	<u>\$ (386,518)</u>	<u>\$ 14,240,823</u>

STATISTICAL

STATISTICAL TABLES

THE FOLLOWING UNAUDITED STATISTICAL TABLES REFLECT SOCIAL AND ECONOMIC DATA, FINANCIAL TRENDS AND FISCAL CAPACITY OF THE CITY.

THE CITY OF HILLIARD, OHIO
GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION (1)
LAST TEN YEARS

<u>Year</u>	<u>Security of Persons and Property</u>	<u>Public Health and Welfare</u>	<u>Leisure Time Activities</u>	<u>Community Environment</u>	<u>Basic Utility Services</u>	<u>Trans- portation</u>	<u>General Government</u>	<u>Capital Outlay</u>	<u>Debt Service</u>	<u>Total</u>
1991	\$ 2,173,926	\$ 34,500	\$ 918,517	\$ 694,999	\$ 771,917	\$ 1,008,482	\$ 1,178,893	\$ 22,544	\$ 651,263	\$ 7,455,041
1992	2,473,128	34,916	1,017,940	506,194	994,237	1,324,928	1,302,609	0	3,282,723	10,936,675
1993	2,613,583	43,491	1,073,526	520,430	917,392	1,087,477	1,286,828	4,650	1,174,784	8,722,161
1994	2,959,027	48,599	1,196,784	517,153	1,093,653	2,189,727	1,440,121	0	1,131,742	10,576,806
1995	3,217,552	51,850	1,289,407	617,201	1,282,733	1,790,372	1,841,205	0	1,187,724	11,278,044
1996	3,489,649	55,924	1,447,065	699,920	1,209,784	1,724,518	3,093,689	0	1,461,772	13,182,321
1997	3,955,924	61,979	1,706,528	617,115	1,198,919	1,284,805	2,680,336	0	1,384,440	12,890,046
1998	4,354,550	64,784	1,988,345	861,126	1,378,198	1,975,372	2,540,230	0	1,364,496	14,527,101
1999	4,709,597	77,937	2,304,495	1,052,595	1,422,919	1,614,934	4,396,185	0	1,434,159	17,012,821
2000	5,213,032	86,423	2,468,887	1,293,415	1,385,469	2,225,509	4,665,711	0	1,487,235	18,825,681

(1) Includes General Fund, Special Revenue Funds and Debt Service Funds

THE CITY OF HILLIARD, OHIO
GENERAL GOVERNMENTAL REVENUES BY SOURCE (1)
LAST TEN YEARS

Year	Taxes	Inter-Governmental Revenue	Charges for Services	License and Permits	Investment Earnings	Special Assessments	Fines and Forfeitures	All Other	Total
1991	\$ 3,738,191	\$ 1,361,793	\$ 1,390,229	\$ 248,499	\$ 154,568	\$ 203,111	\$ 104,518	\$ 92,415	\$ 7,293,324
1992	4,503,747	1,411,787	1,369,341	294,387	121,854	194,464	166,671	104,790	8,167,041
1993	4,997,254	1,501,596	1,571,372	318,988	93,849	208,753	141,753	723	8,834,288
1994	6,007,460	1,660,355	1,751,644	375,603	160,564	183,010	128,386	70,880	10,337,902
1995	7,364,844	1,728,826	1,436,738	478,486	426,417	210,307	145,140	101,334	11,892,092
1996	8,079,880	1,840,503	1,739,484	491,935	418,249	198,456	192,374	194,166	13,155,047
1997	8,652,085	2,025,852	1,321,832	346,811	467,456	193,399	217,496	146,121	13,371,052
1998	10,399,120	2,199,226	1,777,254	387,125	389,020	171,474	227,632	124,254	15,675,105
1999	10,536,133	2,510,280	1,661,365	351,828	545,081	167,103	228,963	46,848	16,047,601
2000	12,207,528	1,664,608	2,130,192	312,497	827,150	158,117	232,035	101,139	17,633,266

(1) Includes General Fund, Special Revenue Funds and Debt Service Funds

THE CITY OF HILLIARD, OHIO
MUNICIPAL INCOME TAX REVENUES
LAST TEN YEARS

<u>Year</u>	<u>Amount</u>	<u>Percentage Increase</u>
1991	\$ 4,593,127	8.4%
1992	5,448,936	18.6%
1993	6,098,131	11.9%
1994	7,537,820	23.6%
1995	8,843,496	17.3%
1996	9,498,106	7.4%
1997	10,209,272	7.5%
1998	12,313,215	20.6%
1999	12,394,148	0.7%
2000	13,262,472	7.0%

