

Mary Taylor, CPA
Auditor of State

CITY OF WESTERVILLE
FRANKLIN COUNTY

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Mary Taylor, CPA

Auditor of State

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

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

To the City Council:

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Westerville, Franklin County, Ohio, (the City) as of and for the year ended December 31, 2009, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 18, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in more than a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and timely corrected.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above.

Compliance and Other Matters

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

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

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

Mary Taylor, CPA
Auditor of State

June 18, 2010

City of Westerville, Ohio

Comprehensive Annual Financial Report

For the Year Ended December 31, 2009

Issued by the Department of Finance

John P. Winkel
Director of Finance

Gina Love
Assistant Finance Director

City of Westerville, Ohio
Comprehensive Annual Financial Report
For the Year Ended December 31, 2009

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City of Westerville
Finance Department

June 18, 2010

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

The Comprehensive Annual Financial Report (CAFR) of the City of Westerville, Ohio (the City), for the year ended December 31, 2009 is hereby submitted.

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

Ohio law requires that every city file its unaudited financial statements with the Auditor of State and publish their availability within 150 days of the close of each year. The general purpose external financial statements from this report were filed to fulfill that requirement for the year ended December 31, 2009.

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

As management, we believe the data presented is accurate in all material aspects and that all disclosures necessary to enable the reader to acquire the maximum understanding of the City's financial activity have been included.

The Auditor of the State of Ohio (independent auditor) has audited the financial statements of the City. The objective of the independent audit was to provide reasonable assurance that the financial statements of the City for the year ended December 31, 2009, are free from material misstatement. The independent audit involved examining, on a test basis, evidence supporting amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the City's financial statements for the year ended December 31, 2009, are fairly presented in conformity with GAAP. The Independent Accountants' Report is presented as the first component of the financial section of this report.

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

PROFILE OF THE CITY

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

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

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

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

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

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

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization's resources; is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or is obligated for the debt of the organization. Component units may also include organizations for which the City approves the budgets, the issuance of debt or the levying of taxes.

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

LOCAL ECONOMY

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

In 2003, Exel Logistics decided to stay in Westerville and moved its headquarters to the Westar Center of Business. The deal not only kept 225 current jobs in Westerville, but provided the opportunity for Exel to expand to a total of 535 employees by the end of 2009.

Other successes to bring new jobs to Westerville include ABB Industries and MacTools, which have brought 143 and 192 new jobs, respectively, to the Westar Center of Business. The ProCentury Corp., parent company of property-casualty insurer Century Insurance Group, moved its corporate headquarters to Westerville in late 2003. The company, located at 465 Cleveland Avenue, expanded into the building next door at 505 Cleveland Avenue in 2007 and has grown to 275 employees.

Two speculative office buildings, completed in 2006, 440 Polaris Parkway and 600 Cleveland Avenue, are now fully occupied and employ 402 and 329 employees, respectively. Another speculative office building at 460 Polaris Parkway has recently been completed and is expected to create an additional 400 jobs when fully occupied. Construction of retail in the immediate vicinity to support these new office buildings continues to occur.

In January of 2009, OhioHealth celebrated the opening of its new 210,000 square foot urgent care, ambulatory service center and medical office building. Within the first year, the center created 193 new jobs – well on its way to a projected 295 new jobs with a payroll of \$23 million at build-out. Within the next five years, a second medical office building is expected to be constructed on the site, adding approximately another 100 jobs.

Since the onset of development beginning with the opening of Liebert Global Services in 1999 (now employing 283), the Westar Center of Business has brought over 4,600 jobs to the City of Westerville with a payroll approaching \$320 million, over 1/3 of these jobs have been related to the health care industry.

Westerville officials continue to attract companies to well established office areas in the Brooksedge and Eastwind Office Parks in the South State Street area and the Westerville Commerce Center to the north. Some of the new companies attracted to the southern mature office areas within the two years include Johnson Controls (105 employees with growth expected to 160 employees), MRS Associates (175 employees with growth expected to 500), and Definitive Homecare Solutions with 64 employees. And while attraction of new companies to Brooksedge has been key, the City has additionally benefited from job retention and expansion of the office park's major employers: JP Morgan Chase (150 jobs) and Alliance Data System (85 jobs). Another company, Progressive Medical, located in the Westerville Commerce Center, has grown from 276 to 488 employees in the last three years after completing an addition in 2006 that nearly tripled the size of its office space.

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

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

LONG-TERM FINANCIAL PLANNING

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

RELEVANT FINANCIAL POLICIES

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

MAJOR INITIATIVES

FOR THE YEAR

Recreational opportunities continue to expand in Westerville. Aside from the Community Center, our most celebrated recreational initiatives during the past decade have been the expansion of our bike and leisure paths and the addition of new playing fields throughout Westerville. Westerville is home to 26 miles of bike and leisure paths, and our portion of the Alum Creek Leisure Path connects with the City of Columbus path for travel all the way to the Easton area. The central Ohio portion of the Alum Creek path will eventually allow users to head south to Three Creeks Metro Park in southeast Columbus. If that isn't far enough, this path is part of the 453-mile Ohio to Erie Trail which, when complete, will connect Cincinnati along the Ohio River to the Lake Erie waterfront in Cleveland. The City's Parks and Recreation department received the 2008 National Gold Medal for excellence in parks and recreation management, which is awarded every five years.

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

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

During 2009, the Electric Division completed construction of a new substation in the Westar Center of Business, close to the Cleveland Avenue/County Line Road intersection. This substation will play a key role not only for the Westar area, but for all of Westerville, because it will serve as a crucial electric back-up in the event of a substation failure at another Westerville location.

FOR THE FUTURE

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

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

AWARDS AND ACKNOWLEDGEMENTS

CERTIFICATE OF ACHIEVEMENT

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Westerville, Ohio, for its comprehensive annual financial report for the year ended December 31, 2008. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. The report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

ACKNOWLEDGEMENTS

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

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

Respectfully submitted,

John P. Winkel
Director of Finance

Gina Love
Assistant Finance Director

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Westerville
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2008

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



A stylized, handwritten signature in black ink, consisting of several loops and a long horizontal stroke at the end.

President

A handwritten signature in black ink that reads "Jeffrey R. Emer".

Executive Director

City of Westerville, Ohio

Elected and Appointed Officials
As of December 31, 2009

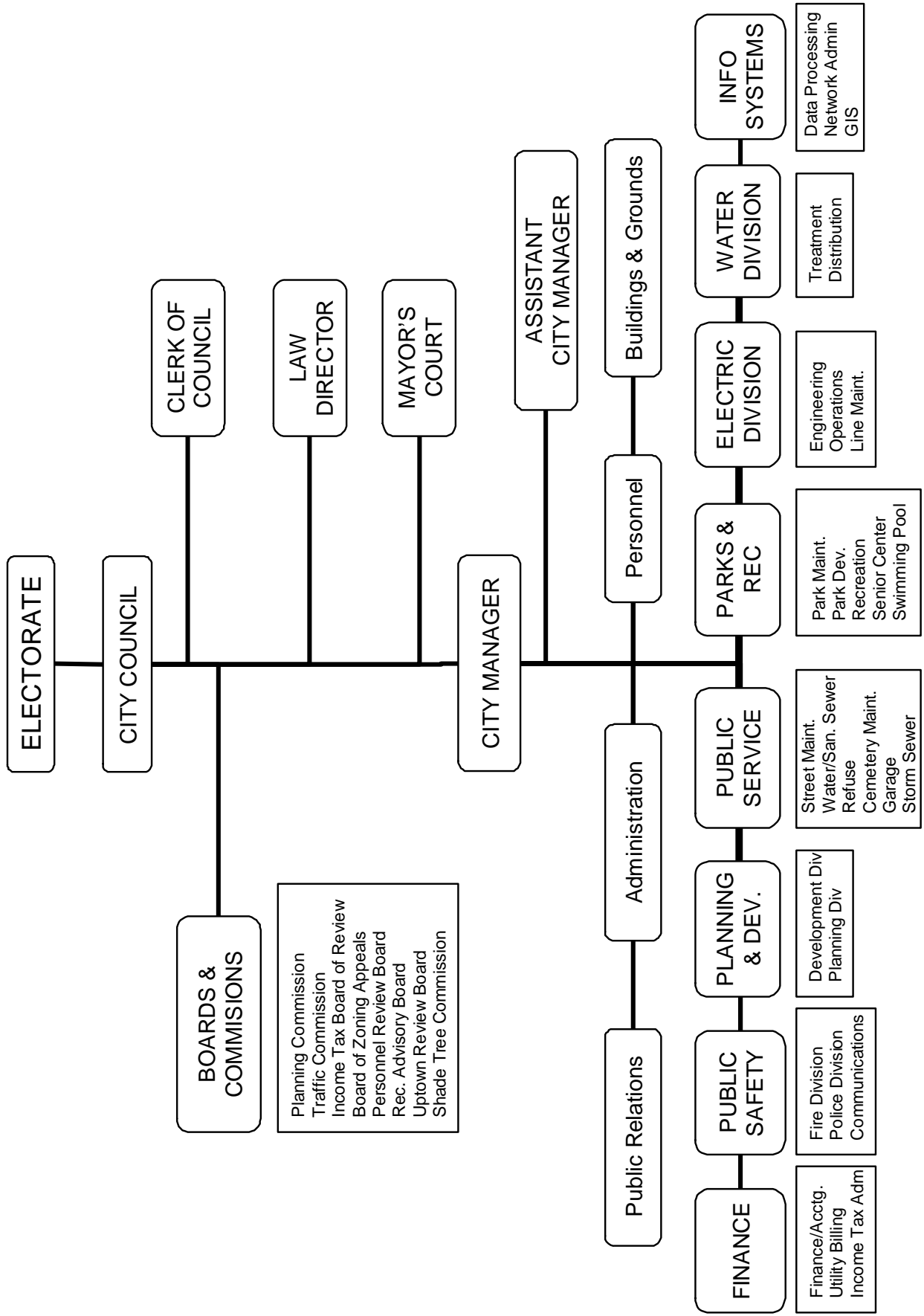
Elected Officials

Michael Heyeck	Council Member, Chair of Council
Craig P. Treneff	Council Member, Vice Chair
Kathleen Cocuzzi	Council Member, Mayor
Anne H. Gonzales	Council Member, Vice Mayor
Diane C. Fosselman	Council Member
Eric Busch	Council Member
Larry Jenkins	Council Member

Appointed Officials

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

CITY OF WESTERVILLE – ORGANIZATION CHART





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Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

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

To the City Council:

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Westerville, Franklin County, Ohio (the City), as of and for the year ended December 31, 2009, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Westerville, Franklin County, Ohio, as of December 31, 2009, and the respective changes in financial position and where applicable, cash flows, thereof and the respective budgetary comparisons for the General, Fire Operating and Parks and Recreation Operating Funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 18, 2010, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

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

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

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

Mary Taylor, CPA
Auditor of State

June 18, 2010

City of Westerville, Ohio
Management's Discussion and Analysis
For The Year Ended December 31, 2009
(Unaudited)

MANAGEMENT'S DISCUSSION AND ANALYSIS

The City of Westerville's (the City) discussion and analysis of the annual financial report provides a review of the financial performance for the year ended December 31, 2009.

FINANCIAL HIGHLIGHTS

- The City's total net assets decreased \$214,859 during 2009. Revenues of governmental activities exceeded expenses and transfers by \$3,320,711. The City's unrestricted net assets of \$25,806,809 may be used to meet the City's ongoing governmental activities' obligations based on the current levels of services provided. Net assets of business-type activities decreased \$3,535,570. The City's business-type activities had unrestricted net assets of \$30,202,436, which may be used to meet the business-type activities' obligations to citizens and creditors based on the current levels of services provided.
- General revenues of governmental activities accounted for \$52,587,569. Program specific revenues in the form of charges for services and sales, grants, contributions and interest accounted for \$10,881,227. Total revenues equaled \$63,468,796.
- Enterprise funds reflected a total operating loss of \$2,686,831. The Water, Sewer, Electric, Refuse and Swimming Pool Funds reflected operating losses of (\$738,319), (\$439,738), (\$1,362,094), (\$66,505) and (\$80,175), respectively. The Water Fund did not experience a significant change in revenues or expenses compared to the previous year, the loss is due to expenses exceeding revenues in the current year. The Sewer and Refuse Funds had increases in operating expenses of \$304,819 and \$90,016, respectively. The Electric Fund had an increase in operating revenues of \$2,928,253 and an increase in operating expenses of \$5,900,198 due primarily to increases in purchase power costs offset somewhat by the increase in operating revenue of \$2,928,253.
- The City had \$59,876,951 in expenses related to governmental activities; \$10,881,227 of these expenses were offset by program specific charges for services and sales, grants, contributions and interest. General revenues (primarily income and property taxes) of \$52,587,569 were less than adequate to provide for the current year programs, and the City relied on the program specific charges of \$10,881,227 to meet expenses. The City had \$56,793,123 in expenses related to business-type activities. These expenses were offset by program specific charges for services and sales, grants, contributions and interest of \$52,717,787 which, along with \$268,632 in general revenues were not adequate to cover all expenses.

USING THIS ANNUAL FINANCIAL REPORT

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

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

REPORTING THE CITY AS A WHOLE

Statement of Net Assets and the Statement of Activities

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

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

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

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

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

REPORTING THE CITY'S MOST SIGNIFICANT FUNDS

Fund Financial Statements

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

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

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

THE CITY AS A WHOLE

As stated previously, the Statement of Net Assets looks at the City as a whole. Table 1 provides a summary of the City's net assets for 2009 compared to 2008.

Table 1
Net Assets

	<i>Governmental Activities</i>		<i>Business-Type Activities</i>		<i>Totals</i>	
	<i>2008</i>	<i>2009</i>	<i>2008</i>	<i>2009</i>	<i>2008</i>	<i>2009</i>
<u>Assets:</u>						
Current and Other						
Assets	\$66,780,826	\$68,711,456	\$39,916,910	\$37,481,891	\$106,697,736	\$106,193,347
Water Rights, Net	0	0	1,277,873	1,230,544	1,277,873	1,230,544
Nondepreciable Capital						
Assets	131,598,837	134,783,310	11,309,135	3,149,129	142,907,972	137,932,439
Depreciable Capital						
Assets, Net	69,111,264	67,686,948	81,733,914	93,121,589	150,845,178	160,808,537
Total Assets	267,490,927	271,181,714	134,237,832	134,983,153	401,728,759	406,164,867
<u>Liabilities:</u>						
Current and Other						
Liabilities	13,681,122	13,645,511	7,730,335	6,627,059	21,411,457	20,272,570
Long-Term Liabilities:						
Due Within One Year	3,781,814	4,132,917	1,670,544	2,007,292	5,452,358	6,140,209
Due in More Than						
One Year	23,661,532	23,716,116	23,312,737	28,360,156	46,974,269	52,076,272
Total Liabilities	41,124,468	41,494,544	32,713,616	36,994,507	73,838,084	78,489,051
<u>Net Assets:</u>						
Invested in Capital						
Assets, Net Of						
Related Debt	177,018,595	179,020,723	71,935,551	67,786,210	248,954,146	246,806,933
Restricted for:						
Debt Service	0	32,797	0	0	0	32,797
Capital Outlay	7,707,359	9,912,809	0	0	7,707,359	9,912,809
Unclaimed Monies	82,778	99,126	0	0	82,778	99,126
Fire Protection	4,986,767	4,074,136	0	0	4,986,767	4,074,136
Streets and Transportation	1,879,630	2,623,610	0	0	1,879,630	2,623,610
Parks and Recreation	9,286,443	7,321,627	0	0	9,286,443	7,321,627
Other Purposes	1,649,039	795,533	0	0	1,649,039	795,533
Unrestricted	23,755,848	25,806,809	29,588,665	30,202,436	53,344,513	56,009,245
Total Net Assets	\$226,366,459	\$229,687,170	\$101,524,216	\$97,988,646	\$327,890,675	\$327,675,816

Total net assets decreased \$214,859. Net assets of the City's governmental activities increased \$3,320,711 and unrestricted net assets increased \$2,050,961. There were increases and decreases in several areas, not all were significant, but they cause a significant increase in net assets overall. The increase in municipal income taxes receivable was \$1,116,583 and was due to the increase in the income tax rate from 1.25 percent to 2.0 percent, which became effective January 1, 2009. The increase in accounts receivable was \$401,638, primarily due to a new receivable in 2009 – the City began charging fees for emergency medical services during 2009 and the receivable at the end of 2009 was \$398,374. Also contributing to the increase in net assets was the decrease in the accrued wages payable of \$815,686, which was due to only one week of wages earned in 2009 that were accrued compared to three weeks accrued in 2008.

The net assets of the City's business-type activities decreased \$3,535,570. The City strives to control operating expenses for business-type activities in order to maintain stability in charges for services and closely monitors the trends of our growing community in order to adjust for budgetary issues.

Table 2 shows the changes in net assets for the years ended December 31, 2008 and 2009.

Table 2
Changes In Net Assets

	<i>Governmental Activities</i>		<i>Business-Type Activities</i>		<i>Totals</i>	
	<i>2008</i>	<i>2009</i>	<i>2008</i>	<i>2009</i>	<i>2008</i>	<i>2009</i>
<i>Revenues</i>						
<i>Program Revenues:</i>						
Charges for Services and Sales	\$5,032,467	\$5,253,704	\$49,440,314	\$52,638,922	\$54,472,781	\$57,892,626
Operating Grants, Contributions and Interest	5,600,521	5,497,164	0	0	5,600,521	5,497,164
Capital Grants, Contributions and Interest	164,846	130,359	425,262	78,865	590,108	209,224
<i>Total Program Revenues</i>	10,797,834	10,881,227	49,865,576	52,717,787	60,663,410	63,599,014
<i>General Revenues:</i>						
Property Taxes	10,181,355	10,121,116	0	0	10,181,355	10,121,116
Municipal Income Taxes	23,107,340	32,856,427	0	0	23,107,340	32,856,427
Other Local Taxes	491,884	505,053	0	0	491,884	505,053
Grants and Entitlements	5,214,556	5,172,682	0	0	5,214,556	5,172,682
Unrestricted Investment Earnings	3,803,114	1,284,620	146,363	4,226	3,949,477	1,288,846
Payments in Lieu of Taxes	2,269,090	2,239,257	0	0	2,269,090	2,239,257
Other	175,774	408,414	336,570	264,406	512,344	672,820
<i>Total General Revenues</i>	45,243,113	52,587,569	482,933	268,632	45,726,046	52,856,201
<i>Total Revenues</i>	56,040,947	63,468,796	50,348,509	52,986,419	106,389,456	116,455,215
<i>Program Expenses:</i>						
Security of Persons and Property	23,812,277	24,919,134	0	0	23,812,277	24,919,134
Public Health	56,156	53,989	0	0	56,156	53,989
Leisure Time Activities	8,837,447	6,005,577	0	0	8,837,447	6,005,577
Community Development	2,434,545	2,357,182	0	0	2,434,545	2,357,182
Basic Utility Services	1,193,430	1,187,441	0	0	1,193,430	1,187,441
Transportation	3,988,338	12,433,936	0	0	3,988,338	12,433,936
General Government	11,437,810	12,019,757	0	0	11,437,810	12,019,757
Interest and Fiscal Charges	1,184,204	899,935	0	0	1,184,204	899,935
Water	0	0	3,700,446	3,703,468	3,700,446	3,703,468
Sewer	0	0	7,138,180	7,497,641	7,138,180	7,497,641
Electric	0	0	37,048,202	42,847,705	37,048,202	42,847,705
Refuse	0	0	2,137,563	2,228,911	2,137,563	2,228,911
Swimming Pool	0	0	515,415	515,398	515,415	515,398
<i>Total Expenses</i>	52,944,207	59,876,951	50,539,806	56,793,123	103,484,013	116,670,074
Increase (Decrease) in Net Assets before Transfers	3,096,740	3,591,845	(191,297)	(3,806,704)	2,905,443	(214,859)
Transfers	(9,623)	(271,134)	9,623	271,134	0	0
Change in Net Assets	3,087,117	3,320,711	(181,674)	(3,535,570)	2,905,443	(214,859)
Net Assets at Beginning of Year	223,279,342	226,366,459	101,705,890	101,524,216	324,985,232	327,890,675
<i>Net Assets at End of Year</i>	\$226,366,459	\$229,687,170	\$101,524,216	\$97,988,646	\$327,890,675	\$327,675,816

Governmental Activities

The most significant variances noted between 2008 and 2009 were the changes in revenues related to municipal income taxes and investment earnings, and expenses related to transportation.

The City’s municipal income tax revenues – general purposes increased \$9,749,087 due to the increase in the City’s income tax from 1.25 percent to 2.0 percent, which became effective January 1, 2009. Unrestricted investment earnings decreased \$2,518,494, due to interest rates lowered by the Federal Reserve and U.S. agency securities called prior to maturity.

Transportation expenses increased \$8,445,598, due to an increase in road maintenance as a result of the passage of the income tax restructuring levy; see the explanation of the income tax revenue increase in the previous paragraph. Leisure time activities expenses decreased \$2,831,870, due in part to an increase in materials and supplies purchases in the previous year that did not occur in 2009.

The 2.0 percent income tax is the largest source of revenue for the City. Employee withholding contributed 80.0 percent of the income tax revenue received in 2009, with business earnings contributing 9.0 percent and individuals contributing 11.0 percent. Residents are permitted to take full credit against their City income tax liability, up to 2.0 percent, against the amount paid as municipal income tax on the same income to another municipal corporation.

Governmental program expenses for 2009 were as follows:

Security of Persons and Property	41.62%
Public Health	0.09%
Leisure Time Activities	10.03%
Community Development	3.94%
Basic Utility Services	1.98%
Transportation	20.77%
General Government	20.07%
Interest and Fiscal Charges	1.50%
	<u>100.00%</u>

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

Business-Type Activities

The City’s business-type activities include Water, Sewer, Electric, Refuse and a Swimming Pool. The most significant variances noted between 2008 and 2009 were in charges for services and sales, and in electric expenses. Charges for services and sales increased nearly \$3.2 million due primarily to an increase in electric charges to offset increases in costs. Electric expenses increased nearly \$5.8 million due to the increased cost of wholesale electric power, offset in part by an increase in revenues of \$2.9 million.

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

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

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

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

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

THE CITY'S FUNDS

Information about the City's major governmental funds begins on page 16. These funds are reported using the modified accrual basis of accounting. All governmental funds had total revenues of \$62,229,709 and expenditures of \$64,643,190. In addition, there were transfers-in of \$19,936,821 and transfers-out of \$20,149,990. The General Fund balance increased \$1,599,074, which was primarily due to the increase in the income tax revenue as a result of the passage of the income tax restructuring levy that became effective on January 1, 2009. Income tax revenue increased \$9.7 million, of which approximately \$7.0 million was spent in 2009 on road infrastructure improvements (this amount is reflected as a transfer-out of General and a transfer-in to General Capital Improvement). Security of persons and property and general government expenditures also increased by \$457,532 and \$645,599, respectively.

The Fire Operating Fund balance decreased \$1,346,878, due to a decrease in property taxes as well as interest revenues, in addition to an increase of expenditures.

The Parks and Recreation Operating Fund balance decreased \$85,628, primarily due to the decrease in charges for services revenues, which include membership and program receipts.

The General Capital Improvement Fund balance decreased \$91,653, which was insignificant.

General Fund Budgeting Highlights

The City's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of receipts, disbursements and encumbrances. The City's budget is adopted by function within each fund. Before the budget is adopted, Council reviews detailed budget worksheets of each function and object within the General Fund and then adopts the budget. During 2009 there were 24 revisions to the General Fund budget. The net effect of the revisions was an increase in appropriations of \$8,728,154, as a result of the increase in estimated revenues and other financing sources of \$9,792,338. The most significant increase in estimated revenues was a result of the passage of the tax restructuring levy, subsequently supplemental appropriations were passed in order to provide funds for road improvements. Actual expenditures were \$2,685,363 less than the final budgeted amounts and the most significant categories where this occurred were security of persons and property and general government. Security of persons and property ended the year with actual expenditures less than the final budget primarily due to temporary vacancies during the year. Actual expenditures of the general government function were less than the final budget due to authorized staffing positions being temporarily vacant throughout the course of the year and implemented efficiencies primarily in the Finance & Information Systems Departments. The goal of the City was to maximize the amount of year-end unencumbered balance thereby increasing the General Fund balance reserves for the purposes of addressing any unforeseen contingencies and to meet the needs of the current uncertain economic times.

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

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

Table 3
Capital Assets
(Net Of Amortization/Depreciation)

	<i>Governmental</i>		<i>Business-Type</i>		<i>Totals</i>	
	<i>Activities</i>		<i>Activities</i>			
	2008	2009	2008	2009	2008	2009
Water Rights	\$0	\$0	\$1,277,873	\$1,230,544	\$1,277,873	\$1,230,544
Land	15,256,270	15,350,445	1,149,206	1,149,206	16,405,476	16,499,651
Construction in Progress	1,393,379	3,708,671	10,159,929	1,999,923	11,553,308	5,708,594
Non-depreciable						
Infrastructure	114,949,188	115,724,194	0	0	114,949,188	115,724,194
Land Improvements	9,383,700	8,416,242	1,233,737	1,022,181	10,617,437	9,438,423
Buildings	25,155,791	25,372,732	3,301,652	3,511,525	28,457,443	28,884,257
Furniture and Equipment	6,321,140	6,174,164	5,277,805	11,813,609	11,598,945	17,987,773
Vehicles	1,768,552	1,523,005	1,053,618	1,029,606	2,822,170	2,552,611
Depreciable Infrastructure	26,482,081	26,200,805	0	0	26,482,081	26,200,805
Water Lines	0	0	23,172,379	24,075,635	23,172,379	24,075,635
Sewer Lines	0	0	13,103,217	14,082,573	13,103,217	14,082,573
Electric System	0	0	34,591,506	37,586,460	34,591,506	37,586,460
<i>Totals</i>	<u>\$200,710,101</u>	<u>\$202,470,258</u>	<u>\$94,320,922</u>	<u>\$97,501,262</u>	<u>\$295,031,023</u>	<u>\$299,971,520</u>

The significant decrease in construction in progress of business-type activities was the result of the completion of a new electric substation, which has been capitalized as equipment and infrastructure in the current year's additions. See Note 10 of the notes to the basic financial statements for more detailed information.

Included in the infrastructure class of capital assets in the governmental activities are the City's roads and bridges, which are accounted for using the "modified approach" instead of using the historical cost-based depreciation, as applied to the other capital assets. The City assesses the condition of the roads and bridges based on criteria outlined in the Required Supplementary Information located on pages 75 – 77 of this report. The City's policy states that at least 85 percent of the major arterial roadways will have a rating of "good" or better and the remaining roads will be maintained so that at least 60 percent will have a rating of "good" or better. Roads are assessed on a triennial basis. The City budgeted \$7,194,062 and spent \$6,902,639 on the preservation of roadways during 2009, and assessed 83 percent of the major arterials and 67 percent of the roads at "good" or better. The City's policy is to maintain the bridge system where 80 percent of the structures have a general appraisal summary of "good" or better and will also be assessed on a triennial basis. The City budgeted \$114,225 and spent \$98,025 to preserve bridges during 2009, and all five bridges in the City were assessed at "good" or better condition.

Debt

At December 31, 2009, the City of Westerville had \$53,888,873 in debt outstanding.

Table 4
Outstanding Debt at Year-end

	<i>Governmental Activities</i>		<i>Business-Type Activities</i>		<i>Totals</i>	
	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>
General Obligation Bonds	\$23,794,270	\$24,251,797	\$22,564,982	\$27,933,619	\$46,359,252	\$52,185,416
ODNR Debt	0	0	1,724,213	1,683,191	1,724,213	1,683,191
Police Pension Liability	20,877	20,266	0	0	20,877	20,266
<i>Totals</i>	<u>\$23,815,147</u>	<u>\$24,272,063</u>	<u>\$24,289,195</u>	<u>\$29,616,810</u>	<u>\$48,104,342</u>	<u>\$53,888,873</u>

All general obligation and general obligation refunding bond issues will be paid through the Debt Service Fund with property and income tax revenues, or paid by operating revenues of the Water, Sewer and Electric Enterprise Funds. The ODNR debt will be paid from Water Enterprise Fund revenues. The police pension liability will be paid from the General Fund. The City's overall 10.5 percent legal debt margin was \$89,024,630 as of December 31, 2009. The more restrictive unvoted legal debt margin within 5.5 percent was \$35,472,320 as of the same date. See Note 15 of the notes to the basic financial statements for more detailed information.

CONTACTING THE CITY'S FINANCE DEPARTMENT

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

Basic Financial Statements

City of Westerville, Ohio
Statement of Net Assets
December 31, 2009

	<i>Governmental Activities</i>	<i>Business-Type Activities</i>	<i>Totals</i>
<u>Assets:</u>			
Equity in Pooled Cash and Cash Equivalents	\$46,840,720	\$27,154,317	\$73,995,037
Cash and Cash Equivalents with Fiscal Agents	166,073	641	166,714
Materials and Supplies Inventory	618,272	1,005,605	1,623,877
Accrued Interest Receivable	320,587	0	320,587
Accounts Receivable, Net	609,453	8,359,079	8,968,532
Intergovernmental Receivable	2,790,989	0	2,790,989
Prepaid Items	286,841	0	286,841
Municipal Income Taxes Receivable	4,135,265	0	4,135,265
Other Local Taxes Receivable	123,797	0	123,797
Property Taxes Receivable	11,408,294	0	11,408,294
Payments in Lieu of Taxes Receivable	899,139	0	899,139
Notes Receivable	266,434	0	266,434
Internal Balances	(556,515)	556,515	0
Deferred Charges	802,107	405,734	1,207,841
Water Rights, Net	0	1,230,544	1,230,544
Nondepreciable Capital Assets	134,783,310	3,149,129	137,932,439
Depreciable Capital Assets, Net	67,686,948	93,121,589	160,808,537
<i>Total Assets</i>	<u>271,181,714</u>	<u>134,983,153</u>	<u>406,164,867</u>
<u>Liabilities:</u>			
Accounts Payable	712,872	3,635,121	4,347,993
Contracts Payable	447,065	726,149	1,173,214
Accrued Wages Payable	362,235	65,982	428,217
Retainage Payable	229,392	166,930	396,322
Intergovernmental Payable	896,949	1,658,049	2,554,998
Accrued Interest Payable	71,961	139,657	211,618
Matured Interest Payable	3,067	641	3,708
Matured Compensated Absences Payable	206,089	0	206,089
Claims Payable	38,267	0	38,267
Unearned Revenue	10,677,614	19,220	10,696,834
Deposits Held and Due to Others	0	215,310	215,310
Long-Term Liabilities:			
Due Within One Year	4,132,917	2,007,292	6,140,209
Due in More Than One Year	23,716,116	28,360,156	52,076,272
<i>Total Liabilities</i>	<u>41,494,544</u>	<u>36,994,507</u>	<u>78,489,051</u>
<u>Net Assets:</u>			
Invested in Capital Assets, Net of Related Debt	179,020,723	67,786,210	246,806,933
Restricted for:			
Debt Service	32,797	0	32,797
Capital Outlay	9,912,809	0	9,912,809
Unclaimed Monies	99,126	0	99,126
Fire Protection	4,074,136	0	4,074,136
Streets and Transportation	2,623,610	0	2,623,610
Parks and Recreation	7,321,627	0	7,321,627
Other Purposes	795,533	0	795,533
Unrestricted	25,806,809	30,202,436	56,009,245
<i>Total Net Assets</i>	<u>\$229,687,170</u>	<u>\$97,988,646</u>	<u>\$327,675,816</u>

See accompanying notes to the basic financial statements

City of Westerville, Ohio
Statement of Activities
For the Year Ended December 31, 2009

	<i>Expenses</i>	<i>Program Revenues</i>		
		<i>Charges for Services and Sales</i>	<i>Operating Grants, Contributions and Interest</i>	<i>Capital Grants, Contributions and Interest</i>
<u>Governmental Activities:</u>				
Security of Persons and Property	\$24,919,134	\$735,687	\$3,365,254	\$0
Public Health	53,989	26,276	0	0
Leisure Time Activities	6,005,577	2,852,525	1,549	0
Community Development	2,357,182	672,744	0	0
Basic Utility Services	1,187,441	0	0	18,998
Transportation	12,433,936	309,016	2,127,211	111,361
General Government	12,019,757	657,456	3,150	0
Interest and Fiscal Charges	899,935	0	0	0
<i>Total Governmental Activities</i>	<u>59,876,951</u>	<u>5,253,704</u>	<u>5,497,164</u>	<u>130,359</u>
<u>Business-Type Activities:</u>				
Water	3,703,468	2,843,926	0	22,615
Sewer	7,497,641	7,091,758	0	0
Electric	42,847,705	40,106,709	0	56,250
Refuse	2,228,911	2,161,353	0	0
Swimming Pool	515,398	435,176	0	0
<i>Total Business-Type Activities</i>	<u>56,793,123</u>	<u>52,638,922</u>	<u>0</u>	<u>78,865</u>
<i>Total Activities</i>	<u>\$116,670,074</u>	<u>\$57,892,626</u>	<u>\$5,497,164</u>	<u>\$209,224</u>

General Revenues and Transfers:

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

Total General Revenues and Transfers

Change in Net Assets

Net Assets at Beginning of Year

Net Assets at End of Year

See accompanying notes to the basic financial statements

Net (Expense) Revenue and Changes in Net Assets

<i>Governmental Activities</i>	<i>Business-Type Activities</i>	<i>Totals</i>
(\$20,818,193)	\$0	(\$20,818,193)
(27,713)	0	(27,713)
(3,151,503)	0	(3,151,503)
(1,684,438)	0	(1,684,438)
(1,168,443)	0	(1,168,443)
(9,886,348)	0	(9,886,348)
(11,359,151)	0	(11,359,151)
(899,935)	0	(899,935)
(48,995,724)	0	(48,995,724)
0	(836,927)	(836,927)
0	(405,883)	(405,883)
0	(2,684,746)	(2,684,746)
0	(67,558)	(67,558)
0	(80,222)	(80,222)
0	(4,075,336)	(4,075,336)
(48,995,724)	(4,075,336)	(53,071,060)
3,040,208	0	3,040,208
6,893,177	0	6,893,177
187,731	0	187,731
29,002,095	0	29,002,095
3,854,332	0	3,854,332
505,053	0	505,053
5,172,682	0	5,172,682
1,284,620	4,226	1,288,846
2,239,257	0	2,239,257
408,414	264,406	672,820
(271,134)	271,134	0
52,316,435	539,766	52,856,201
3,320,711	(3,535,570)	(214,859)
226,366,459	101,524,216	327,890,675
<u>\$229,687,170</u>	<u>\$97,988,646</u>	<u>\$327,675,816</u>

