



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

CITY OF SPRINGBORO
WARREN COUNTY

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

City of Springboro
Warren County
320 West Central Avenue
Springboro, Ohio 45066

To the City Council:

We have audited the financial statements of the City of Springboro, Warren County, Ohio (the City), except for the Golf Course Fund which was audited by Wilson, Shannon and Snow, Inc, as of and for the year ended December 31, 2001, in which we noted the City adopted Governmental Accounting Standards Board (GASB) Statement numbers 33 and 36, and have issued our report thereon dated June 14, 2002. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the City of Springboro's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance that are required to be reported under *Government Auditing Standards* which are described in the accompanying schedule of as items 2001-20483-001 through 2001-20483-005.

We also noted certain immaterial instances of noncompliance that we have reported to management of the City in a separate letter dated June 14, 2002.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City of Springboro's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the City's ability to record, process, summarize and report financial data consistent with assertions of management in the financial statements. The reportable conditions are described in the accompanying schedule of findings as items 2001-20483-001 and 2001-20483-006.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe the reportable conditions described above are not material weaknesses. We also noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the City of Springboro in a separate letter dated June 14, 2002.

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

A handwritten signature in black ink, appearing to read "Jim Petro", with a large, stylized loop at the end of the signature.

Jim Petro
Auditor of State

June 14, 2002

**CITY OF SPRINGBORO
WARREN COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2001**

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

FINDING NUMBER 2001-20483-001

Material Noncompliance/Reportable Condition

Ohio Rev. Code, Section 5705.41(D), states that:

No subdivision or taxing unit shall make any contract or order any expenditure of money unless there is attached thereto a certificate of the fiscal officer of the subdivision that the amount required to meet the same... has been lawfully appropriated for such purpose and is in the treasury or in the process of collection to the credit of an appropriate fund free from any previous encumbrances. Every such contract made without such a certificate shall be null and void and no warrant shall be issued in payment of any amount due thereon.

This section also provides two "exceptions" to the above requirements:

- A. Then and Now Certificate - If no certificate is furnished as required, upon receipt of the fiscal officer's certificate that a sufficient sum was appropriated and free of any previous encumbrances, the City Council may authorize the issuance of a warrant in payment of the amount due upon such contract or order by resolution within 30 days from the receipt of such certificate.
- B. If the amount involved is less than one thousand dollars, the fiscal officer may authorize it to be paid without the affirmation of the City Council, if such expenditure is otherwise valid.

The availability of funds was not certified for 22.5% of the expenditures we tested. These uncertified commitments did not meet the exception criteria described above and they were not properly encumbered.

FINDING NUMBER 2001-20483-002

Material Noncompliance

Ohio Rev. Code, Section 9.38, states public money must be deposited with the treasurer of the public office or to a designated depository on the business day of the receipt, if the total amount of such moneys received exceeds \$1,000. If the total amount does not exceed \$1,000, the public official has the option of either depositing the money on the next business day following the day of receipt or adopting a policy permitting a different time period. The alternate time period, however, shall not exceed three business days following the day of receipt. Further, the policy must include procedures to safeguard the money until the time of deposit. Building and Zoning department permit receipts were not deposited timely in 20% of items tested. We also noted several gaps in the ledger and per inquiry and review of the ledgers determined that deposits are only made when a particular employee is working. Failure to deposit receipts by the business day following the day of receipt could result in misappropriation of receipts. We recommend that receipts are deposited timely.

FINDING NUMBER 2001-20483-003

Material Noncompliance

Ohio Rev. Code, Section 5705.39, states that the total appropriations from each fund should not exceed the total estimated resources. During 2001, the City had appropriations that exceeded the total estimated revenue in the following funds:

Fund	Appropriations	Estimated Resources	Variance
Year End:			
Golf Course Fund	2,140,700	(365,406)	(2,506,106)
Interim Testing:			
COPS Grant	129,725	52,550	(69,175)
Land Acquisition	1,080,000	500,828	(579,172)

The Finance Director and City Council should review the amounts certified by the budget commission before making appropriations.

FINDING NUMBER 2001-20483-004

Material Noncompliance

Ohio Rev. Code, Section 5705.41(B), prohibits a subdivision or taxing unit from making an expenditure unless it has been properly appropriated. During interim testing, expenditures exceeded appropriations in the following funds and amounts:

Fund	Expenditures	Appropriations	Variance
Park Acquisition (355.430.52300)	56,073	16,512	(39,561)
Bond Retirement (403.800.58210)	4,020,000	3,420,000	(600,000)

Failure to limit expenditures to the amount appropriated could result in expenditure commitments exceeding resources available.

FINDING NUMBER 2001-20483-005

Material Noncompliance

Ohio Rev. Code, Section 5705.10, provides that money paid into any fund shall be used only for purposes for which such fund is established.

At December 31, 2001, the Golf Course Fund had a negative fund balance of \$2,234,064. The following funds had negative fund balances during the audit period: COPS Grant (Fund 250), Street Capital Improvement (Fund 304), Land Acquisition (Fund 356), Clearcreek Park Project (Fund 360), Bond Retirement (Fund 403), Trash (Fund 630), Library Trust Fund (Fund 811) and Health Insurance Trust (Fund 815). A deficit cash balance indicates that money from another fund(s) has been used to pay the obligations of the aforementioned funds. We recommend that the City implement procedures to monitor fund cash balances.

FINDING NUMBER 2001-20483-006

Reportable Condition – Monitoring Cash Deficit in Golf Course Fund

Historically, the Golf Course fund has not generated sufficient cash from operations to be self supporting. The debt service and related interest payments has and continues to add to the operating deficit of the golf course.

As of December 31, 2001 the deficit was \$2,234,064 which is an improvement from the prior year deficit of \$2,674,504. However, it is important to note the \$440,440 improvement includes an operating transfer of \$250,000 and interest earning allocations from a pooled investment of approximately \$50,000.

Section III of the City's Annual Appropriation ordinance No. 0-0-01 dated December 21, 2000 states that "The Golf Fund can achieve a positive fund balance through revenues generated by the golf course operations and contributions from other funds. It is the commitment of City Council that the Golf Fund be restored to a positive balance within a ten year period." In July of 2001, City management developed a plan to eliminate the cash deficit in the Golf Course Fund by July 2006. Prior to these actions, the City did not have a formal plan to reduce the cash deficit of the Golf Course Fund.

In addition to the above plan, management of the City believe the General Fund and the Income Tax Capital Improvement Fund will generate an excess of revenues over expenditures over the next four years to provide sufficient monies to transfer to the Golf Course fund, if necessary.

In an effort to improve the deficit and to address weaknesses in the management agreement the City of Springboro negotiated a revised management agreement dated October 16, 2001. Although there were some favorable changes made to this agreement, the revised contract still provides no incentive for AGC to generate operating income. The base management fee under the former agreement was \$154,992, which included \$99,996 for golf course management and \$54,996 to manage the food and beverage area. Under the new agreement the management fee is \$155,000 which includes the food and beverage. The incentive management fee under the prior agreement was equal to 10% of all gross revenues in excess of \$750,000. Under the new agreement, the incentive is 2% of all gross revenues in excess of \$1,450,000. For example, if the golf course generated \$1,500,000 in revenue under the prior arrangement, the total fees paid to the management company would have been \$229,992. Under the new agreement if \$1,500,000 in revenue is generated the total fees paid to the management company would be \$156,000. Although this is an improvement over prior year, we believe the incentive payment should be based on operating revenue and not gross revenue.

We recommend the City modify the management agreement with American Golf Corporation to focus the incentive on managing operating income. If this modification is made, AGC will also be focusing their efforts on making the golf course self supporting. If AGC and the City work together to achieve the same goal it is more likely to occur.

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**CITY OF SPRINGBORO
WARREN COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2001**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain:</i>
2000-20483-001	Material Internal Control Weakness over Golf Course	No	Partially Corrected and Reissued as Finding 2001-01 (Reportable Condition) in the 2001 Golf Course Fund Audit performed by Wilson, Shannon and Snow, Inc and as Finding 2001-20483-006.
2000-20483-002	Reportable Condition – Cash Deficit in Golf Course Fund and AGC Finances	No	Partially Corrected. These issues were included in Finding 2001-01 (Reportable Condition) in the 2001 Golf Course Fund Audit performed by Wilson, Shannon, and Snow, Inc and as Finding 2001-20483-006.
2000-20483-003	Appropriations Exceeding Estimated Resources	No	Repeated as Finding 2001-20483-004
2000-20483-004	Negative Cash Balances	No	Reissued as Finding 2001-02 in the 2001 Golf Course Fund Audit performed by Wilson, Shannon and Snow, Inc and as Finding 2001-20483-005.

THE CITY OF SPRINGBORO, OHIO

WARREN COUNTY



COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2001

THE CITY OF SPRINGBORO, OHIO

WARREN COUNTY

COMPREHENSIVE
ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2001

Prepared by:
Department of Finance

Robyn L. Brown
Director of Finance

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INTRODUCTORY SECTION

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City of Springboro, Ohio

320 West Central Avenue

Springboro, Ohio 45066

Phone (513) 748-4353

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June 14, 2002

Honorable Mayor, Members of Council
And Citizens of Springboro
Springboro, Ohio

We are pleased to present the City of Springboro Comprehensive Annual Financial Report (CAFR) for the fiscal year ended December 31, 2001. 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.

This CAFR is divided into three sections as follows.

1. Introductory Section - This section introduces the reader to the report and includes the table of contents, this transmittal letter, the list of principal officials and the City's organizational chart.
2. Financial Section - Included within this section are the Report of Independent Accountants, the general purpose financial statements and the notes to the general purpose financial statements. The remainder of the financial section consists of the combining financial statements, individual fund statements and schedules focusing on individual funds rather than fund types.
3. 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.

THE CITY

Although we became a City just twenty-two years ago, Springboro has earned the reputation as being a very progressive community. The City is located in the southwestern part of the State of Ohio, within the boundaries of Warren County, of which Lebanon is the county seat. The City is a home rule municipal corporation, organized under the laws of the State of Ohio, which operates under its own Charter. The current Charter, which provides, for a Council/Manager form of government, was adopted on November 7, 1978, effective on January 1, 1979 and was amended November 6, 1984 and November 7, 2000. The seven-member Council is elected to four-year terms. The Council appoints a City Manager who serves as the chief executive officer, the head of the administrative agencies and a law enforcement officer of the City. The City Manager appoints all of the department managers.

REPORTING ENTITY AND SERVICES

A reporting entity is composed of the primary government, component units and other organizations that are included to ensure that the financial statements are complete. The primary government of the City consists of all funds and departments which comprise the legal entity of the City and which provide various services including police, street construction and maintenance, traffic signalization, street lighting, planning and zoning, building inspections, recreation, parks, the library, recycling and general administrative services. In addition, golf, sewer, water and trash collection and disposal services are provided under an enterprise concept with user charges set by the City Council to ensure adequate coverage of operating expenses and payments on outstanding debt.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the City in that the City approves their budget, the issuance of their debt or the levying of their taxes. The City of Springboro does not have any component units.

The Warren County General Health District was determined to be a jointly governed organization and the Ohio Municipal League of Workers' Compensation Group Rating Plan was determined to be a group purchasing pool. These entities are discussed further in Notes 20 and 21.

ECONOMIC OUTLOOK

Growth and development within the City of Springboro is expected to exceed the national and state average due to the City's physical location along Interstate 75 between Cincinnati and Dayton. Population in the City of Springboro was officially counted on April 1, 2000 by the United States Census Bureau as 12,380. The main factor contributing to this growth is an abundance of available building sites, which offer appealing terrain, location, amenities, small town atmosphere and a low crime rate. As a result, 267 single-family residential construction permits were issued in 2001. This was a slight decrease from the 311 permits issued in 2000. It is expected that the growth will continue in 2002.

Since the City annexed the South Tech Business Park in 1997 and began marketing the new Stolz Industrial Park in 1998, industrial growth in Springboro has blossomed. In 2001, the City witnessed the addition of 142 new jobs and an additional payroll worth an estimated \$4.7 million.

The City continues to be an attractive location for a wide range of retail shops as well. The City maintains an active role in preserving and enhancing its historical downtown. In 1999, the City's downtown historic district was placed on the National Register of Historic Places. The City continues to be an active participant in state and regional downtown and tourism development programs.

MAJOR INITIATIVES

For the Year:

The citizens of Springboro are the City's greatest asset. The government's greatest concern in preparing each year's budget is to provide services that address citizens' needs and safeguard their environment in conformity with applicable Federal and State laws.

Community Park Master Plan Initiatives: The Park Board commissioned the completion of a master plan for Community Park in 1998. While the 2000 budget and capital improvements list for Community Park dedicated close to \$100,000 for the various components of the plan, additional projects were completed in 2001. The 2001 projects included the first phase of a walking trail for the park with two bridges extending over the creek, landscaping for the new shelter/restroom and installation of new playground equipment.

North Park: Development of new recreational equipment and capital improvements continued in 2001 with the construction of a Skate Park at North Park valued at over \$50,000 and the design completion of an amphitheater for the community. The Park Board's completion of the North Park amphitheater will take three years to phase into the budget.

Strategic Planning: Springboro continues to experience residential and commercial growth. The availability of natural resources, an effective transportation system, strong economic markets and the area's natural beauty will most likely prolong the growth opportunities into the 21st century.

In October of 1994, a Strategic Planning Committee was formed, bringing together concerned citizens with employees of the City, to participate in a comprehensive process to plan for the future of our community. This process was completed in 1996.

In 1998 the staff implemented many of the initiatives that were defined by the Strategic Planning Committee. Also in 1998 the City's Land Use Plan and Economic Development Marketing Plan were developed. In 1999 the Strategic Plan and Land Use Plan became the foundations of the City's everyday activities and decisions. In 2001 comprehensive planning in parks, streetscape, landscaping and mobility continued via staff and citizens once again working with consultants to create the best for Springboro following the Strategic vision. Sewer Master Planning and joint land use planning were also achieved in 2001.

For the Future

Street Capital Improvements: The Mobility Master Plan was completed in 2001 which analyzed both motorized and non-motorized transportation needs and developed a capital improvement plan. The proposed 2002 budget includes funding for \$1,947,000 of street capital improvements in various areas. \$500,000 is designated for the City's annual asphalt resurfacing and miscellaneous street repair program. There is \$160,000 designated for Community Development Block Grant projects for improvements of a portion of East Street and West South Street. There is \$755,000 designated for Issue II projects for improvements on Lytle-Five Points Road and South Main Street, \$300,000 designated for an Ohio Department of Transportation project on State Route 73, \$100,000 designated for improvements to West Mill Street and \$132,000 designated for other smaller projects.

Water System Improvements: In 1995, the City commissioned the development of a Water Master Plan study in conjunction with the strategic planning process. This plan was updated in 1998 and 2001 to evaluate how the City's growth and development had compared to that projected in the earlier study. The projects that were identified in the study that are planned for 2002 include the following:

1. The City acquired an alternative wellfield site in 1999 and had a large production well installed on the property. The 2002 budget includes funding for the installation of a pump, piping and appurtenances and an emergency generator for the development of this contingency wellfield site. This contingency wellfield is independent of the primary wellfield and will have a capacity of 4.32-MGD. The 2002 budget includes \$600,000 for the development of this wellfield. This project should be completed in the fall of 2002.

2. The City will construct an 8” water main on West Factory Road between Catalpa Drive and West Market Street. The 2002 budget includes \$5,000 for the design of this water main and \$45,000 for the construction.
3. The City will replace an existing 6” water main on East Street with a new 8” main as part of the reconstruction of East Street. This is a six-year project with one block being reconstructed each year. The 2002 budget includes \$25,000 for the construction of the water main.
4. The City will construct a new 1 MG elevated water tower in the south end of the City. This water tower will provide better pressure and fire flows for that part of the City. The 2002 budget includes \$1,500,000 for the construction.
5. The City will repaint the existing Springboro Junior High School water tower. The 2002 budget includes \$15,000 to complete the design and \$150,000 to complete this work.
6. The City will continue with the installation of new isolation valves in the older area of the City. The 2002 budget includes \$15,000 for this project.

Sewer System Improvements: The City has developed a Sanitary Sewer Master Plan to address the sewer collection system and treatment plant needs for the next 20 years. This plan will include an analysis of the system and the development of a Capital Improvement Program (CIP) to address these needs. These CIP projects will be included in future proposed budgets and the following projects are included in the 2002 budget:

1. There is \$80,000 designated for the design of the Bailey Trunk Sewer and \$850,000 for the construction of this sewer.
2. There is \$80,000 designated for the design of the NW Area Trunk Sewer Phase I and \$800,000 for the construction of this sewer.
3. There is \$20,000 designated for the design of the upgrade of the Eagle Ridge Lift Station and \$120,000 for the construction of this upgrade.
4. There is \$15,000 designated for the design of the Yankee Road Sanitary Sewer Phase I and \$145,000 for the construction of this sewer.
5. There is \$30,000 designated for the design of the Yankee Road Sanitary Sewer Phase II and \$290,000 for the construction of this sewer.
6. The City will also begin the design of the Waste Water Treatment Plant expansion in 2002. The 2002 budget includes \$300,000 for this design.

FINANCIAL INFORMATION

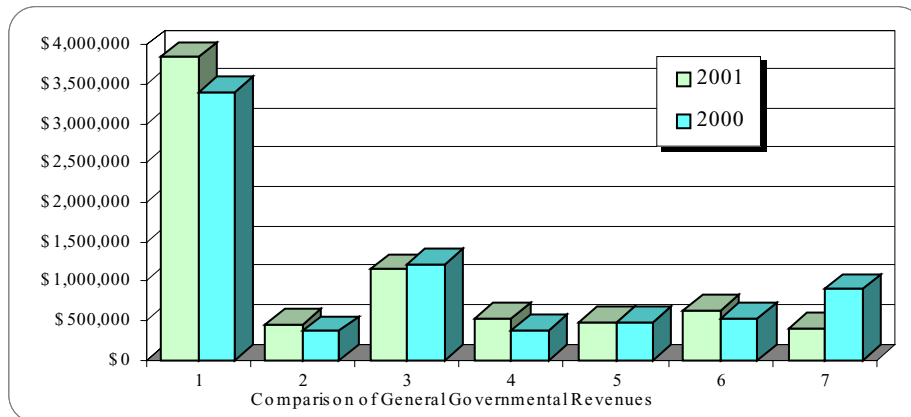
Internal Controls: In developing and evaluating the City's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or 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, other than agency funds, be budgeted and appropriated. 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 resolution. Upon adoption of the annual budget resolution by the Council, it becomes the formal budget for City operations. After the budget resolution 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 maintains a monitoring system to facilitate budgetary control over proposed purchases. Essentially, the system entails the use of weekly computerized printouts which detail year-to-date actual versus budgeted expenditures comparisons of the various funds by budgeted line item. At the close of each 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 succeeding calendar year and need not be reappropriated.

As part of the City's strategic planning process, a computer modeling system is being developed to assist in financial, operational and capital planning. The modeling system also will be expanded to create a budgetary management tool. The system will be designed to provide timely analyses and projections and assist the administration in adjusting to the monthly dynamics of a growth community.

General Government Functions: The following schedules present a summary of general governmental revenues (including general, special revenue and debt service funds) for the year ended December 31, 2001, the percentage of each source to total revenues, and the amount of increase or decrease in relation to the prior year's revenue.

Revenue Source	2001 Total	Percent of Total	2000 Total	Percent of Total	Increase (Decrease) over 2000	Percent of Increase (Decrease)
1. Municipal Income Tax	\$3,843,818	51.52%	\$3,401,229	46.93%	\$442,589	13.01%
2. Property Taxes	451,562	6.05%	359,309	4.96%	92,253	25.68%
3. Intergovernmental Revenues	1,149,376	15.41%	1,219,893	16.84%	(70,517)	(5.78%)
4. Charges for Services	526,743	7.06%	381,632	5.27%	145,111	38.02%
5. Fines, Licenses, & Permits	470,299	6.30%	469,479	6.48%	820	0.17%
6. Investment Earnings	619,578	8.30%	519,956	7.18%	99,622	19.16%
7. All Other Revenues	399,685	5.36%	894,093	12.34%	(494,408)	(55.30%)
Total	<u>\$7,461,061</u>	<u>100.00%</u>	<u>\$7,245,591</u>	<u>100.00%</u>	<u>\$215,470</u>	



Municipal Income Tax increased by \$442,589 due to an increase in residential growth and additional new jobs created by industrial growth in the City.

Intergovernmental Revenues decreased by \$70,517 due to a timing difference between fiscal years in the receipting of accrued revenues.