Source: City Income Tax Department

THE CITY OF HILLIARD, OHIO
REAL PROPERTY TAX LEVIES AND COLLECTIONS (1)
LAST TEN YEARS

Collection Year	Total Tax Levy		Current Tax Collections		Delinquent Tax Collections		Total Tax Collections		Percent of Total Tax Collections to Tax Levy		Accumulated Outstanding Delinquent Taxes		Percentage of Accumulated Delinquent Taxes to Total Tax Levy
	(1) (2)		(1)		(1)		(1)		(2)	(2)	(2)	(2)	
1991	\$	292,764	\$	273,683	\$	11,772	\$	285,455	97.50%	\$	10,822	3.70%	
1992		326,285		310,632		11,739		322,371	98.80%		7,478	2.29%	
1993		362,819		344,841		11,361		356,202	98.18%		10,813	2.98%	
1994		444,881		423,860		10,311		434,171	97.59%		13,707	3.08%	
1995		488,215		468,380		12,328		480,708	98.46%		11,067	2.27%	
1996		553,325		530,722		7,502		538,224	97.27%		21,906	3.96%	
1997		636,876		606,399		15,227		621,626	97.61%		28,521	4.48%	
1998		764,962		749,963		27,096		777,059	101.58%		38,650	5.05%	
1999		818,899		809,787		19,134		828,921	101.22%		31,188	3.81%	
2000		951,953		927,709		19,405		947,114	99.49%		69,987	7.35%	

Source: Franklin County Auditor

(1) State reimbursement of rollback and homestead exemptions are included

(2) Amounts listed include penalties and interest

THE CITY OF HILLIARD, OHIO
TANGIBLE PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN YEARS

Collection Year	Total Tax Levy	Current Tax Collections	Delinquent Tax Collections	Total Tax Collections	Percent of Total Tax Collections to Tax Levy		Accumulated Outstanding Delinquent Taxes		Percentage of Accumulated Delinquent Taxes to Total Tax Levy
					Total Tax Collections	Percent of Total Tax Collections to Tax Levy	Accumulated Outstanding Delinquent Taxes	Percent of Total Tax Collections to Tax Levy	
1991	\$ 64,147	\$ 61,865	\$ 2,272	\$ 64,137	99.98%	\$ 2,282	3.56%		
1992	62,278	60,139	4,954	65,093	104.52%	4,570	7.34%		
1993	69,531	63,662	6,282	69,944	100.59%	4,052	5.83%		
1994	65,777	61,494	2,436	63,930	97.19%	4,489	6.82%		
1995	71,529	70,557	2,873	73,430	102.66%	3,684	5.15%		
1996	90,566	85,434	2,172	87,606	96.73%	6,143	6.78%		
1997	94,938	90,394	2,270	92,664	97.60%	4,252	4.48%		
1998	97,445	93,657	17,020	110,677	113.58%	7,078	7.26%		
1999	112,367	109,825	5,590	115,415	102.71%	6,828	6.08%		
2000	122,363	118,312	582	118,894	97.16%	40,703	33.26%		