City of Westerville, Ohio
Balance Sheet
Governmental Funds
December 31, 2009

	<i>General</i>	<i>Fire Operating</i>	<i>Parks and Recreation Operating</i>	<i>General Capital Improvement</i>	<i>Nonmajor Governmental Funds</i>	<i>Total Governmental Funds</i>
<u>Assets:</u>						
Equity in Pooled Cash and Cash Equivalents	\$17,922,589	\$4,637,689	\$6,024,168	\$2,549,465	\$14,400,564	\$45,534,475
Cash and Cash Equivalents with Fiscal Agents	0	0	0	0	166,073	166,073
Receivables:						
Property Taxes	3,431,792	7,766,066	0	0	210,436	11,408,294
Municipal Income Taxes	3,618,357	0	0	0	516,908	4,135,265
Other Local Taxes	0	0	0	0	123,797	123,797
Accounts	98,053	398,374	112,869	0	157	609,453
Payments in Lieu of Taxes	0	0	0	0	899,139	899,139
Accrued Interest	285,290	28,789	0	0	1,331	315,410
Intergovernmental Receivable	1,567,240	415,926	500	0	807,323	2,790,989
Prepaid Items	286,841	0	0	0	0	286,841
Materials and Supplies Inventory	197,940	0	117,281	0	241,404	556,625
Notes Receivable	0	0	0	0	266,434	266,434
Interfund Receivable	10,066,819	0	50,000	0	12,937	10,129,756
Total Assets	\$37,474,921	\$13,246,844	\$6,304,818	\$2,549,465	\$17,646,503	\$77,222,551
<u>Liabilities and Fund Balances:</u>						
<u>Liabilities:</u>						
Accounts Payable	\$190,897	\$25,178	\$110,544	\$172,465	\$185,783	\$684,867
Contracts Payable	0	0	4,906	276,490	165,669	447,065
Retainage Payable	0	0	0	84,487	144,905	229,392
Accrued Wages Payable	182,838	110,447	53,062	0	12,512	358,859
Intergovernmental Payable	473,579	254,155	134,960	0	26,182	888,876
Matured Interest Payable	0	0	0	0	3,067	3,067
Due To Other Funds	11,789	3,214	26,404	0	573	41,980
Deferred Revenue	6,551,890	8,543,949	5,515	0	2,021,486	17,122,840
Matured Compensated Absences Payable	118,536	64,836	22,717	0	0	206,089
Interfund Payable	0	221,004	0	0	10,532,086	10,753,090
Total Liabilities	7,529,529	9,222,783	358,108	533,442	13,092,263	30,736,125
<u>Fund Balances:</u>						
Reserved for Encumbrances	220,101	195,513	180,534	709,304	2,353,597	3,659,049
Reserved for Interfund Receivable	7,754,819	0	50,000	0	12,937	7,817,756
Reserved for Notes Receivable	0	0	0	0	231,890	231,890
Reserved for Unclaimed Monies	99,126	0	0	0	0	99,126
Unreserved:						
Undesignated (Deficit), Reported in:						
General Fund	21,871,346	0	0	0	0	21,871,346
Special Revenue Funds	0	3,828,548	5,716,176	0	3,724,396	13,269,120
Debt Service Fund	0	0	0	0	82,826	82,826
Capital Projects Funds	0	0	0	1,306,719	(1,851,406)	(544,687)
Total Fund Balances	29,945,392	4,024,061	5,946,710	2,016,023	4,554,240	46,486,426
Total Liabilities and Fund Balances	\$37,474,921	\$13,246,844	\$6,304,818	\$2,549,465	\$17,646,503	\$77,222,551

See accompanying notes to the basic financial statements

City of Westerville, Ohio
 Reconciliation of Total Governmental Fund Balances to
 Net Assets of Governmental Activities
 December 31, 2009

Total Governmental Fund Balances	\$46,486,426
Amounts reported for governmental activities in the Statement of Net Assets are different because:	
Capital Assets used in governmental activities are not financial resources and therefore are not reported in the funds. These assets consist of:	
Land	\$15,350,445
Construction In Progress	3,708,671
Infrastructure	151,544,551
Other Capital Assets	71,658,739
Internal Service Fund	181,316
Accumulated Depreciation	<u>(40,154,780)</u>
	202,288,942
Internal service funds are used by management to charge the costs of insurance and automotive maintenance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Assets.	
	1,661,501
An internal balance is recorded in governmental activities to reflect underpayments to the internal service fund by the business-type activities.	
	(111,934)
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:	
Municipal Income Taxes	1,943,439
Property Taxes	528,670
Other Local Taxes	121,189
Payments in Lieu of Taxes	794,578
Intergovernmental	2,448,137
Accrued Interest Receivable	192,234
Accounts	<u>416,978</u>
	6,445,225
Bond issuance costs reported as an expenditure in governmental funds are recognized as an asset and allocated as an expense over the life of the debt on the accrual basis of accounting.	
	802,107
Some liabilities, including bonds payable, loans payable and accrued interest payable, are not due and payable in the current period and therefore are not reported in the funds:	
Accrued Interest	(71,961)
General Obligation Bonds	(23,352,395)
Premium on Bonds	(926,555)
Discount on Bonds	27,153
Police Pension	(20,266)
Compensated Absences	(3,505,176)
Compensated Absences - Internal Service Fund	<u>(35,897)</u>
	<u>(27,885,097)</u>
Net Assets of Governmental Activities	\$229,687,170

See accompanying notes to the basic financial statements

City of Westerville, Ohio
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2009

	<i>General</i>	<i>Fire Operating</i>	<i>Parks and Recreation Operating</i>	<i>General Capital Improvement</i>	<i>Nonmajor Governmental Funds</i>	<i>Total Governmental Funds</i>
<u>Revenues:</u>						
Property Taxes	\$3,064,160	\$6,947,153	\$0	\$0	\$189,192	\$10,200,505
Municipal Income Taxes	28,511,168	0	0	0	3,913,798	32,424,966
Other Local Taxes	0	0	0	0	498,791	498,791
Payments in Lieu of Taxes	0	0	0	0	2,049,303	2,049,303
Intergovernmental	5,310,472	3,047,027	1,549	0	2,261,445	10,620,493
Charges for Services	407,800	78,244	2,844,721	0	190	3,330,955
Fees, Licenses and Permits	652,245	25	4,193	0	68,026	724,489
Fines and Forfeitures	441,898	0	0	0	133,788	575,686
Interest	1,895,991	170,409	0	0	7,602	2,074,002
Decrease in Fair Value of Cash Equivalents	(678,015)	0	0	0	0	(678,015)
Other	78,198	225,148	8,150	0	97,038	408,534
<i>Total Revenues</i>	<u>39,683,917</u>	<u>10,468,006</u>	<u>2,858,613</u>	<u>0</u>	<u>9,219,173</u>	<u>62,229,709</u>
<u>Expenditures:</u>						
Current:						
Security of Persons and Property	12,311,931	11,816,320	0	0	199,887	24,328,138
Public Health	51,422	0	0	0	0	51,422
Leisure Time Activities	0	0	7,420,917	0	0	7,420,917
Community Development	2,401,381	0	0	0	0	2,401,381
Basic Utility Services	508,432	0	0	0	0	508,432
Transportation	0	0	0	0	2,293,288	2,293,288
General Government	9,445,227	0	0	0	2,320,506	11,765,733
Capital Outlay	0	0	0	9,026,653	3,238,379	12,265,032
Debt Service:						
Principal Retirement	611	0	0	0	1,878,405	1,879,016
Interest and Fiscal Charges	881	0	0	0	963,076	963,957
Issuance Costs	0	0	0	0	765,874	765,874
<i>Total Expenditures</i>	<u>24,719,885</u>	<u>11,816,320</u>	<u>7,420,917</u>	<u>9,026,653</u>	<u>11,659,415</u>	<u>64,643,190</u>
Excess of Revenues Over (Under) Expenditures	<u>14,964,032</u>	<u>(1,348,314)</u>	<u>(4,562,304)</u>	<u>(9,026,653)</u>	<u>(2,440,242)</u>	<u>(2,413,481)</u>
<u>Other Financing Sources (Uses):</u>						
General Obligation Bonds Issued	0	0	0	1,655,000	16,505,735	18,160,735
Premium on Debt Issued	0	0	0	0	1,017,054	1,017,054
Proceeds From Sale of Capital Assets	0	0	0	242,000	0	242,000
Payment to Refunded Bond Escrow Agent	0	0	0	0	(16,742,935)	(16,742,935)
Transfers - In	24,186	1,436	4,476,676	7,038,000	8,396,523	19,936,821
Transfers - Out	(13,389,144)	0	0	0	(6,760,846)	(20,149,990)
<i>Total Other Financing Sources (Uses)</i>	<u>(13,364,958)</u>	<u>1,436</u>	<u>4,476,676</u>	<u>8,935,000</u>	<u>2,415,531</u>	<u>2,463,685</u>
Net Change in Fund Balances	1,599,074	(1,346,878)	(85,628)	(91,653)	(24,711)	50,204
Fund Balances at Beginning of Year	<u>28,346,318</u>	<u>5,370,939</u>	<u>6,032,338</u>	<u>2,107,676</u>	<u>4,578,951</u>	<u>46,436,222</u>
<i>Fund Balances at End of Year</i>	<u>\$29,945,392</u>	<u>\$4,024,061</u>	<u>\$5,946,710</u>	<u>\$2,016,023</u>	<u>\$4,554,240</u>	<u>\$46,486,426</u>

See accompanying notes to the basic financial statements

City of Westerville, Ohio
Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2009

Net Change in Fund Balances - Total Governmental Funds	\$50,204
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:	
Capital Outlay	\$6,295,847
Depreciation	(4,179,877)
Internal Service Depreciation	(19,494)
Excess of Capital Outlay Over Depreciation	2,096,476
Governmental funds do not report the revenue from the contribution of capital assets since they do not represent current financial resources. However the revenue is reported in the Statement of Activities.	18,998
Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the Statement of Activities, a gain or loss is reported for each sale.	
Loss on Disposal of Assets	(325,721)
Loss on Disposal of Internal Service Assets	(5,051)
	(330,772)
The internal service funds used by management to charge the costs of maintaining City vehicles and equipment and the costs of general liability claims, actions, and judgments against the City, its officers and employees are not reported in the entity-wide Statement of Activities. Governmental expenditures and related internal service fund revenues are eliminated. The net revenues (expenses) of the internal service funds are allocated among the governmental activities, net of the change in the internal balance resulting from activity with the enterprise funds.	234,957
Repayment of long-term obligations is reported as an expenditure in governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets. In the current year, these amounts consist of:	
General Obligation Bond Principal Payments	1,878,405
Payment to Refunded Bond Escrow Agent	16,742,935
Police Pension Principal Payments	611
	18,621,951
Governmental funds report bond issuance costs as expenditures, whereas these amounts are deferred and amortized in the Statement of Activities.	792,733
Some revenues that will not be collected for several months after the City's year-end are not considered "available" revenues and are deferred in the governmental funds.	
Interest	(143,800)
Municipal Income Taxes	431,461
Property Taxes	(79,389)
Other Local Taxes	6,262
Payments in Lieu of Taxes	189,954
Intergovernmental	160,714
Charges for Services	388,164
Fees, Licenses and Permits	(7,590)
Miscellaneous	(120)
	945,656
Governmental funds report discounts and bond issuance costs as other financing uses and as expenditures, respectively, whereas these amounts are deferred and amortized in the Statement of Activities. In the current period, these amounts are:	
Amortization of Bond Discount	(1,999)
Amortization of Bond Premium	100,921
Amotization of Bond Issuance Costs	(82,968)
	15,954
The issuance of long-term debt provides current financial resources to governmental funds, but in the Statement of Net Assets, the debt is reported as a liability.	
Premium on Debt Issued	(1,017,054)
Proceeds of Refunding Bonds	(18,160,735)
	(19,177,789)
Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. The additional amount of interest on the Statement of Activities is the result of the following:	
Decrease in Accrued Interest	21,209
Some items reported as expenses in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds. These activities consist of:	
Compensated Absences	51,229
Compensated Absences - Internal Service Fund	(20,095)
	31,134
<i>Change in Net Assets of Governmental Activities</i>	\$3,320,711

See accompanying notes to the basic financial statements

City of Westerville, Ohio
Statement of Revenues, Expenditures and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
General Fund
For the Year Ended December 31, 2009

	<u>Budget</u>		<u>Actual</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues:</u>				
Property Taxes	\$3,050,000	\$3,064,159	\$3,064,160	\$1
Municipal Income Taxes	19,343,503	27,678,863	27,798,683	119,820
Intergovernmental	5,232,625	5,147,117	5,156,510	9,393
Charges for Services	555,418	439,148	440,270	1,122
Fees, Licenses and Permits	578,729	639,220	645,224	6,004
Fines and Forfeitures	445,240	438,224	438,225	1
Interest	1,750,000	1,815,000	1,840,035	25,035
Other	39,850	60,022	77,424	17,402
Total Revenues	30,995,365	39,281,753	39,460,531	178,778
<u>Expenditures:</u>				
Current:				
Security of Persons and Property	13,536,167	13,821,289	12,574,554	1,246,735
Public Health	57,552	57,248	53,088	4,160
Community Development	2,750,960	2,798,225	2,518,470	279,755
Basic Utility Services	621,511	631,377	522,552	108,825
General Government	9,951,930	10,840,435	9,794,547	1,045,888
Total Expenditures	26,918,120	28,148,574	25,463,211	2,685,363
Excess of Revenues Over Expenditures	4,077,245	11,133,179	13,997,320	2,864,141
<u>Other Financing Sources (Uses):</u>				
Advances - In	105,000	1,842,667	1,842,668	1
Advances - Out	0	(2,221,700)	(2,221,700)	0
Transfers - In	255,903	24,186	24,186	0
Transfers - Out	(8,113,144)	(13,389,144)	(13,389,144)	0
Total Other Financing Sources (Uses)	(7,752,241)	(13,743,991)	(13,743,990)	1
Net Change in Fund Balance	(3,674,996)	(2,610,812)	253,330	2,864,142
Fund Balance at Beginning of Year	16,104,768	16,238,912	16,238,912	0
Prior Year Encumbrances Carried Over	455,273	321,127	321,127	0
Fund Balance at End of Year	\$12,885,045	\$13,949,227	\$16,813,369	\$2,864,142

See accompanying notes to the basic financial statements

City of Westerville, Ohio
Statement of Revenues, Expenditures and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Fire Operating Special Revenue Fund
For the Year Ended December 31, 2009

	<i>Budget</i>		<i>Actual</i>	<i>Variance Positive (Negative)</i>
	<i>Original</i>	<i>Final</i>		
<u>Revenues:</u>				
Property Taxes	\$8,060,000	\$6,947,153	\$6,947,153	\$0
Intergovernmental	1,325,000	3,047,024	3,047,027	3
Charges for Services	0	5,371	41,826	36,455
Fees, Licenses and Permits	0	25	25	0
Interest	65,000	166,000	188,318	22,318
Other	1,500	225,148	225,148	0
<i>Total Revenues</i>	9,451,500	10,390,721	10,449,497	58,776
<u>Expenditures:</u>				
Current:				
Security of Persons and Property	12,287,683	12,995,189	12,243,170	752,019
Excess of Revenues Under Expenditures	(2,836,183)	(2,604,468)	(1,793,673)	810,795
<u>Other Financing Sources (Uses):</u>				
Advances - In	0	221,004	221,004	0
Advances - Out	(118,753)	(118,753)	(112,668)	6,085
Transfers - In	0	1,436	1,436	0
Total Other Sources Financing (Uses)	(118,753)	103,687	109,772	6,085
Net Change in Fund Balance	(2,954,936)	(2,500,781)	(1,683,901)	816,880
Fund Balance at Beginning of Year	6,025,233	6,064,179	6,064,179	0
Prior Year Encumbrances Carried Over	74,180	35,234	35,234	0
<i>Fund Balance at End of Year</i>	<u>\$3,144,477</u>	<u>\$3,598,632</u>	<u>\$4,415,512</u>	<u>\$816,880</u>

See accompanying notes to the basic financial statements

City of Westerville, Ohio
Statement of Revenues, Expenditures and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Parks and Recreation Operating Special Revenue Fund
For the Year Ended December 31, 2009

	<i>Budget</i>		<i>Actual</i>	<i>Variance Positive (Negative)</i>
	<i>Original</i>	<i>Final</i>		
<u>Revenues:</u>				
Intergovernmental	\$0	\$1,548	\$1,549	\$1
Charges for Services	3,083,526	2,851,355	2,839,308	(12,047)
Fees, Licenses and Permits	19,000	4,192	4,193	1
Other	16,500	7,909	7,617	(292)
<i>Total Revenues</i>	<u>3,119,026</u>	<u>2,865,004</u>	<u>2,852,667</u>	<u>(12,337)</u>
<u>Expenditures:</u>				
Current:				
Leisure Time Activities	8,221,373	8,270,250	7,819,918	450,332
Excess of Revenues Under Expenditures	(5,102,347)	(5,405,246)	(4,967,251)	437,995
<u>Other Financing Sources:</u>				
Transfers - In	4,389,374	4,476,676	4,476,676	0
Net Change in Fund Balance	(712,973)	(928,570)	(490,575)	437,995
Fund Balance at Beginning of Year	5,835,185	5,905,205	5,905,205	0
Prior Year Encumbrances Carried Over	357,598	287,575	287,575	0
<i>Fund Balance at End of Year</i>	<u>\$5,479,810</u>	<u>\$5,264,210</u>	<u>\$5,702,205</u>	<u>\$437,995</u>

See accompanying notes to the basic financial statements



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City of Westerville, Ohio
Statement of Fund Net Assets
Proprietary Funds
December 31, 2009

	<i>Business-Type Activities --</i>		
	<i>Water</i>	<i>Sewer</i>	<i>Electric</i>
<u>Assets:</u>			
<u>Current Assets:</u>			
Equity in Pooled Cash and Cash Equivalents	\$7,293,560	\$4,477,325	\$14,718,082
Cash and Cash Equivalents with Fiscal Agents	641	0	0
Receivables:			
Accounts, Net	399,503	1,078,202	6,531,403
Accrued Interest	0	0	0
Due From Other Funds	0	0	58,131
Materials and Supplies Inventory	125,744	8,350	871,511
Total Current Assets	7,819,448	5,563,877	22,179,127
<u>Non-current Assets:</u>			
Interfund Receivable	57,000	280,330	320,000
Deferred Charges	42,944	21,184	341,606
Water Rights, Net	1,230,544	0	0
Capital Assets:			
Nondepreciable Capital Assets	1,072,274	215,085	1,781,770
Depreciable Capital Assets, Net	25,999,971	14,578,932	51,790,281
Total Non-current Assets	28,402,733	15,095,531	54,233,657
Total Assets	36,222,181	20,659,408	76,412,784
<u>Liabilities:</u>			
<u>Current Liabilities:</u>			
Accounts Payable	32,857	44,321	3,393,818
Contracts Payable	79,295	0	646,854
Accrued Wages Payable	15,197	6,331	43,525
Retainage Payable	2,264	0	164,666
Matured Interest Payable	641	0	0
Accrued Interest Payable	39,654	20,156	79,847
Intergovernmental Payable	34,469	1,526,567	94,947
Due To Other Funds	14,805	352	0
Unearned Revenue	0	0	19,220
Deposits Held and Due to Others	0	0	215,310
Claims Payable	0	0	0
Compensated Absences Payable	124,542	32,224	277,291
ODNR Loans Payable	42,344	0	0
General Obligation Bonds Payable	515,590	49,410	963,260
Total Current Liabilities	901,658	1,679,361	5,898,738
<u>Long-Term Liabilities:</u>			
Interfund Payable	0	0	0
Compensated Absences Payable, Net	118,964	26,144	163,199
ODNR Loans Payable, Net	1,640,847	0	0
General Obligation Bonds Payable, Net	3,318,497	1,272,476	21,814,386
Total Long-Term Liabilities	5,078,308	1,298,620	21,977,585
Total Liabilities	5,979,966	2,977,981	27,876,323
<u>Net Assets:</u>			
Invested in Capital Assets, Net of Related Debt	21,597,911	13,493,315	31,862,579
Unrestricted	8,644,304	4,188,112	16,673,882
Total Net Assets	\$30,242,215	\$17,681,427	\$48,536,461

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

See accompanying notes to the basic financial statements

<i>Enterprise Funds</i>		<i>Governmental Activities</i>
<i>Nonmajor Enterprise Funds</i>	<i>Totals</i>	<i>Internal Service Funds</i>
\$665,350	\$27,154,317	\$1,306,246
0	641	0
349,971	8,359,079	0
0	0	5,177
0	58,131	0
0	1,005,605	61,647
<u>1,015,321</u>	<u>36,577,773</u>	<u>1,373,070</u>
0	657,330	221,004
0	405,734	0
0	1,230,544	0
80,000	3,149,129	0
752,405	93,121,589	181,316
<u>832,405</u>	<u>98,564,326</u>	<u>402,320</u>
<u>1,847,726</u>	<u>135,142,099</u>	<u>1,775,390</u>
164,125	3,635,121	28,005
0	726,149	0
929	65,982	3,376
0	166,930	0
0	641	0
0	139,657	0
2,066	1,658,049	8,073
723	15,880	271
0	19,220	0
0	215,310	0
0	0	38,267
2,631	436,688	23,436
0	42,344	0
0	1,528,260	0
<u>170,474</u>	<u>8,650,231</u>	<u>101,428</u>
255,000	255,000	0
5,643	313,950	12,461
0	1,640,847	0
0	26,405,359	0
<u>260,643</u>	<u>28,615,156</u>	<u>12,461</u>
<u>431,117</u>	<u>37,265,387</u>	<u>113,889</u>
832,405	67,786,210	181,316
584,204	30,090,502	1,480,185
<u>\$1,416,609</u>	<u>97,876,712</u>	<u>\$1,661,501</u>
	111,934	
	<u>\$97,988,646</u>	

City of Westerville, Ohio
Statement of Revenues,
Expenses and Changes in Fund Net Assets
Proprietary Funds
For the Year Ended December 31, 2009

	Business-Type Activities -		
	Water	Sewer	Electric
<u>Operating Revenues:</u>			
Charges for Services	\$2,695,426	\$6,999,683	\$40,103,909
Tap-In Fees	0	6,825	0
Other Operating Revenues	54,091	1,391	208,854
Total Operating Revenues	2,749,517	7,007,899	40,312,763
<u>Operating Expenses:</u>			
Personal Services	1,413,827	528,659	2,456,981
Contractual Services	743,826	6,399,524	35,451,678
Materials and Supplies	447,120	91,498	1,615,914
Claims	0	0	0
Other	9,323	7,685	88,856
Depreciation	873,740	420,271	2,061,428
Total Operating Expenses	3,487,836	7,447,637	41,674,857
Operating Income (Loss)	(738,319)	(439,738)	(1,362,094)
<u>Non-Operating Revenues (Expenses):</u>			
Interest	0	0	4,226
Grants	22,615	0	56,250
Interest and Fiscal Charges	(222,514)	(52,559)	(828,916)
Loss on Disposal of Capital Assets	0	0	(350,667)
Total Non-Operating Revenues (Expenses)	(199,899)	(52,559)	(1,119,107)
Income (Loss) Before Underground Line and Capacity Charges, Capital Contributions and Transfers	(938,218)	(492,297)	(2,481,201)
Underground Line and Capacity Charges	148,500	85,250	2,800
Capital Contributions	0	0	57,965
Transfers - In	35,997	28,854	148,318
Change in Net Assets	(753,721)	(378,193)	(2,272,118)
Net Assets at Beginning of Year	30,995,936	18,059,620	50,808,579
Net Assets at End of Year	\$30,242,215	\$17,681,427	\$48,536,461

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

Change in Net Assets of business-type activities

See accompanying notes to the basic financial statements

<i>Enterprise Funds</i>		<i>Governmental Activities</i>	
<i>Nonmajor Enterprise Funds</i>	<i>Totals</i>	<i>Internal Service Funds</i>	
\$2,596,529	\$52,395,547	\$1,111,225	
0	6,825	0	
70	264,406	57,276	
<u>2,596,599</u>	<u>52,666,778</u>	<u>1,168,501</u>	
431,429	4,830,896	301,152	
2,042,106	44,637,134	50,157	
58,545	2,213,077	441,091	
0	0	132,632	
5,893	111,757	0	
205,306	3,560,745	24,040	
<u>2,743,279</u>	<u>55,353,609</u>	<u>949,072</u>	
(146,680)	(2,686,831)	219,429	
0	4,226	32,433	
0	78,865	0	
0	(1,103,989)	0	
(1,258)	(351,925)	(505)	
<u>(1,258)</u>	<u>(1,372,823)</u>	<u>31,928</u>	
(147,938)	(4,059,654)	251,357	
0	236,550	0	
0	57,965	0	
<u>0</u>	<u>213,169</u>	<u>0</u>	
(147,938)	(3,551,970)	251,357	
<u>1,564,547</u>		<u>1,410,144</u>	
<u>\$1,416,609</u>		<u>\$1,661,501</u>	
	<u>16,400</u>		
	<u>(\$3,535,570)</u>		

City of Westerville, Ohio
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2009

	<i>Business-Type Activities --</i>		
	<u>Water</u>	<u>Sewer</u>	<u>Electric</u>
<u>Increases (Decreases) in Cash and Cash Equivalents:</u>			
<u>Cash Flows from Operating Activities:</u>			
Cash Received from Customers	\$2,676,485	\$6,982,827	\$39,867,148
Internal Services Provided	0	0	0
Cash Payments for Personal Services	(1,439,481)	(515,960)	(2,485,976)
Cash Payments for Materials and Supplies	(447,125)	(88,434)	(1,731,565)
Cash Payments for Other Services and Charges	(754,333)	(6,271,944)	(34,876,316)
Internal Services Used	(14,805)	(352)	0
Cash Payments for Claims	0	0	0
Cash Received From Operating Portion of Tap-in Fees	0	6,825	0
Other Operating Revenues	54,173	2,200	216,046
Deposits Received	0	0	1,261,978
Deposits Refunded/Applied	0	0	(1,235,496)
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>74,914</u>	<u>115,162</u>	<u>1,015,819</u>
<u>Cash Flows from Non-Capital Financing Activities:</u>			
Advances to Other Funds	0	0	0
Transfers from Other Funds	35,997	28,854	148,318
<i>Net Cash Provided by (Used for) Non-Capital Financing Activities</i>	<u>35,997</u>	<u>28,854</u>	<u>148,318</u>
<u>Cash Flows from Capital and Related Financing Activities:</u>			
Acquisition and Construction of Capital Assets	(1,336,817)	(603,621)	(4,511,391)
Underground Lines and Capacity Charges	148,500	85,250	2,800
Capital Grants Received	0	0	56,250
Proceeds from the Sale of Bonds	1,954,212	1,310,788	3,295,000
Principal Paid on Notes	(935,000)	(1,298,000)	0
Interest Paid on Notes	(11,441)	(32,360)	0
Principal Paid on General Obligation Bonds	(410,000)	0	(806,595)
Interest Paid on General Obligation Bonds	(106,051)	0	(900,789)
Principal Paid on ODNR Debt	(41,022)	0	0
Interest Paid on ODNR Debt	(55,554)	0	0
Bond Issuance Costs	(31,716)	(21,273)	(53,476)
Premium on Debt Issued	16,494	11,144	29,353
<i>Net Cash Provided by (Used for) Capital and Related Financing Activities</i>	<u>(808,395)</u>	<u>(548,072)</u>	<u>(2,888,848)</u>
<u>Cash Flows From Investing Activities:</u>			
Interest	0	0	4,226
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	(697,484)	(404,056)	(1,720,485)
<i>Cash and Cash Equivalents at Beginning of Year</i>	<u>7,991,685</u>	<u>4,881,381</u>	<u>16,438,567</u>
<i>Cash and Cash Equivalents at End of Year</i>	<u>\$7,294,201</u>	<u>\$4,477,325</u>	<u>\$14,718,082</u>

<i>Enterprise Funds</i>		<i>Governmental Activities</i>	
<i>Nonmajor Enterprise Funds</i>	<i>Totals</i>	<i>Internal Service Funds</i>	
\$2,558,671	\$52,085,131		\$0
0	0	1,111,225	
(437,144)	(4,878,561)	(327,621)	
(58,545)	(2,325,669)	(441,754)	
(2,033,367)	(43,935,960)	(48,441)	
(723)	(15,880)	(271)	
0	0	(94,558)	
0	6,825	0	
70	272,489	60,915	
0	1,261,978	0	
0	(1,235,496)	0	
28,962	1,234,857	259,495	
(105,000)	(105,000)	(221,004)	
0	213,169	0	
(105,000)	108,169	(221,004)	
(19,175)	(6,471,004)	0	
0	236,550	0	
0	56,250	0	
0	6,560,000	0	
0	(2,233,000)	0	
0	(43,801)	0	
0	(1,216,595)	0	
0	(1,006,840)	0	
0	(41,022)	0	
0	(55,554)	0	
0	(106,465)	0	
0	56,991	0	
(19,175)	(4,264,490)	0	
0	4,226	34,082	
(95,213)	(2,917,238)	72,573	
760,563	30,072,196	1,233,673	
\$665,350	\$27,154,958	\$1,306,246	

(Continued)

City of Westerville, Ohio
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2009
(Continued)

	<i>Business-Type Activities --</i>		
	<u>Water</u>	<u>Sewer</u>	<u>Electric</u>
<u>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:</u>			
Operating Income (Loss)	(\$738,319)	(\$439,738)	(\$1,362,094)
<u>Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:</u>			
Depreciation	873,740	420,271	2,061,428
Change in Provision for Uncollectable Accounts Receivable	455	370	10,873
<u>Changes in Assets and Liabilities:</u>			
(Increase) Decrease in Accounts Receivable	(18,141)	(14,032)	(147,142)
Increase in Due from Other Funds	0	0	(4,497)
(Increase) Decrease in Material and Supplies Inventory	8,057	2,968	(11,791)
Increase (Decrease) in Accounts Payable	(13,450)	(6,890)	585,986
Decrease in Claims Payable	0	0	0
Increase (Decrease) in Accrued Wages Payable	(36,052)	(8,789)	(80,237)
Increase (Decrease) in Compensated Absences Payable	5,179	16,792	32,929
Decrease in Retainage Payable	(12,613)	0	(114,350)
Increase (Decrease) in Due to Other Funds	839	288	0
Increase (Decrease) in Intergovernmental Payable	5,219	143,922	18,179
Increase in Unearned Revenue	0	0	1,544
Increase in Deposits Held and Due to Others	0	0	24,991
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>\$74,914</u>	<u>\$115,162</u>	<u>\$1,015,819</u>
<u>Noncash Capital and Related Financing Activities:</u>			
Trade-In Allowance of Equipment and Vehicles	\$14,000	\$0	\$22,000
Service Lines Donated by Developers and Capitalized at Fair Market Value	22,615	0	0
Refunding Bonds Proceeds	0	0	2,089,265
Premium on Refunding Bonds	0	0	114,245
Payment to Bond Escrow Agent	0	0	(2,132,065)
Refunding Bonds Issuance Costs	0	0	(71,445)
<i>Total Noncash Capital and Related Financing Activities</i>	<u>\$36,615</u>	<u>\$0</u>	<u>\$22,000</u>

See accompanying notes to the basic financial statements

<i>Enterprise Funds</i>		<i>Governmental Activities</i>	
<i>Nonmajor Enterprise Funds</i>	<i>Totals</i>	<i>Internal Service Funds</i>	
(\$146,680)	(\$2,686,831)	\$219,429	
205,306	3,560,745	24,040	
820	12,518	0	
(32,785)	(212,100)	3,639	
0	(4,497)	0	
0	(766)	(19,915)	
7,926	573,572	20,426	
0	0	38,074	
(4,869)	(129,947)	(7,833)	
1,652	56,552	(20,095)	
0	(126,963)	0	
90	1,217	271	
(2,498)	164,822	1,459	
0	1,544	0	
0	24,991	0	
<u>\$28,962</u>	<u>\$1,234,857</u>	<u>\$259,495</u>	
\$0	\$36,000	\$0	
0	22,615	0	
0	2,089,265	0	
0	114,245	0	
0	(2,132,065)	0	
0	(71,445)	0	
<u>\$0</u>	<u>\$58,615</u>	<u>\$0</u>	

City of Westerville, Ohio
Statement of Fiduciary
Assets and Liabilities
Agency Funds
December 31, 2009

<u>Assets:</u>	
Equity in Pooled Cash and Cash Equivalents	\$1,466,489
Cash and Cash Equivalents with Fiscal Agents	10,888
Receivables:	
Other Local Taxes	1,245
	<hr/>
<i>Total Assets</i>	<u><u>\$1,478,622</u></u>
<u>Liabilities:</u>	
Accounts Payable	\$1,245
Undistributed Monies	852,845
Intergovernmental Payable	202,703
Deposits Held and Due to Others	421,829
	<hr/>
<i>Total Liabilities</i>	<u><u>\$1,478,622</u></u>

See accompanying notes to the basic financial statements

City of Westerville, Ohio

Notes to the Basic Financial Statements

For the Year Ended December 31, 2009

NOTE 1 – DESCRIPTION OF THE CITY AND REPORTING ENTITY

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

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

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

THE REPORTING ENTITY

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

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organization. Component units may also include organizations for which the City approves the budget, the issuance of debt or the levying of taxes. The City has no blended or discretely presented component units.

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

City of Westerville, Ohio

Notes to the Basic Financial Statements (Continued)

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

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The City also applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989, to its governmental and business-type activities and to its enterprise and internal service funds provided they do not conflict with or contradict GASB pronouncements. The City has elected not to apply FASB Pronouncements and Interpretations issued after November 30, 1989 to its business-type activities and to its enterprise funds. The more significant of the City's accounting policies are described below.

BASIS OF PRESENTATION

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

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The Statement of Net Assets and the Statement of Activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The activity of the internal service funds is eliminated to avoid the "doubling up" of revenues and expenses. The statements distinguish between those activities of the City that are governmental in nature and those that are considered business-type activities.

The Statement of Net Assets presents the financial condition of the governmental and business-type activities of the City at year-end. The Statement of Activities presents a comparison between direct expenses and program revenues for each program or function of the City's governmental activities and for the business-type activities of the City. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of

City of Westerville, Ohio

Notes to the Basic Financial Statements (Continued)

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

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

FUND FINANCIAL STATEMENTS

During the year, the City segregates transactions related to certain City functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the City at this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Internal service funds are combined and the totals are presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by type.

FUND ACCOUNTING

The City uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. There are three categories of funds utilized by the City: governmental, proprietary and fiduciary.

