

# **Comprehensive Annual Financial Report**



**City of Mason  
Mason, Ohio  
December 31, 2000**





**STATE OF OHIO**  
**OFFICE OF THE AUDITOR**  
JIM PETRO, AUDITOR OF STATE

35 North Fourth Street, 1<sup>st</sup> Floor  
Columbus, Ohio 43215  
Telephone 614-466-4514  
800-282-0370  
Facsimile 614-728-7398

The Honorable Mayor and Members of the City Council  
City of Mason  
Mason, Ohio

We have reviewed the Independent Auditor's Report of the City of Mason, Warren County, prepared by Plattenburg & Associates, Inc., for the audit period January 1, 2000 to December 31, 2000. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

A handwritten signature in black ink, appearing to read "Jim Petro".

JIM PETRO  
Auditor of State

June 27, 2001

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**CITY OF MASON, OHIO**

**WARREN COUNTY**

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**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED  
DECEMBER 31, 2000**

**Prepared By: Finance Department**

**Jennifer Heft  
Finance Director**

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# Introductory Section

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**CITY OF MASON, OHIO**

**Comprehensive Annual Financial Report  
For the Fiscal Year Ended December 31, 2000**

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# City of Mason

*"Commitment to Excellence in Public Service"*

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202 West Main Street  
Mason, Ohio 45040-1699

(513) 398-8010  
Fax (513) 459-8784

June 30, 2001

Honorable Mayor, Members of Council  
and Citizens of Mason

We are pleased to present the City of Mason Comprehensive Annual Financial Report (CAFR) for the fiscal year ended December 31, 2000. While there are no legal requirements for the preparation of this report, it represents a commitment by the City of Mason to conform to nationally recognized standards of excellence in financial reporting.

The responsibility for both the accuracy of the presented data, and the completeness and fairness of presentation, including all disclosures, rests with the management of the City, particularly the Director of Finance's Office. This report is prepared in conformance with generally accepted accounting principles as set forth by the Governmental Accounting Standards Board (GASB) and other recognized authoritative sources. We believe the data is fairly presented in all material aspects and that it is presented in a manner designed to set forth the financial position and results of operations of the City as measured by the financial activity of its various funds and account groups; and that all disclosures necessary to enable the reader to gain a reasonable understanding of the City's financial affairs have been included.

The accompanying report consists of the following three parts:

Introductory Section - This section introduces the report and includes the table of contents, this transmittal letter, the City's organizational chart, and a chart of elected and appointed officials.

Financial Section - Included within this section is the independent auditors' report; the general purpose financial statements, which include explanatory notes and provide an overview of the City's financial position; results of operations and cash flow; the combining financial statements, which focus on individual funds rather than fund types; individual funds and schedules, that provide detailed information to the general purpose financial statements.

Statistical Section - The multi-year information presented in this section is designed to reflect social and economical data, financial trends and the fiscal capacity of the City.

## **Reporting Entity and Services**

For financial reporting purposes, the City includes in this report all funds, account groups, agencies, boards and commissions that are controlled by, or dependent on, the City legislative branch. "Controlled by" or "dependent on" the City is determined on the basis of budget adoption, taxing authority, outstanding debts secured by revenues or general taxing authority of the City, and/or the City's obligation to fund any deficits that may occur.

### **The City**

Mason has earned its reputation as a progressive, innovative community. Mason is located in the southwest portion of Ohio, 22 miles northeast of Cincinnati and 30 miles south of Dayton. The municipality is the largest and fastest growing city in Warren County, and Warren County is the second fastest growing county in Ohio.

Originally, settled as the village of Palmyra in 1815, by Major William Mason the community was renamed in his honor 20 years later. Incorporated in 1971, Mason is governed by a City charter that establishes guidelines for its operations. Mason is a home-rule City with a Council/Manager form of government. The legislative body of Mason consists of a Mayor and six Council members who are responsible for the legislative affairs of the City. Council also makes appointments to various statutory and advisory boards and appoints the City Manager, Law Director and Clerk of Council. As chief executive officer, the City Manager is responsible for enforcement of all laws and ordinances, the efficient delivery of all City services, and preparation of capital and operating budgets.

The City provides many of the municipal services normally associated with a municipality. These services include:

1. Police
2. Fire and Emergency Medical Services
3. Street Construction and Maintenance
4. Traffic Signalization
5. Street Lighting
6. Planning and Zoning
7. Building Inspections
8. Recreation
9. Parks
10. Swimming Pool
11. Library (contractual basis)
12. Business Recruitment and Retention
13. General Administrative Services

In addition, water, sanitary sewer and solid waste collection and disposal services are provided under an Enterprise Fund concept with user charges set by City Council to ensure adequate coverage of operating expenses and payments on outstanding debt.

## **Economic Conditions and Outlook**

Mason, located just north of Cincinnati, is one of the fastest growing cities in the State of Ohio. Incorporated as the village of Palmyra in 1815, it became a city in 1971, and now has a population of approximately 22,016, with a community able to provide a full range of services to its citizens, businesses, and industries. The City is comprised of 18 square miles with approximately 65% of available land developed. The City expects to continue this pace of development with 2,200 acres zoned high technical and industrial. Of that 2,400 acres, 1,200 are currently developed and more than 1,200 acres are available in Mason for additional manufacturing and corporate office development.

Considered to be part of the Cincinnati metropolitan area, Mason is strategically located between the region's two most vital commerce corridors, Interstates 71 and 75. The City of Mason continues to attract quality companies locating new or expanded operations. In choosing Mason companies cite: Mason's prime location to direct interstate accessibility; availability of land for development within established business parks; rising property values; established core of high-tech businesses and labor; and exceptional level of support and services with a favorable business environment widely promoted in the region. Tax incentives targeting high-tech businesses and light industry are strong inducements as well.

Following the inception of tax abatement programs in 1984, the City of Mason has provided 54 abatement agreements under the Community Reinvestment Area Program and nine under the Enterprise Zone Program. These projects have generated initial investment in excess of \$320 million and facilitated the creation or retention of more than 8,986 jobs in the community. Tax abatements continue to be a strong attractor for businesses to locate in Mason.

A transportation and industrial center since the early development of the territory west of the Appalachians, the Metropolitan Area has grown and developed into a major center for insurance and finance companies, wholesaling, retailing, government installation, medical and service industries as well as manufacturing. This diverse economic base continues to be a source of stability for the area, protecting it from severe peaks and valleys in the business cycle. Within 300 miles of Mason is 59% of the nation's population, 59% of the nation's purchasing power, 58% of the nation's manufacturing establishments and 65% of the nation's manufacturing industries.

Warren County continues to experience tremendous residential growth as well as unprecedented industrial expansion, making the County the second fastest growing in Ohio. Industrial expansion in Warren County has been concentrated primarily along the Interstate highways, and the County is very fortunate to have more than 36 miles of Interstate highway. This gives businesses and residents the opportunity to easily access the metropolitan areas of both Cincinnati and Dayton. This proximity and accessibility is primarily responsible for the growth-taking place in Mason.

Business is booming in Mason, a credit to the City's successful economic strategy to balance high-tech corporations with upscale housing. New industrial and high-tech projects underway in

Mason in 2000 added 762,600 square feet of new manufacturing space (projects exceeding \$250,000 capital investment and excluding commercial projects).

The City of Mason targets high-tech companies, corporate headquarters and light industry for its business community. More than 85 corporations have headquarters or manufacturing operations in Mason's 18 commerce parks, three of which are ranked among the 25 largest commerce parks in the Cincinnati region. New business parks continue to be developed, as evidenced by the addition of "Mason Industrial Park" in 1997, "42 North Mason Business Park" in 1998, Central Parke of Mason in 1999, and plans underway for Tyler's Crossing Office Park in 2000-2001.

Mason's diverse business base is home to national and international blue chip companies. In the last decade numerous major industrial facilities have located within the City of Mason. Some of these major facilities include: Procter & Gamble; Cincinnati Electronics; Cincinnati Fan; Mitsubishi Electric; CINTAS Corporation; Blackhawk Automotive Plastics Inc.; Makino Incorporated; H. J. Heinz.; A-Mold Corporation (UBE Automotive North America); Steelox Systems; Basco Shower & Door; Loveland Pet Products; Re-Pac Surgical; and Superior Label Systems.

Mason's corporate/industrial facilities employ more than 20,000 persons, nearly matching the city's current population of more than 22,016. (The City of Mason targets an equal balance between residential and employment populations) Three of the 10 largest employers in Warren County are located in Mason, and Mason's 15 largest employers provide work for more than 8,432 persons and generate more than \$4.8 million annually in income tax revenue alone.

Because of its proximity to major urban markets, access to highway, rail, truck and air transportation, and large amount of available land, the City is a particularly attractive location for industry. On-site assets such as rail, water and sewer service have further strengthened the City's appeal as a place to do business.

The Metropolitan Area is an important rail freight center fed by three major trunk line railroads, operating twelve divisions with total mileage of 64,000 in 27 states. The Amtrak passenger network also serves the area. The Chessie System serves Mason, with sidings available at three of the four industrial park sites in the City.

The Metropolitan Area is also on the 15,000-mile Great Mississippi River Inland Waterway and Intra coastal Canal System. As a major Ohio River port with 37 commercial water terminals, Cincinnati is the second largest inland coal port. Towboats also handle coal, petroleum, iron, steel, grain, chemicals, fertilizer and automobiles. One hundred seventy-five million tons are annually transported on the Ohio River. There are 8 barge lines based in the area with 36 barge lines serving the area.

Additionally, five airports serve Mason residents. The Cincinnati/Northern Kentucky International Airport is located in Northern Kentucky, about thirty-five minutes from Mason, via two interstate routes. Seventeen major regional and commuter airlines provide non-stop or direct service to over 105 cities. In 1996, the airport provided service to over 19 million air passengers.



There are over 525 daily or weekday nonstop and one-stop departures to over 105 cities, including five European and two Canadian cities. In 1991, a new \$65 million north-south runway was completed and thereafter, Delta underwent a \$375 million expansion that doubled its number of gates from 25 to 50. Plans have also been announced and approved by the FAA for \$773 million of additional airport expansion projects including replacing two existing terminals with a new terminal, a new runway, and road improvements.

In addition, the Dayton airport is within fifty minutes driving time and is served by all major Midwest carriers. Blue Ash Airport is located to the southeast, 20 minutes driving time from the Mason central business district. Adjacent to a 500-acre industrial park, this airport accommodates private aircraft. Lunken Airport, municipally owned and located in Cincinnati is 25 minutes driving time southeast of Mason. Cincinnati West Airport in Harrison has a 3,050 foot paved runway and also accommodates private and corporate aircraft.

Business is thriving in Mason, a credit to the city's successful economic strategy to balance light industry and high-tech corporations with attractive housing. Major projects developed in Mason recently include: Mitsubishi Automotive Electric expanded for the 9th time since its start in 1988 with an investment of \$27 million, adding over 60 new jobs to the economy. DigiNeer announced the move of its \$8.2 million corporate headquarters campus to Mason and opened their doors on phase 1 in December 2000. Ohio Valley Flooring invested in excess of \$4 million to refurbish and retrofit the former Michelin facility. Techmar-Dohrmann, a local division of St. Louis corporate giant Emerson Electric Company assembles and tests laboratory equipment, brings an investment of \$2.1 million dollars and 133 new jobs to Mason. Portion Pac, a subsidiary of the Heinz Company, completed a 27,500 square foot expansion with a \$1.2 million investment.

Growth and development in the City of Mason will continue to exceed the normal and average growth of the economy because of Mason's physical location, developable terrain, municipal facilities, services and utilities, and the progressive attitude and actions of City Council, Administration and citizens. The City's taxable property base and its economic base are strong due in part to the quality of life, which has attracted industry and citizens to Mason. The level of new tax base associated with new construction and use of City services is expected to continue to increase. Mason will maintain its focus on having a balanced tax base with viable commercial and industrial businesses to complement a growing residential base.

There is every reason to anticipate a continuation of traditional City financing resources in upcoming budget years. The City closely monitors its resources and has emphasized program efficiencies and cost containment efforts, allowing its strong financial position to be maintained. We believe that the positive economic environment in this area and the diligent management of the City's costs and services will provide ongoing financial health and fiscal capacity.

The following projects were the largest new developments in the City of Mason for 2000:

<u>Project Value (capital investment)</u>		
1.	Mitsubishi Electric	\$27,000,000
2.	Interlott Technologies	\$ 9,000,000
3.	Digineer	\$ 8,200,000
4.	Ohio Valley Flooring	\$ 4,000,000
5.	Tekmar-Dohrmann	\$ 2,100,000

**Major Initiatives**

**For the Year**

Mason’s citizens are the City's greatest assets. Therefore, in preparing each year's budget, residents’ needs for services and the safeguarding of their environment in conformity with applicable Federal and State standards is the government's greatest concern. Major needs of Mason's citizens, identified for the present year include the following:

Tylersville Road Extension and Widening

Mason public officials are attempting to shape the pattern of City growth to achieve a sensible and attractive land-use pattern. This means encouraging a pattern of development that gives residents ready access to recreational, cultural, school, shopping and other facilities, such as I-71 and I-75. The Tylersville Road extension and widening project from U.S. 42 to Kings Island Drive is an important component of the City of Mason’s planning objectives.

This new roadway alignment stretching for 2.784 miles consists of four twelve (12) foot lanes, left turn lanes at intersections, 12 ft. grass medians in sections without left turn lanes, curb and gutter, four (4) ft. sidewalk (south side), and a ten (10) ft. bike path (north side). Replacement of nine minor culverts and six major culverts, including the bridge east of the high school property and the twin culverts east of Tylersville Road are also part of the design. Coordinated with the existing traffic signals, at U.S. 42, Mason-Montgomery Road, Cintas Boulevard, and Kings Island Drive; new signals at Willow Lane, Fairway Drive, Western Row Road, Foxfield Drive, and Innovation Way will be added for a total of nine signals. The maximum design speed is 35 mph except for the 20 mph school zones in front of the middle school and the high school.

Construction began May 2000 and will take approximately two years to complete. Right-of-way was obtained in 1999 and bids were opened in March 2000. SK Construction, the low and best bidder, was awarded the contract for this \$7,100,000 project.

Street Lights for Snider Road Extension from the North Property line of the Greenbrier Subdivision to Mason Road.

This project was finished in 1999; however, streetlights were added in 2000. These lights match the existing streetlights located between the Greenbrier Subdivision and Tylersville Road.

### I&O Bridge Replacement and Mason-Montgomery Road Widening

This new improvement to Mason's roadway system was finished and open to the public in the spring of 2000. A ceremonial bus ride under the bridge that broke through a banner officially opened the road. Staff served refreshments to those who attended and T-shirts commemorating the event were passed out. The project improved traffic flow significantly for residents and businesses to the north end of Mason. Project cost was \$1.85 million, of which 60% was funded by the City of Mason and 40% by State of Ohio Issue II funds.

### Traffic Signal and Lane Improvements at the Intersection of Tylersville Road and Snider Road

Along with the approval of the Greenbrier Subdivision, the Mason Planning Commission and City Council approved a project to add a traffic signal and left turn lanes at the intersection of Tylersville Road and Snider Road. This additional lane and traffic signal assists in facilitating the additional traffic that the new subdivision added to Tylersville Road. TEC Engineering was awarded the contract and completed the left-turn lane design, traffic signal design, and the utility coordination. The funding for this project was split between the City and the Greenbrier Subdivision developer. Work was started in 1999 and was finalized in Spring 2000.

### Traffic Signal at the Intersection of Cedar Village Drive and Mason-Montgomery Road

The extension of Cedar Village Drive to Snider Road has opened a new east-west collector street parallel to Western Row Road and Socialville-Fosters Road. This road has spurred commercial and residential development in the south quadrant of Mason. City Council also authorized the construction of the new firehouse on the north side of Cedar Village Drive. Access onto Mason-Montgomery Road is difficult for northbound traffic, especially for fire department vehicles on emergency runs. A new traffic signal with preemption capabilities by fire department personnel is needed for this intersection. Design was completed in 2000 with construction starting in 2000 and finished in 2001.

### Mason-Montgomery Road Beautification

Construction of the City's first design/build contracts to Thornton Gardens in the amount of \$350,000. was finished in 2000. Thornton's contract authorized them to design and landscape 10 medians with street trees on both sides of Mason-Montgomery Road from Socialville-Fosters Road to Tylersville Road. A second contract with Cinergy in the amount of \$290,000 added decorative streetlights in the medians and along the road where medians are not located. Thornton's design was chosen by a group of residents from subdivisions that border Mason-Montgomery Road.

### Traffic Signal upgrade at the Intersection of Main Street and U.S. 42

The traffic control equipment at this intersection was the oldest in Mason and was replaced with mast arm signal poles in 2000. The project included new pedestrian signals with new signal heads, detector loops in the pavement necessary for traffic maintenance, and new pedestrian push button controlled signals to give pedestrians easy access across the intersection. Decorative traffic signal strain poles and streetlight poles were used to match those in the downtown area.

### City Wide Traffic Study and Bike and Pedestrian Master Plan

Mason officials are concerned about traffic and pedestrian flow throughout the City, especially in the downtown area. To help facilitate traffic Mason entered into a contract with TEC Engineers to conduct a citywide traffic study. This study will not only recommend improvements in several areas it will also determine traffic destinations. All of this information will help City officials make informed decisions regarding traffic flow. A second study will produce a Master Bike Path and Pedestrian plan for the City. This plan will outline alternative modes of traffic within the City and connect our bike paths with a regional bike path system.

### Innovation Way Street Lights

The next step in this project is to install streetlights. New streetlights will match existing streetlights on Innovation Way and run from Western Row Road to Socialville-Fosters Road

### U.S. 42 Sewer Project

Design began in 1999 by the firm of Finkbeiner, Pettis & Strout, The U.S. 42 South portion is designed to begin in Quinn Park and proceed north through the undeveloped area across from Snider Road to the intersection of U.S. 42 and Tylersville Road. This portion of sewer will eliminate three sewer lift stations and provide sewer service for undeveloped land between Tylersville Road and U.S. 42. The U.S. 42 North portion is being designed to replace the existing trunk sewer with a new and larger sewer to meet the need for expected growth and replace portions of sewer main that show leakage problems. The North portion will start at Tylersville Road and extend along the Muddy Creek to a point behind the Four Seasons apartment complex. The south portion of the project is ready to be advertised for bids. The north portion is in design.

### Wellfield Projects

The City has performed extensive work in the wellfield located at the water treatment plant. The firm of Malcolm Pirnie has performed an aquifer evaluation and the development of a wellfield maintenance plan is almost complete. Malcolm Pirnie also assisted the City in initiating an aquifer users group to share data and concerns with the Shaker Creek Aquifer.

### Backwash Water Lagoon Replacement

The existing backwash water lagoons at the water treatment plant are leaking and recommendations were given to the City to eliminate the lagoons rather than enter into a rebuilding project. The North Mason Sewer Project will allow the City to construct a pump station and related piping to convey the backwash water and sanitary wastes to the new sewer being constructed south of the treatment plant near Mason Montgomery Road. The N.P.D.E.S. permit needed by this discharge to a surface water will be eliminated. The project is advertised for bids at this time.

### North Mason Trunk Sewer and Lift Station Project

There were large areas of undeveloped land in the north portion of the City without sewer service, and the Crooked Tree Treatment Plant serving the Crooked Tree Golf course and surrounding subdivisions was near design capacity and in need of replacement. This project is

completed and the sewage flow from the project area is now treated at the Water Reclamation Plant.

#### Water Connection to City of Cincinnati Water Works and Related Projects

In February 2000, the City of Mason began purchasing water from the City of Cincinnati Water Works (CWW). The 5 mgd increased Mason's capacity to 12 mgd. CWW constructed a pump station for Mason along Socialville Foster Road to pump Mason's system. Also under contract is the design of a new water tower in this service area, which was bid for construction. The tower will be built on property purchased for this purpose on Mason Road.

#### Water Main and Sanitary Main Extension under I-71

To facilitate the demands of Mason's recent growth, a water main and sanitary sewer extension were constructed under Interstate 71 just south of Western Row Road. The extension will service an area enclosed by I-71 on the west, Western Row Road on the north, Columbia Road on the east, and Socialville-Fosters Road on the south. The lines extend to Columbia road in anticipation of future extension of the lines further east. The improvements are consistent with the Water Distribution System Report and the Western Row Road lift station.

#### Water Main Extension along Cedar Village Drive

An important part of the Cincinnati Water Works connection is a 12-inch main on Cedar Village Drive from Mason-Montgomery Road to Snider Road. Now that Cedar Village Drive is extended to Snider Road design of this main has started.

#### Water Master Plan Update

The 1996 Water Master Plan predicted growth and demands until the year 2005. Current system demands are following those projections, but it is now necessary to project out to the year 2020 to allow for infrastructure planning. The Firm of Malcolm Pirnie was contracted to perform the update. The final report was finished in September 2000.

#### Water Reclamation Plant Improvements, Phase II

Growth has required the City to begin design on the next phase of improvements to the Water Reclamation Plant. Design work began on the existing plant for Phase II improvements, but discussion with the Ohio EPA and impending regulations mandated reevaluation of the entire plant and site. Design is to be resumed shortly.

#### Butler-Warren Road Water Main

Development and the Water Master plan indicated the need for a 16-inch water main on Butler-Warren Road to supply water to the northwest portion of the South Pressure Zone. The Firm of Lock, Jones and Beals was awarded the contract for the design of the main. The City was able to partner with Warren County Water and Sewer Department on the water line project. This allowed the project costs to be reduced.

#### North and South Water Tower Design

The Water Master Plan indicated the need for additional water storage in the North Service Area in the year 2001 and the South Service area in the year 2005. The firm of Malcolm Pirnie was

contracted to design both towers at the same time saving the City roughly \$20,000 in design fees on the second tower. The North Tower is scheduled to be bid and construction begin in 2001.

#### Heritage Oak Park Expansion

In August 1999, City Council approved a contract with Sunesis Construction Company for \$1.74 million for the largest single park project ever undertaken in the City of Mason. When the two phases are completed in September 2000, there will be eight new soccer fields, underground utilities (water, sanitary and storm sewer), a bike/walking path, and approximately 800 paved parking spaces. Safety was a major factor in the design. All park amenities are located within an outer parking circle.

#### **For the Future**

##### Municipal Facility

In November 1999, a Municipal Facility Construction Process Team (CP Team) was formed. The mission of the team was to layout a process for the development of a Municipal Facility. As part of the process, on November 8, 1999, Council authorized an agreement with Michael Schuster & Associates (MSA) for a space needs analysis. On March 27, 2000, after approval of the space needs analysis and the required bidding process, Council authorized a contract with Michael Schuster & Associates for architectural design services. Currently, the CP Team is reviewing proposals for a Construction Manager for City Council's approval. April 24 is designated as the groundbreaking ceremony and construction should start in May 2001.

##### Lane Improvements and Traffic Signal at the Intersection of S.R. 741 & Bethany Road

Drawings for this important traffic improvement are prepared and bidding was done in 2000, with construction to start in 2001. This project is necessary to provide safe access from Bethany Road to S.R. 741. The railroad crossing on north S.R. 741 and west Bethany Road make this project more complicated than a typical traffic signal installation. Traffic signals, activated by trains as they move across this intersection, are required by the railroad. Estimated cost for road improvements and traffic signal are over \$420,000.

##### Mason-Montgomery Road Widening – Second Phase

Mason residents approved a bond issue for a new high school and recreation center on 74 acres purchased by the City of Mason on the east side of Mason-Montgomery Road north of the existing high school. Included as part of the new high school are road improvements to Mason-Montgomery Road and three new traffic signals. Where the schools stop with their improvements the City will take up the project and continue to Main Street. Project limits begin at Tylersville Road and end at Main Street. Design will take place in 2000 and construction will start in 2001. Bid date for this project is April 12, 2001.

##### Western Row Road and Snider Road Intersection Improvements and Widening

Western Row is a major commuter road for the businesses located along the Western Row Road Corridor from Interstate 71 to U.S. 42. Included in this important roadway project is the widening of Western Row Road from an existing two-lane to a four-lane road with turn lanes east and west of Snider Road. Widening Snider Road at the intersection of Western Row Road

with left turn lanes and adding a traffic signal are also part of the project. The City will add curb & gutters, storm sewers and catch basins. A major component is replacing the bridge east of Snider Road from its current width of a narrow two lane to a four-lane structure. The project length is 1,300 feet east of Snider Road and 1,500 feet west of Snider Road.

#### Widening of Socialville Fosters Road from Mason-Montgomery Road to the City of Mason Corporation

In order to accommodate the rapid growth that is occurring in the City of Mason, Socialville-Fosters Road is being widened from Mason-Montgomery Road to the eastern corporation line of the City, a total distance of 2,700 ft. This collector road widening consists of three 12-ft. lanes, curbs and gutters, pavement stripping, catch basins and storm sewers, and street lights with underground wiring. It is expected that no additional right-of-way dedication will be needed. When development occurred along the northern side of Socialville-Fosters Road, additional right-of-way was dedicated in anticipation of a future road-widening project.

