

CITY OF SPRINGDALE

HAMILTON COUNTY

**JANUARY 1, 2010 TO DECEMBER 31, 2010
REGULAR AUDIT**



Dave Yost • Auditor of State

City Council
City of Springdale
11700 Springfield Pike
Springdale, Ohio 45246

We have reviewed the *Independent Auditor's Report* of the City of Springdale, Hamilton County, prepared by Berninger Maddox Inc., for the audit period January 1, 2010 through December 31, 2010. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost
Auditor of State

January 26, 2012

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TABLE OF CONTENTS

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	1
Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133	2 - 3
Schedule of Expenditures of Federal Awards	4
Schedule of Findings and Questioned Costs	5 - 6

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Honorable Mayor and Members of City Council
City of Springdale, Ohio:

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Springdale, Ohio ("City"), as of and for the year ended December 31, 2010, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 15, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

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 auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we do not express an opinion 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, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

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 to be material weaknesses, as defined above.

Compliance and Other Matters

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

This report is intended solely for the information and use of management, the Mayor, and Members of City Council, the Ohio Auditor of State, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Berninger Maddox, Inc

Cincinnati, Ohio
June 15, 2011

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB
CIRCULAR A-133**

To the Honorable Mayor and Members of City Council
City of Springdale, Ohio:

Compliance

We have audited the compliance of the City of Springdale, Ohio ("City") with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of City's major federal programs for the year ended December 31, 2011. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the City's compliance with those requirements.

In our opinion, the City, complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2011.

Internal Control over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the City's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance 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 compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information for the City of Springdale, Ohio, as of and for the year ended December 31, 2010, and have issued our report thereon dated June 15, 2011. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-33 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of management, the Mayor, Members of City Council, the Ohio Auditor of State, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Berninger Maddox, Inc.

Cincinnati, Ohio
June 15, 2011

City of Springdale, Ohio
Schedule of Expenditures of Federal Awards
Year Ended December 31, 2010

<u>Federal Grantor / Program Title</u>	<u>Pass Through Entity Number</u>	<u>Federal CFDA Number</u>	<u>Expenditures</u>
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>			
(Passed through Ohio Department of Transportation)			
AARA – Highway Infrastructure Investment Grants	22663	20.205	\$ 876,222
Highway Planning and Construction	80813	20.205	127,776
Highway Planning and Construction	80505	20.205	<u>110,672</u>
Total U.S. Department of Transportation			<u>1,114,670</u>
<u>U.S DEPARTMENT OF JUSTICE</u>			
(Passed through City of Cincinnati, Ohio)			
AARA – Edward Byrne Memorial Justice Assistance Grant		16.803	24,838
Bulletproof Vest Partnership Program		16.607	<u>1,003</u>
			25,841
<u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>			
(Passed through Hamilton County, Ohio)			
Community Development Block Grants		14.218	23,195
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
(Passed through Hamilton County Public Health)			
Public Health Emergency Preparedness		93.069	3,574
Public Health Emergency Response		93.069	69,717
(Passed through City of Cincinnati, Ohio)			
CRI Planning Grant		93.283	<u>3,494</u>
			76,785
Total Federal Expenditures			<u><u>\$1,240,491</u></u>

NOTE A – GENERAL

This schedule of expenditures of federal awards presents the federal grant activity for the City of Springdale, Ohio and is presented on the cash basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audit of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements.

**City of Springdale, Ohio
 Schedule of Findings and Questioned Costs
 Year Ended December 31, 2010**

Section I – Summary of Auditors’ Results

Financial Statements

Type of auditors’ report issued:	Unqualified
Internal control over financial reporting:	
• Material weakness(es) identified?	None noted
• Significant deficiency(ies) identified not considered to be material weaknesses?	None noted
Non compliance material to financial statements noted?	None noted

Federal Awards

Internal Control over major programs:	
• Material weakness(es) identified?	None noted
• Significant deficiency(ies) identified not considered to be material weaknesses?	None noted
Type of auditors’ report issued on compliance for major programs:	Unqualified
Any audit findings that are required to be reported in accordance with 510(a) of Circular A-133?	None noted
Identification of major programs:	
• CFDA 20.205 - Highway Planning and Construction	
Dollar threshold to distinguish Type A and Type B Programs:	\$300,000
Auditee qualified as low risk auditee?	No

Section II – Financial Statement Findings

None noted.

Section III – Federal Award Findings and Questioned Costs

None noted.

Section IV – Summary of Prior Audit Findings and Questioned Costs

None noted.

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City of Springdale, Ohio

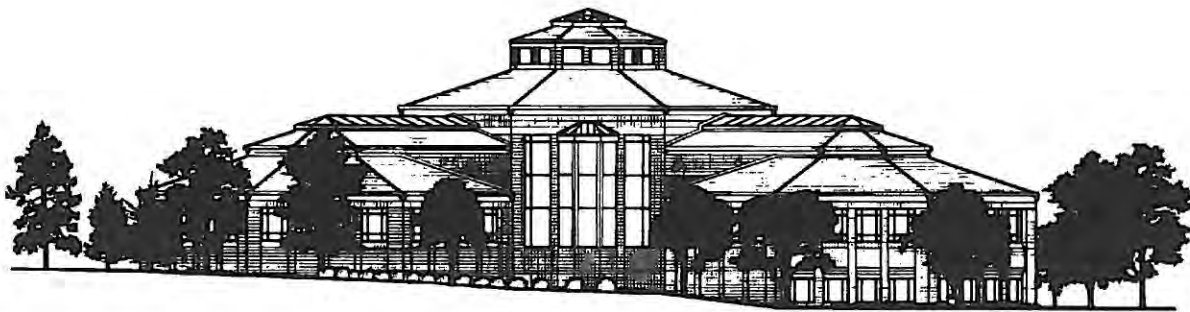


**Comprehensive Annual Financial Report
For the Year Ended December 31, 2010**

CITY OF SPRINGDALE, OHIO

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2010



PREPARED BY:

FINANCE DEPARTMENT

**FINANCE OFFICER/
TAX COMMISSIONER**

Jeffrey T. Williams

**ACCOUNT
CLERK II**

Martha R. Holden

**ACCOUNT
CLERK I**

Cynthia A. Miller

**CLERK OF COUNCIL/
FINANCE DIRECTOR**

Kathy McNear



On The Cover

Clockwise from top left:

Heritage Hill Elementary School Building

Part of the Princeton City School District, construction of the building was completed in July of 2006 as part of a major improvement project. Located at 11961 Chesterdale Road, the two story building is 63,000 square feet.

Beltway Center Redevelopment

In 2010, the 120,000 square feet Beltway Center redevelopment was completed. Located at 11765 Commons Drive, the redevelopment included Morris Home Furnishings, The Better Sleep Shop, The Home Theatre Store, and Ashley Furniture.

Springdale Station

Located at 5 East Kemper Road (corner of Princeton Pike and East Kemper), Springdale Station was completed in 2010 and included The Vitamin Shoppe. In 2011, construction began for two additional tenants to the Station, Aspen Dental and Verizon. When completed the Station will be 9,000 square feet of retail space.

Tri-County Mall Redevelopment

In 2008, the Tri-County Mall, located at 11700 Princeton Pike, underwent a redevelopment of 160,000 square feet of retail space, including BJ's Restaurant and Brewhouse, which opened in early 2008.

SMOQ Restaurant

Representing 7,500 square feet, SMOQ Restaurant opened to rave reviews towards the end of 2010. Located at 275 Pictoria Drive, the restaurant is part of the Pictoria Island Development.

Front Room Furnishings

Opening in July 2010 and located at 11750 Commons Drive, Front Room Furnishing represents 67,000 square feet of retail space.

**CITY OF SPRINGDALE, OHIO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2010**

TABLE OF CONTENTS

INTRODUCTORY SECTION

Letter of Transmittal	1
Elected Officials and Administrative Personnel	8
Organizational Table	9
Certificate of Achievement for Excellence in Financial Reporting – 2009	10

FINANCIAL SECTION

Independent Auditor’s Report	11
Management’s Discussion and Analysis	13
Basic Financial Statements:	25
Government-Wide Financial Statements:	
Statement of Net Assets	26
Statement of Activities	27
Fund Financial Statements:	
Balance Sheet – Governmental Funds	28
Reconciliation of Total Governmental Fund Balances to Net Assets of Governmental Activities	29
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	30
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	31
Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual (Non-GAAP Budgetary Basis) – General Fund	32

TABLE OF CONTENTS (Continued)

Statement of Fiduciary Assets and Liabilities	33
Notes to the Basic Financial Statements	34
Combining Statements and Individual Fund Schedules:	64
Nonmajor Governmental Funds:	
Combining Balance Sheet	66
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	67
Nonmajor Special Revenue Funds:	
Combining Balance Sheet	68
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	70
Nonmajor Capital Projects Fund:	
Balance Sheet	72
Statement of Revenues, Expenditures, and Changes in Fund Balance	73
Individual Fund Schedules of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual (Non-GAAP Budgetary Basis)	
Major Funds:	
General Fund	74
Capital Improvements Fund	76
Northwest Business District Tax Increment Financing Fund	77
Nonmajor Funds:	
Street Construction, Maintenance and Repair Fund	78
State Highway Fund	79
Grants Fund	80

TABLE OF CONTENTS (Continued)

Drug Law Enforcement Fund	81
Law Enforcement Fund	82
Law Enforcement Training Fund	83
Driving Under the Influence Fund	84
Residential Recycling Incentive Fund	85
Vehicle Immobilization Fee Fund	86
Parks and Urban Forestry Fund	87
Adult Sports Fund	88
Tri-County Mall Tax Increment Financing Fund	89
Community Center Debt Fund	90
Agency Fund:	
Schedule of Changes in Assets and Liabilities	92