GOVERNMENTAL FUNDS

Governmental funds are those through which most governmental functions are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purpose for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the City's major governmental funds:

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

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

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

City of Westerville, Ohio

Notes to the Basic Financial Statements (Continued)

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

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

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

PROPRIETARY FUNDS

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

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

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

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

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

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

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

FIDUCIARY FUNDS

Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds, and agency funds. The three types of trust funds should be used to report resources held and administered by the City when it is acting in a fiduciary capacity for individuals, private organizations, or other governments. These funds are distinguished by the existence of a trust agreement that affects the degree of management involvement and the length of time that the resources are held. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The City's only fiduciary funds consist of seven agency funds which are used to account for money held for individuals and organizations. These funds account for money belonging to the convention and visitors' bureau, for payroll withholding liabilities, for sewer capacity fees collected and remitted to the City of Columbus, for building and related permit fees collected and remitted to the State of Ohio, for

City of Westerville, Ohio

Notes to the Basic Financial Statements (Continued)

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

deposits by contractors, developers or individuals held to ensure compliance with City building codes, for distributing court fines and forfeitures and for recreation fees used by other subdivisions in maintaining their park systems.

MEASUREMENT FOCUS

Government-Wide Financial Statements

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

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the Balance Sheet. The Statement of Revenues, Expenditures and Changes in Fund Balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. The governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the governmental fund financial statements.

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

BASIS OF ACCOUNTING

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

City of Westerville, Ohio

Notes to the Basic Financial Statements (Continued)

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

Revenues – Exchange and Non-Exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available. “Measurable” means the amount of the transaction can be determined and “available” means the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For the City, available means expected to be received within 31 days of year-end.

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, payments in lieu of taxes, grants, entitlements and donations. On an accrual basis, revenue from income tax is recognized in the year in which the income is earned. Revenue from property taxes and payments in lieu of taxes is recognized in the year for which the taxes are levied. (See Note 8.) Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

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

Unearned/Deferred Revenues

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

Property taxes for which there is an enforceable legal claim as of December 31, 2009, but were levied to finance 2010 operations, have been recorded as unearned/deferred revenue. Grants and entitlements received before the eligibility requirements are met have also been recorded as unearned/deferred revenue.

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

City of Westerville, Ohio

Notes to the Basic Financial Statements (Continued)

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

Expenses/Expenditures

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

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

BUDGETS AND BUDGETARY ACCOUNTING

All funds, except agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations ordinance, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount Council may appropriate. The appropriations ordinance is Council's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by Council. The legal level of control has been established by Council at the function level for all funds. The Director of Finance has been authorized to allocate appropriations to the object level within each fund.

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

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

On the Statements and Schedules of Revenues, Expenditures/Expenses and Changes in Fund Balance/Equity, variances between the original amounts and the final/actual amounts of Fund Balance/Equity and Prior Year Encumbrances Carried Over are the result of the liquidation of encumbrances carried over from the prior year that were unused, resulting in the Fund Balance/Equity increasing by the amount that was liquidated.

City of Westerville, Ohio

Notes to the Basic Financial Statements (Continued)

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

CASH AND CASH EQUIVALENTS

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

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

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

The City has invested funds in the State Treasury Asset Reserve of Ohio (STAROhio) during 2009. STAROhio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAROhio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAROhio are valued at STAROhio's share price which is the price the investment could be sold for on December 31, 2009.

Interest allocation is determined by the Ohio Constitution, State statutes, and local ordinances adopted under City Charter. Under these provisions, the City's funds required to receive interest allocations are: 1) those which receive proceeds from the sale of notes and/or bonds; 2) special tax levy funds; 3) the Self-Insurance Internal Service Fund; 4) the Parks and Recreation Capital Improvement Capital Projects Fund; 5) the Recreation Capital Improvement Capital Projects Fund; 6) the DARE Special Revenue Fund; 7) the Criminal Activity Forfeiture Special Revenue Fund; and 8) the Drug Enforcement Special Revenue Fund. All remaining interest is credited to the General Fund. Interest revenue credited to the General Fund during 2009 amounted to \$1,895,991, which includes \$1,229,028 assigned from other funds.

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

City of Westerville, Ohio

Notes to the Basic Financial Statements (Continued)

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

INVENTORY OF SUPPLIES

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

PREPAID ITEMS

Payments made to vendors for services that will benefit periods beyond December 31, 2009, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

INTANGIBLE ASSETS – WATER RIGHTS

In 1974, the City entered into a 60 year agreement with the State of Ohio, Department of Natural Resources (ODNR), whereby the City acquired the right to seven and one-half percent of the storage capacity of the Alum Creek Reservoir. The cost of these rights is amortized, on a straight line basis, over the term of the agreement, starting in the tenth year, for the remaining 50 years of the agreement.

CAPITAL ASSETS

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and reductions during the year. For certain assets, estimates were calculated by indexing estimated current costs back to the year of acquisition. Donated capital assets are recorded at their fair market values on the date donated. The City maintains a capitalization threshold of \$5,000. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are expensed.

All capital assets except land, construction in progress, and road and bridge infrastructure are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the City's historical records of necessary improvements and replacements.

City of Westerville, Ohio

Notes to the Basic Financial Statements
(Continued)

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Depreciation is computed using the straight-line method over the following useful lives:

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

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

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

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

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

COMPENSATED ABSENCES

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the City will compensate the employees for the benefits through paid time off or some other means. The City records a liability for all accumulated unused vacation time when earned for all employees with more than one year of service.

City of Westerville, Ohio

Notes to the Basic Financial Statements (Continued)

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

Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those that the City has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employees' wage rates at year-end, taking into consideration any limits specified in the City's termination policy. The City records a liability for accumulated unused sick leave for employees and administrators after 10 years of service.

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

INTERFUND RECEIVABLES AND PAYABLES

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

ACCRUED LIABILITIES AND LONG-TERM OBLIGATIONS

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

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

BOND DISCOUNTS, PREMIUMS/ISSUANCE COSTS

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

City of Westerville, Ohio

Notes to the Basic Financial Statements (Continued)

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

reacquisition price and the net carrying amount of the old debt) is amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter.

As permitted by State statute, the City paid bond issuance costs from the bond proceeds and therefore does not consider that portion of the debt to be capital-related debt. That portion of the debt was offset against the unamortized bond issuance costs, which were included in the determination of unrestricted net assets. Reporting both within the same element of net assets prevents one classification from being overstated while another is understated by the same amount.

CONTRIBUTIONS OF CAPITAL

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

RESERVES OF FUND BALANCE

Reserves of fund equity in governmental funds indicate that a portion of fund balance is not available for expenditure or is legally segregated for a specific future use. Under Ohio law, unclaimed monies are not available for appropriation until they have remained unclaimed for five years. The reserves for notes receivable and interfund receivable are the portion of the notes and interfund loans that are not expected to be repaid in 2010. Fund balances are reserved for encumbrances, interfund receivable, notes receivable and unclaimed monies.

INTERNAL ACTIVITY

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

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

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

City of Westerville, Ohio

Notes to the Basic Financial Statements (Continued)

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

NET ASSETS

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

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

The government-wide Statement of Net Assets reports \$24,859,638 of restricted net assets, of which \$5,230,134 are restricted by enabling legislation.

OPERATING REVENUES AND EXPENSES

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

ESTIMATES

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

NOTE 3 – CHANGES IN ACCOUNTING PRINCIPLES

For 2009, the City has implemented Governmental Accounting Standards Board (GASB) Statement No. 52, "Land and Other Real Estate Held as Investments by Endowments", Statement No. 53, "Accounting and Financial Reporting for Derivative Instruments", Statement No. 55, "The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments," Statement No. 56, "Codification of Accounting and Financial Reporting Guidance Contained in the AICPA Statements on Auditing Standards", Statement No. 57, "OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans", and Statement No. 58, "Accounting and Financial Reporting for Chapter 9 Bankruptcies".

City of Westerville, Ohio

Notes to the Basic Financial Statements (Continued)

NOTE 3 – CHANGES IN ACCOUNTING PRINCIPLES *(continued)*

GASB Statement No. 52 establishes consistent standards for the reporting of land and other real estate held as investments by essentially similar entities. It requires endowments to report their land and other real estate investments at fair value. Governments are also required to report the changes in fair value as investment income and to disclose the methods and significant assumptions employed to determine fair value. The implementation of this statement did not result in any change in the City's financial statements.

GASB Statement No. 53 addresses the recognition, measurement, and disclosure of information regarding derivative instruments entered into by state and local governments. It requires governments to measure derivative instruments, with the exception of synthetic guaranteed investment contracts that are fully benefit-responsive, at fair value in their economic resources measurement focus financial statements. The implementation of this statement did not result in any change in the City's financial statements.

GASB Statement No. 55 incorporates the hierarchy of generally accepted accounting principles (GAAP) for state and local governments into the GASB authoritative literature. The GAAP hierarchy consists of the sources of accounting principles used in the preparation of financial statements of state and local governmental entities that are presented in conformity with GAAP, and the framework for selecting those principles. The implementation of this statement did not result in any change in the City's financial statements.

GASB Statement No. 56 incorporates accounting and financial reporting guidance previously only contained in the American Institute of Certified Public Accountants' and auditing literature into the GASB's accounting and financial reporting literature for state and local governments. The statement's guidance addresses related party transactions, going concern considerations, and subsequent events from the AICPA literature. The implementation of this statement did not result in any change in the City's financial statements.

GASB Statement No. 57 addresses issues related to the use of the alternative measurement method and the frequency and timing of measurements by employers that participate in agent multiple-employer other post-employment benefit (OPEB) plans (that is, agent employers). The requirements in this statement will allow more agent employers to use the alternative measurement method to produce actuarially based information for purposes of financial reporting and clarify that OPEB measures reported by agent multiple-employer OPEB plans and their participating employers should be determined at the same minimum frequency and as of a common date to improve the consistency of reporting with regard to funded status and funding progress information. The implementation of this statement did not result in any change in the City's financial statements.

GASB Statement No. 58 provides accounting and financial reporting guidance for governments that have petitioned for protection from creditors by filing for bankruptcy under Chapter 9 of the United States Bankruptcy Code. The requirements in this statement will provide more consistent recognition, measurement, display, and disclosure guidance for governments that file for Chapter 9 bankruptcy. The implementation of this statement did not result in any change in the City's financial statements.

City of Westerville, Ohio

Notes to the Basic Financial Statements
(Continued)

NOTE 4 – ACCOUNTABILITY

At December 31, 2009, the following funds had deficit fund balances:

<u>Funds</u>	<u>Amounts</u>
Hotel Tax	\$15,049
Africa Road Improvement	134,952
Spring Road Improvement	1,558,452
Maxtown Road Improvement	2,501,455
Cleveland Avenue Extension Improvement	972,239
Northridge Crossing TIF	614,534
Altair TIF Incentive	877,490

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

NOTE 5 – BUDGETARY BASIS OF ACCOUNTING

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

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

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

City of Westerville, Ohio

Notes to the Basic Financial Statements
(Continued)

NOTE 5 – BUDGETARY BASIS OF ACCOUNTING (continued)

(f) Advances – In and Advances – Out are operating transactions (budget basis) as opposed to balances sheet transactions (GAAP basis).

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

	<i>Net Change</i>		
	<i>In Fund Balance</i>		
	<i>General</i>	<i>Fire</i>	<i>Parks and</i>
	<u>General</u>	<u>Operating</u>	<u>Recreation</u>
		<u>Operating</u>	<u>Operating</u>
GAAP Basis	\$1,599,074	(\$1,346,878)	(\$85,628)
<u>Increases (decreases) Due To:</u>			
Revenue Accruals	(1,064,137)	(38,185)	(5,946)
Expenditure Accruals	(317,411)	(204,676)	(77,038)
Encumbrances Outstanding			
At Year-end (Budget Basis)	(425,915)	(222,174)	(321,963)
Unrecorded Cash	33,064	0	0
Change in Fair Value of Investments - 2009	650,241	0	0
Change in Fair Value of Investments - 2008	157,446	19,676	0
Advances	(379,032)	108,336	0
<i>Budget Basis</i>	<u>\$253,330</u>	<u>(\$1,683,901)</u>	<u>(\$490,575)</u>

NOTE 6 – DEPOSITS AND INVESTMENTS

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

Active deposits are public deposits necessary to meet current demands on the treasury. Such monies must be maintained either as cash in the City Treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive deposits are public deposits that Council has identified as not required for use within the current five year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

City of Westerville, Ohio

Notes to the Basic Financial Statements (Continued)

NOTE 6 – DEPOSITS AND INVESTMENTS *(continued)*

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts, including passbook accounts.

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

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

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

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

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

City of Westerville, Ohio

Notes to the Basic Financial Statements (Continued)

NOTE 6 – DEPOSITS AND INVESTMENTS (continued)

DEPOSITS

Custodial credit risk for deposits is the risk that in the event of bank failure, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. At year-end, \$2,551,009 of the City's bank balance of \$2,801,009 was exposed to custodial credit risk because it was uninsured and collateralized. Although the balance was collateralized by securities held by the financial institution's trust department in the City's name and all State statutory requirements for the deposit of money had been followed, non-compliance with federal requirements could potentially subject the City to a successful claim by the FDIC.

The City has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits be either insured or be protected by eligible securities pledged to and deposited either with the City or a qualified trustee by the financial institution as security for repayment, or by a collateral pool of eligible securities deposited with a qualified trustee and pledged to secure the repayment of all public monies deposited in the financial institution whose market value at all times shall be at least 105 percent of the deposits being secured.

INVESTMENTS

As of December 31, 2009, the City had the following investments. All investments are in an internal investment pool.

	<i>Fair Value</i>	<i>Investment Maturities (in Years)</i>			<i>Standard & Poor's Rating</i>	<i>Percent of Total Investments</i>
		<i>Less than 1</i>	<i>1 - 2</i>	<i>3 - 4</i>		
STAROhio	\$2,224,158	\$2,224,158	\$0	\$0	AAA	3.33%
Federal Home Loan Mortgage Corporation Medium Term Step Up Notes	5,016,400	0	0	5,016,400	AAA	7.51%
Federal Home Loan Mortgage Corporation Medium Term Notes	2,002,760			2,002,760	AAA	3.00%
Federal Home Loan Bank Step Up Notes	2,006,260	0	0	2,006,260	AAA	3.00%
Federal Home Loan Bank Notes	30,192,520	0	17,258,140	12,934,380	AAA	45.18%
Federal National Mortgage Association Step Up Medium Term Notes	10,062,500	0	5,014,050	5,048,450	AAA	15.06%
Federal National Mortgage Association Medium Term Notes	15,317,200	0	5,048,450	10,268,750	AAA	22.92%
Totals	\$66,821,798	\$2,224,158	\$27,320,640	\$37,277,000		

City of Westerville, Ohio

Notes to the Basic Financial Statements (Continued)

NOTE 6 – DEPOSITS AND INVESTMENTS *(continued)*

INTEREST RATE RISK

As a means of limiting its exposure to fair value losses caused by rising interest rates, the City's investment policy requires that, to the extent possible, investments will match anticipated cash flow requirements. Unless matched to a specific cash flow requirement, the Director of Finance will directly invest in securities as follows; not more than 20 percent of the value (computed at the time the investment is made) of investments to mature or be redeemable within 10 years from the date of purchase and the balance of all investments to mature or be redeemable within five years from the date of purchase.

CREDIT RISK

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

CONCENTRATION OF CREDIT RISK

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

NOTE 7 – MUNICIPAL INCOME TAX

The City levies and collects a 2.0 percent income tax on all income earned within the City. Of the 2.0 percent tax, 1.75 percent is placed into the General fund, which increased from 1.0 percent with the passage of the tax restructuring levy that became effective January 1, 2009, and 0.25 percent is placed into the Parks and Recreation Income Tax Allocation Special Revenue Fund, which became effective January 1, 1999. The tax is applied to gross salaries, wages and other personal services compensation, as well as net income of for-profit organizations conducting business in the City. In addition, residents of the City are required to pay municipal income tax on income earned outside the City, however a credit is allowed for income taxes paid to other municipalities.

Employers within the City are required to withhold income tax on employee earnings and remit the tax to the City at least quarterly. Corporations and other individual taxpayers are also required to pay their estimated tax at least quarterly and file a final return annually. The City has established its own Income Tax Division to administer and collect taxes for the City.

City of Westerville, Ohio

Notes to the Basic Financial Statements
(Continued)

NOTE 8 – PROPERTY TAX

Property taxes include amounts levied against all real, public utility, and tangible personal property (used in business) located in the City. Property tax revenue received during 2009 for real and public utility property taxes represents collections of 2008 taxes. Property tax payments received during 2009 for tangible personal property (other than public utility property) are for 2009 taxes.

2009 real property taxes are levied after October 1, 2009 on the assessed value as of January 1, 2009, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2009 real property taxes are collected in and intended to finance 2010. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established.

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2009 public utility property taxes became a lien December 31, 2008, are levied after October 1, 2009, and are collected in 2010 with real property taxes.

Tangible personal property tax revenues received in 2009 (other than public utility property) represent the collection of calendar year 2009 taxes levied against local and inter-exchange telephone companies. Tangible personal property tax on business inventory, manufacturing machinery and equipment, and furniture and fixtures is no longer levied and collected. The October 2008 tangible personal property tax settlement was the last property tax settlement for general personal property taxes. Tangible personal property taxes received from telephone companies in calendar year 2009 were levied after October 1, 2008, on the value as of December 31, 2008. Tangible personal property taxes paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable by September 20.

The full tax rate for all City operations for the year ended December 31, 2009, was \$17.70 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2009 property tax receipts were based are as follows:

<u>Category</u>	<u>Franklin County</u>	<u>Delaware County</u>	<u>Total</u>
Real Property:			
Residential and Agricultural	\$616,185,200	\$230,639,460	\$846,824,660
Commercial and Industrial	163,808,190	52,097,240	215,905,430
Public Utility Personal	1,969,470	5,102,250	7,071,720
General Business Personal	<u>1,133,560</u>	<u>110,830</u>	<u>1,244,390</u>
<i>Totals</i>	<u>\$783,096,420</u>	<u>\$287,949,780</u>	<u>\$1,071,046,200</u>

City of Westerville, Ohio

Notes to the Basic Financial Statements
(Continued)

NOTE 8 – PROPERTY TAX (continued)

The Franklin and Delaware County Treasurers collect property taxes on behalf of all taxing districts in the counties, including the City of Westerville. The County Auditors periodically remit to the City its portion of the taxes. Property taxes receivable represents real and tangible personal property taxes, public utility taxes and outstanding delinquencies which are measurable as of December 31, 2009, and for which there is an enforceable legal claim. Although total property tax collections for the next year are measurable, amounts to be received during the available period are not subject to reasonable estimation at December 31, nor are they intended to finance 2009 operations. The receivable is offset by deferred revenue. On a full accrual basis, collectible delinquent property taxes have been recorded as revenue while the remainder of the receivable is unearned.

NOTE 9 – RECEIVABLES

Receivables at December 31, 2009 consisted of taxes, payments in lieu of taxes, interest, interfund, accounts (billings for user charged services including unbilled utility services), notes and intergovernmental receivables arising from grants, entitlements and shared revenues. All receivables are considered fully collectible except accounts receivable related to business-type services. A summary of accounts receivable related to business-type services is as follows:

	<u>Water</u>	<u>Sewer</u>	<u>Electric</u>	<u>Refuse</u>	<u>Totals</u>
Accounts Receivable - Gross	\$409,702	\$1,105,094	\$6,697,756	\$358,946	\$8,571,498
Allowance for Uncollectibles	(10,199)	(26,892)	(166,353)	(8,975)	(212,419)
<i>Net Accounts Receivable</i>	<u>\$399,503</u>	<u>\$1,078,202</u>	<u>\$6,531,403</u>	<u>\$349,971</u>	<u>\$8,359,079</u>

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

The notes will be retired by Millstone via community development charges collected from residents within the Millstone Community Authority. These charges will be collected and distributed by the Delaware County Auditor as part of the real property settlements. One-half of the collections will be remitted to the School District, while the other half will be paid to the City, to reduce the outstanding balance on the notes. Once the full amount has been paid to the City, all of the community development charges will be remitted to the School District. At December 31, 2009, the balance of this loan was \$266,434, with \$34,544 expected to be repaid within one year.

City of Westerville, Ohio

Notes to the Basic Financial Statements
(Continued)

NOTE 9 – RECEIVABLES (continued)

A summary of the principal items of intergovernmental receivable follows:

	<u>Amounts</u>
<u>Governmental Activities:</u>	
Local Government - Franklin County	\$668,183
Local Government - Delaware County	129,401
Local Government - State	114,614
Liquor Permits	19,401
Estate Taxes	237,652
After School Archery Program	500
DARE Grant	47,721
OPWC Grant	9,164
ARRA Justice Assistance Grant	1,849
Franklin County DUI Task Force	1,037
Franklin County DEA Task Force	2,600
US Department of Justice Grant	3,150
Franklin County Sheriff	5,430
Drug Enforcement Administration	1,836
Franklin County 911	130,000
Federal Forfeitures	2,283
Joint Terrorism Task Force	1,409
Cyber Crime Task Force	8,275
Homestead and Rollbacks	634,461
Gasoline Tax - Cents Per Gallon	420,265
Gasoline Tax - Municipal Excise	201,916
Motor Vehicle License Tax	126,658
Permissive Motor Vehicle License Tax	23,184
<i>Total Intergovernmental Receivable</i>	<u><u>\$2,790,989</u></u>

City of Westerville, Ohio

Notes to the Basic Financial Statements (Continued)

NOTE 10 – CAPITAL ASSETS

Capital assets activity of the governmental activities for the year ended December 31, 2009, was as follows:

	<i>Balance At</i> <i>12/31/2008</i>	<i>Additions</i>	<i>Deletions</i>	<i>Balance At</i> <i>12/31/2009</i>
<u>Governmental Activities</u>				
<u>Capital Assets, Not Being Depreciated:</u>				
Land	\$15,256,270	\$194,800	(\$100,625)	\$15,350,445
Construction in Progress	1,393,379	5,654,426	(3,339,134)	3,708,671
Infrastructure	114,949,188	775,006	0	115,724,194
<i>Total Capital Assets, Not Being Depreciated</i>	<i>131,598,837</i>	<i>6,624,232</i>	<i>(3,439,759)</i>	<i>134,783,310</i>
<u>Depreciable Capital Assets:</u>				
Land Improvements	16,862,847	135,000	0	16,997,847
Buildings	35,054,335	1,448,088	(208,087)	36,294,336
Furniture and Equipment	14,061,661	714,977	(229,687)	14,546,951
Vehicles	5,405,695	278,038	(423,210)	5,260,523
Infrastructure	35,366,713	453,644 *	0	35,820,357
<i>Total Depreciable Capital Assets</i>	<i>106,751,251</i>	<i>3,029,747</i>	<i>(860,984)</i>	<i>108,920,014</i>
<u>Less Accumulated Depreciation:</u>				
Land Improvements	(7,479,147)	(1,102,458)	0	(8,581,605)
Buildings	(9,898,544)	(1,032,573)	9,513	(10,921,604)
Furniture and Equipment	(7,740,521)	(838,156)	205,890	(8,372,787)
Vehicles	(3,637,143)	(519,850)	419,475	(3,737,518)
Infrastructure	(8,884,632)	(734,920)	0	(9,619,552)
<i>Total Accumulated Depreciation</i>	<i>(37,639,987)</i>	<i>(4,227,957)</i>	<i>634,878</i>	<i>(41,233,066)</i>
<i>Depreciable Capital Assets, Net</i>	<i>69,111,264</i>	<i>(1,198,210)</i>	<i>(226,106)</i>	<i>67,686,948</i>
<i>Governmental Activities Capital Assets, Net</i>	<i>\$200,710,101</i>	<i>\$5,426,022</i>	<i>(\$3,665,865)</i>	<i>\$202,470,258</i>

* \$18,998 of the additions to infrastructure consisted of assets donated by developers.

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

<u>Governmental Activities</u>	
Security of Person and Property	\$783,984
Public Health	2,567
Leisure Time Activity	1,655,459
Community Development	21,116
Basic Utility Services	679,796
Transportation	388,592
General Government	696,443
<i>Total Depreciation Expense</i>	<i>\$4,227,957</i>

City of Westerville, Ohio

Notes to the Basic Financial Statements (Continued)

NOTE 10 – CAPITAL ASSETS (continued)

Capital assets activity of the business-type activities for the year ended December 31, 2009, was as follows:

	<u>Balance At</u> <u>12/31/2008</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance At</u> <u>12/31/2009</u>
<u>Business-Type Activities</u>				
<u>Intangible Assets, Being Amortized:</u>				
Water Rights	\$2,366,450	\$0	\$0	\$2,366,450
Less Amortization	(1,088,577)	(47,329)	0	(1,135,906)
Total Intangible Assets, Being Amortized	1,277,873	(47,329)	0	1,230,544
<u>Capital Assets, Not Being Depreciated:</u>				
Land	1,149,206	0	0	1,149,206
Construction in Progress	10,159,929	5,127,926	(13,287,932)	1,999,923
Total Capital Assets, Not Being Depreciated	11,309,135	5,127,926	(13,287,932)	3,149,129
<u>Depreciable Capital Assets:</u>				
Land Improvements	3,013,413	0	0	3,013,413
Buildings	6,986,241	390,390	0	7,376,631
Furniture and Equipment	9,262,709	6,913,982	(69,620)	16,107,071
Vehicles	2,147,879	235,490	(144,385)	2,238,984
Infrastructure				
Water Lines	36,965,749	1,579,774	0	38,545,523
Sewer Lines	24,653,916	1,344,046	0	25,997,962
Electric System	54,633,062	4,836,663 *	(752,700)	58,717,025
Total Depreciable Capital Assets	137,662,969	15,300,345	(966,705)	151,996,609
<u>Less Accumulated Depreciation:</u>				
Land Improvements	(1,779,676)	(211,556)	0	(1,991,232)
Buildings	(3,684,589)	(180,517)	0	(3,865,106)
Furniture and Equipment	(3,984,904)	(351,131)	42,573	(4,293,462)
Vehicles	(1,094,261)	(231,516)	116,399	(1,209,378)
Infrastructure				
Water Lines	(13,793,370)	(676,518)	0	(14,469,888)
Sewer Lines	(11,550,699)	(364,690)	0	(11,915,389)
Electric System	(20,041,556)	(1,544,817)	455,808	(21,130,565)
Total Accumulated Depreciation	(55,929,055)	(3,560,745)	614,780	(58,875,020)
Depreciable Capital Assets, Net	81,733,914	11,739,600	(351,925)	93,121,589
Business-Type Activities Capital Assets, Net	\$94,320,922	\$16,820,197	(\$13,639,857)	\$97,501,262

* \$57,965 of the additions to the electric system consisted of assets donated by governmental activities.

City of Westerville, Ohio

Notes to the Basic Financial Statements (Continued)

NOTE 10 – CAPITAL ASSETS *(continued)*

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

<u>Business-Type Activities</u>	
Water	\$873,740
Sewer	420,271
Electric	2,061,428
Refuse	162,836
Swimming Pool	42,470
<i>Total Depreciation Expense</i>	<u><u>\$3,560,745</u></u>

NOTE 11 – DEFINED BENEFIT PENSION PLANS

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM

Plan Description – The City participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The Traditional Pension Plan is a cost-sharing, multiple-employer defined benefit pension plan. The Member-Directed Plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20 percent per year). Under the Member-Directed Plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings. The Combined Plan is a cost-sharing, multiple-employer defined benefit pension plan. Under the Combined Plan, OPERS invests employer contributions to provide a formula retirement benefit similar in nature to the Traditional Pension Plan benefit. Member contributions, the investment of which is self-directed by the members, accumulate retirement assets in a manner similar to the Member-Directed Plan.

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

Funding Policy – The Ohio Revised Code provides statutory authority for member and employer contributions. For the year ended December 31, 2009, members in state and local classifications contributed 10.0 percent of covered payroll while public safety and law enforcement members contributed 10.1 percent.

City of Westerville, Ohio

Notes to the Basic Financial Statements (Continued)

NOTE 11 – DEFINED BENEFIT PENSION PLANS (continued)

The City's 2009 contribution rate was 14.0 percent, except for those plan members in law enforcement or public safety, for whom the City's contribution was 17.63 percent of covered payroll. For the period January 1 through March 31, a portion of the City's contribution equal to 7.0 percent of covered payroll was allocated to fund the post-employment health care plan; for the period April 1 through December 31, 2009 this amount was decreased to 5.5 percent. Employer contribution rates are actuarially determined. State statute sets a maximum contribution rate for the City of 14.0 percent, except for public safety and law enforcement, where the maximum employer contribution rate is 18.1 percent.

The City's required contributions for pension obligations to the Traditional Pension and Combined Plans for the years ended December 31, 2009, 2008, and 2007 were \$1,378,474, \$1,116,675, and \$1,193,028, respectively; 98.75 percent has been contributed for 2009 and 100 percent for 2008 and 2007. Contributions to the Member-Directed Plan for 2009 were \$17,120 made by the City and \$23,968 made by plan members.

OHIO POLICE AND FIRE PENSION FUND

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

Funding Policy – Plan members are required to contribute 10.0 percent of their annual covered salary, while employers are required to contribute 19.5 percent for police officers and 24.0 percent for firefighters. The City's contributions to OP&F for police and firefighters were \$752,299 and \$1,099,897 for the year ended December 31, 2009, \$752,133 and \$1,089,826 for the year ended December 31, 2008, and \$717,141 and \$1,028,260 for the year ended December 31, 2007. 98.21 percent for police and 98.27 percent for firefighters has been contributed for 2009. The full amount has been contributed for 2008 and 2007.

NOTE 12 – POST-EMPLOYMENT BENEFITS

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM

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

City of Westerville, Ohio

Notes to the Basic Financial Statements (Continued)

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

In order to qualify for post-employment health care coverage, age-and-service retirees under the Traditional Pension and Combined Plans must have 10 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The Ohio Revised Code permits, but does not require, OPERS to provide health care benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

Disclosures for the health care plan are presented separately in the OPERS financial report which may be obtained by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 614-222-5601 or 800-222-7377.

Funding Policy – The post-employment health care plan was established under, and is administrated in accordance with, Internal Revenue Code 401(h). State Statute requires that public employers fund post-employment health care through contributions to OPERS. A portion of each employer's contribution to OPERS is set aside for the funding of post-retirement health care.

Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2009, state and local employers contributed at a rate of 14.0 percent of covered payroll, and public safety and law enforcement employers contributed at 17.63 percent. Each year, the OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for funding of post-employment health care benefits. The amount of employer contributions which were allocated to fund post-employment health care was 7.0 percent from January 1 through March 31, 2009, and 5.5 percent from April 1 through December 31, 2009.

The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care benefits provided, by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected. Active members do not make contributions to the post-employment health care plan.

The City's contributions allocated to fund post-employment health care benefits for the years ended December 31, 2009, 2008, and 2007 were \$998,205, \$1,116,675, and \$911,869, respectively; 98.75 percent has been contributed for 2009 and 100 percent for 2008 and 2007.

The Health Care Preservation Plan (HCPP) adopted by the OPERS Retirement Board on September 9, 2004, was effective January 1, 2007. Member and employer contribution rates increased on January 1 of each year from 2006 to 2008. Rates for law and public safety employers increased over a six year period beginning on January 1, 2006, with a final rate increase on January 1, 2011. These rate increases allowed additional funds to be allocated to the health care plan.

City of Westerville, Ohio

Notes to the Basic Financial Statements (Continued)

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

OHIO POLICE AND FIRE PENSION FUND

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

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

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

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

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

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For the year ended December 31, 2009, the employer contribution allocated to the health care plan was 6.75 percent of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

City of Westerville, Ohio

Notes to the Basic Financial Statements (Continued)

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

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

The City's contributions to OP&F which were allocated to fund post-employment health care benefits for police and firefighters were \$398,276 and \$430,394 for the year ended December 31, 2009, \$398,188 and \$426,453 for the year ended December 31, 2008, and \$379,663 and \$402,363 for the year ended December 31, 2007. 98.21 percent has been contributed for police and 98.27 percent has been contributed for firefighters for 2009. The full amount has been contributed for 2008 and 2007.