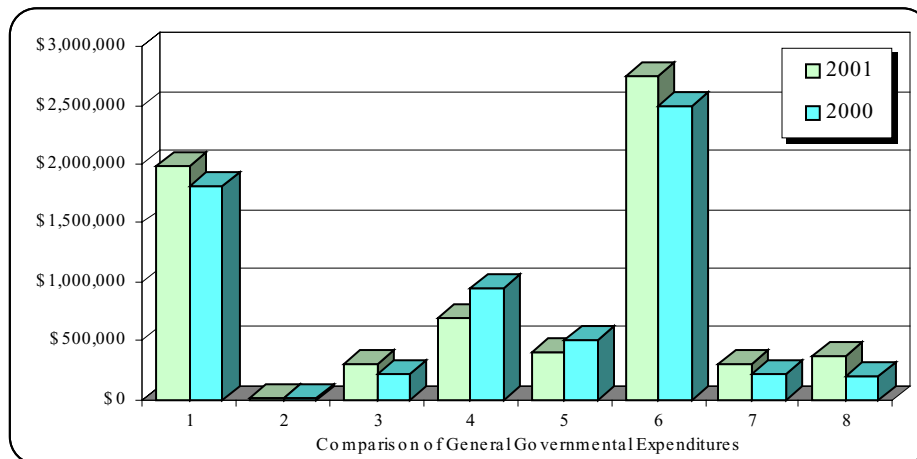
Charges for Services increased by \$145,111 due to an increase in charges to other funds for health insurance premiums.

Investment earnings increased \$99,622 compared to 2000. The increase was primarily due to the higher invested balances throughout the year and the use of a professional investment advisor. The City's investment policies are discussed in more detail later in this letter under the topic of "Cash Management."

Miscellaneous revenues decreased by \$494,408 in 2001 because fiscal year 2000 saw an inordinate amount of reimbursements that were not repeated within the current fiscal year.

Expenditures for general governmental purposes (as previously defined) totaled \$6,788,324, an increase of \$391,837 or 6.1% over 2000. Expenditures for the major functions of the City, increases/(decreases) over 2000 and the percentage of the total are shown in the following table:

Function	2001 Total	Percent of Total	2000 Total	Percent of Total	Increase (Decrease) over 2000	Percent of Increase (Decrease)
1. Security of Persons & Property	\$1,982,231	29.20%	\$1,817,020	28.41%	\$165,211	9.09%
2. Public Health & Welfare Services	1,874	0.03%	1,923	0.03%	(49)	(2.55%)
3. Leisure Time Activities	296,561	4.37%	206,529	3.23%	90,032	43.59%
4. Community Environment	684,998	10.09%	950,210	14.86%	(265,212)	(27.91%)
5. Transportation	400,002	5.89%	505,980	7.91%	(105,978)	(20.95%)
6. General Government	2,759,509	40.65%	2,501,915	39.10%	257,594	10.30%
7. Debt Service - Principal	296,154	4.36%	215,986	3.38%	80,168	37.12%
8. Debt Service - Interest	366,995	5.41%	196,924	3.08%	170,071	86.36%
Total	\$6,788,324	100.00%	\$6,396,487	100.00%	\$391,837	



Security of Persons and Property expenditures increased by \$165,211 due to an increase in wages, benefits and capital equipment associated with additional police staff.

Leisure Time Activities expenditures increased by \$90,032 due to the purchase of new maintenance equipment.

Community Environment expenditures decreased by \$265,212 due to a decrease in contracted professional services and less capital equipment purchases in the current year.

Transportation expenditures decreased by \$105,978 due to a decrease in maintenance and equipment purchases.

General Government expenditures increased by \$257,594 due to the hiring of additional personnel and the increased use of contracted professional services for the various administrative departments.

Special Revenue Funds: All special revenue funds on a combined basis operated with \$697,139 in revenues and other financing sources and \$784,924 in expenditures and other financing uses during 2001.

Capital Projects Funds: All capital projects funds on a combined basis operated with \$4,122,997 in revenues and other financing sources and \$4,002,073 in expenditures and other financing uses in 2001 which resulted in a increase in fund balance of \$120,924. Capital projects funds will continue to be used to provide resources for capital improvements and renovations, and acquisitions of capital assets as the City Council authorizes expenditures of bond and note proceeds.

Proprietary Operations: The enterprise funds operated by the City include the golf course, sewer, trash and water funds. The City's enterprise funds operated in 2001 with \$9,910,899 in operating and non-operating revenues and transfers - in. This resulted in an increase in retained earnings of \$2,608,674.

Fiduciary Operations: At December 31, 2001, assets recorded in the expendable trust fund and the agency fund were \$156,148 and \$14,581, respectively.

Debt Administration: At December 31, 2001, the City had several debt issues outstanding. These debt issues consisted of \$2,321,000 in special assessment bonds, \$3,616,050 in general obligation bonds, \$4,428,950 in self-supporting general obligation bonds, \$21,300,000 in mortgage revenue bonds, and \$539,144 in capital lease obligations. The City also had \$7,320,000 in notes outstanding that were issued in anticipation of long-term bond financing. All notes are backed by the full faith and credit of the City.

The City's overall legal debt margin at December 31, 2001 was \$26,323,518 and the unvoted legal debt margin was \$9,248,604.

Cash Management: The primary objective of the City's investment activities is the preservation of capital and the 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.

Inactive City funds are typically invested in commercial bank and savings and loan certificates of deposit and repurchase agreements as well as various other instruments guaranteed by the U.S. Government or its agencies. Active City funds are typically invested in overnight repurchase agreements with local commercial banks. At December 31, 2001 the only investments outstanding were in U.S. Government Securities. The city pools its cash for investment purposes and investment income is distributed to the general fund and golf, sewer, and water enterprise funds.

Certain deposits are collateralized with securities held by the pledging financial institution, or by its trust department or agent but not in the City's name under Ohio law. The pool of securities so pledged must have a current market value at least equal to 105% of all public monies on deposit with the depository including the amount covered by federal insurance.

Risk Management: The City has several different insurance policies, each covering a specific category of risk. The property and liability policy runs through April 2002. The limits of liability range from \$2,000,000 to \$5,000,000. Public officials and law enforcement employees are covered under separate policies and have aggregate limits of \$2,000,000 each.

OTHER INFORMATION

Independent Audit: An audit team from Auditor of State Jim Petro's Office has performed this year's audit, excluding the Golf Course Fund. A team from Wilson, Shannon and Snow, Inc. audited the Golf Course Fund financial statements. The results of the audits are presented in the Report of Independent Accountants.

Certificate of Achievement: The Government Finance Officers Association of the United States and Canada (GFOA) did not award a Certificate of Achievement for Excellence in Financial Reporting to the City of Springboro, Ohio, for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2000 due to the inclusion of a qualified opinion on the City's financial statements. The qualified opinion centered upon the financial activities of the Golf Course Fund. The City of Springboro had received this prestigious award twelve consecutive years prior to last year.

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

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

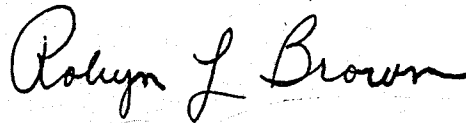
Acknowledgment: Sincere appreciation is extended to the many people who have contributed their time and effort to prepare this report. The Finance Department Staff is to be commended for their input and commitment.

We would like to express appreciation to Mr. Donald J. Schonhardt, and his staff for their guidance and efforts in preparing this report.

Sincerely,



Christine A. Thompson
Acting City Manager



Robyn L. Brown
Director of Finance

THE CITY OF SPRINGBORO, OHIO
WARREN COUNTY
CITY OFFICIALS
AS OF DECEMBER 31, 2001

John Agenbroad, Mayor

<i>Council</i>	<i>Title</i>	<i>Years of Service *</i>	<i>Term expires</i>
Gary Hruska	Councilman Ward I	4	December 2005
Barry Wert	Councilman Ward II	4	December 2005
Bruce Camealy	Councilman Ward III	8	December 2005
Greg Bell	Councilman Ward IV	8	December 2005
Marie Belpulsi	Councilman at Large	8	December 2003
Thomas LaDu	Councilman at Large	2	December 2003

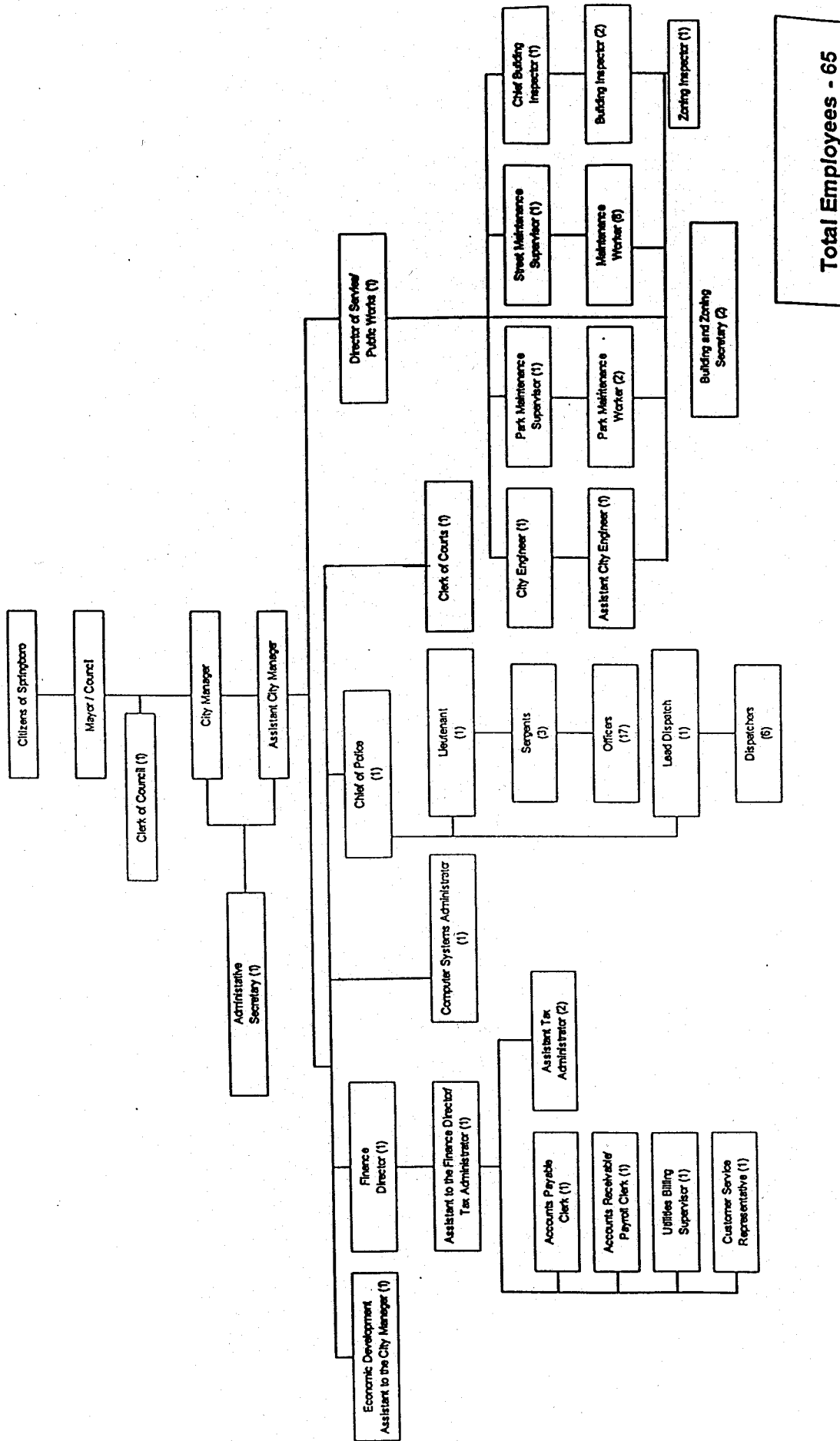
Lori Martin Clerk of Council

F. Wallace Douthwaite, City Manager

<i>Appointed Officials</i>	<i>Title</i>
Christine Thompson	Assistant City Manager
Barry Conway	Director of Public Works
Kenneth Smith	Street Maintenance Supervisor
Roger Eckert	City Solicitor
Michael Schepers	Director of Economic Development
Robyn Brown	Director of Finance
Cheryl Oliver	Assistant Director of Finance/ Income Tax Administrator
Linda Harrison	Clerk of Mayor's Court
Mark Klontz	Chief Building Inspector
Dan McDonald	Chief of Police
Vincent Murphy	Park Maintenance Supervisor
Deitra Mullins	Utilities Billing Supervisor
Raj Sharma	City Engineer
Elmer Dudas	Assistant City Engineer

* Denotes length of service with the City, not necessarily solely in the capacity which they now

CITY OF SPRINGBORO 2001 Organizational Chart





FINANCIAL SECTION

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STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

250 West Court Street
Suite 150 E
Cincinnati, Ohio 45202
Telephone 513-361-8550
800-368-7419
Facsimile 513-361-8577
www.auditor.state.oh.us

REPORT OF INDEPENDENT ACCOUNTANTS

City of Springboro
Warren County
320 West Central Avenue
Springboro, Ohio 45066

To the City Council:

We have audited the accompanying general-purpose financial statements of the City of Springboro, Warren County, Ohio (the City), as of and for the year ended December 31, 2001, as listed in the table of contents. These general-purpose financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these general-purpose financial statements based on our audit. We did not audit the financial statements of the Golf Course Fund which statements reflect total assets of \$11,384,367 as of December 31, 2001, and total revenues of \$2,189,560 for the year then ended. Those financial statements were audited by other auditors whose report has been furnished to us, and our opinion on the financial statements, insofar as it relates to the amounts included for the Golf Course Fund in the Enterprise Fund Type, is based upon the report of the other auditors.

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

In our opinion, based on our audit and the report of other auditors, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of the City of Springboro, Warren County, as of December 31, 2001, and the results of its operations and the cash flows of its proprietary fund types for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 2, during the year ended December 31, 2001, the City adopted Governmental Accounting Statements No. 33 and 36.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 14, 2002 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.

We performed our audit to form 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 additional analysis and are not a required part of the general-purpose financial statements. We subjected this information 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 data included in the introductory and statistical sections of this report and therefore express no opinion thereon.

A handwritten signature in black ink, appearing to read "Jim Petro", with a large, stylized flourish at the end.

Jim Petro
Auditor of State

June 14, 2002

GENERAL PURPOSE FINANCIAL STATEMENTS

THE FOLLOWING GENERAL PURPOSE FINANCIAL STATEMENTS, ALONG WITH THE NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS, PRESENT AN OVERVIEW OF THE CITY'S FINANCIAL POSITION AT DECEMBER 31, 2001 AND THE RESULTS OF OPERATIONS AND CASH FLOWS OF ITS PROPRIETARY FUNDS FOR THE YEAR THEN ENDED.

THE CITY OF SPRINGBORO, OHIO
COMBINED BALANCE SHEET
ALL FUND TYPES AND ACCOUNT GROUPS
DECEMBER 31, 2001

	<i>Governmental</i>			
	<i>Fund Types</i>			
	General Fund	Special Revenue Funds	Debt Service Fund	Capital Projects Funds
<u>Assets and Other Debits:</u>				
Assets:				
Cash and Cash Equivalents	\$0	\$312,026	\$202,249	\$1,137,963
Investments	0	0	0	3,971,523
Receivables (net of allowance for doubtful accounts):				
Municipal Income Tax	486,148	0	0	239,445
Property Taxes	402,035	0	0	0
Accounts	9,879	65	0	0
Special Assessments	0	0	2,742,090	0
Due from Other Funds	11,481	100	0	0
Intergovernmental Receivables	314,306	266,491	0	340,000
Materials and Supplies Inventory	9,871	60,628	0	0
Inventory Held for Resale	0	0	0	0
Prepaid Items	48,970	2,404	0	0
Advances to Other Funds	2,115,758	0	0	118,306
Restricted Assets:				
Cash and Cash Equivalents	0	0	0	0
Cash with Fiscal and Escrow Agent	0	0	3,237	0
Investments with Fiscal Agent	0	0	0	0
Fixed Assets (net of accumulated depreciation)	0	0	0	0
Deferred Loss on Defeasance	0	0	0	0
Unamortized Bond Issuance Costs	0	0	0	0
Other Debits:				
Amount Available in Debt Service Fund	0	0	0	0
Amount to be Provided for General Long-Term Obligations	0	0	0	0
Total Assets and Other Debits	\$3,398,448	\$641,714	\$2,947,576	\$5,807,237

THE CITY OF SPRINGBORO, OHIO
COMBINED BALANCE SHEET
ALL FUND TYPES AND ACCOUNT GROUPS
DECEMBER 31, 2001

<i>Proprietary Fund Type</i>	<i>Fiduciary Fund Types</i>	<i>Account Groups</i>		Totals (Memorandum Only)
Enterprise Funds	Trust and Agency Funds	General Fixed Assets	General Long-Term Obligations	
\$2,268,736	\$156,148	\$0	\$0	\$4,077,122
9,168,949	0	0	0	13,140,472
0	0	0	0	725,593
0	0	0	0	402,035
870,153	0	0	0	880,097
0	0	0	0	2,742,090
236	0	0	0	11,817
0	0	0	0	920,797
38,660	0	0	0	109,159
30,527	0	0	0	30,527
22,064	0	0	0	73,438
0	0	0	0	2,234,064
59,921	0	0	0	59,921
938,258	14,581	0	0	956,076
1,428,587	0	0	0	1,428,587
57,733,436	0	7,475,220	0	65,208,656
517,195	0	0	0	517,195
836,490	0	0	0	836,490
0	0	0	202,249	202,249
0	0	0	6,249,600	6,249,600
<u>\$73,913,212</u>	<u>\$170,729</u>	<u>\$7,475,220</u>	<u>\$6,451,849</u>	<u>\$100,805,985</u>

(Continued)

THE CITY OF SPRINGBORO, OHIO
COMBINED BALANCE SHEET
ALL FUND TYPES AND ACCOUNT GROUPS
DECEMBER 31, 2001

	<i>Governmental</i>			
	<i>Fund Types</i>			
	General Fund	Special Revenue Funds	Debt Service Fund	Capital Projects Funds
<u>Liabilities, Equity and Other Credits:</u>				
Liabilities:				
Accounts Payable	\$109,054	\$8,943	\$0	\$386,801
Accrued Wages and Benefits	124,022	11,401	0	0
Due to Other Funds	236	0	0	0
Intergovernmental Payables	26,237	1,983	0	0
Advances from Other Funds	0	0	0	0
Undistributed Monies	0	0	0	0
Accrued Interest Payable	0	0	0	117,894
Deferred Revenue	702,263	194,640	2,742,090	397,479
Compensated Absences Payable	0	0	0	0
Estimated Loss Contingency	0	0	0	0
Capital Leases Payable	0	0	0	0
Claims and Judgments Payable	29,887	0	0	0
Matured Bonds and Interest Payable	0	0	3,237	0
General Obligation Notes Payable	0	0	0	6,120,000
Refundable Deposits	0	0	0	0
Special Assessment Bonds Payable with Governmental Commitment	0	0	0	0
General Obligation Bonds Payable	0	0	0	0
Mortgage Revenue Bonds Payable	0	0	0	0
Total Liabilities	991,699	216,967	2,745,327	7,022,174
Equity and Other Credits:				
Investment in General Fixed Assets	0	0	0	0
Contributed Capital	0	0	0	0
Retained Earnings:				
Reserved for Replacement and Improvement	0	0	0	0
Unreserved	0	0	0	0
Total Retained Earnings	0	0	0	0
Fund Balances:				
Reserved for Encumbrances	144,236	10,223	0	1,409,356
Reserved for Advances	2,115,758	0	0	118,306
Reserved for Supplies Inventory	9,871	60,628	0	0
Reserved for Prepaid Items	48,970	2,404	0	0
Reserved for Debt Service	0	0	202,249	0
Unreserved:				
Undesignated	87,914	351,492	0	(2,742,599)
Total Equity and Other Credits	2,406,749	424,747	202,249	(1,214,937)
Total Liabilities, Equity and Other Credits	\$3,398,448	\$641,714	\$2,947,576	\$5,807,237