#### Widening of U.S. 42 from Tylersville Road to Fifth Avenue

Mason was successful in obtaining an Issue II grant from the State of Ohio to help defray the cost of widening U.S. 42 from Tylersville Road to Fifth Avenue. In 2000 the Ohio Department of Transportation widened the bridge on U.S. 42 to four lanes, this opened the doors for the City to acquire the grant and begin design for the widening. Design of this project will start in 2001 with construction anticipated in 2002.

#### Cox-Smith Road Widening from S.R. 741 to Mustang Trail

The two sets of 90-degree turns on Cox-Smith east of S.R. 741 are a potential hazard and a source of frustration to the residents of Trailside Acres, the new business condos of Trailside Acres, and residents traveling Cox-Smith Road. This widening eliminates this hazard. As development has occurred in this area the City has required right-of-way from the developers. All of the property is required for the improvement and the next step is design of the widening with a new traffic signal at the intersection of Cox-Smith Road and S.R. 741. Design should start in 2001 with construction anticipated in 2002 or 2003.

#### Realignment of Snider Road south of U.S. 42

CDS Associates was hired to design a new traffic signal and realignment of Snider Road at U.S. 42. This project is necessary to re-align Snider Road to eliminate the skewed angle and to align with new Snider Road on the north side of U.S. 42. The next step in the process is to proceed with property appraisals and to negotiate with the property owners to obtain the right-of-way to realign Snider Road. Property acquisition will take place in 2001 with a future construction date.

### **Departmental Focus**

Each year a City department is selected to be highlighted for its service efforts and accomplishments. For 2000, the City of Mason would like to acknowledge the efforts of the City Manager's Office.

The City Manager's staff supports the City Manager in working with Council to carry out

policies and programs, supervising all City departments, as well as overseeing the budget, equipment purchases, land acquisition, citizen correspondence, economic development, human resources, public information, traffic safety items, information and technology improvements and other subjects as they arise.

The City Manager's Office is comprised of a City Manager, an Assistant City Manager, an Administrative Assistant, a Public Information Officer, two Economic Development Officers, a Human Resource Director, a Secretary to the City Manager, and a Receptionist.

Administration oversees day-to-day operations of the City and implements actions authorized by City Council.

In 2000, a primary objective was to move forward into the 21<sup>st</sup> century with technological advances. A committee of city employees worked collectively with the City's Administrative Assistant to design and launch the City of Mason's first website, [www.masonoh.org](http://www.masonoh.org). The City's website represents each department comprehensively, provides service and contact information, and allows residents to obtain a variety of city services via the web. It encompasses the "imagine mason" image, as well as providing valuable information to residents and members of the surrounding communities.

The City Manager's office also successfully linked all City facilities via a Wireless Network system to allow access to the City's network and computer systems. Along with this project, the City's financial software was made network accessible allowing the purchase requisition process to be automated and streamlined.

Economic development is the practice of generating new revenue. While companies generate revenue from sales of products or services, communities must generate revenue from taxes or fees. At its core, economic development works to increase new tax revenues by generating new capital investment in the City as well as retaining those corporations who already call Mason home.

The Economic Development office worked cooperatively with several businesses in 2000 for new construction and expansions. The largest new developments for the City were:

Project Value (capital investment)

1. Mitsubishi Electric	\$27,000,000
2. Interlott Technologies	\$ 9,000,000
3. Dagineer	\$ 8,200,000
4. Ohio Valley Flooring	\$ 4,000,000
5. Tekmar-Dohrmann	\$ 2,100,000

Human Resources provides the following services to employees and departments of the City of Mason: recruitment and examining, classification and compensation, record keeping, labor



relations and collective bargaining, compliance with local civil service as well as federal and state labor/employment laws and regulations, and benefits management.

The Human Resource Office was very busy in 2000, for example seven new positions were created. Human Resources successfully recruited and hired these positions, which included: Public Information Officer, EMS Supervisor, Baliff-Court Services, Finance Clerk, Recreation Supervisor, Parks Maintenance Supervisor and a GIS Technician. A major accomplishment was the implementation of a new health insurance policy was implemented that netted a 20% savings in benefit costs to the City. These are in addition to the fifty recruitments and hires to replace existing positions.

The City hired its first Public Information Officer in 2000 to provide improved media relations, create marketing and informational publications, manage publicity, and improve residents' access to City services. This was an effort by Mason City Council to increase positive exposure and promote the City of Mason for the innovative City it has grown into. A sample project that the Public Information Officer completed was updating and improving the Mason City Guide, which is one of the most highly requested publications in the City, providing valuable information on City and Community services.

The City Manager's Office works with all employees in supporting the Mission Statement of "Commitment to Excellence in Public Service."

### **Financial Information**

In developing and evaluating the City's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute assurance regarding; (1) the safeguarding of assets against loss from unauthorized user disposition; and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of internal control should not exceed the benefits likely to be derived; and that the evaluation of cost and benefits requires estimates and judgments by management.

### **Budgetary Controls**

The City Charter grants the City Council full authority over the financial affairs of the City. The Charter requires that all funds of the City, except funds made up of proceeds of bond issues, agency funds and enterprise funds be budgeted. The City Manager is charged with the responsibility of preparing the estimates of the annual budget and the enforcement of the provisions of the budget as specified in the budget ordinance. Upon adoption of the annual budget ordinance by the Council, it becomes the formal budget for City operations. After the budget ordinance is adopted, Council, on recommendation of the City Manager, may at any time by ordinance transfer any unencumbered balance of an appropriation from one item or project to another under the same fund, or reduce or increase any item, provided the ordinance as amended does not increase the authorized expenditures to an amount greater than the total estimated income. Financial reports, which compare actual performance with the budget, are prepared

monthly and presented to the Council so the Council is able to review the financial status and measure the effectiveness of the budgetary controls. The City does maintain an informal monitoring system to facilitate budgetary control over proposed purchases. Essentially, the system entails the use of monthly computerized printouts which detail year-to-date actual versus budgeted expenditures comparisons of the various funds by budgeted line item. Encumbered amounts lapse at year-end. However, encumbrances generally are reapportioned as part of the following year's budget.

### **Fund Categories and Types**

Local government is considered to comprise a number of separate fiscal entities known as funds. These funds are established to segregate specific activities or objectives of a government in accordance with special regulations, restrictions, or limitations. All funds established by Mason must be classified in one of seven fund types for financial reporting purposes.

**Governmental Funds** - 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 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 special assessments, expendable trusts, or major capital projects) requiring separate accounting because of legal or regulatory provisions or administrative action.

**Debt Service Funds** - These Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general obligation and special assessment long-term debt principal and interest other than that accounted for in the proprietary fund.

**Capital Project Funds** - These funds are used to account for the acquisition or construction of major capital facilities and capital improvements other than those financed by Proprietary Funds. They include capital projects financed by special assessments.

**Proprietary Funds** - The Proprietary Funds are used to account for those City activities, which are similar to those often found in the private sector. Funds included are:

**Enterprise Funds** - These funds are used to account for operations that provide services, which are financed primarily by user charges or activities where periodic measurement of income is appropriate for capital maintenance, public policy, management control or other purposes. Enterprise funds are accounted for on an economic resources measurement focus.

**Internal Service Fund** - This fund accounts for the financing of services provided by one department or agency to another department or agency of the City on a cost reimbursement basis.

**Fiduciary Funds** - Fiduciary Funds 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 other funds. Funds included are:

**Agency Funds** - The City's Agency Funds are custodial in nature (assets equal liabilities) and do not purport to present financial position or the results of operations.

**Account Groups** - Account Groups are used to establish accounting control and accountability for the City's general fixed assets and general long-term debt. They are neither expendable resources nor do they require current appropriations.

The two account groups include:

**General Fixed Assets Account Group** - This account group is used to present the general fixed assets that the City utilized in its general operations, exclusive of those used in the Enterprise Funds. General fixed assets include land, buildings, building improvements, and furniture, fixtures and equipment owned by the City.

**General Long-Term Debt Account Group** - This account is used to account for all long-term obligations of the City except those accounted for in the Enterprise Funds.

### **General Fund Functions**

Revenues for the general fund totaled \$19,054,312, representing an increase of 36% over 1999. This increase is primarily the result of an increase in taxes received. The following schedule presents a summary of general fund 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.

### General Fund Revenues

<u>Revenue Source</u>	<u>1999 Total</u>	<u>Percent of Total</u>	<u>2000 Total</u>	<u>Percent of Total</u>	<u>Increase (Decrease) over 1999</u>	<u>Percent of Increase (Decrease)</u>
Taxes	\$11,142,479	80 %	\$15,274,080	80 %	\$4,131,601	37 %
Fines, Licenses and Permits	1,000,721	7 %	1,081,112	6 %	80,391	8 %
Intergovernmental Revenues	1,144,190	8 %	1,372,410	7 %	228,220	20 %
Charges for Services	159,601	1 %	227,665	1 %	68,064	43 %
Investment Earnings	237,624	2 %	318,802	2 %	81,178	34 %
All Other Revenues	318,407	2 %	780,243	4 %	461,836	100 %
Total	<u>\$14,003,022</u>	100 %	<u>\$19,054,312</u>	100 %	<u>\$5,051,290</u>	

Expenditures for the general fund totaled \$11,956,062 in 2000, a decrease of 7% over 1999. This decrease in expenditures was the result of a decrease in general government. The following schedule presents a summary of general fund expenditures for the years ended December 31, 1999 and 2000, the percentage of total expenditures for each year and the amount and percentage of increase (decrease) in relation to 1999.

### General Fund Expenditures

<u>Expenditure Source</u>	<u>1999 Total</u>	<u>Percent of Total</u>	<u>2000 Total</u>	<u>Percent of Total</u>	<u>Increase (Decrease) over 1999</u>	<u>Percent of Increase (Decrease)</u>
Public Safety	\$2,504,029	19 %	\$2,932,759	25 %	\$428,730	17 %
Leisure Time Activities	1,975,052	15 %	1,602,077	13 %	(372,975)	(19 %)
Community Environment	621,413	5 %	790,131	7 %	168,718	27 %
Transportation	3,094,327	24 %	2,872,601	24 %	(221,726)	(7 %)
Basic Utility Services	179,570	1 %	98,122	1 %	(81,448)	(45 %)
General Government	4,506,728	35 %	3,495,706	29 %	(1,011,022)	(22 %)
Debt Service	21,091	1 %	164,666	1 %	143,575	100 %
Total	<u>\$12,902,210</u>	100 %	<u>\$11,956,062</u>	100 %	<u>(\$ 946,148)</u>	

### Proprietary Operations

There are three separate proprietary activities accounted for in the City's enterprise funds: Water, Sewer and Waste Collection. These funds had total fund equity of \$50,357,103 and total net income of \$6,663,747 as of December 31, 2000. The City has met the needs for expanding utility service in its growing area with upgrades to the water and sewer plants. Over 3 million gallons of water are currently generated each day from six wells. The water is pumped to Mason's water treatment plant, which has a total capacity of 7.0 million gallons per day and an average peak day demand of 3,800,000. Mason's existing distribution system includes 5

elevated tanks, 3 pumping stations, and 150 miles of transmission and distribution mains.

During 1997, the City entered into an agreement with Cincinnati Waterworks to provide additional water service to the City of Mason. As part of the project the City will finance approximately \$10,000,000 of water system improvements. The additional water supplied by Cincinnati Waterworks gives Mason a water system capacity of 11 mgd. This capacity should meet the City's needs until 2010. The City's wastewater treatment system is comprised of one treatment plant, 14 lift stations, and approximately 150 miles of sanitary sewer mains. The main treatment facility has a capacity of 4.95 million gallons per day. Current average daily flow is approximately 3.8 million gallons per day.

### **Fiduciary Operations**

The City's Fiduciary Funds account for resources received and held by the City as trustee or for which the City acts as the agent for individuals. As of December 31, 2000, assets reported under programs in which the City provided custodial responsibilities totaled \$826,424. These include the Municipal Court, Subdivision Inspection Fund and the Joint Fire District Fund.

### **Debt Administration**

The City has judiciously used tax-exempt bond financing for a variety of its capital programs that have benefits over multi-year periods. Use of bonded debt proceeds has allowed the City to make ongoing improvements to its utility systems, develop recreation facilities and provide needed street improvements and construction. These programs have been accomplished while imposing reasonable debt burdens within the capacity of taxpayers.

As of December 31, 2000, the following was the outstanding debt of the City:

General Obligation Notes	\$5,280,000
General Obligation Bonds	6,460,000
Mortgage Revenue Bonds	14,845,000
Special Assessment Bonds	<u>1,342,000</u>
Total Outstanding Debt:	<u>\$27,927,000</u>

### **General Fixed Assets**

Mason conforms with GASB guidelines in classifying fixed assets in either the General Fixed Asset Account Group or within individual Proprietary Funds. Only assets with a cost of \$1,000 or more and which have a useful life of one year or more are considered fixed assets. Major improvements, which are of value only to the City such as roads, curbs and sidewalks are not included in the General Fixed Asset Account Group. General fixed assets totaled \$23,113,293 as of December 31, 2000. Enterprise fund fixed assets totaled \$45,457,492, net of accumulated depreciation as of December 31, 2000.

## **Cash Management**

The City of Mason adopted its investment policy on September 23, 1996 with approval of Ordinance 96-133. This City policy is guided in large part by State Statute: Chapter 135 of the Ohio Revised Code.

The primary objective of the City's investment activities is the preservation of capital and protection of investment principal. In investing public funds, the City will strive to maximize the return on the portfolio but will avoid assuming unreasonable risks. The City's investment portfolio will remain sufficiently liquid to enable the City to meet operating requirements, which might be reasonably anticipated. The City will diversify its investments to avoid incurring unreasonable and avoidable risks regarding specific security types or individual financial institutions.

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 Mason and to have a current Agreement for Deposit of Interim Funds with the City.

Authorized investments are described in detail in Note 4 of the footnotes to the general purpose financial statements included within the financial section of this comprehensive annual financial report. The City currently has all excess collected balances not needed to cover daily check clearings transferred into a repurchase investment account at Fifth Third Bank, Cincinnati, Ohio.

All funds held in the repurchase investment account are collateralized with eligible securities as defined by Chapter 135 of the Ohio Revised Code, held in the City's name by the trust department at Fifth Third Bank. The securities are valued daily on a market to market basis and are pledged at 102% of the funds invested in the repurchase agreement.

Over the past twelve months, the City's investment yield has averaged 5.51%. This compares favorably with the most common industry benchmarks; Star Ohio, 5.01% and Treasury Bills, 5.06%. The yields are monitored on a monthly basis and when the point spread is sufficient to justify the loss of immediate liquidity and the absence of specific collateral pledged in the City's name, other types of authorized investments, collateralized as and if required, may be considered for the City's portfolio.

## **Risk Management**

In September 1997, in an attempt to reduce insurance costs, the City of Mason joined a local joint self-insurance pool, the Miami Valley Risk Management Association (MVRMA), in lieu of reliance upon conventional insurance.

The Miami Valley Risk Management Association was formed in 1988 by a core group of Dayton, Ohio area municipalities who possessed professional administration, stable operations, and unusually good claims and loss experience. Since then, their marketing committee has sought out cities with similar characteristics. The membership includes Beavercreek, Blue Ash,

Indian Hill, Kettering, Madeira, Mason, Miamisburg, Montgomery, Sidney, Springdale, Tipp City, Troy, Vandalia, West Carrolton, Wilmington, and Wyoming. The amount of each member's annual contribution for losses and operating costs is based upon a weighted average computation which includes a four year average of claims expenses and losses, population, the number of full time police officers, the number of other full time employees, the number of titled vehicles, net operating expenditures, and the valuation of property requiring property damage coverage. Since the claim/loss factor is more heavily weighted than the others, cities that do well on loss prevention and claims experience represent a smaller portion of the overall risk factor and thus have lower contributions. Cities with higher than average losses will pay proportionately more for each year's loss computations.

The Association's Centerville, Ohio office is staffed by a qualified full time administrator, claims manager, loss control manager and an assistant. The Association has been fully audited by the Ohio Department of Insurance, is a certified not for profit corporation, has a tax exempt status, and operates under bylaws and procedures established by the governing board composed of one trustee from each member city. A Comprehensive Annual Financial Report (CAFR) is prepared each year by the association.

When a claim is filed, the first \$2,500 of each loss is a deductible that is fully payable by the member city. Each property claim and each crime claim excess of \$2,500 up to \$250,000 is paid by the pool including the cost of settlement and legal defense. Each casualty/liability claim excess of \$2,500 up to \$500,000 is paid by the pool including the cost of settlement and legal defense. As of December 31, 1999, the Association had current assets of \$4,703,854; total assets of \$4,742,119; current liabilities of \$2,965,412; and no long-term liabilities. MVRMA estimates that member cities are paying approximately 35% less for coverage through MVRMA than would be paid under a commercial insurance program.

Expenses for any claims exceeding the \$250,000 level are covered by the traditional policies purchased through various markets by the Association. The per occurrence limit of liability for MVRMA casualty claims is \$11,500,000 per claim and is placed by the Association's broker, J & H Marsh McLennan.

The Pool's overall loss experience has been excellent since its inception in 1988. A synopsis of insurance is presented in the Statistical Section (Table 14).

### **Independent Audit**

This report includes financial statements and supplemental schedules, which have been audited by Plattenburg & Associates, Inc., a firm of independent Certified Public Accountants. The auditor's report of Plattenburg & Associates, Inc., specifies the scope of their audit, the use of generally accepted auditing standards and the conformity of generally accepted accounting principles, and concludes that these financial statements present fairly the financial position of the City.

## **Certificate of Achievement**

The accounting policies of the City conform to generally accepted accounting principles as applicable to governments and as set forth by the Governmental Accounting Standards Board (GASB), the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The Government Finance Officers Association of the United States and Canada recognizes, by awarding a Certificate of Achievement for Excellence in Financial Reporting, governmental units that issue their comprehensive annual financial reports substantially in conformity with the standards developed by GASB.

The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local governments finance reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive financial report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. Mason was awarded the Certificate of Achievement for our 1997, 1998 and 1999 CAFR and we believe our current report conforms to the Certificate of Achievement Program requirements, and it is being submitted to GFOA to determine its eligibility for an award.

## **Acknowledgment**

Our most sincere appreciation is extended to all members of the staff, whose efforts have made this report possible. Special thanks are extended to Bev Salatin, the staff of Plattenburg & Associates, Inc., for their dedicated service in the preparation of this comprehensive annual financial report.

Sincerely,



Scot Lahrmer  
City Manager



Jennifer Heft  
Finance Director



**CITY OF MASON, OHIO**

**LIST OF PRINCIPAL OFFICIALS  
DECEMBER 31, 2000**

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**ELECTED OFFICIALS**

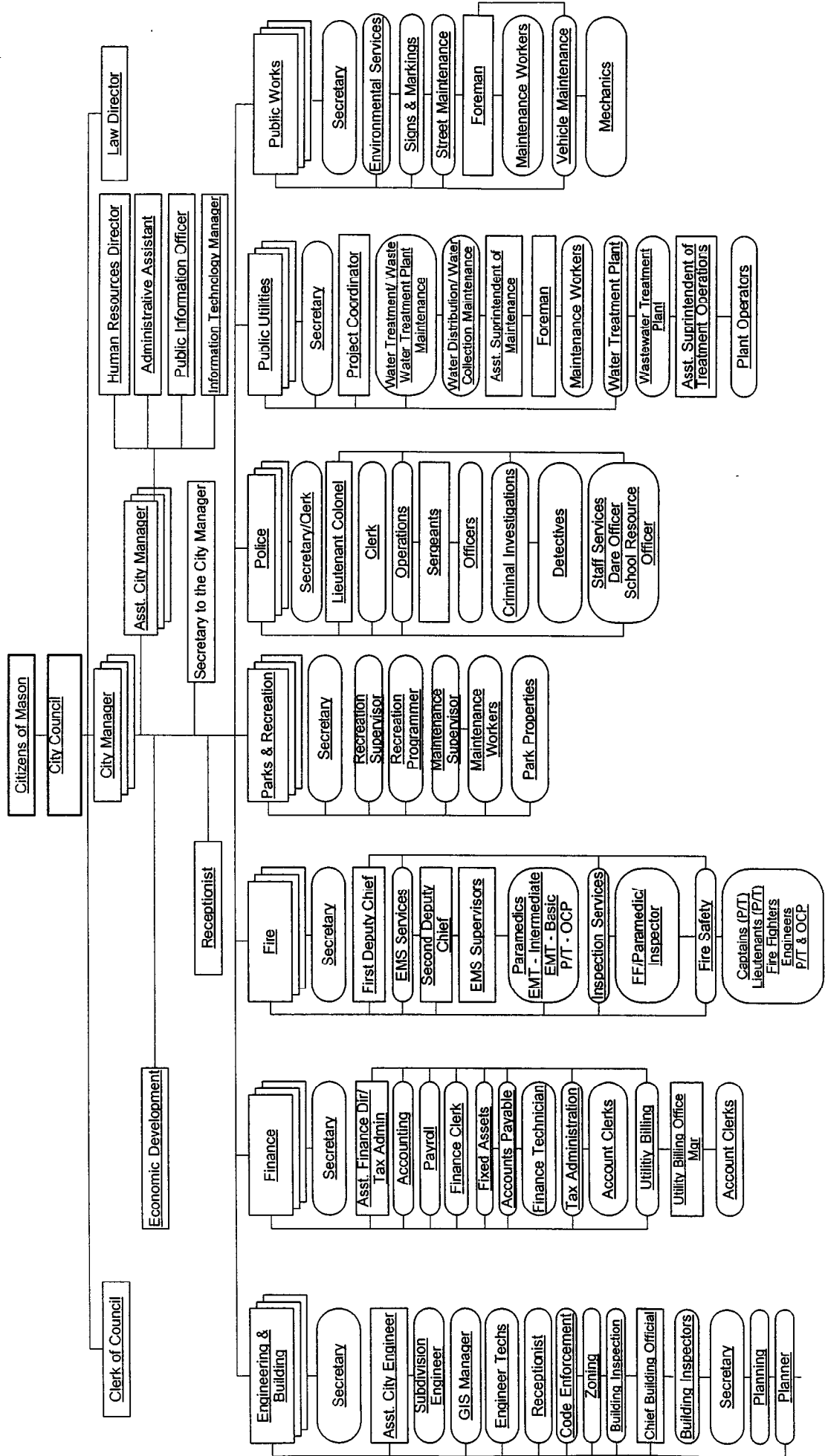
Mayor	John McCurley
Vice Mayor	James Fox
Council Member	Peter Beck
Council Member	Betty Davis
Council Member	Thomas Muennich
Council Member	Charlene Pelfrey
Council Member	James Dick Staten

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**ADMINISTRATIVE OFFICIALS**

City Manager	Scot Lahrmer
City Engineer	Richard Fair
Chief of Police	Ron Ferrell
Fire Chief	Vacant
Assistant City Manager	Eric Hansen
Parks & Recreation Director	Michael Hecker
Finance Director	Jennifer Heft
Public Works Director	John Saar
Public Utilities Director	Ernie Stickler



# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Mason,  
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. Esoll*  
Executive Director

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# Financial Section





May 18, 2001

The Honorable Mayor and Members of the  
City Council of the City of Mason

### REPORT OF INDEPENDENT ACCOUNTANTS

We have audited the accompanying general purpose financial statements of the City of Mason, Ohio, (the City) as of and for the year ended December 31, 2000, as listed in the table of contents. These general purpose financial statements are the responsibility of the management of the City. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards 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 general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose 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, as of December 31, 2000, and the results of its operations and cash flows of its proprietary fund types for the year then ended, in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 18, 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 conducted 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 of the City. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

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

A handwritten signature in cursive script, appearing to read "Plattenburg & Associates, Inc.", written in black ink.

Plattenburg & Associates, Inc.  
Certified Public Accountants



## *GENERAL PURPOSE FINANCIAL STATEMENTS*

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*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 FUNDS FOR THE YEAR THEN ENDED.*

City of Mason, Ohio  
 Combined Balance Sheet  
 All Fund Types And Account Groups  
 December 31, 2000

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
<b>ASSETS AND OTHER DEBITS:</b>				
<b>Assets:</b>				
Pooled cash and investments	\$3,630,333	\$4,869,595	\$251,108	\$8,698,009
Restricted pooled cash and investments	0	0	0	0
<b>Receivables (net of allowance for uncollectibles):</b>				
Taxes	3,766,593	2,847,458	501,788	6,934
Accounts	480,924	179,623	0	0
Intergovernmental	358,046	38,289	0	0
Loans	0	42,469	0	0
Special assessments	0	0	2,164,803	0
Interest	69,135	92,736	4,782	165,643
Inventory	0	17,539	0	0
Fixed assets (net, where applicable of accumulated depreciation)	0	0	0	0
<b>Other debits:</b>				
Amount available in debt service fund	0	0	0	0
Amount to be provided for retirement of general long-term obligations	0	0	0	0
<b>TOTAL ASSETS AND OTHER DEBITS</b>	<b>\$8,305,031</b>	<b>\$8,087,709</b>	<b>\$2,922,481</b>	<b>\$8,870,586</b>
<b>LIABILITIES, EQUITY AND OTHER CREDITS:</b>				
<b>Liabilities:</b>				
Accounts payable	602,059	102,318	0	836,882
Accrued wages and benefits	285,923	38,899	0	0
Interest payable	70,717	12,661	28,053	0
Compensated absences	0	0	0	0
Due to others	0	0	0	0
Deferred revenue	1,060,906	3,046,624	2,668,303	66,237
General obligation notes payable	2,500,000	1,080,000	0	1,700,000
Revenue bonds payable	0	0	0	0
General obligation bonds payable	0	0	0	0
Special assessment debt with government commitment	0	0	0	0
Capital lease obligations	0	0	0	0
<b>Total Liabilities</b>	<b>4,519,605</b>	<b>4,280,502</b>	<b>2,696,356</b>	<b>2,603,119</b>
<b>Equity and Other Credits:</b>				
Investment in general fixed assets	0	0	0	0
Contributed capital	0	0	0	0
Retained earnings - unreserved	0	0	0	0
<b>Fund Balances:</b>				
Reserved for encumbrances	2,113,695	898,683	8,191	2,689,868
Reserved for inventory	0	17,539	0	0
Unreserved, undesignated	1,671,731	2,890,985	217,934	3,577,599
<b>Total Equity and Other Credits</b>	<b>3,785,426</b>	<b>3,807,207</b>	<b>226,125</b>	<b>6,267,467</b>
<b>TOTAL LIABILITIES, EQUITY AND OTHER CREDITS</b>	<b>\$8,305,031</b>	<b>\$8,087,709</b>	<b>\$2,922,481</b>	<b>\$8,870,586</b>

See accompanying notes.