NOTE 13 – EMPLOYEE BENEFITS

DEFERRED COMPENSATION

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

COMPENSATED ABSENCES

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

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

City of Westerville, Ohio

Notes to the Basic Financial Statements (Continued)

NOTE 13 – EMPLOYEE BENEFITS *(continued)*

HEALTH CARE/DENTAL/VISION/LIFE INSURANCE BENEFITS

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

NOTE 14 – SHORT-TERM DEBT

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

City of Westerville, Ohio

Notes to the Basic Financial Statements
(Continued)

NOTE 15 – BONDED DEBT AND OTHER LONG-TERM OBLIGATIONS

Bonded debt and other long-term obligations payable activity for the year ended December 31, 2009, were as follows:

<i>Types / Issues</i>	<i>Interest Rates</i>	<i>Balance 12/31/08</i>	<i>Issued</i>	<i>Retired</i>	<i>Balance 12/31/09</i>	<i>Due Within One Year</i>
<u>Business-Type Activities</u>						
<u>General Obligation Bonds</u>						
1998 Water Works Refunding and Improvement Bonds	3.10 - 5.25%	\$1,195,000	\$0	\$375,000	\$820,000	\$400,000
2007 Water System Improvement Bonds	4.13 - 5.00%	1,050,000	0	35,000	1,015,000	40,000
Premium on Debt Issue		30,053	0	1,603	28,450	0
2009 Water System Improvement Bonds	1.00 - 5.00%	0	1,954,212	0	1,954,212	75,590
Premium on Debt Issue		0	16,494	69	16,425	0
1998 Transportation Improvement Bonds	3.10 - 5.25%	837,000	0	837,000	0	0
1999 Electric System Improvement Bonds	3.80 - 5.55%	1,460,000	0	1,460,000	0	0
2004 Electric Capital Facilities Bonds	2.25 - 5.25%	1,105,000	0	50,000	1,055,000	55,000
Premium on Debt Issue		28,629	0	1,799	26,830	0
2007 Electric System Improvement Bonds	4.13 - 5.00%	16,390,000	0	570,000	15,820,000	595,000
Premium on Debt Issue		469,300	0	25,029	444,271	0
2009 Electric System Imp. Refunding Bonds	2.00 - 5.00%	0	1,355,000	15,000	1,340,000	115,000
Premium on Debt Issue		0	69,515	6,319	63,196	0
Gain on Refunding		0	(44,890)	(4,081)	(40,809)	0
2009 Transportation Imp. Refunding Bonds	2.00 - 5.00%	0	734,265	6,660	727,605	73,260
Premium on Debt Issue		0	44,730	4,473	40,257	0
Gain on Refunding		0	(25,483)	(2,548)	(22,935)	0
2009 Electric System Improvement Bonds	1.00 - 5.00%	0	3,295,000	0	3,295,000	125,000
Premium on Debt Issue		0	29,353	122	29,231	0
2009 Sewer System Improvement Bonds	1.00 - 5.00%	0	1,310,788	0	1,310,788	49,410
Premium on Debt Issue		0	11,144	46	11,098	0
<i>Total General Obligation Bonds</i>		22,564,982	8,750,128	3,381,491	27,933,619	1,528,260
<u>Other Long-Term Obligations</u>						
Compensated Absences		694,086	482,196	425,644	750,638	436,688
ODNR Debt		1,724,213	0	41,022	1,683,191	42,344
<i>Total Other Long-Term Obligations</i>		2,418,299	482,196	466,666	2,433,829	479,032
<i>Total Business-Type Activities</i>		\$24,983,281	\$9,232,324	\$3,848,157	\$30,367,448	\$2,007,292

City of Westerville, Ohio

Notes to the Basic Financial Statements
(Continued)

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

<i>Types / Issues</i>	<i>Interest Rates</i>	<i>Balance 12/31/08</i>	<i>Issued</i>	<i>Retired</i>	<i>Balance 12/31/09</i>	<i>Due Within One Year</i>
<u>Governmental Activities</u>						
<u>General Obligation Bonds</u>						
1998 Transportation Improvement Bonds	3.10 - 5.25%	\$1,598,000	\$0	\$1,598,000	\$0	\$0
1998 Recreation Facilities Bonds	3.10 - 5.25%	16,590,000	0	16,590,000	0	0
2003 Fire/EMS Improvement Bonds-Voted	2.00 - 4.65%	2,080,000	0	105,000	1,975,000	110,000
Discount on Debt Issue		(11,966)	0	(820)	(11,146)	0
2003 Fire/EMS Improvement Bonds-Blendon	2.00 - 4.65%	343,800	0	17,300	326,500	17,900
Discount on Debt Issue		(1,860)	0	(128)	(1,732)	0
2003 Municipal Facilities Improvement Bonds	2.00 - 4.65%	2,831,200	0	142,700	2,688,500	147,100
Discount on Debt Issue		(15,326)	0	(1,051)	(14,275)	0
2007 Westar TIF Improvement Bonds	4.13 - 5.00%	370,000	0	15,000	355,000	15,000
Premium on Debt Issue		10,422	0	556	9,866	0
2009 Transportation Improvement Refunding Bonds	2.00 - 5.00%	0	1,470,735	13,340	1,457,395	146,740
Premium on Debt Issue		0	89,594	8,959	80,635	0
2009 Recreation Facilities Refunding Bonds	2.00 - 5.00%	0	15,035,000	140,000	14,895,000	1,485,000
Premium on Debt Issue		0	913,480	91,348	822,132	0
2009 Land Purchase Bonds	1.00 - 5.00%	0	1,655,000	0	1,655,000	65,000
Premium on Debt Issue		0	13,980	58	13,922	0
<i>Total Governmental General Obligation Bonds</i>		<u>23,794,270</u>	<u>19,177,789</u>	<u>18,720,262</u>	<u>24,251,797</u>	<u>1,986,740</u>
<u>Other Long-Term Obligations</u>						
Compensated Absences		3,628,199	2,822,158	2,873,387	3,576,970	2,145,540
Police Pension Liability		20,877	0	611	20,266	637
<i>Total Other Long-Term Obligations</i>		<u>3,649,076</u>	<u>2,822,158</u>	<u>2,873,998</u>	<u>3,597,236</u>	<u>2,146,177</u>
<i>Total Governmental Activities</i>		<u>\$27,443,346</u>	<u>\$21,999,947</u>	<u>\$21,594,260</u>	<u>\$27,849,033</u>	<u>\$4,132,917</u>

GENERAL OBLIGATION BONDS

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

City of Westerville, Ohio

Notes to the Basic Financial Statements
(Continued)

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

On December 16, 2009, the City issued \$8,215,000 in general obligation various purpose bonds for the purpose of retiring the Various Purpose Notes, making improvements to the water, sewer, and municipal electric systems, and for land acquisition. Of these bonds, \$3,495,000, are serial bonds and \$4,720,000 are term bonds. The bonds were issued for a 20 year period with final maturity in December 2029. The serial bonds mature from December 1, 2010 to December 1, 2019. The bonds will be retired from the General Bond Retirement Debt Service Fund and the Water, Sewer, and Electric Enterprise Funds.

The term bonds, issued at \$4,720,000, maturing annually on December 1, 2020 through 2029 are subject to a mandatory sinking fund redemption at a redemption price of 100 percent of the principal amount plus accrued interest to the date of redemption, on December 1, in the years and in the respective amounts as follows:

<u>Year</u>	<u>Amounts</u>
2020	\$400,000
2021	415,000
2022	430,000
2023	440,000
2024	455,000
2025	475,000
2026	495,000
2027	515,000
2028	530,000
2029	565,000
	<u>\$4,720,000</u>

GENERAL OBLIGATION REFUNDING BONDS

In July, 2009, the City issued \$18,595,000 in Electric System Improvement, Transportation Improvement and Recreation Facilities General Obligation Refunding Bonds. The proceeds were used to advance refund the 1998 Transportation Improvement Bonds, the 1998 Recreation Facilities Bonds and the 1999 Electric System Improvement Bonds in the total amount of \$18,875,000. The average interest rate on the refunded bonds was 3.36 percent while the average rate on the refunded portion of the new debt was 5.08 percent. The net proceeds of \$19,501,319 (after premiums and the payment of underwriting fees, insurance and other issuance costs) were used to purchase U.S. Government securities. Those securities were deposited into an irrevocable trust with an escrow agent to provide for all future debt service payments on the 1998 and 1999 bonds. As a result, the old bonds are considered defeased and the liability for those bonds has been removed from the balance sheet.

The advance refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$626,319. This difference, reported in the accompanying financial statements as a deduction from bonds payable, is being charged to operations through the years 2018 or 2019 using the straight line method. The advance refunding decreased total debt service payments by \$1,199,487 and incurred an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$1,035,544.

City of Westerville, Ohio

Notes to the Basic Financial Statements (Continued)

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

General obligation bonds outstanding at December 31, 2009 consisted of the following:

<u>Bond Issues</u>	<u>Original Issue</u>	<u>Maturity Date</u>	<u>12/31/2009 Balance</u>
1998 Water Works Refunding and Improvement	\$3,325,000	December, 2011	\$820,000
2007 Water System Improvement	1,085,000	December, 2027	1,015,000
2009 Water System Improvement	1,954,212	December, 2029	1,954,212
2004 Electric Capital Facilities	1,300,000	December, 2024	1,055,000
2007 Electric System Improvement	16,945,000	December, 2027	15,820,000
2009 Electric System Improvement Refunding	1,355,000	December, 2019	1,340,000
2009 Transportation Improvement Refunding	734,265	December, 2018	727,605
2009 Electric System Improvement	3,295,000	December, 2029	3,295,000
2009 Sewer System Improvement	1,310,788	December, 2029	1,310,788
2003 Fire/EMS Improvement - Voted	2,575,000	December, 2023	1,975,000
2003 Fire/EMS Improvement - Blendon	425,000	December, 2023	326,500
2003 Municipal Facilities Improvement	3,500,000	December, 2023	2,688,500
2007 Westar TIF Improvement	380,000	December, 2027	355,000
2009 Transportation Improvement Refunding	1,470,735	December, 2018	1,457,395
2009 Recreation Facilities Refunding	15,035,000	December, 2018	14,895,000
2009 Land Purchase	1,655,000	December, 2029	1,655,000

At December 31, 2009, \$726,568 of the 2009 Electric System Improvement Bond proceeds remained unspent.

ODNR DEBT PAYABLE

In 1974, the City entered into a 60 year agreement with the State of Ohio, Department of Natural Resources (ODNR), whereby the City acquired the right to seven and one-half percent of the storage capacity of the Alum Creek Reservoir. In exchange for the water rights, the City agreed to pay to ODNR, beginning in the tenth year of the agreement, seven and one-half percent of their annual payment due to the United States Army Corps of Engineers as reimbursement of the project investment costs. In addition, the City is required to pay seven and one-half percent of the annual operation and maintenance costs for as long as the contract is in effect. The original ODNR Debt of \$2,366,440 will be fully retired in June, 2035.

OPWC LOANS PAYABLE

On February 20, 2009 the City was approved for two Ohio Public Works Commission loans. The Worthington Road/ Lazelle Road improvements loan is for \$700,659 and the South State Street and Huber Village Boulevard/Heatherdown Drive Intersection loan is for \$1,500,000. As of December 31, 2009, the City had not received proceeds from either of these loans.

City of Westerville, Ohio

Notes to the Basic Financial Statements
(Continued)

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

POLICE PENSION LIABILITY

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

COMPENSATED ABSENCES

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

INDUSTRIAL DEVELOPMENT REVENUE BONDS

The City has outstanding issues of industrial development revenue bonds in the aggregate principal amount of \$460,000 at December 31, 2009 for facilities used by private corporations or other entities. The City is not obligated in any way to pay debt charges on the bonds from any of its funds, and therefore they have been excluded entirely from the City's debt presentation. There has not been and is not any condition of default under the bonds or the related financing documents.

The City's overall legal debt margin was \$89,024,630, with an unvoted debt margin of \$35,472,320 at December 31, 2009.

FUTURE DEBT SERVICE REQUIREMENTS

The principal and interest requirements to retire the long-term debt obligations outstanding at December 31, 2009 are:

<i>Year</i>	<i>Governmental Activities</i>			
	<i>General Obligation and General Obligation Refunding Bonds</i>		<i>Police Pension</i>	
	<i>Principal</i>	<i>Interest</i>	<i>Principal</i>	<i>Interest</i>
2010	\$1,986,740	\$862,815	\$637	\$855
2011	2,025,075	821,910	665	827
2012	2,060,075	776,610	693	799
2013	2,123,410	726,117	723	769
2014	2,176,745	669,042	754	738
2015-2019	10,100,350	1,917,362	4,286	3,174
2020-2024	2,280,000	402,740	5,289	2,171
2025-2029	600,000	81,198	6,527	934
2030	0	0	692	15
<i>Totals</i>	<i>\$23,352,395</i>	<i>\$6,257,794</i>	<i>\$20,266</i>	<i>\$10,282</i>

City of Westerville, Ohio

Notes to the Basic Financial Statements
(Continued)

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

<i>Year</i>	<i>Business-Type Activities</i>					
	<i>Water Refunding and Improvement Bonds</i>		<i>Electric System, Electric Facilities and Transportation Improvement Bonds</i>		<i>Sewer System Improvement Bonds</i>	
	<i>Principal</i>	<i>Interest</i>	<i>Principal</i>	<i>Interest</i>	<i>Principal</i>	<i>Interest</i>
2010	\$515,590	\$150,451	\$963,260	\$1,694,689	\$49,410	\$40,312
2011	537,685	129,661	999,925	1,643,202	52,315	41,570
2012	117,685	104,407	1,029,925	1,583,768	52,315	40,524
2013	124,780	101,593	1,066,590	1,522,237	55,220	39,740
2014	124,780	98,339	1,108,255	1,457,401	55,220	38,773
2015-2019	686,450	433,607	6,119,650	6,130,698	293,550	174,674
2020-2024	832,040	295,734	6,280,000	3,680,791	342,960	126,659
2025-2029	850,202	109,262	4,670,000	846,860	409,798	57,858
<i>Totals</i>	\$3,789,212	\$1,423,054	\$22,237,605	\$18,559,646	\$1,310,788	\$560,110

<i>Year</i>	<i>Business-Type Activities</i>	
	<i>ODNR Debt</i>	
	<i>Principal</i>	<i>Interest</i>
2010	\$42,344	\$54,232
2011	43,709	52,868
2012	45,116	51,460
2013	46,571	50,006
2014	48,070	48,506
2015-2019	264,609	218,273
2020-2024	310,074	172,808
2025-2029	363,352	119,530
2030-2034	425,784	57,098
2035	93,562	3,015
<i>Totals</i>	\$1,683,191	\$827,796

City of Westerville, Ohio

Notes to the Basic Financial Statements
(Continued)

NOTE 16 – CONSTRUCTION COMMITMENTS

The City has entered into various contracts for the construction and acquisition of capital assets. At December 31, 2009, the significant outstanding construction commitments are:

<i>Projects</i>	<i>Contract Amount</i>	<i>Amount Expended</i>	<i>Balance At 12/31/09</i>
2008 Sidewalks	\$476,448	\$475,948	\$500
West Main Street Bridge	125,000	62,000	63,000
2009 Street Rehabilitation - Contract A	3,920,824	3,750,912	169,912
Millstone Creek Park Safety Surface	129,371	0	129,371
Millstone Creek Park Development	1,151,236	1,146,726	4,510
Community Center Foundation Replacement	58,643	0	58,643
Worthington Road/County Line Road Intersection	124,189	95,616	28,573
Water Plant Lime Sludge Removal	207,750	153,232	54,518
Substation #3 New Construction	1,954,000	1,331,174	622,826
2009 Street Lighting Improvements	875,515	606,707	268,808
Electric Underground 69KV Cable Project	485,915	0	485,915
Electric Cable Replacement Project - Contract B	218,215	0	218,215
Smart Grid & Solar Power Electric Project	202,660	150,660	52,000
Hanna Mayne Park Bridge Replacement	77,800	0	77,800
2009 Communication Conduit	979,919	374,687	605,232
<i>Totals</i>	<u>\$10,987,485</u>	<u>\$8,147,662</u>	<u>\$2,839,823</u>

NOTE 17 – RISK MANAGEMENT

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

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

City of Westerville, Ohio

Notes to the Basic Financial Statements
(Continued)

NOTE 17 – RISK MANAGEMENT (continued)

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

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

The changes in claims payable during the years December 31, 2008 and 2009 are:

	<i>Beginning of Year Liability</i>	<i>Current Year Claims and Changes in Estimates</i>	<i>Claims Payments</i>	<i>End of Year Liability</i>
2008	\$5,312	\$60,199	\$65,318	\$193
2009	193	132,632	94,558	38,267

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

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

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

City of Westerville, Ohio

Notes to the Basic Financial Statements
(Continued)

NOTE 18 – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund balances at December 31, 2009, consist of the following individual fund receivables and payables:

	<i>Payable</i>			<i>Totals</i>
	<i>Fire</i>	<i>Nonmajor</i>	<i>Nonmajor</i>	
	<i>Operating</i>	<i>Governmental</i>	<i>Enterprise</i>	
	<i>Fund</i>	<i>Funds</i>	<i>Funds</i>	
<i>Receivable</i>				
General Fund	\$0	\$9,811,819	\$255,000	\$10,066,819
Parks and Recreation Operating Fund	0	50,000	0	50,000
Nonmajor Governmental Funds	0	12,937	0	12,937
Water Fund	0	57,000	0	57,000
Sewer Fund	0	280,330	0	280,330
Electric Fund	0	320,000	0	320,000
Self-Insurance Fund	221,004	0	0	221,004
<i>Totals</i>	<u>\$221,004</u>	<u>\$10,532,086</u>	<u>\$255,000</u>	<u>\$11,008,090</u>

The amount payable from the Fire Operating Special Revenue Fund was advanced from the Self-Insurance Internal Service Fund to cover repairs to a damaged fire truck.

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

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

Of the total amount due to the General Fund at year-end, \$7,754,819 is not expected to be repaid in 2010.

The amount due to the Parks and Recreation Operating Special Revenue Fund was advanced to the Recreation Capital Improvement Capital Projects Fund, a Nonmajor Governmental Fund, to enable improvements to Towers Park. The balance is not expected to be repaid in 2010.

City of Westerville, Ohio

Notes to the Basic Financial Statements
(Continued)

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

The amount due to the Nonmajor Governmental Funds from the Nonmajor Governmental Funds resulted from a loan from the Cable Franchise Fee Special Revenue Fund to the Hotel Tax Special Revenue Fund. This loan is not expected to be repaid in 2010.

The amounts payable to the Water, Sewer and Electric Enterprise Funds were advanced to the Northridge Crossing TIF Capital Projects Fund, a Nonmajor Governmental Fund, to provide funding for infrastructure improvements to property along Africa Road between Polaris Parkway and the City’s north corporation line. These loans are expected to be repaid in full during 2010.

Transfers made during the year ended December 31, 2009 were as follows:

		Transfers To							Totals	
		General Fund	Fire Operating Fund	Parks and Recreation Operating Fund	General Capital Improvements Fund	Nonmajor Governmental Funds	Water Fund	Sewer Fund		Electric Fund
Transfers From	General Fund	\$0	\$0	\$3,022,424	\$7,038,000	\$3,328,720	\$0	\$0	\$0	\$13,389,144
	Nonmajor Governmental Funds	24,186	1,436	1,454,252	0	5,067,803	35,997	28,854	148,318	6,760,846
	Totals	\$24,186	\$1,436	\$4,476,676	\$7,038,000	\$8,396,523	\$35,997	\$28,854	\$148,318	\$20,149,990

Transfers from the General Fund represent subsidy monies for operations of the various funds receiving these monies. Transfers from the Nonmajor Governmental Funds were made to move available balances of restricted funds to support programs and projects accounted for in other funds. The funds receiving these transfers expended the money in a manner consistent with the nature of the transferring fund.

City of Westerville, Ohio

Notes to the Basic Financial Statements
(Continued)

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

Due From Other Funds and Due To Other Funds consist of electric service provided by the Electric Enterprise Fund to various other funds of the City. Due to/from amounts at December 31, 2009 were as follows:

		<i>Due To</i>
		<u><i>Electric Fund</i></u>
<i>Due From</i>	General Fund	\$11,789
	Fire Operating Fund	3,214
	Parks and Recreation Operating Fund	26,404
	Nonmajor Governmental Funds	573
	Water Fund	14,805
	Sewer Fund	352
	Nonmajor Enterprise Funds	723
	Internal Service Fund	271
	<i>Total</i>	<u><u>\$58,131</u></u>

NOTE 19 – JOINTLY GOVERNED ORGANIZATION

The Westerville, Minerva Park, and Blendon Township Joint Hospital District is a jointly governed organization managed by a nine member board consisting of three elected officials from each of the governmental entities comprising the Joint Hospital District. The Joint Hospital District possesses its own budgeting and taxing authority and does not receive contributions or payments from its members. The participating members do not retain an ongoing financial interest or an ongoing financial responsibility for the Joint Hospital District. Nothing was paid to the organization by the City in 2009.

NOTE 20 – RELATED ORGANIZATION

The Westerville Industry and Commerce Corporation (WICC) is a not-for-profit corporation formed to promote industrial, economic, commercial and civic development in and around the City. WICC is governed by a seven member self-perpetuating board of trustees of which four trustees are elected and/or appointed officials from the City. The board of trustees possesses its own contracting and budgeting authority, hires and fires personnel and does not depend on the City for operating subsidies. There were no financial transactions from the City to WICC during 2009.

City of Westerville, Ohio

Notes to the Basic Financial Statements (Continued)

NOTE 21 – RISK SHARING POOL

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

NOTE 22 – CONTINGENT LIABILITIES

LITIGATION

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

FEDERAL AND STATE GRANTS

For the period January 1, 2009, to December 31, 2009, the City received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their designees. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, the City believes such disallowance, if any, would be immaterial.

City of Westerville, Ohio

Required Supplementary Information
Condition Assessment of the City's Infrastructure
Reported Using the Modified Approach as Outlined in GASB Statement No. 34
For the Year Ended December 31, 2009

The City of Westerville reports the Road and Bridge infrastructure assets using the modified approach as outlined in Governmental Accounting Standards Board (GASB) Statement No. 34. The following disclosures pertain to the conditional assessment and budgeted versus actual expenditures for the preservation of these assets. Data for the conditional assessment is presented in each of the following two sections for 2009.

Roads

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

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

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

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

City of Westerville, Ohio

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

The following summarizes the physical condition assessment of City roads as of December 31, 2009:

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

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

Year	Budget	Actual	Difference
2009	\$ 7,194,062	\$ 6,902,639	\$ 291,423
2008	4,479,571	4,301,218	178,353
2007	3,452,797	3,166,904	285,893

Bridges

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

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

The Federal Highway Administration has defined specific criteria for each element of the bridge, based on its construction. For each element, a 1-9 rating scale is used, where 4 or less is defined as "Poor" condition. The ratings of all elements are combined to summarize the structural condition of a bridge as follows:

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

City of Westerville, Ohio

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

It is the City's policy to maintain the bridge system in the City where 80% of the structures have a general appraisal summary of 7 (Good) condition or better. Each bridge in the City will be assessed on a triennial basis. The following is a summary of the conditional assessment for bridges as of December 31, 2009:

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

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

Year	Budget	Actual	Difference
2009	\$ 114,225	\$ 98,025	\$ 16,200
2008	83,650	22,650	61,000
2007	26,031	26,031	-

Combining Statements
And
Individual Fund Schedules

City of Westerville, Ohio

Nonmajor Governmental Fund Descriptions

SPECIAL REVENUE FUNDS

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

Nonmajor Special Revenue Funds

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

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

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

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

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

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

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

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

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

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

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

(continued)

City of Westerville, Ohio

Nonmajor Governmental Fund Descriptions
(continued)

Nonmajor Special Revenue Funds (continued)

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

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

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

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

DEBT SERVICE FUND

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

Nonmajor Debt Service Fund

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

CAPITAL PROJECTS FUNDS

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

Nonmajor Capital Projects Funds

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

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

Dempsey Road Improvement Fund – To account for street improvements to Dempsey Road, to be financed by transfers from the General Fund, potential grant revenues (OPWC) and cooperative revenue payments from other governmental entities.

(continued)

City of Westerville, Ohio

Nonmajor Governmental Fund Descriptions
(continued)

Nonmajor Capital Projects Funds (continued)

McCorkle Boulevard Road Improvement Fund – To account for the McCorkle Boulevard extension project to be funded by transfers from the General Fund, potential grant revenues (OPWC) and cooperative revenue payments from other governmental entities.

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

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

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

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

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

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

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

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

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

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

(continued)

City of Westerville, Ohio

***Nonmajor Governmental Fund Descriptions
(continued)***

Nonmajor Capital Projects Funds (continued)

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

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

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

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

Community Broadband Capital Improvements Fund – To account for the Community Broadband project to be funded by transfers from the Cable TV Franchise Fee Fund and an advance from the General Fund.

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

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

City of Westerville, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2009

	<i>Nonmajor Special Revenue Funds</i>	<i>Nonmajor Debt Service Fund</i>	<i>Nonmajor Capital Projects Funds</i>	<i>Total Nonmajor Governmental Funds</i>
<u>Assets:</u>				
Equity in Pooled Cash and Cash Equivalents	\$3,202,196	\$82,826	\$11,115,542	\$14,400,564
Cash and Cash Equivalents with Fiscal Agents	163,006	3,067	0	166,073
Receivables:				
Property Taxes	0	210,436	0	210,436
Municipal Income Taxes	516,908	0	0	516,908
Other Local Taxes	123,797	0	0	123,797
Accounts	157	0	0	157
Payments in Lieu of Taxes	112,001	0	787,138	899,139
Accrued Interest	1,331	0	0	1,331
Intergovernmental Receivable	776,155	12,120	19,048	807,323
Materials and Supplies Inventory	241,404	0	0	241,404
Notes Receivable	0	0	266,434	266,434
Interfund Receivable	12,937	0	0	12,937
<i>Total Assets</i>	<u>\$5,149,892</u>	<u>\$308,449</u>	<u>\$12,188,162</u>	<u>\$17,646,503</u>
<u>Liabilities and Fund Balances</u>				
<u>Liabilities:</u>				
Accounts Payable	\$50,008	\$0	\$135,775	\$185,783
Contracts Payable	0	0	165,669	165,669
Retainage Payable	0	0	144,905	144,905
Accrued Wages Payable	12,512	0	0	12,512
Intergovernmental Payable	26,182	0	0	26,182
Matured Interest Payable	0	3,067	0	3,067
Due To Other Funds	573	0	0	573
Deferred Revenue	997,989	222,556	800,941	2,021,486
Interfund Payable	27,937	0	10,504,149	10,532,086
<i>Total Liabilities</i>	<u>1,115,201</u>	<u>225,623</u>	<u>11,751,439</u>	<u>13,092,263</u>
<u>Fund Balances:</u>				
Reserved for Encumbrances	297,358	0	2,056,239	2,353,597
Reserved for Interfund Receivable	12,937	0	0	12,937
Reserved for Notes Receivable	0	0	231,890	231,890
Unreserved:				
Undesignated (Deficit), Reported in:				
Special Revenue Funds	3,724,396	0	0	3,724,396
Debt Service Fund	0	82,826	0	82,826
Capital Projects Funds	0	0	(1,851,406)	(1,851,406)
<i>Total Fund Balances</i>	<u>4,034,691</u>	<u>82,826</u>	<u>436,723</u>	<u>4,554,240</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$5,149,892</u>	<u>\$308,449</u>	<u>\$12,188,162</u>	<u>\$17,646,503</u>

City of Westerville, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2009

	<u>Street Maintenance</u>	<u>State Highway</u>	<u>DARE</u>
<u>Assets:</u>			
Equity in Pooled Cash and Cash Equivalents	\$835,320	\$472,926	\$28,633
Cash and Cash Equivalents with Fiscal Agents	0	0	0
Receivables:			
Municipal Income Taxes	0	0	0
Other Local Taxes	0	0	0
Accounts	157	0	0
Payments in Lieu of Taxes	0	0	0
Accrued Interest	0	0	128
Intergovernmental Receivable	692,676	56,163	0
Materials and Supplies Inventory	241,404	0	0
Interfund Receivable	0	0	0
<i>Total Assets</i>	<u>\$1,769,557</u>	<u>\$529,089</u>	<u>\$28,761</u>
<u>Liabilities and Fund Balances</u>			
<u>Liabilities:</u>			
Accounts Payable	\$21,159	\$0	\$0
Accrued Wages Payable	12,512	0	0
Intergovernmental Payable	26,182	0	0
Due To Other Funds	573	0	0
Deferred Revenue	579,448	46,982	0
Interfund Payable	0	0	0
<i>Total Liabilities</i>	<u>639,874</u>	<u>46,982</u>	<u>0</u>
<u>Fund Balances:</u>			
Reserved for Encumbrances	117,438	0	0
Reserved for Interfund Receivable	0	0	0
Unreserved:			
Undesignated (Deficit), Reported in:			
Special Revenue Funds	1,012,245	482,107	28,761
<i>Total Fund Balances (Deficit)</i>	<u>1,129,683</u>	<u>482,107</u>	<u>28,761</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$1,769,557</u>	<u>\$529,089</u>	<u>\$28,761</u>

<i>Permissive Motor Vehicle License</i>	<i>Mayor's Operating</i>	<i>Hotel Tax</i>	<i>OMVI Education</i>	<i>Tax Incentive/ Redistribution</i>	<i>Mayor's Court Computer</i>
\$78,033	\$57	\$10,280	\$7,999	\$20,369	\$46,952
163,006	0	0	0	0	0
0	0	0	0	0	0
0	0	3,738	0	0	0
0	0	0	0	0	0
0	0	0	0	112,001	0
0	0	0	0	0	0
23,184	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>\$264,223</u>	<u>\$57</u>	<u>\$14,018</u>	<u>\$7,999</u>	<u>\$132,370</u>	<u>\$46,952</u>
\$0	\$0	\$0	\$0	\$0	\$5,900
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	1,130	0	7,440	0
0	0	27,937	0	0	0
<u>0</u>	<u>0</u>	<u>29,067</u>	<u>0</u>	<u>7,440</u>	<u>5,900</u>
0	0	0	0	0	400
0	0	0	0	0	0
<u>264,223</u>	<u>57</u>	<u>(15,049)</u>	<u>7,999</u>	<u>124,930</u>	<u>40,652</u>
<u>264,223</u>	<u>57</u>	<u>(15,049)</u>	<u>7,999</u>	<u>124,930</u>	<u>41,052</u>
<u>\$264,223</u>	<u>\$57</u>	<u>\$14,018</u>	<u>\$7,999</u>	<u>\$132,370</u>	<u>\$46,952</u>

(continued)

City of Westerville, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2009
(Continued)

	<i>Cable TV Franchise Fee</i>	<i>Parks and Recreation Income Tax Allocation</i>	<i>FEMA</i>
<u>Assets:</u>			
Equity in Pooled Cash and Cash Equivalents	\$279,987	\$1,100,475	\$3,150
Cash and Cash Equivalents with Fiscal Agents	0	0	0
Receivables:			
Municipal Income Taxes	0	516,908	0
Other Local Taxes	120,059	0	0
Accounts	0	0	0
Payments in Lieu of Taxes	0	0	0
Accrued Interest	0	0	0
Intergovernmental Receivable	0	0	0
Materials and Supplies Inventory	0	0	0
Interfund Receivable	12,937	0	0
<i>Total Assets</i>	<u>\$412,983</u>	<u>\$1,617,383</u>	<u>\$3,150</u>
<u>Liabilities and Fund Balances</u>			
<u>Liabilities:</u>			
Accounts Payable	\$7,464	\$0	\$0
Accrued Wages Payable	0	0	0
Intergovernmental Payable	0	0	0
Due To Other Funds	0	0	0
Deferred Revenue	120,059	242,930	0
Interfund Payable	0	0	0
<i>Total Liabilities</i>	<u>127,523</u>	<u>242,930</u>	<u>0</u>
<u>Fund Balances:</u>			
Reserved for Encumbrances	13,549	0	0
Reserved for Interfund Receivable	12,937	0	0
Unreserved:			
Undesignated (Deficit), Reported in:			
Special Revenue Funds	258,974	1,374,453	3,150
<i>Total Fund Balances (Deficit)</i>	<u>285,460</u>	<u>1,374,453</u>	<u>3,150</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$412,983</u>	<u>\$1,617,383</u>	<u>\$3,150</u>

<i>Drug Enforcement</i>	<i>Criminal Activitiy Forfeiture</i>	<i>McVay Endowment</i>	<i>Total Nonmajor Special Revenue Funds</i>
\$25,863	\$243,887	\$48,265	\$3,202,196
0	0	0	163,006
0	0	0	516,908
0	0	0	123,797
0	0	0	157
0	0	0	112,001
119	1,084	0	1,331
0	4,132	0	776,155
0	0	0	241,404
0	0	0	12,937
<u>\$25,982</u>	<u>\$249,103</u>	<u>\$48,265</u>	<u>\$5,149,892</u>
7,395	8,059	31	50,008
0	0	0	12,512
0	0	0	26,182
0	0	0	573
0	0	0	997,989
0	0	0	27,937
<u>7,395</u>	<u>8,059</u>	<u>31</u>	<u>1,115,201</u>
3,630	157,500	4,841	297,358
0	0	0	12,937
14,957	83,544	43,393	3,724,396
18,587	241,044	48,234	4,034,691
<u>\$25,982</u>	<u>\$249,103</u>	<u>\$48,265</u>	<u>\$5,149,892</u>

City of Westerville, Ohio
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2009

	<u>Recreation Improvement</u>	<u>Africa Road Improvement</u>	<u>Dempsey Road Improvement</u>	<u>McCorkle Boulevard Road Improvement</u>
<u>Assets:</u>				
Equity in Pooled Cash and Cash Equivalents	\$163,127	\$48	\$388,205	\$40,000
Receivables:				
Payments in Lieu of Taxes	0	0	0	0
Intergovernmental Receivable	0	0	0	0
Notes Receivable	0	0	0	0
Total Assets	<u>\$163,127</u>	<u>\$48</u>	<u>\$388,205</u>	<u>\$40,000</u>
<u>Liabilities and Fund Balances</u>				
<u>Liabilities:</u>				
Accounts Payable	\$0	\$0	\$11,432	\$0
Contracts Payable	0	0	0	0
Retainage Payable	0	0	0	0
Deferred Revenue	0	0	0	0
Interfund Payable	50,000	135,000	0	0
Total Liabilities	<u>50,000</u>	<u>135,000</u>	<u>11,432</u>	<u>0</u>
<u>Fund Balances:</u>				
Reserved for Encumbrances	0	0	314,879	0
Reserved for Notes Receivable	0	0	0	0
Unreserved:				
Undesignated (Deficit), Reported in:				
Capital Projects Funds	113,127	(134,952)	61,894	40,000
Total Fund Balances (Deficit)	<u>113,127</u>	<u>(134,952)</u>	<u>376,773</u>	<u>40,000</u>
Total Liabilities and Fund Balances	<u>\$163,127</u>	<u>\$48</u>	<u>\$388,205</u>	<u>\$40,000</u>

<i>Spring Road Improvement</i>	<i>Maxtown Road Improvement</i>	<i>Parks and Recreation Capital Improvement</i>	<i>North State Street Improvement</i>	<i>Cleveland Avenue Extension Improvement</i>	<i>Parks and Recreation Replacement and Reserve</i>	<i>Street Replacement and Reserve</i>
\$163,548	\$4,545	\$2,382,685	\$1,501,064	\$49,387	\$984,117	\$2,226,830
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	266,434	0	0	0	0
<u>\$163,548</u>	<u>\$4,545</u>	<u>\$2,649,119</u>	<u>\$1,501,064</u>	<u>\$49,387</u>	<u>\$984,117</u>	<u>\$2,226,830</u>
\$0	\$0	\$65,000	\$0	\$2,426	\$680	\$0
0	0	54,482	0	0	0	46,970
0	0	114,673	0	0	0	0
0	0	0	0	0	0	0
1,722,000	2,506,000	0	1,261,000	1,019,200	0	0
<u>1,722,000</u>	<u>2,506,000</u>	<u>234,155</u>	<u>1,261,000</u>	<u>1,021,626</u>	<u>680</u>	<u>46,970</u>
0	0	556,973	0	22,000	102,509	155,883
0	0	231,890	0	0	0	0
(1,558,452)	(2,501,455)	1,626,101	240,064	(994,239)	880,928	2,023,977
<u>(1,558,452)</u>	<u>(2,501,455)</u>	<u>2,414,964</u>	<u>240,064</u>	<u>(972,239)</u>	<u>983,437</u>	<u>2,179,860</u>
<u>\$163,548</u>	<u>\$4,545</u>	<u>\$2,649,119</u>	<u>\$1,501,064</u>	<u>\$49,387</u>	<u>\$984,117</u>	<u>\$2,226,830</u>

(continued)

City of Westerville, Ohio
 Combining Balance Sheet
 Nonmajor Capital Projects Funds
 December 31, 2009
 (Continued)

	<i>Tree Replacement</i>	<i>City Buildings Improvement</i>	<i>Safety Building Capital Improvement</i>	<i>Westar/ Olentangy TIF</i>
<u>Assets:</u>				
Equity in Pooled Cash and Cash Equivalents	\$1,239	\$2,669	\$101,579	\$63,132
Receivables:				
Payments in Lieu of Taxes	0	0	0	31,610
Intergovernmental Receivable	0	0	0	0
Notes Receivable	0	0	0	0
Total Assets	<u>\$1,239</u>	<u>\$2,669</u>	<u>\$101,579</u>	<u>\$94,742</u>
<u>Liabilities and Fund Balances</u>				
<u>Liabilities:</u>				
Accounts Payable	\$0	\$0	\$0	\$0
Contracts Payable	0	0	0	0
Retainage Payable	0	0	0	0
Deferred Revenue	0	0	0	31,610
Interfund Payable	0	0	101,579	0
Total Liabilities	<u>0</u>	<u>0</u>	<u>101,579</u>	<u>31,610</u>
<u>Fund Balances:</u>				
Reserved for Encumbrances	0	0	0	0
Reserved for Notes Receivable	0	0	0	0
Unreserved:				
Undesignated (Deficit), Reported in:				
Capital Projects Funds	1,239	2,669	0	63,132
Total Fund Balances (Deficit)	<u>1,239</u>	<u>2,669</u>	<u>0</u>	<u>63,132</u>
Total Liabilities and Fund Balances	<u>\$1,239</u>	<u>\$2,669</u>	<u>\$101,579</u>	<u>\$94,742</u>