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

THE CITY OF SPRINGBORO, OHIO
COMBINED BALANCE SHEET
ALL FUND TYPES AND ACCOUNT GROUPS
DECEMBER 31, 2001

<u>Proprietary Fund Type</u>	<u>Fiduciary Fund Types</u>	<u>Account Groups</u>		<u>Totals (Memorandum Only)</u>
Enterprise Funds	Trust and Agency Funds	General Fixed Assets	General Long-Term Obligations	
\$123,780	\$0	\$0	\$0	\$628,578
29,192	0	0	0	164,615
0	11,581	0	0	11,817
31,225	1,990	0	88,772	150,207
2,234,064	0	0	0	2,234,064
0	1,010	0	0	1,010
147,396	0	0	0	265,290
0	0	0	0	4,036,472
30,423	0	0	107,855	138,278
250,000	0	0	0	250,000
220,972	0	0	318,172	539,144
0	0	0	0	29,887
0	0	0	0	3,237
1,200,000	0	0	0	7,320,000
59,921	0	0	0	59,921
0	0	0	2,321,000	2,321,000
4,411,130	0	0	3,616,050	8,027,180
21,300,000	0	0	0	21,300,000
30,038,103	14,581	0	6,451,849	47,480,700
0	0	7,475,220	0	7,475,220
27,670,281	0	0	0	27,670,281
297,633	0	0	0	297,633
15,907,195	0	0	0	15,907,195
16,204,828	0	0	0	16,204,828
0	0	0	0	1,563,815
0	0	0	0	2,234,064
0	0	0	0	70,499
0	0	0	0	51,374
0	0	0	0	202,249
0	156,148	0	0	(2,147,045)
43,875,109	156,148	7,475,220	0	53,325,285
\$73,913,212	\$170,729	\$7,475,220	\$6,451,849	\$100,805,985



THE CITY OF SPRINGBORO, OHIO
COMBINED STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2001

	<i>Governmental Fund Types</i>			<i>Fiduciary Fund Type</i>		Totals (Memorandum Only)
	General Fund	Special Revenue Funds	Debt Service Fund	Capital Projects Funds	Expendable Trust Fund	
Revenues:						
Municipal Income Tax	\$3,843,818	\$0	\$0	\$1,922,297	\$0	\$5,766,115
Property and Other Taxes	401,562	50,000	0	35,000	0	486,562
Intergovernmental Revenues	589,111	556,995	3,270	0	0	1,149,376
Charges for Services	526,743	0	0	0	0	526,743
Fines, Licenses and Permits	470,173	126	0	178,005	0	648,304
Investment Earnings	619,578	0	0	59,711	0	679,289
Special Assessments	0	0	261,317	0	0	261,317
Donations	0	8,096	0	0	0	8,096
All Other Revenues	128,350	1,922	0	155,929	0	286,201
Total Revenues	6,579,335	617,139	264,587	2,350,942	0	9,812,003
Expenditures:						
Current:						
Security of Persons and Property	1,831,568	150,663	0	0	0	1,982,231
Public Health and Welfare Services	1,874	0	0	0	0	1,874
Leisure Time Activities	296,561	0	0	0	0	296,561
Community Environment	684,998	0	0	0	0	684,998
Transportation	0	400,002	0	0	0	400,002
General Government	2,753,860	5,649	0	178,485	0	2,937,994
Capital Outlay	0	0	0	2,254,887	0	2,254,887
Debt Service:						
Principal Retirements	4,827	65,927	225,400	0	0	296,154
Interest and Fiscal Charges	784	20,683	345,528	201,128	0	568,123
Total Expenditures	5,574,472	642,924	570,928	2,634,500	0	9,422,824
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,004,863	(25,785)	(306,341)	(283,558)	0	389,179
Other Financing Sources (Uses):						
Proceeds from Sale of Land	0	0	0	176,055	0	176,055
Operating Transfers In	75,883	80,000	483,787	1,596,000	0	2,235,670
Operating Transfers Out	(901,097)	(142,000)	0	(1,367,573)	0	(2,410,670)
Total Other Financing Sources (Uses)	(825,214)	(62,000)	483,787	404,482	0	1,055
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	179,649	(87,785)	177,446	120,924	0	390,234
Restated Fund Balance (Deficit)						
Beginning of Year	2,229,069	496,363	24,803	(1,335,861)	156,148	1,570,522
Increase (Decrease) in Inventory Reserve	(1,969)	16,169	0	0	0	14,200
Fund Balance (Deficit) End of Year	\$2,406,749	\$424,747	\$202,249	(\$1,214,937)	\$156,148	\$1,974,956

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

THE CITY OF SPRINGBORO, OHIO
COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2001

	<i>General Fund</i>			<i>Special Revenue Funds</i>		
	Revised Budget	Actual	Variance: Favorable (Unfavorable)	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:						
Municipal Income Tax	\$3,593,699	\$3,855,088	\$261,389	\$0	\$0	\$0
Property and Other Taxes	399,001	399,712	711	49,930	50,000	70
Intergovernmental Revenues	683,800	693,134	9,334	518,000	555,086	37,086
Charges for Services	535,000	535,930	930	0	0	0
Fines, Licenses and Permits	450,854	467,321	16,467	26	26	0
Special Assessments	0	0	0	0	0	0
Investment Earnings	552,196	619,547	67,351	0	0	0
Donations	0	0	0	7,548	8,031	483
All Other Revenues	136,602	147,587	10,985	1,638	2,036	398
Total Revenues	<u>6,351,152</u>	<u>6,718,319</u>	<u>367,167</u>	<u>577,142</u>	<u>615,179</u>	<u>38,037</u>
Expenditures:						
Current:						
Security of Persons and Property	1,933,228	1,819,036	114,192	165,420	155,401	10,019
Public Health and Welfare	1,875	1,874	1	0	0	0
Leisure Time Activities	345,145	297,268	47,877	0	0	0
Community Environment	888,272	783,650	104,622	0	0	0
Transportation	0	0	0	551,115	437,893	113,222
General Government	3,095,284	2,810,787	284,497	7,697	5,846	1,851
Capital Outlay	0	0	0	0	0	0
Debt Service:						
Principal Retirement	4,827	4,827	0	65,927	65,927	0
Interest and Fiscal Charges	784	784	0	20,683	20,683	0
Total Expenditures	<u>6,269,415</u>	<u>5,718,226</u>	<u>551,189</u>	<u>810,842</u>	<u>685,750</u>	<u>125,092</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	81,737	1,000,093	918,356	(233,700)	(70,571)	163,129
Other Financing Sources (Uses):						
Proceeds from Sale of Land	0	0	0	0	0	0
Proceeds from General Obligation Notes	0	0	0	0	0	0
Operating Transfers In	75,000	75,883	883	80,000	80,000	0
Operating Transfers Out	(901,200)	(901,097)	103	(142,000)	(142,000)	0
Total Other Financing Sources (Uses)	<u>(826,200)</u>	<u>(825,214)</u>	<u>986</u>	<u>(62,000)</u>	<u>(62,000)</u>	<u>0</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(744,463)	174,879	919,342	(295,700)	(132,571)	163,129
Fund Balance at Beginning of Year	1,631,454	1,631,454	0	421,814	421,814	0
Prior Year Encumbrances	118,959	118,959	0	11,515	11,515	0
Fund Balance at End of Year	<u>\$1,005,950</u>	<u>\$1,925,292</u>	<u>\$919,342</u>	<u>\$137,629</u>	<u>\$300,758</u>	<u>\$163,129</u>

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

THE CITY OF SPRINGBORO, OHIO
COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2001

<i>Debt Service Fund</i>			<i>Capital Projects Funds</i>			<i>Totals (Memorandum Only)</i>		
Revised Budget	Actual	Variance: Favorable (Unfavorable)	Revised Budget	Actual	Variance: Favorable (Unfavorable)	Revised Budget	Actual	Variance: Favorable (Unfavorable)
\$0	\$0	\$0	\$1,798,500	\$1,927,848	\$129,348	\$5,392,199	\$5,782,936	\$390,737
0	0	0	0	35,000	35,000	448,931	484,712	35,781
3,270	3,270	0	0	0	0	1,205,070	1,251,490	46,420
0	0	0	0	0	0	535,000	535,930	930
0	0	0	195,000	178,005	(16,995)	645,880	645,352	(528)
258,365	261,317	2,952	0	0	0	258,365	261,317	2,952
0	0	0	0	0	0	552,196	619,547	67,351
0	0	0	0	0	0	7,548	8,031	483
0	0	0	135,000	156,292	21,292	273,240	305,915	32,675
261,635	264,587	2,952	2,128,500	2,297,145	168,645	9,318,429	9,895,230	576,801
0	0	0	0	0	0	2,098,648	1,974,437	124,211
0	0	0	0	0	0	1,875	1,874	1
0	0	0	0	0	0	345,145	297,268	47,877
0	0	0	0	0	0	888,272	783,650	104,622
0	0	0	0	0	0	551,115	437,893	113,222
0	0	0	220,698	209,103	11,595	3,323,679	3,025,736	297,943
0	0	0	3,801,580	3,637,657	163,923	3,801,580	3,637,657	163,923
4,245,404	4,245,400	4	0	0	0	4,316,158	4,316,154	4
462,537	462,417	120	0	0	0	484,004	483,884	120
4,707,941	4,707,817	124	4,022,278	3,846,760	175,518	15,810,476	14,958,553	851,923
(4,446,306)	(4,443,230)	3,076	(1,893,778)	(1,549,615)	344,163	(6,492,047)	(5,063,323)	1,428,724
0	0	0	176,055	176,055	0	176,055	176,055	0
0	0	0	6,120,000	6,120,000	0	6,120,000	6,120,000	0
4,620,676	4,620,676	0	3,418,811	3,419,584	773	8,194,487	8,196,143	1,656
0	0	0	(7,415,011)	(7,328,046)	86,965	(8,458,211)	(8,371,143)	87,068
4,620,676	4,620,676	0	2,299,855	2,387,593	87,738	6,032,331	6,121,055	88,724
174,370	177,446	3,076	406,077	837,978	431,901	(459,716)	1,057,732	1,517,448
24,803	24,803	0	1,831,117	1,831,117	0	3,909,188	3,909,188	0
0	0	0	706,836	706,836	0	837,310	837,310	0
\$199,173	\$202,249	\$3,076	\$2,944,030	\$3,375,931	\$431,901	\$4,286,782	\$5,804,230	\$1,517,448



THE CITY OF SPRINGBORO, OHIO
COMBINED STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN RETAINED EARNINGS
PROPRIETARY FUND TYPE
FOR THE YEAR ENDED DECEMBER 31, 2001

	<i>Enterprise Funds</i>
<u>Operating Revenues:</u>	
Charges for Services	\$6,101,835
Sales	758,337
Other Operating Revenues	212,305
Total Operating Revenues	7,072,477
<u>Operating Expenses:</u>	
Personal Services	661,779
Materials and Supplies	198,003
Contractual Services	3,664,369
Cost of Goods Sold	218,460
Depreciation	1,012,924
Total Operating Expenses	5,755,535
Operating Income	1,316,942
<u>Nonoperating Revenues (Expenses):</u>	
Intergovernmental Revenues	58,952
Investment Earnings	315,742
Interest and Fiscal Charges	(1,421,944)
Capital Contributions - Tap-in Fees	952,837
Capital Contributions	1,257,622
Gain on the Disposal of Fixed Assets	3,269
Loss on the Disposal of Fixed Assets	(49,746)
Total Nonoperating Revenues (Expenses)	1,116,732
Income Before Operating Transfers	2,433,674
<u>Operating Transfers:</u>	
Operating Transfers In	250,000
Operating Transfers Out	(75,000)
Total Operating Transfers	175,000
Net Income	2,608,674
Retained Earnings at Beginning of Year	13,596,154
Retained Earnings at End of Year	\$16,204,828

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

THE CITY OF SPRINGBORO, OHIO
COMBINED STATEMENT OF CASH FLOWS
PROPRIETARY FUND TYPE
FOR THE YEAR ENDED DECEMBER 31, 2001

	<u><i>Enterprise Funds</i></u>
<u>Cash Flows from Operating Activities:</u>	
Cash Received from Customers	\$6,533,992
Other Operating Receipts	172,003
Cash Payments for Goods and Services	(3,824,930)
Cash Payments to Employees	(637,083)
Net Cash Provided by Operating Activities	<u>2,243,982</u>
 <u>Cash Flows from Noncapital Financing Activities:</u>	
Payment of Advances from Other Funds	(2,674,504)
Receipt of Advances from Other Funds	2,234,064
Transfers In from Other Funds	250,000
Transfers Out to Other Funds	(75,000)
Net Cash Used by Noncapital Financing Activities	<u>(265,440)</u>
 <u>Cash Flows from Capital and Related Financing Activities:</u>	
Cash Received from Tap-in Fees in Excess of Cost	952,837
Receipt of Intergovernmental Revenue	58,952
Proceeds from General Obligation Notes	1,200,000
Principal Paid on General Obligation Notes	(1,200,000)
Acquisition and Construction of Assets	(442,076)
Principal Paid on General Obligation Bonds	(148,600)
Principal Paid on Capital Lease	(46,511)
Principal Paid on Mortgage Revenue Bonds	(650,000)
Interest Paid on All Debt	(1,353,692)
Net Cash Used for Capital and Related Financing Activities	<u>(1,629,090)</u>
 <u>Cash Flows from Investing Activities:</u>	
Receipt of Interest	213,900
Purchase of Investments	(3,031,281)
Net Cash Used by Investing Activities	<u>(2,817,381)</u>
 Net Decrease in Cash and Cash Equivalents	 (2,467,929)
Cash and Cash Equivalents at Beginning of Year	5,734,844
Cash and Cash Equivalents at End of Year	<u><u>\$3,266,915</u></u>
 <u>Reconciliation of Cash and</u>	
<u>Cash Equivalents per the Balance Sheet:</u>	
Cash and Cash Equivalents	\$2,268,736
Restricted Cash and Cash Equivalents	59,921
Restricted Cash with Fiscal and Escrow Agents	938,258
Cash and Cash Equivalents at End of Year	<u><u>\$3,266,915</u></u>

(Continued)

THE CITY OF SPRINGBORO, OHIO
COMBINED STATEMENT OF CASH FLOWS
PROPRIETARY FUND TYPE
FOR THE YEAR ENDED DECEMBER 31, 2001

	<i>Enterprise Funds</i>
<u>Reconciliation of Operating Income to Net Cash</u>	
<u>Provided by Operating Activities:</u>	
Operating Income	\$1,316,942
Adjustments to Reconcile Operating Income to	
Net Cash Provided by Operating Activities:	
Depreciation Expense	1,012,924
Changes in Assets and Liabilities:	
Increase in Accounts Receivable	(375,888)
Increase in Due From Other Funds	(236)
Increase in Inventory	(22,930)
Increase in Inventory Held for Resale	(2,293)
Increase in Prepaid Items	(7,680)
Increase in Accounts Payable	40,830
Increase in Accrued Wages and Benefits	4,913
Increase in Intergovernmental Payable	5,207
Increase in Estimated Loss Contingency	250,000
Increase in Refundable Deposits	7,788
Increase in Compensated Absences	14,405
Total Adjustments	927,040
Net Cash Provided by Operating Activities	\$2,243,982

Schedule of Noncash Investing, Capital and Financing Activities:

At December 31, 2001, the Golf Course and Water Funds had outstanding liabilities of \$7,400 and \$855, respectively purchase of certain capital assets. During 2001, the Sewer and Water Funds received \$944,813 and \$306,099, respectively fixed assets donated by developers. The Golf Course Fund received \$6,710 in fixed assets from other funds of the Golf Course Fund incurred a new lease liability of \$77,279 in 2001. During 2001 the fair value of investments increased \$38,779 and by \$63,063 in the Sewer and Water Funds, respectively.

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

THE CITY OF SPRINGBORO, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
DECEMBER 31, 2001

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Springboro, Ohio (the City) is a home rule municipal corporation created under the laws of the State of Ohio. The City operates under its own Charter. The current Charter, which provides for a Council - Manager form of government, was adopted November 7, 1978, became effective January 1, 1979, and was amended November 6, 1984. The six member Council and the Mayor are elected to four-year terms. The Council appoints a City Manager who serves as the chief executive officer, the head of the administrative agencies, and a law enforcement officer of the City. The City Manager appoints all of the department managers.

The accompanying general purpose financial statements of the City present the financial position of the various fund types and account groups and the results of operations and the cash flows of the proprietary fund type. The financial statements are presented as of December 31, 2001 and for the year then ended and have been prepared in conformity with generally accepted accounting principles (GAAP) applicable to local governments. The Governmental Accounting Standards Board (the GASB) is the standard-setting body for establishing governmental accounting and financial reporting principles, which are primarily set forth in the GASB's Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification).

A. Reporting Entity

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

Based on the foregoing, the City's financial reporting entity has no component units but includes all funds, account groups, agencies, boards and commissions that are part of the primary government, which includes the following services: police protection, street construction and maintenance, street lighting, parks and recreation, planning and zoning and other governmental services. In addition, golf, water, sewer and trash collection and disposal services are provided under an enterprise concept with user charges set by City Council to ensure adequate coverage of operating expenses and payments on outstanding debt.

The Warren County General Health District, a jointly governed organization, provides health services within the County. The Board of Health, which consists of a representative from each of the participating governments, oversees the operation of the District. The City is not financially accountable for the District. The County Commissioners serve as the taxing authority and the County Auditor and Treasurer serve as fiscal officers.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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:

Governmental Funds

The governmental funds are those funds through which most governmental functions typically are financed. The acquisition, use and balances of the City's expendable financial resources and the related current liabilities (except those accounted for in the proprietary 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 limitations of the City Charter.

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

Debt Service Fund - This fund is used for the accumulation of resources for, and the payment of, general obligation and special assessment long-term debt principal and interest.

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

Proprietary Funds

All proprietary funds are accounted for on an "economic resources" measurement focus. This measurement focus provides that all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Fund equity (i.e., net assets) is segregated into contributed capital and retained earnings components. Proprietary fund type 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. The City maintains four enterprise funds for its golf course, water operations, sewer operations and refuse collection and disposal.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation - Fund Accounting (Continued)

Fiduciary Funds

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

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

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

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

C. Basis of Accounting

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

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

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Accounting (Continued)

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

Special assessment installments including related interest, which are measurable but not available at December 31, are recorded as deferred revenue. Property taxes measurable as of December 31, 2001 but which are not intended to finance 2001 operations and delinquent property taxes, whose availability is indeterminate, are recorded as deferred revenue as further described in Note 5.

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

All funds, other than agency funds, are legally required to be budgeted and appropriated; however, only governmental funds are required to be reported. The legal level of budgetary control is at the object level (personal services, operations and maintenance and capital outlay) within each department. Budgetary modifications may only be made by ordinance of the City Council.

1. Tax Budget

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Budgetary Process (Continued)

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 resources is amended to include any unencumbered fund balances from the preceding year. The certificate may be further amended during the year if a new source of revenue is identified or if actual receipts exceed current estimates. The amounts reported on the budgetary statement reflect the amounts in the final amended official certificate of estimated resources issued during 2001.

3. Appropriations

A temporary appropriation ordinance to control expenditures may be passed on or about January 1 of each year for the period January 1 through March 31. An annual appropriation ordinance must be passed by April 1 of each year for the period January 1 through December 31. The appropriation ordinance establishes spending controls at the fund, department and object level, and may be modified during the year by ordinance of the City Council. Total fund appropriations may not exceed the current estimated resources as certified by the County Budget Commission. Expenditures may not legally exceed budgeted appropriations at the object level. The allocation of appropriations within a fund may be modified with the approval of the City Council. During 2001, several supplemental appropriations measures were necessary to budget the use of contingency funds and capital improvement projects. Administrative control is maintained through the establishment of more detailed line-item budgets. The budgetary figures which appear in the "Combined Statement of Revenues, Expenditures, and Changes in Fund Balances--Budget and Actual--All Governmental Fund Types" are provided on the budgetary basis to provide a comparison of actual results to the final budget, including all amendments and modifications.

4. Encumbrances

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Budgetary Process (Continued)

5. Lapsing of Appropriations

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

6. Budgetary Basis of Accounting

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

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

	Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses			
	General Fund	Special Revenue Funds	Debt Service Fund	Capital Projects Funds
GAAP Basis (as reported)	\$179,649	(\$87,785)	\$177,446	\$120,924
Increase (Decrease):				
Accrued Revenues at December 31, 2001 received during 2002	(521,586)	(72,016)	0	(241,677)
Accrued Revenues at December 31, 2000 received during 2001	660,570	70,056	0	187,880
Accrued Expenditures at December 31, 2001 paid during 2002	289,436	22,327	0	504,695
Accrued Expenditures at December 31, 2000 paid during 2001	(263,927)	(54,736)	0	(41,694)
2000 Prepays for 2001	70,173	3,255	0	0
2001 Prepays for 2002	(48,970)	(2,404)	0	0
Fund Debt:				
Note Proceeds	0	0	0	6,120,000
Note Retirements	0	0	0	(4,020,000)
Outstanding Encumbrances	(190,466)	(11,268)	0	(1,792,150)
Budget Basis	<u>\$174,879</u>	<u>(\$132,571)</u>	<u>\$177,446</u>	<u>\$837,978</u>

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Cash and Cash Equivalents

During fiscal year 2001, cash and cash equivalents included amounts in demand deposits and U.S. Treasury Money Market accounts in Firststar Seasongood Asset Management and Fifth Third Liquid Asset Manager accounts with original maturities of less than three months.