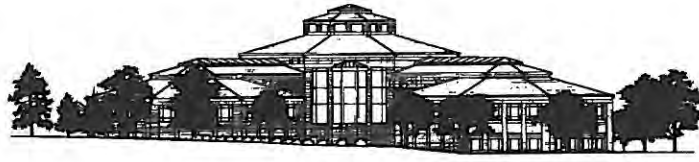
STATISTICAL SECTION

Net Assets by Component – Last Eight Fiscal Years	94
Changes in Net Assets – Last Eight Fiscal Years	95
Fund Balances of Governmental Funds – Last Eight Fiscal Years	98
Fund Balances of Governmental Funds – Last Two Fiscal Years	99
Changes in Fund Balances of Governmental Funds – Last Ten Fiscal Years	100
Assessed Valuation and Estimated Actual Values of Taxable Property – Last Ten Fiscal Years	102
Property Tax Rates, Direct and Overlapping Governments - Last Ten Fiscal Years	103
Property Tax Levies and Collections – Last Ten Fiscal Years	104

TABLE OF CONTENTS (Continued)

Principal Property Taxpayers	105
General Activities Tax Revenues by Source - Last Eight Fiscal Years	106
Income Tax Revenue by Payer Type - Last Ten Fiscal Years	107
Ratio of Outstanding Debt by Type to Total Personal Income and Debt per Capita – Last Ten Fiscal Years	108
Ratio of Net General Bonded Debt to Assessed Value and Net Bonded Debt per Capita – Last Ten Fiscal Years	109
Ratio of Annual Debt Service Expenditures for General Obligation Bonded Debt to Total General Governmental Expenditures – Last Ten Fiscal Years	110
Computation of Direct and Overlapping Debt	111
Computation of Legal Debt Margin – Last Ten Fiscal Years	112
Demographic and Economic Statistics – Last Ten Fiscal Years	113
Principal Employers	114
Full Time Employees by Function/Department – Last Ten Fiscal Years	115
Operating Indicators by Function/Department – Last Ten Fiscal Years	117
Capital Asset Statistics by Function/Department – Last Ten Fiscal Years	119

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INTRODUCTORY SECTION

City of Springdale

DOYLE H. WEBSTER
Mayor

DERRICK PARHAM
City Administrator

KATHY McNEAR
Clerk of Council / Finance Director

June 15, 2011

Honorable Doyle H. Webster, Members of City Council, and
Citizens of the City of Springdale
City of Springdale, Ohio
11700 Springfield Pike
Springdale, Ohio 45246

Dear Mayor Webster, Members of City Council, and Citizens:

The Comprehensive Annual Financial Report of the City of Springdale, Ohio, for the year-ended December 31, 2010, is hereby submitted. While there is no legal requirement for the preparation of this report, it represents a commitment by the City to conform to nationally recognized standards of excellence in financial reporting. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the management of the City. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner that presents fairly the financial position and results of operations of the various funds of the City. All disclosures necessary to enable the reader to gain an understanding of the City of Springdale's activities have been included.

The Comprehensive Annual Financial Report is prepared in accordance with GASB Statement No. 34, "*Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*." GASB Statement No. 34 was developed to make annual financial reports of state and local governments easier to understand and more useful to those who make decisions using government financial information. This report represents and reflects the City's financial operations and condition to the City's residents, its elected officials, management personnel, financial institutions, City bondholders, rating agencies and all other interested parties.

The Comprehensive Annual Financial Report is presented in three sections as follows:

1. Introductory Section – includes this letter of transmittal, which addresses the organization, accomplishments, and the operational structure of the City; a list of the principal officials and administrative personnel, and the City's organizational table.
2. Financial Section – includes the Independent Auditor's Report, Management's Discussion and Analysis, basic financial statements and notes, which provide an overview of the City's financial position and operating results, and the combining financial statements of nonmajor funds and other schedules that provide detailed information relative to the basic financial statements.

3. Statistical Section – presents social and economic data, financial trend information, and data relative to the fiscal capacity of the City.

Accounting principles generally accepted in the United States of America require 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 MD&A and should be read in conjunction with it. The City's MD&A can be found in the Financial Section immediately following the Independent Auditor's Report.

REPORTING ENTITY

This report presents the financial activity of the City in accordance with accounting principles generally accepted in the United States of America (GAAP) as set forth by the Governmental Accounting Standards Board (GASB) and other recognized authoritative sources, and is consistent with the new reporting model as promulgated by GASB Statement No. 34.

THE CITY OF SPRINGDALE

The City of Springdale is an Ohio community located in northern Hamilton County, approximately twenty miles from downtown Cincinnati. The City is 5.08 square miles and serves a residential population of 11,223 and an estimated daytime population ranging from 55,000 to 60,000. The City maintains a highly developed commercial and industrial community, as well as stable residential neighborhoods.

The area was settled in the early 1800's and was incorporated as a Village in December of 1959 and became a City in February of 1971. The City is a home rule municipal corporation operating under its own charter, initially adopted on November 3, 1964, and last amended in November of 2009.

The City operates under a non-partisan Council/Mayor form of government. Under this system, seven council members, who are the policy makers (three elected at-large and four elected by districts), serve four-year terms. The Mayor is the chief executive and administrative officer of the City and is elected at-large to a four-year term. The Mayor appoints the City Administrator and all executive department directors, with the exception of the Finance Officer/Tax Commissioner, who is appointed by the Clerk of Council/Finance Director with the confirmation of City Council. The Clerk of Council/Finance Director is the chief fiscal officer of the City and is elected at-large to a four-year term.

The City was the recipient of the following awards in 2010:

- * Community Traffic Safety Award, Platinum Level, awarded by the AAA Association (this is the sixth consecutive year for this award),
- * Police Department accreditation from the Commission on Accredited Law Enforcement Agencies,
- * Tree-City USA Award (the City has received this award for the past nineteen years),
- * Excellence in Salt Storage Award, awarded by the Salt Institute of America,
- * Frank F. Ferris II Community Planning Award presented by the Hamilton County Regional Planning Commission, for the Tri-County Retail District Plan for Revitalization,
- * The Parks and Recreation Department Goldfish Swim was recognized by the Ohio Parks and Recreation Association as one of the top ten autumn events in Ohio,
- * The Parks and Recreation Department was recognized by the Miami Valley Risk Management Association for maintaining a zero-loss record (the department has maintained this award in ten of the past thirteen years), and

- * The Ohio Parks and Recreation Association recognized the Parks and Recreation Department regarding the 2010 Annual Award of Excellence for the adult/senior program *Stay Fit*, which received third place in the partnership category. The department partnered with Personal Touch Home Health Care and Wellspring, and expanded senior programming by adding the *Lunch & Learn* program consisting of healthy lunches and discussions on diabetes, heart disease, and long-term health care.

The City provides a full range of services including police and fire protection; parks and recreation; planning and zoning; sanitation services; construction and maintenance of highways, streets and infrastructure; recreational activities and cultural events; and general administrative services. Following is a brief summary of the City departments:

Administration Department - responsible for providing support to all elected officials, information to the public and leadership and administrative support to City employees in executing the policies of Council and the laws of the City through effective communication, fiscal management, human resource management, and risk management.

Economic Development Department - responsible for contributing to the economic health and vitality of all segments of the City's commercial, industrial, and retail business sectors.

Police Department - responsible for interacting with the community and promoting public safety and providing service through crime prevention, proactive and responsive patrols, investigations, and support service.

Fire Department - responsible for preserving life and property by maintaining a corps of professional, properly trained and fully equipped personnel capable of providing fire prevention, fire suppression and rescue, and emergency medical services.

Building Department - responsible for ensuring a safe and sanitary environment for the community through enforcing City and State laws relating to new and existing construction and land use regulation. The Building Official enforces the provisions of the City code, issues zoning and plan reviews, and issues permits for new construction, modifications, and repairs.

Finance Department - responsible for financial management of the City's funds by recording receipts and expenditures, maintaining accurate financial records, investing inactive funds, and issuing the year-end financial report in accordance with accounting principles generally accepted in the United States of America.

Tax Department - responsible for enforcing the City tax code by collecting the City earnings tax, assisting taxpayers in the preparation of tax returns, issuing tax refunds, and maintaining accurate taxpayer records.

Parks and Recreation Department - responsible for providing year-round leisure activities and providing well maintained facilities for City citizens of all ages and interests, and maintaining the City Community Center, playgrounds, and parks.

Health Department - responsible for protecting and promoting the health and well-being of the people who live and work in the City through effective health policy that promotes disease prevention and community health education.

Public Works Department - responsible for providing a safe, effective, aesthetically pleasing physical environment through street maintenance and improvement, public building, grounds and facilities maintenance, vehicle and equipment maintenance, and environmental services.

ECONOMIC CONDITIONS AND OUTLOOK

Local Economy

The estimated daytime population of the City ranges from 55,000 to 60,000, representing the workforce and those who visit the numerous retail and other establishments. At year-end 2010 there were approximately 1,500 businesses and organizations located in the city limits. Currently, 12 businesses located in Springdale employ greater than 300 employees. Springdale also has approximately 96 restaurants and 18 theatre screens. The 2010 unemployment rate for the Greater Cincinnati area was 9.4%.

The Tri-County Mall and over ten other shopping centers and retail establishments, collectively total more than 4.4 million square feet and comprise the largest concentration of retail development in Hamilton County. Springdale has approximately 2.2 million square feet of office space (1.45 million represents Class A office space), representing more than 12% of all office space in the suburban Greater Cincinnati area.

Industries Affecting the Local Economy

Springdale is fortunate to have local and national businesses included as part of the corporate citizenry, including General Electric, Avon, Cincom Systems, Proctor and Gamble, The Sheakley Group, Ampac, Federated Stores, and Sears Roebuck and Company.