Proprietary Fund Types		Fiduciary Fund Types	Account Groups		Totals (Memorandum Only)
Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long-Term Obligations	
\$18,582,241	\$482,733	\$568,490	\$0	\$0	\$37,082,509
0	0	230,694	0	0	230,694
0	0	0	0	0	7,122,773
1,365,607	9,760	13,279	0	0	2,049,193
0	0	0	0	0	396,335
0	0	0	0	0	42,469
0	0	0	0	0	2,164,803
353,878	9,193	13,961	0	0	709,328
20,924	0	0	0	0	38,463
45,457,492	0	0	23,113,293	0	68,570,785
0	0	0	0	217,934	217,934
0	0	0	0	9,184,188	9,184,188
<u>\$65,780,142</u>	<u>\$501,686</u>	<u>\$826,424</u>	<u>\$23,113,293</u>	<u>\$9,402,122</u>	<u>\$127,809,474</u>
290,666	115,167	1,727	0	0	1,948,819
41,489	0	0	0	0	366,311
72,606	0	0	0	0	184,037
112,278	0	3,243	0	394,083	509,604
0	0	821,454	0	0	821,454
0	0	0	0	0	6,842,070
0	0	0	0	0	5,280,000
14,845,000	0	0	0	0	14,845,000
0	0	0	0	6,460,000	6,460,000
61,000	0	0	0	1,281,000	1,342,000
0	0	0	0	1,267,039	1,267,039
<u>15,423,039</u>	<u>115,167</u>	<u>826,424</u>	<u>0</u>	<u>9,402,122</u>	<u>39,866,334</u>
0	0	0	23,113,293	0	23,113,293
4,663,550	0	0	0	0	4,663,550
45,693,553	386,519	0	0	0	46,080,072
0	0	0	0	0	5,710,437
0	0	0	0	0	17,539
0	0	0	0	0	8,358,249
<u>50,357,103</u>	<u>386,519</u>	<u>0</u>	<u>23,113,293</u>	<u>0</u>	<u>87,943,140</u>
<u>\$65,780,142</u>	<u>\$501,686</u>	<u>\$826,424</u>	<u>\$23,113,293</u>	<u>\$9,402,122</u>	<u>\$127,809,474</u>

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City of Mason, Ohio  
 Combined Statement of Revenues, Expenditures  
 And Changes in Fund Balances  
 All Governmental Fund Types  
 For the Year Ended December 31, 2000

	Governmental Fund Types				Totals (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	
<b>REVENUES:</b>					
Taxes	\$15,274,080	\$2,848,103	\$501,898	\$6,934	\$18,631,015
Fines, licenses and permits	1,081,112	447,756	0	0	1,528,868
Intergovernmental	1,372,410	775,102	0	40,892	2,188,404
Special assessments	0	0	126,344	0	126,344
Charges for services	227,665	342,824	0	0	570,489
Investment earnings	318,802	269,333	102,248	501,508	1,191,891
Other	780,243	314,016	0	3,692	1,097,951
<b>Total Revenues</b>	<b>19,054,312</b>	<b>4,997,134</b>	<b>730,490</b>	<b>553,026</b>	<b>25,334,962</b>
<b>EXPENDITURES:</b>					
<b>Current:</b>					
General government	3,495,706	38,433	0	2,607,600	6,141,739
Public safety	2,932,759	3,417,024	0	0	6,349,783
Leisure time activities	1,602,077	0	0	0	1,602,077
Community development	790,131	0	0	0	790,131
Basic utility service	98,122	0	0	0	98,122
Transportation and street repair	2,872,601	132,374	0	3,721,989	6,726,964
Capital outlay	0	0	0	96,111	96,111
<b>Debt service:</b>					
Principal	0	0	387,000	0	387,000
Interest	164,666	56,273	363,495	81,029	665,463
<b>Total Expenditures</b>	<b>11,956,062</b>	<b>3,644,104</b>	<b>750,495</b>	<b>6,506,729</b>	<b>22,857,390</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>7,098,250</b>	<b>1,353,030</b>	<b>(20,005)</b>	<b>(5,953,703)</b>	<b>2,477,572</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
Proceeds of notes and bonds	0	0	0	1,135,000	1,135,000
Operating transfers - in	1,082,527	2,000	90,000	7,695,350	8,869,877
Operating transfers - (out)	(5,907,422)	(722,675)	0	(2,205,328)	(8,835,425)
<b>Total Other Financing Sources (Uses)</b>	<b>(4,824,895)</b>	<b>(720,675)</b>	<b>90,000</b>	<b>6,625,022</b>	<b>1,169,452</b>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<b>2,273,355</b>	<b>632,355</b>	<b>69,995</b>	<b>671,319</b>	<b>3,647,024</b>
<b>FUND BALANCES, BEGINNING OF YEAR</b>	<b>1,512,071</b>	<b>3,187,259</b>	<b>156,130</b>	<b>5,596,148</b>	<b>10,451,608</b>
<b>INCREASE (DECREASE) IN RESERVE FOR INVENTORY</b>	<b>0</b>	<b>(12,407)</b>	<b>0</b>	<b>0</b>	<b>(12,407)</b>
<b>FUND BALANCES, END OF YEAR</b>	<b>\$3,785,426</b>	<b>\$3,807,207</b>	<b>\$226,125</b>	<b>\$6,267,467</b>	<b>\$14,086,225</b>

See accompanying notes.

City of Mason, Ohio  
 Combined Statement of Revenues, Expenditures  
 And Changes in Fund Balance  
 Budget And Actual (Non-GAAP Basis)  
 All Governmental Fund Types  
 For the Year Ended December 31, 2000

	General Fund			Special Revenue Funds		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>						
Local tax revenues	\$12,963,392	\$12,963,392	\$0	\$2,848,103	\$2,848,103	\$0
Intergovernmental revenues	1,232,156	1,232,156	0	750,713	750,713	0
Charges for services	223,694	223,694	0	341,569	341,569	0
Fines, licenses and permits	1,080,534	1,080,534	0	445,626	448,526	2,900
Investment earnings	229,812	238,318	8,506	175,393	186,730	11,337
Special assessments	0	0	0	0	0	0
All other revenue	470,430	470,430	0	308,867	308,867	0
<b>Total Revenues</b>	<b>16,200,018</b>	<b>16,208,524</b>	<b>8,506</b>	<b>4,870,271</b>	<b>4,884,508</b>	<b>14,237</b>
<b>EXPENDITURES:</b>						
Current:						
Public Safety	3,473,684	3,131,106	342,578	4,086,274	3,793,591	292,683
Leisure time activities	2,535,944	2,173,454	362,490	0	0	0
Community development	1,139,405	967,419	171,986	0	0	0
Basic utility services	333,943	307,141	26,802	0	0	0
Transportation and street repair	4,240,864	3,931,720	309,144	1,259,043	292,950	966,093
General government	5,253,815	4,746,592	507,223	405,712	45,762	359,950
Debt service:						
Principal	2,800,000	2,800,000	0	2,455,581	2,110,000	345,581
Interest and fiscal charges	115,040	115,040	0	110,555	109,650	905
<b>Total Expenditures</b>	<b>19,892,695</b>	<b>18,172,472</b>	<b>1,720,223</b>	<b>8,317,165</b>	<b>6,351,953</b>	<b>1,965,212</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(3,692,677)</b>	<b>(1,963,948)</b>	<b>1,728,729</b>	<b>(3,446,894)</b>	<b>(1,467,445)</b>	<b>1,979,449</b>
<b>OTHER FINANCING SOURCES (USES):</b>						
Proceeds from general obligation notes	2,500,000	2,500,000	0	1,080,000	1,080,000	0
Proceeds from general obligation bonds	0	0	0	0	0	0
Operating transfers - in	775,343	1,082,527	307,184	0	2,000	2,000
Operating transfers - (out)	(5,913,750)	(5,907,422)	6,328	(522,786)	(522,675)	111
<b>Total Other Financing Sources (Uses)</b>	<b>(2,638,407)</b>	<b>(2,324,895)</b>	<b>313,512</b>	<b>557,214</b>	<b>559,325</b>	<b>2,111</b>
<b>Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Financing Uses</b>	<b>(6,331,084)</b>	<b>(4,288,843)</b>	<b>2,042,241</b>	<b>(2,889,680)</b>	<b>(908,120)</b>	<b>1,981,560</b>
<b>Fund Balance at Beginning of Year</b>	<b>5,166,866</b>	<b>5,166,866</b>	<b>0</b>	<b>4,753,140</b>	<b>4,753,140</b>	<b>0</b>
<b>Fund Balance at End of Year</b>	<b>(\$1,164,218)</b>	<b>\$878,023</b>	<b>\$2,042,241</b>	<b>\$1,863,460</b>	<b>\$3,845,020</b>	<b>\$1,981,560</b>

See accompanying notes.

Debt Service Fund			Capital Projects Funds			Totals (Memorandum Only)		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$501,898	\$501,898	\$0	\$6,934	\$6,934	\$0	\$16,320,327	\$16,320,327	\$0
0	0	0	0	0	0	1,982,869	1,982,869	0
0	0	0	0	0	0	565,263	565,263	0
0	0	0	0	0	0	1,526,160	1,529,060	2,900
97,870	97,870	0	336,904	358,248	21,344	839,979	881,166	41,187
126,344	126,344	0	0	0	0	126,344	126,344	0
0	0	0	3,692	3,692	0	782,989	782,989	0
<u>726,112</u>	<u>726,112</u>	<u>0</u>	<u>347,530</u>	<u>368,874</u>	<u>21,344</u>	<u>22,143,931</u>	<u>22,188,018</u>	<u>44,087</u>
0	0	0	0	0	0	7,559,958	6,924,697	635,261
0	0	0	0	0	0	2,535,944	2,173,454	362,490
0	0	0	0	0	0	1,139,405	967,419	171,986
0	0	0	0	0	0	333,943	307,141	26,802
0	0	0	4,829,121	4,618,282	210,839	10,329,028	8,842,952	1,486,076
0	0	0	5,503,025	5,392,973	110,052	11,162,552	10,185,327	977,225
387,000	387,000	0	576,100	300,000	276,100	6,218,681	5,597,000	621,681
345,540	344,122	1,418	342,920	88,477	254,443	914,055	657,289	256,766
<u>732,540</u>	<u>731,122</u>	<u>1,418</u>	<u>11,251,166</u>	<u>10,399,732</u>	<u>851,434</u>	<u>40,193,566</u>	<u>35,655,279</u>	<u>4,538,287</u>
(6,428)	(5,010)	1,418	(10,903,636)	(10,030,858)	872,778	(18,049,635)	(13,467,261)	4,582,374
0	0	0	1,700,000	1,700,000	0	5,280,000	5,280,000	0
0	0	0	1,237,260	1,242,803	5,543	1,237,260	1,242,803	5,543
90,000	90,000	0	7,587,547	7,587,547	0	8,452,890	8,762,074	309,184
0	0	0	(2,242,952)	(2,242,931)	21	(8,679,488)	(8,673,028)	6,460
<u>90,000</u>	<u>90,000</u>	<u>0</u>	<u>8,281,855</u>	<u>8,287,419</u>	<u>5,564</u>	<u>6,290,662</u>	<u>6,611,849</u>	<u>321,187</u>
83,572	84,990	1,418	(2,621,781)	(1,743,439)	878,342	(11,758,973)	(6,855,412)	4,903,561
156,620	156,620	0	6,843,326	6,843,326	0	16,919,952	16,919,952	0
<u>\$240,192</u>	<u>\$241,610</u>	<u>\$1,418</u>	<u>\$4,221,545</u>	<u>\$5,099,887</u>	<u>\$878,342</u>	<u>\$5,160,979</u>	<u>\$10,064,540</u>	<u>\$4,903,561</u>

City of Mason, Ohio  
 Combined Statement of Revenues, Expenses  
 And Changes in Retained Earnings  
 All Proprietary Fund Types  
 For the Year Ended December 31, 2000

	Proprietary Fund Type		Totals (Memorandum Only)
	Enterprise	Internal Service	
<b>OPERATING REVENUES:</b>			
Charges for services	\$11,970,912	\$921,810	\$12,892,722
Other	0	9,760	9,760
<b>Total Operating Revenue</b>	<b>11,970,912</b>	<b>931,570</b>	<b>12,902,482</b>
<b>OPERATING EXPENSES:</b>			
Personal services	1,387,409	848,304	2,235,713
Contractual services	3,109,793	0	3,109,793
Depreciation	1,057,552	0	1,057,552
Materials and supplies	163,682	0	163,682
Cost of services	16,750	0	16,750
Other	16,505	0	16,505
<b>Total Operating Expenses</b>	<b>5,751,691</b>	<b>848,304</b>	<b>6,599,995</b>
<b>OPERATING INCOME (LOSS)</b>	<b>6,219,221</b>	<b>83,266</b>	<b>6,302,487</b>
<b>NONOPERATING REVENUES (EXPENSES):</b>			
Investment earnings	1,209,071	9,312	1,218,383
Interest expense	(730,093)	0	(730,093)
<b>Total Nonoperating Revenues (Expenses)</b>	<b>478,978</b>	<b>9,312</b>	<b>488,290</b>
<b>INCOME (LOSS) BEFORE OPERATING TRANSFERS</b>	<b>6,698,199</b>	<b>92,578</b>	<b>6,790,777</b>
<b>OPERATING TRANSFERS:</b>			
Operating transfers - in	667,499	0	667,499
Operating transfers - (out)	(701,951)	0	(701,951)
<b>Total Operating Transfers</b>	<b>(34,452)</b>	<b>0</b>	<b>(34,452)</b>
<b>NET INCOME (LOSS)</b>	<b>6,663,747</b>	<b>92,578</b>	<b>6,756,325</b>
<b>RETAINED EARNINGS BEGINNING OF YEAR</b>	<b>39,029,806</b>	<b>293,941</b>	<b>39,323,747</b>
<b>RETAINED EARNINGS END OF YEAR</b>	<b>\$45,693,553</b>	<b>\$386,519</b>	<b>\$46,080,072</b>

See accompanying notes.



City of Mason, Ohio  
 Combined Statement of Cash Flows  
 All Proprietary Fund Types  
 For the Year Ended December 31, 2000

	Proprietary Fund Types		Totals
	Enterprise	Internal Service	(Memorandum Only)
<b>OPERATING ACTIVITIES:</b>			
Operating income (loss)	\$6,219,221	\$83,266	\$6,302,487
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	1,057,552	0	1,057,552
Changes in assets and liabilities:			
(Increase) decrease in receivables	65,705	(9,641)	56,064
(Increase) decrease in inventory	73,155	0	73,155
Increase (decrease) in payables	(230,810)	14,808	(216,002)
Increase (decrease) in accrued liabilities	60,378	0	60,378
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>7,245,201</b>	<b>88,433</b>	<b>7,333,634</b>
<b>NONCAPITAL FINANCING ACTIVITIES:</b>			
Operating transfers - in	667,499	0	667,499
Operating transfers - (out)	(701,951)	0	(701,951)
<b>Net Cash Provided (Used) by Noncapital Financing Activities</b>	<b>(34,452)</b>	<b>0</b>	<b>(34,452)</b>
<b>CAPITAL AND RELATED FINANCING ACTIVITIES:</b>			
Principal paid	(210,000)	0	(210,000)
Interest paid	(660,487)	0	(660,487)
Acquisition of fixed assets	(4,097,577)	0	(4,097,577)
<b>Net Cash Provided (Used) by Capital and Related Financing Activities</b>	<b>(4,968,064)</b>	<b>0</b>	<b>(4,968,064)</b>
<b>INVESTING ACTIVITIES:</b>			
Investment earnings	1,202,524	0	1,202,524
<b>Net Cash Provided (Used) by Investing Activities</b>	<b>1,202,524</b>	<b>0</b>	<b>1,202,524</b>
<b>NET INCREASE (DECREASE) IN CASH</b>	<b>3,445,209</b>	<b>88,433</b>	<b>3,533,642</b>
<b>CASH BEGINNING OF YEAR</b>	<b>15,131,017</b>	<b>394,300</b>	<b>15,525,317</b>
<b>CASH END OF YEAR</b>	<b>\$18,576,226</b>	<b>\$482,733</b>	<b>\$19,058,959</b>

See accompanying notes.

**THE CITY OF MASON, OHIO**  
**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2000**

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

The City of Mason, Ohio (the “City”) was incorporated in 1815, adopted its Charter in 1969 and became a city in 1971. The City is a home-rule municipal corporation created under the laws of the State of Ohio. The City operates under a Council-Manager form of government.

**A. Reporting Entity**

The accompanying general purpose financial statements comply with the provisions of the Governmental Accounting Standards Board (the “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 reporting entity of the City includes the following services: police protection, parks and recreation, planning, zoning, community development, street maintenance and other governmental services. In addition, the City owns and operates a water treatment and distribution system and a wastewater treatment and collection system, each of which is reported as an enterprise fund. The City Council and City Manager have direct responsibility for these activities.

The accounting policies and financial reporting practices of the City conform to generally accepted accounting principles as applicable to governmental units. The following is a summary of its significant accounting policies.

**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:

**THE CITY OF MASON, OHIO**  
**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS**

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***Governmental Funds***

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

***Proprietary Funds***

Proprietary Funds are accounted for on an "economic resources" measurement focus. This measurement focus provides that all assets and liabilities associated with the operation of the proprietary funds are included on the balance sheet. Fund equity (i.e., net assets) are segregated into contributed capital and retained earnings components. The proprietary fund operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net total assets.

Enterprise Funds – These funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

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 other governments on a cost-reimbursement basis. The City created the Self Insurance Internal Service Fund to pay employee health insurance claims and life insurance premiums.

**THE CITY OF MASON, OHIO**  
**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS**

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***Fiduciary Funds***

Agency Funds – These funds are used to account for assets held by a government unit as an agent for individuals, private organizations, other governmental units and /or other funds. The City maintains agency funds which are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Account Groups – To make a clear distinction between fixed assets relating to specific funds and those of general government and between long-term liabilities relating 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 funds.

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

**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.

Revenues considered susceptible to accrual at year-end include income taxes withheld by employers, interest on investments, property taxes, certain fees and other local taxes (including hotel/motel tax and estate taxes). Other revenues, including licenses, permits, certain charges for services, income taxes other than those withheld by employers and miscellaneous revenues, are recorded as revenues when received in cash because generally these revenues are not measurable until received.

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.

**THE CITY OF MASON, OHIO**  
**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS**

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Special assessment installments and related accrued interest, which are measurable but not available at December 31, are recorded as deferred revenue.

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

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.

**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.

Annual budgets are adopted for all funds; however, only governmental funds are required to be reported. The primary level of budgetary control is at the function level within each department. Budgetary modifications may only be made by ordinance of the City Council.

1. Tax Budget

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

2. Estimated Resources

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

**THE CITY OF MASON, OHIO**  
**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS**

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resources is amended to include any unencumbered fund balances from the preceding year.

The certificate may be further amended during the year if a new source of revenue is identified or actual receipts exceed current estimates. The amounts reported on the budgetary statement reflect the amounts in the final amended official certificate of estimated resources issued during 2000.

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. The appropriation ordinance may be amended during the year as additional information becomes available, provided that total fund appropriations do not exceed the current estimated resources as certified.

The allocation of appropriations among departments and objects within a fund may be modified during the year by an ordinance of City Council. 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.

**THE CITY OF MASON, OHIO**  
**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS**

**6. Budgetary Basis of Accounting**

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

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

Excess (Deficiency) of Revenues and Other Financing Sources  
Over (Under) Expenditures and Other Financing Uses

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Debt Service Funds</u>	<u>Capital Projects Funds</u>
GAAP Basis (as reported)	\$2,273,355	\$632,355	\$69,995	\$671,319
Adjustments:				
Revenue Accruals, Net	(345,788)	967,374	(4,378)	1,515,848
Expenditure Accruals, Net	<u>(6,216,410)</u>	<u>(2,507,849)</u>	<u>19,373</u>	<u>(3,930,606)</u>
Budget Basis	<u>(\$4,288,843)</u>	<u>(\$908,120)</u>	<u>\$84,990</u>	<u>(\$1,743,439)</u>

**E. Cash and Cash Equivalents**

Cash and cash equivalents include amounts in demand deposits and short-term certificates of deposit. The City pools its cash for investment and resource management purposes. Each fund's equity in pooled cash represents the balance on hand as if each fund maintained its own cash and investments account. For purposes of the statement of cash flows, the share of equity in the pooled cash and investments of the proprietary funds is considered to be a cash equivalent.

**F. Investments**

Investment procedures and interest allocations are restricted by provisions of the Ohio Constitution and the Ohio Revised Code. The City allocates interest among certain funds based upon the fund's cash balance at the date of investment. In accordance with GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools," the City records all its investments at fair value except for nonparticipating investment contracts (certificates of deposit) 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.

**THE CITY OF MASON, OHIO**  
**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS**

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For purposes of the Statement of Cash Flows (GASB Statement 9) the proprietary fund portion of cash and investments is considered to be liquid because their portion of the cash and investment pool can be accessed without prior notice or penalty.

**G. Inventory**

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

**H. Fixed Assets and Depreciation**

The accounting and reporting treatment applied to fixed assets is determined by the ultimate use:

1. Property, Plant and Equipment-General Governmental Purposes

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 in the General Fixed Assets Account Group.

2. Property, Plant and Equipment – Proprietary Funds

Property, plant and equipment acquired by the proprietary funds are stated at cost or estimated historical cost. Contributed fixed assets are recorded at estimated fair market value at the date received.

Depreciation has been provided using the straight-line method over the following estimated useful lives:

Description	Estimated Lives (Years)
Buildings	15 – 50
Improvements Other Than Buildings	25 – 50
Machinery, Equipment, Furniture and Fixtures	3 – 20



**THE CITY OF MASON, OHIO**  
**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS**

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**I. Long-Term Obligations**

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

<u>Obligation</u>	<u>Fund</u>
General Obligation Bonds	General Obligation Bond Retirement Fund
Special Assessment Bonds	Special Assessment Bond Retirement Fund Water Fund
Compensated Absences	General Fund Street Construction, Maintenance and Repair Fund Water Fund Waste Collection Fund Sewer Fund
Mortgage Revenue Bonds	Water Fund Sewer Fund

**J. 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 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 eligible to receive termination payments as of the balance sheet date, and on leave balances accumulated by other employees expected to become eligible to receive such payments in the future.

For governmental funds, the portion of unpaid compensated absences 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.

Compensated absences are expensed in the water and sewer enterprise funds when earned, and the related liability is reported within the fund.

**K. Pensions**

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

**L. 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.

Transactions that would be treated as revenues and expenditures 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. There were no residual equity transfers made during 2000.

**M. Contributed Capital**

Proprietary fund type contributed capital is recorded at the fair market value of the related assets at the date received. Depreciation on contributed fixed assets resulting from grants, entitlements and shared revenues is recorded as an operating expense and closed along with other operating expenses directly to retained earnings.

Before 1990 the City did not prepare its financial statements in accordance with generally accepted accounting principles; therefore, the exact amount of contributed capital pertaining to years prior to 1990 cannot be determined. Only amounts since 1990 that could be specifically identified as contributed have been recorded as contributed capital in the accompanying general purpose financial statements.

**N. Intergovernmental Revenue**

Shared revenues and entitlements are recorded as intergovernmental receivables and revenues when they are measurable and available.

**O. 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 inventory, prepaid items, debt service and encumbered amounts that have not been accrued at year-end.

**THE CITY OF MASON, OHIO**  
**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS**

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**P. Total Columns on Combined Financial Statements – Overview**

Total columns on the “Combined Financial Statements–Overview” are captioned “Memorandum Only” to indicate they are presented only to facilitate financial analysis. Data in these columns does not present results of operations or cash flows 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.

**Q. Restricted Assets**

Certain investments are classified as revenue bond reserve on the balance sheet because these funds are being held by a trustee according to the terms of the revenue bond indenture.