The City pools its cash for investment and resource management purposes. Each fund's equity in pooled cash and cash equivalents represents the balance on hand as if each fund maintained its own cash and cash equivalent account. See Note 4 "Cash, Cash Equivalents and Investments."

F. Investments

Investment procedures and interest allocations are restricted by provisions of the Ohio Constitution and the Ohio Revised Code. In accordance with GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools", the City records all its investments at fair value. All investment income, including changes in the fair value of investments, are recognized as revenue in the operating statements. Fair value is determined by quoted market prices. See Note 4, "Cash, Cash Equivalents and Investments."

G. Restricted Assets

Restricted assets in the enterprise funds represent cash and cash equivalents and cash and cash equivalents with fiscal agents set aside to satisfy bond indenture requirements for current and future debt payments and for the replacement and improvement of fixed assets originally acquired with bond proceeds. In addition, water and sewer customer deposits are presented as a restricted assets.

H. Inventory

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

I. 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. The City has elected not to record depreciation in the General Fixed Assets Account Group.

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.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. Fixed Assets and Depreciation (Continued)

2. Property, Plant and Equipment - Proprietary Funds

Property, plant and equipment acquired by the proprietary funds are stated at cost (or estimated historical cost), including interest capitalized during construction and architectural and engineering fees when applicable. Contributed fixed assets are recorded at fair market value at the date received.

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

<u>Description</u>	<u>Estimated Lives (Years)</u>
Land and Land Improvements	15 - 60
Buildings	10 - 40
Equipment	3 - 15
Utility Plant in Service	50 - 65

J. 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 contributions from other funds, dedications by private developers and capital grants is recorded as an operating expense and closed along with other operating expenses directly into retained earnings. Capital contributions received after December 31, 2000 are recorded as revenue in the proprietary funds.

K. Long-Term Obligations

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

<u>Obligation</u>	<u>Fund</u>
Special Assessment Bonds	Bond Retirement Fund
General Obligation Bonds	Bond Retirement Fund, Golf Course Fund, Sewer Fund and Water Fund.
Compensated Absences	General Fund, Street Maintenance and Repair Fund Sewer Fund, Trash Fund and Water Fund
Intergovernmental Payable	General Fund and the Street Maintenance and Repair Fund
Capital Lease Agreements	General Fund, Library Donation Fund, Golf Course Fund and Sewer Fund.
Mortgage Revenue Bonds	Sewer Fund and Water Fund

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. Bond Discounts/Issuance Costs

In governmental fund types, bond discounts and issuance costs are recognized in the current period. Bond discounts and issuance costs for proprietary fund types are deferred and amortized over the term of the bonds using the bonds-outstanding method, which approximates the effective interest method. Bond discounts are presented as a reduction of the face amount of bonds payable, whereas issuance costs are recorded as deferred charges.

M. Compensated Absences

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

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

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

Compensated absences are expensed in the Sewer, Trash and Water enterprise funds when earned, and the related liability is reported within the fund.

N. Pensions

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

O. 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.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

O. Interfund Transactions (Continued)

- Residual equity transfers are nonroutine or nonrecurring transfers between funds and are reported as additions to or deductions from the fund equity balance. There were no residual equity transfers made during 2001.

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

P. Interfund Assets/Liabilities

The City reports cash overdrafts from pooled cash and cash equivalents as an advance from other funds in the fund with the overdraft and as an advance to other funds in the fund(s) designated by management. Receivables and payables resulting from transactions between funds for services provided or goods received are classified as "due from other funds" or "due to other funds" on the balance sheet. Short-term interfund loans are classified as "interfund receivables" and "interfund payables". Long-term interfund loans are classified as "advances to/from other funds" and are equally offset by a fund balance reserve account which indicates that they do not constitute available expendable resources since they are not a component of net current assets.

Q. 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 inventories of supplies, prepaid items, advances, debt service and encumbered amounts not accrued at year end. Retained earnings have been reserved as a result of bond covenants for replacement and improvement (accumulation of resources for unforeseen repairs and replacements of assets originally acquired with bond proceeds.)

R. Estimates

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

S. Total Columns on Combined Financial Statements - Overview

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

NOTE 2 – CHANGE IN ACCOUNTING PRINCIPLE AND RESTATEMENT OF FUND BALANCE

For the year ended December 31, 2001, the City has implemented GASB Statement No. 33 “*Accounting and Financial Reporting for Nonexchange Transactions*” and GASB Statement No. 36 “*Recipient Reporting for Certain Shared Nonexchange Revenues*.”

The changes to the beginning fund balances as a result of implementing GASB No. 33 and 36 are as follows:

Fund Name	Fund Balance as Reported 12/31/00	GASB 33 & 36 Implementation	Fund Balance as Restated 12/31/00
General Fund	\$2,133,686	\$95,383	\$2,229,069

In addition to the above noted change to fund balance the restatement of fund balances had the following effect on prior year excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses:

Fund Name	Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses as Reported 12/31/00	GASB 33 & 36 Implementation	Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses as Restated 12/31/00
General Fund	\$277,947	\$95,383	\$373,330

NOTE 3 – ACCOUNTABILITY AND COMPLIANCE

A. Accountability

Fund Deficits – The fund deficit at December 31, 2001 of \$4,117,131 in the Construction Fund (capital projects fund) arises from the recording of general obligation notes payable within the fund. This deficit does not exist under the budgetary basis of accounting. Operating transfers are provided when cash is required, not when accruals occur.

B. Compliance

Contrary to Ohio Revised Code, Section 5705.39, during the year appropriations exceeded estimated resources by \$2,506,106 in the Golf Course Fund (enterprise fund). During the course of the year appropriations exceeded estimated resources for the COPS Grant Fund (special revenue fund) and the Land Acquisition Fund (capital projects fund).

Contrary to Ohio Revised Code, Section 5705.10, the Golf Course Fund has a negative cash balance of \$2,234,064 at December 31, 2001. For GAAP reporting purposes, advances to other funds and advances from other funds were created to eliminate the negative cash position at year end. During the audit period, the following funds had negative fund balances during the audit period: COPS Grant Fund and the Library Donation Fund (special revenue funds); Bond Retirement Fund; Construction Fund, Land Acquisition Fund and the Permanent Improvement Fund (capital projects funds); Trash Fund (enterprise fund); and the Health Insurance Trust Fund (combined with the General Fund for reporting purposes).

NOTE 3 – ACCOUNTABILITY AND COMPLIANCE (Continued)

B. Compliance (Continued)

Contrary to Ohio Revised Code, Section 5705.41 (B), during the year the Bond Retirement Fund and the Permanent Improvement Fund (capital projects fund) had expenditures exceeding appropriations by \$600,000 and \$39,561 respectively.

The following fund had actual expenditures plus encumbrances that exceed appropriations at the object level at year end:

<u>Fund</u>	<u>Function and Object</u>	<u>Excess</u>
General Fund	General Government: Buildings and Land: Materials & Supplies	\$10,933

NOTE 4 - CASH, CASH EQUIVALENTS AND INVESTMENTS

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

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

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

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

- United States treasury notes, bills, bonds, or any other obligation or security issued by the United States treasury or any other obligation guaranteed as to principal or interest by the United States;
- Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the federal national mortgage association, federal home loan bank, federal farm credit bank, federal home loan mortgage corporation, government national mortgage association, and student loan marketing association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;

NOTE 4 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

- Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
- Interim deposits in eligible institutions applying for interim funds;
- Bonds and other obligations of the State of Ohio;
- No-load money market mutual funds consisting exclusively of obligations described in the first two bullets of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions, and
- The State Treasury Asset Reserve of Ohio (STAR Ohio).

Ohio Law requires that deposits be placed in eligible banks or savings and loan associations located in Ohio. Any public depository in which the City places deposits must pledge as collateral eligible securities of aggregate market value equal to the excess of deposits not insured by the Federal Deposit Insurance Corporation (FDIC). The securities pledged as collateral are pledged to a pool for each individual financial institution in amounts equal to at least 105% of the carrying value of all public deposits held by each institution. Obligations that may be pledged as collateral are limited to obligations of the United States and its agencies and obligations of any state, county, municipal corporation or other legally constituted authority of any other state or any instrumentality of such county, municipal corporation or other authority. Based upon criteria described in GASB Statement No. 3 "*Deposits With Financial Institutions, Investments (including Repurchase Agreements) and Reverse Repurchase Agreements*," collateral held in single financial collateral pools with securities being held by the pledging financial institutions' agent in the pool's name are classified as Category 3.

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

Deposits:

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

Investments:

- Category 1 Insured or registered, or securities held by the City or its agent in the City's name.
- Category 2 Uninsured and unregistered, with securities held by the 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.

NOTE 4 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

A. Deposits

At year end the carrying amount of the City's deposits was \$5,093,119, and the bank balance was \$5,137,341. Federal depository insurance covered \$303,237, of the bank balance. All remaining deposits were classified as Category 3.

B. Investments

The City's investments at December 31, 2001 are summarized below:

<u>Categorized Investments</u>	<u>Category 2</u>	<u>Fair Value</u>
U.S. Government Securities	\$14,569,059	\$14,569,059
Total Investments	<u>\$14,569,059</u>	<u>\$14,569,059</u>

NOTE 5 - TAXES

A. Property Taxes

Property taxes include amounts levied against all real estate and public utility property, and tangible personal property used in business and located in the City. Real property taxes (other than public utility) collected during 2001 were levied after October 1, 2000 on assessed values as of January 1, 2000, the lien date. Assessed values were established by the County Auditor at 35 percent of appraised market value. All property is required to be reappraised every six years and equalization adjustments made in the third year following reappraisal. The last revaluation was completed in 1997 with an equalization adjustment in 2000. Real property taxes are payable annually or semi-annually. The first payment is due January 20, with the remainder payable by June 20.

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

NOTE 5 – TAXES (Continued)

A. Property Taxes (Continued)

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 88 percent of its true value. Public utility property taxes are payable on the same dates as real property described previously.

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

The full tax rate for all City operations for the year ended December 31, 2001 was \$1.11 per \$1,000 of assessed value. The assessed value upon which the 2001 levy was based was \$341,498,280. This amount constitutes \$302,321,650 in real property assessed value, \$6,044,780 in public utility assessed value and \$33,131,850 in tangible personal property assessed value.

Ohio law prohibits taxation of property from all taxing authorities in excess of 1% of assessed value without a vote of the people. Under current procedures, the City's share is .111% (1.11 mills) of assessed value.

B. Income Tax

The City levies a tax of 1.5% on all salaries, wages, commissions and other compensation and on net profits earned within the City as well as on incomes of residents earned outside the City. In the latter case, the City allows a credit of 100% of the tax paid to another municipality to a maximum of the total amount assessed. Of the one and one-half percent income tax, one-half percent is voter approved for the sole purpose of funding capital improvements.

Employers within the City are required to withhold income tax on employees compensation and remit the tax to the City either monthly or quarterly, as required. Corporations and other individual taxpayers are required to pay their estimated tax quarterly and file a declaration annually. Income tax proceeds are to be used for general fund operations, maintenance of equipment, new equipment/capital improvements, debt service and other governmental functions when needed, as determined by City Council. Income tax revenue for 2001 was \$5,766,115.

NOTE 6 - RECEIVABLES

Receivables at December 31, 2001 consisted of income taxes, property taxes, accounts, special assessments, advances to other funds and intergovernmental receivables arising from shared revenues. All receivables are considered collectible in full.

NOTE 7 - OPERATING TRANSFERS

Following is a summary of operating transfers in and out for all funds for 2001:

Fund	Transfer In	Transfer Out
General Fund	\$75,883	(\$901,097)
Special Revenue Funds:		
COPS Grant Fund	80,000	0
Motor Vehicle License Tax Fund	0	(92,000)
Permissive Use Tax Fund	0	(50,000)
Total Special Revenue Funds	80,000	(142,000)
Debt Service Fund	483,787	0
Capital Projects Funds:		
Construction Fund	1,242,000	(333,128)
Income Tax Capital Improvement Fund	0	(1,000,000)
Land Acquisition Fund	354,000	(883)
Permanent Improvement Fund	0	(33,562)
Total Capital Projects Funds	1,596,000	(1,367,573)
Enterprise Funds:		
Golf Course Fund	250,000	0
Sewer Fund	0	(35,000)
Trash Fund	0	(5,000)
Water Fund	0	(35,000)
Total Enterprise Funds	250,000	(75,000)
Totals	\$2,485,670	(\$2,485,670)

NOTE 8 - INTERFUND RECEIVABLES AND PAYABLES

The following is a summary of interfund receivables and payables for all funds for 2001:

A. Due from/to Other Funds

Due from/to Other Funds	Due from Other Funds	Due to Other Funds
General Fund	\$11,481	\$236
Special Revenue Fund:		
DARE Trust Fund	100	0
Enterprise Fund:		
Golf Course Fund	236	0
Agency Fund:		
Mayor's Court Fund	0	11,581
Totals	\$11,817	\$11,817

NOTE 8 - INTERFUND RECEIVABLES AND PAYABLES (Continued)

B. Advances to/from Other Funds

<u>Advances to/from Other Funds</u>	<u>Advances to</u>	<u>Advances from</u>
General Fund	\$2,115,758	\$0
Capital Projects Fund:		
Income Tax Capital Improvement Fund	118,306	0
Enterprise Fund:		
Golf Course Fund	0	2,234,064
Totals	<u>\$2,234,064</u>	<u>\$2,234,064</u>

NOTE 9 - FIXED ASSETS

A. General Fixed Assets

A summary of changes in the General Fixed Assets Account Group follows:

<u>Category</u>	<u>January 1, 2001</u>	<u>Additions</u>	<u>Deletions</u>	<u>December 31, 2001</u>
Land and Land Improvements	\$2,725,073	\$83,977	(\$95,801)	\$2,713,249
Buildings	1,887,701	114,201	0	2,001,902
Equipment	2,372,067	332,553	(72,694)	2,631,926
Construction in Progress	0	128,143	0	128,143
Totals	<u>\$6,984,841</u>	<u>\$658,874</u>	<u>(\$168,495)</u>	<u>\$7,475,220</u>

B. Proprietary Fund Type Fixed Assets

A summary of proprietary fund type property, plant, and equipment at December 31, 2001 follows:

<u>Category</u>	<u>Historic Cost</u>	<u>Accumulated Depreciation</u>	<u>Book Value</u>
Land and Land Improvements	\$9,053,647	\$0	\$9,053,647
Buildings	3,319,919	(730,406)	2,589,513
Equipment	1,372,524	(956,554)	415,970
Utility Plant in Service	50,587,865	(5,317,218)	45,270,647
Construction in Progress	403,659	0	403,659
Property, Plant and Equipment	<u>\$64,737,614</u>	<u>(\$7,004,178)</u>	<u>\$57,733,436</u>

NOTE 10 – 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."*

All employees of the City, except full-time uniformed police officers, participate in the PERS of Ohio, a cost-sharing multiple employer defined benefit pension plan. The PERS of Ohio 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 provides statutory authority to establish and amend benefits. The Public Employees Retirement System of Ohio issues a stand-alone financial report that includes financial statements and required supplementary information for the PERS of Ohio. 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 or 1-800-222-7377.

The Ohio Revised Code provides statutory authority for employee and employer contributions. The employee contribution rate is 8.5%. The 2001 employer contribution rate for local government employer units was 13.55%, of covered payroll, 9.25% to fund the pension and 4.3% to fund health care. The contribution requirements of plan members and the City are established and may be amended by the Public Employees Retirement Board. The City's contributions to the PERS of Ohio for the years ending December 31, 2001, 2000 and 1999 were \$185,587, \$171,912 and \$254,164, respectively. The full amounts have been contributed for 2000 and 1999. 80.84 percent has been contributed for 2001 with the remainder being reported as a liability within the general long-term obligations account group and the individual enterprise funds.

The PERS of Ohio provides postemployment health care benefits to age and service retirants with ten or more years of qualifying Ohio service credit and to primary survivor recipients of such retirants. Health care coverage for disability recipients is also available. The health care coverage provided by the PERS of Ohio is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 12. A portion of each employer's contribution to the PERS of Ohio is set aside for the funding of post retirement health care. The Ohio Revised Code provides statutory authority requiring public employers to fund postemployment health care through their contributions to the PERS of Ohio. The portion of the 2001 employer contribution rate (identified above) that was used to fund health care for the year 2001 was 4.3% of covered payroll which amounted to \$72,853.

The significant actuarial assumptions and calculations relating to postemployment health care benefits were based on the PERS of Ohio's latest actuarial review performed as of December 31, 2000. An entry age normal actuarial cost method of valuation is used in determining the present value of OPEB. The difference between assumed and actual experience (actuarial gains and losses) becomes part of unfunded actuarial accrued liability. All investments are carried at market value. For actuarial valuation purposes, a smoothed market approach is used. Under this approach assets are adjusted annually to reflect 25% of unrealized market appreciation or

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

A. Public Employees Retirement System (the “PERS of Ohio”) (Continued)

depreciation on investment assets. The investment assumption rate for 2000 was 7.75%. An annual increase of 4.75% compounded annually, is the base portion of the individual pay increase assumption. This assumes no change in the number of active employees. Additionally, annual pay increases, over and above the 4.75% base increase, were assumed to range from 0.54% to 5.1%. Health care costs were assumed to increase 4.75% annually.

Benefits are advanced-funded on an actuarially determined basis. The number of active contributing participants was 411,076. The actuarial value of the PERS of Ohio net assets available for OPEB at December 31, 2000 is \$11,735.9 million. The actuarially accrued liability and the unfunded actuarial accrued liability, based on the actuarial cost method used, were \$14,364.6 million and \$2,628.7 million, respectively.

B. Ohio Police and Fire Pension Fund (the “OP&F Fund”)

All City full-time police officers participate in the OP&F Fund, a cost-sharing multiple-employer defined benefit pension plan. The OP&F Fund 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 Ohio Police and Fire Pension Fund issues a stand-alone financial report that includes financial statements and required supplementary information for the OP&F Fund. Interested parties may obtain a copy by making a written request to 140 East Town Street, Columbus, Ohio 43215-5164 or by calling (614) 228-2975.

Plan members are required to contribute 10.0% of their annual covered salary, while employers are required to contribute 19.5% for police officers. The City's contributions to the OP&F Fund for the years ending December 31, 2001, 2000 and 1999 were \$135,668, \$161,006 and \$189,973 for police. The full amount has been contributed for 2000 and 1999. 75.17 percent has been contributed for 2001 with the remainder being reported as a liability within the general long-term obligations account group.

The OP&F Fund provides postemployment health care coverage to any person who received 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 on a full-time or two-thirds basis. The health care coverage provided by the OP&F Fund is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 12.

The Ohio Revised Code provides that health care costs paid from the funds of the OP&F Fund shall be included in the employer's contribution rate. The Ohio Revised Code also provides statutory authority allowing the Fund's Board of Trustees to provide postemployment health care coverage to all eligible individuals from the employer's contributions to the OP&F Fund.

The portion of the 2001 covered payroll that was used to fund postemployment health care benefits was \$69,416 representing 7.5% of covered payroll for police. Health care funding and accounting was on a pay-as-you-go basis. In addition, since July 1, 1992 most retirees have been required to contribute a portion of the cost of their health care coverage through a deduction from their monthly benefit payment. As of December 31, 2000, the date of the last actuarial

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

B. Ohio Police and Fire Pension Fund (the “OP&F Fund”) (Continued)

evaluation available, the number of participants eligible to receive health care benefits was 12,853 for police. The OP&F Fund does not provide separate data on the funded status and funding progress of postemployment health care benefits. The Fund's total health care expenses for the year ended December 31, 2000 were \$106,160,054, which was net of member contributions of \$5,657,431.

NOTE 11- COMPENSATED ABSENCES

The costs of vacation and sick leave benefits are recorded as they are earned. Employees earn vacation leave at varying rates based upon length of service. Sick leave is accumulated at a rate of four and six tenths hours per eighty hours of service. Sick leave is cumulative without limit. Upon retirement an individual will be compensated for their accumulated sick leave at a rate of 25% of the balance.

At December 31, 2001, the City's accumulated, unpaid compensated absences amounted to \$138,278, of which \$107,855 is recorded in the General Long-Term Obligations Account Group, and \$30,423 is recorded in the enterprise funds.