Source: Franklin County Auditor

THE CITY OF HILLIARD, OHIO
ASSESSED VALUATIONS AND ESTIMATED TRUE VALUES
OF TAXABLE PROPERTY
LAST TEN YEARS

Tax Collection Year	Real Property		Public Utility Personal		Tangible Personal Property		Total		Assessed Value as a Percent of Actual Value
	Assessed	Actual	Assessed	Actual	Assessed	Actual	Assessed	Actual	
1991	\$ 183,000,530	\$ 522,858,657	\$ 13,247,630	\$ 37,850,371	\$ 38,611,130	\$ 110,317,514	\$ 234,859,290	\$ 671,026,542	35.00%
1992	204,010,070	582,885,914	14,613,800	41,753,714	37,459,689	149,838,756	256,083,559	774,478,384	33.07%
1993	252,973,070	722,780,200	15,782,550	45,093,000	40,600,481	162,401,924	309,356,101	930,275,124	33.25%
1994	262,037,980	748,679,943	16,574,950	47,357,000	55,128,585	220,514,340	333,741,515	1,016,551,283	32.83%
1995	322,605,580	921,730,229	16,607,520	47,450,057	41,899,796	167,599,184	381,112,896	1,136,779,470	33.53%
1996	375,958,820	1,074,168,057	19,257,710	55,022,029	54,300,913	217,203,652	449,517,443	1,346,393,738	33.39%
1997	396,902,200	1,134,006,286	20,296,580	57,990,229	62,190,825	248,763,300	479,389,605	1,440,759,815	33.27%
1998	421,012,750	1,202,893,571	20,399,890	58,285,400	60,902,842	243,611,368	502,315,482	1,504,790,339	33.38%
1999	490,788,860	1,402,253,886	20,593,850	58,839,571	70,229,428	280,917,712	581,612,138	1,742,011,169	33.39%
2000	520,706,420	1,487,732,629	19,792,520	56,550,057	76,476,995	305,907,980	616,975,935	1,850,190,666	33.35%

Source: Franklin County Auditor

THE CITY OF HILLIARD, OHIO
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
(PER \$1,000 OF ASSESSED VALUATIONS)
LAST TEN YEARS

Collection Year	City of Hilliard		Franklin County	Metropolitan Library	Norwich Township	Vocational School	Total
	General Fund	Hilliard City School District					
1991	1.60	45.46	10.54	2.20	11.50	1.60	72.90
1992	1.60	47.08	12.42	2.20	11.50	1.60	76.40
1993	1.60	51.58	14.87	2.20	11.50	1.60	83.35
1994	1.60	50.37	14.57	2.20	11.50	1.60	81.84
1995	1.60	52.15	14.57	2.20	11.50	1.60	83.62
1996	1.60	60.65	14.82	2.20	11.50	1.60	92.37
1997	1.60	60.28	15.12	2.20	11.50	1.60	92.30
1998	1.60	59.71	17.54	2.20	17.50	1.60	100.15
1999	1.60	59.71	17.64	2.20	17.50	1.60	100.25
2000	1.60	65.61	17.64	2.20	17.50	1.60	106.15

Source: Franklin County Auditor
Franklin County Treasurer

THE CITY OF HILLIARD, OHIO
SPECIAL ASSESSMENT BILLINGS AND COLLECTIONS
LAST TEN YEARS

<u>Collection Year</u>	<u>Amount Billed</u>	<u>Amount Collected</u>	<u>Percent Collection</u>
1991	\$ 203,720	\$ 203,111	99.70%
1992	189,698	194,464	102.51%
1993	188,470	208,753	110.76%
1994	194,129	183,010	94.27%
1995	203,294	209,564	103.08%
1996	183,670	198,456	108.05%
1997	171,145	193,398	113.00%
1998	166,950	96,648	57.89%
1999	167,290	167,249	99.98%
2000	163,722	158,117	96.58%

Source: Franklin County Auditor

THE CITY OF HILLIARD, OHIO
COMPUTATION OF LEGAL DEBT MARGIN
DECEMBER 31, 2000

	Total Debt	Unvoted Debt
Net Assessed Valuation	\$ 616,975,935	\$ 616,975,935
Legal Debt Limitation (%) (1)	10.50%	5.50%
Legal Debt Limitation (\$) (1)	64,782,473	33,933,676
Applicable City Debt Outstanding (2)	16,410,000	16,410,000
Less: Applicable Debt Service Fund Amounts	302,034	302,034
Net Indebtness Subject to Limitation	16,107,966	16,107,966
Legal Debt Margin	\$ 48,674,507	\$ 17,825,710

(1) Direct Debt Limitation Based Upon Section 133, The Uniform Bond Act of the Ohio Revised Code

(2) City Debt Outstanding Includes Non Self-Supporting General Obligation Notes and Bonds Only

THE CITY OF HILLIARD, 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 (2)</u>	<u>Net Bonded Debt (3)</u>	<u>Ratio of Net Bonded Debt to Assessed Valuation</u>	<u>Net Bonded Debt Per Capita</u>
1991	15,000	\$ 234,859	\$ 5,224,857	2.22%	\$ 348.32
1992	16,000	256,084	7,442,574	2.91%	465.16
1993	16,500	309,356	7,020,721	2.27%	425.50
1994	17,000	333,741	6,585,640	1.97%	387.39
1995	17,903	381,113	9,616,763	2.52%	537.16
1996	18,774	449,517	9,011,628	2.00%	480.01
1997	19,281	479,389	8,345,691	1.74%	432.85
1998	21,065	502,315	7,672,667	1.53%	364.24
1999	22,506	581,612	8,446,913	1.45%	375.32
2000	24,230	616,976	7,357,966	1.19%	303.67