**NOTE 2 – COMPLIANCE AND ACCOUNTABILITY**

**A. Fund Deficits**

The following funds had deficit fund balances at year-end. The deficits are expected to be provided for through future revenues:

Capital Projects Funds:	
Tylersville Road Project	\$1,560,720

**B. Excess of Appropriation over Estimated Resources**

The following funds had appropriations exceeding estimated resources at year-end:

Special Revenue Funds:	
Park and Recreation	
Capital Projects Funds:	
Tylersville Road Project	

**NOTE 3 – CASH, CASH EQUIVALENTS AND INVESTMENTS**

Cash resources of several 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.”

Statutes require the classification of funds held by the City into three categories.

Category 1 consists of “active” funds – those funds required to be kept in “cash” or “near cash” status for immediate use by the City. Such funds must be maintained either as cash in the City

**THE CITY OF MASON, OHIO**  
**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS**

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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 no later than the end of the current period of designation of depositories.

Category 3 consists of “interim” funds – those funds not needed for immediate use but 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 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 day;
- 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).

Ohio Law requires that deposits be placed in eligible banks or savings and loan associations located in Ohio. Any public depository with 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 amount equal to at least 110% of the carrying value of all public deposits held by each institution. Obligations that may be pledged as

**THE CITY OF MASON, OHIO**  
**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS**

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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. Deposits collateralized by investment pools are classified as Category 3 deposits per GASB Statement No. 3.

The GASB 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 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, with securities held by the City or its agent in the City's name.
- Category 2 Uninsured and unregistered, with securities held by the counterparty'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 \$2,435,339 and the bank balance was \$3,279,525. Federal Depository Insurance covered \$100,000 of the deposits and bank balance. All remaining deposits were classified as Category 1.

**B. Investments**

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

<u>Categorized Investments</u>	<u>Category 1</u>	<u>Fair Value</u>
United States Federal Securities	\$34,877,864	\$34,877,864
	<u>\$34,877,864</u>	<u>\$34,877,864</u>

**THE CITY OF MASON, OHIO**  
**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS**

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**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) are collected in one calendar year on assessed values as of January 1 of the preceding year, the lien date. Assessed values are established by the County Auditor as 35% of appraised market value. All property is required to be revalued every six years. The last revaluation was completed for tax year 1996. Real property taxes are payable annually or semi-annually. The first payment is due January 20; the remainder is 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% 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 is 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% of its true value. Public utility property taxes are payable on the same dates as real property taxes described previously.

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

The assessed value upon which the 2000 levy was based was \$710,086,410. This amount constitutes \$576,089,580 in real property assessed value, \$18,882,620 in public utility assessed value and \$115,114,210 in tangible personal property assessed value.

**B. Income Tax**

The City levies a tax of 1.0% of 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 up to 50% of the tax paid to another municipality to a maximum of the total amount assessed.

**THE CITY OF MASON, OHIO**  
**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS**

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

**NOTE 5 – RECEIVABLES**

Receivables at December 31, 2000 consisted of taxes, interest, accounts receivable, loans and special assessments. Property taxes receivable represent real and tangible personal property taxes, public utility taxes and outstanding delinquencies, which are measurable as of December 31, 2000. Although total property tax collections for the next fiscal year are measurable, amounts to be received during the available period are not available at December 31, nor are they intended to finance 2000 operations. The receivable is therefore offset by a credit to deferred revenue.

**NOTE 6 – FIXED ASSETS**

**A. General Fixed Assets**

Summary by category of changes in General Fixed Assets:

<u>Category</u>	December 31, <u>1999</u>	<u>Additions</u>	<u>Deletions</u>	December 31, <u>2000</u>
Land and Land Improvements	\$8,411,957	\$2,888,077	(\$13,159)	\$11,286,875
Building and Building Improvements	1,166,852	73,178	(31,038)	1,208,992
Furniture, Fixtures and Machinery	6,087,973	456,977	(197,191)	6,347,759
Construction in Progress	<u>2,277,293</u>	<u>1,992,374</u>	<u>0</u>	<u>4,269,667</u>
Totals	<u>\$17,944,075</u>	<u>\$5,410,606</u>	<u>(\$241,388)</u>	<u>\$23,113,293</u>

**B. Proprietary Fixed Assets**

Summary by Category at December 31, 2000:

<u>Category</u>	<u>Balance</u>
Land	\$16,532,651
Buildings and Improvements	25,543,746
Machinery and Equipment	2,322,886
Construction in Progress	<u>12,410,040</u>
Total	<u>\$56,809,323</u>
Less:	
Accumulated Depreciation	<u>(11,351,831)</u>
Net Fixed Assets	<u>\$45,457,492</u>

**NOTE 7 – DEFINED BENEFIT PENSION PLANS**

All of the City's full-time employees participate in one of two separate retirement systems, which are cost-sharing multiple employer defined benefit pension plans.

**A. Public Employees Retirement System (the "PERS of Ohio")**

The following information was provided by the PERS of Ohio to assist the City in complying with GASB Statement No. 27, *"Accounting for Pensions by State and Local Government Employers."*

The City of Mason contributes to PERS, a cost-sharing multiple-employer defined benefit pension plan. PERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Chapter 145 of the Ohio Revised Code (ORC) assigns the authority to establish and amend benefit provisions to the PERS Retirement Board. PERS issues a publicly available financial report that includes financial statements and required supplementary information. Interested parties may obtain a copy by making a written request to 277 East Town Street, Columbus, Ohio, 43215-4642 or by calling (614) 466-2085.

The ORC provides statutory authority for employee and employer contributions. The employee contribution rate is 8.5%. For local government employer units the rate is 10.84% of covered payroll. Required employer contributions are equal to 100% of the dollar amount billed to each employer and must be extracted from the employer's records. The contribution requirements of plan members and the City of Mason are established and may be amended by the PERS Retirement Board. The City's contributions for the years ending December 31, 2000, 1999, and 1998 were \$400,802, \$437,562 and \$410,154 respectively; 79 percent has been contributed for fiscal year 2000 and 100 percent for fiscal years 1999 and 1998.

*Other Postemployment Benefits*

In addition to the pension benefit obligation described above, the PERS of Ohio also provides postemployment health care benefits to age and service retirants with ten (10) or more years of qualifying Ohio service credit. Health care coverage for disability recipients and primary survivor recipients is available. A portion of each employer's contribution to PERS is set-aside for the funding of post retirement health care. The Ohio Revised Code provides statutory authority for employer contributions and requires employers to fund postretirement health care through their contributions to PERS. The portion of the current year employer contribution rate (identified above) that was used to fund health care for the year was 4.3 percent of covered payroll, which amounted to \$158,990.



The significant assumptions and calculations described below were based on the PERS of Ohio's latest unaudited information as of December 31, 1999. There were 401,339 active contributing participants. Estimated net assets available for future benefits payments were \$10,805.5 million. Estimated accrued liability and the unfunded estimated accrued liability, based on the actuarial cost method used, were \$12,473.6 million and \$1,668.1 million, respectively. Benefits are financed through employer contributions and investment earnings there on. The contributions, investment income and periodic adjustment in health care provisions are expected to be sufficient to sustain the program indefinitely.

For 2000, the Retirement board enacted a temporary employer contribution rate rollback. The decision to rollback rates was based on the December 31, 1998 actuarial study, which indicated that actuarial assets exceeded actuarial liabilities. The temporary rate rollback was 20% for both the state and local government divisions and 6% for law enforcement divisions. The Board reallocated employer contributions from 4.20% to 4.30% at the beginning of the year to improve health care financing. The proportion of contributions dedicated to funding OPEB increased during the year for those reasons.

#### **B. Police and Firemen's Disability and Pension Fund**

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

Plan members are required to contribute 10.0% of their annual covered salary, while employers are required to contribute 19.5% and 24.0%, respectively for police officers and firefighters. The City's contributions to PFDPF for the years ending December 31, 2000, 1999, and 1998 were \$377,728, \$311,335, and \$223,587, respectively; 72 percent has been contributed for fiscal year 2000 and 100 percent for fiscal years 1999 and 1998.

#### *Other Post-retirement Benefits*

The PFDPF System of Ohio provides post-retirement health care coverage to any person who receives or is eligible to receive a monthly benefit check or is a spouse or eligible dependent child of such person. An eligible dependent child is any child under the age of 18 whether or not the child is attending school or under the age of 22 if attending school full-time or on a two-thirds basis. The Ohio Revised Code provides statutory authority for employer contributions and allows the Fund's Board of Trustees to provide post-retirement health care coverage to all eligible individuals from the employer's

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**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS**

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contributions to the PFDPF System of Ohio. Most retirees are required to contribute a portion of the cost of their health care coverage.

The portion of the current year City contribution that was used to fund post-retirement health care benefits was \$111,413 representing 7.25 percent of covered payroll and \$23,582 representing 7.25 percent of covered payroll for police and fire respectively. Funding and accounting are on a pay-as-you-go basis.

As of December 31, 1999, the number of participants eligible to receive health care benefits was 12,467 for police and 9,807 for fire. The PFDPF System of Ohio does not provide separate data on the funded status and funding progress of post-retirement health care benefits. The Fund's total health care expenses for the year ended December 31, 1999 (latest available information) were \$95,004,633, which was net of member contributions of \$5,518,098.

**NOTE 8 – COMPENSATED ABSENCES**

All full-time City employees earn sick leave at the rate of one day per calendar month of active service. Upon retirement from the City an eligible employee receives one hour of monetary compensation for every three hours of unused sick leave. The monetary compensation is the hourly rate of compensation of the employee at the time of retirement.

All full-time City employees can earn vacation at varying rates based upon length of service. An employee's vacation must be used during the period in which it is earned unless the department head allows the balance to be carried over to the following year, in which case the vacation is taken in the next subsequent year. Upon separation from the City, the employee (or his estate) is paid for his accumulated unused vacation leave balance, which is not to exceed the carryover for one year.

As of December 31, 2000, the total liability for unpaid compensated absences was \$394,083 for all funds of the City except proprietary and fiduciary funds. For governmental funds, the entire amount was considered long-term since no payments were anticipated requiring the use of current available financial resources. The liability has been reported in the General Long-Term Obligations Account Group. The portion attributable to the proprietary and fiduciary funds has been recorded within the fund and amounted to \$115,521 at year-end.

**NOTE 9 – LONG-TERM DEBT AND OTHER LONG-TERM OBLIGATIONS**

Long-term debt and other long-term obligations of the City at December 31, 2000 were as follows:

**THE CITY OF MASON, OHIO**  
**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS**

Year Issued	Maturity Date	Balance December 31, 1999	Issued (Retired)	Balance December 31, 2000	
<b>Enterprise Funds Long-Term Debt:</b>					
Special Assessment Bond with Governmental Commitment:					
1994	Dilley Water-Sewer	2011	\$64,000	(\$3,000)	\$61,000
Mortgage Revenue Bonds:					
1991	Water Mortgage Revenue	2016	2,475,000	0	2,475,000
1993	Water Mortgage Revenue	2017	5,230,000	0	5,230,000
1994	Sewer Mortgage Revenue	2019	7,350,000	(210,000)	7,140,000
Total Mortgage Revenue Bonds			15,055,000	(210,000)	14,845,000
Total Enterprise Long-Term Debt			\$15,119,000	(\$213,000)	\$14,906,000
<b>General Obligation Long-Term Debt:</b>					
General Obligation Bonds:					
1983	Civic Building	2003	\$130,000	(\$35,000)	\$95,000
1983	Real Estate - Library Site	2003	40,000	(10,000)	30,000
1998	Road Improvement	2018	4,775,000	(175,000)	4,600,000
1999	Tax Increment Financing	2018	600,000	0	600,000
2000	Central Parke TIF	2019	0	1,135,000	1,135,000
Total General Obligation Bonds			\$5,545,000	\$915,000	\$6,460,000
Special Assessment Bonds with Governmental Commitment					
1991	North East Sewer	2011	\$655,000	(\$55,000)	\$600,000
1991	Snider Road	2011	185,000	(20,000)	165,000
1982	Waterline Bethany Rd #1	2002	7,000	(3,000)	4,000
1982	Taft Sewer	2002	30,000	(10,000)	20,000
1983	Western Row Widening	2003	50,000	(10,000)	40,000
1983	Waterline Bethany Rd # 2	2003	16,000	(4,000)	12,000
1985	Sewer line Mason-Montgomery Road	2005	7,000	(1,000)	6,000
1985	Waterpark Drive - Beach	2005	210,000	(35,000)	175,000
1988	Lindemann C.G.	2009	15,000	(1,000)	14,000
1990	741 Waterline	2010	270,000	(25,000)	245,000
Total Special Assessment Bonds with Governmental Commitment			1,445,000	(164,000)	1,281,000
Total General Obligation Long-Term Debt			6,990,000	751,000	7,741,000
<b>Other General Long-Term Obligations:</b>					
Compensated Absences			404,064	(9,981)	394,083
Capital Leases Payable			1,571,763	(304,724)	1,267,039
Total Other General Long-Term Obligations			\$1,975,827	(\$314,705)	\$1,661,122
Total General Long-Term Debt and Other Long-Term Obligations			\$8,965,827	\$436,295	\$9,402,122

The principal amount of the City's special assessment debt outstanding at December 31, 2000, \$1,342,000, is general obligation debt (backed by the full faith and credit of the City) that is being retired with the proceeds from special assessments levied against benefited property owners. The City is obligated to repay the debt irrespective of the amount of special assessments

**THE CITY OF MASON, OHIO**  
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collected from property owners. The fund balance of \$80,122 in the Special Assessment Bond Retirement fund at December 31, 2000 is reserved for the retirement of outstanding special assessment bonds.

A summary of the city's future long-term debt funding requirements, including principal and interest payments as of December 31, 2000, follows:

Years	General Obligation Bonds		Special Assessment Bonds		Mortgage Revenue Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2001	220,000	238,355	163,000	98,280	755,000	1,332,639
2002	230,000	228,275	161,000	85,261	520,000	845,354
2003	230,000	213,780	150,000	72,556	550,000	817,388
2004	245,000	182,413	135,000	59,503	575,000	787,141
2005	255,000	167,255	136,000	51,066	605,000	754,938
2006-2035	5,280,000	2,192,130	597,000	143,530	11,840,000	5,585,133
Totals	\$6,460,000	\$3,222,208	\$1,342,000	\$510,196	\$14,845,000	\$10,122,593

Years	Capital Leases Payable	
	Principal	Interest
2001	308,230	55,459
2002	299,526	40,654
2003	280,161	25,759
2004	223,740	13,736
2005	155,382	2,897
2006-2035	0	0
Totals	\$1,267,039	\$138,505

In 1990 the City defeased \$400,000 of Sewer Mortgage Revenue Bonds dated December 1, 1962. In 1990 the City defeased \$335,000 of Water Mortgage Revenue Bonds dated March 1, 1967. The Sewer Mortgage Revenue Bonds matured on December 1, 1999. The principal balance of the Water Mortgage Revenue Bonds at December 31, 2000 is \$60,000.

At the time of the defeasance, funds were deposited with the City's trustees for the sewer and water issues, the Provident Bank and National City Bank respectively. The principal and interest on the investments in these escrow funds are used solely to pay the principal and interest requirements on the original issue bonds as they come due. As of December 31, 2000, there was \$158,106 of interest and principal on deposit with the Provident Bank and \$166,177 on deposit with National City Bank.

As the money on deposit with the trustee is adequate to service both of the defeased debt issues, the City is not required to service any portion of this debt directly. Accordingly, neither the 1962 Sewer Mortgage Revenue Bonds nor the 1967 Water Revenue Bonds is included in the long-term debt schedule or in the enterprise funds balance sheet at

**THE CITY OF MASON, OHIO**  
**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS**

December 31, 2000. Similarly, as no obligation is recorded, neither are the funds held on deposit at the Provident Bank and National City Bank, which will be used to service that obligation.

**NOTE 10 – CONTRIBUTED CAPITAL**

There were no changes to the contributed capital balances of the City during the year. Contributed capital balances at year-end were as follows:

	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Total</u>
Balance at December 31, 2000	<u>\$2,327,069</u>	<u>\$2,336,481</u>	<u>\$4,663,550</u>

**NOTE 11 – NOTES PAYABLE**

The Ohio Revised Code provides that notes and 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 form more than five year must be retired in amounts at least equal to and payable no later than the 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.

	<u>Due Date</u>	<u>Balance December 31, 1999</u>	<u>Issued</u>	<u>(Retired)</u>	<u>Balance December 31, 2000</u>
<b>General Notes Payable:</b>					
Land Acquisition	2001	\$1,600,000	\$1,450,000	(\$1,600,000)	\$1,450,000
Heritage Oak Park Expansion	2001	<u>1,200,000</u>	<u>1,050,000</u>	<u>(1,200,000)</u>	<u>1,050,000</u>
Total General Notes Payable		<u>\$2,800,000</u>	<u>\$2,500,000</u>	<u>(\$2,800,000)</u>	<u>\$2,500,000</u>
<b>Special Revenue Notes Payable:</b>					
Fire Station Expansion	2001	\$1,000,000	\$850,000	(\$1,000,000)	\$850,000
Fire Truck Acquisition	2001	<u>430,000</u>	<u>230,000</u>	<u>(430,000)</u>	<u>230,000</u>
Total Special Revenue Notes Payable		<u>\$1,430,000</u>	<u>\$1,080,000</u>	<u>(\$1,430,000)</u>	<u>\$1,080,000</u>
<b>Capital Projects Notes Payable:</b>					
Tylersville Road	2001	\$ 0	\$1,700,000	\$ 0	\$1,700,000
Swimming Pool Construction	2000	<u>300,000</u>	<u>0</u>	<u>(300,000)</u>	<u>0</u>
Total Capital Projects Notes Payable		<u>\$300,000</u>	<u>\$1,700,000</u>	<u>(\$300,000)</u>	<u>\$1,700,000</u>
Total Notes Payable		<u>\$4,530,000</u>	<u>\$5,280,000</u>	<u>(\$4,530,000)</u>	<u>\$5,280,000</u>

**THE CITY OF MASON, OHIO**  
**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS**

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**NOTE 12 – CAPITALIZED LEASES**

The City lease fire department equipment under capital leases. The cost of the equipment obtained under capital leases is included in the General Fixed Assets Account Group and the related liability included in the General Long-Term Obligations Account Group.

The following is a schedule of future minimum lease payments under the capital leases together with the present value of the net minimum lease payments as of December 31, 2000:

<u>Year ending December 31, 2000</u>	<u>Capital Leases</u>
2001	363,689
2002	340,180
2003	305,920
2004	395,800
Minimum Lease Payments	<u>\$1,405,589</u>
Less amount representing interest at the City's incremental borrowing rate of interest	138,550
Present value of minimum lease payments	<u><u>\$1,267,039</u></u>

**NOTE 13 – CONTINGENCIES**

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

**NOTE 14 – INSURANCE AND RISK MANAGEMENT**

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. The following describes the City's risk management program:

**A. Self Insurance**

The City has a group health insurance program for employees and their eligible dependents. Premiums are paid into an internal service fund by all funds having compensated employees based on an analysis of historical claims experience, the desired fund balances and the number of active participating employees. The monies paid into the Self Insurance Fund (internal service fund) are available to pay claims and administrative costs. The plan is administered by a third party administrator, Buckeye Employee Benefit Services, Inc., which monitors all claim payments.

The claims liability of \$115,167 reported in the fund at December 31, 2000 based on the requirements of GASB Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is

**THE CITY OF MASON, OHIO**  
**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS**

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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 fund's claims liability amount in 2000 were:

<u>Fiscal Year</u>	<u>Beginning of Fiscal Year Liability</u>	<u>Current Claims and Changes in Estimates</u>	<u>Claims Payments</u>	<u>Balance at Fiscal Year-End</u>
1999	\$59,499	\$743,666	(\$702,806)	\$100,359
2000	100,359	848,304	(833,496)	115,167

**B. Other Insurance**

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. In 1992 the City entered into a joint insurance pool, Miami Valley Risk Management Association, Inc. (MVRMA, Inc.) with other local cities. As of December 31, 2000, the pool has sixteen members. The pool has been operational since December of 1988 and was formed in accordance with Section 2744 of the Ohio Revised Code. This jointly governed organization provides real and personal property, crime, general liability, boiler and machinery, police professional and public official liability coverage up to the limits stated below. Membership in MVRMA is intended to provide broad based coverage up to the limits stated below, with increased emphasis on safety and loss prevention and to create an opportunity for other local governments to participate. MVRMA is a non-profit corporation governed by a sixteen-member board of trustees, consisting of a representative appointed by each of the member cities. The board of trustees elects the officers of the corporation, with each trustee having a single vote. Management is provided by an Executive Director, who is assisted by a full-time Claims Manager, Loss Control Manager and office staff. The board is responsible for its own financial matters and the corporation maintains its own books of account. Budgeting and financing of MVRMA is subject to the approval of the board.

The sixteen participating cities and their respective pool contribution factors for the loss year ended December 31, 2000 are:

<u>Entity</u>	<u>Percentage</u>
Beavercreek	8.15
Blue Ash	6.66
Indian Hill	3.18
Kettering	17.28
Madeira	2.01
Mason	2.61
Miamisburg	12.33
Montgomery	3.48
Sidney	10.83

**THE CITY OF MASON, OHIO**  
**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS**

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Springdale	6.31
Tipp City	1.76
Troy	7.95
Vandalia	5.28
West Carrollton	5.49
Wilmington	4.24
Wyoming	<u>2.44</u>
Total	<u>100.00</u>

The individual MVRMA, Inc. members are not considered “participants having equity interest” as defined by GASB Statement No. 14 since members have no rights to any assets of MVRMA, Inc. other than possible residual claims upon dissolution. The risk of loss is transferred from the City to the pool. Therefore, MVRMA, Inc. is a multi-jurisdictional arrangement that has the characteristics of a joint venture but has additional features that distinguish it, for financial reporting purposes, from the traditional joint venture defined in GASB Statement No. 14.

A summary of financial information as of December 31, 1999, (latest information available) is as follows:

Current Assets	\$4,703,854
Total Assets	\$4,742,119
Current Liabilities	\$2,965,412
Long-Term Liabilities	\$ 0

The following is a summary of insurance coverage at year-end:

General Liability (including Police Professional Liability)	
Automobile Liability	\$10,500,000 per occurrence
Public Officials Liability	\$500,000 excess (\$500,000 Aggregate) \$10M excess \$1M (\$10M Aggregate per city)
Boiler & Machinery	\$437,305,462 Blanket Limit
Property	\$437,305,462 Blanket Limit
Flood (Property)	\$100,000,000 annual aggregate
Earthquake (Property)	\$100,000,000 annual aggregate

MVRMA retains responsibility for the payment of claims within specified MVRMA self-insured retention limits prior to the application of coverage provided by excess reinsurance contracts. During the year, MVRMA's self insured retention (SIR) limit for



**THE CITY OF MASON, OHIO**  
**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS**

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property was \$150,000 with the exception of boiler and machinery, which was \$5,000. The SIR for liability was \$500,000.

MVRMA estimates that member cities are paying approximately thirty-five percent less for coverage through MVRMA than would be paid under a commercial insurance program.

MVRMA issues a stand-alone financial report that includes financial statements and required supplementary information for MVRMA, Inc. Interested parties may obtain a copy by making a written request to 1450 East Davidson Road, Suite 1B, Kettering, Ohio 45429.

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

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.

The City pays unemployment claims to the State of Ohio as incurred.

**NOTE 15 – SEGMENT INFORMATION FOR ENTERPRISE FUNDS**

Included in the services provided by the City financed primarily by user charges are water treatment and distribution, wastewater collection and treatment and refuse collection. The key financial information for the year ended December 31, 2000 for these enterprise activities is as follows:

	Water	Sewer	Waste Collection	Total
Operating Revenues	\$5,314,168	\$5,775,367	\$881,377	\$11,970,912
Depreciation	503,526	554,026	0	1,057,552
Operating Income (Loss)	2,611,135	3,574,069	34,017	6,219,221
Operating Transfers In	0	667,499	0	677,499
Operating Transfers Out	0	(701,951)	0	(701,951)
Net Income (Loss)	2,777,500	3,867,151	53,548	6,698,199
Property, Plant and Equipment:				
Additions	2,431,778	1,710,512	0	4,142,290
Deletions	(176,362)	(489,235)	0	(665,597)
Assets	29,101,891	36,221,935	456,316	65,780,142
Net Working Capital	7,971,434	11,560,886	382,695	19,915,015
Notes and Bonds Payable	7,705,000	7,140,000	0	14,845,000
Total Equity	21,087,196	28,887,212	382,695	50,357,103

**THE CITY OF MASON, OHIO**  
**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS**

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**NOTE 16 – CONDUIT DEBT OBLIGATIONS**

From time to time, the City has issued Industrial Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the City, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of December 31, 2000, there were six series of Industrial Revenue Bonds outstanding. The aggregate principal amount payable for the two series issued after January 1, 1996, was \$21,100,000. The aggregate principal amount payable for the four series issued prior to January 1, 1996, could not be determined; however, their original amounts totaled \$7,900,000.

The City has also issued Revenue Bonds to provide financial assistance to the City's health care facilities. The monies are used primarily for upgrades to these facilities. The City has no obligation for the repayment of this debt. The bonds are not bonded indebtedness of the City and are therefore not reported on the City's balance sheet. At December 31, 2000, there were two series of Revenue Bonds outstanding. The aggregate principal amount payable for the series issued after January 1, 1996, was \$6,750,000. The aggregate principal amount payable for the series issued prior to January 1, 1996, could not be determined; however, its original amount totaled \$8,985,000.