NOTE 12 - NOTES PAYABLE

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

General Obligation Notes:	Balance December 31, 2000	Issued	(Retired)	Balance December 31, 2001
Capital Projects Funds:				
3.30% South Main St. Improvements	\$450,000	\$450,000	(\$450,000)	\$450,000
3.30% South Tech Street Improvements	900,000	900,000	(900,000)	900,000
3.30% Various Street Improvements	850,000	850,000	(850,000)	850,000
3.30% Various Street Improvements	270,000	270,000	(270,000)	270,000
3.30% Various Street Improvements	950,000	950,000	(950,000)	950,000
3.30% Various Street Improvements	600,000	600,000	(600,000)	600,000
3.30% Various Street Improvements	0	2,100,000	0	2,100,000
Total Capital Projects	4,020,000	6,120,000	(4,020,000)	6,120,000
Enterprise Fund:				
3.53% Sewer Improvement	1,200,000	1,200,000	(1,200,000)	1,200,000
Grand Total All Funds	\$5,220,000	\$7,320,000	(\$5,220,000)	\$7,320,000

NOTE 13 - LONG-TERM OBLIGATIONS

Long-term debt and other long-term obligations of the City at December 31, 2001 were as follows:

		Balance December 31, 2000	Issued (Retired)	Balance December 31, 2001
Enterprise Funds:				
General Obligation Bonds:				
6.4 - 7.5% Sewer Real Estate Acquisition	1989	\$100,000	(\$15,000)	\$85,000
3.0 - 6.1% Sewer Various Purpose	1993	36,300	(3,600)	32,700
3.0 - 6.1% Water Various Purpose	1993	151,250	(15,000)	136,250
3.9 - 5.4% Golf Course Refunding	1999	4,290,000	(115,000)	4,175,000
Total General Obligation Bonds		4,577,550	(148,600)	4,428,950
Mortgage Revenue Bonds:				
2.75 - 5.45% Waterworks Improvement	1993	3,675,000	(130,000)	3,545,000
4.00 - 5.70% Water	1997	13,965,000	(370,000)	13,595,000
4.00 - 5.70% Sewer Refunding	1997	4,310,000	(150,000)	4,160,000
Total Mortgage Revenue Bonds		21,950,000	(650,000)	21,300,000
Capital Leases Payable		190,204	77,279	
			(46,511)	220,972
Total Enterprise Long-Term Debt		\$26,717,754	(\$767,832)	\$25,949,922
General Long Term Debt:				
Special Assessment Bonds:				
12.875% Sharts Road Sewer	1983	\$3,000	(\$1,000)	\$2,000
12.875% Sharts Road Street	1983	7,000	(3,000)	4,000
7.500% Hiawatha Trail	1987	35,000	(5,000)	30,000
7.500% Hiawatha Trail II	1989	55,000	(4,000)	51,000
7.500% Sharts Road Improvement	1989	70,000	(6,000)	64,000
5.500% Various Purpose	1993	765,000	(40,000)	725,000
5.500% Various Purpose	1994	290,000	(15,000)	275,000
4.200 - 6.350% Pioneer Blvd. North	1994	395,000	(20,000)	375,000
4.200 - 5.600% Commercial Way	1997	520,000	(20,000)	500,000
6.750% N. Pioneer Blvd.	1998	305,000	(10,000)	295,000
Total Special Assessment Bonds				
(with Governmental Commitment)		2,445,000	(124,000)	2,321,000
Unvoted General Obligation Bonds:				
3.000 - 6.100% Various Purpose	1993	417,450	(41,400)	376,050
3.500 - 5.900% St. Route 741 Improvement	1996	390,000	(15,000)	375,000
4.500 - 6.000% South Main St. Improvement	1997	210,000	(10,000)	200,000
3.900 - 5.375% Various Purpose	1999	1,010,000	(35,000)	975,000
4.850 - 5.250% Street Improvement TIF	2000	1,690,000	0	1,690,000
Total General Obligation Bonds		3,717,450	(101,400)	3,616,050
Other Long Term Obligations:				
Intergovernmental Payable		68,767	20,005	88,772
Compensated Absences		85,048	22,807	107,855
Capital Leases Payable		388,926	(70,754)	318,172
Total General Long-Term Debt and Other Long-Term Obligations		\$6,705,191	(\$253,342)	\$6,451,849

NOTE 13 - LONG-TERM OBLIGATIONS (Continued)

The principal amount of the City's special assessment bonds outstanding at December 31, 2001, \$2,321,000, 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 collected from property owners.

The 1999 Golf Course Refunding bonds are reported at carrying value of \$4,157,180. The face value of the bonds at December 31, 2001 was \$4,175,000. The difference of \$17,820 represents a discount on the issue amount. This discount is being amortized over the life of the bond.

A. Future Long-Term Financing Requirements

The City's future long-term obligation funding requirements, including principal and interest payments as of December 31, 2001, follow:

Years	General Obligation Bonds		Special Assessment Bonds	
	Principal	Interest	Principal	Interest
2002	\$415,000	\$418,915	\$127,000	\$130,494
2003	435,000	398,485	127,000	123,188
2004	460,000	376,843	138,000	116,351
2005	470,000	353,627	144,000	108,864
2006	485,000	329,806	154,000	100,769
2007-2011	2,275,000	1,260,996	831,000	365,209
2012-2016	1,585,000	778,435	705,000	117,908
2017-2021	1,605,000	337,525	95,000	6,457
2022-2023	315,000	17,010	0	0
Totals	\$8,045,000	\$4,271,642	\$2,321,000	\$1,069,240

Years	Mortgage Revenue Bonds		Totals	
	Principal	Interest	Principal	Interest
2002	\$680,000	\$1,027,169	\$1,222,000	\$1,576,578
2003	710,000	999,649	1,272,000	1,521,322
2004	740,000	970,003	1,338,000	1,463,197
2005	770,000	938,271	1,384,000	1,400,762
2006	800,000	904,484	1,439,000	1,335,059
2007-2011	4,595,000	3,935,348	7,701,000	5,561,553
2012-2016	5,835,000	2,681,068	8,125,000	3,577,411
2017-2021	5,295,000	1,127,403	6,995,000	1,471,385
2022-2023	1,875,000	134,662	2,190,000	151,672
Totals	\$21,300,000	\$12,718,057	\$31,666,000	\$18,058,939

B. Defeased Debt

In prior years, the City has defeased certain general obligation and other bonds by placing the proceeds of the refunding bonds in irrevocable trusts to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included on the City's financial statements. At December 31, 2001, \$7,150,000 of bonds outstanding are considered defeased.

NOTE 14 - CAPITAL LEASE COMMITMENTS

The City is obligated under several leases accounted for as capital leases. The cost of the leased assets (building, data processing equipment, office furniture and other items) are accounted for in the General Fixed Assets Account Group, for items leased by governmental funds, and in the appropriate enterprise funds for items leased by the golf course, sewer and water funds. The related liabilities are recorded in the General Long-Term Obligations Account Group and in the appropriate enterprise funds. The original cost of the assets under capital lease was \$889,349.

The following is a schedule of the future minimum lease payments under the capital leases together with the present value of the net minimum lease payments as of December 31, 2001.

Year Ending December 31,	GLTOAG	Enterprise
2002	\$92,221	\$70,865
2003	92,221	62,896
2004	89,415	59,184
2005	86,610	38,541
2006	0	17,898
Minimum Lease Payments	360,467	249,384
Less: Amount representing interest at the City's incremental borrowing rate of interest	(42,295)	(28,412)
Present value of minimum lease payments	<u>\$318,172</u>	<u>\$220,972</u>

NOTE 15 - RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. During 2001 the City contracted with several different insurance providers for various insurance coverages, as follows:

Type of Coverage	Liability Limits	Deductible
Property	\$3,000,000	\$1,000
Inland Marine	3,000,000	250
General Liability	3,000,000	0
Automobile	2,000,000	250
Excess Liability	5,000,000	10,000
Public Officials Liability	2,000,000	2,500
Police Liability	2,000,000	5,000

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

NOTE 15 - RISK MANAGEMENT (Continued)

The City has established an Employees Benefits Fund which has been included within the General Fund within the General Purpose Financial Statements to account for the cost of the City's self-insured medical claims. The program is provided through an administrative service contract with a third party administrator who furnished claims review and processing. The City purchases stop-loss coverage of \$15,000 per claim per year. The City funds are charged a premium based upon the number of employees participating in the Medical Plan. The premium payments are accounted for as an expenditure/expense in the paying funds.

The claims liability of \$29,887 reported in the General Fund at December 31, 2001 is based on the requirements of GASB Statement No. 10, "Accounting and Financial Reporting for Risk Financing and Related Insurance Issues," as amended by GASB Statement No. 30 "Risk Management Omnibus," which requires that a liability for claims be reported if information prior to issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in the fund's claims liability amount for fiscal years 2000 and 2001 were:

Fiscal Year	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claims Payments	Balance at Fiscal Year End
2000	\$56,405	\$491,293	(\$511,908)	\$35,790
2001	35,790	536,682	(542,585)	29,887

For fiscal year 2001, the City participated in the Ohio Municipal League of Ohio Workers' Compensation Group Rating Plan (GRP), an insurance purchasing pool (see Note 20). The intent of the GRP is to achieve the benefit of a reduced premium for the City by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participating cities is calculated as one experience and a common premium rate is applied to all cities in the GRP. Each participant pays its workers' compensation premium to the State based on the rate for the GRP rather than its individual rate. Total savings are then calculated and each participant's individual performance is compared to the overall savings of the GRP. A participant will then either receive money from or be required to contribute to the "Equity Pooling Fund." This "equity pooling" arrangement insures that each participant shares equally in the overall performance of the GRP. Participation in the GRP is limited to cities that can meet the GRP's selection criteria. The firm of Gates McDonald provides administrative, cost control and actuarial services to the GRP.

The City may withdraw from the GRP if written notice is provided within sixty days prior to the prescribed application deadline of the Ohio Bureau of Workers' Compensation. However, the participant is not relieved of the obligation to pay any amount owed to the GRP prior to withdrawal, and any participant leaving the GRP allows the representative of the GRP to access loss experience for three years following the last year of participation.

NOTE 16 - SEGMENT INFORMATION

The key financial information for the year ended December 31, 2001 for the enterprise activities is as follows:

	Golf Course	Sewer	Trash	Water	Total
Operating Revenues	\$2,189,560	\$1,721,513	\$645,329	\$2,516,075	\$7,072,477
Depreciation	142,403	383,719	0	486,802	1,012,924
Operating Income	75,188	168,547	123,363	949,844	1,316,942
Operating Transfers In	250,000	0	0	0	250,000
Operating Transfers Out	0	(35,000)	(5,000)	(35,000)	(75,000)
Net Income	240,757	1,344,600	118,363	904,954	2,608,674
Capital Contributions Received	6,710	1,464,507	0	739,242	2,210,459
Property, Plant and Equipment:					
Additions	109,639	1,036,486	0	587,751	1,733,876
Disposals	(115,184)	0	0	(55,585)	(170,769)
Total Assets	11,384,367	26,157,283	378,322	35,993,240	73,913,212
Net Working Capital	(2,154,596)	4,205,982	337,251	8,611,876	11,000,513
Bonds, Notes and Leases Payable	4,249,297	5,606,555	0	17,276,250	27,132,102
Total Equity	4,604,696	20,429,295	333,471	18,507,647	43,875,109

NOTE 17 - CONTRIBUTED CAPITAL

During 2001, there were no changes to contributed capital reported by the City:

	Golf Course	Sewer	Water	Total
Balance at 12/31/01	<u>\$1,594,139</u>	<u>\$16,840,397</u>	<u>\$9,235,745</u>	<u>\$27,670,281</u>

NOTE 18 - CONTRACTUAL COMMITMENTS

As of December 31, 2001, the City had the following significant contractual commitments:

Company	Remaining Contractual Commitment
L P Cavett	\$642,252
Armrel Byrnes	353,912
Bronco Excavating	306,095
Greg Martin Excavating	127,548
SK Construction	61,064
BBS Corporation	44,050
Camp, Dresser & McKee	32,007
Total	<u>\$1,566,928</u>

NOTE 19 - CONTINGENCIES

The City of Springboro is the defendant against a breach of contract claim that is currently being appealed to the Ohio Supreme Court. An estimated potential loss of \$250,000 has been recognized within the Golf Course Fund (enterprise fund).

NOTE 20 – GROUP PURCHASING POOL

The City participates in the Ohio Municipal League of Ohio Workers' Compensation Group Rating Plan (GRP). The GRP's business and affairs are conducted by a twenty-five member Board of Trustees consisting of fifteen mayors, two council members, three administrators, three finance officers and two law directors which are voted in by the members for staggered two year terms. The Executive Director of the Ohio Municipal League serves as coordinator of the GRP. Each year, the participating cities pay an enrollment fee to the GRP to cover the costs of administering the GRP.

NOTE 21 – JOINTLY GOVERNED ORGANIZATION

The City participates in the Warren County General Health District (District), a jointly governed organization, which provides health services to the citizens within the County. The Board of Health, which consists of a representative from each of the participating governments, including the City, oversees the operation of the District. The amount the City contributed during 2001 for the operation of the District was immaterial. The City does not have any financial interest in or responsibility for the District. The County Commissioners serve as the taxing authority, and the County Auditor and Treasurer serve as the fiscal officers. Financial information may be obtained from Kathy Stephenson at the Warren County General Health District, 416 S. East Street, Lebanon, Ohio 45036.

NOTE 22 – GOLF COURSE FUND CASH DEFICIT

The Golf Course Fund experienced a cash deficit of \$2,234,064 at December 31, 2001. The City eliminated this cash deficit through advances of \$2,115,758 from the General Fund and \$118,306 from the Income Tax Capital Improvement Fund.

Historically, the Golf Course has not generated sufficient cash from operations to pay required debt service. These debt service payments have created cash deficits in the Golf Course Fund. The deficits have been eliminated through operating transfers and advances from other funds.

Management plans to eliminate the cash deficit in the Golf Course Fund within the next four years. To accomplish this, the City renegotiated a new management contract for operation of the golf course that reduced the amount paid in management fees to American Golf Corporation. Also, the user fee structure will be reviewed annually to determine if revenues can be enhanced. Finally, the General Fund and Income Tax Capital Improvement Fund continue to generate a substantial excess of revenues over expenditures, and it appears that this trend will continue. Management believes that sufficient monies will be available each year to transfer to the Golf Course Fund (if necessary) over the next four years.

Management has also reduced the Golf Course Long-Term Debt from \$9,928,724 at December 31, 1993 (\$3,300,000 bonds payable, \$6,313,274 capital lease, and \$315,000 due to other funds) to \$6,391,244 at December 31, 2001 (\$4,157,180 bonds payable and \$2,234,064 advances payable). If the Golf Course Fund continues to generate sufficient cash operating income, this reduced debt burden should eventually eliminate the need for debt service payments to be subsidized by other funds.



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

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

GENERAL FUND

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

THE CITY OF SPRINGBORO, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2001

GENERAL FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Municipal Income Tax	\$3,593,699	\$3,855,088	\$261,389
Property and Other Taxes	399,001	399,712	711
Intergovernmental Revenues	683,800	693,134	9,334
Charges for Services	535,000	535,930	930
Fines, Licenses and Permits	450,854	467,321	16,467
Investment Earnings	552,196	619,547	67,351
All Other Revenues	136,602	147,587	10,985
Total Revenues	6,351,152	6,718,319	367,167
<u>Expenditures:</u>			
Security of Persons and Property:			
Police Department:			
Personal Services	1,228,460	1,209,198	19,262
Contractual Services	96,708	80,929	15,779
Materials and Supplies	71,564	61,483	10,081
Capital Outlay	75,500	69,804	5,696
Total Police Department	1,472,232	1,421,414	50,818
Police Dispatchers:			
Personal Services	320,201	283,191	37,010
Contractual Services	18,934	2,241	16,693
Materials and Supplies	1,500	902	598
Capital Outlay	10,111	8,322	1,789
Total Police Dispatchers	350,746	294,656	56,090
Police Mechanic:			
Personal Services	16,750	15,425	1,325
Total Police Mechanic	16,750	15,425	1,325
Street Lighting:			
Contractual Services	81,200	80,194	1,006
Total Street Lighting	81,200	80,194	1,006
Civil Defense:			
Contractual Services	1,100	1,054	46
Total Civil Defense	1,100	1,054	46
Prisoner Care:			
Contractual Services	4,000	3,293	707
Total Prisoner Care	4,000	3,293	707

(Continued)

THE CITY OF SPRINGBORO, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2001

GENERAL FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Traffic Control:			
Contractual Services	7,200	3,000	4,200
Total Traffic Control	7,200	3,000	4,200
Total Security of Persons and Property	1,933,228	1,819,036	114,192
Public Health and Welfare:			
Health Board:			
Contractual Services	1,875	1,874	1
Total Public Health and Welfare	1,875	1,874	1
Leisure Time Activities:			
Senior Citizens:			
Contractual Services	500	500	0
Total Senior Citizens	500	500	0
Parks:			
Personal Services	20,625	20,244	381
Contractual Services	19,900	16,343	3,557
Materials and Supplies	6,000	4,043	1,957
Total Parks	46,525	40,630	5,895
Park Maintenance:			
Personal Services	157,530	132,789	24,741
Contractual Services	23,690	16,547	7,143
Materials and Supplies	34,800	30,037	4,763
Capital Outlay	59,400	57,166	2,234
Total Park Maintenance	275,420	236,539	38,881
Library Services:			
Contractual Services	21,700	19,116	2,584
Materials and Supplies	1,000	483	517
Total Library Services	22,700	19,599	3,101
Total Leisure Time Activities	345,145	297,268	47,877
Community Environment:			
Planning and Zoning:			
Personal Services	86,919	77,402	9,517
Contractual Services	25,855	20,023	5,832
Materials and Supplies	4,100	2,723	1,377
Capital Outlay	5,000	2,500	2,500
Total Planning and Zoning	121,874	102,648	19,226

(Continued)

THE CITY OF SPRINGBORO, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2001

GENERAL FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Engineering:			
Personal Services	102,291	98,852	3,439
Contractual Services	159,600	134,816	24,784
Materials and Supplies	2,500	1,935	565
Capital Outlay	9,882	4,154	5,728
Total Engineering	<u>274,273</u>	<u>239,757</u>	<u>34,516</u>
Economic Development:			
Personal Services	86,285	85,006	1,279
Contractual Services	117,671	115,055	2,616
Materials and Supplies	400	280	120
Total Economic Development	<u>204,356</u>	<u>200,341</u>	<u>4,015</u>
Building Inspection:			
Personal Services	195,561	176,707	18,854
Contractual Services	76,110	52,135	23,975
Materials and Supplies	4,610	4,065	545
Capital Outlay	11,488	7,997	3,491
Total Building Inspection	<u>287,769</u>	<u>240,904</u>	<u>46,865</u>
Total Community Environment	<u>888,272</u>	<u>783,650</u>	<u>104,622</u>
General Government:			
City Council:			
Personal Services	114,464	93,509	20,955
Contractual Services	41,750	32,090	9,660
Materials and Supplies	3,246	2,183	1,063
Capital Outlay	2,850	1,372	1,478
Total City Council	<u>162,310</u>	<u>129,154</u>	<u>33,156</u>
City Manager:			
Personal Services	112,910	91,256	21,654
Contractual Services	91,080	84,648	6,432
Materials and Supplies	5,000	1,924	3,076
Capital Outlay	4,250	3,871	379
Total City Manager	<u>213,240</u>	<u>181,699</u>	<u>31,541</u>

(Continued)

THE CITY OF SPRINGBORO, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2001

GENERAL FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Assistant City Manager:			
Personal Services	24,010	22,650	1,360
Contractual Services	39,550	30,596	8,954
Materials and Supplies	1,000	914	86
Capital Outlay	2,500	2,373	127
Total Assistant City Manager	<u>67,060</u>	<u>56,533</u>	<u>10,527</u>
Computer Administration:			
Personal Services	72,200	56,579	15,621
Contractual Services	14,220	10,634	3,586
Materials and Supplies	12,674	12,014	660
Capital Outlay	11,500	10,340	1,160
Total Computer Administration	<u>110,594</u>	<u>89,567</u>	<u>21,027</u>
Finance Department:			
Personal Services	134,450	128,657	5,793
Contractual Services	105,700	99,879	5,821
Materials and Supplies	5,667	3,283	2,384
Capital Outlay	6,500	6,412	88
Total Finance Department	<u>252,317</u>	<u>238,231</u>	<u>14,086</u>
Mayor's Court			
Personal Services	68,450	55,783	12,667
Contractual Services	76,567	67,079	9,488
Materials and Supplies	1,300	1,149	151
Capital Outlay	2,800	1,605	1,195
Total Mayor's Court	<u>149,117</u>	<u>125,616</u>	<u>23,501</u>
Income Tax:			
Personal Services	97,520	90,141	7,379
Contractual Services	217,002	213,787	3,215
Materials and Supplies	2,000	770	1,230
Capital Outlay	7,000	5,641	1,359
Total Income Tax	<u>323,522</u>	<u>310,339</u>	<u>13,183</u>
Legal Administration:			
Personal Services	84,000	79,807	4,193
Contractual Services	66,000	52,287	13,713
Materials and Supplies	5,000	3,595	1,405
Total Legal Administration	<u>155,000</u>	<u>135,689</u>	<u>19,311</u>

(Continued)

THE CITY OF SPRINGBORO, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2001

GENERAL FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Volunteer Services:			
Contractual Services	2,500	178	2,322
Total Volunteer Services	2,500	178	2,322
Building and Land:			
Personal Services	260,489	237,193	23,296
Contractual Services	404,041	377,451	26,590
Materials and Supplies	32,200	43,133	(10,933)
Capital Outlay	310,773	241,275	69,498
Total Building and Land	1,007,503	899,052	108,451
Miscellaneous:			
Contractual Services	107,211	101,764	5,447
Materials and Supplies	410	380	30
Other Expenditures	500	0	500
Total Miscellaneous	108,121	102,144	5,977
Health Insurance:			
Contractual Services	544,000	542,585	1,415
Total Health Insurance	544,000	542,585	1,415
Total General Government	3,095,284	2,810,787	284,497
Debt Service:			
Principal Retirement	4,827	4,827	0
Interest and Fiscal Charges	784	784	0
Total Expenditures	6,269,415	5,718,226	551,189
Excess (Deficiency) of Revenues Over (Under) Expenditures	81,737	1,000,093	918,356
Other Financing Sources (Uses):			
Operating Transfers In	75,000	75,883	883
Operating Transfers Out	(901,200)	(901,097)	103
Total Other Financing Sources (Uses)	(826,200)	(825,214)	986
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(744,463)	174,879	919,342
Fund Balance at Beginning of Year	1,631,454	1,631,454	0
Prior Year Encumbrances	118,959	118,959	0
Fund Balance at End of Year	\$1,005,950	\$1,925,292	\$919,342

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

COPS Grant Fund

To account for proceeds from federal and state grant monies. The grant funds must be used toward the salary and benefits of police officers.