<i>Northridge Crossing TIF</i>	<i>Northstar/ Worthington Road TIF</i>	<i>Altair TIF Incentive</i>	<i>Community Broadband Capital Improvements</i>	<i>Perimeter Road Improvement</i>	<i>Recreation Capital Improvement</i>	<i>Total Nonmajor Capital Projects Funds</i>
\$1,464,766	\$653,085	\$17,850	\$829,383	\$76,730	\$1,553	\$11,115,542
597,702	139,852	17,974	0	0	0	787,138
0	19,048	0	0	0	0	19,048
0	0	0	0	0	0	266,434
<u>\$2,062,468</u>	<u>\$811,985</u>	<u>\$35,824</u>	<u>\$829,383</u>	<u>\$76,730</u>	<u>\$1,553</u>	<u>\$12,188,162</u>
\$0	\$5,250	\$0	\$50,987	\$0	\$0	\$135,775
46,970	9,164	0	8,083	0	0	165,669
0	9,941	0	20,291	0	0	144,905
597,702	153,655	17,974	0	0	0	800,941
2,032,330	350,000	895,340	431,700	0	0	10,504,149
<u>2,677,002</u>	<u>528,010</u>	<u>913,314</u>	<u>511,061</u>	<u>0</u>	<u>0</u>	<u>11,751,439</u>
315,714	0	0	588,281	0	0	2,056,239
0	0	0	0	0	0	231,890
(930,248)	283,975	(877,490)	(269,959)	76,730	1,553	(1,851,406)
(614,534)	283,975	(877,490)	318,322	76,730	1,553	436,723
<u>\$2,062,468</u>	<u>\$811,985</u>	<u>\$35,824</u>	<u>\$829,383</u>	<u>\$76,730</u>	<u>\$1,553</u>	<u>\$12,188,162</u>



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City of Westerville, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2009

	<i>Nonmajor Special Revenue Funds</i>	<i>Nonmajor Debt Service Fund</i>	<i>Nonmajor Capital Projects Funds</i>	<i>Total Nonmajor Governmental Funds</i>
<u>Revenues:</u>				
Property Taxes	\$0	\$189,192	\$0	\$189,192
Municipal Income Taxes	3,913,798	0	0	3,913,798
Other Local Taxes	498,791	0	0	498,791
Payments in Lieu of Taxes	1,403,418	0	645,885	2,049,303
Intergovernmental	2,099,130	56,521	105,794	2,261,445
Charges for Services	190	0	0	190
Fees, Licenses and Permits	0	0	68,026	68,026
Fines and Forfeitures	133,788	0	0	133,788
Interest	7,566	0	36	7,602
Other	27,587	4,622	64,829	97,038
<i>Total Revenues</i>	<u>8,084,268</u>	<u>250,335</u>	<u>884,570</u>	<u>9,219,173</u>
<u>Expenditures:</u>				
Current:				
Security of Persons and Property	199,887	0	0	199,887
Transportation	2,293,288	0	0	2,293,288
General Government	2,320,506	0	0	2,320,506
Capital Outlay	0	0	3,238,379	3,238,379
Debt Service:				
Principal Retirement	0	1,878,405	0	1,878,405
Interest and Fiscal Charges	0	963,076	0	963,076
Issuance Costs	0	765,874	0	765,874
<i>Total Expenditures</i>	<u>4,813,681</u>	<u>3,607,355</u>	<u>3,238,379</u>	<u>11,659,415</u>
Excess of Revenues Over (Under) Expenditures	<u>3,270,587</u>	<u>(3,357,020)</u>	<u>(2,353,809)</u>	<u>(2,440,242)</u>
<u>Other Financing Sources (Uses):</u>				
General Obligation Bonds Issued	0	16,505,735	0	16,505,735
Premium on Debt Issued	0	1,017,054	0	1,017,054
Payment to Refunded Bond Escrow Agent	0	(16,742,935)	0	(16,742,935)
Transfers - In	1,489,784	2,585,557	4,321,182	8,396,523
Transfers - Out	(6,760,846)	0	0	(6,760,846)
<i>Total Other Financing Sources (Uses)</i>	<u>(5,271,062)</u>	<u>3,365,411</u>	<u>4,321,182</u>	<u>2,415,531</u>
Net Change in Fund Balances	(2,000,475)	8,391	1,967,373	(24,711)
Fund Balances (Deficit) at Beginning of Year	<u>6,035,166</u>	<u>74,435</u>	<u>(1,530,650)</u>	<u>4,578,951</u>
<i>Fund Balances at End of Year</i>	<u>\$4,034,691</u>	<u>\$82,826</u>	<u>\$436,723</u>	<u>\$4,554,240</u>

City of Westerville, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2009

	<i>Street Maintenance</i>	<i>State Highway</i>	<i>DARE</i>
<u>Revenues:</u>			
Municipal Income Taxes	\$0	\$0	\$0
Other Local Taxes	0	0	0
Payments in Lieu of Taxes	0	0	0
Intergovernmental	1,408,021	114,140	20,602
Charges for Services	190	0	0
Fines and Forfeitures	0	0	0
Interest	14	118	722
Other	410	0	5,199
Total Revenues	1,408,635	114,258	26,523
<u>Expenditures:</u>			
Current:			
Security of Persons and Property	0	0	18,542
Transportation	2,038,288	5,000	0
General Government	0	0	0
Total Expenditures	2,038,288	5,000	18,542
Excess of Revenues Over (Under) Expenditures	(629,653)	109,258	7,981
<u>Other Financing Sources (Uses):</u>			
Transfers - In	926,945	0	0
Transfers - Out	0	0	0
Total Other Financing Sources (Uses)	926,945	0	0
Net Change in Fund Balances	297,292	109,258	7,981
Fund Balances (Deficit) at Beginning of Year	832,391	372,849	20,780
Fund Balances (Deficit) at End of Year	\$1,129,683	\$482,107	\$28,761

<i>Permissive Motor Vehicle License</i>	<i>Mayor's Operating</i>	<i>Hotel Tax</i>	<i>OMVI Education</i>	<i>Tax Incentive/ Redistribution</i>
\$0	\$0	\$0	\$0	\$0
0	0	40,738	0	0
0	0	0	0	1,403,418
413,111	0	0	0	0
0	0	0	0	0
0	0	0	2,388	0
205	0	0	0	0
0	468	0	0	0
413,316	468	40,738	2,388	1,403,418
0	0	0	0	0
250,000	0	0	0	0
0	780	45,305	0	1,908,113
250,000	780	45,305	0	1,908,113
163,316	(312)	(4,567)	2,388	(504,695)
0	0	0	0	562,839
0	0	0	0	0
0	0	0	0	562,839
163,316	(312)	(4,567)	2,388	58,144
100,907	369	(10,482)	5,611	66,786
\$264,223	\$57	(\$15,049)	\$7,999	\$124,930

(Continued)

City of Westerville, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2009
(Continued)

	<i>Mayor's Court Computer</i>	<i>Cable TV Franchise Fee</i>	<i>Parks and Recreation Income Tax Allocation</i>
<u>Revenues:</u>			
Municipal Income Taxes	\$0	\$0	\$3,913,798
Other Local Taxes	0	458,053	0
Payments in Lieu of Taxes	0	0	0
Intergovernmental	0	0	0
Charges for Services	0	0	0
Fines and Forfeitures	16,305	0	0
Interest	0	0	0
Other	0	0	0
<i>Total Revenues</i>	<u>16,305</u>	<u>458,053</u>	<u>3,913,798</u>
<u>Expenditures:</u>			
Current:			
Security of Persons and Property	0	0	0
Transportation	0	0	0
General Government	19,124	347,184	0
<i>Total Expenditures</i>	<u>19,124</u>	<u>347,184</u>	<u>0</u>
Excess of Revenues Over (Under) Expenditures	<u>(2,819)</u>	<u>110,869</u>	<u>3,913,798</u>
<u>Other Financing Sources (Uses):</u>			
Transfers - In	0	0	0
Transfers - Out	0	(500,000)	(5,857,808)
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>(500,000)</u>	<u>(5,857,808)</u>
Net Change in Fund Balances	(2,819)	(389,131)	(1,944,010)
Fund Balances (Deficit) at Beginning of Year	<u>43,871</u>	<u>674,591</u>	<u>3,318,463</u>
<i>Fund Balances (Deficit) at End of Year</i>	<u>\$41,052</u>	<u>\$285,460</u>	<u>\$1,374,453</u>

<i>FEMA</i>	<i>Drug Enforcement</i>	<i>Criminal Activity Forfeiture</i>	<i>McVay Endowment</i>	<i>Total Nonmajor Special Revenue Funds</i>
\$0	\$0	\$0	\$0	\$3,913,798
0	0	0	0	498,791
0	0	0	0	1,403,418
102,530	0	40,726	0	2,099,130
0	0	0	0	190
0	7,292	107,803	0	133,788
0	753	5,754	0	7,566
0	0	2,500	19,010	27,587
102,530	8,045	156,783	19,010	8,084,268
0	17,395	114,744	49,206	199,887
0	0	0	0	2,293,288
0	0	0	0	2,320,506
0	17,395	114,744	49,206	4,813,681
102,530	(9,350)	42,039	(30,196)	3,270,587
0	0	0	0	1,489,784
(403,038)	0	0	0	(6,760,846)
(403,038)	0	0	0	(5,271,062)
(300,508)	(9,350)	42,039	(30,196)	(2,000,475)
303,658	27,937	199,005	78,430	6,035,166
\$3,150	\$18,587	\$241,044	\$48,234	\$4,034,691

City of Westerville, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2009

	<i>Recreation Improvement</i>	<i>Africa Road Improvement</i>	<i>Dempsey Road Improvement</i>	<i>McCorkle Boulevard Road Improvement</i>
<u>Revenues:</u>				
Payments in Lieu of Taxes	\$0	\$0	\$0	\$0
Intergovernmental	0	0	0	0
Fees, Licenses and Permits	0	0	0	0
Interest	0	0	0	0
Other	22,829	0	0	0
<i>Total Revenues</i>	<u>22,829</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>Expenditures:</u>				
Capital Outlay	933	0	123,227	0
Excess of Revenues Over (Under) Expenditures	21,896	0	(123,227)	0
<u>Other Financing Sources:</u>				
Transfers - In	0	0	500,000	40,000
Net Change in Fund Balances	21,896	0	376,773	40,000
Fund Balances (Deficit) at Beginning of Year	91,231	(134,952)	0	0
<i>Fund Balances (Deficit) at End of Year</i>	<u>\$113,127</u>	<u>(\$134,952)</u>	<u>\$376,773</u>	<u>\$40,000</u>

<i>Spring Road Improvement</i>	<i>Maxtown Road Improvement</i>	<i>Parks and Recreation Capital Improvement</i>	<i>North State Street Improvement</i>	<i>Cleveland Avenue Extension Improvement</i>	<i>Parks and Recreation Replacement and Reserve</i>	<i>Street Replacement and Reserve</i>
\$0	\$0	\$0	\$0	\$0	\$0	\$0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	42,000	0	0	0	0
0	0	42,000	0	0	0	0
0	0	1,655,048	0	33,600	50,079	555,626
0	0	(1,613,048)	0	(33,600)	(50,079)	(555,626)
0	0	2,125,000	0	56,000	250,000	850,182
0	0	511,952	0	22,400	199,921	294,556
(1,558,452)	(2,501,455)	1,903,012	240,064	(994,639)	783,516	1,885,304
<u>(\$1,558,452)</u>	<u>(\$2,501,455)</u>	<u>\$2,414,964</u>	<u>\$240,064</u>	<u>(\$972,239)</u>	<u>\$983,437</u>	<u>\$2,179,860</u>

(Continued)

City of Westerville, Ohio
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 Nonmajor Capital Projects Funds
 For the Year Ended December 31, 2009
 (Continued)

	<i>Tree Replacement</i>	<i>City Buildings Improvement</i>	<i>Westar/ Olentangy TIF</i>	<i>Northridge Crossing TIF</i>
<u>Revenues:</u>				
Payments in Lieu of Taxes	\$0	\$0	\$38,010	\$483,155
Intergovernmental	0	0	0	0
Fees, Licenses and Permits	1,200	0	0	0
Interest	0	0	0	0
Other	0	0	0	0
<i>Total Revenues</i>	<u>1,200</u>	<u>0</u>	<u>38,010</u>	<u>483,155</u>
<u>Expenditures:</u>				
Capital Outlay	61,249	0	154,025	207,906
Excess of Revenues Over (Under) Expenditures	(60,049)	0	(116,015)	275,249
<u>Other Financing Sources:</u>				
Transfers - In	0	0	0	0
Net Change in Fund Balances	(60,049)	0	(116,015)	275,249
Fund Balances (Deficit) at Beginning of Year	61,288	2,669	179,147	(889,783)
<i>Fund Balances (Deficit) at End of Year</i>	<u>\$1,239</u>	<u>\$2,669</u>	<u>\$63,132</u>	<u>(\$614,534)</u>

<i>Northstar/ Worthington Road TIF</i>	<i>Altair TIF Incentive</i>	<i>Community Broadband Capital Improvements</i>	<i>Perimeter Road Improvement</i>	<i>Recreation Capital Improvement</i>	<i>Total Nonmajor Capital Projects Funds</i>
\$108,965	\$15,755	\$0	\$0	\$0	\$645,885
105,794	0	0	0	0	105,794
34,426	0	0	32,400	0	68,026
0	0	0	0	36	36
0	0	0	0	0	64,829
249,185	15,755	0	32,400	36	884,570
197,161	17,847	181,678	0	0	3,238,379
52,024	(2,092)	(181,678)	32,400	36	(2,353,809)
0	0	500,000	0	0	4,321,182
52,024	(2,092)	318,322	32,400	36	1,967,373
231,951	(875,398)	0	44,330	1,517	(1,530,650)
\$283,975	(\$877,490)	\$318,322	\$76,730	\$1,553	\$436,723

City of Westerville, Ohio

Nonmajor Enterprise Fund Descriptions

ENTERPRISE FUNDS

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

Nonmajor Enterprise Funds

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

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

City of Westerville, Ohio
Combining Statement of Fund Net Assets
Nonmajor Enterprise Funds
December 31, 2009

	<u>Refuse</u>	<u>Swimming Pool</u>	<u>Total Nonmajor Enterprise Funds</u>
<u>Assets:</u>			
<u>Current Assets:</u>			
Equity in Pooled Cash and Cash Equivalents	\$519,529	\$145,821	\$665,350
Receivables:			
Accounts, Net	349,971	0	349,971
Total Current Assets	869,500	145,821	1,015,321
<u>Non-current Assets:</u>			
Capital Assets:			
Nondepreciable Capital Assets	12,500	67,500	80,000
Depreciable Capital Assets, Net	506,363	246,042	752,405
Total Non-current Assets	518,863	313,542	832,405
Total Assets	1,388,363	459,363	1,847,726
<u>Liabilities:</u>			
<u>Current Liabilities:</u>			
Accounts Payable	164,073	52	164,125
Accrued Wages Payable	929	0	929
Intergovernmental Payable	2,066	0	2,066
Due To Other Funds	54	669	723
Compensated Absences Payable	2,451	180	2,631
Total Current Liabilities	169,573	901	170,474
<u>Long-Term Liabilities:</u>			
Interfund Payable	255,000	0	255,000
Compensated Absences Payable, Net	0	5,643	5,643
Total Long-Term Liabilities	255,000	5,643	260,643
Total Liabilities	424,573	6,544	431,117
<u>Net Assets:</u>			
Invested in Capital Assets	518,863	313,542	832,405
Unrestricted	444,927	139,277	584,204
Total Net Assets	\$963,790	\$452,819	\$1,416,609

City of Westerville, Ohio
Combining Statement of Revenues,
Expenses and Changes in Fund Net Assets
Nonmajor Enterprise Funds
For the Year Ended December 31, 2009

	<u>Refuse</u>	<u>Swimming Pool</u>	<u>Total Nonmajor Enterprise Funds</u>
<u>Operating Revenues:</u>			
Charges for Services	\$2,161,353	\$435,176	\$2,596,529
Other Operating Revenues	23	47	70
<i>Total Operating Revenues</i>	<u>2,161,376</u>	<u>435,223</u>	<u>2,596,599</u>
<u>Operating Expenses:</u>			
Personal Services	85,627	345,802	431,429
Contractual Services	1,971,677	70,429	2,042,106
Materials and Supplies	1,848	56,697	58,545
Other	5,893	0	5,893
Depreciation	162,836	42,470	205,306
<i>Total Operating Expenses</i>	<u>2,227,881</u>	<u>515,398</u>	<u>2,743,279</u>
<i>Operating Loss</i>	(66,505)	(80,175)	(146,680)
Loss on Disposal of Capital Assets	<u>(1,258)</u>	<u>0</u>	<u>(1,258)</u>
Change in Net Assets	(67,763)	(80,175)	(147,938)
Net Assets at Beginning of Year	<u>1,031,553</u>	<u>532,994</u>	<u>1,564,547</u>
<i>Net Assets at End of Year</i>	<u><u>\$963,790</u></u>	<u><u>\$452,819</u></u>	<u><u>\$1,416,609</u></u>

City of Westerville, Ohio
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Year Ended December 31, 2009

	<u>Refuse</u>	<u>Swimming Pool</u>	<u>Total Nonmajor Enterprise Funds</u>
<u>Increases (Decreases) in Cash and Cash Equivalents:</u>			
<u>Cash Flows from Operating Activities:</u>			
Cash Received from Customers	\$2,123,495	\$435,176	\$2,558,671
Cash Payments for Personal Services	(87,596)	(349,548)	(437,144)
Cash Payments for Materials and Supplies	(1,848)	(56,697)	(58,545)
Cash Payments for Other Services and Charges	(1,963,640)	(69,727)	(2,033,367)
Interfund Services Used	(54)	(669)	(723)
Other Operating Revenues	23	47	70
<i>Net Cash Provided by (Used for) Operating Activities</i>	70,380	(41,418)	28,962
<u>Cash Flows from Non-Capital Financing Activities:</u>			
Advances to Other Funds	(105,000)	0	(105,000)
<u>Cash Flows from Capital and Related Financing Activities:</u>			
Acquisition and Construction of Capital Assets	(19,175)	0	(19,175)
Net Decrease in Cash and Cash Equivalents	(53,795)	(41,418)	(95,213)
Cash and Cash Equivalents at Beginning of Year	573,324	187,239	760,563
<i>Cash and Cash Equivalents at End of Year</i>	<u>\$519,529</u>	<u>\$145,821</u>	<u>\$665,350</u>
<u>Reconciliation of Operating Loss to Net Cash Provided by (Used for) Operating Activities:</u>			
Operating Loss	(\$66,505)	(\$80,175)	(\$146,680)
<u>Adjustments to Reconcile Operating Loss to Net Cash Provided by (Used for) Operating Activities:</u>			
Depreciation	162,836	42,470	205,306
Change in Provision for Uncollectable Accounts Receivable	820	0	820
<u>Changes in Assets and Liabilities:</u>			
Increase in Accounts Receivable	(32,785)	0	(32,785)
Increase (Decrease) in Accounts Payable	7,929	(3)	7,926
Decrease in Accrued Wages Payable	(1,885)	(2,984)	(4,869)
Increase (Decrease) in Compensated Absences Payable	(518)	2,170	1,652
Increase in Due to Other Funds	54	36	90
Increase (Decrease) in Intergovernmental Payable	434	(2,932)	(2,498)
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>\$70,380</u>	<u>(\$41,418)</u>	<u>\$28,962</u>

City of Westerville, Ohio

Internal Service Fund Descriptions

INTERNAL SERVICE FUNDS

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

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

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

City of Westerville, Ohio
Combining Statement of Fund Net Assets
Internal Service Funds
December 31, 2009

	<u>Garage</u>	<u>Self- Insurance</u>	<u>Total Internal Service Funds</u>
<u>Assets</u>			
<i>Current Assets:</i>			
Equity in Pooled Cash and Cash Equivalents	\$238,368	\$1,067,878	\$1,306,246
Receivables:			
Accrued Interest	0	5,177	5,177
Materials and Supplies Inventory	61,647	0	61,647
<i>Total Current Assets</i>	<u>300,015</u>	<u>1,073,055</u>	<u>1,373,070</u>
<i>Non-current Assets:</i>			
Interfund Receivable	0	221,004	221,004
Capital Assets:			
Depreciable Capital Assets, Net	181,316	0	181,316
<i>Total Non-current Assets</i>	<u>181,316</u>	<u>221,004</u>	<u>402,320</u>
<i>Total Assets</i>	<u>481,331</u>	<u>1,294,059</u>	<u>1,775,390</u>
<u>Liabilities</u>			
<i>Current Liabilities:</i>			
Accounts Payable	28,005	0	28,005
Accrued Wages Payable	3,376	0	3,376
Intergovernmental Payable	8,073	0	8,073
Due to Other Funds	271	0	271
Claims Payable	0	38,267	38,267
Compensated Absences Payable	23,436	0	23,436
<i>Total Current Liabilities</i>	<u>63,161</u>	<u>38,267</u>	<u>101,428</u>
<i>Long-Term Liabilities:</i>			
Compensated Absences Payable, Net	12,461	0	12,461
<i>Total Liabilities</i>	<u>75,622</u>	<u>38,267</u>	<u>113,889</u>
<u>Net Assets</u>			
Invested in Capital Assets	181,316	0	181,316
Unrestricted	224,393	1,255,792	1,480,185
<i>Total Net Assets</i>	<u>\$405,709</u>	<u>\$1,255,792</u>	<u>\$1,661,501</u>

City of Westerville, Ohio
Combining Statement of Revenues,
Expenses and Changes in Fund Net Assets
Internal Service Funds
For the Year Ended December 31, 2009

	<u>Garage</u>	<u>Self- Insurance</u>	<u>Total Internal Service Funds</u>
<u>Operating Revenues:</u>			
Charges for Services	\$861,225	\$250,000	\$1,111,225
Other Operating Revenues	6,323	50,953	57,276
<i>Total Operating Revenues</i>	<u>867,548</u>	<u>300,953</u>	<u>1,168,501</u>
<u>Operating Expenses:</u>			
Personal Services	301,152	0	301,152
Contractual Services	50,157	0	50,157
Materials and Supplies	441,091	0	441,091
Claims	0	132,632	132,632
Depreciation	24,040	0	24,040
<i>Total Operating Expenses</i>	<u>816,440</u>	<u>132,632</u>	<u>949,072</u>
<i>Operating Income</i>	<u>51,108</u>	<u>168,321</u>	<u>219,429</u>
<u>Non-Operating Revenues (Expenses):</u>			
Interest	0	32,433	32,433
Loss on Disposal of Capital Assets	(505)	0	(505)
<i>Total Non-Operating Revenues (Expenses)</i>	<u>(505)</u>	<u>32,433</u>	<u>31,928</u>
Change in Net Assets	50,603	200,754	251,357
Net Assets at Beginning of Year	<u>355,106</u>	<u>1,055,038</u>	<u>1,410,144</u>
<i>Net Assets at End of Year</i>	<u>\$405,709</u>	<u>\$1,255,792</u>	<u>\$1,661,501</u>

City of Westerville, Ohio
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended December 31, 2009

	<u>Garage</u>	<u>Self- Insurance</u>	<u>Total Internal Service Funds</u>
<u>Increases (Decreases) in Cash and Cash Equivalents:</u>			
<u>Cash Flows from Operating Activities:</u>			
Internal Services Provided	\$861,225	\$250,000	\$1,111,225
Cash Payments for Personal Services	(327,621)	0	(327,621)
Cash Payments for Materials and Supplies	(441,754)	0	(441,754)
Cash Payments for Other Services and Charges	(48,441)	0	(48,441)
Internal Services Used	(271)	0	(271)
Cash Payments for Claims	0	(94,558)	(94,558)
Other Operating Revenues	6,719	54,196	60,915
<i>Net Cash Provided by Operating Activities</i>	49,857	209,638	259,495
<u>Cash Flows from Non-Capital Financing Activities:</u>			
Advances to Other Funds	0	(221,004)	(221,004)
<u>Cash Flows From Investing Activities:</u>			
Interest	0	34,082	34,082
Net Increase in Cash and Cash Equivalents	49,857	22,716	72,573
Cash and Cash Equivalents at Beginning of Year	188,511	1,045,162	1,233,673
<i>Cash and Cash Equivalents at End of Year</i>	<u>\$238,368</u>	<u>\$1,067,878</u>	<u>\$1,306,246</u>
<u>Reconciliation of Operating Income to Net Cash Provided by Operating Activities:</u>			
Operating Income	\$51,108	\$168,321	\$219,429
<u>Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:</u>			
Depreciation	24,040	0	24,040
<u>Changes in Assets and Liabilities:</u>			
Decrease in Accounts Receivable	396	3,243	3,639
Increase in Material and Supplies Inventory	(19,915)	0	(19,915)
Increase in Accounts Payable	20,426	0	20,426
Increase in Claims Payable	0	38,074	38,074
Decrease in Accrued Wages Payable	(7,833)	0	(7,833)
Decrease in Compensated Absences Payable	(20,095)	0	(20,095)
Increase in Due to Other Funds	271	0	271
Increase in Intergovernmental Payable	1,459	0	1,459
<i>Net Cash Provided by Operating Activities</i>	<u>\$49,857</u>	<u>\$209,638</u>	<u>\$259,495</u>



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City of Westerville, Ohio

Agency Fund Descriptions

AGENCY FUNDS

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

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

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

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

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

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

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

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

City of Westerville, Ohio

Combining Statement of Assets and Liabilities
Agency Funds

December 31, 2009

	<i>Hotel Tax</i>	<i>Payroll Revolving</i>	<i>Columbus Sewer Capacity</i>
<u>Assets:</u>			
Equity in Pooled Cash and Cash Equivalents	\$0	\$852,845	\$168,961
Cash and Cash Equivalents with Fiscal Agents	0	0	0
Receivables: Other Local Taxes	1,245	0	0
<i>Total Assets</i>	\$1,245	\$852,845	\$168,961
 <u>Liabilities:</u>			
Accounts Payable	\$1,245	\$0	\$0
Undistributed Monies	0	852,845	0
Intergovernmental Payable	0	0	168,961
Deposits Held and Due to Others	0	0	0
<i>Total Liabilities</i>	\$1,245	\$852,845	\$168,961

<i>State Building Standards</i>	<i>Performance Bond</i>	<i>Mayor's Court</i>	<i>Public Use Fees</i>	<i>Totals</i>
\$1,254	\$419,929	\$0	\$23,500	\$1,466,489
0	0	10,888	0	10,888
0	0	0	0	1,245
<u>\$1,254</u>	<u>\$419,929</u>	<u>\$10,888</u>	<u>\$23,500</u>	<u>\$1,478,622</u>
\$0	\$0	\$0	\$0	\$1,245
0	0	0	0	852,845
1,254	0	8,988	23,500	202,703
0	419,929	1,900	0	421,829
<u>\$1,254</u>	<u>\$419,929</u>	<u>\$10,888</u>	<u>\$23,500</u>	<u>\$1,478,622</u>

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

For the Year Ended December 31, 2009

Hotel Tax	<i>Balance January 1, 2009</i>	<i>Additions</i>	<i>Deductions</i>	<i>Balance December 31, 2009</i>
Hotel Tax				
<u><i>Assets:</i></u>				
Receivables:				
Other Local Taxes	\$818	\$1,245	\$818	\$1,245
<u><i>Liabilities:</i></u>				
Accounts Payable	\$818	\$1,245	\$818	\$1,245
Payroll Revolving				
<u><i>Assets:</i></u>				
Equity in Pooled Cash and Cash Equivalents	\$800,402	\$852,845	\$800,402	\$852,845
<u><i>Liabilities:</i></u>				
Undistributed Monies	\$800,402	\$852,845	\$800,402	\$852,845
Columbus Sewer Capacity				
<u><i>Assets:</i></u>				
Equity in Pooled Cash and Cash Equivalents	\$108,083	\$168,961	\$108,083	\$168,961
<u><i>Liabilities:</i></u>				
Intergovernmental Payable	\$108,083	\$168,961	\$108,083	\$168,961
State Building Standards				
<u><i>Assets:</i></u>				
Equity in Pooled Cash and Cash Equivalents	\$1,283	\$1,254	\$1,283	\$1,254
<u><i>Liabilities:</i></u>				
Intergovernmental Payable	\$1,283	\$1,254	\$1,283	\$1,254
Performance Bond				
<u><i>Assets:</i></u>				
Equity in Pooled Cash and Cash Equivalents	\$236,678	\$419,929	\$236,678	\$419,929
<u><i>Liabilities:</i></u>				
Deposits Held and Due to Others	\$236,678	\$419,929	\$236,678	\$419,929

(continued)

City of Westerville, Ohio
Combining Statement of Changes in Assets and Liabilities
Agency Funds
(Continued)
For the Year Ended December 31, 2009

Mayor's Court	Balance January 1, 2009	Additions	Deductions	Balance December 31, 2009
Assets:				
Cash and Cash Equivalents with Fiscal Agents	\$9,005	\$10,888	\$9,005	\$10,888
Liabilities:				
Intergovernmental Payable	\$7,170	\$8,988	\$7,170	\$8,988
Deposits Held and Due to Others	1,835	1,900	1,835	1,900
Total Liabilities	\$9,005	\$10,888	\$9,005	\$10,888
Public Use Fees				
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$23,500	\$0	\$0	\$23,500
Liabilities:				
Intergovernmental Payable	\$23,500	\$0	\$0	\$23,500
TOTAL - ALL AGENCY FUNDS				
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$1,169,946	\$1,442,989	\$1,146,446	\$1,466,489
Cash and Cash Equivalents with Fiscal Agents	9,005	10,888	9,005	10,888
Receivables:				
Other Local Taxes	818	1,245	818	1,245
Total Assets	\$1,179,769	\$1,455,122	\$1,156,269	\$1,478,622
Liabilities:				
Accounts Payable	\$818	\$1,245	\$818	\$1,245
Undistributed Monies	800,402	852,845	800,402	852,845
Intergovernmental Payable	140,036	179,203	116,536	202,703
Deposits Held and Due to Others	238,513	421,829	238,513	421,829
Total Liabilities	\$1,179,769	\$1,455,122	\$1,156,269	\$1,478,622



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City of Westerville, Ohio

General Governmental Capital Assets

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

City of Westerville, Ohio
Schedule of Governmental Activities Capital Assets
By Program and Department
December 31, 2009

<i>Program / Department</i>	<i>Land</i>	<i>Land Improvements</i>	<i>Buildings</i>
Security of Persons and Property			
Police	\$0	\$0	\$5,154,729
Fire	110,512	0	5,340,618
Communications	0	0	0
Total Security of Persons and Property	110,512	0	10,495,347
Public Health			
Cemetery Maintenance	0	60,463	34,663
Leisure Time Activities			
Parks and Recreation	4,834,543	16,803,107	19,029,679
Community Development			
Planning, Engineering and Building	0	0	5,355
Basic Utility Services			
Storm Sewer	522,794	5,666	0
Transportation			
Street Maintenance	0	72,791	88,813
Roads and Bridges	0	0	0
Sidewalks	0	0	0
Traffic Signal Maintenance and Repair	0	0	0
Total Transportation	0	72,791	88,813
General Government			
City Manager	0	0	0
Legislative	0	0	0
Cable TV Commission	0	0	0
Finance	0	0	0
Management Information Systems	0	0	39,600
Income Tax	0	0	0
Mayor's Court	0	0	0
Lands and Buildings	9,882,596	55,820	5,957,724
Total General Government	9,882,596	55,820	5,997,324
Total General Capital Assets	15,350,445	16,997,847	35,651,181
Less Accumulated Depreciation	0	(8,581,605)	(10,427,750)
Net General Capital Assets	15,350,445	8,416,242	25,223,431
Internal Service Fund Capital Assets	0	0	643,155
Less Accumulated Depreciation	0	0	(493,854)
Net Internal Service Fund Capital Assets	0	0	149,301
Total Before Construction in Progress	\$15,350,445	\$8,416,242	\$25,372,732
Construction in Progress			
Total Governmental Activities Capital Assets			

<i>Furniture and Equipment</i>	<i>Vehicles</i>	<i>Infrastructure</i>	<i>Totals</i>
\$666,246	\$1,128,018	\$0	\$6,948,993
475,860	2,214,178	0	8,141,168
1,098,557	0	0	1,098,557
2,240,663	3,342,196	0	16,188,718
0	0	0	95,126
1,672,396	789,389	0	43,129,114
64,916	239,870	0	310,141
301,113	41,743	33,629,274	34,500,590
503,550	707,341	0	1,372,495
0	0	115,724,195	115,724,195
0	0	2,191,082	2,191,082
7,345,066	0	0	7,345,066
7,848,616	707,341	117,915,277	126,632,838
49,478	0	0	49,478
14,623	0	0	14,623
701,354	71,189	0	772,543
113,181	45,905	0	159,086
1,318,349	0	0	1,357,949
18,960	0	0	18,960
72,866	0	0	72,866
76,023	0	0	15,972,163
2,364,834	117,094	0	18,417,668
14,492,538	5,237,633	151,544,551	239,274,195
(8,332,428)	(3,732,590)	(9,619,552)	(40,693,925)
6,160,110	1,505,043	141,924,999	198,580,270
54,413	22,890	0	720,458
(40,359)	(4,928)	0	(539,141)
14,054	17,962	0	181,317
\$6,174,164	\$1,523,005	\$141,924,999	198,761,587
			3,708,671
			\$202,470,258

City of Westerville, Ohio
Schedule of Changes in Governmental Activities Capital Assets
By Program and Department
For the Year Ended December 31, 2009