**NOTE 17 – CONSTRUCTION COMMITMENTS**

The City had the following outstanding commitments at December 31, 2000:

Projects	Amount
1998 Street Striping	\$ 4,341
2000 Street Maintenance Program	13,949
Bethany Road & S.R. 741 Traffic Signal	464,518
Butler-Warren Water Main	35,048
Cedar Village Drive Waterline Extension	10,988
Cincinnati Water Works Connection	3,351,409
Cincinnati Water Work Connection/Tylersville Road Water Main	46,573
Community Campus	197,707
Fire Station #52-Cedar Village Drive	242,960
Heritage Oak Park Extension	192,869
I&O Railroad Bridge Widening	1,500
I-71 Water & Sewer Main Extension on Columbia Road	74,388
Mason Montgomery Road & Cedar Village Drive Traffic Signal	94,222
Mason Montgomery Road & Western Row Road Left Turn Traffic Signal	644
Mason Montgomery Road Bridge Replacement	20,259
Mason Montgomery Road Sanitary Sewer	28

**THE CITY OF MASON, OHIO**  
**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS**

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Mason Montgomery Road Street Lighting	7,314
Mason Montgomery Road Widening	212,559
Mason Montgomery Road Widening & I&O Bridge Replacement	36,578
Mason Municipal Center	1,012,227
Mason Road Elevated Water Storage Tank	2,688,851
N.W. Sewer & Lift Station	187,077
PRV Location & Design	3,387
Snider Road Extension	2,287
Snider Road Realignment	9,300
Snider Road Sanitary & US 42 Sewer	46,066
South Central Sewer System Improvements	8
Storm Water Utility	165,466
Tornado Siren	20,125
Traffic Analysis	47,479
Tylersville Road & Snider Road Improvements	7,278
Tylersville Road Extension & Widening	193,538
Tylersville Road Extension	765
Tylersville Road Extension & Widening-Waterline	42,692
U.S. 42 & Main Street Traffic Signal	3
U.S. 42 & West Main Street Traffic Signal	7,094
U.S. 42 & North Trunk Sewer	30,769
Utility Management System-Graphical Information System	213,813
Water Reclamation Plant	272,791
Water Treatment Plant Expansion	399
Water Well #6	<u>67,199</u>
Total	<u>\$10,026,468</u>

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

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*THE FOLLOWING COMBINING STATEMENTS AND SCHEDULES  
INCLUDE THE GENERAL FUND, SPECIAL REVENUE FUNDS, DEBT  
SERVICE FUNDS, CAPITAL PROJECTS FUNDS, ENTERPRISE  
FUNDS, FIDUCIARY FUNDS AND GENERAL FIXED ASSETS  
ACCOUNT GROUP.*

## ***SPECIAL REVENUE FUNDS***

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*SPECIAL REVENUE FUNDS ARE USED TO ACCOUNT FOR PROCEEDS OF SPECIFIC REVENUE SOURCES (OTHER THAN MAJOR CAPITAL PROJECTS OR EXPENDABLE TRUSTS) THAT ARE LEGALLY RESTRICTED TO EXPENDITURES FOR SPECIFIED PURPOSES. THE FOLLOWING ARE DESCRIPTIONS OF EACH SPECIAL REVENUE FUND:*

***STREET CONSTRUCTION, MAINTENANCE AND REPAIR***

*THIS FUND IS USED TO ACCOUNT FOR STATE-LEVIED AND CONTROLLED GASOLINE TAX AND MOTOR VEHICLE REGISTRATION FEES DESIGNATED FOR STREET MAINTENANCE AND REPAIR.*

***STATE HIGHWAY IMPROVEMENT***

*THIS FUND IS USED TO ACCOUNT FOR THE PORTION OF THE STATE GASOLINE TAX AND MOTOR VEHICLE REGISTRATION FEES DESIGNATED FOR STREET MAINTENANCE AND REPAIR OF STATE HIGHWAYS WITHIN THE CITY.*

***WARREN COUNTY MOTOR VEHICLE LICENSE TAX***

*THIS FUND IS USED TO ACCOUNT FOR COUNTY-LEVIED MOTOR VEHICLE REGISTRATION FEES DESIGNATED FOR STREET CONSTRUCTION, MAINTENANCE AND REPAIR.*

***STREET IMPROVEMENT***

*REVENUES ARE COLLECTED THROUGH BUILDING PERMIT APPLICATIONS. THESE RESOURCES ARE USED FOR THE CONSTRUCTION OF OR IMPROVEMENTS TO ROADWAYS WITHIN THE AREAS OF THE CITY WHERE THE FEES HAVE BEEN COLLECTED.*

***FEDERAL GRANT***

*THIS FUND IS USED TO ACCOUNT FOR GRANT FUNDS RECEIVED IN CONJUNCTION WITH THE FEDERAL COPS GRANT PROGRAM. THE BALANCE SHEET IS NOT PRESENTED BECAUSE THERE ARE NO ASSETS OR LIABILITIES AT YEAR END.*

***D.A.R.E. GRANT***

*THIS FUND IS USED TO ACCOUNT FOR GRANT FUNDS RECEIVED IN CONJUNCTION WITH THE STATE DARE GRANT PROGRAM.*

## ***SPECIAL REVENUE FUNDS***

*(Cont'd)*

***S.T.E.P. GRANT***

*THIS FUND IS USED TO ACCOUNT FOR GRANT FUNDS RECEIVED IN CONJUNCTION WITH THE STATE STEP GRANT PROGRAM.*

***DOWNTOWN DEVELOPMENT/LOAN***

*THIS FUND IS USED TO ACCOUNT FOR THE REPAYMENT OF LOANS TO AREA BUSINESSES. REVENUES RECEIVED ARE USED FOR PROMOTION OF THE CITY OF MASON.*

***INDIANA AND OHIO RAILROAD***

*THIS FUND IS USED TO ACCOUNT FOR THE REPAYMENT OF DEBT PERTAINING TO THE CONSTRUCTION OF THE I & O RAILROAD.*

***FIRE & EMERGENCY MEDICAL SERVICES***

*THIS FUND IS USED TO ACCOUNT FOR THE OPERATIONS OF THE CITY'S FIRE DEPARTMENT. A 5 MILL FIRE LEVY GENERATES RESOURCES FOR THESE OPERATIONS.*

***PARKS AND RECREATION***

*A \$100 FEE PER BEDROOM BUILT IN THE CITY OF MASON IS COLLECTED WITH THE BUILDING PERMIT. RESOURCES COLLECTED ARE USED TOWARDS THE EXPANSION OF RECREATIONAL FACILITIES.*

***POLICE K-9***

*THIS FUND IS USED TO ACCOUNT FOR DONATIONS RECEIVED TO SUPPORT THE OPERATIONS OF THE CITY OF MASON'S K-9 UNIT.*

***POLICE CRIME PREVENTION***

*THIS FUND IS USED TO ACCOUNT FOR DONATIONS RECEIVED FROM THE PREVENTION OF CRIME WITHIN THE CITY. REVENUES COLLECTED HAVE BEEN USED TO SUPPORT THE CITY'S NATIONAL NIGHT OUT PROGRAM.*

***DRUG LAW ENFORCEMENT***

*THIS FUND IS USED TO ACCOUNT FOR FINANCIAL RESOURCES USED TO PURCHASE EQUIPMENT 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.*

## ***SPECIAL REVENUE FUNDS***

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*(Cont'd)*

### ***LAW ENFORCEMENT AND EDUCATION***

*THIS FUND IS USED 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.*

### ***INDIGENT DRIVER***

*THIS FUND IS USED TO ACCOUNT FOR FEES COLLECTED IN CONJUNCTION WITH DUI OFFENSES. REVENUES RECEIVED ARE USED, BY THE COURT, FOR TREATMENT AND EDUCATION OF DRUG AND ALCOHOL OFFENDERS.*

### ***MUNICIPAL COURT COMPUTER COSTS***

*THIS FUND IS USED TO ACCOUNT FOR A \$6.00 FEE ASSESSED IN CONJUNCTION WITH COURT COSTS. REVENUES COLLECTED ARE USED TO PURCHASE COMPUTER TECHNOLOGY FOR THE MUNICIPAL COURT.*

### ***MUNICIPAL COURT COMPUTER EDUCATION***

*THIS FUND IS USED TO ACCOUNT FOR THE A \$2.00 FEE ASSESSED IN CONJUNCTION WITH COURT COSTS. REVENUES COLLECTED ARE USED FOR COMPUTER EDUCATION AND TRAINING WITHIN THE MUNICIPAL COURT.*

### ***MUNICIPAL COURT IMPROVEMENT***

*THIS FUND IS USED TO ACCOUNT FOR THE A \$5.00 FEE ASSESSED IN CONJUNCTION WITH COURT COSTS. REVENUES COLLECTED ARE USED FOR IMPROVEMENTS TO THE MUNICIPAL COURT FACILITIES.*

### ***VEHICLE IMMOBILIZATION FEE***

*THIS FUND IS USED TO ACCOUNT FOR REIMBURSEMENTS RECEIVED FROM THE STATE OF OHIO FOR COSTS INCURRED WITH THE COURT ORDERED IMMOBILIZATION OF A VEHICLE.*



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City of Mason, Ohio  
Combining Balance Sheet  
Special Revenue Funds  
December 31, 2000

	Street Construction, Maintenance and Repair	State Highway Improvement	Warren County Motor Vehicle License Tax	Street Improvement
<b>ASSETS:</b>				
<b>Assets:</b>				
Pooled cash and investments	\$1,607,213	\$187,960	\$46,832	\$423,258
Receivables (net of allowance for uncollectibles):				
Taxes	0	0	0	0
Accounts	0	0	0	0
Intergovernmental	35,659	2,560	0	0
Special assessments	0	0	0	0
Interest	30,607	3,580	892	8,060
Inventory	17,539	0	0	0
<b>TOTAL ASSETS</b>	<b><u>\$1,691,018</u></b>	<b><u>\$194,100</u></b>	<b><u>\$47,724</u></b>	<b><u>\$431,318</u></b>
 <b>LIABILITIES AND FUND EQUITY:</b>				
<b>Liabilities:</b>				
Accounts payable	\$8,864	\$0	\$0	\$0
Accrued wages and benefits	1,859	0	0	0
Interest payable	0	0	0	0
Deferred revenue	10,957	1,281	319	2,886
General obligation notes payable	0	0	0	0
<b>Total Liabilities</b>	<b><u>21,680</u></b>	<b><u>1,281</u></b>	<b><u>319</u></b>	<b><u>2,886</u></b>
 <b>Fund Equity:</b>				
<b>Fund Balances:</b>				
Reserved for encumbrances	27,875	2,000	46,819	78,506
Reserved for inventory	17,539	0	0	0
Unreserved, undesignated	1,623,924	190,819	586	349,926
<b>Total Fund Equity</b>	<b><u>1,669,338</u></b>	<b><u>192,819</u></b>	<b><u>47,405</u></b>	<b><u>428,432</u></b>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b><u>\$1,691,018</u></b>	<b><u>\$194,100</u></b>	<b><u>\$47,724</u></b>	<b><u>\$431,318</u></b>

<u>Federal Grant</u>	<u>D.A.R.E. Grant</u>	<u>Step Grant</u>	<u>Downtown Development / Loan</u>	<u>Indiana and Ohio Railroad</u>	<u>Fire and Emergency Medical Service</u>	<u>Parks and Recreation</u>	<u>Police K-9</u>
\$727	\$18,097	\$8,146	\$68,567	\$282,507	\$1,441,233	\$211,797	\$466
0	0	0	0	0	2,847,458	0	0
0	0	0	0	0	167,884	0	0
0	0	0	0	0	0	0	0
0	0	0	42,469	0	0	0	0
14	345	155	1,306	5,380	27,447	4,033	9
0	0	0	0	0	0	0	0
<u>\$741</u>	<u>\$18,442</u>	<u>\$8,301</u>	<u>\$112,342</u>	<u>\$287,887</u>	<u>\$4,484,022</u>	<u>\$215,830</u>	<u>\$475</u>
\$0	\$0	\$0	\$0	\$452	\$92,608	\$0	\$0
0	0	0	0	0	37,040	0	0
0	0	0	0	0	12,661	0	0
5	123	55	42,936	1,926	2,980,782	1,444	3
0	0	0	0	0	1,080,000	0	0
<u>5</u>	<u>123</u>	<u>55</u>	<u>42,936</u>	<u>2,378</u>	<u>4,203,091</u>	<u>1,444</u>	<u>3</u>
0	482	0	0	153	736,017	0	0
0	0	0	0	0	0	0	0
<u>736</u>	<u>17,837</u>	<u>8,246</u>	<u>69,406</u>	<u>285,356</u>	<u>(455,086)</u>	<u>214,386</u>	<u>472</u>
<u>736</u>	<u>18,319</u>	<u>8,246</u>	<u>69,406</u>	<u>285,509</u>	<u>280,931</u>	<u>214,386</u>	<u>472</u>
<u>\$741</u>	<u>\$18,442</u>	<u>\$8,301</u>	<u>\$112,342</u>	<u>\$287,887</u>	<u>\$4,484,022</u>	<u>\$215,830</u>	<u>\$475</u>

continued

City of Mason, Ohio  
Combining Balance Sheet  
Special Revenue Funds  
December 31, 2000

	<u>Police Crime Prevention</u>	<u>Drug Law Enforcement</u>	<u>Law Enforcement and Education</u>	<u>Indigent Driver</u>
<b>ASSETS:</b>				
<b>Assets:</b>				
Pooled cash and investments	\$3,768	\$40,446	\$9,866	\$82,250
Receivables (net of allowance for uncollectibles):				
Taxes	0	0	0	0
Accounts	0	200	173	4,013
Intergovernmental	0	0	0	0
Special assessments	0	0	0	0
Interest	72	770	188	1,566
Inventory	0	0	0	0
<b>TOTAL ASSETS</b>	<u><u>\$3,840</u></u>	<u><u>\$41,416</u></u>	<u><u>\$10,227</u></u>	<u><u>\$87,829</u></u>
 <b>LIABILITIES AND FUND EQUITY:</b>				
<b>Liabilities:</b>				
Accounts payable	\$394	\$0	\$0	\$0
Accrued wages and benefits	0	0	0	0
Interest payable	0	0	0	0
Deferred revenue	26	276	67	560
General obligation notes payable	0	0	0	0
<b>Total Liabilities</b>	<u>420</u>	<u>276</u>	<u>67</u>	<u>560</u>
 <b>Fund Equity:</b>				
<b>Fund Balances:</b>				
Reserved for encumbrances	0	0	0	0
Reserved for inventory	0	0	0	0
Unreserved, undesignated	3,420	41,140	10,160	87,269
<b>Total Fund Equity</b>	<u>3,420</u>	<u>41,140</u>	<u>10,160</u>	<u>87,269</u>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<u><u>\$3,840</u></u>	<u><u>\$41,416</u></u>	<u><u>\$10,227</u></u>	<u><u>\$87,829</u></u>

<u>Municipal Court Computer Costs</u>	<u>Municipal Court Computer Education</u>	<u>Municipal Court Improvement</u>	<u>Vehicle Immobilization Fee</u>	<u>Totals</u>
\$225,816	\$79,214	\$126,361	\$5,071	\$4,869,595
0	0	0	0	2,847,458
3,415	1,091	2,847	0	179,623
0	0	0	70	38,289
0	0	0	0	42,469
4,300	1,509	2,406	97	92,736
0	0	0	0	17,539
<u>\$233,531</u>	<u>\$81,814</u>	<u>\$131,614</u>	<u>\$5,238</u>	<u>\$8,087,709</u>
\$0	\$0	\$0	\$0	\$102,318
0	0	0	0	38,899
0	0	0	0	12,661
1,540	541	862	35	3,046,624
0	0	0	0	1,080,000
<u>1,540</u>	<u>541</u>	<u>862</u>	<u>35</u>	<u>4,280,502</u>
6,831	0	0	0	898,683
0	0	0	0	17,539
<u>225,160</u>	<u>81,273</u>	<u>130,752</u>	<u>5,203</u>	<u>2,890,985</u>
<u>231,991</u>	<u>81,273</u>	<u>130,752</u>	<u>5,203</u>	<u>3,807,207</u>
<u>\$233,531</u>	<u>\$81,814</u>	<u>\$131,614</u>	<u>\$5,238</u>	<u>\$8,087,709</u>

City of Mason, Ohio  
Combining Statement of Revenues, Expenditures  
And Changes in Fund Balances  
Special Revenue Funds  
For the Year Ended December 31, 2000

	Street Construction, Maintenance and Repair	State Highway Improvement	Warren County Motor Vehicle License Tax	Street Improvement
<b>REVENUES:</b>				
Taxes	\$0	\$0	\$0	\$0
Fines, licenses and permits	0	0	0	109,755
Intergovernmental	641,137	51,113	0	0
Charges for services	0	0	0	0
Investment earnings	92,731	11,110	589	28,292
Other	0	0	0	23,339
<b>Total Revenues</b>	<b>733,868</b>	<b>62,223</b>	<b>589</b>	<b>161,386</b>
<b>EXPENDITURES:</b>				
Current:				
General government	0	0	0	0
Public safety	0	0	0	0
Transportation and street repair	124,689	0	0	0
Debt service:				
Interest	0	0	0	0
<b>Total Expenditures</b>	<b>124,689</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>609,179</b>	<b>62,223</b>	<b>589</b>	<b>161,386</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Operating transfers - in	0	0	0	0
Operating transfers - (out)	0	0	(307,184)	(214,889)
<b>Total Other Financing Sources (Uses)</b>	<b>0</b>	<b>0</b>	<b>(307,184)</b>	<b>(214,889)</b>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<b>609,179</b>	<b>62,223</b>	<b>(306,595)</b>	<b>(53,503)</b>
<b>FUND BALANCES, BEGINNING OF YEAR</b>	<b>1,072,566</b>	<b>130,596</b>	<b>354,000</b>	<b>481,935</b>
<b>INCREASE (DECREASE) IN RESERVE FOR INVENTORY</b>	<b>(12,407)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>FUND BALANCES, END OF YEAR</b>	<b>\$1,669,338</b>	<b>\$192,819</b>	<b>\$47,405</b>	<b>\$428,432</b>

<u>Federal Grant</u>	<u>D.A.R.E Grant</u>	<u>Step Grant</u>	<u>Downtown Development / Loan</u>	<u>Indiana and Ohio Railroad</u>	<u>Fire and Emergency Medical Service</u>	<u>Parks and Recreation</u>
\$0	\$0	\$0	\$0	\$0	\$2,848,103	\$0
0	0	0	0	0	0	193,000
70,014	12,767	0	0	0	0	0
0	0	0	0	0	342,824	0
9	226	102	4,158	18,947	91,697	11,170
0	0	0	10,431	0	274,849	0
<u>70,023</u>	<u>12,993</u>	<u>102</u>	<u>14,589</u>	<u>18,947</u>	<u>3,557,473</u>	<u>204,170</u>
0	0	0	0	0	0	0
100,715	1,083	0	0	0	3,305,928	0
0	0	0	7,233	452	0	0
0	0	0	0	0	56,273	0
<u>100,715</u>	<u>1,083</u>	<u>0</u>	<u>7,233</u>	<u>452</u>	<u>3,362,201</u>	<u>0</u>
<u>(30,692)</u>	<u>11,910</u>	<u>102</u>	<u>7,356</u>	<u>18,495</u>	<u>195,272</u>	<u>204,170</u>
2,000	0	0	0	0	0	0
0	0	0	0	0	0	(200,602)
<u>2,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(200,602)</u>
(28,692)	11,910	102	7,356	18,495	195,272	3,568
29,428	6,409	8,144	62,050	267,014	85,659	210,818
0	0	0	0	0	0	0
<u>\$736</u>	<u>\$18,319</u>	<u>\$8,246</u>	<u>\$69,406</u>	<u>\$285,509</u>	<u>\$280,931</u>	<u>\$214,386</u>

continued

City of Mason, Ohio  
Combining Statement of Revenues, Expenditures  
And Changes in Fund Balances  
Special Revenue Funds  
For the Year Ended December 31, 2000

	Police K-9	Police Crime Prevention	Drug Law Enforcement	Law Enforcement and Education
<b>REVENUES:</b>				
Taxes	\$0	\$0	\$0	\$0
Fines, licenses and permits	0	0	1,475	2,570
Intergovernmental	0	0	0	0
Charges for services	0	0	0	0
Investment earnings	6	47	1,571	123
Other	0	1,684	0	0
<b>Total Revenues</b>	<u>6</u>	<u>1,731</u>	<u>3,046</u>	<u>2,693</u>
<b>EXPENDITURES:</b>				
<b>Current:</b>				
General government	0	0	0	0
Public safety	0	4,121	5,177	0
Transportation and street repair	0	0	0	0
<b>Debt service:</b>				
Interest	0	0	0	0
<b>Total Expenditures</b>	<u>0</u>	<u>4,121</u>	<u>5,177</u>	<u>0</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>6</u>	<u>(2,390)</u>	<u>(2,131)</u>	<u>2,693</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Operating transfers - in	0	0	0	0
Operating transfers - (out)	0	0	0	0
<b>Total Other Financing Sources (Uses)</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	6	(2,390)	(2,131)	2,693
<b>FUND BALANCES, BEGINNING OF YEAR</b>	466	5,810	43,271	7,467
<b>INCREASE (DECREASE) IN RESERVE FOR INVENTORY</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>FUND BALANCES, END OF YEAR</b>	<u><u>\$472</u></u>	<u><u>\$3,420</u></u>	<u><u>\$41,140</u></u>	<u><u>\$10,160</u></u>



<u>Indigent Driver</u>	<u>Municipal Court Computer Costs</u>	<u>Municipal Court Computer Education</u>	<u>Municipal Court Improvement</u>	<u>Vehicle Immobilization Fee</u>	<u>Totals</u>
\$0	\$0	\$0	\$0	\$0	\$2,848,103
15,013	58,345	18,815	48,408	375	447,756
0	0	0	0	71	775,102
0	0	0	0	0	342,824
1,366	3,739	1,296	2,092	62	269,333
3,713	0	0	0	0	314,016
<u>20,092</u>	<u>62,084</u>	<u>20,111</u>	<u>50,500</u>	<u>508</u>	<u>4,997,134</u>
0	14,132	300	24,001	0	38,433
0	0	0	0	0	3,417,024
0	0	0	0	0	132,374
0	0	0	0	0	56,273
<u>0</u>	<u>14,132</u>	<u>300</u>	<u>24,001</u>	<u>0</u>	<u>3,644,104</u>
<u>20,092</u>	<u>47,952</u>	<u>19,811</u>	<u>26,499</u>	<u>508</u>	<u>1,353,030</u>
0	0	0	0	0	2,000
0	0	0	0	0	(722,675)
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(720,675)</u>
20,092	47,952	19,811	26,499	508	632,355
67,177	184,039	61,462	104,253	4,695	3,187,259
0	0	0	0	0	(12,407)
<u>\$87,269</u>	<u>\$231,991</u>	<u>\$81,273</u>	<u>\$130,752</u>	<u>\$5,203</u>	<u>\$3,807,207</u>

City of Mason, Ohio  
Combining Schedule of Revenues, Expenditures  
And Changes in Fund Balance  
Budget And Actual (Non-GAAP Basis)  
Special Revenue Funds  
For the Year Ended December 31, 2000

	Street Construction, Maintenance and Repair			State Highway Improvement		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>						
Local taxes	\$0	\$0	\$0	\$0	\$0	\$0
Intergovernmental revenues	618,336	618,336	0	49,596	49,596	0
Charges for services	0	0	0	0	0	0
Fines, licenses and permits	0	0	0	0	0	0
Investment earnings	63,176	67,416	4,240	7,609	8,104	495
All other revenues	0	0	0	0	0	0
<b>Total Revenues</b>	<b>681,512</b>	<b>685,752</b>	<b>4,240</b>	<b>57,205</b>	<b>57,700</b>	<b>495</b>
<b>EXPENDITURES:</b>						
Current:						
Public Safety	0	0	0	0	0	0
Transportation and street repair	192,007	153,731	38,276	132,870	2,000	130,870
General government	0	0	0	0	0	0
Debt Service:						
Principal	0	0	0	0	0	0
Interest	0	0	0	0	0	0
<b>Total Expenditures</b>	<b>192,007</b>	<b>153,731</b>	<b>38,276</b>	<b>132,870</b>	<b>2,000</b>	<b>130,870</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>489,505</b>	<b>532,021</b>	<b>42,516</b>	<b>(75,665)</b>	<b>55,700</b>	<b>131,365</b>
<b>OTHER FINANCING SOURCES (USES):</b>						
Proceeds from General Obligation Notes	0	0	0	0	0	0
Operating transfers - in	0	0	0	0	0	0
Operating transfers - out	0	0	0	0	0	0
<b>Total Other Financing Sources (Uses)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</b>	<b>489,505</b>	<b>532,021</b>	<b>42,516</b>	<b>(75,665)</b>	<b>55,700</b>	<b>131,365</b>
<b>Fund Balance at Beginning of Year</b>	<b>1,032,788</b>	<b>1,032,788</b>	<b>0</b>	<b>129,553</b>	<b>129,553</b>	<b>0</b>
<b>Fund Balance at End of Year</b>	<b>\$1,522,293</b>	<b>\$1,564,809</b>	<b>\$42,516</b>	<b>\$53,888</b>	<b>\$185,253</b>	<b>\$131,365</b>