Springdale has a wide variety of manufacturing businesses, including the Avon Company (cosmetic manufacturing), John Morrell (meat packing), and the Ampac Company (plastic bag manufacturing). Springdale also has many retail and restaurant businesses including Sears Roebuck and Company, Macy's, Dave and Busters, Costco, Lowes, Best Buy, Target, Sam's Wholesale, Outback Steakhouse, BJ's Restaurant and Brewhouse, and TGI Fridays.

Currently there are six hotels/motels operating in the City, representing approximately 430 rooms.

Future Economic Outlook

Springdale has the largest concentration of retail development in Hamilton County, as well as one of the largest concentrations of office space. As a result of this concentration, the current state of the national economy has had a negative affect on the local economy, and therefore the City has experienced a number of retail, restaurant, and other business closings. The current retail vacancy rate is approximately 17%, as compared to 2004 when the rate was approximately 5%. The current office space vacancy rate is approximately 28%, as compared to 2006 when the rate was approximately 9%.

In 2008, the largest employer in the City announced that it would be moving employees out of the City (representing 565,000 square feet of office space use). One-half of the employees were relocated out of the City at the end of 2009 (representing the loss of 300,000 square feet of office space use) with the possibility of the remaining employees leaving at the end of 2011. Subsequently in 2011, it was announced that employees representing 95,000 square feet of office space use would remain in Springdale. At this time it is unknown if the remaining employees (representing 170,000 square feet of office space use) will remain in Springdale.

Also in 2009, the second largest employer in the City announced that it would be leaving Springdale by mid 2012. Subsequently in 2011, discussions with the employer indicated a desire to retain a portion of the facility for select operations in Springdale.

These vacancies will continue to have a dramatic affect on the amount of revenues received from income tax withholdings. When City administration became aware of the employers plans for leaving the City, steps were taken to revise current and future budget projections and further cut costs in an attempt to offset the affect of the future lost revenue. The City economic development department has been aggressively working with the property owners regarding finding tenants for the vacated office space.

Following is a list of projects that have had or will have a positive affect on the local economy:

- * The Springdale Retail Revitalization Plan is complete and has helped to attract new retail activity, including the Town Center at Tri-County and additional tenants at the Beltway Center (including Front Room Furniture, Morris Home Furnishings, and FT Carting),
- * Road infrastructure improvements on I-275 have improved access to city establishments,
- * Expansion of senior housing at the Maple Knoll Center, Baldwin Grove, and The Park have added over 200 residential units, and
- * Leases with office and retail tenants, representing 160,000 and 360,000 square feet, respectively, during 2010 will have a positive effect on fiscal conditions.

MAJOR INITIATIVES

Major Projects for 2010

- * *State Route 4 / West Crescentville Road Intersection Project:* Completed in 2010, this project is a joint strategy with the City of Fairfield to increase traffic capacity through the State Route 4/Crescentville Road intersection. The existing State Route 4 northbound to eastbound exclusive right turn lane was converted to an additional northbound through lane. An exclusive right turn lane on State Route 4 south of the intersection was added, as well as a second dedicated southbound lane to a point opposite the Showcase Cinema entrance. The total construction cost was budgeted at approximately \$2.6 million. The City of Springdale portion of the project is approximately \$842,000, which includes state grants of approximately \$760,000 and the Springdale local share of approximately \$82,000. As of December 31, 2010, accumulative project expenditures were \$764,937.
- * *State Route 747 / East Crescentville Road Intersection Project:* Completed in 2010, this project is a joint strategy with Butler County. This project increased the intersections through movement and turn lane capacity. The total construction cost was budgeted at approximately \$3.68 million. Of the budgeted amount, 90% of the cost is covered by State grants. The remaining local share is split equally between Springdale and Butler County. As of December 31, 2010, accumulated expenditures for Springdale were approximately \$1.4 million.
- * *Glensprings Drive / I-275 Modification Project:* Completed in 2010, This project provided for a continuous lane northbound on State Route 4 from Glensprings Drive to the eastbound I-275 entrance ramp. It also widened the eastbound I-275 exit ramp to State Route 4. The total construction cost was budgeted at approximately \$760,000. Of the budgeted amount, 90% is covered by State grants. As of December 31, 2010, accumulative project expenditures were approximately \$670,000.

- * *Northland Boulevard Repair and Resurfacing Project:* Completed in 2010, this project included major repair and resurfacing of Northland Boulevard from just west of State Route 4 to Kemper Road. The total construction cost for this project was \$1,140,206. 77% of construction costs were covered by Federal Stimulus grants.

Future Projects

- * *Traffic Signal System Upgrade Project:* This project will replace all of the ageing traffic signal equipment and controllers, replace the deteriorating communication cable with fiber optic cable, install additional PTZ cameras for traffic management, convert the current linear closed loop systems to a comprehensive, centrally controlled system and upgrade all pedestrian facilities to meet ADA requirements. The total construction cost of this project is estimated at \$789,000 and is scheduled for 2011. 75% of the project cost is budgeted to be covered by State grants.
- * *State Route 747 Northbound to I-275 Westbound Improvement Project:* This project will add a second left turn lane on State Route 747 to the westbound on-ramp of I-275, therefore relieving congestion during rush hour. The total construction cost of this project is estimated at \$300,000 and construction is scheduled for 2012. The local share of the construction cost is estimated to be \$90,000 and the remaining cost will be covered by State grants.

FINANCIAL INFORMATION

Internal Control Framework and Policies

City management is responsible for establishing and maintaining internal controls designed to ensure that the assets of the City are protected from loss, theft, or misuse and to ensure that accounting data is compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. The internal controls are designed to provide reasonable assurance that these objectives are met through evaluation of the following criteria: (1) The cost of an internal control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits required involves estimates and judgments by management. Based on these internal controls, the City provides a sound accounting system for safeguarding the City's assets through the recording and reporting of financial transactions according to guidelines of Federal law, Ohio Revised Code, Generally Accepted Accounting Principles (GAAP), and City ordinances.

Budgetary Controls

In addition to the above, the City maintains budgetary internal controls to ensure compliance with legal provisions embodied in the annual appropriated budget by City Council. The activity of all funds is included in the annual appropriation budget. The City also maintains an encumbrance accounting system to maintain budgetary control. The control is maintained through the encumbering of estimated purchases through the use of formal approved purchase orders. City Council receives a monthly report of amounts in the City's bank accounts reconciled to the amounts on the City's internal records. Also, Council receives a monthly report comparing budgeted and actual revenue and expenditures.

As demonstrated by the statements and schedules included in the financial section of this report, the City continues meeting its responsibility for sound financial management.

CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING - 2009

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 Springdale, Ohio for its comprehensive annual financial report for the fiscal year-ended December 31, 2009. This was the tenth consecutive year that the government received this prestigious award. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

OTHER INFORMATION

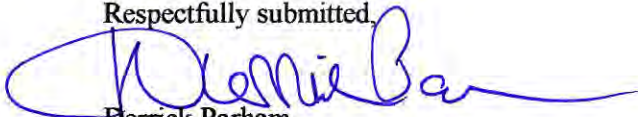
Independent Audit

State statute requires that an annual audit be performed by the Auditor of State or by an independent certified public accountant approved by the Auditor of State. The firm of Berninger Maddox Inc., has performed the City audit for the year-ended December 31, 2010. Auditing standards generally accepted in the United States of America and the standards set forth in the General Accounting Office's "*Government Auditing Standards*" were used by the auditors in conducting the engagement. The auditors' report on the basic financial statements and the combining and individual fund statements and schedules are included in the financial section of this report. The auditors' report on internal controls and compliance with applicable laws and regulations can be found in a separately issued audit report.

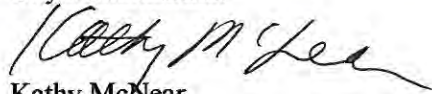
Acknowledgements

The timely preparation of the Comprehensive Annual Financial Report for the year-ended December 31, 2010 was made possible by the dedicated service of the finance department staff as well as other City departments. We express our sincere appreciation for the contributions made in the preparation of this report. Also, we would like to thank the Mayor and the City Council for their interest and support in planning and conducting the financial operations of the City in a dedicated and responsible manner.

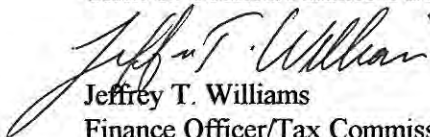
Respectfully submitted,



Derrick Parham
City Administrator



Kathy McNear
Clerk of Council/Finance Director



Jeffrey T. Williams
Finance Officer/Tax Commissioner

**CITY OF SPRINGDALE, OHIO
ELECTED OFFICIALS AND ADMINISTRATIVE PERSONNEL
AS OF DECEMBER 31, 2010**

ELECTED OFFICIALS

<u>Name</u>	<u>Title</u>	<u>Term of Office</u>	<u>Salary</u>
Doyle H. Webster	Mayor	12/01/07-11/30/11	\$20,202
Marjorie Harlow	President	12/01/09-11/30/13	8,153
Thomas Vanover	Vice-President	12/01/09-11/30/13	7,576
Robert Diehl	Member	12/01/07-11/30/11	7,576
Holly Emerson	Member	12/01/09-11/30/13	7,576
Lawrence Hawkins	Member	12/01/09-11/30/13	7,576
James Squires	Member	12/01/07-11/30/11	7,576
Steven Galster	Member	12/01/07-11/30/11	7,576
Kathy McNear (1)	Clerk of Council/ Finance Director	12/01/07-11/30/11	16,162

ADMINISTRATIVE PERSONNEL

Derrick Parham, City Administrator
Jerry Thamann, Assistant City Administrator
Jeff Tulloch, Economic Development Director