<i>Program / Department</i>	<i>Balance 12/31/2008</i>	<i>Additions</i>	<i>Deletions</i>	<i>Balance 12/31/2009</i>
Security of Persons and Property				
Police	\$6,907,957	\$187,719	\$146,683	\$6,948,993
Fire	8,334,431	75,274	268,537	8,141,168
Communications	1,098,557	0	0	1,098,557
Total Security of Persons and Property	<u>16,340,945</u>	<u>262,993</u>	<u>415,220</u>	<u>16,188,718</u>
Public Health				
Cemetery Maintenance	95,126	0	0	95,126
Leisure Time Activities				
Parks and Recreation	42,541,513	671,411	83,810	43,129,114
Community Development				
Planning, Engineering and Building	304,405	19,175	13,439	310,141
Basic Utility Services				
Storm Sewer	34,496,528	4,062	0	34,500,590
Transportation				
Street Maintenance	1,357,954	19,736	5,195	1,372,495
Roads and Bridges	114,949,188	775,007	0	115,724,195
Sidewalks	1,738,189	452,893	0	2,191,082
Traffic Signal Maintenance and Repair	7,308,490	36,576	0	7,345,066
Total Transportation	<u>125,353,821</u>	<u>1,284,212</u>	<u>5,195</u>	<u>126,632,838</u>
General Government				
City Manager	49,478	0	0	49,478
Legislative	14,623	0	0	14,623
Cable TV Commission	772,543	0	0	772,543
Finance	123,027	36,059	0	159,086
Management Information Systems	1,393,019	95,113	130,183	1,357,949
Income Tax	18,960	0	0	18,960
Mayor's Court	72,866	0	0	72,866
Lands and Buildings	14,654,345	1,626,530	308,712	15,972,163
Total General Government	<u>17,098,861</u>	<u>1,757,702</u>	<u>438,895</u>	<u>18,417,668</u>
Total General Capital Assets	236,231,199	3,999,555	956,559	239,274,195
Less Accumulated Depreciation	(37,120,338)	(4,203,919)	(630,332)	(40,693,925)
Net General Capital Assets	<u>199,110,861</u>	<u>(204,364)</u>	<u>326,227</u>	<u>198,580,270</u>
Internal Service Fund Capital Assets	725,510	0	5,052	720,458
Less Accumulated Depreciation	(519,649)	(24,040)	(4,548)	(539,141)
Net Internal Service Fund Capital Assets	<u>205,861</u>	<u>(24,040)</u>	<u>504</u>	<u>181,317</u>
Totals Before Construction in Progress	199,316,722	(228,404)	326,731	198,761,587
Construction in Progress	1,393,379	5,654,426	3,339,134	3,708,671
Total Governmental Activities Capital Assets	<u>\$200,710,101</u>	<u>\$5,426,022</u>	<u>\$3,665,865</u>	<u>\$202,470,258</u>

City of Westerville, Ohio

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

For the Year Ended December 31, 2009

	Budget		Actual	Variance
	Original	Final		Positive (Negative)
<u>Revenues:</u>				
Property Taxes	\$3,050,000	\$3,064,159	\$3,064,160	\$1
Municipal Income Taxes	19,343,503	27,678,863	27,798,683	119,820
Intergovernmental	5,232,625	5,147,117	5,156,510	9,393
Charges for Services	555,418	439,148	440,270	1,122
Fees, Licenses and Permits	578,729	639,220	645,224	6,004
Fines and Forfeitures	445,240	438,224	438,225	1
Interest	1,750,000	1,815,000	1,840,035	25,035
Other	39,850	60,022	77,424	17,402
Total Revenues	30,995,365	39,281,753	39,460,531	178,778
<u>Expenditures:</u>				
Current Operations and Maintenance				
Security of Persons and Property				
Police Department				
Police Services				
Personal Services	10,466,042	10,736,925	9,982,402	754,523
Supplies and Materials	524,386	523,710	387,865	135,845
Other Services and Charges	703,907	686,893	551,294	135,599
Capital Outlay	277,029	277,029	173,298	103,731
Other Financing Uses	1,493	1,493	1,492	1
Total Police Department	11,972,857	12,226,050	11,096,351	1,129,699
Communications				
Personal Services	1,346,930	1,381,530	1,303,347	78,183
Supplies and Materials	26,092	26,042	19,925	6,117
Other Services and Charges	174,412	172,142	141,102	31,040
Capital Outlay	15,370	15,370	13,675	1,695
Total Communications	1,562,804	1,595,084	1,478,049	117,035
Fire Hydrant Maintenance				
Supplies and Materials	506	155	154	1
Total Security of Persons and Property	13,536,167	13,821,289	12,574,554	1,246,735
Public Health				
Cemetery Maintenance				
Supplies and Materials	1,300	1,300	508	792
Other Services and Charges	56,252	55,948	52,580	3,368
Total Public Health	57,552	57,248	53,088	4,160
Community Development				
Planning, Engineering, and Building Department				
Building, Planning and Zoning				
Personal Services	2,206,545	2,269,345	2,069,203	200,142
Supplies and Materials	55,015	54,837	40,757	14,080
Other Services and Charges	445,955	430,598	381,880	48,718
Capital Outlay	42,445	42,445	26,630	15,815
Other Financing Uses	1,000	1,000	0	1,000
Total Community Development	\$2,750,960	\$2,798,225	\$2,518,470	\$279,755

(Continued)

City of Westerville, Ohio

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

General Fund

For the Year Ended December 31, 2009

(Continued)

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
Basic Utility Services				
General Public Services				
Storm Sewer Maintenance and Improvements				
Personal Services	\$519,389	\$531,489	\$463,890	\$67,599
Supplies and Materials	30,451	30,048	20,339	9,709
Other Services and Charges	65,946	64,115	35,011	29,104
Capital Outlay	5,725	5,725	3,312	2,413
Total Basic Utility Services	621,511	631,377	522,552	108,825
General Government				
City Manager				
Administration				
Personal Services	304,481	315,481	310,468	5,013
Supplies and Materials	6,032	6,032	3,989	2,043
Other Services and Charges	828,011	1,062,776	993,311	69,465
Capital Outlay	8,069	8,000	7,991	9
Total Administration	1,146,593	1,392,289	1,315,759	76,530
Economic Development				
Personal Services	57,656	60,856	55,413	5,443
Supplies and Materials	4,200	4,200	879	3,321
Other Services and Charges	147,687	144,980	122,381	22,599
Other Financing Uses	51,000	25,000	20,000	5,000
Total Economic Development	260,543	235,036	198,673	36,363
Total City Manager	1,407,136	1,627,325	1,514,432	112,893
Legislative				
Personal Services	135,758	138,358	136,086	2,272
Supplies and Materials	12,305	12,305	6,347	5,958
Other Services and Charges	76,508	76,381	68,484	7,897
Total Legislative	224,571	227,044	210,917	16,127
Administrative Services				
Personal Services	670,794	689,594	629,895	59,699
Supplies and Materials	25,875	25,875	22,750	3,125
Other Services and Charges	472,346	472,346	414,592	57,754
Capital Outlay	12,700	0	0	0
Total Administrative Services	1,181,715	1,187,815	1,067,237	120,578
Management Information Systems				
Personal Services	1,032,957	1,064,357	934,382	129,975
Supplies and Materials	47,004	47,004	30,112	16,892
Other Services and Charges	617,779	601,463	473,718	127,745
Capital Outlay	232,800	232,800	146,523	86,277
Total Management Information Systems	\$1,930,540	\$1,945,624	\$1,584,735	\$360,889

(Continued)

City of Westerville, Ohio

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

General Fund

For the Year Ended December 31, 2009

(Continued)

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
Finance Department				
Administration and Accounting				
Personal Services	\$872,982	\$896,482	\$825,587	\$70,895
Supplies and Materials	25,100	25,050	20,410	4,640
Other Services and Charges	335,569	351,934	351,932	2
Capital Outlay	5,000	2,500	2,498	2
Total Administration and Accounting	1,238,651	1,275,966	1,200,427	75,539
Income Tax				
Personal Services	366,460	376,860	353,663	23,197
Supplies and Materials	53,019	52,723	26,185	26,538
Other Services and Charges	65,380	64,162	42,855	21,307
Capital Outlay	6,000	0	0	0
Other Financing Uses	725,000	1,250,000	1,145,060	104,940
Total Income Tax	1,215,859	1,743,745	1,567,763	175,982
Utility Billing Services				
Personal Services	556,591	570,191	536,143	34,048
Supplies and Materials	23,001	22,985	17,746	5,239
Other Services and Charges	101,318	99,448	81,786	17,662
Capital Outlay	59,500	50,000	42,934	7,066
Total Utility Billing Services	740,410	742,624	678,609	64,015
Mayor's Court				
Personal Services	313,302	320,702	307,739	12,963
Supplies and Materials	14,522	14,458	12,627	1,831
Other Services and Charges	277,432	329,702	329,303	399
Total Mayor's Court	605,256	664,862	649,669	15,193
Law Administration				
Personal Services	105,018	105,018	103,430	1,588
Other Services and Charges	447,411	447,411	447,061	350
Total Law Administration	552,429	552,429	550,491	1,938
Buildings and Grounds				
Personal Services	413,381	424,781	377,085	47,696
Supplies and Materials	83,174	82,600	46,604	35,996
Other Services and Charges	318,903	305,715	290,967	14,748
Capital Outlay	39,905	59,905	55,611	4,294
Total Buildings and Grounds	855,363	873,001	770,267	102,734
Total Finance Department	5,207,968	5,852,627	5,417,226	435,401
Total General Government	9,951,930	10,840,435	9,794,547	1,045,888
Total Expenditures	26,918,120	28,148,574	25,463,211	2,685,363
Excess of Revenues Over Expenditures	\$4,077,245	\$11,133,179	\$13,997,320	\$2,864,141

(Continued)

City of Westerville, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
General Fund
For the Year Ended December 31, 2009
(Continued)

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Other Financing Sources (Uses):</u>				
Advances - In	\$105,000	\$1,842,667	\$1,842,668	\$1
Advances - Out	0	(2,221,700)	(2,221,700)	0
Transfers - In	255,903	24,186	24,186	0
Transfers - Out	(8,113,144)	(13,389,144)	(13,389,144)	0
<i>Total Other Financing Sources (Uses)</i>	(7,752,241)	(13,743,991)	(13,743,990)	1
Net Change in Fund Balance	(3,674,996)	(2,610,812)	253,330	2,864,142
Fund Balance at Beginning of Year	16,104,768	16,238,912	16,238,912	0
Prior Year Encumbrances Carried Over	455,273	321,127	321,127	0
Fund Balance at End of Year	\$12,885,045	\$13,949,227	\$16,813,369	\$2,864,142

City of Westerville, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Fire Operating Special Revenue Fund
For the Year Ended December 31, 2009

	Budget		Actual	Variance
	Original	Final		Positive (Negative)
<u>Revenues:</u>				
Property Taxes	\$8,060,000	\$6,947,153	\$6,947,153	\$0
Intergovernmental	1,325,000	3,047,024	3,047,027	3
Charges for Services	0	5,371	41,826	36,455
Fees, Licenses and Permits	0	25	25	0
Interest	65,000	166,000	188,318	22,318
Other	1,500	225,148	225,148	0
<i>Total Revenues</i>	<u>9,451,500</u>	<u>10,390,721</u>	<u>10,449,497</u>	<u>58,776</u>
<u>Expenditures:</u>				
Current Operations and Maintenance				
Security of Persons and Property				
Fire Department				
Operations				
Personal Services	10,654,088	10,946,188	10,428,495	517,693
Supplies and Materials	454,856	456,047	364,822	91,225
Other Services and Charges	883,904	855,767	796,464	59,303
Capital Outlay	294,835	737,187	653,389	83,798
<i>Total Expenditures</i>	<u>12,287,683</u>	<u>12,995,189</u>	<u>12,243,170</u>	<u>752,019</u>
Excess of Revenues Under Expenditures	(2,836,183)	(2,604,468)	(1,793,673)	810,795
<u>Other Financing Sources (Uses):</u>				
Advances - In	0	221,004	221,004	0
Advances - Out	(118,753)	(118,753)	(112,668)	6,085
Transfers - In	0	1,436	1,436	0
Total Other Sources Financing (Uses)	<u>(118,753)</u>	<u>103,687</u>	<u>109,772</u>	<u>6,085</u>
Net Change in Fund Balance	(2,954,936)	(2,500,781)	(1,683,901)	816,880
Fund Balance at Beginning of Year	6,025,233	6,064,179	6,064,179	0
Prior Year Encumbrances Carried Over	74,180	35,234	35,234	0
Fund Balance at End of Year	<u>\$3,144,477</u>	<u>\$3,598,632</u>	<u>\$4,415,512</u>	<u>\$816,880</u>

City of Westerville, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Parks and Recreation Operating Special Revenue Fund
For the Year Ended December 31, 2009

	Budget		Actual	Variance
	Original	Final		Positive (Negative)
<u>Revenues:</u>				
Intergovernmental	\$0	\$1,548	\$1,549	\$1
Charges for Services	3,083,526	2,851,355	2,839,308	(12,047)
Fees, Licenses and Permits	19,000	4,192	4,193	1
Other	16,500	7,909	7,617	(292)
Total Revenues	3,119,026	2,865,004	2,852,667	(12,337)
<u>Expenditures:</u>				
Current Operations and Maintenance				
Leisure Time Activities				
Parks and Recreation				
Administration				
Personal Services	615,543	634,279	589,342	44,937
Supplies and Materials	13,250	13,250	8,885	4,365
Other Services and Charges	109,512	104,174	95,664	8,510
Capital Outlay	2,500	2,500	0	2,500
Other Financing Uses	10,000	10,000	7,055	2,945
Total Administration	750,805	764,203	700,946	63,257
Recreation Services				
Personal Services	2,425,438	2,469,850	2,350,432	119,418
Supplies and Materials	226,514	224,923	213,239	11,684
Other Services and Charges	1,231,356	1,180,269	1,167,685	12,584
Capital Outlay	64,500	64,500	46,801	17,699
Total Recreation Services	3,947,808	3,939,542	3,778,157	161,385
Parks				
Personal Services	1,621,372	1,662,730	1,573,917	88,813
Supplies and Materials	273,105	271,325	248,799	22,526
Other Services and Charges	471,320	466,382	460,280	6,102
Capital Outlay	420,748	420,393	401,147	19,246
Total Parks	2,786,545	2,820,830	2,684,143	136,687
Senior Center				
Personal Services	590,954	604,848	535,493	69,355
Supplies and Materials	40,597	40,023	28,228	11,795
Other Services and Charges	85,664	82,554	77,185	5,369
Capital Outlay	19,000	18,250	15,766	2,484
Total Senior Center	736,215	745,675	656,672	89,003
Total Expenditures	8,221,373	8,270,250	7,819,918	450,332
Excess of Revenues Under Expenditures	(5,102,347)	(5,405,246)	(4,967,251)	437,995
<u>Other Financing Sources:</u>				
Transfers - In	4,389,374	4,476,676	4,476,676	0
Net Change in Fund Balance	(712,973)	(928,570)	(490,575)	437,995
Fund Balance at Beginning of Year	5,835,185	5,905,205	5,905,205	0
Prior Year Encumbrances Carried Over	357,598	287,575	287,575	0
Fund Balance at End of Year	\$5,479,810	\$5,264,210	\$5,702,205	\$437,995

City of Westerville, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
General Capital Improvement Capital Projects Fund
For the Year Ended December 31, 2009

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>	\$0	\$0	\$0	\$0
<u>Expenditures:</u>				
Capital Outlay	4,457,202	10,036,941	9,658,356	378,585
Debt Service:				
Interest and Other Charges	0	26,861	26,860	1
Total Expenditures	4,457,202	10,063,802	9,685,216	378,586
Excess of Revenues Under Expenditures	(4,457,202)	(10,063,802)	(9,685,216)	378,586
<u>Other Financing Sources (Uses):</u>				
Proceeds of Bonds	0	1,655,000	1,655,000	0
Proceeds from Sale of Capital Assets	0	242,000	242,000	0
Advances - In	0	1,625,000	1,625,000	0
Advances - Out	0	(1,625,000)	(1,625,000)	0
Transfers - In	2,685,000	7,038,000	7,038,000	0
Total Other Financing Sources (Uses)	2,685,000	8,935,000	8,935,000	0
Net Change in Fund Balance	(1,772,202)	(1,128,802)	(750,216)	378,586
Fund Balance at Beginning of Year	691,219	1,159,498	1,159,498	0
Prior Year Encumbrances Carried Over	1,450,202	981,923	981,923	0
Fund Balance at End of Year	\$369,219	\$1,012,619	\$1,391,205	\$378,586

City of Westerville, Ohio

Schedule of Revenues, Expenses, and Changes in Fund
Equity - Budget (Non-GAAP Budgetary Basis) and Actual
Water Enterprise Fund
For the Year Ended December 31, 2009

	Budget		Actual	Variance
	Original	Final		Positive (Negative)
<u>Revenues:</u>				
Charges for Services	\$2,857,000	\$2,658,025	\$2,658,145	\$120
Capacity Charges	224,000	145,800	148,500	2,700
Proceeds of Bonds	1,640,000	1,954,212	1,954,212	0
Premium on Bonds	0	16,493	16,494	1
Sale of Meters	25,000	18,180	18,340	160
Other	60,000	54,171	54,173	2
Total Revenues	4,806,000	4,846,881	4,849,864	2,983
<u>Expenses:</u>				
Personal Services				
Water Treatment	963,856	990,756	950,973	39,783
System Improvements	571,818	585,718	488,508	97,210
Total Personal Services	1,535,674	1,576,474	1,439,481	136,993
Supplies and Materials				
Water Treatment	410,867	398,172	342,999	55,173
System Improvements	72,728	72,477	50,436	22,041
Total Supplies and Materials	483,595	470,649	393,435	77,214
Other Services and Charges				
Water Treatment	921,494	910,909	825,953	84,956
System Improvements	95,076	94,248	74,248	20,000
Total Other Services and Charges	1,016,570	1,005,157	900,201	104,956
Capital Outlay				
Water Treatment	414,697	489,697	479,170	10,527
System Improvements	882,818	1,373,628	1,296,896	76,732
Total Capital Outlay	1,297,515	1,863,325	1,776,066	87,259
Other				
Refunds	0	8,150	8,150	0
Debt Service				
Principal Retirement	1,400,554	1,345,000	1,345,000	0
Interest and Fiscal Charges	245,380	245,380	173,046	72,334
ODNR Debt	41,023	41,023	41,022	1
Debt Issuance Costs	0	31,718	31,716	2
Total Debt Service	1,686,957	1,663,121	1,590,784	72,337
Total Expenses	6,020,311	6,586,876	6,108,117	478,759
Excess of Revenues Under Expenses	(1,214,311)	(1,739,995)	(1,258,253)	481,742
Transfers - In	0	35,997	35,997	0
Net Change in Fund Equity	(1,214,311)	(1,703,998)	(1,222,256)	481,742
Fund Equity at Beginning of Year	7,594,534	7,629,083	7,629,083	0
Prior Year Encumbrances Carried Over	396,510	361,961	361,961	0
Fund Equity at End of Year	\$6,776,733	\$6,287,046	\$6,768,788	\$481,742

City of Westerville, Ohio

Schedule of Revenues, Expenses, and Changes in Fund
Equity - Budget (Non-GAAP Budgetary Basis) and Actual
Sewer Enterprise Fund
For the Year Ended December 31, 2009

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Charges for Services	\$7,606,550	\$6,983,000	\$6,982,827	(\$173)
Tap-In Fees	6,000	6,675	6,825	150
Capacity Charges	135,000	83,700	85,250	1,550
Other Charges	0	1,268	1,269	1
Proceeds of Bonds	2,008,000	1,310,788	1,310,788	0
Premium on Bonds	0	11,144	11,144	0
Other	0	930	931	1
<i>Total Revenues</i>	<u>9,755,550</u>	<u>8,397,505</u>	<u>8,399,034</u>	<u>1,529</u>
<u>Expenses:</u>				
Personal Services				
System Improvements	533,472	549,272	515,960	33,312
Supplies and Materials				
System Improvements	33,409	33,285	22,551	10,734
Other Services and Charges				
Sewer Treatment	8,135,077	8,104,210	7,800,160	304,050
System Improvements	136,254	125,758	81,384	44,374
Total Other Services and Charges	<u>8,271,331</u>	<u>8,229,968</u>	<u>7,881,544</u>	<u>348,424</u>
Capital Outlay				
System Improvements	1,524,877	859,884	797,560	62,324
Other				
Refunds	0	10,373	5,300	5,073
Debt Service				
Principal Retirement	1,298,000	1,298,000	1,298,000	0
Interest and Fiscal Charges	102,120	102,120	32,360	69,760
Debt Issuance Costs	0	21,275	21,273	2
Total Debt Service	<u>1,400,120</u>	<u>1,421,395</u>	<u>1,351,633</u>	<u>69,762</u>
<i>Total Expenses</i>	<u>11,763,209</u>	<u>11,104,177</u>	<u>10,574,548</u>	<u>529,629</u>
Excess of Revenues Under Expenses	(2,007,659)	(2,706,672)	(2,175,514)	531,158
Transfers - In	0	28,854	28,854	0
Net Change in Fund Equity	(2,007,659)	(2,677,818)	(2,146,660)	531,158
Fund Equity at Beginning of Year	2,758,507	2,933,251	2,933,251	0
Prior Year Encumbrances Carried Over	2,122,873	1,948,129	1,948,129	0
Fund Equity at End of Year	<u>\$2,873,721</u>	<u>\$2,203,562</u>	<u>\$2,734,720</u>	<u>\$531,158</u>

City of Westerville, Ohio

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

Electric Enterprise Fund

For the Year Ended December 31, 2009

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Charges for Services	\$42,017,461	\$39,857,010	\$39,890,950	\$33,940
Underground Line Charge	40,000	2,800	2,800	0
Proceeds of Bonds	4,450,000	3,295,000	3,295,000	0
Premium on Bonds	0	29,352	29,353	1
Sale of Meters	9,000	2,680	2,680	0
Interest	0	4,129	4,226	97
Grants	0	56,250	56,250	0
Other	85,000	216,043	216,046	3
Total Revenues	46,601,461	43,463,264	43,497,305	34,041
<u>Expenses:</u>				
Personal Services				
Electric System Maintenance	4,003,738	4,122,538	3,795,776	326,762
Supplies and Materials				
Electric System Maintenance	869,539	812,746	684,025	128,721
Other Services and Charges				
Purchased Power	35,613,157	38,038,550	37,604,063	434,487
Electric System Maintenance	1,688,327	1,210,444	1,038,156	172,288
Total Other Services and Charges	37,301,484	39,248,994	38,642,219	606,775
Capital Outlay				
Electric System Maintenance	12,503,408	11,126,926	7,993,402	3,133,524
Debt Service				
Principal Retirement	784,935	806,595	806,595	0
Interest and Fiscal Charges	1,036,307	1,014,647	900,789	113,858
Debt Issuance Costs	0	53,476	53,476	0
Total Debt Service	1,821,242	1,874,718	1,760,860	113,858
Total Expenses	56,499,411	57,185,922	52,876,282	4,309,640
Excess of Revenues Under Expenses	(9,897,950)	(13,722,658)	(9,378,977)	4,343,681
Transfers - In	0	148,318	148,318	0
Net Change in Fund Equity	(9,897,950)	(13,574,340)	(9,230,659)	4,343,681
Fund Equity at Beginning of Year	9,279,425	10,801,190	10,801,190	0
Prior Year Encumbrances Carried Over	7,159,137	5,637,372	5,637,372	0
Fund Equity at End of Year	\$6,540,612	\$2,864,222	\$7,207,903	\$4,343,681

City of Westerville, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Street Maintenance Special Revenue Fund
For the Year Ended December 31, 2009

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	\$1,406,000	\$1,407,303	\$1,407,304	\$1
Charges for Services	0	189	190	1
Interest	100	13	14	1
Other	0	397	397	0
<i>Total Revenues</i>	<u>1,406,100</u>	<u>1,407,902</u>	<u>1,407,905</u>	<u>3</u>
<u>Expenditures:</u>				
Current Operations and Maintenance				
Transportation				
Right of Way Maintenance				
Personal Services	1,137,236	1,166,136	1,051,206	114,930
Supplies and Materials	725,571	714,546	682,241	32,305
Other Services and Charges	432,194	426,475	341,635	84,840
Capital Outlay	133,875	133,875	131,129	2,746
<i>Total Expenditures</i>	<u>2,428,876</u>	<u>2,441,032</u>	<u>2,206,211</u>	<u>234,821</u>
Excess of Revenues Under Expenditures	(1,022,776)	(1,033,130)	(798,306)	234,824
<u>Other Financing Sources:</u>				
Transfers - In	850,000	926,945	926,945	0
Net Change in Fund Balance	(172,776)	(106,185)	128,639	234,824
Fund Balance at Beginning of Year	400,364	417,108	417,108	0
Prior Year Encumbrances Carried Over	167,195	150,451	150,451	0
Fund Balance at End of Year	<u>\$394,783</u>	<u>\$461,374</u>	<u>\$696,198</u>	<u>\$234,824</u>

City of Westerville, Ohio

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

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	\$113,995	\$114,081	\$114,082	\$1
Interest	3,000	108	118	10
<i>Total Revenues</i>	116,995	114,189	114,200	11
<u>Expenditures:</u>				
Current Operations and Maintenance				
Transportation				
Right of Way Maintenance				
Capital Outlay	5,000	5,000	5,000	0
Net Change in Fund Balance	111,995	109,189	109,200	11
Fund Balance at Beginning of Year	363,725	363,725	363,725	0
Fund Balance at End of Year	\$475,720	\$472,914	\$472,925	\$11

City of Westerville, Ohio

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

DARE Special Revenue Fund

For the Year Ended December 31, 2009

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	\$334	\$20,601	\$20,602	\$1
Interest	0	623	727	104
Other	0	5,198	5,199	1
<i>Total Revenues</i>	<u>334</u>	<u>26,422</u>	<u>26,528</u>	<u>106</u>
<u>Expenditures:</u>				
Current Operations and Maintenance				
Security of Persons and Property				
Police Department				
Police Services				
Supplies and Materials	3,405	15,579	15,578	1
Other Services and Charges	750	2,964	2,964	0
<i>Total Expenditures</i>	<u>4,155</u>	<u>18,543</u>	<u>18,542</u>	<u>1</u>
Net Change in Fund Balance	(3,821)	7,879	7,986	107
Fund Balance at Beginning of Year	19,895	19,895	19,895	0
Prior Year Encumbrances Carried Over	750	750	750	0
Fund Balance at End of Year	<u>\$16,824</u>	<u>\$28,524</u>	<u>\$28,631</u>	<u>\$107</u>

City of Westerville, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Permissive Motor Vehicle License Special Revenue Fund
For the Year Ended December 31, 2009

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	\$287,000	\$294,223	\$294,224	\$1
Interest	1,225	201	205	4
<i>Total Revenues</i>	288,225	294,424	294,429	5
<u>Expenditures:</u>				
Current Operations and Maintenance				
Transportation				
Right of Way Maintenance				
Capital Outlay	250,000	250,000	250,000	0
Net Change in Fund Balance	38,225	44,424	44,429	5
Fund Balance at Beginning of Year	33,604	33,604	33,604	0
Fund Balance at End of Year	\$71,829	\$78,028	\$78,033	\$5

City of Westerville, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Mayor's Operating Special Revenue Fund
For the Year Ended December 31, 2009

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Other	\$110	\$468	\$468	\$0
<u>Expenditures:</u>				
Current Operations and Maintenance				
General Government				
Other Government				
Other Services and Charges	0	780	780	0
Net Change in Fund Balance	110	(312)	(312)	0
Fund Balance at Beginning of Year	370	370	370	0
Fund Balance at End of Year	\$480	\$58	\$58	\$0

City of Westerville, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Hotel Tax Special Revenue Fund
For the Year Ended December 31, 2009

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Other Local Taxes	\$50,000	\$40,585	\$40,585	\$0
<u>Expenditures:</u>				
Current Operations and Maintenance				
General Government				
Other Government				
Other Services and Charges	2,456	51,805	45,305	6,500
Excess of Revenues Over (Under) Expenditures	47,544	(11,220)	(4,720)	6,500
<u>Other Financing Sources:</u>				
Advances - In	0	15,000	15,000	0
Net Change in Fund Balance	47,544	3,780	10,280	6,500
Fund Balance at Beginning of Year	0	0	0	0
Fund Balance at End of Year	\$47,544	\$3,780	\$10,280	\$6,500

City of Westerville, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
OMVI Education Special Revenue Fund
For the Year Ended December 31, 2009

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Fines and Forfeitures	\$3,000	\$2,458	\$2,458	\$0
<u>Expenditures:</u>	0	0	0	0
Net Change in Fund Balance	3,000	2,458	2,458	0
Fund Balance at Beginning of Year	5,415	5,415	5,415	0
Fund Balance at End of Year	\$8,415	\$7,873	\$7,873	\$0

City of Westerville, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Tax Incentive / Redistribution Special Revenue Fund
For the Year Ended December 31, 2009

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Payments in Lieu of Taxes	\$1,382,773	\$1,335,902	\$1,335,903	\$1
<u>Expenditures:</u>				
Current Operations and Maintenance				
General Government				
Other Government				
Other Services and Charges	1,603,287	1,908,115	1,908,113	2
Excess of Revenues				
Under Expenditures	(220,514)	(572,213)	(572,210)	3
<u>Other Financing Sources:</u>				
Transfers - In	562,839	562,839	562,839	0
Net Change in Fund Balance	342,325	(9,374)	(9,371)	3
Fund Balance at Beginning of Year	29,739	29,739	29,739	0
Fund Balance at End of Year	\$372,064	\$20,365	\$20,368	\$3

City of Westerville, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Mayor's Court Computer Special Revenue Fund
For the Year Ended December 31, 2009

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Fines and Forfeitures	\$15,000	\$16,154	\$16,154	\$0
<u>Expenditures:</u>				
Current Operations and Maintenance				
General Government				
Other Government				
Supplies and Materials	0	500	500	0
Other Services and Charges	3,876	12,960	12,724	236
Capital Outlay	6,300	6,300	6,300	0
<i>Total Expenditures</i>	10,176	19,760	19,524	236
Net Change in Fund Balance	4,824	(3,606)	(3,370)	236
Fund Balance at Beginning of Year	36,531	36,531	36,531	0
Prior Year Encumbrances Carried Over	6,300	6,300	6,300	0
Fund Balance at End of Year	\$47,655	\$39,225	\$39,461	\$236

City of Westerville, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Cable TV Franchise Fee Special Revenue Fund
For the Year Ended December 31, 2009

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Other Local Taxes	\$417,300	\$458,052	\$458,053	\$1
<u>Expenditures:</u>				
Current Operations and Maintenance				
General Government				
Other Government				
Other Services and Charges	360,794	380,196	366,984	13,212
Excess of Revenues				
Over Expenditures	56,506	77,856	91,069	13,213
<u>Other Financing Uses:</u>				
Transfers - Out	0	(500,000)	(500,000)	0
Net Change in Fund Balance	56,506	(422,144)	(408,931)	13,213
Fund Balance at Beginning of Year	634,778	649,567	649,567	0
Prior Year Encumbrances Carried Over	33,130	18,341	18,341	0
Fund Balance at End of Year	\$724,414	\$245,764	\$258,977	\$13,213

City of Westerville, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Parks and Recreation Income Tax Allocation Special Revenue Fund
For the Year Ended December 31, 2009

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Income Taxes	\$4,565,965	\$3,870,000	\$3,941,161	\$71,161
<u>Expenditures:</u>	0	0	0	0
Excess of Revenues				
Over Expenditures	4,565,965	3,870,000	3,941,161	71,161
<u>Other Financing Uses:</u>				
Transfers - Out	(3,733,250)	(5,858,250)	(5,857,808)	442
Net Change in Fund Balance	832,715	(1,988,250)	(1,916,647)	71,603
Fund Balance at Beginning of Year	3,017,122	3,017,122	3,017,122	0
Fund Balance at End of Year	\$3,849,837	\$1,028,872	\$1,100,475	\$71,603

City of Westerville, Ohio
 Schedule of Revenues, Expenditures, and Changes in Fund
 Balance - Budget (Non-GAAP Budgetary Basis) and Actual
FEMA Special Revenue Fund
 For the Year Ended December 31, 2009

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	\$303,658	\$406,188	\$406,188	\$0
<u>Expenditures:</u>	0	0	0	0
Excess of Revenues Over Expenditures	303,658	406,188	406,188	0
<u>Other Financing Uses:</u>				
Transfers - Out	(303,658)	(403,038)	(403,038)	0
Net Change in Fund Balance	0	3,150	3,150	0
Fund Balance at Beginning of Year	0	0	0	0
Fund Balance at End of Year	\$0	\$3,150	\$3,150	\$0

City of Westerville, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Drug Enforcement Special Revenue Fund
For the Year Ended December 31, 2009

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Fines and Forfeitures	\$14	\$7,306	\$7,306	\$0
Interest	0	718	814	96
<i>Total Revenues</i>	14	8,024	8,120	96
<u>Expenditures:</u>				
Current Operations and Maintenance				
Security of Persons and Property				
Police Department				
Police Services				
Supplies and Materials	5,000	10,000	10,000	0
Capital Outlay	0	11,025	11,025	0
<i>Total Expenditures</i>	5,000	21,025	21,025	0
Net Change in Fund Balance	(4,986)	(13,001)	(12,905)	96
Fund Balance at Beginning of Year	27,745	27,745	27,745	0
Fund Balance at End of Year	\$22,759	\$14,744	\$14,840	\$96

City of Westerville, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Criminal Activity Forfeiture Special Revenue Fund
For the Year Ended December 31, 2009

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	\$0	\$36,594	\$36,594	\$0
Fines and Forfeitures	1,336	107,802	107,803	1
Interest	0	5,299	6,187	888
Other	0	2,500	2,500	0
<i>Total Revenues</i>	<u>1,336</u>	<u>152,195</u>	<u>153,084</u>	<u>889</u>
<u>Expenditures:</u>				
Current Operations and Maintenance				
Security of Persons and Property				
Police Department				
Police Services				
Supplies and Materials	40,582	257,794	257,794	0
Other Services and Charges	96	12,754	12,745	9
Capital Outlay	20,854	35,459	35,458	1
<i>Total Expenditures</i>	<u>61,532</u>	<u>306,007</u>	<u>305,997</u>	<u>10</u>
Net Change in Fund Balance	(60,196)	(153,812)	(152,913)	899
Fund Balance at Beginning of Year	184,413	184,422	184,422	0
Prior Year Encumbrances Carried Over	46,827	46,818	46,818	0
Fund Balance at End of Year	<u>\$171,044</u>	<u>\$77,428</u>	<u>\$78,327</u>	<u>\$899</u>

City of Westerville, Ohio

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

McVay Endowment Special Revenue Fund

For the Year Ended December 31, 2009

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Other	\$6,184	\$19,007	\$19,010	\$3
<u>Expenditures:</u>				
Current Operations and Maintenance				
Security of Persons and Property				
Police Department				
Police Services				
Supplies and Materials	0	1,271	1,270	1
Other Services and Charges	1,926	3,811	3,811	0
Capital Outlay	20,000	49,299	48,966	333
<i>Total Expenditures</i>	21,926	54,381	54,047	334
Net Change in Fund Balance	(15,742)	(35,374)	(35,037)	337
Fund Balance at Beginning of Year	78,431	78,431	78,431	0
Fund Balance at End of Year	\$62,689	\$43,057	\$43,394	\$337

City of Westerville, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
General Bond Retirement Debt Service Fund
For the Year Ended December 31, 2009