Warren County Motor Vehicle License Tax			Street Improvemnt			Federal Grant		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
0	0	0	0	0	0	70,014	70,014	0
0	0	0	0	0	0	0	0	0
0	0	0	108,955	109,755	800	0	0	0
0	0	0	19,438	20,555	1,117	0	0	0
0	0	0	23,339	23,339	0	0	0	0
0	0	0	151,732	153,649	1,917	70,014	70,014	0
0	0	0	0	0	0	105,000	103,363	1,637
357,997	50,875	307,122	259,000	78,506	180,494	0	0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
357,997	50,875	307,122	259,000	78,506	180,494	105,000	103,363	1,637
(357,997)	(50,875)	307,122	(107,268)	75,143	182,411	(34,986)	(33,349)	1,637
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	2,000	2,000
(307,184)	(307,184)	0	(215,000)	(214,889)	111	0	0	0
(307,184)	(307,184)	0	(215,000)	(214,889)	111	0	2,000	2,000
(665,181)	(358,059)	307,122	(322,268)	(139,746)	182,522	(34,986)	(31,349)	3,637
358,060	358,060	0	481,935	481,935	0	32,076	32,076	0
(\$307,121)	\$1	\$307,122	\$159,667	\$342,189	\$182,522	(\$2,910)	\$727	\$3,637

Continued

City of Mason, Ohio  
Combining Schedule of Revenues, Expenditures  
And Changes in Fund Balance  
Budget And Actual (Non-GAAP Basis)  
Special Revenue Funds  
For the Year Ended December 31, 2000

	D.A.R.E. Grant			S.T.E.P. Grant		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>						
Local taxes	\$0	\$0	\$0	\$0	\$0	\$0
Intergovernmental revenues	12,767	12,767	0	0	0	0
Charges for services	0	0	0	0	0	0
Fines, licenses and permits	0	0	0	0	0	0
Investment earnings	0	0	0	0	0	0
All other revenues	0	0	0	0	0	0
<b>Total Revenues</b>	<b>12,767</b>	<b>12,767</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>EXPENDITURES:</b>						
Current:						
Public Safety	12,030	1,565	10,465	15,000	0	15,000
Transportation and street repair	0	0	0	0	0	0
General government	0	0	0	0	0	0
Debt Service:						
Principal	0	0	0	0	0	0
Interest	0	0	0	0	0	0
<b>Total Expenditures</b>	<b>12,030</b>	<b>1,565</b>	<b>10,465</b>	<b>15,000</b>	<b>0</b>	<b>15,000</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>737</b>	<b>11,202</b>	<b>10,465</b>	<b>(15,000)</b>	<b>0</b>	<b>15,000</b>
<b>OTHER FINANCING SOURCES (USES):</b>						
Proceeds from General Obligation Notes	0	0	0	0	0	0
Operating transfers - in	0	0	0	0	0	0
Operating transfers - out	0	0	0	0	0	0
<b>Total Other Financing Sources (Uses)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</b>	<b>737</b>	<b>11,202</b>	<b>10,465</b>	<b>(15,000)</b>	<b>0</b>	<b>15,000</b>
<b>Fund Balance at Beginning of Year</b>	<b>6,409</b>	<b>6,409</b>	<b>0</b>	<b>8,144</b>	<b>8,144</b>	<b>0</b>
<b>Fund Balance at End of Year</b>	<b>\$7,146</b>	<b>\$17,611</b>	<b>\$10,465</b>	<b>(\$6,856)</b>	<b>\$8,144</b>	<b>\$15,000</b>

Downtown Development/Loan			Indiana and Ohio Railroad			Fire and Emergency Medical Service		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$0	\$0	\$0	\$0	\$0	\$0	\$2,848,103	\$2,848,103	\$0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	341,569	341,569	0
0	0	0	0	0	0	0	0	0
2,607	2,986	379	13,316	14,061	745	61,280	65,082	3,802
10,431	10,431	0	0	0	0	273,413	273,413	0
13,038	13,417	379	13,316	14,061	745	3,524,365	3,528,167	3,802
0	0	0	0	0	0	3,897,717	3,679,061	218,656
57,169	7,233	49,936	260,000	605	259,395	0	0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	2,455,581	1,910,000	545,581
0	0	0	0	0	0	110,555	109,650	905
57,169	7,233	49,936	260,000	605	259,395	6,463,853	5,698,711	765,142
(44,131)	6,184	50,315	(246,684)	13,456	260,140	(2,939,488)	(2,170,544)	768,944
0	0	0	0	0	0	1,080,000	1,080,000	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	1,080,000	1,080,000	0
(44,131)	6,184	50,315	(246,684)	13,456	260,140	(1,859,488)	(1,090,544)	768,944
62,050	62,050	0	267,014	267,014	0	1,693,612	1,693,612	0
\$17,919	\$68,234	\$50,315	\$20,330	\$280,470	\$260,140	(\$165,876)	\$603,068	\$768,944

Continued

City of Mason, Ohio  
Combining Schedule of Revenues, Expenditures  
And Changes in Fund Balance  
Budget And Actual (Non-GAAP Basis)  
Special Revenue Funds  
For the Year Ended December 31, 2000

	Parks and Recreation			Police K-9		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>						
Local taxes	\$0	\$0	\$0	\$0	\$0	\$0
Intergovernmental revenues	0	0	0	0	0	0
Charges for services	0	0	0	0	0	0
Fines, licenses and permits	190,900	193,000	2,100	0	0	0
Investment earnings	7,967	8,526	559	0	0	0
All other revenues	0	0	0	0	0	0
<b>Total Revenues</b>	<b>198,867</b>	<b>201,526</b>	<b>2,659</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>EXPENDITURES:</b>						
Current:						
Public Safety	0	0	0	467	0	467
Transportation and street repair	0	0	0	0	0	0
General government	0	0	0	0	0	0
Debt Service:						
Principal	0	200,000	(200,000)	0	0	0
Interest	0	0	0	0	0	0
<b>Total Expenditures</b>	<b>0</b>	<b>200,000</b>	<b>(200,000)</b>	<b>467</b>	<b>0</b>	<b>467</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>198,867</b>	<b>1,526</b>	<b>(197,341)</b>	<b>(467)</b>	<b>0</b>	<b>467</b>
<b>OTHER FINANCING SOURCES (USES):</b>						
Proceeds from General Obligation Notes	0	0	0	0	0	0
Operating transfers - in	0	0	0	0	0	0
Operating transfers - out	(602)	(602)	0	0	0	0
<b>Total Other Financing Sources (Uses)</b>	<b>(602)</b>	<b>(602)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</b>	<b>198,265</b>	<b>924</b>	<b>(197,341)</b>	<b>(467)</b>	<b>0</b>	<b>467</b>
<b>Fund Balance at Beginning of Year</b>	<b>210,818</b>	<b>210,818</b>	<b>0</b>	<b>467</b>	<b>467</b>	<b>0</b>
<b>Fund Balance at End of Year</b>	<b>\$409,083</b>	<b>\$211,742</b>	<b>(\$197,341)</b>	<b>\$0</b>	<b>\$467</b>	<b>\$467</b>

Police Crime Prevention			Drug Law Enforcement			Law Enforcemnt and Education		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0	0	1,975	1,975	0	2,502	2,502	0
0	0	0	0	0	0	0	0	0
1,684	1,684	0	0	0	0	0	0	0
1,684	1,684	0	1,975	1,975	0	2,502	2,502	0
6,060	4,425	1,635	43,000	5,177	37,823	7,000	0	7,000
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
6,060	4,425	1,635	43,000	5,177	37,823	7,000	0	7,000
(4,376)	(2,741)	1,635	(41,025)	(3,202)	37,823	(4,498)	2,502	7,000
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
(4,376)	(2,741)	1,635	(41,025)	(3,202)	37,823	(4,498)	2,502	7,000
6,148	6,148	0	42,571	42,571	0	7,362	7,362	0
\$1,772	\$3,407	\$1,635	\$1,546	\$39,369	\$37,823	\$2,864	\$9,864	\$7,000

Continued

City of Mason, Ohio  
Combining Schedule of Revenues, Expenditures  
And Changes in Fund Balance  
Budget And Actual (Non-GAAP Basis)  
Special Revenue Funds  
For the Year Ended December 31, 2000

	Indigent Driver			Municipal Court Computer Costs		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>						
Local taxes	\$0	\$0	\$0	\$0	\$0	\$0
Intergovernmental revenues	0	0	0	0	0	0
Charges for services	0	0	0	0	0	0
Fines, licenses and permits	15,163	15,163	0	58,423	58,423	0
Investment earnings	0	0	0	0	0	0
All other revenues	0	0	0	0	0	0
<b>Total Revenues</b>	<b>15,163</b>	<b>15,163</b>	<b>0</b>	<b>58,423</b>	<b>58,423</b>	<b>0</b>
<b>EXPENDITURES:</b>						
<b>Current:</b>						
Public Safety	0	0	0	0	0	0
Transportation and street repair	0	0	0	0	0	0
General government	66,000	0	66,000	177,515	21,461	156,054
<b>Debt Service:</b>						
Principal	0	0	0	0	0	0
Interest	0	0	0	0	0	0
<b>Total Expenditures</b>	<b>66,000</b>	<b>0</b>	<b>66,000</b>	<b>177,515</b>	<b>21,461</b>	<b>156,054</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(50,837)</b>	<b>15,163</b>	<b>66,000</b>	<b>(119,092)</b>	<b>36,962</b>	<b>156,054</b>
<b>OTHER FINANCING SOURCES (USES):</b>						
Proceeds from General Obligation Notes	0	0	0	0	0	0
Operating transfers - in	0	0	0	0	0	0
Operating transfers - out	0	0	0	0	0	0
<b>Total Other Financing Sources (Uses)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</b>	<b>(50,837)</b>	<b>15,163</b>	<b>66,000</b>	<b>(119,092)</b>	<b>36,962</b>	<b>156,054</b>
<b>Fund Balance at Beginning of Year</b>	<b>66,727</b>	<b>66,727</b>	<b>0</b>	<b>181,044</b>	<b>181,044</b>	<b>0</b>
<b>Fund Balance at End of Year</b>	<b>\$15,890</b>	<b>\$81,890</b>	<b>\$66,000</b>	<b>\$61,952</b>	<b>\$218,006</b>	<b>\$156,054</b>



Municipal Court Computer Education			Municipal Court Improvemnt			Vehicle Immobilization Fee		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
18,862	18,862	0	48,471	48,471	0	375	375	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
18,862	18,862	0	48,471	48,471	0	375	375	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
59,000	300	58,700	98,597	24,001	74,596	4,600	0	4,600
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
59,000	300	58,700	98,597	24,001	74,596	4,600	0	4,600
(40,138)	18,562	58,700	(50,126)	24,470	74,596	(4,225)	375	4,600
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
(40,138)	18,562	58,700	(50,126)	24,470	74,596	(4,225)	375	4,600
60,324	60,324	0	101,343	101,343	0	4,695	4,695	0
\$20,186	\$78,886	\$58,700	\$51,217	\$125,813	\$74,596	\$470	\$5,070	\$4,600

Continued

City of Mason, Ohio  
Combining Schedule of Revenues, Expenditures  
And Changes in Fund Balance  
Budget And Actual (Non-GAAP Basis)  
Special Revenue Funds  
For the Year Ended December 31, 2000

	Totals		
	Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>			
Local taxes	\$2,848,103	\$2,848,103	\$0
Intergovernmental revenues	750,713	750,713	0
Charges for services	341,569	341,569	0
Fines, licenses and permits	445,626	448,526	2,900
Investment earnings	175,393	186,730	11,337
All other revenues	308,867	308,867	0
<b>Total Revenues</b>	<b>4,870,271</b>	<b>4,884,508</b>	<b>14,237</b>
<b>EXPENDITURES:</b>			
<b>Current:</b>			
Public Safety	4,086,274	3,793,591	292,683
Transportation and street repair	1,259,043	292,950	966,093
General government	405,712	45,762	359,950
<b>Debt Service:</b>			
Principal	2,455,581	2,110,000	345,581
Interest	110,555	109,650	905
<b>Total Expenditures</b>	<b>8,317,165</b>	<b>6,351,953</b>	<b>1,965,212</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(3,446,894)</b>	<b>(1,467,445)</b>	<b>1,979,449</b>
<b>OTHER FINANCING SOURCES (USES):</b>			
Proceeds from General Obligation Notes	1,080,000	1,080,000	0
Operating transfers - in	0	2,000	2,000
Operating transfers - out	(522,786)	(522,675)	111
<b>Total Other Financing Sources (Uses)</b>	<b>557,214</b>	<b>559,325</b>	<b>2,111</b>
<b>Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</b>	<b>(2,889,680)</b>	<b>(908,120)</b>	<b>1,981,560</b>
<b>Fund Balance at Beginning of Year</b>	<b>4,753,140</b>	<b>4,753,140</b>	<b>0</b>
<b>Fund Balance at End of Year</b>	<b>\$1,863,460</b>	<b>\$3,845,020</b>	<b>\$1,981,560</b>

## ***DEBT SERVICE FUNDS***

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*DEBT SERVICE FUNDS ARE USED TO ACCOUNT FOR RETIREMENT OF THE CITY'S GENERAL OBLIGATION AND SPECIAL ASSESSMENT BONDS.*

### ***GENERAL OBLIGATION BOND RETIREMENT***

*TO ACCOUNT FOR PAYMENTS OF PRINCIPAL AND INTEREST ON THE CITY'S GENERAL OBLIGATION BONDS WHICH ARE RECORDED IN THE GENERAL LONG TERM OBLIGATIONS ACCOUNT GROUP. REVENUES FOR THIS PURPOSE INCLUDE AD VALOREM PROPERTY TAXES AND INVESTMENT INCOME.*

### ***SPECIAL ASSESSMENT BOND RETIREMENT***

*TO ACCOUNT FOR PAYMENTS OF PRINCIPAL AND INTEREST ON THE CITY'S SPECIAL ASSESSMENT BONDS WHICH ARE RECORDED IN THE GENERAL LONG-TERM OBLIGATIONS ACCOUNT GROUP. REVENUES FOR THIS PURPOSE INCLUDE SPECIAL ASSESSMENT COLLECTIONS AND INVESTMENT INCOME.*

City of Mason, Ohio  
Combining Balance Sheet  
Debt Service Funds  
December 31, 2000

	<u>General Obligation Bond Retirement</u>	<u>Special Assessment Bond Retirement</u>	<u>Totals</u>
<b>ASSETS:</b>			
<b>Assets:</b>			
Pooled cash and investments	\$163,862	\$87,246	\$251,108
Receivables (net of allowance for uncollectables):			
Taxes	501,788	0	501,788
Special assessments	0	2,164,803	2,164,803
Interest	3,121	1,661	4,782
<b>TOTAL ASSETS</b>	<u><u>\$668,771</u></u>	<u><u>\$2,253,710</u></u>	<u><u>\$2,922,481</u></u>
<b>LIABILITIES AND FUND EQUITY</b>			
<b>Liabilities:</b>			
Interest payable	\$19,863	\$8,190	\$28,053
Deferred revenue	502,905	2,165,398	2,668,303
<b>Total Liabilities</b>	<u><u>522,768</u></u>	<u><u>2,173,588</u></u>	<u><u>2,696,356</u></u>
<b>Fund Equity:</b>			
<b>Fund Balances:</b>			
Reserved for encumbrances	7,301	890	8,191
Unreserved, undesignated	138,702	79,232	217,934
<b>Total Fund Equity</b>	<u><u>146,003</u></u>	<u><u>80,122</u></u>	<u><u>226,125</u></u>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<u><u>\$668,771</u></u>	<u><u>\$2,253,710</u></u>	<u><u>\$2,922,481</u></u>

City of Mason, Ohio  
Combining Statement of Revenues, Expenditures  
And Changes in Fund Balances  
Debt Service Funds  
For the Year Ended December 31, 2000

	<u>General Obligation Bond Retirement</u>	<u>Special Assessment Bond Retirement</u>	<u>Totals</u>
<b>REVENUES:</b>			
Taxes	\$501,898	\$0	\$501,898
Special assessments	0	126,344	126,344
Investment earnings	2,045	100,203	102,248
	<u>503,943</u>	<u>226,547</u>	<u>730,490</u>
<b>EXPENDITURES:</b>			
Debt service:			
Principal	220,000	167,000	387,000
Interest	236,506	126,989	363,495
	<u>456,506</u>	<u>293,989</u>	<u>750,495</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>47,437</u>	<u>(67,442)</u>	<u>(20,005)</u>
<b>OTHER FINANCING SOURCES (USES):</b>			
Operating transfers - in	<u>90,000</u>	<u>0</u>	<u>90,000</u>
<b>Total Other Financing Sources (Uses)</b>	<u>90,000</u>	<u>0</u>	<u>90,000</u>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	137,437	(67,442)	69,995
<b>FUND BALANCES, BEGINNING OF YEAR</b>	8,566	147,564	156,130
<b>FUND BALANCES, END OF YEAR</b>	<u>\$146,003</u>	<u>\$80,122</u>	<u>\$226,125</u>

City of Mason, Ohio  
Combining Schedule of Revenues, Expenditures  
And Changes in Fund Balance  
Budget And Actual (Non-GAAP Basis)  
Debt Service Funds  
For the Year Ended December 31, 2000

	<u>General Obligation Bond Retirement</u>		
	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES:</b>			
Local taxes	\$501,898	\$501,898	\$0
Investment earnings	0	0	0
Special assessments	0	0	0
<b>Total Revenues</b>	<b>501,898</b>	<b>501,898</b>	<b>0</b>
<b>EXPENDITURES:</b>			
Debt service:			
Principal	220,000	220,000	0
Interest	223,943	223,943	0
<b>Total Expenditures</b>	<b>443,943</b>	<b>443,943</b>	<b>0</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	57,955	57,955	0
<b>OTHER FINANCING SOURCES (USES):</b>			
Operating transfers - in	90,000	90,000	0
<b>Total Other Financing Sources (Uses)</b>	<b>90,000</b>	<b>90,000</b>	<b>0</b>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures And Other Financing Uses	147,955	147,955	0
Fund Balance at Beginning of Year	8,566	8,566	0
<b>Fund Balance at End of Year</b>	<b>\$156,521</b>	<b>\$156,521</b>	<b>\$0</b>

<b>Special Assessment Bond Retirement</b>			<b>Totals</b>		
<b>Budget</b>	<b>Actual</b>	<b>Variance Favorable (Unfavorable)</b>	<b>Budget</b>	<b>Actual</b>	<b>Variance Favorable (Unfavorable)</b>
\$0	\$0	\$0	\$501,898	\$501,898	\$0
97,870	97,870	0	97,870	97,870	0
126,344	126,344	0	126,344	126,344	0
224,214	224,214	0	726,112	726,112	0
167,000	167,000	0	387,000	387,000	0
121,597	120,179	1,418	345,540	344,122	1,418
288,597	287,179	1,418	732,540	731,122	1,418
(64,383)	(62,965)	1,418	(6,428)	(5,010)	1,418
0	0	0	90,000	90,000	0
0	0	0	90,000	90,000	0
(64,383)	(62,965)	1,418	83,572	84,990	1,418
148,054	148,054	0	156,620	156,620	0
\$83,671	\$85,089	\$1,418	\$240,192	\$241,610	\$1,418

## *CAPITAL PROJECT FUNDS*

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*CAPITAL PROJECT FUNDS ARE USED TO ACCOUNT FOR FINANCIAL RESOURCES TO BE USED FOR THE ACQUISITION OR CONSTRUCTION OF MAJOR CAPITAL FACILITIES (OTHER THAN THAT FINANCED BY THE PROPRIETARY FUNDS).*

### *TAX INCREMENT FINANCING*

*THIS FUND IS USED TO ACCOUNT FOR THE FINANCIAL RESOURCES AND EXPENDITURES RELATED TO THE DEVELOPMENT OF 42 NORTH COMMERCE PARK.*

### *CENTRAL PARKE TIF*

*THIS FUND IS USED TO ACCOUNT FOR THE FINANCIAL RESOURCES AND EXPENDITURES RELATED TO THE DEVELOPMENT OF CENTRAL PARKE.*

### *TYLERSVILLE ROAD PROJECT*

*THIS FUND IS USED TO ACCOUNT FOR THE FINANCIAL RESOURCES USED FOR IMPROVEMENTS TO TYLERSVILLE ROAD.*

### *R.E. ACQUISITION*

*THIS FUND IS USED TO ACCOUNT FOR THE FINANCIAL RESOURCES USED FOR R.E. ACQUISITION.*

### *WESTERN ROW ROAD RECONSTRUCTION*

*THIS FUND IS USED TO ACCOUNT FOR THE FINANCIAL RESOURCES USED FOR WESTERN ROW ROAD CONSTRUCTIONS.*

### *SWIMMING POOL CONSTRUCTION*

*THIS FUND IS USED TO ACCOUNT FOR FINANCIAL RESOURCES USED FOR THE CONSTRUCTION OF THE LOU EVES MUNICIPAL POOL.*

### *MASON MONTGOMERY ROAD IMPROVEMENT*

*THIS FUND IS USED TO ACCOUNT FOR FINANCIAL RESOURCES USED FOR IMPROVEMENTS TO MASON MONTGOMERY ROAD.*



***I & O BRIDGE/MASON - MONTGOMERY ROAD WIDENING***

*THIS FUND IS USED TO ACCOUNT FOR FINANCIAL RESOURCES USED FOR IMPROVEMENTS TO THE I & O BRIDGE AND THE WIDENING OF MASON MONTGOMERY ROAD.*

***GOVERNMENT CENTER***

*THIS FUND IS USED TO ACCOUNT FOR FINANCIAL RESOURCES TO BE USED FOR THE CONSTRUCTION OF A GOVERNMENT CENTER.*

City of Mason, Ohio  
Combining Balance Sheet  
Capital Projects Funds  
December 31, 2000

	<u>Tax Increment Financing</u>	<u>Central Parke TIF</u>	<u>Tylersville Road Project</u>	<u>R.E. Acquisition</u>
<b>ASSETS:</b>				
<b>Assets:</b>				
Pooled cash and investments	\$9,792	\$460,366	\$137,598	\$0
Receivables (net of allowance for uncollectibles):				
Taxes	6,934	0	0	0
Interest	<u>186</u>	<u>8,767</u>	<u>2,620</u>	<u>0</u>
<b>TOTAL ASSETS</b>	<u><b>\$16,912</b></u>	<u><b>\$469,133</b></u>	<u><b>\$140,218</b></u>	<u><b>\$0</b></u>
 <b>LIABILITIES AND FUND EQUITY:</b>				
<b>Liabilities:</b>				
Accounts payable	\$0	\$359	\$0	\$0
Deferred revenue	7,001	3,139	938	0
General obligations notes payable	<u>0</u>	<u>0</u>	<u>1,700,000</u>	<u>0</u>
<b>Total Liabilities</b>	<u><b>7,001</b></u>	<u><b>3,498</b></u>	<u><b>1,700,938</b></u>	<u><b>0</b></u>
 <b>Fund Equity:</b>				
<b>Fund Balances:</b>				
Reserved for encumbrances	5,910	188,097	193,563	0
Unreserved, undesignated	<u>4,001</u>	<u>277,538</u>	<u>(1,754,283)</u>	<u>0</u>
<b>Total Fund Equity</b>	<u><b>9,911</b></u>	<u><b>465,635</b></u>	<u><b>(1,560,720)</b></u>	<u><b>0</b></u>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<u><b>\$16,912</b></u>	<u><b>\$469,133</b></u>	<u><b>\$140,218</b></u>	<u><b>\$0</b></u>

<u>Western Row Road Reconstruction</u>	<u>Swimming Pool Construction</u>	<u>Mason- Montgomery Road Improvement</u>	<u>I &amp; O Bridge/ Mason- Montgomery Road Widening</u>	<u>Government Center</u>	<u>Totals</u>
\$0	\$0	\$219,234	\$156,015	\$7,715,004	\$8,698,009
0	0	0	0	0	6,934
0	0	4,175	2,971	146,924	165,643
<u>\$0</u>	<u>\$0</u>	<u>\$223,409</u>	<u>\$158,986</u>	<u>\$7,861,928</u>	<u>\$8,870,586</u>
\$0	\$0	\$0	\$0	\$836,523	\$836,882
0	0	1,495	1,064	52,600	66,237
0	0	0	0	0	1,700,000
<u>0</u>	<u>0</u>	<u>1,495</u>	<u>1,064</u>	<u>889,123</u>	<u>2,603,119</u>
0	0	212,559	140,889	1,948,850	2,689,868
0	0	9,355	17,033	5,023,955	3,577,599
<u>0</u>	<u>0</u>	<u>221,914</u>	<u>157,922</u>	<u>6,972,805</u>	<u>6,267,467</u>
<u>\$0</u>	<u>\$0</u>	<u>\$223,409</u>	<u>\$158,986</u>	<u>\$7,861,928</u>	<u>\$8,870,586</u>