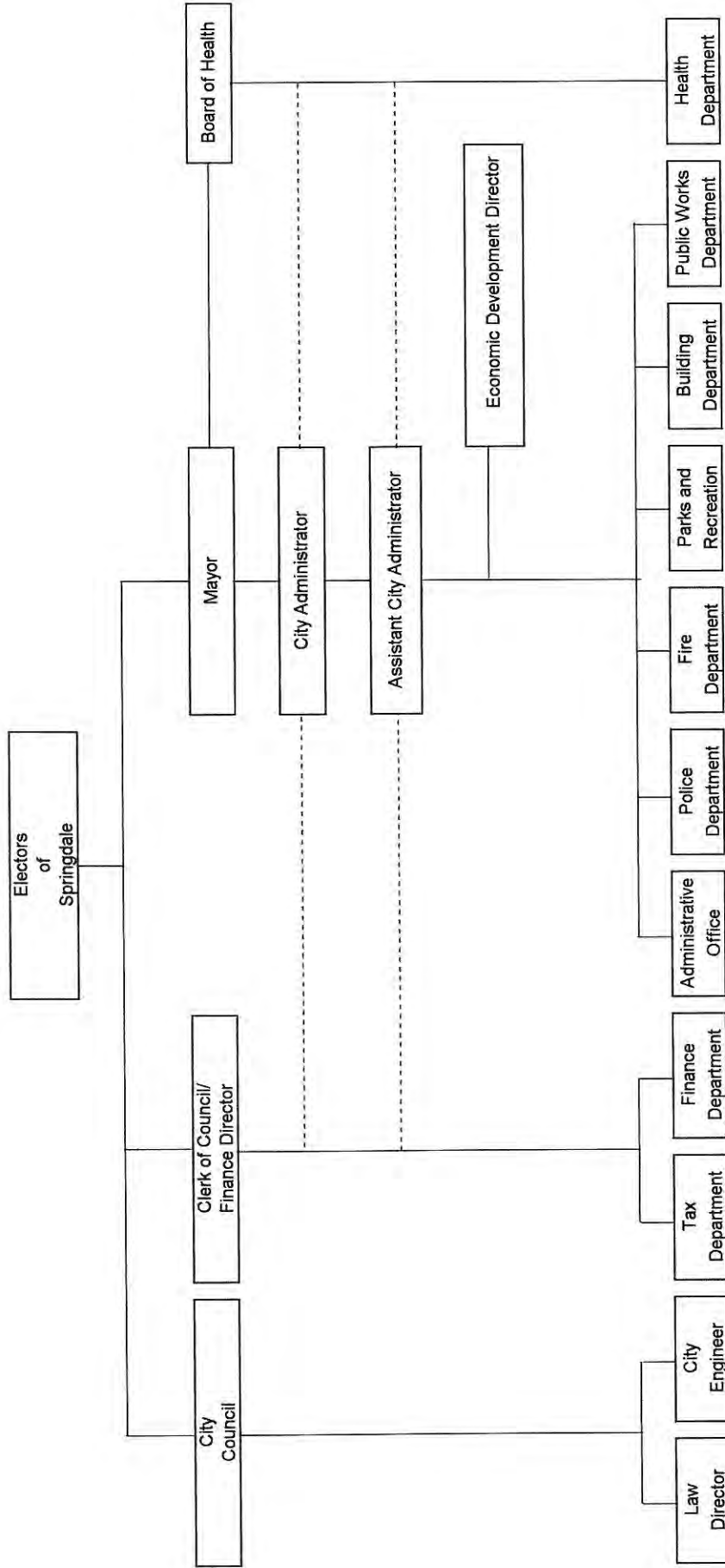
Jeff Agricola, Superintendent of Public Works
Greg Karle, Parks and Recreation Director
Michael Laage, Chief of Police
William McErlane, Building Official
Cammie Mitrione, Health Commissioner
Daniel Shroyer, Fire Chief
Jeffrey Williams, Finance Officer/Tax Commissioner (2)

Jeffrey Forbes, Law Director
Don Shvegza, City Engineer
Mark Piepmeier, City Prosecutor
Donald White, City Magistrate

- (1) Surety bond is held with the Western Surety Company in the amount of \$25,000. The bond is renewed annually.
- (2) Surety bond is held with the Travelers Casualty and Surety Company of America in the amount of \$25,000. The bond is renewed annually.

CITY OF SPRINGDALE

ORGANIZATIONAL TABLE



Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Springdale
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2009

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.



President

Executive Director

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FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Members of City Council
City of Springdale, Ohio:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Springdale, Ohio (the City), as of and for the year ended December 31, 2010, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of 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 *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2010, and the respective changes in financial position thereof, and the budgetary comparison for the General Fund 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 15, 2011, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 13 through 24 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's financial statements as a whole. The introductory section, combining and individual nonmajor fund financial statements, and statistical section, are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Berninger Maddox Inc.

Cincinnati, Ohio
June 15, 2011

**CITY OF SPRINGDALE, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2010**

The City of Springdale discussion and analysis of the financial performance provide an overall review of the City's financial activities for the year-ended December 31, 2010. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the transmittal letter, and the basic financial statements to enhance their understanding of the City's financial performance.

FINANCIAL HIGHLIGHTS

Key financial highlights for 2010 are as follows:

- * The assets of the City exceeded its liabilities at December 31, 2010 by \$48,502,499 (net assets). Of this amount, \$6,960,201 (governmental unrestricted net assets) may be used to meet the City's ongoing obligations to citizens and creditors.
- * The City's total net assets decreased by \$1,147,414 which represents a 2.3% decrease from 2009.
- * The City's governmental funds reported a combined ending fund balance of \$6,633,020. Of this amount, \$4,088,114 is available for spending (unassigned fund balance) on behalf of its citizens.
- * During 2010, the City reduced long-term general obligation debt by \$401,072.
- * During 2010, the City maintained a bond credit rating of Aa3, as issued by Moody's Investors Services in 2002.

USING THIS ANNUAL FINANCIAL REPORT

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

The statement of net assets and statement of activities provide information about the activities of the City as a whole, presenting a longer-term view of those activities. 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 non-major funds presented in total in one column.

REPORTING THE CITY AS A WHOLE

The 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 reports provide information that will help the reader to determine if the City is financially better or worse 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.

**CITY OF SPRINGDALE, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2010**

These two statements report the City's net assets and the change in those assets. This change in net assets informs the reader whether the City's financial position, as a whole, has improved or diminished. However, in evaluating the overall position of the City, non-financial information such as changes in the City's tax base and the condition of City capital assets will also need to be evaluated. In the statement of net assets and the statement of activities, the City reports government activities, where most of the City's services are reported, including police, fire, public works, administration, and all other departments.

REPORTING THE CITY'S MOST SIGNIFICANT FUNDS

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories: governmental funds and fiduciary funds. Fund financial reports provide detailed information about the City's major funds.

Governmental Funds: Most of the City's services and activities 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 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 basic financial statements.

Fiduciary Funds: Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The City has one agency fund to report within the fiduciary fund category. Agency funds are reported on a full accrual basis and only present a statement of assets and liabilities.

Based on restrictions on the use of monies, the City has established separate funds which account for the services provided to residents. However, these fund financial statements focus on the City's most significant funds. The major funds are the general fund, capital improvements fund, and the northwest business district tax increment financing fund.

Notes to the Basic Financial Statements: The notes provide additional information that is essential to a full understanding of the data provided in the governmental-wide and fund financial statements.

Other information: In addition to the basic financial statements and accompanying notes, this report also presents combining and individual fund statements and schedules.

**CITY OF SPRINGDALE, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2010**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As stated earlier, the statement of net assets and the statement of activities present information about the City as a whole. Table 1 provides a summary of the City's net assets for 2010 as compared to 2009:

<u>Table 1</u>	<u>Governmental Activities</u>	
	<u>2010</u>	<u>2009</u>
<u>Assets</u>		
Current and other assets	\$12,269,358	\$13,882,425
Capital assets, net (1)	45,416,362	45,493,741
Total assets	<u>57,685,720</u>	<u>59,376,166</u>
<u>Liabilities</u>		
Current and other liabilities	3,258,815	3,301,201
Long-term liabilities:		
Due within one year	672,806	577,051
Due in more than one year	5,251,600	5,848,001
Total liabilities	<u>9,183,221</u>	<u>9,726,253</u>
<u>Net Assets</u>		
Invested in capital assets, net of debt (1)	40,153,924	39,758,751
Restricted	1,388,374	1,748,504
Unrestricted	6,960,201	8,142,658
Total net assets	<u>\$48,502,499</u>	<u>\$49,649,913</u>

(1) - Capital assets, net was restated for 2009 as a result of implementing GASB 51.
Additional information can be found in notes 3 and 9 to the basic financial statements.

Net assets of the City's governmental activities decreased \$1,147,414. Notable changes from 2009 to 2010 include current and other assets and long-term liabilities - due in more than one year.

The notable changes in current and other assets include equity in pooled cash and cash equivalents, special assessments receivable, and intergovernmental receivable. Equity in pooled cash and cash equivalents reflects a decrease of \$690,794, which is due to smaller fund balances at year end as a result of decreasing revenues. Special assessments receivable reflects a decrease of \$326,593, which is due to special assessments regarding the Pictoria Island tax increment financing - phase II area, whereas the assessments are levied annually but change in amount from year to year. Intergovernmental receivable reflects a decrease of \$353,974, which is due to smaller accruals at December 31, 2010 from transportation and road improvement grants as compared to prior year activity.

The notable change in long-term liabilities - due in more than one year, is the general obligation bonds. The general obligation bond principal was reduced \$400,000 based on payments made in accordance with the bond amortization schedule.

**CITY OF SPRINGDALE, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2010**

Table 2 provides a summary of the change in net assets, and revenue and expense for 2010 as compared to 2009.