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Property Taxes	\$192,513	\$189,192	\$189,192	\$0
Intergovernmental	31,663	56,520	56,521	1
Other	0	4,622	4,622	0
Total Revenues	224,176	250,334	250,335	1
<u>Expenditures:</u>				
Debt Service				
Principal Retirement	1,710,065	1,878,405	1,878,405	0
Interest and Fiscal Charges	1,100,110	963,895	963,076	819
Total Expenditures	2,810,175	2,842,300	2,841,481	819
Excess of Revenues Under Expenditures	(2,585,999)	(2,591,966)	(2,591,146)	820
<u>Other Financing Sources:</u>				
Premium on Bonds	0	13,979	13,980	1
Transfers - In	2,585,999	2,585,557	2,585,557	0
Total Other Financing Sources	2,585,999	2,599,536	2,599,537	1
Net Change in Fund Balance	0	7,570	8,391	821
Fund Balance at Beginning of Year	74,436	74,436	74,436	0
Fund Balance at End of Year	\$74,436	\$82,006	\$82,827	\$821

City of Westerville, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Recreation Improvement Capital Projects Fund
For the Year Ended December 31, 2009

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Other	\$7,828	\$22,828	\$22,829	\$1
<u>Expenditures:</u>				
Capital Outlay	933	933	933	0
Net Change in Fund Balance	6,895	21,895	21,896	1
Fund Balance at Beginning of Year	140,300	140,300	140,300	0
Prior Year Encumbrances Carried Over	933	933	933	0
Fund Balance at End of Year	\$148,128	\$163,128	\$163,129	\$1

City of Westerville, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Africa Road Improvement Capital Projects Fund
For the Year Ended December 31, 2009

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

City of Westerville, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Dempsey Road Improvement Capital Projects Fund
For the Year Ended December 31, 2009

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>	\$0	\$0	\$0	\$0
<u>Expenditures:</u>				
Capital Outlay	500,000	500,000	438,106	61,894
Excess of Revenues Under Expenditures	(500,000)	(500,000)	(438,106)	61,894
<u>Other Financing Sources:</u>				
Transfers - In	500,000	500,000	500,000	0
Net Change in Fund Balance	0	0	61,894	61,894
Fund Balance at Beginning of Year	0	0	0	0
Fund Balance at End of Year	\$0	\$0	\$61,894	\$61,894

City of Westerville, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
McCorkle Boulevard Road Improvement Capital Projects Fund
For the Year Ended December 31, 2009

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>	\$0	\$0	\$0	\$0
<u>Expenditures:</u>				
Capital Outlay	40,000	40,000	0	40,000
Excess of Revenues Under Expenditures	(40,000)	(40,000)	0	40,000
<u>Other Financing Sources:</u>				
Transfers - In	40,000	40,000	40,000	0
Net Change in Fund Balance	0	0	40,000	40,000
Fund Balance at Beginning of Year	0	0	0	0
Fund Balance at End of Year	\$0	\$0	\$40,000	\$40,000

City of Westerville, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Spring Road Improvement Capital Projects Fund
For the Year Ended December 31, 2009

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>	\$0	\$0	\$0	\$0
<u>Expenditures:</u>	0	0	0	0
Net Change in Fund Balance	0	0	0	0
Fund Balance at Beginning of Year	163,547	163,547	163,547	0
Fund Balance at End of Year	<u>\$163,547</u>	<u>\$163,547</u>	<u>\$163,547</u>	<u>\$0</u>

City of Westerville, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Maxtown Road Improvement Capital Projects Fund
For the Year Ended December 31, 2009

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

City of Westerville, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Parks and Recreation Capital Improvement Capital Projects Fund
For the Year Ended December 31, 2009

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	\$166,327	\$58,566	\$58,566	\$0
Other	10,000	42,000	42,000	0
<i>Total Revenues</i>	176,327	100,566	100,566	0
<u>Expenditures:</u>				
Capital Outlay	203,039	2,312,044	2,108,148	203,896
Excess of Revenues Under Expenditures	(26,712)	(2,211,478)	(2,007,582)	203,896
<u>Other Financing Sources:</u>				
Transfers - In	0	2,125,000	2,125,000	0
Net Change in Fund Balance	(26,712)	(86,478)	117,418	203,896
Fund Balance at Beginning of Year	1,520,773	1,536,768	1,536,768	0
Prior Year Encumbrances Carried Over	68,039	52,044	52,044	0
Fund Balance at End of Year	<u>\$1,562,100</u>	<u>\$1,502,334</u>	<u>\$1,706,230</u>	<u>\$203,896</u>

City of Westerville, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
North State Street Improvement Capital Projects Fund
For the Year Ended December 31, 2009

	Budget			Variance Positive (Negative)
	Original	Final	Actual	
<u>Revenues:</u>	\$0	\$0	\$0	\$0
<u>Expenditures:</u>	0	0	0	0
Net Change in Fund Balance	0	0	0	0
Fund Balance at Beginning of Year	1,501,065	1,501,065	1,501,065	0
Fund Balance at End of Year	\$1,501,065	\$1,501,065	\$1,501,065	\$0

City of Westerville, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Cleveland Avenue Extension Improvement Capital Projects Fund
For the Year Ended December 31, 2009

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>	\$0	\$0	\$0	\$0
<u>Expenditures:</u>				
Capital Outlay	56,000	56,000	55,600	400
Excess of Revenues				
Under Expenditures	(56,000)	(56,000)	(55,600)	400
<u>Other Financing Sources:</u>				
Transfers - In	56,000	56,000	56,000	0
Net Change in Fund Balance	0	0	400	400
Fund Balance at Beginning of Year	24,563	24,563	24,563	0
Fund Balance at End of Year	\$24,563	\$24,563	\$24,963	\$400

City of Westerville, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Parks and Recreation Replacement and Reserve Capital Projects Fund
For the Year Ended December 31, 2009

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>	\$0	\$0	\$0	\$0
<u>Expenditures:</u>				
Capital Outlay	163,555	163,555	152,590	10,965
Excess of Revenues				
Under Expenditures	(163,555)	(163,555)	(152,590)	10,965
<u>Other Financing Sources:</u>				
Transfers - In	250,000	250,000	250,000	0
Net Change in Fund Balance	86,445	86,445	97,410	10,965
Fund Balance at Beginning of Year	783,516	783,516	783,516	0
Fund Balance at End of Year	\$869,961	\$869,961	\$880,926	\$10,965

City of Westerville, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Street Replacement and Reserve Capital Projects Fund
For the Year Ended December 31, 2009

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>	\$0	\$0	\$0	\$0
<u>Expenditures:</u>				
Capital Outlay	250,000	827,000	711,509	115,491
Excess of Revenues Under Expenditures	(250,000)	(827,000)	(711,509)	115,491
<u>Other Financing Sources:</u>				
Transfers - In	273,182	850,182	850,182	0
Net Change in Fund Balance	23,182	23,182	138,673	115,491
Fund Balance at Beginning of Year	1,885,304	1,885,304	1,885,304	0
Fund Balance at End of Year	<u>\$1,908,486</u>	<u>\$1,908,486</u>	<u>\$2,023,977</u>	<u>\$115,491</u>

City of Westerville, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Tree Replacement Capital Projects Fund
For the Year Ended December 31, 2009

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Fees, Licenses and Permits	\$1,200	\$1,200	\$1,200	\$0
<u>Expenditures:</u>				
Capital Outlay	61,250	61,249	61,249	0
Net Change in Fund Balance	(60,050)	(60,049)	(60,049)	0
Fund Balance at Beginning of Year	38	39	39	0
Prior Year Encumbrances Carried Over	61,250	61,249	61,249	0
Fund Balance at End of Year	\$1,238	\$1,239	\$1,239	\$0

City of Westerville, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
City Buildings Improvement Capital Projects Fund
For the Year Ended December 31, 2009

	Budget			Variance Positive (Negative)
	Original	Final	Actual	
<u>Revenues:</u>	\$0	\$0	\$0	\$0
<u>Expenditures:</u>	0	0	0	0
Net Change in Fund Balance	0	0	0	0
Fund Balance at Beginning of Year	2,667	2,667	2,667	0
Fund Balance at End of Year	\$2,667	\$2,667	\$2,667	\$0

City of Westerville, Ohio
 Schedule of Revenues, Expenditures, and Changes in Fund
 Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Safety Building Capital Improvement Capital Projects Fund
 For the Year Ended December 31, 2009

	Budget			Variance Positive (Negative)
	Original	Final	Actual	
<u>Revenues:</u>	\$0	\$0	\$0	\$0
<u>Expenditures:</u>	0	0	0	0
Net Change in Fund Balance	0	0	0	0
Fund Balance at Beginning of Year	101,579	101,579	101,579	0
Fund Balance at End of Year	\$101,579	\$101,579	\$101,579	\$0

City of Westerville, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Westar / Olentangy TIF Capital Projects Fund
For the Year Ended December 31, 2009

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Payments in Lieu of Taxes	\$38,010	\$38,010	\$38,010	\$0
<u>Expenditures:</u>				
Capital Outlay	154,025	154,025	154,025	0
Net Change in Fund Balance	(116,015)	(116,015)	(116,015)	0
Fund Balance at Beginning of Year	179,147	179,147	179,147	0
Fund Balance at End of Year	\$63,132	\$63,132	\$63,132	\$0

City of Westerville, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Northridge Crossing TIF Capital Projects Fund
For the Year Ended December 31, 2009

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Payments in Lieu of Taxes	\$0	\$483,155	\$483,155	\$0
<u>Expenditures:</u>				
Capital Outlay	16,070	516,071	516,071	0
Net Change in Fund Balance	(16,070)	(32,916)	(32,916)	0
Fund Balance at Beginning of Year	1,158,618	1,158,618	1,158,618	0
Fund Balance at End of Year	\$1,142,548	\$1,125,702	\$1,125,702	\$0

City of Westerville, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Northstar/Worthington Road TIF Capital Projects Fund
For the Year Ended December 31, 2009

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Payments in Lieu of Taxes	\$0	\$108,964	\$108,965	\$1
Intergovernmental	0	100,548	100,549	1
Fees, Licenses and Permits	0	34,426	34,426	0
<i>Total Revenues</i>	0	243,938	243,940	2
<u>Expenditures:</u>				
Capital Outlay	99,180	249,181	247,185	1,996
Excess of Revenues Under Expenditures	(99,180)	(5,243)	(3,245)	1,998
<u>Other Financing Sources:</u>				
Advances - In	0	150,000	150,000	0
Net Change in Fund Balance	(99,180)	144,757	146,755	1,998
Fund Balance at Beginning of Year	397,771	397,770	397,770	0
Prior Year Encumbrances Carried Over	34,180	34,181	34,181	0
Fund Balance at End of Year	\$332,771	\$576,708	\$578,706	\$1,998

City of Westerville, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Altair TIF Incentive Capital Projects Fund
For the Year Ended December 31, 2009

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Payments in Lieu of Taxes	\$7,877	\$15,754	\$15,755	\$1
<u>Expenditures:</u>				
Capital Outlay	17,847	17,847	17,847	0
Net Change in Fund Balance	(9,970)	(2,093)	(2,092)	1
Fund Balance at Beginning of Year	19,942	19,942	19,942	0
Fund Balance at End of Year	\$9,972	\$17,849	\$17,850	\$1

City of Westerville, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Community Broadband Capital Improvements Capital Projects Fund
For the Year Ended December 31, 2009

	Budget			Variance Positive (Negative)
	Original	Final	Actual	
<u>Revenues:</u>	\$0	\$0	\$0	\$0
<u>Expenditures:</u>				
Capital Outlay	931,700	931,700	749,668	182,032
Excess of Revenues Under Expenditures	(931,700)	(931,700)	(749,668)	182,032
<u>Other Financing Sources:</u>				
Advances - In	431,700	431,700	431,700	0
Transfers - In	500,000	500,000	500,000	0
<i>Total Other Financing Sources</i>	931,700	931,700	931,700	0
Net Change in Fund Balance	0	0	182,032	182,032
Fund Balance at Beginning of Year	0	0	0	0
Fund Balance at End of Year	\$0	\$0	\$182,032	\$182,032

City of Westerville, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Perimeter Road Improvement Capital Projects Fund
For the Year Ended December 31, 2009

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Fees, Licenses and Permits	\$900	\$31,500	\$32,400	\$900
<u>Expenditures:</u>	0	0	0	0
Net Change in Fund Balance	900	31,500	32,400	900
Fund Balance at Beginning of Year	44,332	44,332	44,332	0
Fund Balance at End of Year	\$45,232	\$75,832	\$76,732	\$900

City of Westerville, Ohio

Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Recreation Capital Improvement Capital Projects Fund
For the Year Ended December 31, 2009

	Budget		Actual	Variance Favorable (Unfavorable)
	Original	Final		
<u>Revenues:</u>				
Interest	\$5	\$38	\$45	\$7
<u>Expenditures:</u>	0	0	0	0
Net Change in Fund Balance	5	38	45	7
Fund Balance at Beginning of Year	1,508	1,508	1,508	0
Fund Balance at End of Year	\$1,513	\$1,546	\$1,553	\$7

City of Westerville, Ohio

Schedule of Revenues, Expenses and Changes in Fund
Equity - Budget (Non-GAAP Budgetary Basis) and Actual
Refuse Enterprise Fund
For the Year Ended December 31, 2009

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Charges for Services	\$2,146,634	\$2,120,634	\$2,123,495	\$2,861
Other	0	22	23	1
<i>Total Revenues</i>	<u>2,146,634</u>	<u>2,120,656</u>	<u>2,123,518</u>	<u>2,862</u>
<u>Expenses:</u>				
Personal Services				
Refuse Operations	86,031	88,831	87,596	1,235
Supplies and Materials				
Refuse Operations	4,750	4,750	1,848	2,902
Other Services and Charges				
Refuse Operations and Disposal	2,135,101	2,134,228	2,131,685	2,543
Capital Outlay				
Refuse Operations	20,000	20,000	15,325	4,675
<i>Total Expenses</i>	<u>2,245,882</u>	<u>2,247,809</u>	<u>2,236,454</u>	<u>11,355</u>
Excess of Revenues Under Expenses	(99,248)	(127,153)	(112,936)	14,217
Advances - Out	(105,000)	(105,000)	(105,000)	0
Net Change in Fund Equity	(204,248)	(232,153)	(217,936)	14,217
Fund Equity at Beginning of Year	416,348	417,221	417,221	0
Prior Year Encumbrances Carried Over	156,976	156,103	156,103	0
Fund Equity at End of Year	<u>\$369,076</u>	<u>\$341,171</u>	<u>\$355,388</u>	<u>\$14,217</u>

City of Westerville, Ohio

Schedule of Revenues, Expenses and Changes in Fund
Equity - Budget (Non-GAAP Budgetary Basis) and Actual
Swimming Pool Enterprise Fund
For the Year Ended December 31, 2009

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Charges for Services	\$450,100	\$435,174	\$435,176	\$2
Other	0	47	47	0
<i>Total Revenues</i>	450,100	435,221	435,223	2
<u>Expenses:</u>				
Personal Services				
Swimming Pool	366,628	366,628	349,548	17,080
Supplies and Materials				
Swimming Pool	68,700	68,700	49,205	19,495
Other Services and Charges				
Swimming Pool	82,258	81,778	79,206	2,572
Capital Outlay				
Swimming Pool	20,000	16,637	9,412	7,225
<i>Total Expenses</i>	537,586	533,743	487,371	46,372
Net Change in Fund Equity	(87,486)	(98,522)	(52,148)	46,374
Fund Equity at Beginning of Year	182,707	186,550	186,550	0
Prior Year Encumbrances Carried Over	4,533	690	690	0
Fund Equity at End of Year	\$99,754	\$88,718	\$135,092	\$46,374

City of Westerville, Ohio

Schedule of Revenues, Expenses and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Garage Internal Service Fund
For the Year Ended December 31, 2009

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Charges for Services	\$1,114,500	\$861,224	\$861,225	\$1
Other	3,500	6,718	6,719	1
<i>Total Revenues</i>	<u>1,118,000</u>	<u>867,942</u>	<u>867,944</u>	<u>2</u>
<u>Expenses:</u>				
Personal Services				
Garage Operations	369,563	379,763	327,621	52,142
Supplies and Materials				
Garage Operations	681,371	487,470	470,785	16,685
Other Services and Charges				
Garage Operations	68,226	77,879	59,962	17,917
Capital Outlay				
Garage Operations	1,250	0	0	0
<i>Total Expenses</i>	<u>1,120,410</u>	<u>945,112</u>	<u>858,368</u>	<u>86,744</u>
Net Change in Fund Balance	(2,410)	(77,170)	9,576	86,746
Fund Balance at Beginning of Year	175,814	176,312	176,312	0
Prior Year Encumbrances Carried Over	12,698	12,200	12,200	0
Fund Balance at End of Year	<u>\$186,102</u>	<u>\$111,342</u>	<u>\$198,088</u>	<u>\$86,746</u>

City of Westerville, Ohio

Schedule of Revenues, Expenses and Changes in Fund
Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Self-Insurance Internal Service Fund
For the Year Ended December 31, 2009

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Charges for Services	\$0	\$250,000	\$250,000	\$0
Other Charges	0	54,196	54,196	0
Interest	15,000	30,000	34,082	4,082
<i>Other</i>	15,000	334,196	338,278	4,082
<u>Expenses:</u>				
Supplies and Materials				
Self-Insurance	0	1,395	1,395	0
Other Services and Charges				
Self-Insurance	3,715	41,433	41,432	1
Capital Outlay				
Self-Insurance	2,555	112,800	105,030	7,770
Other				
Self Insurance	3,089	16,443	16,443	0
<i>Total Expenses</i>	9,359	172,071	164,300	7,771
Excess of Revenues Over Expenses	5,641	162,125	173,978	11,853
Advances - Out	0	(221,004)	(221,004)	0
Net Change in Fund Balance	5,641	(58,879)	(47,026)	11,853
Fund Balance at Beginning of Year	1,042,413	1,044,966	1,044,966	0
Prior Year Encumbrances Carried Over	2,748	195	195	0
Fund Balance at End of Year	\$1,050,802	\$986,282	\$998,135	\$11,853



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City of Westerville, Ohio

Statistical Tables

This part of the City of Westerville’s comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City’s overall financial health.

<u>Contents</u>	<u>Pages</u>
<u>Financial Trends</u>	174-183
These schedules contain trend information to help the reader understand how the City’s financial performance and well-being have changed over time.	
<u>Revenue Capacity</u>	184-197
These schedules contain information to help the reader assess the City’s most significant local revenue sources, municipal income taxes and property taxes.	
<u>Debt Capacity</u>	198-203
These schedules present information to help the reader assess the affordability of the City’s current levels of outstanding debt and the City’s ability to issue additional debt in the future.	
<u>Demographic and Economic Information</u>	204-205
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City’s financial activities take place.	
<u>Operating information</u>	206-211
These schedules contain service and infrastructure data to help the reader understand how the information in the City’s financial report relates to the services the City provides and the activities it performs.	

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

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

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Governmental Activities:				
Invested in Capital Assets, Net of Related Debt (1)	\$43,583,753	\$53,450,973	\$60,621,053	\$174,424,267
Restricted	23,469,787	22,014,550	17,713,068	16,207,725
Unrestricted	<u>24,341,745</u>	<u>22,517,201</u>	<u>25,208,439</u>	<u>27,408,591</u>
<i>Total Governmental Activities Net Assets</i>	<u>91,395,285</u>	<u>97,982,724</u>	<u>103,542,560</u>	<u>218,040,583</u>
Business-Type Activities:				
Invested in Capital Assets, Net of Related Debt	66,100,531	66,883,895	69,957,465	73,070,150
Unrestricted	<u>36,087,428</u>	<u>32,615,367</u>	<u>29,543,305</u>	<u>27,293,331</u>
<i>Total Business-Type Activities</i>	<u>102,187,959</u>	<u>99,499,262</u>	<u>99,500,770</u>	<u>100,363,481</u>
Primary Government:				
Invested in Capital Assets, Net of Related Debt	109,684,284	120,334,868	130,578,518	247,494,417
Restricted	23,469,787	22,014,550	17,713,068	16,207,725
Unrestricted	<u>60,429,173</u>	<u>55,132,568</u>	<u>54,751,744</u>	<u>54,701,922</u>
<i>Total Primary Government Net Assets</i>	<u>\$193,583,244</u>	<u>\$197,481,986</u>	<u>\$203,043,330</u>	<u>\$318,404,064</u>

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

<u>2007</u>	<u>2008</u>	<u>2009</u>
\$175,905,966	\$177,018,595	\$179,020,723
23,599,432	25,592,016	24,859,638
<u>23,773,944</u>	<u>23,755,848</u>	<u>25,806,809</u>
<u>223,279,342</u>	<u>226,366,459</u>	<u>229,687,170</u>
73,089,932	71,935,551	67,786,210
<u>28,615,958</u>	<u>29,588,665</u>	<u>30,202,436</u>
<u>101,705,890</u>	<u>101,524,216</u>	<u>97,988,646</u>
248,995,898	248,954,146	246,806,933
23,599,432	25,592,016	24,859,638
<u>52,389,902</u>	<u>53,344,513</u>	<u>56,009,245</u>
<u>\$324,985,232</u>	<u>\$327,890,675</u>	<u>\$327,675,816</u>

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

	2003	2004	2005	2006
Program Revenues:				
Governmental Activities:				
Charges for Services and Sales:				
Security of Persons and Property	\$120,874	\$233,947	\$121,914	\$78,934
Public Health	41,681	35,246	37,320	27,696
Leisure Time Activities	2,657,185	2,733,907	3,015,018	2,872,625
Community Development	687,798	884,132	839,071	964,288
Transportation	27,840	524	84,625	39,600
General Government	721,914	887,454	920,985	817,796
Operating Grants, Contributions and Interest	4,576,376	4,594,674	4,827,917	4,703,862
Capital Grants, Contributions and Interest	4,433,334	3,580,626	2,922,366	2,543,228
<i>Total Governmental Activities Program Revenues</i>	<u>13,267,002</u>	<u>12,950,510</u>	<u>12,769,216</u>	<u>12,048,029</u>
Business-Type Activities:				
Charges for Services:				
Water	3,417,030	3,447,858	3,847,391	3,394,398
Sewer	3,919,162	4,636,563	5,333,784	5,837,587
Electric	21,308,910	23,758,104	28,482,231	30,976,955
Refuse	1,678,786	1,716,930	1,850,321	1,924,673
Swimming Pool	379,970	330,189	406,581	403,826
Operating Grants, Contributions and Interest	29,433	897,426	0	1,180
Capital Grants, Contributions and Interest	620,769	2,796,036	1,642,537	1,806,312
<i>Total Business-Type Activities Program Revenues</i>	<u>31,354,060</u>	<u>37,583,106</u>	<u>41,562,845</u>	<u>44,344,931</u>
<i>Total Primary Government Program Revenues</i>	<u>44,621,062</u>	<u>50,533,616</u>	<u>54,332,061</u>	<u>56,392,960</u>
Expenses:				
Governmental Activities:				
Current:				
Security of Persons and Property	17,861,792	18,294,807	21,059,425	20,547,925
Public Health	53,158	64,095	57,364	51,609
Leisure Time Activities	6,393,207	8,241,110	8,268,953	8,304,966
Community Development	2,104,386	2,311,744	2,381,720	2,290,453
Basic Utility Services	294,465	280,901	395,574	308,478
Transportation	1,698,334	3,193,662	3,097,704	5,402,240
General Government	8,941,895	8,482,028	9,484,791	9,724,111
Interest and Fiscal Charges	1,340,456	1,446,681	1,371,225	1,299,571
<i>Total Governmental Activities Expenses</i>	<u>38,687,693</u>	<u>42,315,028</u>	<u>46,116,756</u>	<u>47,929,353</u>
Business Type Activities:				
Water	2,328,572	4,060,430	3,171,504	3,138,646
Sewer	4,612,333	4,789,093	5,041,390	5,641,950
Electric	19,205,055	29,445,916	31,124,552	32,346,965
Refuse	1,689,437	1,711,896	1,921,206	1,941,027
Swimming Pool	419,286	438,847	465,973	514,499
<i>Total Business-Type Activities Expenses</i>	<u>28,254,683</u>	<u>40,446,182</u>	<u>41,724,625</u>	<u>43,583,087</u>
<i>Total Primary Government Expenses</i>	<u>\$66,942,376</u>	<u>\$82,761,210</u>	<u>\$87,841,381</u>	<u>\$91,512,440</u>

2007	2008	2009
\$248,491	\$201,340	\$735,687
25,950	37,892	26,276
3,061,612	3,138,743	2,852,525
823,959	941,293	672,744
45,000	22,500	309,016
781,310	690,699	657,456
4,921,913	5,600,521	5,497,164
790,970	164,846	130,359
10,699,205	10,797,834	10,881,227
3,536,123	2,958,745	2,843,926
6,829,737	6,955,790	7,091,758
34,701,328	37,127,200	40,106,709
1,919,708	1,951,752	2,161,353
459,245	446,827	435,176
58,780	0	0
667,160	425,262	78,865
48,172,081	49,865,576	52,717,787
58,871,286	60,663,410	63,599,014
21,913,868	23,812,277	24,919,134
62,869	56,156	53,989
8,225,686	8,837,447	6,005,577
2,401,588	2,434,545	2,357,182
1,104,555	1,193,430	1,187,441
6,690,507	3,988,338	12,433,936
8,939,908	11,437,810	12,019,757
1,231,338	1,184,204	899,935
50,570,319	52,944,207	59,876,951
3,335,846	3,700,446	3,703,468
6,488,261	7,138,180	7,497,641
34,790,162	37,048,202	42,847,705
1,920,950	2,137,563	2,228,911
462,304	515,415	515,398
46,997,523	50,539,806	56,793,123
\$97,567,842	\$103,484,013	\$116,670,074

(Continued)

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

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Net (Expense) / Revenue:				
Governmental Activities	(\$25,420,691)	(\$29,364,518)	(\$33,347,540)	(\$35,881,324)
Business-Type Activities	<u>3,099,377</u>	<u>(2,863,076)</u>	<u>(161,780)</u>	<u>761,844</u>
<i>Total Primary Government Net Assets</i>	<u>(22,321,314)</u>	<u>(32,227,594)</u>	<u>(33,509,320)</u>	<u>(35,119,480)</u>
General Revenues and Transfers:				
Governmental Activities:				
Property Taxes Levied for:				
General Purposes	3,064,515	3,158,862	3,133,506	3,633,506
Fire	7,321,671	7,485,143	7,260,582	7,588,375
Debt Service	346,546	478,843	381,885	451,365
Municipal Income Taxes Levied for:				
General Purposes	14,507,687	14,879,559	16,208,734	17,027,641
Parks and Recreation	3,392,022	3,477,793	3,854,039	4,015,810
Other Local Taxes (1)	0	0	0	423,190
Grants and Entitlements not Restricted to Specific Programs	5,177,486	4,787,086	5,778,664	4,828,247
Unrestricted Investment Earnings	1,549,328	1,339,752	1,725,206	3,550,908
Payments in Lieu of Taxes	219,691	294,277	505,051	990,236
Other	45,945	50,642	75,587	94,763
Transfers	<u>(6,702)</u>	<u>0</u>	<u>(15,878)</u>	<u>0</u>
<i>Total Governmental Activities</i>	<u>35,618,189</u>	<u>35,951,957</u>	<u>38,907,376</u>	<u>42,604,041</u>
Business-Type Activities:				
Unrestricted Investment Earnings	68,536	47,236	16,338	12,812
Other	101,583	127,143	131,072	89,107
Transfers	<u>6,702</u>	<u>0</u>	<u>15,878</u>	<u>0</u>
<i>Total Business-Type Activities</i>	<u>176,821</u>	<u>174,379</u>	<u>163,288</u>	<u>101,919</u>
Change in Net Assets:				
Governmental Activities	10,197,498	6,587,439	5,559,836	6,722,717
Business-Type Activities	<u>3,276,198</u>	<u>(2,688,697)</u>	<u>1,508</u>	<u>863,763</u>
<i>Total Primary Government</i>	<u>\$13,473,696</u>	<u>\$3,898,742</u>	<u>\$5,561,344</u>	<u>\$7,586,480</u>

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

<u>2007</u>	<u>2008</u>	<u>2009</u>
(\$39,871,114)	(\$42,146,373)	(\$48,995,724)
1,174,558	(674,230)	(4,075,336)
<u>(38,696,556)</u>	<u>(42,820,603)</u>	<u>(53,071,060)</u>
3,212,914	3,063,892	3,040,208
7,495,299	6,981,668	6,893,177
97,622	135,795	187,731
17,755,394	18,730,035	29,002,095
4,218,641	4,377,305	3,854,332
452,842	491,884	505,053
5,392,820	5,214,556	5,172,682
4,755,384	3,803,114	1,284,620
1,711,131	2,269,090	2,239,257
17,826	175,774	408,414
0	(9,623)	(271,134)
<u>45,109,873</u>	<u>45,233,490</u>	<u>52,316,435</u>
49,622	146,363	4,226
118,229	336,570	264,406
0	9,623	271,134
<u>167,851</u>	<u>492,556</u>	<u>539,766</u>
5,238,759	3,087,117	3,320,711
1,342,409	(181,674)	(3,535,570)
<u>\$6,581,168</u>	<u>\$2,905,443</u>	<u>(\$214,859)</u>

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

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

<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
\$6,945,451	\$5,520,107	\$10,415,540	\$10,382,188	\$9,696,963	\$8,074,046
<u>14,339,936</u>	<u>17,763,200</u>	<u>15,156,954</u>	<u>17,127,003</u>	<u>18,649,355</u>	<u>21,871,346</u>
<u>21,285,387</u>	<u>23,283,307</u>	<u>25,572,494</u>	<u>27,509,191</u>	<u>28,346,318</u>	<u>29,945,392</u>
4,562,592	3,300,041	2,638,377	1,375,144	2,323,104	3,733,775
14,130,666	13,863,104	15,274,266	16,100,108	16,951,764	13,269,120
89,866	99,873	199,513	121,383	74,435	82,826
<u>3,045,822</u>	<u>1,066,589</u>	<u>(2,202,362)</u>	<u>(1,515,003)</u>	<u>(1,259,399)</u>	<u>(544,687)</u>
<u>21,828,946</u>	<u>18,329,607</u>	<u>15,909,794</u>	<u>16,081,632</u>	<u>18,089,904</u>	<u>16,541,034</u>
<u>\$43,114,333</u>	<u>\$41,612,914</u>	<u>\$41,482,288</u>	<u>\$43,590,823</u>	<u>\$46,436,222</u>	<u>\$46,486,426</u>

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

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

<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
\$10,748,595	\$10,445,069	\$11,227,471	\$10,761,808	\$10,065,032	\$10,200,505
18,359,467	19,989,848	21,232,835	21,801,514	23,194,224	32,424,966
362,261	392,450	345,566	444,698	477,009	498,791
294,277	419,948	860,139	1,641,597	1,949,200	2,049,303
12,338,083	12,771,663	10,655,342	10,442,132	11,117,361	10,620,493
3,370,392	3,219,498	3,543,986	3,540,980	3,670,381	3,330,955
867,242	1,204,137	716,669	810,696	808,069	724,489
499,091	505,907	515,463	653,108	551,037	575,686
0	0	0	0	0	0
2,153,282	1,791,483	2,639,112	3,868,360	3,343,851	2,074,002
(827,981)	(333,350)	541,300	912,388	583,680	(678,015)
148,019	223,105	229,739	178,036	175,002	408,534
<u>48,312,728</u>	<u>50,629,758</u>	<u>52,507,622</u>	<u>55,055,317</u>	<u>55,934,846</u>	<u>62,229,709</u>
18,492,909	19,390,459	20,252,931	21,498,778	23,003,087	24,328,138
55,412	49,572	46,945	67,269	53,589	51,422
6,202,645	6,491,507	7,466,748	7,007,948	7,229,515	7,420,917
2,260,454	2,332,143	2,252,948	2,387,252	2,421,397	2,401,381
232,736	323,997	325,564	532,666	571,237	508,432
2,495,398	3,325,763	2,157,229	2,319,041	2,183,713	2,293,288
9,423,507	8,994,886	9,470,124	11,026,743	10,901,565	11,765,733
12,671,378	8,069,949	7,588,335	4,934,906	3,874,933	12,265,032
1,830,887	1,922,915	1,783,929	1,590,622	1,658,981	1,879,016
1,444,627	1,369,138	1,297,711	1,227,015	1,181,804	963,957
0	0	0	4,482	0	765,874
<u>55,109,953</u>	<u>52,270,329</u>	<u>52,642,464</u>	<u>52,596,722</u>	<u>53,079,821</u>	<u>64,643,190</u>
<u>(6,797,225)</u>	<u>(1,640,571)</u>	<u>(134,842)</u>	<u>2,458,595</u>	<u>2,855,025</u>	<u>(2,413,481)</u>
0	0	0	380,000	0	18,160,735
0	0	0	11,117	0	1,017,054
0	0	0	0	0	0
1,300	155,030	5,669	4,582	0	242,000
0	0	0	0	0	(16,742,935)
10,686,542	9,800,829	10,823,630	10,328,138	11,924,221	19,936,821
<u>(10,686,542)</u>	<u>(9,816,707)</u>	<u>(10,823,630)</u>	<u>(10,328,138)</u>	<u>(11,933,847)</u>	<u>(20,149,990)</u>
1,300	139,152	5,669	395,699	(9,626)	2,463,685
<u>0</u>	<u>0</u>	<u>(1,453)</u>	<u>(745,759)</u>	<u>0</u>	<u>0</u>
<u>(\$6,795,925)</u>	<u>(\$1,501,419)</u>	<u>(\$130,626)</u>	<u>\$2,108,535</u>	<u>\$2,845,399</u>	<u>\$50,204</u>
7.7%	7.4%	6.8%	5.9%	5.8%	6.9%

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

<i>Year</i>	<i>Individual</i>				<i>Total Individual</i>	<i>Percentage of Total</i>
	<i>Withholding</i>	<i>Percentage of Total</i>	<i>Non-Withholding</i>	<i>Percentage of Total</i>		
2000	\$11,485,497	70%	\$3,576,688	22%	\$15,062,185	92%
2001	11,668,108	70	3,700,367	22	15,368,475	92
2002	12,107,459	71	3,633,923	21	15,741,382	92
2003	12,701,957	71	3,733,943	21	16,435,900	92
2004	13,086,987	73	3,694,537	20	16,781,524	93
2005	14,169,776	72	3,636,007	19	17,805,783	91
2006	15,401,321	72	3,878,839	18	19,280,160	90
2007	15,961,301	73	3,862,328	18	19,823,629	91
2008	16,836,106	73	3,878,343	17	20,714,449	89
2009 (2)	25,474,646	80	3,446,878	11	28,921,524	91

Source: City Income Tax Department

- (1) These amounts are reported gross and do not take into account tax refunds.
- (2) The income tax increased to 2.00 percent effective January 1, 2009.
The City levied a municipal income tax of 1.25 percent through December 31, 2008.