DARE Trust Fund

To account for donations and a portion of fines and forfeitures from the City of Springboro's Mayor's Court to be used for the DARE education program.

Drug Law Enforcement Fund

To account for fines and costs collected for felonious drug trafficking convictions and sentences. This money may be used in any drug law enforcement activity.

Housing Committee Fund

To account for donations received for future projects developed by the Housing Committee.

Law Enforcement Fund

To account for the fines generated in the prosecution of those in possession of contraband and the proceeds gained from the sale of confiscated contraband. This money may be spent for any law enforcement activity.

Library Donation Fund

To account for donations that the City receives and then gives to the library.

Motor Vehicle License Tax Fund

To account for \$2.50 of each \$5.00 tax levied by Warren County on each motor vehicle registered in the City. Expenditures include planning, constructing, improving, maintaining, and repairing roads, streets and bridges.

(Continued)

Permissive Use Tax Fund

To account for the \$5.00 license tax levied by the City of Springboro. This money is used for the maintenance of highway projects.

State Highway Fund

To account for that portion of the state gasoline tax designated for maintenance of state highways within the City.

Street Maintenance and Repair Fund

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

THE CITY OF SPRINGBORO, OHIO
COMBINING BALANCE SHEET
SPECIAL REVENUE FUNDS
DECEMBER 31, 2001

	COPS Grant	DARE Trust	Drug Law Enforcement	Housing Committee	Law Enforcement
<u>Assets:</u>					
Cash and Cash Equivalents	\$4,853	\$18,322	\$6,062	\$197	\$2,702
Receivables:					
Accounts	0	65	0	0	0
Due from Other Funds	0	100	0	0	0
Intergovernmental Receivables	50,000	0	0	0	219
Materials and Supplies Inventory	0	0	0	0	0
Prepaid Items	0	0	0	0	0
Total Assets	<u>\$54,853</u>	<u>\$18,487</u>	<u>\$6,062</u>	<u>\$197</u>	<u>\$2,921</u>
<u>Liabilities and Fund Equity:</u>					
Liabilities:					
Accounts Payable	\$0	\$169	\$0	\$0	\$0
Accrued Wages and Benefits	2,762	112	0	0	0
Intergovernmental Payables	433	14	0	0	0
Deferred Revenue	50,000	0	0	0	0
Total Liabilities	<u>53,195</u>	<u>295</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Equity:					
Reserved for Encumbrances	0	0	0	197	0
Reserved for Supplies Inventory	0	0	0	0	0
Reserved for Prepaid Items	0	0	0	0	0
Unreserved	1,658	18,192	6,062	0	2,921
Total Fund Equity	<u>1,658</u>	<u>18,192</u>	<u>6,062</u>	<u>197</u>	<u>2,921</u>
Total Liabilities and Fund Equity	<u>\$54,853</u>	<u>\$18,487</u>	<u>\$6,062</u>	<u>\$197</u>	<u>\$2,921</u>

THE CITY OF SPRINGBORO, OHIO
COMBINING BALANCE SHEET
SPECIAL REVENUE FUNDS
DECEMBER 31, 2001

Library Donation	Motor Vehicle License Tax	Permissive Use Tax	State Highway	Street Maintenance and Repair	Totals
\$11,160	\$22,694	\$1,057	\$74,235	\$170,744	\$312,026
0	0	0	0	0	65
0	0	0	0	0	100
0	46,538	0	12,730	157,004	266,491
0	0	0	0	60,628	60,628
0	0	0	0	2,404	2,404
<u>\$11,160</u>	<u>\$69,232</u>	<u>\$1,057</u>	<u>\$86,965</u>	<u>\$390,780</u>	<u>\$641,714</u>
\$0	\$0	\$0	\$2,033	\$6,741	\$8,943
0	0	0	0	8,527	11,401
0	0	0	0	1,536	1,983
0	30,876	0	8,532	105,232	194,640
0	30,876	0	10,565	122,036	216,967
0	0	0	7,200	2,826	10,223
0	0	0	0	60,628	60,628
0	0	0	0	2,404	2,404
11,160	38,356	1,057	69,200	202,886	351,492
<u>11,160</u>	<u>38,356</u>	<u>1,057</u>	<u>76,400</u>	<u>268,744</u>	<u>424,747</u>
<u>\$11,160</u>	<u>\$69,232</u>	<u>\$1,057</u>	<u>\$86,965</u>	<u>\$390,780</u>	<u>\$641,714</u>

THE CITY OF SPRINGBORO, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2001

	COPS Grant	DARE Trust	Drug Law Enforcement	Housing Committee	Law Enforcement
Revenues:					
Property and Other Taxes	\$0	\$0	\$0	\$0	\$0
Intergovernmental Revenues	50,000	8,733	0	0	0
Fines, Licenses and Permits	0	100	26	0	0
Donations	0	2,205	0	0	0
All Other Revenues	0	0	0	0	1,922
Total Revenues	50,000	11,038	26	0	1,922
Expenditures:					
Current:					
Security of Persons and Property	123,660	14,913	11,290	0	800
Transportation	0	0	0	0	0
General Government	0	0	0	0	0
Debt Service:					
Principal Retirement	0	0	0	0	0
Interest and Fiscal Charges	0	0	0	0	0
Total Expenditures	123,660	14,913	11,290	0	800
Excess (Deficiency) of Revenues Over (Under) Expenditures	(73,660)	(3,875)	(11,264)	0	1,122
Other Financing Sources (Uses):					
Operating Transfers In	80,000	0	0	0	0
Operating Transfers Out	0	0	0	0	0
Total Other Financing Sources (Uses)	80,000	0	0	0	0
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	6,340	(3,875)	(11,264)	0	1,122
Fund Balance (Deficit) at Beginning of Year	(4,682)	22,067	17,326	197	1,799
Increase in Inventory Reserve	0	0	0	0	0
Fund Balance at End of Year	\$1,658	\$18,192	\$6,062	\$197	\$2,921

THE CITY OF SPRINGBORO, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2001

Library Donation	Motor Vehicle License Tax	Permissive Use Tax	State Highway	Street Maintenance and Repair	Totals
\$50,000	\$0	\$0	\$0	\$0	\$50,000
0	102,262	50,000	25,950	320,050	556,995
0	0	0	0	0	126
5,891	0	0	0	0	8,096
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,922</u>
55,891	102,262	50,000	25,950	320,050	617,139
<hr/>					
0	0	0	0	0	150,663
0	0	0	15,414	384,588	400,002
5,649	0	0	0	0	5,649
65,927	0	0	0	0	65,927
<u>20,683</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>20,683</u>
92,259	0	0	15,414	384,588	642,924
<hr/>					
(36,368)	102,262	50,000	10,536	(64,538)	(25,785)
0	0	0	0	0	80,000
<u>0</u>	<u>(92,000)</u>	<u>(50,000)</u>	<u>0</u>	<u>0</u>	<u>(142,000)</u>
0	(92,000)	(50,000)	0	0	(62,000)
<hr/>					
(36,368)	10,262	0	10,536	(64,538)	(87,785)
47,528	28,094	1,057	65,864	317,113	496,363
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>16,169</u>	<u>16,169</u>
<u>\$11,160</u>	<u>\$38,356</u>	<u>\$1,057</u>	<u>\$76,400</u>	<u>\$268,744</u>	<u>\$424,747</u>

THE CITY OF SPRINGBORO, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2001

COPS GRANT FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental Revenues	\$50,000	\$50,000	\$0
Total Revenues	50,000	50,000	0
<u>Expenditures:</u>			
Security of Persons and Property:			
Personal Services	129,730	127,697	2,033
Total Expenditures	129,730	127,697	2,033
Excess (Deficiency) of Revenues Over (Under) Expenditures	(79,730)	(77,697)	2,033
<u>Other Financing Sources (Uses):</u>			
Operating Transfers In	80,000	80,000	0
Total Other Financing Sources (Uses)	80,000	80,000	0
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	270	2,303	2,033
Fund Balance at Beginning of Year	2,550	2,550	0
Fund Balance at End of Year	\$2,820	\$4,853	\$2,033

THE CITY OF SPRINGBORO, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2001

DARE TRUST FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental Revenues	\$8,000	\$8,733	\$733
Donations	2,548	2,140	(408)
Total Revenues	10,548	10,873	325
<u>Expenditures:</u>			
Security of Persons and Property:			
Personal Services	20,000	12,384	7,616
Contractual Services	500	491	9
Materials and Supplies	3,000	2,739	261
Total Expenditures	23,500	15,614	7,886
Excess (Deficiency) of Revenues Over (Under) Expenditures	(12,952)	(4,741)	8,211
Fund Balance at Beginning of Year	22,903	22,903	0
Fund Balance at End of Year	\$9,951	\$18,162	\$8,211

THE CITY OF SPRINGBORO, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2001

DRUG LAW ENFORCEMENT FUND

	<u>Revised Budget</u>	<u>Actual</u>	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Fines, Licenses and Permits	\$26	\$26	\$0
Total Revenues	<u>26</u>	<u>26</u>	<u>0</u>
<u>Expenditures:</u>			
Security of Persons and Property:			
Contractual Services	11,290	11,290	0
Total Expenditures	<u>11,290</u>	<u>11,290</u>	<u>0</u>
Excess (Deficiency) of			
Revenues Over (Under) Expenditures	(11,264)	(11,264)	0
Fund Balance at Beginning of Year	17,326	17,326	0
Fund Balance at End of Year	<u><u>\$6,062</u></u>	<u><u>\$6,062</u></u>	<u><u>\$0</u></u>

THE CITY OF SPRINGBORO, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2001

HOUSING COMMITTEE FUND

	<u>Revised Budget</u>	<u>Actual</u>	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Total Revenues	\$0	\$0	\$0
<u>Expenditures:</u>			
General Government:			
Materials and Supplies	197	197	0
Total Expenditures	197	197	0
Excess (Deficiency) of			
Revenues Over (Under) Expenditures	(197)	(197)	0
Fund Balance at Beginning of Year	197	197	0
Fund Balance at End of Year	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

THE CITY OF SPRINGBORO, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2001

LAW ENFORCEMENT FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
All Other Revenues	\$1,638	\$2,036	\$398
Total Revenues	1,638	2,036	398
<u>Expenditures:</u>			
Security of Persons and Property:			
Contractual Services	350	305	45
Materials and Supplies	550	495	55
Total Expenditures	900	800	100
Excess (Deficiency) of Revenues Over (Under) Expenditures	738	1,236	498
Fund Balance at Beginning of Year	1,466	1,466	0
Fund Balance at End of Year	<u>\$2,204</u>	<u>\$2,702</u>	<u>\$498</u>

THE CITY OF SPRINGBORO, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2001

LIBRARY DONATION FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Property and Other Taxes	\$49,930	\$50,000	\$70
Donations	5,000	5,891	891
Total Revenues	54,930	55,891	961
<u>Expenditures:</u>			
General Government:			
Contractual Services	7,500	5,649	1,851
Debt Service:			
Principal Retirement	65,927	65,927	0
Interest and Fiscal Charges	20,683	20,683	0
Total Expenditures	94,110	92,259	1,851
Excess (Deficiency) of			
Revenues Over (Under) Expenditures	(39,180)	(36,368)	2,812
Fund Balance at Beginning of Year	47,528	47,528	0
Fund Balance at End of Year	\$8,348	\$11,160	\$2,812

THE CITY OF SPRINGBORO, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2001

MOTOR VEHICLE LICENSE TAX FUND

	<u>Revised Budget</u>	<u>Actual</u>	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental Revenues	\$95,000	\$101,509	\$6,509
Total Revenues	<u>95,000</u>	<u>101,509</u>	<u>6,509</u>
<u>Expenditures:</u>			
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	95,000	101,509	6,509
<u>Other Financing Sources (Uses):</u>			
Operating Transfers Out	<u>(92,000)</u>	<u>(92,000)</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>(92,000)</u>	<u>(92,000)</u>	<u>0</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	3,000	9,509	6,509
Fund Balance at Beginning of Year	<u>13,185</u>	<u>13,185</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$16,185</u></u>	<u><u>\$22,694</u></u>	<u><u>\$6,509</u></u>

THE CITY OF SPRINGBORO, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2001

PERMISSIVE USE TAX FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental Revenues	\$50,000	\$50,000	\$0
Total Revenues	50,000	50,000	0
<u>Expenditures:</u>			
Total Expenditures	0	0	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	50,000	50,000	0
<u>Other Financing Sources (Uses):</u>			
Operating Transfers Out	(50,000)	(50,000)	0
Total Other Financing Sources (Uses)	(50,000)	(50,000)	0
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	0	0	0
Fund Balance at Beginning of Year	1,057	1,057	0
Fund Balance at End of Year	\$1,057	\$1,057	\$0

THE CITY OF SPRINGBORO, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2001

STATE HIGHWAY FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental Revenues	\$23,000	\$25,863	\$2,863
Total Revenues	23,000	25,863	2,863
<u>Expenditures:</u>			
Transportation:			
Contractual Services	24,000	21,105	2,895
Total Expenditures	24,000	21,105	2,895
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,000)	4,758	5,758
Fund Balance at Beginning of Year	62,277	62,277	0
Fund Balance at End of Year	<u>\$61,277</u>	<u>\$67,035</u>	<u>\$5,758</u>

THE CITY OF SPRINGBORO, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2001

STREET MAINTENANCE AND REPAIR FUND

	<u>Revised Budget</u>	<u>Actual</u>	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental Revenues	\$292,000	\$318,981	\$26,981
Total Revenues	<u>292,000</u>	<u>318,981</u>	<u>26,981</u>
<u>Expenditures:</u>			
Transportation:			
Personal Services	332,900	272,310	60,590
Contractual Services	60,392	38,450	21,942
Materials and Supplies	112,493	90,304	22,189
Capital Outlay	<u>21,330</u>	<u>15,724</u>	<u>5,606</u>
Total Expenditures	<u>527,115</u>	<u>416,788</u>	<u>110,327</u>
Excess (Deficiency) of			
Revenues Over (Under) Expenditures	(235,115)	(97,807)	137,308
Fund Balance at Beginning of Year	253,325	253,325	0
Prior Year Encumbrances	<u>11,515</u>	<u>11,515</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$29,725</u></u>	<u><u>\$167,033</u></u>	<u><u>\$137,308</u></u>

CAPITAL PROJECTS FUNDS

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

Construction Fund

To account for transfers of income tax revenues and grants used for all construction projects not accounted for in the permanent improvement fund.

Income Tax Capital Improvement Fund

To account for income tax proceeds from .5% of the City's 1.5% income tax. The funds are to be spent on capital projects at Council's discretion.

Land Acquisition Fund

To account for monies used for the purchase of land.
(The Balance Sheet is not presented because there are no assets or liabilities at year end.)

Permanent Improvement Fund

To account for various local and state revenues used for all construction projects related to park facilities.

THE CITY OF SPRINGBORO, OHIO
COMBINING BALANCE SHEET
CAPITAL PROJECTS FUNDS
DECEMBER 31, 2001

	Construction	Income Tax Capital Improvement	Permanent Improvement	Totals
<u>Assets:</u>				
Cash and Cash Equivalents	\$456,933	\$430,636	\$250,394	\$1,137,963
Investments	2,044,596	1,926,927	0	3,971,523
Receivables:				
Municipal Income Tax	0	239,445	0	239,445
Intergovernmental Receivable	340,000	0	0	340,000
Advances to Other Funds	0	118,306	0	118,306
Total Assets	<u>\$2,841,529</u>	<u>\$2,715,314</u>	<u>\$250,394</u>	<u>\$5,807,237</u>
<u>Liabilities and Fund Equity:</u>				
Liabilities:				
Accounts Payable	\$380,766	\$0	\$6,035	\$386,801
Accrued Interest Payable	117,894	0	0	117,894
Deferred Revenue	340,000	57,479	0	397,479
General Obligation Notes Payable	6,120,000	0	0	6,120,000
Total Liabilities	<u>6,958,660</u>	<u>57,479</u>	<u>6,035</u>	<u>7,022,174</u>
Fund Equity:				
Reserved for Encumbrances	1,377,965	0	31,391	1,409,356
Reserved for Advances	0	118,306	0	118,306
Unreserved	(5,495,096)	2,539,529	212,968	(2,742,599)
Total Fund Equity	<u>(4,117,131)</u>	<u>2,657,835</u>	<u>244,359</u>	<u>(1,214,937)</u>
Total Liabilities and Fund Equity	<u>\$2,841,529</u>	<u>\$2,715,314</u>	<u>\$250,394</u>	<u>\$5,807,237</u>

THE CITY OF SPRINGBORO, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2001

	Construction	Income Tax Capital Improvement	Land Acquisition	Permanent Improvement	Totals
Revenues:					
Municipal Income Tax	\$0	\$1,922,297	\$0	\$0	\$1,922,297
Property and Other Taxes	0	0	0	35,000	35,000
Fines, Licenses and Permits	0	0	0	178,005	178,005
Investment Earnings	30,740	28,971	0	0	59,711
All Other Revenues	105,859	0	50,000	70	155,929
Total Revenues	136,599	1,951,268	50,000	213,075	2,350,942
Expenditures:					
Current:					
General Government	88,567	0	0	89,918	178,485
Capital Outlay	1,544,562	0	580,000	130,325	2,254,887
Debt Service:					
Interest and Fiscal Charges	201,128	0	0	0	201,128
Total Expenditures	1,834,257	0	580,000	220,243	2,634,500
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,697,658)	1,951,268	(530,000)	(7,168)	(283,558)
Other Financing Sources (Uses):					
Proceeds from Sale of Land	0	0	176,055	0	176,055
Operating Transfers In	1,242,000	0	354,000	0	1,596,000
Operating Transfers Out	(333,128)	(1,000,000)	(883)	(33,562)	(1,367,573)
Total Other Financing Sources (Uses)	908,872	(1,000,000)	529,172	(33,562)	404,482
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(788,786)	951,268	(828)	(40,730)	120,924
Fund Balance (Deficit) at Beginning of Year	(3,328,345)	1,706,567	828	285,089	(1,335,861)
Fund Balance (Deficit) at End of Year	(\$4,117,131)	\$2,657,835	\$0	\$244,359	(\$1,214,937)