Table 2	Governmental Activities	
	2010	2009
Revenues		
Program revenues:		
Charges for services	\$1,148,446	\$1,103,121
Operating grants and contributions	111,725	169,939
Capital grants and contributions	1,137,457	2,472,788
Total program revenues	<u>2,397,628</u>	<u>3,745,848</u>
General revenues:		
Municipal income taxes	11,720,803	12,903,475
Property and other taxes	1,520,103	1,533,906
Payments in lieu of taxes	359,032	682,506
Special assessments	108,135	430,108
Grants and entitlements not restricted	2,006,063	1,921,521
Investment earnings	23,728	30,041
Other	567,508	439,322
Total general revenues	<u>16,305,372</u>	<u>17,940,879</u>
Total revenues	<u>18,703,000</u>	<u>21,686,727</u>
Program Expenses		
Governmental activities:		
Security of persons and property	8,810,920	8,456,664
Public health services	374,701	329,233
Leisure time activities	1,857,647	1,966,513
Community environment	697,507	636,329
Transportation	2,405,106	3,042,133
General government	5,403,997	5,934,624
Interest and fiscal charges	300,536	318,455
Total expenses	<u>19,850,414</u>	<u>20,683,951</u>
Change in net assets	(1,147,414)	1,002,776
Beginning net assets (1)	<u>49,649,913</u>	<u>48,647,137</u>
Ending net assets	<u>\$48,502,499</u>	<u>\$49,649,913</u>

(1) - Beginning net assets was restated for 2009 as a result of implementing GASB 51.
Additional information can be found in notes 3 and 9 to the basic financial statements.

**CITY OF SPRINGDALE, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2010**

Governmental activities, 2010 total revenues, decreased \$2,983,727 from 2009, and 2010 total expenses decreased \$833,537 from 2009. Significant changes are addressed below:

Municipal Income Tax Revenue

The largest revenue line item, municipal income taxes, decreased \$1,182,672 from 2009. The total cash basis income tax revenue for 2010 was \$11,994,298 as compared to \$13,678,901 in 2009, a decrease of \$1,684,603. This difference is attributed to lower amounts received in 2010 from business tax returns and declarations, as well as lower business employee withholdings. The decreases are the result of general current economic conditions (number of smaller businesses closing) as well as losing one-third of the employees of the largest employer in Springdale. The difference between the cash and accrual basis are the result of year-end adjustments to convert the cash basis figures to accrual as required.

Capital Grants and Contributions Revenue

Capital grants and contributions decreased \$1,335,331 from 2009. This is due to less capital grant activity associated with road improvement projects in 2010 as compared to 2009. The downward level of the general economy as well as losing one-third of Springdale's largest employer has caused a drastic decrease of withholding revenue from earnings tax. As a result, fewer capital road project grants are being applied for (based on the level of local share required).

Payments in Lieu of Taxes Revenue

Payments in lieu of taxes decreased \$323,474 from 2009. This is a direct result of real estate refunds issued by Hamilton County in 2010 on the Pictoria Island Tax Increment Financing District - Phase II parcels. Therefore, lower service payments (payments in lieu of taxes) were received.

Special Assessments Revenue

Special assessments decreased \$321,973 from 2009. Special assessments are levied on the Pictoria Island Tax Increment Financing District - Phase II parcels. The amounts levied are set by ordinance and vary from year-to year.

Security of Persons and Property Expense

Security of persons and property expense increased \$354,256 from 2009. This expense category represents the activity of the police and fire departments. The increase is from an accrual for health insurance premiums that was not applicable to the prior year.

Transportation Expense

Transportation expense decreased \$637,027 from 2009. This expense category represents the activity of the public works department. The decrease is primarily due to a smaller amount of accruals at year-end 2010 related to transportation expense, such as road improvement projects.

General Government Expense

General government expense decreased \$530,627 from 2009. This is mainly due to a lower amount of health care claims classified as general government as compared to 2009. In August of 2010, the City changed the medical health care program from a self insured program to being part of a health care pool. As a result, a large portion of the health care premiums and claims that were recorded as general government expenditures are now recorded to all program expense categories.

**CITY OF SPRINGDALE, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2010**

Table 3 below shows 2010 percentages of revenues and expenses:

<u>Table 3</u>	<u>\$</u>	<u>%</u>
<u>Revenues</u>		
Program revenues:		
Charges for services	\$1,148,446	6%
Operating grants and contributions	111,725	1%
Capital grants and contributions	1,137,457	6%
Total program revenues	<u>2,397,628</u>	<u>13%</u>
General revenues:		
Municipal income taxes	11,720,803	63%
Property and other taxes	1,520,103	8%
Payments in lieu of taxes	359,032	2%
Special assessments	108,135	1%
Grants and entitlements not restricted	2,006,063	10%
Investment earnings	23,728	-
Other	567,508	3%
Total general revenues	<u>16,305,372</u>	<u>87%</u>
Total revenues	<u>\$18,703,000</u>	<u>100%</u>
<u>Program Expenses</u>		
Governmental activities:		
Security of persons and property	\$8,810,920	45%
Public health services	374,701	2%
Leisure time activities	1,857,647	9%
Community environment	697,507	4%
Transportation	2,405,106	12%
General government	5,403,997	27%
Interest and fiscal charges	300,536	1%
Total expenses	<u>\$19,850,414</u>	<u>100%</u>

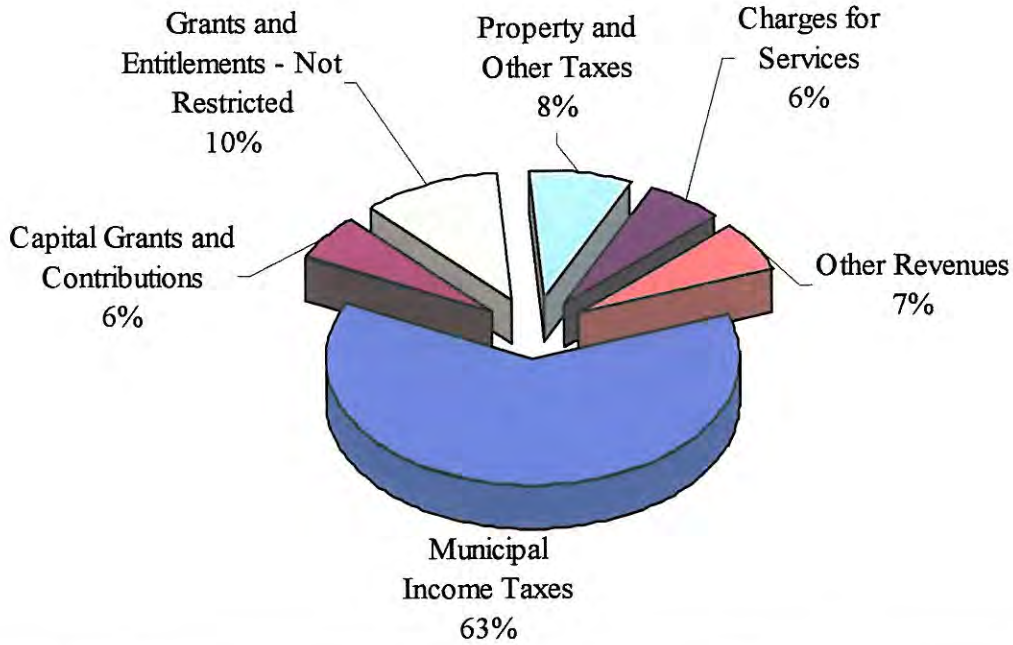
The largest sources of revenue are the municipal income tax, grants and entitlements not restricted, and property and other taxes. The municipal income tax is received from business withholdings and net profits returns, resident tax returns, and penalty and interest. Grants and entitlements not restricted is received from the State and County as local government funds, estate tax, homestead and rollback entitlement, gasoline tax, and license tax. Property and other taxes are from real estate tax settlement payments received from Hamilton County as well as other locally levied taxes.

The largest sources of expense are security of persons and property, general government, and transportation. Security of persons and property represent operational activity for the police and fire departments, general government represents administration as well as the tax and finance departments, and transportation represents the public works department, as well as certain expenditures of a capital nature that did not meet the criteria of a capital asset, and therefore were recorded as transportation expense.

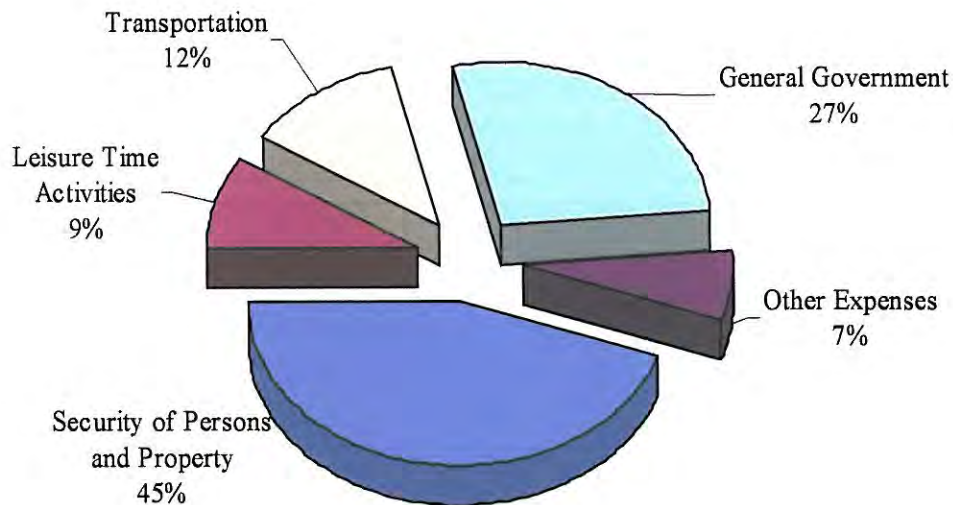
**CITY OF SPRINGDALE, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2010**

Following are graphs showing the percentages of revenue and expense for 2010:

Revenues by Source - Governmental Activities



Expenses by Function - Governmental Activities



**CITY OF SPRINGDALE, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2010**

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

The focus of City governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the City's net resources available for spending at the end of the fiscal year. These funds are accounted for by using the modified accrual basis of accounting. See the table of contents regarding the fund financial statements.