(1) Source: "Population Estimates and Projections", published by the U.S. Department of Commerce, Bureau of Census

(2) Source: Franklin County Auditor (shown in thousands)

(3) Includes all general obligation bonded debt supported by property taxes less balance available in debt service fund

THE CITY OF HILLIARD, OHIO
RATIO OF ANNUAL DEBT SERVICE EXPENDITURES
FOR GENERAL OBLIGATION BONDED DEBT TO TOTAL GENERAL GOVERNMENTAL EXPENDITURES (1)
LAST TEN YEARS

Year	Debt Principal	Debt Interest	Total Debt Service	Total Governmental Expenditures	Ratio of Tax Debt Service to General Governmental Expenditures
1991	\$ 65,000	\$ 350,450	\$ 415,450	\$ 7,455,041	5.57%
1992	150,000	527,596	677,596	10,936,675	6.20%
1993	430,000	528,603	958,603	8,722,161	10.99%
1994	435,000	486,224	921,224	10,576,806	8.71%
1995	475,000	444,276	919,276	11,278,044	8.15%
1996	605,000	663,679	1,268,679	13,182,321	9.62%
1997	640,000	551,557	1,191,557	12,890,046	9.24%
1998	665,000	517,233	1,182,233	14,527,101	8.14%
1999	740,000	505,909	1,245,909	17,012,821	7.32%
2000	820,000	473,165	1,293,165	18,825,681	6.87%

(1) Includes General Fund, Special Revenue Funds and Debt Service Funds

THE CITY OF HILLIARD, OHIO
COMPUTATION OF ALL DIRECT AND OVERLAPPING GOVERNMENTAL DEBT
DECEMBER 31, 2000

<u>Jurisdiction</u>	<u>Net Debt Outstanding</u>	<u>Percentage Applicable to City of Hilliard (2)</u>	<u>Amount Applicable to City of Hilliard</u>
Direct			
City of Hilliard (1)	\$ 16,107,966	100.00%	\$ 16,107,966
Overlapping Subdivisions			
Hilliard City School District	92,257,004	34.87%	32,170,017
Dublin City School District	138,300,989	0.09%	124,471
Franklin County	167,894,525	2.84%	4,768,205
Washington Township	2,425,000	0.17%	4,123
		Subtotal	37,066,815
		Total	\$ 53,174,781

Source: Franklin County Auditor and Fiscal Officers of Subdivision

- (1) Net debt outstanding equals the amount of general obligation notes and bonds outstanding less the amount available in the debt service fund.
- (2) Percentages determined by dividing each overlapping subdivision's assessed valuation within the City by the subdivision's total assessed valuation.

**THE CITY OF HILLIARD, OHIO
 DEMOGRAPHIC STATISTICS
 LAST TEN YEARS**

Year	Population (1)	Per Capita Income (2)	Unemployment Rate		School Enrollment (3)
			Franklin County Area (2)		
1991	15,000	\$ 17,129	4.1%		6,573
1992	16,000	17,728	5.0%		7,862
1993	16,500	18,437	4.6%		8,630
1994	17,000	20,000	3.9%		8,703
1995	17,903	21,100	2.8%		10,030
1996	18,774	21,733	3.2%		10,668
1997	19,281	22,385	2.7%		11,224
1998	21,065	23,057	2.5%		12,003
1999	22,506	23,749	2.5%		12,492
2000	24,230	24,343	2.4%		12,873

(1) Source: "Population Estimates and Projections", published by the U.S. Department of Commerce, Bureau of Census
 (2) State Department of Labor
 (3) Hilliard City School District, Board of Education