THE CITY OF SPRINGBORO, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2001

CONSTRUCTION FUND

	<u>Revised Budget</u>	<u>Actual</u>	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
All Other Revenues	\$73,000	\$106,222	\$33,222
Total Revenues	<u>73,000</u>	<u>106,222</u>	<u>33,222</u>
<u>Expenditures:</u>			
General Government:			
Contractual Services	118,198	114,605	3,593
Total General Government	<u>118,198</u>	<u>114,605</u>	<u>3,593</u>
Capital Outlay	<u>2,985,872</u>	<u>2,900,889</u>	<u>84,983</u>
Total Expenditures	<u>3,104,070</u>	<u>3,015,494</u>	<u>88,576</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,031,070)	(2,909,272)	121,798
<u>Other Financing Sources (Uses):</u>			
Proceeds from General Obligation Notes	6,120,000	6,120,000	0
Operating Transfers In	1,242,000	1,242,773	773
Operating Transfers Out	<u>(4,542,033)</u>	<u>(4,470,790)</u>	<u>71,243</u>
Total Other Financing Sources (Uses)	<u>2,819,967</u>	<u>2,891,983</u>	<u>72,016</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(211,103)	(17,289)	193,814
Fund Balance at Beginning of Year	98,271	98,271	0
Prior Year Encumbrances	<u>633,628</u>	<u>633,628</u>	<u>0</u>
Fund Balance at End of Year	<u>\$520,796</u>	<u>\$714,610</u>	<u>\$193,814</u>

THE CITY OF SPRINGBORO, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2001

INCOME TAX CAPITAL IMPROVEMENT FUND

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
<u>Revenues:</u>			
Municipal Income Tax	\$1,798,500	\$1,927,848	\$129,348
Total Revenues	<u>1,798,500</u>	<u>1,927,848</u>	<u>129,348</u>
<u>Expenditures:</u>			
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,798,500	1,927,848	129,348
<u>Other Financing Sources (Uses):</u>			
Operating Transfers In	1,798,500	1,798,500	0
Operating Transfers Out	<u>(2,798,500)</u>	<u>(2,798,500)</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>(1,000,000)</u>	<u>(1,000,000)</u>	<u>0</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	798,500	927,848	129,348
Fund Balance at Beginning of Year	<u>1,519,050</u>	<u>1,519,050</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$2,317,550</u></u>	<u><u>\$2,446,898</u></u>	<u><u>\$129,348</u></u>

THE CITY OF SPRINGBORO, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2001

LAND ACQUISITION FUND

	<u>Revised Budget</u>	<u>Actual</u>	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
All Other Revenues	\$50,000	\$50,000	\$0
Total Revenues	<u>50,000</u>	<u>50,000</u>	<u>0</u>
<u>Expenditures:</u>			
Capital Outlay	580,000	580,000	0
Total Expenditures	<u>580,000</u>	<u>580,000</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(530,000)	(530,000)	0
<u>Other Financing Sources (Uses):</u>			
Proceeds from Sale of Land	176,055	176,055	0
Operating Transfers In	354,000	354,000	0
Operating Transfers Out	<u>(883)</u>	<u>(883)</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>529,172</u>	<u>529,172</u>	<u>0</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(828)	(828)	0
Fund Balance at Beginning of Year	<u>828</u>	<u>828</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

THE CITY OF SPRINGBORO, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2001

PERMANENT IMPROVEMENT FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Property and Other Taxes	\$0	\$35,000	\$35,000
Fines, Licenses and Permits	195,000	178,005	(16,995)
All Other Revenues	12,000	70	(11,930)
Total Revenues	207,000	213,075	6,075
<u>Expenditures:</u>			
General Government:			
Contractual Services	94,012	86,072	7,940
Materials and Supplies	8,488	8,426	62
Total General Government	102,500	94,498	8,002
Capital Outlay	235,708	156,768	78,940
Total Expenditures	338,208	251,266	86,942
Excess (Deficiency) of Revenues Over (Under) Expenditures	(131,208)	(38,191)	93,017
<u>Other Financing Sources (Uses):</u>			
Operating Transfers In	24,311	24,311	0
Operating Transfers Out	(73,595)	(57,873)	15,722
Total Other Financing Sources (Uses)	(49,284)	(33,562)	15,722
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(180,492)	(71,753)	108,739
Fund Balance at Beginning of Year	212,968	212,968	0
Prior Year Encumbrances	73,208	73,208	0
Fund Balance at End of Year	\$105,684	\$214,423	\$108,739

To account for operations (a) that are financed and operated in a manner similar to private business enterprises where the intent is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where it has been decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Golf Course Fund

To account for revenue received from user charges; such as greens fees, rentals, and concessions, to be used for the general operation of Heatherwoode, an 18-hole championship golf course.

Sewer Fund

To account for revenue received from user charges for sewer services provided to residents of the City of Springboro.

Trash Fund

To account for revenue received from user charges for trash collection services provided to the residents of the City of Springboro.

Water Fund

To account for revenue received from user charges for the water treatment and distribution services provided to the residents of the City of Springboro.

THE CITY OF SPRINGBORO, OHIO
COMBINING BALANCE SHEET
ENTERPRISE FUNDS
DECEMBER 31, 2001

	<u>Golf Course</u>	<u>Sewer</u>	<u>Trash</u>	<u>Water</u>	<u>Totals</u>
<u>Assets:</u>					
Cash and Cash Equivalents	\$0	\$836,353	\$279,550	\$1,152,833	\$2,268,736
Investments	0	3,742,353	0	5,426,596	9,168,949
Receivables (net of allowances for doubtful accounts):					
Accounts	49,944	322,598	98,635	398,976	870,153
Due from Other Funds	236	0	0	0	236
Materials and Supplies Inventory	38,660	0	0	0	38,660
Inventory Held for Resale	30,527	0	0	0	30,527
Prepaid Items	6,411	938	137	14,578	22,064
Restricted Assets:					
Cash and Cash Equivalents	0	0	0	59,921	59,921
Cash with Fiscal and Escrow Agent	0	181,016	0	757,242	938,258
Investments with Fiscal Agent	0	433,333	0	995,254	1,428,587
Property, Plant and Equipment	12,404,699	23,327,745	0	29,005,170	64,737,614
Less Accumulated Depreciation	(1,568,836)	(3,104,334)	0	(2,331,008)	(7,004,178)
Net Fixed Assets	<u>10,835,863</u>	<u>20,223,411</u>	<u>0</u>	<u>26,674,162</u>	<u>57,733,436</u>
Deferred Loss on Defeasance	347,204	169,991	0	0	517,195
Unamortized Bond Issuance Costs	<u>75,522</u>	<u>247,290</u>	<u>0</u>	<u>513,678</u>	<u>836,490</u>
Total Assets	<u><u>\$11,384,367</u></u>	<u><u>\$26,157,283</u></u>	<u><u>\$378,322</u></u>	<u><u>\$35,993,240</u></u>	<u><u>\$73,913,212</u></u>

THE CITY OF SPRINGBORO, OHIO
COMBINING BALANCE SHEET
ENTERPRISE FUNDS
DECEMBER 31, 2001

	<u>Golf Course</u>	<u>Sewer</u>	<u>Trash</u>	<u>Water</u>	<u>Totals</u>
<u>Liabilities and Fund Equity:</u>					
Liabilities:					
Accounts Payable	\$28,446	\$35,782	\$38,030	\$21,522	\$123,780
Accrued Wages and Benefits	0	9,413	1,383	18,396	29,192
Intergovernmental Payables	0	6,140	1,658	23,427	31,225
Advances from Other Funds	2,234,064	0	0	0	2,234,064
Accrued Interest Payable	17,864	59,274	0	70,258	147,396
Compensated Absences Payable	0	10,824	3,780	15,819	30,423
Estimated Loss Contingency	250,000	0	0	0	250,000
Capital Leases Payable	92,117	128,855	0	0	220,972
General Obligation Notes Payable	0	1,200,000	0	0	1,200,000
Refundable Deposits	0	0	0	59,921	59,921
General Obligation Bonds Payable	4,157,180	117,700	0	136,250	4,411,130
Mortgage Revenue Bonds Payable	0	4,160,000	0	17,140,000	21,300,000
Total Liabilities	6,779,671	5,727,988	44,851	17,485,593	30,038,103
Fund Equity:					
Contributed Capital	1,594,139	16,840,397	0	9,235,745	27,670,281
Retained Earnings:					
Reserved for Replacement and Improvement	0	200,000	0	97,633	297,633
Unreserved	3,010,557	3,388,898	333,471	9,174,269	15,907,195
Total Retained Earnings	3,010,557	3,588,898	333,471	9,271,902	16,204,828
Total Fund Equity	4,604,696	20,429,295	333,471	18,507,647	43,875,109
Total Liabilities and Fund Equity	\$11,384,367	\$26,157,283	\$378,322	\$35,993,240	\$73,913,212



THE CITY OF SPRINGBORO, OHIO
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS
ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2001

	<u>Golf Course</u>	<u>Sewer</u>	<u>Trash</u>	<u>Water</u>	<u>Totals</u>
<u>Operating Revenues:</u>					
Charges for Services	\$1,250,305	\$1,690,126	\$645,329	\$2,516,075	\$6,101,835
Sales	758,337	0	0	0	758,337
Other Operating Revenues	180,918	31,387	0	0	212,305
Total Operating Revenues	<u>2,189,560</u>	<u>1,721,513</u>	<u>645,329</u>	<u>2,516,075</u>	<u>7,072,477</u>
<u>Operating Expenses:</u>					
Personal Services	0	218,872	67,047	375,860	661,779
Materials and Supplies	125,633	7,963	4,377	60,030	198,003
Contractual Services	1,627,876	942,412	450,542	643,539	3,664,369
Cost of Goods Sold	218,460	0	0	0	218,460
Depreciation	142,403	383,719	0	486,802	1,012,924
Total Operating Expenses	<u>2,114,372</u>	<u>1,552,966</u>	<u>521,966</u>	<u>1,566,231</u>	<u>5,755,535</u>
Operating Income	75,188	168,547	123,363	949,844	1,316,942
<u>Nonoperating Revenues (Expenses):</u>					
Intergovernmental Revenues	58,952	0	0	0	58,952
Investment Earnings	87,713	72,249	0	155,780	315,742
Interest and Fiscal Charges	(241,075)	(325,703)	0	(855,166)	(1,421,944)
Capital Contributions - Tap-in Fees	0	519,694	0	433,143	952,837
Capital Contributions	6,710	944,813	0	306,099	1,257,622
Gain on the Disposal of Fixed Assets	3,269	0	0	0	3,269
Loss on the Disposal of Fixed Assets	0	0	0	(49,746)	(49,746)
Total Nonoperating Revenues (Expenses)	<u>(84,431)</u>	<u>1,211,053</u>	<u>0</u>	<u>(9,890)</u>	<u>1,116,732</u>
Income (Loss) Before Operating Transfers	(9,243)	1,379,600	123,363	939,954	2,433,674
<u>Operating Transfers:</u>					
Operating Transfers In	250,000	0	0	0	250,000
Operating Transfers Out	0	(35,000)	(5,000)	(35,000)	(75,000)
Total Operating Transfers	<u>250,000</u>	<u>(35,000)</u>	<u>(5,000)</u>	<u>(35,000)</u>	<u>175,000</u>
Net Income	240,757	1,344,600	118,363	904,954	2,608,674
Retained Earnings at Beginning of Year	2,769,800	2,244,298	215,108	8,366,948	13,596,154
Retained Earnings at End of Year	<u>\$3,010,557</u>	<u>\$3,588,898</u>	<u>\$333,471</u>	<u>\$9,271,902</u>	<u>\$16,204,828</u>

THE CITY OF SPRINGBORO, OHIO
COMBINING STATEMENT OF CASH FLOWS
ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2001

	Golf Course	Sewer	Trash	Water	Totals
<u>Cash Flows from Operating Activities:</u>					
Cash Received from Customers	\$2,008,406	\$1,595,321	\$594,631	\$2,335,634	\$6,533,992
Other Operating Receipts	130,974	31,387	0	9,642	172,003
Cash Payments for Goods and Services	(1,731,245)	(915,178)	(456,966)	(721,541)	(3,824,930)
Cash Payments to Employees	0	(211,363)	(65,038)	(360,682)	(637,083)
Net Cash Provided by Operating Activities	408,135	500,167	72,627	1,263,053	2,243,982
<u>Cash Flows from Noncapital Financing Activities:</u>					
Payment of Advances from Other Funds	(2,674,504)	0	0	0	(2,674,504)
Receipt of Advances from Other Funds	2,234,064	0	0	0	2,234,064
Transfers In from Other Funds	250,000	0	0	0	250,000
Transfers Out to Other Funds	0	(35,000)	(5,000)	(35,000)	(75,000)
Net Cash Used by Noncapital Financing Activities	(190,440)	(35,000)	(5,000)	(35,000)	(265,440)
<u>Cash Flows from Capital and Related Financing Activities:</u>					
Cash Received from Tap-in Fees in Excess of Cost	0	519,694	0	433,143	952,837
Receipt of Intergovernmental Revenue	58,952	0	0	0	58,952
Proceeds from General Obligation Notes	0	1,200,000	0	0	1,200,000
Principal Paid on General Obligation Notes	0	(1,200,000)	0	0	(1,200,000)
Acquisition and Construction of Assets	(14,600)	(93,179)	0	(334,297)	(442,076)
Principal Paid on General Obligation Bonds	(115,000)	(18,600)	0	(15,000)	(148,600)
Principal Paid on Capital Lease	(14,261)	(32,250)	0	0	(46,511)
Principal Paid on Mortgage Revenue Bonds	0	(150,000)	0	(500,000)	(650,000)
Interest Paid on All Debt	(220,499)	(301,062)	0	(832,131)	(1,353,692)
Net Cash Used by Capital and Related Financing Activities	(305,408)	(75,397)	0	(1,248,285)	(1,629,090)
<u>Cash Flows from Investing Activities:</u>					
Receipt of Interest	87,713	33,470	0	92,717	213,900
Purchase of Investments	0	(1,335,804)	0	(1,695,477)	(3,031,281)
Net Cash Provided (Used) by Investing Activities	87,713	(1,302,334)	0	(1,602,760)	(2,817,381)
Net Increase (Decrease) in Cash and Cash Equivalents	0	(912,564)	67,627	(1,622,992)	(2,467,929)
Cash and Cash Equivalents at Beginning of Year	0	1,929,933	211,923	3,592,988	5,734,844
Cash and Cash Equivalents at End of Year	\$0	\$1,017,369	\$279,550	\$1,969,996	\$3,266,915
<u>Reconciliation of Cash and Cash Equivalents per the Balance Sheet:</u>					
Cash and Cash Equivalents	\$0	\$836,353	\$279,550	\$1,152,833	\$2,268,736
Restricted Cash and Cash Equivalents	0	0	0	59,921	59,921
Restricted Cash with Fiscal and Escrow Agents	0	181,016	0	757,242	938,258
Cash and Cash Equivalents at End of Year	\$0	\$1,017,369	\$279,550	\$1,969,996	\$3,266,915

(continued)

THE CITY OF SPRINGBORO, OHIO
COMBINING STATEMENT OF CASH FLOWS
ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2001

	Golf Course	Sewer	Trash	Water	Totals
<u>Reconciliation of Operating Income to Net Cash</u>					
<u>Provided by Operating Activities:</u>					
Operating Income	\$75,188	\$168,547	\$123,363	\$949,844	\$1,316,942
Adjustments to Reconcile Operating Income to					
Net Cash Provided by Operating Activities:					
Depreciation Expense	142,403	383,719	0	486,802	1,012,924
Changes in Assets and Liabilities:					
Increase in Accounts Receivable	(49,944)	(94,805)	(50,698)	(180,441)	(375,888)
Increase in Due From Other Funds	(236)	0	0	0	(236)
(Increase) Decrease in Inventory	(23,525)	595	0	0	(22,930)
Increase in Inventory Held for Resale	(2,293)	0	0	0	(2,293)
(Increase) Decrease in Prepaid Items	(465)	0	259	(7,474)	(7,680)
Increase (Decrease) in Accounts Payable	17,007	34,602	(2,306)	(8,473)	40,830
Increase (Decrease) in Accrued Wages and Benefits	0	1,679	(1,345)	4,579	4,913
Increase in Intergovernmental Payable	0	1,715	388	3,104	5,207
Increase in Estimated Loss Contingency	250,000	0	0	0	250,000
Increase in Refundable Deposits	0	0	0	7,788	7,788
Increase in Compensated Absences	0	4,115	2,966	7,324	14,405
Total Adjustments	<u>332,947</u>	<u>331,620</u>	<u>(50,736)</u>	<u>313,209</u>	<u>927,040</u>
Net Cash Provided by Operating Activities	<u>\$408,135</u>	<u>\$500,167</u>	<u>\$72,627</u>	<u>\$1,263,053</u>	<u>\$2,243,982</u>

Schedule of Noncash Investing, Capital and Financing Activities:

At December 31, 2001, the Golf Course and Water Funds had outstanding liabilities of \$7,400 and \$855, respectively for the purchase of certain capital assets. During 2001, the Sewer and Water Funds received \$944,813 and \$306,099, respectively, of fixed assets donated by developers. The Golf Course Fund received \$6,710 in fixed assets from other funds of the City. The Golf Course Fund incurred a new lease liability of \$77,279 in 2001. During 2001 the fair value of investments increased by \$38,779 and by \$63,063 in the Sewer and Water Funds, respectively.

FIDUCIARY FUND TYPES

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

EXPENDABLE TRUST FUND

Civic Center Trust Fund

To account for a donation received to be used for the purpose of providing a public gathering place.

AGENCY FUND

Mayor's Court Fund

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

THE CITY OF SPRINGBORO, OHIO
COMBINING BALANCE SHEET
FIDUCIARY FUNDS
DECEMBER 31, 2001

	<u><i>Expendable Trust Fund</i></u>	<u><i>Agency Fund</i></u>	
	Civic Center Trust	Mayor's Court	<u>Totals</u>
<u>Assets:</u>			
Cash and Cash Equivalents	\$156,148	\$0	\$156,148
Restricted Assets:			
Cash with Fiscal and Escrow Agent	<u>0</u>	<u>14,581</u>	<u>14,581</u>
Total Assets	<u><u>\$156,148</u></u>	<u><u>\$14,581</u></u>	<u><u>\$170,729</u></u>
<u>Liabilities and Fund Equity:</u>			
Liabilities:			
Due to Other Funds	\$0	\$11,581	\$11,581
Intergovernmental Payables	0	1,990	1,990
Undistributed Monies	<u>0</u>	<u>1,010</u>	<u>1,010</u>
Total Liabilities	<u>0</u>	<u>14,581</u>	<u>14,581</u>
Fund Equity:			
Unreserved	<u>156,148</u>	<u>0</u>	<u>156,148</u>
Total Fund Equity	<u>156,148</u>	<u>0</u>	<u>156,148</u>
Total Liabilities and Fund Equity	<u><u>\$156,148</u></u>	<u><u>\$14,581</u></u>	<u><u>\$170,729</u></u>

THE CITY OF SPRINGBORO, OHIO
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUND
FOR THE YEAR ENDED DECEMBER 31, 2001

	Balance December 31, 2000	Additions	Deductions	Balance December 31, 2001
<u>Mayor's Court Fund</u>				
Assets:				
Cash with Fiscal and Escrow Agent	\$8,631	\$220,077	(\$214,127)	\$14,581
Total Assets	<u>\$8,631</u>	<u>\$220,077</u>	<u>(\$214,127)</u>	<u>\$14,581</u>
Liabilities:				
Due to Other Funds	\$6,553	\$11,581	(\$6,553)	\$11,581
Intergovernmental Payables	1,380	1,990	(1,380)	1,990
Undistributed Monies	698	206,506	(206,194)	1,010
Total Liabilities	<u>\$8,631</u>	<u>\$220,077</u>	<u>(\$214,127)</u>	<u>\$14,581</u>

GENERAL FIXED ASSETS ACCOUNT GROUP

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

THE CITY OF SPRINGBORO, OHIO
SCHEDULE OF GENERAL FIXED ASSETS
BY SOURCE
DECEMBER 31, 2001

General Fixed Assets:

Land and Land Improvements	\$2,713,249
Buildings	2,001,902
Equipment	2,631,926
Construction in Progress	<u>128,143</u>
Total General Fixed Assets	<u><u>\$7,475,220</u></u>

Investment in General Fixed Assets from:

General Fund	\$4,527,362
Special Revenue Funds	445,488
Capital Projects Funds	2,372,701
Enterprise Funds	<u>129,669</u>
Total Investment in General Fixed Assets	<u><u>\$7,475,220</u></u>