At year-end 2010, the City's governmental funds reported combined ending fund balances of \$6,633,020. Of this amount, \$4,088,114 represents unassigned fund balance. The remaining fund balance is classified as nonspendable, restricted, committed, and assigned to indicate amounts not available for new spending due to allocations to liquidate encumbrances, reflect year-end inventory and prepaid items, and to account for long-term advances and health and liability insurance. All governmental funds had total revenues of \$19,041,454 and expenditures of \$20,272,181, leaving a deficiency of revenues over expenditures of \$1,230,727.

Following is an analysis of fund balance for the major funds.

General Fund

At year-end 2010, the total fund balance for the general fund was \$6,051,030, of which \$4,552,787 was unassigned. The general fund is the chief operating fund of the City and its fund balance at year-end 2010 decreased \$1,518,954 from year-end 2009. General fund revenue decreased \$1,506,254 from 2009. This is mainly due to a decrease of municipal earnings tax revenues (\$1,523,089). General fund expenditures for 2010 remained consistent with 2009 (increase of \$5,003). This is due to the continued efforts in decreasing departmental spending city-wide as a result of lower projected revenues. Included in the other financing sources (uses) section, transfers-out from the general fund to other funds increased \$215,000 from 2009 based on fund needs.

Capital Improvements Fund

At year-end 2010, the total fund balance for the capital improvements fund was \$561,794, which represents an increase of \$127,585 from year-end 2009. This is the result of capital improvement project local shares decreasing in the current year due to a reduction of road and other capital project activity, as well as reductions in the City street program.

Northwest Business District Tax Increment (TIF) Fund

The total fund balance for the northwest business district TIF fund at year-end 2010 was \$140,444, which represents an increase of \$28,872 from year-end 2009. In 2010, fund activity was consistent with 2009. Therefore, fund balance had a very small change.

GENERAL FUND BUDGETING HIGHLIGHTS

The City's budget is prepared according to Ohio law and the City Charter. All City funds are subject to the formal budgetary process. The most significant fund is the general fund, which is formally adopted at the departmental level (personal services and other expenditures). The budget is based on accounting for transactions on a cash receipts, disbursements, and encumbrance basis. Month-end financial reports, which compare budgeted projections to actual results, are presented to administration and City Council on

**CITY OF SPRINGDALE, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2010**

a monthly basis to review the financial status and measure the effectiveness of budgetary controls. For 2010, there were two amendments to the City budget passed by City Council.

For 2010, the original budgeted revenues for the general fund were approximately \$16.2 million and the final budgeted revenues were approximately \$16.4 million. The increase is the result of receiving more estate tax revenue than expected. Also, the general fund original budgeted 2010 expenditures, including transfer and advance activity, were approximately \$18 million and the final budgeted expenditures were approximately \$18.2 million. The increase is mainly the result of increased departmental costs from the health insurance premiums.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

Capital Assets at December 31
(Net of Depreciation)

Table 4	Governmental Activities	
	2010	2009
Land	\$1,944,739	\$1,944,739
Real estate held for development	442,910	442,910
Construction in progress	315,694	4,281,886
Building	14,087,105	14,336,938
Improvements other than building	1,085,280	1,192,592
Machinery and equipment (1)	370,102	436,443
Furniture and fixtures	23,350	25,303
Vehicles	913,495	1,066,803
Infrastructure:		
Sewers	204,767	265,278
Roads	20,672,118	17,383,668
Traffic control	793,668	515,503
Streetscape	1,995,189	2,083,527
Pedestrian traffic	275,556	301,222
Parks	1,371,589	165,729
TIF area public improvements	920,800	1,051,200
Total capital assets	\$45,416,362	\$45,493,741

(1) - As a result of implementing GASB 51 machinery and equipment was restated for 2009. Additional information can be found in notes 3 and 9 to the basic financial statements.

Additional information concerning the City's capital assets can be found in note 9 to the basic financial statements.

**CITY OF SPRINGDALE, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2010**

Debt

As of December 31, 2010, the City had outstanding debt of \$5,262,439 in bonds and capital leases, with \$477,170 due within one year.

<u>Table 5</u>	Outstanding Debt at December 31	
	Governmental Activities	
	2010	2009
General obligation bonds	\$2,707,192	\$3,108,264
TIF revenue bonds	2,533,942	2,599,959
Capital leases	21,305	24,767
Total debt	\$5,262,439	\$5,732,990

The general obligation bonds are the Community Center Expansion Bonds – issued in 2002 for the renovation of the City’s Community Center facility. In preparation for the associated public offering an Official Statement was prepared, and as a result, the City was assigned a rating of Aa3 from Moody’s Investors Services. Payments are made twice a year (two interest payments and one principal payment) from City funds.

The TIF revenue bonds are the Northwest Business District Tax Increment Financing (TIF) Phase I Revenue Bonds. The bonds were issued in 2000 to retire notes issued for the construction of infrastructure and a man-made lake in the Northwest Business District (Pictoria Island) TIF area. TIF revenue bond payments are made monthly (each payment incorporates interest and principal). Bond payments are made from service payments received in lieu of taxes and shortfall payments from the property developers.

In 2010, the City retired a portion of lease agreements categorized as capital leases. At year-end 2010, the City has three leases categorized as capital leases. Payments for these leases were made from the general fund and the grants fund.

Under the current City Charter, the City’s 2010 general obligation bonded debt was subject to a legal limitation of \$39,586,909, based on 10.5 percent of the total assessed value of real and personal property located within the City.

Additional information concerning the City’s debt can be found in notes 11 and 12 to the basic financial statements.

ECONOMIC FACTORS AND NEXT YEAR’S BUDGETS AND RATES

Budget Procedure

The City’s budget procedure is a very detailed process. From May to June of the current year, the tax budget is prepared and approved by City Council for submission to the County in accordance with the Ohio Revised Code. This budget procedure forecasts fund balances at the end of the next fiscal year based on information available in May and June of the current year. The tax budget is prepared jointly between the finance and administration departments.

**CITY OF SPRINGDALE, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2010**

From October to November of the current year, the City five-year budget is prepared. This process starts with the budgeted current year figures and attempts to revise these figures (if applicable) for the remainder of the year. Then predictions are made for the next five years based on assumptions provided by administration. The five-year budget takes a long-term look at the direction of the City. Each department director prepares the budgeted expenditures that relate to the applicable department. The finance department prepares the budgeted revenues. The City Administrator then reviews all figures in detail, and amendments are made as necessary.

From November to December of the current year the one-year budget is prepared. This document becomes the basis for the appropriation/estimated revenue ordinance passed for the next fiscal year. Each department director prepares the budgeted expenditures that relate to the applicable department and the finance department prepares the budgeted revenues. The City Administrator then reviews all figures before the budget is final. At or near the first day of the fiscal year, the budget appropriations/estimated revenues ordinance is passed by City Council.

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, creditors, investors and elected officials with a general overview of the City's finances and to show accountability for the money it receives. If you have any questions about this report or need additional information, contact Jeffrey T. Williams, Finance Officer/Tax Commissioner, 11700 Springfield Pike, Springdale, Ohio 45246, (513) 346-5700, (e-mail at jwilliams@springdale.org).

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BASIC FINANCIAL STATEMENTS

**CITY OF SPRINGDALE, OHIO
STATEMENT OF NET ASSETS
DECEMBER 31, 2010**

	<u>Governmental Activities</u>
Assets:	
Equity in pooled cash and cash equivalents	\$5,655,867
Receivables (net):	
Taxes	4,748,682
Payments in lieu of taxes	458,460
Special assessments	103,387
Accounts	256,557
Intergovernmental	657,389
Bond issuance costs	117,021
Prepaid items	19,539
Inventory	252,456
Nondepreciable capital assets	2,983,095
Depreciable capital assets, net	<u>42,433,267</u>
 Total assets	 <u>57,685,720</u>
Liabilities:	
Accounts payable	245,791
Contracts payable	189,288
Accrued wages and benefits payable	523,463
Accrued workers compensation payable	225,157
Accrued interest payable	8,650
Intergovernmental payable	140,565
Undistributed monies payable	60,161
Unclaimed monies payable	15,921
Claims payable	752,938
Unearned revenue	1,096,881
Long-term liabilities:	
Due within one year	672,806
Due in more than one year	<u>5,251,600</u>
 Total liabilities	 <u>9,183,221</u>
Net assets:	
Invested in capital assets, net of related debt	40,153,924
Restricted for:	
Capital projects	807,915
Street construction, maintenance and repair	437,259
Other purposes	143,200
Unrestricted	<u>6,960,201</u>
 Total net assets	 <u>\$48,502,499</u>

See accompanying notes to the basic financial statements

**CITY OF SPRINGDALE, OHIO
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2010**

	Expenses	Program Revenues			Net
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	(Expense) Revenue and Changes in Net Assets
					Total Governmental Activities
Governmental activities:					
Security of persons and property	\$8,810,920	\$697,654	\$24,538	\$0	(\$8,088,728)
Public health services	374,701	63,643	63,992	0	(247,066)
Leisure time activities	1,857,647	166,211	0	0	(1,691,436)
Community environment	697,507	99,775	23,195	0	(574,537)
Transportation	2,405,106	5,190	0	1,137,457	(1,262,459)
General government	5,403,997	115,973	0	0	(5,288,024)
Interest and fiscal charges	300,536	0	0	0	(300,536)
Total governmental activities	\$19,850,414	\$1,148,446	\$111,725	\$1,137,457	(17,452,786)
General revenues:					
Municipal income taxes					11,720,803
Property and other taxes					1,520,103
Payments in lieu of taxes					359,032
Special assessments					108,135
Grants and entitlements not restricted to specific programs					2,006,063
Investment earnings					23,728
Other revenues					567,508
Total general revenues					16,305,372
Change in net assets					(1,147,414)
Net assets - beginning					49,649,913
Net assets - ending					\$48,502,499