THE CITY OF HILLIARD, OHIO
PROPERTY VALUE AND CONSTRUCTION PERMITS
LAST TEN YEARS

Tax Collection Year	Total Real Property Assessed Value	Residential		Commercial		Industrial	
		Number of Permits	Construction Value	Number of Permits	Construction Value	Number of Permits	Construction Value
1991	\$ 183,000,530	481	\$ 59,680,220	29	\$ 1,493,479	2	\$ 668,926
1992	204,010,070	478	58,778,956	31	19,541,210	3	485,289
1993	252,973,070	576	69,873,558	24	7,589,493	6	1,926,000
1994	262,037,980	526	82,690,980	64	57,255,297	0	0
1995	322,605,580	462	63,325,739	67	38,012,919	0	0
1996	375,958,820	424	67,308,664	69	6,973,738	0	0
1997	396,902,200	232	42,707,408	65	18,760,862	0	0
1998	421,012,750	220	48,904,375	15	8,562,908	0	0
1999	490,788,860	219	52,180,707	10	4,945,000	0	0
2000	581,612,138	181	40,821,072	16	21,201,832	0	0

Source: City of Hilliard Building Department

THE CITY OF HILLIARD, OHIO
PRINCIPAL TAXPAYERS (PERSONAL PROPERTY TAX)
DECEMBER 31, 2000

Taxpayer	Type of Business	2000 Assessed Valuations (Tax Duplicate)	Percentage of Total Assessed Valuation
1 Uunet Technologies, Inc.	Computer Information Services	\$ 18,711,400	24.47%
2 Dana Corporation	Manufacturing	5,628,950	7.36%
3 Atherton, Inc.		2,820,100	3.69%
4 Gates McDonald & Company	Actuarial Services	2,075,700	2.71%
5 Central Funding, Inc.	Real Estate Holding Company	2,059,520	2.69%
6 Furon Company		1,957,360	2.56%
7 Baesman Printing Corporation	Publishing	1,832,110	2.40%
8 Armstrong World Industries	Manufacturing	1,782,500	2.33%
9 Rich Products Manufacturing Corp	Manufacturing	1,638,880	2.14%
10 NCS Healthcare of Ohio, Inc.	Healthcare	1,390,140	1.82%
	Sub-Total	39,896,660	52.17%
	All Others	36,580,335	47.83%
	Total	76,476,995	100.00%

Based on valuation of property taxes levied in 2000.
Source: Franklin County Auditor - Land and Buildings

**THE CITY OF HILLIARD, OHIO
PRINCIPAL TAXPAYERS (REAL PROPERTY TAX)
DECEMBER 31, 2000**

Taxpayer	Type of Business	2000 Assessed Valuations (Tax Duplicate)	Percentage of Total Assessed Valuation
1 One Mill L.L.C	Commercial Real Estate	\$ 6,650,010	1.34%
2 United Dominion Realty LP	Real Estate Holding Company	6,300,000	1.27%
3 First Industrial, LP	Commercial Real Estate	4,341,760	0.88%
4 TR Properties, Inc & TR Development V Inc	Commercial Real Estate	2,966,110	0.60%
5 Real Estate Finance Trust 1995-k-4	Commercial Real Estate	2,800,010	0.57%
6 Garden Ridge Hilliard	Retail	2,607,500	0.53%
7 Red Roof Inns, Inc	Hospitality - Corporate Headquarter	2,211,190	0.45%
8 Heritage Golf Club, LP	Golf Course	2,123,890	0.43%
9 Nationwide Health Insurance	Insurance	2,100,010	0.42%
10 Armstrong World Industries, Inc.	Manufacturing	1,981,000	0.40%
	Sub-Total	34,081,480	6.89%
	All Others	460,362,600	93.11%
	Total	494,444,080	100.00%

Based on valuation of property taxes levied in 2000 .
Source: Franklin County Auditor - Land and Buildings

THE CITY OF HILLIARD, OHIO
PRINCIPAL EMPLOYERS BASED ON EMPLOYEE INCOME TAX
DECEMBER 31, 2000

Taxpayer	Type of Business
1 WorldCom Advanced Networks	Computer Information Services
2 Hilliard City Schools	Education
3 Micro Electronics, Inc.	Manufacturing/Retail - Computer Equipment
4 Gates McDonald & Company	Actuarial Services
5 Honda of America MFG. Inc	Manufacturing - Automotive Industry
6 Red Roof Inns, Inc.	Hospitality - Corporate Headquarters
7 Baesman Printing Corporation	Computation/Printing
8 Dana Corporation	Manufacturing
9 Gates McDonald Health Plus, Inc.	Actuarial Services
10 Novus/Discover Card Services, Inc	Credit Processing Services

Source: Hilliard City Income Tax Department



STATE OF OHIO
OFFICE OF THE AUDITOR

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CITY OF HILLIARD

FRANKLIN COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
JULY 17, 2001**