THE CITY OF SPRINGBORO, OHIO
SCHEDULE OF GENERAL FIXED ASSETS
BY CATEGORY
DECEMBER 31, 2001

Function and Activity	Land and Land Improvements	Buildings	Equipment	Construction in Progress	Total
<u>General Government:</u>					
Council	\$0	\$3,000	\$20,167	\$0	\$23,167
City Manager	0	0	11,371	0	11,371
Records Management	0	0	34,627	0	34,627
Finance	0	0	67,878	0	67,878
Mayor's Court	0	0	19,854	0	19,854
Taxation	0	0	14,600	0	14,600
Public Land and Buildings	1,578,513	414,080	190,133	0	2,182,726
Total	<u>1,578,513</u>	<u>417,080</u>	<u>358,630</u>	<u>0</u>	<u>2,354,223</u>
<u>Security of Persons and Property:</u>					
Police	0	0	651,145	0	651,145
Street Lighting	0	0	78,675	0	78,675
Traffic Control	0	0	294,689	0	294,689
Total	<u>0</u>	<u>0</u>	<u>1,024,509</u>	<u>0</u>	<u>1,024,509</u>
<u>Transportation:</u>					
Street	12,898	614,994	779,873	0	1,407,765
Grounds	153,795	0	3,900	0	157,695
Total	<u>166,693</u>	<u>614,994</u>	<u>783,773</u>	<u>0</u>	<u>1,565,460</u>
<u>Leisure Time Activities:</u>					
Parks and Recreation	968,043	897,356	324,204	128,143	2,317,746
Library	0	4,149	47,543	0	51,692
Total	<u>968,043</u>	<u>901,505</u>	<u>371,747</u>	<u>128,143</u>	<u>2,369,438</u>
<u>Community Environment:</u>					
Engineering	0	68,323	30,968	0	99,291
Planning and Zoning	0	0	17,356	0	17,356
Community Development	0	0	8,565	0	8,565
Building Inspection	0	0	36,378	0	36,378
Total	<u>0</u>	<u>68,323</u>	<u>93,267</u>	<u>0</u>	<u>161,590</u>
Total General Fixed Assets	<u>\$2,713,249</u>	<u>\$2,001,902</u>	<u>\$2,631,926</u>	<u>\$128,143</u>	<u>\$7,475,220</u>

THE CITY OF SPRINGBORO, OHIO
SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS
BY FUNCTION AND ACTIVITY
FOR THE YEAR ENDED DECEMBER 31, 2001

Function and Activity	January 1, 2001	Transfers	Additions	Deletions	December 31, 2001
<u>General Government:</u>					
Council	\$26,247	(\$3,080)	\$0	\$0	\$23,167
City Manager	11,717	0	3,655	(4,001)	11,371
Records Management	38,172	1,175	0	(4,720)	34,627
Finance	65,995	0	5,975	(4,092)	67,878
Mayor's Court	21,849	(1,995)	0	0	19,854
Taxation	19,130	0	1,575	(6,105)	14,600
Public Land and Buildings	2,178,977	(1,142)	100,692	(95,801)	2,182,726
Total	<u>2,362,087</u>	<u>(5,042)</u>	<u>111,897</u>	<u>(114,719)</u>	<u>2,354,223</u>
<u>Security of Persons and Property:</u>					
Police	584,489	(14,991)	91,319	(9,672)	651,145
Street Lighting	78,675	0	0	0	78,675
Traffic Control	294,689	0	0	0	294,689
Total	<u>957,853</u>	<u>(14,991)</u>	<u>91,319</u>	<u>(9,672)</u>	<u>1,024,509</u>
<u>Transportation:</u>					
Street	1,326,822	14,991	65,952	0	1,407,765
Grounds	153,795	3,900	0	0	157,695
Total	<u>1,480,617</u>	<u>18,891</u>	<u>65,952</u>	<u>0</u>	<u>1,565,460</u>
<u>Leisure Time Activities:</u>					
Parks and Recreation	1,999,468	0	348,168	(29,890)	2,317,746
Library	65,906	0	0	(14,214)	51,692
Total	<u>2,065,374</u>	<u>0</u>	<u>348,168</u>	<u>(44,104)</u>	<u>2,369,438</u>
<u>Community Environment:</u>					
Engineering	60,018	0	39,273	0	99,291
Planning and Zoning	17,356	0	0	0	17,356
Community Development	8,565	0	0	0	8,565
Building Inspection	32,971	1,142	2,265	0	36,378
Total	<u>118,910</u>	<u>1,142</u>	<u>41,538</u>	<u>0</u>	<u>161,590</u>
Total General Fixed Assets	<u>\$6,984,841</u>	<u>\$0</u>	<u>\$658,874</u>	<u>(\$168,495)</u>	<u>\$7,475,220</u>

STATISTICAL SECTION

STATISTICAL TABLES

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

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

Year	Security of Persons and Property	Public Health and Welfare	Leisure Time Activities	Community Environment	Transportation	General Government	Debt Service	Total
1992	\$864,699	\$16,311	\$99,610	\$197,320	\$462,736	\$889,988	\$145,511	\$2,676,175
1993	992,246	17,155	159,856	212,624	373,569	994,621	216,566	2,966,637
1994	1,089,650	18,046	150,250	191,189	368,654	1,133,870	298,600	3,250,259
1995	1,098,498	17,560	178,255	197,276	447,179	1,095,945	449,612	3,484,325
1996	1,162,688	15,998	152,377	408,692	408,765	1,373,393	447,762	3,969,675
1997	1,228,970	17,826	213,748	505,251	466,174	1,678,623	353,057	4,463,649
1998	1,568,042	21,533	235,084	617,174	355,769	1,638,663	463,163	4,899,428
1999	1,764,306	13,569	214,419	716,566	455,676	2,206,726	357,356 (2)	5,728,618
2000	1,817,020	1,923	206,529	950,210	505,980	2,501,915	412,910	6,396,487
2001	1,982,231	1,874	296,561	684,998	400,002	2,759,509	663,149	6,788,324

- (1) Includes General Fund, Special Revenue Funds and Debt Service Fund
- (2) Includes Basic Utility Services from the Debt Service Fund.

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

Year	Taxes (2)	Inter-Governmental Revenues	Charges for Services	Fines, Licenses and Permits (3)	Investment Earnings	All Other (4)	Total
1992	\$1,665,071	\$508,734	\$17,551	\$280,125	\$16,622	\$141,912	\$2,630,015
1993	1,974,881	752,766	5,172	344,030	26,744	222,266	3,325,859
1994	2,119,522	653,240	3,089	360,512	24,813	204,234	3,365,410
1995	2,323,229	671,744	3,730	290,721	174,325	330,612	3,794,361
1996	3,424,685	744,315	155,893	340,357	194,677	492,228	5,352,155
1997	3,988,271	909,487	189,598	402,554	275,658	497,771	6,263,339
1998	3,182,087	1,072,824	404,577	494,778	375,255	527,292	6,056,813
1999	3,581,369	904,526	352,465	523,587	224,200	603,548	6,189,695
2000	3,760,538	1,219,893	381,632	469,479	519,956	894,093	7,245,591
2001	4,295,380	1,149,376	526,743	470,299	619,578	399,685	7,461,061

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

(2) Municipal Income Tax and Property Taxes are combined.

(3) Fines and Forfeitures were combined with Licenses and Permits.

(4) Includes Special Assessments and Donations.

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

Collection Year	Current Tax Levy	Current Tax Collections	Percent of		Delinquent Tax Collections	Total Tax Collections	Percent of Total Tax Collections to Current Taxes Levied
			Levy Collected	Current Tax Collections			
1992	\$175,272	\$172,068	98.17%	\$4,714	\$176,782	100.86%	
1993	188,865	184,770	97.83%	10,860	195,630	103.58%	
1994	201,663	195,613	97.00%	3,961	199,574	98.96%	
1995	212,885	206,958	97.22%	2,785	209,743	98.52%	
1996	260,138	252,360	97.01%	3,326	255,686	98.29%	
1997	298,301	292,336	98.00%	6,170	298,506	100.07%	
1998	309,611	302,898	97.83%	8,964	311,862	100.73%	
1999	328,855	318,704	96.91%	6,597	325,301	98.92%	
2000	348,598	338,243	97.03%	9,295	347,538	99.70%	
2001	409,572	393,232	96.01%	9,459	402,691	98.32%	

Source: Warren County Auditor

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

Tax Levy Year	Real Property		Public Utility		Tangible Personal Property		Total		Assessed Value as a Percent of Actual Value
	Assessed	Actual	Assessed	Actual	Assessed	Actual	Assessed	Actual	
1992	\$102,900,490	\$294,001,400	\$8,192,490	\$9,309,648	\$29,959,679	\$119,838,716	\$141,052,659	\$423,149,764	33.33%
1993	115,225,660	329,216,171	9,044,270	10,277,580	30,282,696	121,130,784	154,552,626	460,624,535	33.55%
1994	150,135,280	428,957,943	9,634,370	10,948,148	25,353,793	101,415,172	185,123,443	541,321,263	34.20%
1995	164,838,600	470,967,429	9,717,570	11,042,693	28,055,098	112,220,392	202,611,268	594,230,514	34.10%
1996	178,524,970	510,071,343	9,848,350	11,191,307	27,275,164	109,100,656	215,648,484	630,363,306	34.21%
1997	206,314,170	589,469,057	10,112,190	11,491,125	28,591,249	114,364,996	245,017,609	715,325,178	34.25%
1998	222,044,280	634,412,229	10,532,680	11,968,955	28,621,985	114,487,940	261,198,945	760,869,123	34.33%
1999	234,929,640	671,227,543	10,917,940	12,406,750	28,832,343	115,329,372	274,679,923	798,963,665	34.38%
2000	291,192,270	831,977,914	10,187,320	11,576,500	32,103,229	128,412,916	333,482,819	971,967,330	34.31%
2001	302,321,650	863,776,143	6,044,780	6,869,068	33,131,850	132,527,400	341,498,280	1,003,172,611	34.04%

NOTE: Estimated Actual Value is calculated by dividing the assessed value by the assessment percentage.

Current percentages are 35% for Real Property, 88% for Public Utility Tangible and 25% for Tangible Personal Property.

Source: Warren County Auditor

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

Collection Year	City of Springboro	Clearcreek School District	Warren County	Clearcreek Township	Joint		Special District	Total
					Vocational School	School		
1992	1.10	45.70	7.10	4.50	4.50	1.00	63.90	
1993	1.10	45.20	7.10	4.50	4.50	1.00	63.40	
1994	1.10	44.71	7.07	4.51	4.50	1.00	62.89	
1995	1.11	53.10	7.07	4.51	4.50	1.00	71.29	
1996	1.11	53.00	5.00	4.51	4.50	1.50	69.62	
1997	1.11	51.71	5.00	4.51	4.50	1.50	68.33	
1998	1.11	51.70	4.75	4.51	4.50	1.50	68.07	
1999	1.11	54.88	4.00	4.51	4.50	1.50	70.50	
2000	1.11	51.96	4.00	4.51	4.50	1.50	67.58	
2001	1.11	51.06	4.00	8.36	4.50	1.50	70.53	

Source: Warren County Auditor

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

Collection Year	Amount Billed	Amount Collected	Percent Collected
1992	\$96,124	\$76,402	79.48%
1993	96,042	86,871	90.45%
1994	117,757	76,511	64.97%
1995	271,840	228,182	83.94%
1996	233,407	212,627	91.10%
1997	242,088	230,566	95.24%
1998	286,201	281,553	98.38%
1999	276,167	256,310	92.81%
2000	265,634	248,186	93.43%
2001	318,971	287,159	90.03%

NOTE: This table reflects only those special assessments collected through the Warren County Auditor's Office.

Source: Warren County Auditor

THE CITY OF SPRINGBORO, OHIO
COMPUTATION OF LEGAL DEBT MARGIN
DECEMBER 31, 2001

	Total Debt	Unvoted Debt
Net Assessed Valuation	\$341,498,280	\$341,498,280
Legal Debt Limitation (%) (1)	10.50%	5.50%
Legal Debt Limitation (\$) (1)	35,857,319	18,782,405
Applicable City Debt Outstanding (2)	9,736,050	9,736,050
Less: Applicable Debt Service Fund Amounts	(202,249)	(202,249)
Net Indebtedness Subject to Limitation	9,533,801	9,533,801
Legal Debt Margin	\$26,323,518	\$9,248,604

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

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

THE CITY OF SPRINGBORO OHIO
RATIO OF NET GENERAL OBLIGATION BONDED DEBT TO ASSESSED
VALUE AND NET GENERAL OBLIGATION BONDED DEBT PER CAPITA
LAST TEN YEARS

Year	Population	Assessed Value	Net Bonded Debt (1)	Ratio of Net Bonded Debt to Assessed Valuation	Net Bonded Debt Per Capita
1992	7,850	\$141,052,659	\$420,000	0.30%	\$54
1993	8,417	154,552,626	1,076,300	0.70%	128
1994	9,230	185,123,443	1,028,250	0.56%	111
1995	9,590	202,611,268	978,750	0.48%	102
1996	10,331	215,648,484	1,374,250	0.64%	133
1997	10,945	245,017,609	1,529,750	0.62%	140
1998	11,200	261,198,945	1,451,800	0.56%	130
1999	12,045	274,679,923	2,111,927	0.77%	175
2000	12,380	333,482,819	3,692,647	1.11%	298
2001	13,265	341,498,280	3,413,801	1.00%	257

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

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

Year	Debt Principal	Debt Interest (3)	Total Debt Service	Total General Governmental Expenditures	Ratio of Tax Debt Service to General Governmental Expenditures
1992	\$15,000	\$33,575	\$48,575	\$2,676,175	1.82%
1993	15,000	32,562	47,562	2,966,637	1.60%
1994	46,050	66,517	112,567	3,250,259	3.46%
1995	49,500	79,576	129,076	3,484,325	3.70%
1996	54,500	74,073	128,573	3,969,675	3.24%
1997	69,500	89,295	158,795	4,463,749	3.56%
1998	77,950	97,716	175,666	4,899,428	3.59%
1999	57,950	74,967	132,917	5,728,618	2.32%
2000	96,400	112,108	208,508	6,396,487	3.26%
2001	101,400	208,357	309,757	6,788,324	4.56%

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

(2) Does not include defeased issue of \$315,000.

(3) Excludes bond issuance and other costs.

THE CITY OF SPRINGBORO, OHIO
COMPUTATION OF ALL DIRECT AND OVERLAPPING GOVERNMENTAL DEBT
DECEMBER 31, 2001

<u>Jurisdiction</u>	<u>Net Debt Outstanding</u>	<u>Percentage Applicable to City of Springboro (2)</u>	<u>Amount Applicable to City of Springboro</u>
City of Springboro (1)	\$9,533,801	100.00%	\$9,533,801
Warren County	13,377,628	8.89%	1,189,271
	Total		<u>\$10,723,072</u>

Source: Warren County Auditor

(1) Net debt outstanding equals the amount of non self-supporting general obligation notes and bonds outstanding less the amount available in the debt service fund.

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

THE CITY OF SPRINGBORO, OHIO
REVENUE BOND COVERAGE - WATER MORTGAGE BONDS
LAST TEN YEARS

Year	Gross Revenues (1)	Direct Operating Expenses (2)	Net Revenue		Debt Service Requirement	Coverage
			Available For Debt Service			
1992	\$843,740	\$561,428	\$282,312		\$140,519	2.01
1993	1,314,063	1,291,575	22,488		142,075	0.16
1994	2,333,346	534,073	1,799,273		315,720	5.70
1995	1,647,780	867,867	779,913		323,108	2.41
1996	1,689,614	700,958	988,656		324,696	3.04
1997	1,999,765	935,765	1,064,000		325,845	3.27
1998	2,360,083	1,378,223	981,860		125,566	7.82
1999	2,615,761	1,381,313	1,234,448		1,341,929	0.92
2000	2,725,797	983,364	1,742,433		1,326,344	1.31
2001	2,671,855	1,079,429	1,592,426		1,324,214	1.20

(1) Gross Revenues include operating revenues plus interest income.

(2) Direct operating expenses include total operating expenses less depreciation.

Source: City of Springboro, Department of Finance

THE CITY OF SPRINGBORO, OHIO
REVENUE BOND COVERAGE - SEWER MORTGAGE BONDS
LAST TEN YEARS

Year	Gross Revenues	Direct Operating Expenses (1)	Net Revenue		Debt Service Requirement	Coverage
			Available For Debt Service			
1992	\$894,036	\$790,412	\$103,624		\$438,502	0.24
1993	1,152,750	858,135	294,615		439,491	0.67
1994	1,147,338	987,883	159,455		440,035	0.36
1995	1,070,999	1,024,548	46,451		440,114	0.11
1996	1,199,334	888,008	311,326		432,480	0.72
1997 (2)	1,502,164	960,679	541,485		166,733	3.25
1998	1,820,233	994,844	825,389		382,630	2.16
1999	1,488,972	941,114	547,858		381,643	1.44
2000	1,708,096	944,391	763,705		380,418	2.01
2001	1,793,762	1,169,247	624,515		378,705	1.65

(1) Direct operating expenses include total operating expenses less depreciation

(2) Refunding bonds were issued during 1997. No principal was paid.

Source: City of Springboro, Department of Finance

THE CITY OF SPRINGBORO, OHIO
DEMOGRAPHIC STATISTICS
LAST TEN YEARS

Year	Population	Per Capita Income	Unemployment Rate		School Enrollment
			Warren County Area	School Enrollment	
1992	7,850	\$20,676	6.5%	2,493	
1993	8,417	21,710	5.7%	2,605	
1994	9,230	22,361	5.3%	2,716	
1995	9,590	22,876	4.2%	2,729	
1996	10,331	28,723	3.8%	2,837	
1997	10,945	29,584	3.0%	2,944	
1998	11,200	30,176	3.0%	3,158	
1999	12,045	31,081	3.0%	3,338	
2000	12,380	32,013	3.0%	3,505	
2001	13,265	32,973	2.6%	3,774	

Source: City of Springboro Community Development Department

THE CITY OF SPRINGBORO OHIO
PROPERTY VALUE, CONSTRUCTION AND BANK DEPOSITS
LAST TEN YEARS

Year	Building Permits (1)		Assessed Value	Bank Deposits (2)
	Number of Permits Issued	Estimated Value		
1992	216	\$28,697,780	\$102,900,490	\$367,097,000
1993	261	39,299,858	115,225,660	411,164,000
1994	231	36,449,326	150,135,280	422,581,000
1995	161	20,665,648	164,838,600	460,950,000
1996	198	20,802,945	178,524,970	482,684,523
1997	212	24,382,801	206,314,170	523,595,000
1998	262	20,085,429	222,044,280	521,795,000
1999	319	33,499,038	274,679,923	533,873,000
2000	311	32,673,609	333,482,819	569,566,000
2001	267	32,464,314	341,498,280	618,781,000

(1) Source: City of Springboro Building Inspection Department.

(2) Source: Federal Reserve Bank of Cleveland - amounts are for commercial banks headquartered in Warren County.

THE CITY OF SPRINGBORO, OHIO
PRINCIPAL TAXPAYERS
DECEMBER 31, 2001

Taxpayer	2001 Assessed Valuation (Tax Duplicate)	Percentage of Total Assessed Valuation
1. Coffman Development	\$4,670,900	1.37%
2. Cincinnati Gas & Electric	3,878,560	1.14%
3. Inland Real Estate Group	3,126,170	0.92%
4. Pioneer Industrial Components	3,074,140	0.90%
5. Gayston Corporation	2,998,750	0.88%
6. Brothers Trading Company	2,292,960	0.67%
7. Miami Luken Inc.	1,754,100	0.51%
8. HWA Fong Rubber USA	1,684,990	0.49%
9. ARV Springboro Villas	1,660,290	0.49%
10. Ohio Bell	1,653,250	0.48%
Sub - Total	26,794,110	7.85%
All Others	314,704,170	92.15%
Total	\$341,498,280	100.00%

Based on valuation of property taxes levied in 2001.
Source: Warren County Auditor

THE CITY OF SPRINGBORO, OHIO
MISCELLANEOUS STATISTICS
DECEMBER 31, 2001

Date of Incorporation	January 1, 1979	Form of Government	Council/Manager
Number of Employees	90	Area (square miles)	10.07
Number of Streets	303		
Cultural and Recreation:			
	Parks	3	
	Park Acreage	287.7	
	Heatherwoode Golf Course	18 Hole Course	
Police Protection:			
	Number of Stations	1	
	Number of Full-time Personnel	22	
	Number of Patrol Units	11	
Education:			
	Number of Elementary Schools	3	
	Number of Elementary School Instructors	108	
	Number of Secondary Schools	2	
	Number of Secondary School Instructors	113	

Source: City of Springboro Economic Development Department





STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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CITY OF SPRINGBORO

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 16, 2002**