<i>Business Accounts</i>		
<i>Business Accounts</i>	<i>Percentage of Total</i>	<i>Total</i>
\$1,250,295	8%	\$16,312,480
1,292,198	8	16,660,673
1,288,482	8	17,029,864
1,415,124	8	17,851,024
1,251,854	7	18,033,378
1,727,688	9	19,533,471
2,213,900	10	21,494,060
1,943,513	9	21,767,142
2,487,400	11	23,201,849
2,818,229	9	31,739,753

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

<i>Year</i>	<i>General Fund</i>	<i>Parks and Recreation Income Tax Allocation Fund</i>	<i>Total</i>	<i>Percentage Increase</i>
2000	\$13,194,892	\$3,098,252	\$16,293,144	8.23%
2001	13,755,742	3,254,375	17,010,117	4.40
2002	13,784,049	3,260,351	17,044,400	0.20
2003	14,411,457	3,367,965	17,779,422	4.31
2004	14,881,251	3,478,216	18,359,467	3.26
2005	16,150,394	3,839,454	19,989,848	8.88
2006	17,179,148	4,053,687	21,232,835	6.22
2007	17,617,377	4,184,137	21,801,514	2.68
2008	18,799,543	4,394,681	23,194,224	6.39
2009 (1)	28,511,168	3,913,798	32,424,966	39.80

(1) The City's municipal income tax rate changed from 1.25 percent to 2.00 percent, effective with collections starting January 1, 2009.

City of Westerville, Ohio
Principal Income Taxpayers - Withholding Accounts
2009 and 2000

<u>Range of Withholding Amount</u>	<u>2009</u>		<u>2000</u>	
	<i>Number of Withholding Accounts</i>	<i>Percentage of Total Withholding Revenue</i>	<i>Number of Withholding Accounts</i>	<i>Percentage of Total Withholding Revenue</i>
\$500,001 and higher	7	30.4%	2	24.6%
\$300,001 - 500,000	5	8.4%	1	4.3%
\$100,001 - 300,000	29	18.1%	7	11.7%
\$55,001 - 100,000	24	<u>6.8%</u>	16	<u>10.0%</u>
Total	65	63.7%	26	50.6%
All Others	2,884	<u>36.3%</u>	2,759	<u>49.4%</u>
Total Withholding Accounts	2,949	<u>100.0%</u>	2,879	<u>100.0%</u>

Source: City Income Tax Department

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

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

Collection Year	Real Property			Tangible	
	Residential/ Agricultural	Commercial/ Industrial/PU	Estimated Actual Value	Public	Utility
	Assessed Value	Assessed Value		Assessed Value	Estimated Actual Value
2000	\$579,887,060	\$151,051,170	\$2,088,394,943	\$23,198,260	\$26,361,659
2001	589,883,390	169,893,880	2,170,792,200	25,005,670	28,415,534
2002	603,244,580	179,701,610	2,236,989,114	21,627,750	24,576,989
2003	683,824,380	199,217,280	2,522,976,171	20,857,380	23,701,568
2004	694,331,340	201,348,190	2,559,084,371	19,630,910	22,307,852
2005	701,694,570	210,274,550	2,605,626,057	19,697,000	22,382,955
2006	826,421,760	211,306,370	2,964,937,514	18,025,150	20,483,125
2007	839,638,340	223,024,940	3,036,180,800	20,100,820	22,841,841
2008	844,986,330	211,340,770	3,018,077,429	6,316,780	7,178,159
2009	846,824,660	215,905,430	3,036,371,686	7,071,720	8,036,045

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

The assessed value of real property (including public utility real property) is 35 percent of estimated true value. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property was assessed in previous years at 25 percent for machinery and equipment and 23 percent for inventories. General business tangible personal property tax was phased out beginning in 2006. Both types of general business tangible personal property were assessed at 18.75 percent for 2006, 12.5 percent for 2007, 6.25 percent for 2008 and zero for 2009. Beginning in 2007, House Bill 66 switched telephone companies from being public utilities to general business taxpayers and began a four year phase out of the tangible personal property tax on local and inter-exchange telephone companies. No tangible personal property taxes were levied or collected in 2009 from general business taxpayers, except telephone companies whose last year to pay tangible personal property tax is 2010. The percentages for telecommunications are 10.0 percent for 2009, 5.0 percent for 2010 and zero for 2011.

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

Source: Franklin County Auditor

Personal Property

<i>General Business</i>		<i>Totals</i>			<i>Weighted Average Tax Rate</i>
<i>Assessed Value</i>	<i>Estimated Actual Value</i>	<i>Assessed Value</i>	<i>Estimated Actual Value</i>	<i>Ratio</i>	
\$77,437,297	\$309,749,188	\$831,573,787	\$2,424,505,790	34.30%	\$10
78,058,573	312,234,292	862,841,513	2,511,442,026	34.36	10.06
74,734,200	311,392,500	879,308,140	2,572,958,603	34.17	10.31
46,595,889	202,590,822	950,494,929	2,749,268,561	34.57	12.21
46,324,344	201,410,191	961,634,784	2,782,802,415	34.56	12.40
32,567,248	141,596,730	964,233,368	2,769,605,742	34.81	12.17
25,812,208	137,665,109	1,081,565,488	3,123,085,749	34.63	11.21
14,593,774	116,750,192	1,097,357,874	3,175,772,833	34.55	10.75
2,425,966	38,815,456	1,065,069,846	3,064,071,044	34.76	10.67
1,244,390	12,443,900	1,071,046,200	3,056,851,631	35.04	10.74

City of Westerville, Ohio
Principal Property Taxpayers
2009 and 2000

<i>Taxpayer</i>	<i>2009 (1)</i>			<i>2000 (2)</i>		
	<i>Total Assessed Valuation</i>	<i>Rank</i>	<i>Percentage of Total Assessed Valuation</i>	<i>Total Assessed Valuation</i>	<i>Rank</i>	<i>Percentage of Total Assessed Valuation</i>
Public Utilities:						
Columbus Southern Power Co.	\$4,668,670	1	0.4359%	-	-	-
Columbia Gas of Ohio, Inc.	384,150	2	0.0359%	\$3,915,030	3	0.4708%
Ohio Power Company	48,480	3	0.0045%	-	-	-
American Municipal Power Ohio, Inc.	950	4	0.0001%	-	-	-
Ohio Bell Telephone Co.	-	-	-	6,519,600	1	0.7840%
Nextel West Corporation	-	-	-	5,509,250	2	0.6625%
Real Estate:						
Banc One Management Corporation	13,955,000	1	1.3029%	18,469,610	1	2.2210%
NRI Brooksedge LLC	9,857,150	2	0.9203%	3,690,770	4	0.4438%
Maxtown Communities LLC	5,250,000	3	0.4902%	-	-	-
Meijer Stores Limited Partnership	4,930,670	4	0.4604%	-	-	-
Westerville Plaza LP	3,672,510	5	0.3429%	2,699,960	6	0.3247%
Altair Realty LTD	3,596,950	6	0.3358%	-	-	-
Westerville Square, Inc.	3,205,100	7	0.2992%	2,625,000	8	0.3157%
HCRA Properties I, LLC	2,775,520	8	0.2591%	-	-	-
Brooksedge Associates, LLC	2,670,520	9	0.2493%	-	-	-
Spectrum Equities LLC	2,590,000	10	0.2418%	3,325,010	5	0.3998%
Partners at Brooksdege	-	-	-	11,376,130	2	1.3680%
St. Anns Hospital	-	-	-	5,215,000	3	0.6271%
Health Care & Retirement Corp. of America	-	-	-	2,650,040	7	0.3187%
John W. Messmore TR	-	-	-	2,275,010	9	0.2736%
Kimco Westerville 178 Inc.	-	-	-	2,141,270	10	0.2575%
Tangible Personal Property:						
Sprint Nextel Corporation	1,050,750	1	0.0981%	-	-	-
Ohio Bell Telephone Company	1,008,570	2	0.0942%	-	-	-
Time Warner Telecom of Ohio LLC	86,160	3	0.0080%	-	-	-
Cincinnati SMSA Ltd Partnership	53,370	4	0.0050%	-	-	-
T Mobile Central LLC	43,350	5	0.0040%	-	-	-
Sprintcom, Inc.	42,250	6	0.0039%	-	-	-
Ameritech Advanced Data Services of Ohio, Inc.	33,370	7	0.0031%	-	-	-
Fiber Technologies Networks LLC	10,000	8	0.0009%	-	-	-
X O Communications Services, Inc.	6,560	9	0.0006%	-	-	-
Dieca Communications, Inc.	6,200	10	0.0006%	-	-	-
Banc One Corporation	-	-	-	13,536,280	1	1.6278%
IBM Credit Corporation	-	-	-	4,597,590	2	0.5529%
Comdisco, Inc.	-	-	-	3,051,540	3	0.3670%
Time Warner Entertainment Co. LP	-	-	-	1,934,630	4	0.2326%
Hitachi Data Systems Corporation	-	-	-	1,784,150	5	0.2146%
West-Camp Press, Inc.	-	-	-	1,671,880	6	0.2011%
Mettler Toledo, Inc.	-	-	-	1,473,980	7	0.1773%
Roush Equipment Company, Inc.	-	-	-	1,428,990	8	0.1718%
Cutler-Hammer IDT, Inc.	-	-	-	1,417,580	9	0.1705%
Exel Logistics, Inc.	-	-	-	1,378,600	10	0.1658%
Totals	59,946,250		5.5970%	102,686,900		12.3485%
All Others	1,011,099,950		94.4030%	728,886,887		87.6515%
Total Property Assessed Valuation	<u>\$1,071,046,200</u>		<u>100.0000%</u>	<u>\$831,573,787</u>		<u>100.0000%</u>

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



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City of Westerville, Ohio

Property Tax Levies and Collections
Last Ten Years

<i>Collection Year</i>	<i>Total Current Tax Levy (1)</i>	<i>Current Tax (1) Collections</i>	<i>Percent of Levy Collected (1)</i>	<i>Delinquent Tax Collections (1)</i>	<i>Tax Collected Delaware County (2)</i>
2000	\$6,449,184	\$6,306,357	97.79%	\$139,304	\$1,556,103
2001	6,846,544	6,575,146	96.04	167,683	1,677,472
2002	6,750,991	6,408,731	94.93	141,351	1,726,314
2003	8,846,108	8,404,735	95.01	210,460	2,289,736
2004	9,320,227	8,908,894	95.59	226,691	2,654,132
2005	9,159,299	8,801,727	96.10	191,058	2,806,773
2006	9,268,229	8,840,226	95.38	185,000	3,223,639
2007	8,771,296	8,312,446	94.77	209,533	3,409,488
2008	8,472,981	7,919,738	93.47	217,307	3,354,050
2009	8,418,912	7,922,064	94.10	302,118	3,372,191

(1) Source: Franklin County Auditor's Office

Total Current Tax Levy includes rollback and homestead exemptions.

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

(3) Comparison of Franklin County only.

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

<i>Total Tax Collections</i>	<i>Percentage of Total Tax Collections to Total Tax Levy (3)</i>	<i>Outstanding Delinquent Taxes (4)</i>	<i>Percentage of Outstanding Delinquent Taxes to Total Tax Levy (3)</i>
\$8,001,764	99.95%	\$293,721	4.55%
8,420,301	98.49	271,398	3.96
8,276,396	97.02	342,260	5.07
10,904,931	97.39	441,373	4.99
11,789,717	98.02	411,333	4.41
11,799,558	98.18	357,572	3.90
12,248,865	97.38	428,003	4.62
11,931,467	97.16	458,850	5.23
11,491,095	96.04	553,243	6.53
11,596,373	97.69	496,848	5.90

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

	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>
Unvoted Millage				
Operating	<u>\$2.65</u>	<u>\$2.65</u>	<u>\$2.65</u>	<u>\$2.65</u>
Voted Millage - By Levy				
1976 Bond				
Residential/Agricultural Real	0.08	0.07	0.06	0.05
Commercial/Industrial and Public Utility Real	0.08	0.07	0.06	0.05
General Business and Public Utility Personal	0.08	0.07	0.06	0.05
1976 Charter				
Residential/Agricultural Real	0.60	0.60	0.60	0.60
Commercial/Industrial and Public Utility Real	0.60	0.60	0.60	0.60
General Business and Public Utility Personal	0.60	0.60	0.60	0.60
1977 Fire				
Residential/Agricultural Real	1.22	1.21	1.20	1.07
Commercial/Industrial and Public Utility Real	1.29	1.26	1.23	1.14
General Business and Public Utility Personal	3.60	3.60	3.60	3.60
1982 Fire				
Residential/Agricultural Real	0.60	0.59	0.59	0.52
Commercial/Industrial and Public Utility Real	0.72	0.70	0.69	0.64
General Business and Public Utility Personal	1.20	1.20	1.20	1.20
1983 Fire				
Residential/Agricultural Real	0.60	0.59	0.59	0.52
Commercial/Industrial and Public Utility Real	0.73	0.71	0.70	0.65
General Business and Public Utility Personal	1.20	1.20	1.20	1.20
1985 Bond				
Residential/Agricultural Real	0.39	0.37	0.34	0.30
Commercial/Industrial and Public Utility Real	0.39	0.37	0.34	0.30
General Business and Public Utility Personal	0.39	0.37	0.34	0.30
1986 Fire				
Residential/Agricultural Real	1.24	1.23	1.23	1.09
Commercial/Industrial and Public Utility Real	1.54	1.50	1.47	1.37
General Business and Public Utility Personal	2.40	2.40	2.40	2.40
1995 Fire				
Residential/Agricultural Real	1.72	1.71	1.70	1.51
Commercial/Industrial and Public Utility Real	1.84	1.79	1.76	1.63
General Business and Public Utility Personal	2.10	2.10	2.10	2.10

<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
<u>\$2.65</u>	<u>\$2.65</u>	<u>\$2.65</u>	<u>\$2.65</u>	<u>\$2.65</u>	<u>\$2.65</u>
0.06	0.00	0.00	0.00	0.00	0.00
0.06	0.00	0.00	0.00	0.00	0.00
0.06	0.00	0.00	0.00	0.00	0.00
0.60	0.60	0.60	0.60	0.60	0.60
0.60	0.60	0.60	0.60	0.60	0.60
0.60	0.60	0.60	0.60	0.60	0.60
1.07	1.06	0.92	0.91	0.91	0.92
1.14	1.14	1.11	1.09	1.13	1.11
3.60	3.60	3.60	3.60	3.60	3.60
0.52	0.52	0.45	0.45	0.45	0.45
0.64	0.63	0.62	0.61	0.63	0.62
1.20	1.20	1.20	1.20	1.20	1.20
0.52	0.52	0.45	0.45	0.45	0.45
0.65	0.64	0.63	0.62	0.64	0.63
1.20	1.20	1.20	1.20	1.20	1.20
0.27	0.25	0.27	0.00	0.00	0.00
0.27	0.25	0.27	0.00	0.00	0.00
0.27	0.25	0.27	0.00	0.00	0.00
1.09	1.08	0.93	0.93	0.93	0.94
1.37	1.36	1.33	1.31	1.36	1.33
2.40	2.40	2.40	2.40	2.40	2.40
1.51	1.50	1.29	1.29	1.29	1.30
1.63	1.62	1.58	1.56	1.62	1.58
2.10	2.10	2.10	2.10	2.10	2.10

(Continued)

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

	2000	2001	2002	2003
1996 Fire and EMS				
Residential/Agricultural Real	0.29	0.29	0.29	0.25
Commercial/Industrial and Public Utility Real	0.31	0.30	0.30	0.27
General Business and Public Utility Personal	0.35	0.35	0.35	0.35
2002 Fire and EMS				
Residential/Agricultural Real	0.00	0.00	0.00	3.02
Commercial/Industrial and Public Utility Real	0.00	0.00	0.00	3.15
General Business and Public Utility Personal	0.00	0.00	3.40	3.40
2002 Bond				
Residential/Agricultural Real	0.00	0.00	0.00	0.00
Commercial/Industrial and Public Utility Real	0.00	0.00	0.00	0.00
General Business and Public Utility Personal	0.00	0.00	0.00	0.00
Total Voted Millage By Type of Property				
Residential/Agricultural Real	6.74	6.66	6.60	8.93
Commercial/Industrial and Public Utility Real	7.50	7.30	7.15	9.80
General Business and Public Utility Personal	11.92	11.89	15.25	15.20
Total Voted and Unvoted Millage By Type of Property				
Residential/Agricultural Real	9.39	9.31	9.25	11.58
Commercial/Industrial and Public Utility Real	10.15	9.95	9.80	12.45
General Business and Public Utility Personal	14.57	14.54	17.90	17.85
Overlapping Rates By Taxing District				
School District				
Residential/Agricultural Real	34.48	38.12	38.81	35.45
Commercial/Industrial and Public Utility Real	33.78	37.11	37.43	35.20
General Business and Public Utility Personal	59.66	63.50	63.40	63.20
Library				
Residential/Agricultural Real	0.00	0.00	0.00	0.71
Commercial/Industrial and Public Utility Real	0.00	0.00	0.00	0.74
General Business and Public Utility Personal	0.00	0.00	0.80	0.80
County				
Residential/Agricultural Real	0.32-2.75	0.31-2.73	0.31-2.71	0.28-3.09
Commercial/Industrial and Public Utility Real	0.41-3.13	0.40-3.09	0.40-3.05	0.38-3.30
General Business and Public Utility Personal	0.65-3.15	0.65-3.50	0.65-3.50	0.65-3.50

Source: Ohio Department of Taxation

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

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

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

2004	2005	2006	2007	2008	2009
0.25	0.25	0.22	0.22	0.22	0.22
0.27	0.27	0.27	0.26	0.27	0.27
0.35	0.35	0.35	0.35	0.35	0.35
3.02	3.01	2.59	2.58	2.58	2.60
3.15	3.14	3.07	3.02	3.13	3.07
3.40	3.40	3.40	3.40	3.40	3.40
0.23	0.20	0.20	0.10	0.14	0.20
0.23	0.20	0.20	0.10	0.14	0.20
0.20	0.20	0.20	0.10	0.14	0.20
9.14	8.99	7.92	7.53	7.57	7.68
10.01	9.85	9.68	9.17	9.52	9.41
15.38	15.30	15.32	14.95	14.99	15.05
11.79	11.64	10.57	10.18	10.22	10.33
12.66	12.50	12.33	11.82	12.17	12.06
18.03	17.95	17.97	17.60	17.64	17.70
35.37	40.69	35.70	41.54	41.54	42.28
34.98	40.33	39.02	44.11	45.08	44.81
63.20	68.01	67.31	72.50	72.50	73.00
0.71	0.71	0.61	0.61	0.80	0.80
0.73	0.73	0.72	0.72	0.80	0.78
0.80	0.80	0.80	0.80	0.80	0.80
0.27-3.07	0.27-3.06	0.23-2.61	0.23-2.60	0.23-2.60	0.41-3.50
0.38-3.31	0.38-3.34	0.37-3.21	0.37-3.21	0.37-3.22	0.53-3.39
0.65-3.50	0.65-3.50	0.65-3.50	0.65-3.50	0.65-3.50	0.65-3.50

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

<i>Year</i>	<i>Governmental Activities</i>				<i>Business-Type Activities</i>		
	<i>General Obligation Bonds</i>	<i>Special Assessment Bonds</i>	<i>Notes Payable</i>	<i>Police Pension Liability</i>	<i>General Obligation Bonds</i>	<i>Notes Payable</i>	<i>ODNR Debt</i>
2000	\$29,635,100	\$70,000	\$0	\$24,943	\$9,377,227	\$0	\$2,009,496
2001	28,271,720	35,000	0	24,506	8,846,304	0	1,977,666
2002	26,870,005	0	394,687	24,051	8,283,716	0	1,944,810
2003	31,882,473	0	296,015	23,576	7,687,798	0	1,910,896
2004	30,152,752	0	197,343	23,081	6,790,925	0	1,875,889
2005	28,429,696	0	0	22,564	6,284,181	1,350,000	1,839,754
2006	26,648,305	0	0	22,025	5,750,772	7,925,000	1,802,455
2007	25,451,222	0	0	21,463	23,750,018	0	1,763,954
2008	23,794,270	0	0	20,877	22,564,982	2,233,000	1,724,213
2009	24,251,797	0	0	20,266	27,933,619	0	1,683,191

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

(2) Source: Franklin County Auditor

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

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

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

<i>Total Outstanding Debt (1)</i>	<i>Estimated Actual Value of Taxable Property (2)</i>	<i>Population (3)</i>	<i>Personal Income (4)</i>	<i>Ratio of Debt to Personal Income</i>	<i>Debt Per Capita</i>
\$41,116,766	\$2,424,505,790	35,318	\$1,085,781	3.79%	\$1,164
39,155,196	2,511,442,026	35,671	1,121,211	3.49%	1,098
37,517,269	2,572,958,603	35,908	1,159,038	3.24%	1,045
41,800,758	2,749,268,561	36,018	1,181,174	3.54%	1,161
39,039,990	2,782,802,415	36,069	1,216,427	3.21%	1,082
37,926,195	2,769,605,742	36,325	1,269,922	2.99%	1,044
42,148,557	3,123,085,749	36,517	1,326,845	3.18%	1,154
50,986,657	3,175,772,833	36,569	1,380,995	3.69%	1,394
50,337,342	3,064,071,044	37,845	1,485,392	3.39%	1,330
53,888,873	3,056,851,631	37,879	1,545,201	3.49%	1,423

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

<i>Collection Year</i>	<i>General Obligation Bonded Debt (1)</i>	<i>Estimated Actual Value of Taxable Property (2)</i>	<i>Population (3)</i>	<i>Ratio of General Obligation Bonded Debt to Estimated Actual Value</i>	<i>General Obligation Bonded Debt Per Capita</i>
2000	\$29,635,100	\$2,424,505,790	35,318	1.22%	\$839.09
2001	28,271,720	2,511,442,026	35,671	1.13%	792.57
2002	26,870,005	2,572,958,603	35,908	1.04%	748.30
2003	31,882,473	2,749,268,561	36,018	1.16%	885.18
2004	30,152,752	2,782,802,415	36,069	1.08%	835.97
2005	28,429,696	2,769,605,742	36,325	1.03%	782.65
2006	26,648,305	3,123,085,749	36,517	0.85%	729.75
2007	25,451,222	3,175,772,833	36,569	0.80%	695.98
2008	23,794,270	3,064,071,044	37,845	0.78%	628.73
2009	24,251,797	3,056,851,631	37,879	0.79%	640.24

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

(2) Source: Franklin County Auditor

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

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

City of Westerville, Ohio
 Computation of Direct and Overlapping Governmental Debt
 December 31, 2009

<i>Jurisdiction</i>	<i>Debt Outstanding</i>	<i>Percentage Applicable to the City of Westerville (1)</i>	<i>Amount Applicable to the City of Westerville</i>
Direct:			
City of Westerville			
General Obligation Bonds	\$24,251,797	100.00%	\$24,251,797
Overlapping:			
Westerville City School District	94,207,212	31.62%	29,788,320
Franklin County	275,598,971	3.86%	10,638,120
Total Overlapping Debt	369,806,183		40,426,441
Grand Total	\$394,057,980		\$64,678,238

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

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

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

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

	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>
Total Assessed Valuation	<u>\$831,573,787</u>	<u>\$862,841,513</u>	<u>\$879,308,140</u>	<u>\$950,494,929</u>
Overall debt limitation - 10.5% of assessed valuation	<u>87,315,248</u>	<u>90,598,359</u>	<u>92,327,355</u>	<u>99,801,968</u>
Net Debt Subject to Limitation (General Obligation Bonds)	29,635,100	28,271,720	26,870,005	31,921,620
Less amount available in the debt service fund	<u>(17,229)</u>	<u>(34,272)</u>	<u>(86,435)</u>	<u>(33,638)</u>
Total Net Debt Subject to Limitation	<u>29,652,329</u>	<u>28,305,992</u>	<u>26,956,440</u>	<u>31,955,258</u>
Legal debt margin within 10.5% limitation	<u>\$57,662,919</u>	<u>\$62,292,367</u>	<u>\$65,370,915</u>	<u>\$67,846,710</u>
Legal Debt Margin as a Percentage of the Debt Limit	66.0%	68.8%	70.8%	68.0%
<hr/>				
Unvoted debt limitation 5.5% of assessed valuation	<u>\$45,736,558</u>	<u>\$47,456,283</u>	<u>\$48,361,948</u>	<u>\$52,277,221</u>
Net Debt Subject to Limitation (General Obligation Bonds)	29,635,100	28,271,720	26,870,005	31,921,620
Less amount available in the debt service fund	<u>(17,229)</u>	<u>(34,272)</u>	<u>(86,435)</u>	<u>(33,638)</u>
Total Net Debt Subject to Limitation	<u>29,652,329</u>	<u>28,305,992</u>	<u>26,956,440</u>	<u>31,955,258</u>
Legal debt margin within 10% limitation	<u>\$16,084,229</u>	<u>\$19,150,291</u>	<u>\$21,405,508</u>	<u>\$20,321,963</u>
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limitation	35.2%	40.4%	44.3%	38.9%

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

<i>2004</i>	<i>2005</i>	<i>2006</i>	<i>2007</i>	<i>2008</i>	<i>2009</i>
\$961,634,784	\$964,233,368	\$1,081,565,488	\$1,097,357,874	\$1,065,069,846	\$1,071,046,200
100,971,652	101,244,504	113,564,376	115,222,577	111,832,334	112,459,851
30,189,900	28,464,845	26,681,455	25,471,395	23,813,000	23,352,395
(89,866)	(99,873)	(199,513)	(121,383)	(74,435)	(82,826)
30,279,766	28,564,718	26,880,968	25,592,778	23,887,435	23,435,221
\$70,691,886	\$72,679,786	\$86,683,408	\$89,629,799	\$87,944,899	\$89,024,630
70.0%	71.8%	76.3%	77.8%	78.6%	79.2%
\$52,889,913	\$53,032,835	\$59,486,102	\$60,354,683	\$58,578,842	\$58,907,541
30,189,900	28,464,845	26,681,455	25,471,395	23,813,000	23,352,395
(89,866)	(99,873)	(199,513)	(121,383)	(74,435)	(82,826)
30,279,766	28,564,718	26,880,968	25,592,778	23,887,435	23,435,221
\$22,610,147	\$24,468,117	\$32,605,134	\$34,761,905	\$34,691,407	\$35,472,320
42.7%	46.1%	54.8%	57.6%	59.2%	60.2%

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

<i>Year</i>	<i>Population (1)</i>	<i>Total Personal Income (2)</i>	<i>Per Capita Income (3)</i>	<i>School Enrollment (4)</i>	<i>Unemployment Rates (5)</i>		
					<i>Franklin County</i>	<i>Ohio</i>	<i>United States</i>
2000	35,318	\$1,085,781	\$30,743	13,609	2.1%	4.0%	4.0%
2001	35,671	1,121,211	31,432	13,706	3.2%	4.8%	5.8%
2002	35,908	1,159,038	32,278	13,834	4.4%	5.7%	5.8%
2003	36,018	1,181,174	32,794	14,043	4.9%	6.1%	6.0%
2004	36,069	1,216,427	33,725	14,156	5.4%	6.1%	5.5%
2005	36,325	1,269,922	34,960	14,023	5.3%	5.9%	5.1%
2006	36,517	1,326,845	36,335	14,217	4.5%	5.5%	4.5%
2007	36,569	1,380,995	37,764	14,252	4.7%	5.6%	5.0%
2008	37,845	1,485,392	39,249	14,477	5.5%	6.5%	5.8%
2009	37,879	1,545,201	40,793	14,558	8.9%	10.7%	9.3%

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

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

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

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

(4) Westerville City School District's CAFR, as of fiscal year-end

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

City of Westerville, Ohio

Principal Employers

2009 and 2000

<i>Employer</i>	<i>2009</i>			<i>2000</i>		
	<i>Approximate Number of Employees</i>	<i>Rank</i>	<i>Percentage of Total Employment</i>	<i>Approximate Number of Employees</i>	<i>Rank</i>	<i>Percentage of Total Employment</i>
JP Morgan Chase Bank NA	4,511	1	8.4%	6,556	1	NA
Mount Carmel Health Systems	2,190	2	4.1%	1,756	3	NA
Westerville City Schools	2,196	3	4.1%	1,997	2	NA
Otterbein College	1,895	4	3.5%	1,491	4	NA
CMS Subsidiary	1,389	5	2.6%	1,314	5	NA
Alliance Data Systems Inc	1,077	6	2.0%	1,313	6	NA
City of Westerville	845	7	1.6%	684	-	NA
Heartland Employment	747	8	1.4%	648	-	NA
Inchord Communications/Gerbig Snell	720	9	1.3%	-	-	-
1-800 Flowers (Cheryl's Cookies)	685	10	1.3%	939	9	NA
Aloche LLC	-	-	-	1,197	7	NA
Meijer Stores	-	-	-	1,015	8	NA
Worthington Cylinders	-	-	-	928	10	NA
Total Employees	16,255		30.3%	19,838		NA
All Other Employers	37,329		69.7%	NA		NA
Total Employment within the City	53,584		100.0%	NA		NA

Source: City Income Tax Department

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

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

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

2008		2009	
<i>Full-Time</i>	<i>All</i>	<i>Full-Time</i>	<i>All</i>
90.00	101.00	91.00	109.00
87.00	92.00	88.00	93.00
17.00	26.00	16.00	21.00
194.00	219.00	195.00	223.00
8.00	8.00	7.00	8.00
19.05	286.05	21.75	269.75
19.25	38.25	19.25	42.25
6.45	15.45	7.60	17.60
52.75	347.75	55.60	337.60
24.00	27.00	26.00	31.00
6.95	7.95	6.95	7.95
14.05	21.38	14.05	16.38
1.00	9.00	1.00	8.00
3.25	3.25	4.00	4.00
8.75	8.75	10.00	10.00
23.00	28.00	22.00	31.00
10.00	10.00	11.00	12.00
3.00	5.00	3.00	6.00
0.00	2.00	0.00	2.00
7.00	7.00	6.00	6.00
56.00	73.00	57.00	79.00
18.25	25.58	17.75	23.08
7.55	7.89	7.05	10.39
1.10	1.10	1.10	1.10
45.00	47.00	46.00	48.00
1.25	58.25	1.40	62.40
5.10	5.10	5.10	5.10
78.25	144.92	78.40	150.07
426.00	841.00	433.00	845.00

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

<i>Function/Program</i>	<i>2000</i>	<i>2001</i>	<i>2002</i>	<i>2003</i>
General Government:				
Active Income Tax Accounts				
Individual	NA	NA	NA	NA
Business	NA	NA	NA	NA
Withholding	NA	NA	NA	NA
Clerk of Courts:				
Mayor's Court Cases	5,163	6,927	7,387	7,966
Security of Persons and Property - Police				
Police calls	55,295	70,040	67,736	65,805
Physical Arrests	192	205	206	297
Citations	4,682	5,901	5,560	5,956
Parking Violations	900	1,059	652	752
Security of Persons and Property - Fire				
EMT Calls	NA	3,625	3,920	3,557
Fire Calls	NA	2,279	2,437	2,385
Total Calls	6,415	5,904	6,357	5,942
Leisure Time Activities:				
Swimming Pool Revenues	\$503,110	\$494,978	\$441,705	\$380,711
Parks & Recreation Revenues	738,553	1,666,056	2,434,829	2,600,032

Source: Department annual reports

NA - Information not available

<i>2004</i>	<i>2005</i>	<i>2006</i>	<i>2007</i>	<i>2008</i>	<i>2009</i>
17,026	16,844	16,737	16,883	16,704	16,259
2,475	2,615	2,689	2,724	2,644	2,597
2,744	2,894	3,361	3,365	3,490	2,814
8,004	7,338	8,117	7,496	8,656	8,826
63,042	58,852	63,453	61,391	59,998	57,423
346	357	346	447	421	438
5,600	5,532	5,849	5,612	6,843	6,880
683	552	619	470	814	475
3,319	3,600	3,701	3,683	4,548	5,018
2,986	2,986	2,680	2,833	2,336	3,024
6,305	6,586	6,381	6,516	6,884	8,042
\$330,281	\$406,640	\$403,979	\$459,366	\$446,935	\$435,176
2,813,641	3,016,530	3,545,571	3,083,129	3,436,256	2,858,613

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

<i>Function/Program</i>	<i>2000</i>	<i>2001</i>	<i>2002</i>	<i>2003</i>
General Government:				
Government Center	1	1	1	1
Security of Persons and Property:				
Number of Police Stations	1	1	1	1
Number of Fire/EMS Stations	3	3	3	3
Leisure Time Activities:				
Number of Parks and Recreation Sites:	31	31	31	31
Developed Acres	258.233	347.411	350.584	392.862
Undeveloped Acres	158.960	130.780	3.060	3.060
Greenways Acreage	82.583	82.583	82.583	87.204
Number of Aquatic Centers	1	2	2	2
Number of Miles: Bike/Walk Trails	10.370	13.730	15.290	16.370
Number of Community Program Centers	1	2	2	2
Number of Senior Centers	1	1	1	1
Number of Playground Sites	9	10	10	11
Number of Skate Parks	0	0	0	0
Number of BMX Tracks	0	0	0	0
Number of Cultural/Historic Sites	3	3	3	3
Number of Athletic Fields	38	44	46	47
Number of Tennis Courts	11	11	11	11
Number of Basketball/Multi Courts	8	8	8	9
Number of Dog Parks	0	0	0	0
Basic Utility Services:				
Miles of Water Mains	164	164	170	171
Miles of Sanitary Sewers	140	140	142	143
Miles of Storm Sewers	110	110	134	135
Miles of Electric Lines	229	236	239	242
Transportation:				
Miles of Streets	146	146	147	148
Number of Street Lights	2,908	3,039	3,084	3,212

Source: City capital asset records

Leisure Time Activities Data Provided by Westerville Parks and Recreation Department.

<i>2004</i>	<i>2005</i>	<i>2006</i>	<i>2007</i>	<i>2008</i>	<i>2009</i>
1	1	1	1	1	1
1	1	1	1	1	1
3	3	3	3	3	3
32	32	33	39	44	45
442.477	446.477	446.477	446.827	559.490	574.760
12.920	12.920	12.920	12.920	18.606	18.606
87.204	93.134	93.134	93.134	93.134	93.134
2	2	2	2	2	2
18.020	22.610	22.740	25.090	25.090	25.690
2	2	2	2	2	2
1	1	1	1	1	1
12	13	13	13	13	13
1	1	1	1	1	1
1	1	1	1	1	1
3	3	3	3	3	3
48	48	50	48	48	48
11	11	11	11	11	11
9	9	11	11	11	11
0	1	1	1	1	1
178	178	174	190	190	190
150	153	155	162	162	163
140	140	146	147	147	147
251	261	269	270	271	271
150	151	152	152	152	152
3,437	3,744	4,002	4,019	4,019	4,134



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Mary Taylor, CPA
Auditor of State

CITY OF WESTERVILLE

FRANKLIN COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
JULY 8, 2010**