City of Mason, Ohio  
Combining Statement of Revenues, Expenditures  
And Changes in Fund Balances  
Capital Projects Funds  
For the Year Ended December 31, 2000

	Tax Increment Financing	Central Parke TIF	Tylersville Road Project	R.E. Acquisition
<b>REVENUES:</b>				
Taxes	\$6,934	\$0	\$0	\$0
Intergovernmental	0	0	0	0
Investment earnings	32,022	29,282	7,644	0
Other	0	0	0	0
<b>Total Revenues</b>	<b>38,956</b>	<b>29,282</b>	<b>7,644</b>	<b>0</b>
<b>EXPENDITURES:</b>				
<b>Current:</b>				
General government	0	0	0	0
Transportation and street repair	6,470	667,567	1,868,364	0
Capital outlay	0	0	0	0
<b>Debt service:</b>				
Interest	47,647	31,080	0	0
<b>Total Expenditures</b>	<b>54,117</b>	<b>698,647</b>	<b>1,868,364</b>	<b>0</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(15,161)</b>	<b>(669,365)</b>	<b>(1,860,720)</b>	<b>0</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Proceeds of notes and bonds	0	1,135,000	0	0
Operating transfers - in	7,000	1,630,328	300,000	0
Operating transfers - (out)	(575,000)	(1,630,328)	0	0
<b>Total Other Financing Sources (Uses)</b>	<b>(568,000)</b>	<b>1,135,000</b>	<b>300,000</b>	<b>0</b>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<b>(583,161)</b>	<b>465,635</b>	<b>(1,560,720)</b>	<b>0</b>
<b>FUND BALANCES, BEGINNING OF YEAR</b>	<b>593,072</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>FUND BALANCES (DEFICIT), END OF YEAR</b>	<b>\$9,911</b>	<b>\$465,635</b>	<b>(\$1,560,720)</b>	<b>\$0</b>

<u>Western Row Road Reconstruction</u>	<u>Swimming Pool Construction</u>	<u>Mason- Montgomery Road Improvement</u>	<u>I &amp; O Bridge/ Mason- Montgomery Road Widening</u>	<u>Government Center</u>	<u>Totals</u>
\$0	\$0	\$0	\$0	\$0	\$6,934
0	0	0	40,892	0	40,892
0	360	18,815	24,564	388,821	501,508
0	0	0	0	3,692	3,692
<u>0</u>	<u>360</u>	<u>18,815</u>	<u>65,456</u>	<u>392,513</u>	<u>553,026</u>
0	0	0	0	2,607,600	2,607,600
0	0	109,441	1,070,147	0	3,721,989
0	0	0	40,892	55,219	96,111
0	2,302	0	0	0	81,029
<u>0</u>	<u>2,302</u>	<u>109,441</u>	<u>1,111,039</u>	<u>2,662,819</u>	<u>6,506,729</u>
<u>0</u>	<u>(1,942)</u>	<u>(90,626)</u>	<u>(1,045,583)</u>	<u>(2,270,306)</u>	<u>(5,953,703)</u>
0	0	0	0	0	1,135,000
0	283,422	25,000	449,600	5,000,000	7,695,350
0	0	0	0	0	(2,205,328)
<u>0</u>	<u>283,422</u>	<u>25,000</u>	<u>449,600</u>	<u>5,000,000</u>	<u>6,625,022</u>
0	281,480	(65,626)	(595,983)	2,729,694	671,319
0	(281,480)	287,540	753,905	4,243,111	5,596,148
<u>\$0</u>	<u>\$0</u>	<u>\$221,914</u>	<u>\$157,922</u>	<u>\$6,972,805</u>	<u>\$6,267,467</u>

City of Mason, Ohio  
Combining Schedule of Revenues, Expenditures  
And Changes in Fund Balance  
Budget And Actual (Non-GAAP Basis)  
Capital Projects Funds  
For the Year Ended December 31, 2000

	Tax Increment Financing			Central Parke TIF		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>						
Local taxes	\$6,934	\$6,934	\$0	\$0	\$0	\$0
Investment earnings	28,876	28,876	0	23,540	23,540	0
All other revenues	0	0	0	0	0	0
<b>Total Revenues</b>	<b>35,810</b>	<b>35,810</b>	<b>0</b>	<b>23,540</b>	<b>23,540</b>	<b>0</b>
<b>EXPENDITURES:</b>						
<b>Current:</b>						
General Government	0	0	0	0	0	0
Transportation	13,910	12,380	1,530	853,000	852,513	487
<b>Debt service:</b>						
Principal	276,100	0	276,100	0	0	0
Interest and fiscal charges	301,900	47,647	254,253	31,100	31,080	20
<b>Total Expenditures</b>	<b>591,910</b>	<b>60,027</b>	<b>531,883</b>	<b>884,100</b>	<b>883,593</b>	<b>507</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(556,100)</b>	<b>(24,217)</b>	<b>531,883</b>	<b>(860,560)</b>	<b>(860,053)</b>	<b>507</b>
<b>OTHER FINANCING SOURCES (USES):</b>						
Proceeds from general obligation notes	0	0	0	0	0	0
Proceeds from general obligation bonds	0	0	0	1,237,260	1,242,803	5,543
Operating transfers - in	7,000	7,000	0	1,522,525	1,522,525	0
Operating transfers - (out)	(575,000)	(575,000)	0	(1,633,500)	(1,633,479)	21
<b>Total Other Financing Sources (Uses)</b>	<b>(568,000)</b>	<b>(568,000)</b>	<b>0</b>	<b>1,126,285</b>	<b>1,131,849</b>	<b>5,564</b>
<b>Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</b>	<b>(1,124,100)</b>	<b>(592,217)</b>	<b>531,883</b>	<b>265,725</b>	<b>271,796</b>	<b>6,071</b>
<b>Fund Balance at Beginning of Year</b>	<b>593,072</b>	<b>593,072</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Fund Balance at End of Year</b>	<b>(\$531,028)</b>	<b>\$855</b>	<b>\$531,883</b>	<b>\$265,725</b>	<b>\$271,796</b>	<b>\$6,071</b>

Tylersville Road Project			R.E. Acquisition			Western Row Road Reconstruction		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5,928	5,928	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
5,928	5,928	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
2,001,000	2,061,927	(60,927)	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0	0	170	0	170	0	0	0
2,001,000	2,061,927	(60,927)	170	0	170	0	0	0
(1,995,072)	(2,055,999)	(60,927)	(170)	0	170	0	0	0
1,700,000	1,700,000	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
300,000	300,000	0	0	0	0	0	0	0
0	0	0	(170)	(170)	0	(34,282)	(34,282)	0
2,000,000	2,000,000	0	(170)	(170)	0	(34,282)	(34,282)	0
4,928	(55,999)	(60,927)	(340)	(170)	170	(34,282)	(34,282)	0
0	0	0	0	0	0	0	0	0
\$4,928	(\$55,999)	(\$60,927)	(\$340)	(\$170)	\$170	(\$34,282)	(\$34,282)	\$0

Continued

City of Mason, Ohio  
Combining Schedule of Revenues, Expenditures  
And Changes in Fund Balance  
Budget And Actual (Non-GAAP Basis)  
Capital Projects Funds  
For the Year Ended December 31, 2000

	Swimming Pool Construction			Mason-Montgomery Road Improvement		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>						
Local taxes	\$0	\$0	\$0	\$0	\$0	\$0
Investment earnings	\$360	\$360	\$0	14,036	14,615	579
All other revenues	0	0	0	0	0	0
<b>Total Revenues</b>	<b>360</b>	<b>360</b>	<b>0</b>	<b>14,036</b>	<b>14,615</b>	<b>579</b>
<b>EXPENDITURES:</b>						
<b>Current:</b>						
General Government	0	0	0	0	0	0
Transportation	0	0	0	591,519	322,000	269,519
<b>Debt service:</b>						
Principal	300,000	300,000	0	0	0	0
Interest and fiscal charges	9,750	9,750	0	0	0	0
<b>Total Expenditures</b>	<b>309,750</b>	<b>309,750</b>	<b>0</b>	<b>591,519</b>	<b>322,000</b>	<b>269,519</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(309,390)</b>	<b>(309,390)</b>	<b>0</b>	<b>(577,483)</b>	<b>(307,385)</b>	<b>270,098</b>
<b>OTHER FINANCING SOURCES (USES):</b>						
Proceeds from general obligation notes			0	0	0	0
Proceeds from general obligation bonds	0	0	0	0	0	0
Operating transfers - in	283,422	283,422	0	25,000	25,000	0
Operating transfers - (out)	0	0	0	0	0	0
<b>Total Other Financing Sources (Uses)</b>	<b>283,422</b>	<b>283,422</b>	<b>0</b>	<b>25,000</b>	<b>25,000</b>	<b>0</b>
<b>Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</b>	<b>(25,968)</b>	<b>(25,968)</b>	<b>0</b>	<b>(552,483)</b>	<b>(282,385)</b>	<b>270,098</b>
<b>Fund Balance at Beginning of Year</b>	<b>25,968</b>	<b>25,968</b>	<b>0</b>	<b>287,540</b>	<b>287,540</b>	<b>0</b>
<b>Fund Balance at End of Year</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$264,943)</b>	<b>\$5,155</b>	<b>\$270,098</b>



I & O Bridge/Mason-Montgomery Road Widening			Government Center			Totals		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$0	\$0	\$0	\$0	\$0	\$0	\$6,934	\$6,934	\$0
17,553	17,965	412	246,611	266,964	20,353	336,904	358,248	\$21,344
0	0	0	3,692	3,692	0	3,692	3,692	0
17,553	17,965	412	250,303	270,656	20,353	347,530	368,874	21,344
0	0	0	5,503,025	5,392,973	110,052	5,503,025	5,392,973	110,052
1,369,692	1,369,462	230	0	0	0	4,829,121	4,618,282	210,839
0	0	0	0	0	0	576,100	300,000	276,100
0	0	0	0	0	0	342,920	88,477	254,443
1,369,692	1,369,462	230	5,503,025	5,392,973	110,052	11,251,166	10,399,732	851,434
(1,352,139)	(1,351,497)	642	(5,252,722)	(5,122,317)	130,405	(10,903,636)	(10,030,858)	872,778
0	0	0	0	0	0	1,700,000	1,700,000	0
0	0	0	0	0	0	1,237,260	1,242,803	5,543
449,600	449,600	0	5,000,000	5,000,000	0	7,587,547	7,587,547	0
0	0	0	0	0	0	(2,242,952)	(2,242,931)	21
449,600	449,600	0	5,000,000	5,000,000	0	8,281,855	8,287,419	5,564
(902,539)	(901,897)	642	(252,722)	(122,317)	130,405	(2,621,781)	(1,743,439)	878,342
912,331	912,331	0	5,024,415	5,024,415	0	6,843,326	6,843,326	0
\$9,792	\$10,434	\$642	\$4,771,693	\$4,902,098	\$130,405	\$4,221,545	\$5,099,887	\$878,342

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## ***PROPRIETARY FUNDS***

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*THE PROPRIETARY FUNDS ARE USED TO ACCOUNT FOR THOSE CITY ACTIVITIES WHICH ARE SIMILAR TO THOSE OFTEN FOUND IN THE PRIVATE SECTOR. THESE INCLUDE ENTERPRISE AND INTERNAL SERVICE FUNDS. THE FOLLOWING ARE DESCRIPTIONS OF EACH PROPRIETARY FUND.*

## ***ENTERPRISE FUNDS***

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*THESE FUNDS ACCOUNT FOR THE ACQUISITION, OPERATION AND MAINTENANCE OF CITY FACILITIES, WHICH ARE FINANCED PRIMARILY BY USER CHARGES.*

### ***WATER***

*THE CITY PUBLIC UTILITIES DEPARTMENT IS RESPONSIBLE FOR PROVIDING WATER TO RESIDENTIAL, COMMERCIAL AND INDUSTRIAL CUSTOMERS IN THE CITY OF MASON. REVENUES GENERATED THROUGH USER CHARGES ARE USED FOR OPERATION, MAINTENANCE AND CAPITAL IMPROVEMENTS OF THE WATER DISTRIBUTION SYSTEM.*

### ***SEWER***

*THE CITY PUBLIC UTILITIES DEPARTMENT IS RESPONSIBLE FOR PROVIDING SANITARY SEWER TO RESIDENTIAL, COMMERCIAL AND INDUSTRIAL CUSTOMERS IN THE CITY OF MASON. SEWER CHARGES ARE BASED ON WATER USAGE AND SERVE AS THE MAJOR REVENUE SOURCE FOR FINANCING THE OPERATIONS AND MAINTENANCE OF THE SEWER SYSTEM.*

### ***WASTE COLLECTION***

*THE CITY CONTRACTS WITH A PRIVATE ORGANIZATION TO PROVIDE WASTE REMOVAL TO RESIDENTIAL, COMMERCIAL AND INDUSTRIAL CUSTOMERS IN THE CITY OF MASON. CHARGES ARE BASED ON FEES IMPOSED BY THE CONTRACTOR.*

City of Mason, Ohio  
Combining Balance Sheet  
Enterprise Funds  
December 31, 2000

	<u>Water</u>	<u>Sewer</u>	<u>Waste Collection</u>	<u>Totals</u>
<b>ASSETS:</b>				
<b>Assets:</b>				
Pooled cash and investments	\$7,418,557	\$10,885,717	\$277,967	\$18,582,241
Receivables (net of allowance for uncollectibles):				
Accounts	604,565	587,987	173,055	1,365,607
Interest	141,278	207,306	5,294	353,878
Inventory	6,466	14,458	0	20,924
Fixed assets (net, where applicable of accumulated depreciation)	20,931,025	24,526,467	0	45,457,492
<b>TOTAL ASSETS</b>	<u><u>\$29,101,891</u></u>	<u><u>\$36,221,935</u></u>	<u><u>\$456,316</u></u>	<u><u>\$65,780,142</u></u>
<b>LIABILITIES AND FUND EQUITY</b>				
<b>Liabilities:</b>				
Accounts payable	\$143,656	\$76,263	\$70,747	\$290,666
Accrued wages and benefits	16,600	24,889	0	41,489
Interest payable	39,176	33,430	0	72,606
Compensated absences	49,263	60,141	2,874	112,278
Revenue bonds payable	7,705,000	7,140,000	0	14,845,000
Special assessment debt with government commitment	61,000	0	0	61,000
<b>Total Liabilities</b>	<u><u>8,014,695</u></u>	<u><u>7,334,723</u></u>	<u><u>73,621</u></u>	<u><u>15,423,039</u></u>
<b>Fund Equity:</b>				
Contributed capital	2,327,069	2,336,481	0	4,663,550
Retained earnings - unreserved	18,760,127	26,550,731	382,695	45,693,553
<b>Total Fund Equity</b>	<u><u>21,087,196</u></u>	<u><u>28,887,212</u></u>	<u><u>382,695</u></u>	<u><u>50,357,103</u></u>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<u><u>\$29,101,891</u></u>	<u><u>\$36,221,935</u></u>	<u><u>\$456,316</u></u>	<u><u>\$65,780,142</u></u>

City of Mason, Ohio  
Combining Statement of Revenues, Expenses  
And Changes in Retained Earnings  
Enterprise Funds  
For the Year Ended December 31, 2000

	Water	Sewer	Waste Collection	Totals
<b>OPERATING REVENUES:</b>				
Charges for services	\$5,314,168	\$5,775,367	\$881,377	\$11,970,912
<b>Total Operating Revenue</b>	<b>5,314,168</b>	<b>5,775,367</b>	<b>881,377</b>	<b>11,970,912</b>
<b>OPERATING EXPENSES:</b>				
Personal Services	564,026	782,535	40,848	1,387,409
Contractual Services	1,569,200	750,916	789,677	3,109,793
Depreciation	503,526	554,026	0	1,057,552
Materials and Supplies	55,749	107,933	0	163,682
Cost of services	0	0	16,750	16,750
Other	10,532	5,888	85	16,505
<b>Total Operating Expenses</b>	<b>2,703,033</b>	<b>2,201,298</b>	<b>847,360</b>	<b>5,751,691</b>
<b>OPERATING INCOME (LOSS)</b>	<b>2,611,135</b>	<b>3,574,069</b>	<b>34,017</b>	<b>6,219,221</b>
<b>NONOPERATING REVENUES (EXPENSES):</b>				
Investment earnings	437,598	751,942	19,531	1,209,071
Interest expense	(271,233)	(458,860)	0	(730,093)
<b>Total Nonoperating Revenues (Expenses)</b>	<b>166,365</b>	<b>293,082</b>	<b>19,531</b>	<b>478,978</b>
<b>INCOME (LOSS) BEFORE OPERATING TRANSFER</b>	<b>2,777,500</b>	<b>3,867,151</b>	<b>53,548</b>	<b>6,698,199</b>
<b>OPERATING TRANSFERS:</b>				
Operating transfers - in	0	667,499	0	667,499
Operating transfers - (out)	0	(701,951)	0	(701,951)
<b>Total Operating Transfers</b>	<b>0</b>	<b>(34,452)</b>	<b>0</b>	<b>(34,452)</b>
<b>NET INCOME (LOSS)</b>	<b>2,777,500</b>	<b>3,832,699</b>	<b>53,548</b>	<b>6,663,747</b>
<b>RETAINED EARNINGS BEGINNING OF YEAR</b>	<b>15,982,627</b>	<b>22,718,032</b>	<b>329,147</b>	<b>39,029,806</b>
<b>RETAINED EARNINGS END OF YEAR</b>	<b>\$18,760,127</b>	<b>\$26,550,731</b>	<b>\$382,695</b>	<b>\$45,693,553</b>

City of Mason, Ohio  
Combining Statement of Cash Flows  
Enterprise Funds  
For the Year Ended December 31, 2000

	Water	Sewer	Waste Collection	Totals
<b>OPERATING ACTIVITIES:</b>				
Operating income (loss)	\$2,611,135	\$3,574,069	\$34,017	\$6,219,221
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	503,526	554,026	0	1,057,552
Changes in assets and liabilities:				
(Increase) decrease in receivables	16,093	60,901	(11,289)	65,705
(Increase) decrease in inventory	63,866	9,289	0	73,155
Increase (decrease) in payables	(180,332)	(60,765)	10,287	(230,810)
Increase (decrease) in accrued liabilities	2,317	3,698	0	6,015
Increase (decrease) in other liabilities	26,901	33,665	(188)	60,378
Net Cash Provided (Used) by Operating Activities	<u>3,043,506</u>	<u>4,174,883</u>	<u>32,827</u>	<u>7,251,216</u>
<b>NONCAPITAL FINANCING ACTIVITIES:</b>				
Operating transfers - in	0	667,499	0	667,499
Operating transfers - (out)	0	(701,951)	0	(701,951)
Net Cash Provided (Used) by Noncapital Financing Activities	<u>0</u>	<u>(34,452)</u>	<u>0</u>	<u>(34,452)</u>
<b>CAPITAL AND RELATED FINANCING ACTIVITIES:</b>				
Principal paid	0	(210,000)	0	(210,000)
Interest paid	(235,057)	(425,430)	0	(660,487)
Acquisition of fixed assets	(2,401,318)	(1,696,259)	0	(4,097,577)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(2,636,375)</u>	<u>(2,331,689)</u>	<u>0</u>	<u>(4,968,064)</u>
<b>INVESTING ACTIVITIES:</b>				
Investment earnings	437,598	751,942	12,984	1,202,524
Net Cash Provided (Used) by Investing Activities	<u>437,598</u>	<u>751,942</u>	<u>12,984</u>	<u>1,202,524</u>
NET INCREASE (DECREASE) IN CASH	844,729	2,560,684	45,811	3,451,224
CASH BEGINNING OF YEAR	<u>6,573,828</u>	<u>8,325,033</u>	<u>232,156</u>	<u>15,131,017</u>
CASH END OF YEAR	<u><u>\$7,418,557</u></u>	<u><u>\$10,885,717</u></u>	<u><u>\$277,967</u></u>	<u><u>\$18,582,241</u></u>

## ***FIDUCIARY FUNDS***

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*FIDUCIARY FUNDS 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 OTHER FUNDS. THESE INCLUDE THE CITY'S AGENCY FUNDS. THE FOLLOWING ARE DESCRIPTIONS OF EACH FIDUCIARY.*

## ***AGENCY FUNDS***

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*AGENCY FUNDS ARE CUSTODIAL IN NATURE (ASSETS EQUAL LIABILITIES) AND DO NOT PURPORT TO PRESENT THE FINANCIAL POSITION OR RESULTS OF OPERATIONS OF THE RELATED ENTITIES.*

### ***SUBDIVISION INSPECTION***

*THIS FUND IS USED TO ACCOUNT FOR THE REVENUES RECEIVED AND EXPENSES INCURRED FOR INSPECTION SERVICES RENDERED IN THE CITY OF MASON.*

### ***MUNICIPAL COURT***

*TO ACCOUNT FOR BONDS AND OTHER MONEYS DEPOSITED WITH THE COURT PENDING FINAL DISPOSITION OF VARIOUS CASES*

### ***JOINT FIRE DISTRICT***

*ON SEPTEMBER 30, 1998 THE MASON-DEERFIELD JOINT FIRE DISTRICT WAS DISSOLVED. AS THE SURVIVING ENTITY, THE CITY OF MASON ASSUMED THE RESPONSIBILITY FOR ALL FINAL AFFAIRS OF THE DISTRICT. THIS FUND WAS ESTABLISHED TO ACCOUNT FOR THE ASSETS AND LIABILITIES OF THE DISTRICT.*

City of Mason, Ohio  
Combining Balance Sheet  
Fiduciary Funds  
December 31, 2000

	<u>Subdivision Inspection</u>	<u>Municipal Court</u>	<u>Joint Fire District</u>	<u>Totals</u>
<b>ASSETS:</b>				
<b>Assets:</b>				
Pooled cash and investments	\$502,435	\$66,055	0	\$568,490
Restricted pooled cash and investments	0	0	230,694	230,694
<b>Receivables:</b>				
Accounts	13,279	0	0	13,279
Interest	9,568	0	4,393	13,961
<b>TOTAL ASSETS</b>	<u><u>\$525,282</u></u>	<u><u>\$66,055</u></u>	<u><u>\$235,087</u></u>	<u><u>\$826,424</u></u>
 <b>LIABILITIES AND FUND EQUITY:</b>				
<b>Liabilities:</b>				
Accounts payable	\$1,727	\$0	\$0	\$1,727
Compensated absences	3,243	0	0	3,243
Due to others	520,312	66,055	235,087	821,454
<b>Total Liabilities</b>	<u>525,282</u>	<u>66,055</u>	<u>235,087</u>	<u>\$826,424</u>
 <b>Fund Equity:</b>				
<b>Fund Balances:</b>				
Unreserved, undesignated	0	0	0	0
<b>Total Fund Equity</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<u><u>\$525,282</u></u>	<u><u>\$66,055</u></u>	<u><u>\$235,087</u></u>	<u><u>\$826,424</u></u>



City of Mason, Ohio  
Combining Statement of Changes in Assets and Liabilities  
Agency Funds  
For the Year Ended December 31, 2000

Subdivision Inspection	Balance 12/31/99	Additions	Deductions	Balance 12/31/00
<b>ASSETS:</b>				
Pooled cash and investments	\$405,703	\$248,374	(\$151,642)	\$502,435
Accounts receivable	37,473	13,279	(37,473)	13,279
Interest receivable	0	9,568	0	9,568
<b>Total Assets</b>	<b>\$443,176</b>	<b>\$271,221</b>	<b>(\$189,115)</b>	<b>\$525,282</b>
<b>LIABILITIES:</b>				
Accounts payable	\$7,057	\$1,727	(\$7,057)	\$1,727
Compensated absences payable	0	3,243	0	3,243
Due to others	436,119	126,636	(42,443)	520,312
<b>Total Liabilities</b>	<b>\$443,176</b>	<b>\$131,606</b>	<b>(\$49,500)</b>	<b>\$525,282</b>
<b>Municipal Court</b>				
<b>ASSETS:</b>				
Pooled cash and investments	\$25,993	\$1,361,132	(\$1,321,070)	\$66,055
Accounts receivable	145	0	(145)	0
<b>Total Assets</b>	<b>\$26,138</b>	<b>\$1,361,132</b>	<b>(\$1,321,215)</b>	<b>\$66,055</b>
<b>LIABILITIES:</b>				
Due to others	\$26,138	\$40,062	(\$145)	\$66,055
<b>Total Liabilities</b>	<b>\$26,138</b>	<b>\$40,062</b>	<b>(\$145)</b>	<b>\$66,055</b>
<b>Joint Fire District</b>				
<b>ASSETS:</b>				
Restricted pooled cash and investments	\$232,412	\$11,662	(\$13,380)	\$230,694
Interest receivable	0	4,393	0	4,393
<b>Total Assets</b>	<b>\$232,412</b>	<b>\$16,055</b>	<b>(\$13,380)</b>	<b>\$235,087</b>
<b>LIABILITIES:</b>				
Due to others	232,412	5,635	(2,960)	235,087
<b>Total Liabilities</b>	<b>\$232,412</b>	<b>\$5,635</b>	<b>(\$2,960)</b>	<b>\$235,087</b>
<b>Totals</b>				
<b>ASSETS:</b>				
Pooled cash and investments	\$431,696	\$1,609,506	(\$1,472,712)	\$568,490
Restricted pooled cash and investments	232,412	11,662	(13,380)	230,694
Accounts receivable	37,618	13,279	(37,618)	13,279
Interest receivable	0	13,961	0	13,961
<b>Total Assets</b>	<b>\$701,726</b>	<b>\$1,648,408</b>	<b>(\$1,523,710)</b>	<b>\$826,424</b>
<b>LIABILITIES:</b>				
Accounts payable	\$7,057	\$1,727	(\$7,057)	\$1,727
Compensated absences payable	0	3,243	0	3,243
Due to others	694,669	172,333	(45,548)	821,454
<b>Total Liabilities</b>	<b>\$701,726</b>	<b>\$177,303</b>	<b>(\$52,605)</b>	<b>\$826,424</b>