See accompanying notes to the basic financial statements

**CITY OF SPRINGDALE, OHIO
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2010**

	General Fund	Capital Improvements Fund	Northwest Business TIF Fund	Other Governmental Funds	Total Governmental Funds
Assets:					
Equity in pooled cash and cash equivalents	\$4,252,750	\$845,961	\$153,577	\$317,066	\$5,569,354
Cash in segregated account	31,842	0	0	0	31,842
Receivables:					
Taxes	4,748,682	0	0	0	4,748,682
Payments in lieu of taxes	0	0	458,460	0	458,460
Special assessments	1,609	0	101,778	0	103,387
Interest	0	0	0	0	0
Accounts	256,557	0	0	0	256,557
Intergovernmental	371,647	8,075	0	277,667	657,389
Prepaid items	19,539	0	0	0	19,539
Inventory	252,456	0	0	0	252,456
Advances to other funds	464,673	0	0	0	464,673
Restricted assets:					
Funds on deposit for unclaimed monies	15,921	0	0	0	15,921
Funds on deposit for performance bonds and plan review fees	38,750	0	0	0	38,750
Total assets	\$10,454,426	\$854,036	\$713,815	\$594,733	\$12,617,010
Liabilities:					
Accounts payable	\$225,131	\$12,755	\$1,000	\$6,905	\$245,791
Contracts payable	0	189,288	0	0	189,288
Accrued wages and benefits payable	516,094	0	0	7,369	523,463
Accrued compensated absences payable	8,585	0	0	0	8,585
Accrued workers compensation payable	225,157	0	0	0	225,157
Intergovernmental payable	42,132	86,300	12,133	0	140,565
Undistributed monies payable	60,161	0	0	0	60,161
Unclaimed monies payable	15,921	0	0	0	15,921
Claims payable	752,938	0	0	0	752,938
Advances from other funds	0	0	0	464,673	464,673
Deferred revenue	2,557,277	3,899	560,238	236,034	3,357,448
Total liabilities	4,403,396	292,242	573,371	714,981	5,983,990
Fund balances:					
Nonspendable	736,668	0	0	0	736,668
Restricted	0	561,794	134,826	344,425	1,041,045
Committed	0	0	5,618	0	5,618
Assigned	761,575	0	0	0	761,575
Unassigned	4,552,787	0	0	(464,673)	4,088,114
Total fund balances (deficit)	6,051,030	561,794	140,444	(120,248)	6,633,020
Total liabilities and fund balances	\$10,454,426	\$854,036	\$713,815	\$594,733	\$12,617,010

See accompanying notes to the basic financial statements

CITY OF SPRINGDALE, OHIO
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO NET ASSETS OF GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2010

Total governmental fund balances	\$6,633,020
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.	45,416,362
Some long-term assets, such as bond issuance costs are not available for current-period expenditures and therefore are not reflected in the funds.	117,021
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.	2,260,567
Some liabilities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as liabilities in governmental funds.	(655,571)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	(5,260,250)
Accrued interest payable on long-term debt is not due and payable in the current period and therefore is not reported in the funds.	<u>(8,650)</u>
Net assets of governmental activities	<u><u>\$48,502,499</u></u>

See accompanying notes to the basic financial statements

**CITY OF SPRINGDALE, OHIO
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2010**

	General Fund	Capital Improvements Fund	Northwest Business TIF Fund	Other Governmental Funds	Total Governmental Funds
Revenues:					
Municipal income taxes	\$11,557,740	\$0	\$0	\$0	\$11,557,740
Property and other taxes	1,494,203	0	0	0	1,494,203
Payments in lieu of taxes	0	0	304,565	54,467	359,032
Special assessments	0	0	429,978	0	429,978
Intergovernmental	1,462,000	1,391,243	0	666,590	3,519,833
Charges for services	387,996	0	0	0	387,996
Fines and forfeitures	270,289	0	0	10,798	281,087
Fees, licenses and permits	417,903	0	0	10,152	428,055
Interest	23,595	73	60	0	23,728
Other	344,065	113,437	100,000	2,300	559,802
Total revenues	15,957,791	1,504,753	834,603	744,307	19,041,454
Expenditures:					
Current:					
Security of persons and property	8,444,700	0	0	74,165	8,518,865
Public health services	291,857	0	0	76,200	368,057
Leisure time activities	1,535,864	0	0	31,215	1,567,079
Community environment	578,024	0	0	80,828	658,852
Transportation	1,020,471	0	0	412,465	1,432,936
General government	4,461,476	0	567,533	4	5,029,013
Capital outlay	57,209	1,877,168	0	0	1,934,377
Debt service:					
Principal retirement	4,937	0	66,017	400,526	471,480
Interest and fiscal charges	1,807	0	172,181	117,534	291,522
Total expenditures	16,396,345	1,877,168	805,731	1,192,937	20,272,181
Excess (deficiency) of revenues over expenditures	(438,554)	(372,415)	28,872	(448,630)	(1,230,727)
Other financing sources (uses):					
Transfers-in	0	500,000	0	580,400	1,080,400
Transfers-out	(1,080,400)	0	0	0	(1,080,400)
Total other financing sources (uses)	(1,080,400)	500,000	0	580,400	0
Net change in fund balances	(1,518,954)	127,585	28,872	131,770	(1,230,727)
Beginning fund balances (deficit)	7,569,984	434,209	111,572	(252,018)	7,863,747
Ending fund balances (deficit)	\$6,051,030	\$561,794	\$140,444	(\$120,248)	\$6,633,020

See accompanying notes to the basic financial statements

CITY OF SPRINGDALE, 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, 2010

Net change in fund balances - total governmental funds (\$1,230,727)

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. This is the amount by which capital outlays exceeded depreciation in the current period:

Capital asset additions, not being depreciated	1,950,543	
Capital asset additions, being depreciated	5,690,547	
Depreciation expense	<u>(2,096,397)</u>	
		5,544,693

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, disposal) is to decrease net assets:

Capital asset deletions, not being depreciated	(5,619,867)	
Capital asset deletions, being depreciated	(44,109)	
Accumulated depreciation	<u>41,904</u>	
		(5,622,072)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. (338,454)

Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduced long-term liabilities in the statement of net assets. 471,480

Some expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. 36,680

Some expenses reported in the statement of activities, such as accrued interest, amortization of bond premium, and amortization of bond issuance costs do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. The net effect is reported. (9,014)

Change in net assets of governmental activities (\$1,147,414)

See accompanying notes to the basic financial statements

CITY OF SPRINGDALE, OHIO
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2010

	General Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Municipal income taxes	\$11,967,504	\$11,967,504	\$11,994,298	\$26,794
Property and other taxes	1,486,000	1,486,000	1,495,138	9,138
Intergovernmental	1,405,666	1,560,648	1,525,896	(34,752)
Charges for services	374,500	374,500	378,455	3,955
Fines and forfeitures	368,500	368,500	267,744	(100,756)
Fees, licenses and permits	344,300	344,300	407,936	63,636
Interest	24,000	24,000	24,900	900
Other	252,300	252,300	492,267	239,967
Total revenues	<u>16,222,770</u>	<u>16,377,752</u>	<u>16,586,634</u>	<u>208,882</u>
Expenditures:				
Current:				
Security of persons and property	8,015,858	8,235,858	8,053,848	182,010
Public health services	273,937	273,937	260,321	13,616
Leisure time activities	1,649,303	1,599,303	1,480,000	119,303
Community environment	530,674	530,674	511,131	19,543
Transportation	988,274	1,068,274	985,884	82,390
General government	5,084,378	5,271,681	5,118,421	153,260
Capital outlay	91,150	116,150	65,892	50,258
Debt service:				
Principal retirement	5,462	5,462	4,937	525
Interest	1,942	1,942	1,807	135
Total expenditures	<u>16,640,978</u>	<u>17,103,281</u>	<u>16,482,241</u>	<u>621,040</u>
Excess (deficiency) of revenues over expenditures	<u>(418,208)</u>	<u>(725,529)</u>	<u>104,393</u>	<u>829,922</u>
Other financing sources (uses):				
Transfers-in	7,294	7,294	7,294	0
Transfers-out	(1,333,803)	(1,080,400)	(1,080,400)	0
Advances-in	0	53,918	53,918	0
Total other financing sources (uses)	<u>(1,326,509)</u>	<u>(1,019,188)</u>	<u>(1,019,188)</u>	<u>0</u>
Net change in fund balance	(1,744,717)	(1,744,717)	(914,795)	829,922
Beginning fund balance	5,013,850	5,013,850	5,013,850	0
Prior year encumbrances	<u>114,654</u>	<u>114,654</u>	<u>114,654</u>	<u>0</u>
Ending fund balance	<u><u>\$3,383,787</u></u>	<u><u>\$3,383,787</u></u>	<u><u>\$4,213,709</u></u>	<u><u>\$829,922</u></u>

See accompanying notes to the basic financial statements

**CITY OF SPRINGDALE, OHIO
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUND
DECEMBER 31, 2010**

	<u>Agency</u>
Assets:	
Equity in pooled cash and cash equivalents	<u>\$129</u>
Total assets	<u><u>\$129</u></u>
Liabilities:	
Ohio board of building standards assessment (OBBS) payable	<u>\$129</u>
Total liabilities	<u><u>\$129</u></u>

See accompanying notes to the basic financial statements

CITY OF SPRINGDALE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2010

The accounting methods and procedures adopted by the City of Springdale, Ohio, conform to accounting principles generally accepted in the United States of America (GAAP) as applied to governmental entities. The following notes to the financial statements are an integral part of the basic financial statements.