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## ***GENERAL FIXED ASSETS ACCOUNT GROUP***

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*THE GENERAL FIXED ASSETS ACCOUNT GROUP IS USED TO PRESENT FIXED ASSETS OF THE CITY THAT ARE UTILIZED IN ITS GENERAL OPERATIONS, EXCLUSIVE OF THOSE ACCOUNTED FOR IN THE PROPRIETARY FUNDS.*

City of Mason, Ohio  
Schedule of General Fixed Assets by Source  
December 31, 2000

**General Fixed Assets:**

Land and Land Improvements	\$11,286,876
Buildings and Building Improvements	1,208,992
Furniture, Fixtures and Machinery	6,347,758
Construction in Progress	4,269,667

**Total** \$23,113,293

**Investment In General Fixed Assets From:**

General Fund	\$10,783,584
Special Revenue Funds	5,743,564
Capital Project Funds	6,586,145

**Total** \$23,113,293

City of Mason, Ohio  
Schedule of General Fixed Assets  
By Category  
December 31, 2000

	<u>Total</u>	<u>Land &amp; Land Improvements</u>	<u>Buildings &amp; Building Improvements</u>	<u>Furniture, Fixtures &amp; Equipment</u>
<b>General Government:</b>				
City Manager	\$6,430,888	\$6,188,318	\$172,587	\$69,983
Assistant City Manager	28,465	0	0	28,465
Finance Director	80,780	0	0	80,780
Earnings Tax	22,951	0	0	22,951
City Council	46,149	0	0	46,149
Municipal Court	65,919	0	0	65,919
City Engineer	250,639	0	0	250,639
<b>Security of Persons and Property:</b>				
Police	680,556	0	0	680,556
Fire	2,364,301	257,962	308,900	1,797,439
<b>Transportation</b>				
Street Maintenance & Repair	2,510,782	42,000	203,748	2,265,034
Garage	472,059	89,828	88,297	293,934
<b>Leisure Time Activities:</b>				
Recreation	14,581	0	0	14,581
Parks	4,280,186	3,364,152	379,844	536,190
Swimming Pool	1,517,668	1,344,616	55,616	117,436
<b>Community Development:</b>				
Community Planning & Zoning	450	0	0	450
Building Inspections	66,215	0	0	66,215
Subdivision Inspections	11,037	0	0	11,037
<b>Total General Fixed Assets Allocated by Functions</b>	<b>18,843,626</b>	<b>11,286,876</b>	<b>1,208,992</b>	<b>6,347,758</b>
<b>Construction in Progress</b>	<b>\$4,269,667</b>			
<b>Total General Fixed Assets:</b>	<b><u>23,113,293</u></b>			

City of Mason, Ohio  
Schedule of Changes in General Fixed Assets  
By Function and Activity  
For the Year Ended December 31, 2000

	<b>General Fixed Assets January 1, 2000</b>	<b>Additions</b>	<b>Deletions</b>	<b>General Fixed Assets December 31, 2000</b>
<b>General Government:</b>				
City Manager	\$3,572,832	\$2,870,703	(\$12,647)	\$6,430,888
Assistant City Manager	36,676	3,844	(12,055)	28,465
Finance Director	69,060	22,845	(11,125)	80,780
Earnings Tax	20,787	4,639	(2,474)	22,952
City Council	39,874	612,305	0	652,179
Municipal Court	70,116	1,495	(5,693)	65,918
City Engineer	156,542	94,097	0	250,639
<b>Security of Persons and Property:</b>				
Police	670,137	26,133	(15,714)	680,556
Fire	3,442,456	933,498	(8,846)	4,367,108
<b>Transportation</b>				
Street Maintenance & Repair	2,538,867	24,717	(52,804)	2,510,780
Garage	424,203	48,754	(898)	472,059
<b>Leisure Time Activities:</b>				
Recreation	10,122	8,918	(4,459)	14,581
Parks	5,332,272	691,034	(82,288)	5,941,018
Swimming Pool	1,493,466	24,534	(332)	1,517,668
<b>Community Development:</b>				
Community Planning & Zoning	450	0	0	450
Building Inspections	66,215	0	0	66,215
Economic Development	0	11,037	0	11,037
<b>Total General Fixed Assets Allocated by Functions</b>	<b>\$17,944,075</b>	<b>\$5,378,553</b>	<b>(\$209,335)</b>	<b>\$23,113,293</b>



# Statistical Section





Table 1  
General Fund Expenditures By Function  
Last Ten Fiscal Years

	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Source:										
Public Safety	\$601,659	\$1,013,156	\$1,186,990	\$1,392,659	\$1,529,704	\$1,592,010	\$1,796,134	\$2,052,836	\$2,504,029	\$2,932,759
Leisure Time Activities	193,765	230,344	310,273	403,848	911,000	883,075	695,042	774,456	1,975,052	1,602,077
Community Development	151,365	104,557	118,272	207,773	330,507	329,247	413,079	487,525	621,413	790,131
Basic Utility Services	9,648	17,372	36,983	58,897	101,203	105,189	348,506	103,774	179,570	98,122
Transportation and Street Repair	316,138	507,921	647,965	1,144,665	1,350,953	1,386,744	1,954,576	1,753,028	3,094,327	2,872,601
General Government	578,783	1,420,943	1,520,014	1,607,551	2,078,906	2,420,667	2,455,116	2,712,168	4,506,728	3,495,706
Other Expenditures	3,924	0	6,927	150	0	0	0	36,472	0	0
Capital Outlay	209,748	496,676	761,623	401,885	0	0	0	0	0	0
Debt Service	158,089	0	1,134	0	0	0	0	0	21,091	164,666
Total Disbursements	\$2,223,119	\$3,790,969	\$4,590,181	\$5,217,428	\$6,302,273	\$6,716,932	\$7,662,453	\$7,920,259	\$12,902,210	\$11,956,062

Source: City of Mason, Ohio, Department of Finance

Table 2  
General Fund Revenues By Source  
Last Ten Fiscal Years

	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Local Tax Revenues	\$ 3,150,555	\$ 3,848,650	\$ 3,645,917	\$ 4,329,519	\$ 4,598,385	\$ 5,729,286	\$ 7,736,926	\$ 10,777,058	\$ 11,142,479	\$ 15,274,080
Intergovernmental Revenues	0	0	539,608	567,721	601,580	799,877	684,941	702,610	1,144,190	1,372,410
Charges for Services	18,359	11,921	15,140	23,471	55,986	98,422	101,296	113,396	159,601	227,665
Fines, Licenses and Permits	329,723	387,420	519,538	486,382	630,566	788,401	985,306	885,063	1,000,721	1,081,112
Investment Earnings	145,725	130,948	100,029	125,444	127,491	180,744	194,796	241,673	237,624	318,802
All Other Revenues	66,179	57,843	211,518	208,356	230,986	249,271	362,844	462,430	318,407	780,243
<b>Total Revenues</b>	<b>\$ 3,710,541</b>	<b>\$ 4,436,782</b>	<b>\$ 5,031,750</b>	<b>\$ 5,740,893</b>	<b>\$ 6,244,994</b>	<b>\$ 7,846,001</b>	<b>\$ 10,066,109</b>	<b>\$ 13,182,230</b>	<b>\$ 14,003,022</b>	<b>\$ 19,054,312</b>

Source: City of Mason, Ohio, Department of Finance

(1) Includes Property Tax, Municipal Income Tax and Other Local Taxes.

Table 3  
 Property Tax Levies and Collections  
 Real, Public Utility and Tangible Personal Property  
 Last Ten Fiscal Years

Tax Year:	1990/1991	1991/1992	1992/1993	1993/1994	1994/1995	1995/1996	1996/1997	1997/1998	1998/1999	1999/2000
Fiscal Year:	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Current Tax Levy	\$300,179	\$356,700	\$374,406	\$393,264	\$477,662	\$527,719	\$604,903	\$949,077	\$3,569,426	\$4,007,289
Current Tax Collections	294,143	351,057	369,089	388,182	471,018	521,435	598,675	933,999	3,495,198	3,914,640
Percent of Levy Collected	97.99%	98.42%	98.58%	98.71%	98.61%	98.81%	98.97%	98.41%	97.92%	97.69%
Delinquent Tax Collections	4,308	6,219	7,336	22,237	7,420	7,658	9,974	11,261	57,416	64,478
Total Tax Collections	304,487	357,277	376,425	410,418	478,438	529,093	608,649	945,260	3,552,614	3,979,118
Ratio of Total Tax Collections to Current Taxes Levied	101.44%	100.16%	100.54%	104.36%	100.16%	100.26%	100.62%	99.60%	99.53%	99.30%

Source: Warren County Auditor's Office

Table 4  
Assessed and Estimated Actual Value of Taxable Property  
Last Ten Fiscal Years

Tax Year	Real Property		Public Utility		Tangible Personal Property		Total		Ratio of Total Assessed Value To Total Estimated Actual Value
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	
1991	\$139,827,960	\$399,508,460	\$9,658,270	\$10,975,310	\$39,482,599	\$157,930,400	\$188,968,829	\$568,414,170	300.80%
1992	144,596,530	413,132,940	12,489,230	14,192,310	43,608,492	174,433,970	200,694,252	601,759,220	299.84%
1993	155,440,520	444,115,770	13,050,020	14,829,570	45,943,497	183,773,990	214,434,037	642,719,330	299.73%
1994	193,789,870	553,685,340	13,930,580	15,830,200	48,803,736	195,214,940	256,524,186	764,730,480	298.11%
1995	217,285,530	620,815,800	13,607,270	15,462,810	49,251,189	197,004,760	280,143,989	833,283,370	297.45%
1996	246,729,100	704,940,280	13,691,170	15,558,150	54,287,005	217,148,020	314,707,275	937,646,450	297.94%
1997	324,890,600	928,258,857	14,210,190	16,147,943	64,048,349	256,189,396	403,149,139	1,200,596,196	297.80%
1998	387,938,790	1,108,396,542	15,757,910	18,538,717	76,841,043	307,364,172	480,537,743	1,434,299,431	298.48%
1999	448,944,160	1,282,697,600	17,969,920	20,420,363	95,712,317	382,849,268	562,626,397	1,685,967,231	299.66%
2000	576,089,580	1,645,970,230	18,882,620	21,457,520	115,114,210	460,456,840	710,086,410	2,127,884,590	299.67%

Source: Warren County Auditor's Office

Table 5  
 Property Tax Rates -  
 Direct and Overlapping Governments  
 Last Ten Fiscal Years (1)

Tax Year	City Of	Mason City	Warren	Deerfield	Joint	Special	Total
	Mason	School District	County	Township*	Voc. School	District	
1991	1.90%	48.40%	7.10%	4.65%	2.70%	1.00%	65.75%
1992	1.90%	51.07%	7.10%	4.65%	2.70%	1.00%	68.42%
1993	1.90%	51.00%	7.10%	3.65%	2.70%	1.00%	67.35%
1994	1.89%	50.78%	6.57%	3.61%	2.70%	1.50%	67.05%
1995	1.89%	53.26%	6.57%	2.36%	2.70%	2.75%	69.53%
1996	1.89%	62.36%	5.00%	0.86%	2.70%	5.45%	78.26%
1997	2.32%	61.95%	5.00%		2.70%	5.45%	77.42%
1998	7.32%	61.95%	4.75%		2.70%	1.50%	78.22%
1999	7.32%	61.95%	4.00%		2.70%	1.50%	77.47%
2000	7.32%	64.57%	4.00%		2.70%	1.50%	80.09%

Source: Warren County Auditor's Office

(1) Rates equivalent to \$1 in tax per \$1,000 of assessed valuation.

\* During 1997 the City of Mason withdrew from Deerfield Township.

**Table 6**  
**Special Assessment Billings and Collections**  
**Last Ten Fiscal Years**

---

<b>Tax Year</b>	<b>Current Assessments Billings</b>	<b>Current Assessments Collected</b>	<b>Ratio of Collection To Amount Billed</b>
1991	\$278,726	\$236,301	84.78%
1992	329,359	321,874	97.73%
1993	317,925	303,815	95.56%
1994	278,647	275,380	98.83%
1995	274,487	256,455	93.43%
1996	272,394	260,503	95.63%
1997	234,472	195,326	83.30%
1998	258,506	218,038	84.35%
1999	228,615	199,333	87.19%
2000	213,739	201,300	94.18%

---

Source: Warren County Auditor's Office

**Table 7**  
**Ratio of Net General Bonded Debt**  
**To Assessed Value and Net Bonded Debt Per Capita**  
**Last Ten Fiscal Years**

Fiscal Year	Population	Assessed Value (1)	General Bonded Debt (2)	Less Debt Service Fund (3)	Net General Bonded Debt	Ratio of Net	
						Bonded Debt to Assessed Value	Net Bonded Debt Per Capita
1991	11,871	\$188,968,829	\$545,000	\$61,897	\$483,103	0.26%	\$41
1992	12,079	200,694,252	505,000	47,404	457,596	0.23%	38
1993	12,287	214,434,037	460,000	17,990	442,010	0.21%	36
1994	12,495	256,524,186	420,000	19,193	400,807	0.16%	32
1995	13,244	280,143,989	380,000	27,158	352,842	0.13%	27
1996	14,366	314,707,275	335,000	20,207	314,793	0.10%	22
1997	15,863	403,149,139	255,000	30,406	224,594	0.06%	14
1998	17,500	480,537,743	205,000	25,966	179,034	0.04%	10
1999	19,500	562,626,397	215,000	8,566	206,434	0.04%	11
2000	22,016	710,086,410	215,000	146,003	68,997	0.01%	3

(1) Source: Assessed Value from Table 4

(2) Does not include Bond Anticipation Notes or Special Assessment debt with governmental commitment.

(3) Does not include debt service fund balances for Special Assessment debt with governmental commitment.

**Table 8**  
**Computation Of Legal Debt Margin**  
**For The Fiscal Year Ended December 31, 2000**

---

	<u>Total Debt</u>	<u>Unvoted Debt</u>
Net Assessed Valuation	\$710,086,410	\$710,086,410
Legal Debt Limitation (%) (1)	10.50%	5.50%
Legal Debt Limitation (\$) (1)	74,559,073	39,054,753
Applicable City Debt Outstanding (2)	9,990,000	9,990,000
Less: Applicable Debt Service Fund Amounts	<u>146,003</u>	<u>146,003</u>
Net Indebtedness Subject to Limitation	<u>\$9,843,997</u>	<u>\$9,843,997</u>

---

Source: City of Mason, Ohio, Department of Finance

- (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. Enterprise Debt is Not Considered in the Computation of the Legal Debt Margin.
- (3) Does not include debt service fund balances for Special Assessment debt with governmental commitment.



*City of Mason, Ohio*

**Table 9**  
**Computation of Direct and Overlapping Debt**  
**For The Fiscal Year Ended December 31, 2000**

---

	<b>Net General Obligations Bonded Debt Outstanding</b>	<b>Percentage Applicable to City</b>	<b>Amount Applicable to City</b>
City Of Mason	\$4,710,000	100%	\$4,710,000
Warren County	13,037,369	18.36%	<u>2,393,661</u>
		<b>Total:</b>	<u><u>\$7,103,661</u></u>

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Source: Warren County Auditor's Office.

Table 10  
Schedule of Revenue Bond Coverage  
Last Ten Fiscal Years

	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
<b>Water Fund Bond Coverage:</b>										
Operating Revenue	\$1,322,126	\$1,392,164	\$1,854,392	\$2,541,594	\$3,251,371	\$3,500,136	\$4,136,011	\$4,854,934	\$5,943,825	\$5,314,168
Operating Expenses	434,500	695,234	1,281,233	953,195	2,169,386	1,685,451	1,703,233	2,148,108	3,241,099	2,703,033
Net Available for Debt Service	887,626	696,930	573,159	1,588,399	1,081,985	1,814,685	2,432,778	2,706,826	2,702,726	2,611,135
<b>Debt Service Requirements:</b>										
<b>Revenue Bonds:</b>										
Principal	0	55,000	190,000	200,000	210,000	215,000	225,000	235,000	250,000	0
Interest	123,539	196,788	510,560	532,930	524,950	515,793	505,895	494,938	472,143	0
Total	123,539	251,788	700,560	732,930	734,950	730,793	730,895	729,938	722,143	0
Coverage	7.18	2.77	0.82	2.17	1.47	2.48	3.33	3.71	3.74	0.00
<b>Sewer Fund Bond Coverage:</b>										
Operating Revenue	\$1,213,097	\$1,013,109	\$1,756,957	\$3,096,646	\$3,627,214	\$3,857,651	\$4,438,971	\$5,324,578	\$6,108,606	\$5,775,367
Operating Expenses	1,270,998	1,056,494	1,128,228	1,730,152	1,295,536	1,243,237	1,566,903	1,742,470	729,460	2,201,298
Net Available for Debt Service	(57,901)	(43,385)	628,729	1,366,494	2,331,678	2,614,414	2,872,068	3,582,108	5,379,146	3,574,069
<b>Debt Service Requirements:</b>										
<b>Revenue Bonds:</b>										
Principal	0	0	0	0	170,000	175,000	185,000	190,000	200,000	210,000
Interest	0	0	0	0	582,450	459,160	451,810	443,670	423,399	425,430
Total	0	0	0	0	752,450	634,160	636,810	633,670	623,399	635,430
Coverage	0.00	0.00	0.00	0.00	3.10	4.12	4.51	5.65	8.63	5.62

**Table 11  
Property Value, Construction and Bank Deposits  
Last Ten Fiscal Years**

---

<b>Fiscal Year</b>	<b>Total Permits Issued (1)</b>	<b>Building Permits Total Estimated Value of Buildings (1)</b>	<b>Real Property Assessed Value (2)</b>	<b>Banking Activity Bank Debits (3)</b>
1991	112	\$17,604,940	\$139,827,960	\$342,162
1992	206	24,861,185	144,596,530	367,097
1993	356	57,635,020	155,440,520	401,519
1994	301	49,015,494	193,789,870	410,298
1995	294	62,415,454	217,285,530	447,918
1996	447	74,115,054	246,729,100	465,584
1997	525	89,685,240	324,890,600	523,595
1998	513	111,291,583	387,938,790	521,795
1999	537	108,371,590	448,944,160	533,873
2000	413	95,176,832	576,089,580	548,623

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(1) Source: City of Mason, Ohio, Building Inspection Department

(2) Source: Assessed Value from Table 4

(3) Source: Federal Reserve Bank Of Cleveland

**Table 12**  
**Ratio of Annual Debt Service Expenditures**  
**For General Obligation Bonded Debt (1)**  
**To Total General Fund Expenditures**  
**Last Ten Fiscal Years**

Fiscal Year	Principal	Interest(2)	Total Debt Service	Total General Fund Expenditures	Ratio of Debt Service To General Governmental Expenditures
1991	\$40,000	\$49,050	\$89,050	\$2,223,119	4.01%
1992	45,000	45,450	90,450	3,790,969	2.39%
1993	40,000	41,400	81,400	4,590,181	1.77%
1994	40,000	37,800	77,800	5,217,428	1.49%
1995	45,000	34,200	79,200	6,302,273	1.26%
1996	40,000	30,150	70,150	6,716,932	1.04%
1997	40,000	26,550	66,550	7,662,453	0.87%
1998	45,000	22,950	67,950	7,920,259	0.86%
1999	210,000	225,513	435,513	12,902,210	3.38%
2000	215,000	223,943	438,943	11,956,062	3.67%

Source: City of Mason, OH, Department of Finance

(1) General obligation bonds reported in the enterprise funds and special assessment debt with government commitment have been excluded.

(2) Excludes bond issuance and other costs.

**Table 13  
Principal Taxpayers  
December 31, 2000**

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<b>Taxpayer</b>	<b>Assessed Valuation For Fiscal Year 2000</b>	<b>Percentage Of Total Assessed Valuation</b>
Kings Island	\$31,506,980	4.44%
Mitsubishi Electrical Manufacturing	18,751,610	2.64%
Procter & Gamble Company	16,586,700	2.34%
Cincinnati Gas & Electric	13,627,560	1.92%
Makino Inc.	12,515,680	1.76%
Mason Christian Village	6,210,290	0.87%
Cintas Sales Corporation	5,802,540	0.82%
Heritage Club Ltd.	4,682,280	0.66%
Drees Company	4,440,700	0.63%
Cincinnati Electronics	3,243,840	0.46%
All Others	592,718,230	83.47%
<b>Total Assessed Valuation</b>	<b>\$710,086,410</b>	<b>100%</b>

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Source: Warren County Auditor's Office

**Table 14**  
**Synopsis Of Insurance**  
**December 31, 2000**

Coverage	Carrier	Policy Number	Policy Period	Liability Limits Aggregate	Deductible	Annual Premium
General Liability	USF & G	30025412001	01/01/99-12/31/00	\$500,000 excess of \$250,000	\$2,500	
Property Liability	NPX/Reliance	BEA0134B71	01/01/99-12/31/00	\$10,000,000 excess of \$1,000,000		
	Chubb	3534-33-17	01/01/99-12/31/00	Excess of \$1,000,000 up to appraised value on members buildings		
<b>Liability:</b>						
Public Officials Liabil	USF & G	30025412001	01/01/99-12/31/00	\$500,000 excess of \$500,000	\$2,500	
Excess Public Officials	NPX/Reliance	BEA0134B71	01/01/99-12/31/00	\$10,000,000 excess of \$1,000,000	\$2,500	
<b>Total Premium</b>						<b>\$93,618</b>

**Table 15  
Demographic Statistics  
December 31, 2000**

<b>Population for the Last Ten Years</b>		
	1991	11,871
1992	12,079	
1993	12,287	
1994	12,495	
1995	13,244	
1996	14,366	
1997	15,863	
1998	17,501	
1999	19,500	
2000	22,016	

<b>School Enrollment for the Last Ten Years</b>		
	1991	2,653
1992	2,731	
1993	2,866	
1994	3,091	
1995	3,420	
1996	3,845	
1997	4,371	
1998	5,364	
1999	6,100	
2000	6,711	

<b>Unemployment Rate for the Last Ten Years*</b>		
	1991	4.90%
1992	6.10%	
1993	6.00%	
1994	4.90%	
1995	3.80%	
1996	3.70%	
1997	3.20%	
1998	2.60%	
1999	3.00%	
2000	3.80%	

Source: City of Mason, Ohio, Community Development Department

\* Information is only available for Warren County

**Table 16**  
**Miscellaneous Statistics**  
**December 31, 2000**

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<b>Date of Incorporation</b>	1971
<b>Form of Government</b>	Council/Manager
<b>Number of Employees</b>	
<b>Full Time</b>	115
<b>Part Time</b>	146
<b>Area in Square Miles</b>	17.5
<b>Number of Streets</b>	400
<b>Number of Lane Miles</b>	225

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<b>Cultural &amp; Recreation:</b>	
Parks	6
Park acreage	239
Swimming Pool	1

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<b>Police Protection:</b>	
Number of Stations	1
Number of Police Personnel	
Full time	32.5
Number of Patrol Units	23

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<b>Fire &amp; Emergency Medical:</b>	
Number of Stations	2
Number of Fire Personnel	
Full time	8
Part time	82
Number of Emergency Vehicles	18

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<b>Education:</b>	
Number of Elementary Schools	4
Number of Elementary School In	235
Number of Secondary Schools	2
Number of Secondary School Ins	172

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Source: City of Mason, Ohio, Economic Development Department



**PLATTENBURG & ASSOCIATES, INC./CERTIFIED PUBLIC ACCOUNTANTS**

8280 MONTGOMERY ROAD, SUITE 210/ CINCINNATI, OH 45236 • (513) 891-2722 • FAX (513) 891-2760  
2211 SOUTH DIXIE AVENUE/ DAYTON, OH 45409 • (937) 294-1505 • FAX (937) 294-1507

**Report on compliance and on internal control over financial reporting  
based on an audit of financial statements performed in accordance with  
*Government Auditing Standards***

May 18, 2001

Honorable City Council  
City of Mason, Ohio

We have audited the general purpose financial statements of the City of Mason, Ohio (the City), as of and for the year ended December 31, 2000, and have issued our report thereon dated May 18, 2001. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

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

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.

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 over financial reporting that might be

material weaknesses. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

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

Plattenburg & Associates, Inc.  
Certified Public Accountants



STATE OF OHIO  
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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

Telephone 614-466-4514  
800-282-0370

Facsimile 614-466-4490

**CITY OF MASON**

**WARREN 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**