1. FINANCIAL REPORTING ENTITY

The accompanying basic financial statements comply with the provisions of Governmental Accounting Standards Board (GASB) Statement No. 14, "*The Financial Reporting Entity*", in that the financial statements include all the funds and activity of the primary government. The primary government consists of all the organizations, activities, and functions that are not legally separate from the City. Component units are legally separate organizations for which the City is financially accountable. The City would consider an organization to be a component unit if:

1. the City appoints a voting majority of the organization's body; and is able to impose its will on that organization or there is a potential for the organization to provide specific financial burdens on the City; or
2. the organization is fiscally dependent upon the City; or
3. the nature of the relationship between the City and the organization is such that the exclusion from the financial reporting entity would render the financial statements misleading.

Based on the above, potential component units were considered for inclusion. The City has no component units.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The City's basic financial statements consist of government-wide statements, including a statement of net assets and 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 statement of net assets presents the financial condition of the government 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. Direct expenses are those that are specifically associated with a service, program, or department and therefore are 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 capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues not classified as program revenues are presented as general revenues. The comparison of direct expenses with program revenues identifies that extent to which each governmental function is self-financing or draws from the general revenues of the City. The effect of interfund activity has been eliminated from the government-wide financial statements, but interfund services provided and used are not eliminated in the process of consolidation.

CITY OF SPRINGDALE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2010

Fund Financial Statements

During the year, the City segregates transactions related to certain functions or activities in separate funds in order to assist 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 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. The City's only fiduciary fund is an agency fund.

The basic financial statements of the City were prepared in accordance with standards promulgated by the Governmental Accounting Standards Board (GASB). These standards include the effective pronouncements of the National Council on Governmental Accounting (NCGA) and the American Institute of Certified Public Accountants (AICPA) which are considered to be accounting principles generally accepted in the United States of America, for state and local governmental entities, until they are altered, amended, supplemented, revoked or superseded by a subsequent GASB pronouncement.

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. The City utilizes governmental funds and a fiduciary fund.

Governmental Funds - Governmental funds are those through which most governmental functions typically are financed. The acquisition, use and balances of the City's expendable financial resources and the related current liabilities are accounted for through governmental funds. The City maintains records showing revenues, actual and accrued expenditures and encumbrances to assure legal and accounting compliance and to assure that budgetary authority is not exceeded. 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 is established to account for resources devoted to financing the general services that the City performs for its residents. Municipal income tax, general tax revenues, as well as other sources of revenue used to finance the fundamental operations of the City are included in this fund. The fund is charged with all costs of operating the government for which a separate fund has not been established.

Capital Improvements Fund - This capital projects fund is used to account for various capital projects financed by governmental funds and capital grants obtained from outside sources.

Northwest Business District Tax Increment Financing (TIF) Fund - This capital projects fund is used to account for the activity regarding the Northwest Business District TIF Project, including the issuance and payment of debt, as well as public improvements.

The other governmental funds of the City account for grants and other resources that are generally restricted to use for a particular purpose.

CITY OF SPRINGDALE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2010

Fiduciary Funds - Fiduciary funds are used to account for assets held by the City as a trustee or as an agent for individuals, private organizations, or other units of government. The fiduciary fund category is split into four classifications: agency funds, pension trust funds, investment trust funds, and private purpose trust funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Trust funds are used to account for assets held under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the City's own programs. The City's fiduciary fund consists only of an agency fund that accounts for the collection and payments associated with the Ohio Board of Building Standards Assessments on building permits.

Measurement Focus

Government-wide Financial Statements

The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the City are included on the statement of 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 liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the source (i.e., revenues and other financial 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 on the government-wide financial statements are prepared. Government fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements of government funds.

Basis of Accounting

Accounting basis determines when transactions and economic events are reflected in its financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Government funds use the modified accrual basis of accounting. Fiduciary funds use the 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.

Revenues – Exchange and Non-Exchange Transactions

Revenues 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 fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the City, available means expected to be received within thirty-one days of year-end.

Nonexchange transactions, in which the City received value without directly giving equal value in return, include income tax, admissions tax, occupancy tax, property tax, payments in lieu of taxes, special assessments, cable franchise fees, state levied taxes, grants, and entitlements. On an accrual basis, revenue from income taxes is recognized in the period in which the income is earned. Revenue from property tax is recognized in the fiscal year for which the taxes are levied.

CITY OF SPRINGDALE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2010

Revenue from state-levied taxes, grants, and entitlements is recognized in the fiscal 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 nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis of accounting, the following revenue sources are considered to be both measurable and available (either in part or in full) at year-end: income tax, transient occupancy tax, plan review fees, certain reimbursements, certain charges for services, estate tax, state-levied locally shared taxes (including gasoline tax and motor vehicle license tax), and license and permit fees.

Deferred Revenue

Deferred revenues are presented on the fund financial statements. Deferred revenues arise when potential revenue does not meet both the measurable and available criteria for recognition in the current period. In a subsequent period, when both revenue recognition criteria are met, the liability or deferred revenue is removed and revenue is recognized. The following transactions are measurable at year-end but availability is indeterminate and are not intended to finance current period obligations, and have been recorded (either in part or in full) as a receivable and deferred revenue: Income tax, admissions tax, transient occupancy tax, current and delinquent property taxes, homestead and rollback entitlement, payments in lieu of tax, special assessments, cable franchise fees, plan review fees, certain reimbursements, certain charges for services, estate tax, state-levied locally shared taxes (including gasoline tax and motor vehicle license tax), and grants.

Unearned Revenue

Unearned revenues are presented on the full accrual statements. Unearned revenue represents amounts under the accrual basis of accounting for which asset recognition criteria has been met, but for which revenue recognition has not yet been met because such amounts have not yet been earned. The following transactions recorded a receivable and unearned revenue: current property taxes and payments in lieu of tax.

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 recorded when the related fund liability is incurred. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

Budgets and the Budgetary Process

The budgetary process, prescribed by provisions of the Ohio Revised Code and the City Charter, entails the preparation of budgetary documents within an established timetable. This includes the preparation of the tax budget, a certificate of estimated resources, and the appropriation/estimated receipts ordinance, all of which are prepared on the non-GAAP budgetary basis of accounting. The certificate of estimated resources and the appropriation/estimated receipts ordinance may be amended by councilmanic action throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified.

CITY OF SPRINGDALE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2010

All funds, other than agency funds, are legally required to be budgeted and appropriated. The City adopts a budget and approves appropriations for all funds. The legal level of budgetary control is defined as the level at which City Council must approve any over-expenditure of appropriations or transfers of appropriated amounts. City Council must approve any increase or decrease in appropriations and estimated receipts. The legal level of budgetary control for the general fund is at the departmental level, personal services and all other expenditures, all other funds are at the fund level, personal services and all other expenditures. Administrative control is maintained through the establishment of detailed line item budgets. For 2010, all appropriations were approved as required and all funds and departments completed the year within the legally authorized appropriations.

A tax budget of estimated revenues and expenditures for all funds is submitted to the County Auditor, as Secretary of the County Budget Commission, by July 20 of each year, for the period January 1 to December 31 of the following year. The County Budget Commission certifies its actions to the City by September 1, and as part of this certification, the City receives the official certificate of estimated resources, which states the projected revenue of each fund. Prior to December 31, the City must prepare its annual budget so that the total contemplated expenditures from any fund during the ensuing fiscal year will not exceed the amount stated in the certificate of estimated resources. The revised budget then serves as the basis for the appropriation ordinance.

On or about January 1, the certificate of estimated resources is amended to include unencumbered fund balances at December 31 of the preceding year. The certificate may be further amended during the year if a new source of revenue is received or actual receipts exceed current estimated receipts. The amounts reported on the budgetary statement reflect as final budget the amounts in the final amended official certificate of estimated resources.

Appropriations - A temporary appropriation measure to control expenditures may be passed on or about January 1 of each year for the period from January 1 to March 31. The annual appropriation ordinance must be passed by April 1 of each year for the period January 1 to December 31. The appropriation ordinance may be supplemented during the year by councilmanic action, as new information becomes available, provided that total fund appropriations do not exceed current estimated resources, as certified.

Encumbrances - As part of formal budgetary control, purchase orders, contracts, and other commitments for the expenditure of monies are recorded as the equivalent of expenditures on the non-GAAP budgetary basis in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance. On the modified accrual basis, encumbrances outstanding at year-end are reported as reservations of fund balances for subsequent year expenditure.

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

Budgetary Basis of Accounting – While the City is reporting financial position, results of operations and changes in fund balances on the basis of accounting principles generally accepted in the United States of America (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 balances – budget (non-GAAP basis) and actual (presented for the general fund) is presented on a budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and GAAP basis are as follows:

CITY OF SPRINGDALE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2010

- Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP),
- Expenditures are recorded when paid in cash (budget) as opposed to when the liability is incurred
 - (GAAP),
- Year- end encumbrances are treated as expenditures (budget) rather than restricted, committed, or assigned fund balance (GAAP), and,
- Advances-in and advances-out are operating transactions (budget) as opposed to balance sheet transactions (GAAP).

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the general fund.

	Net Change in Fund Balance - General Fund
GAAP Basis	(\$1,518,954)
Net adjustment for revenue accruals	281,071
Net adjustment for expenditure accruals	400,879
2009 prepaid items for 2010	21,129
2010 prepaid items for 2011	(19,539)
Encumbrances	(77,790)
Budget basis	(\$914,719)

Cash and Cash Equivalents

Cash is pooled and invested short-term for cash management purposes. Investments with original maturities of three months or less are considered to be cash equivalents. The City reports cash in segregated account in the general fund, this is the balance at year-end of Mayor’s Court activity. The City’s investment and depository policy is based on the Ohio Revised Code, Chapter 135, and includes the following objectives and general guidelines:

- * preservation of capital and protection of principal while earning investment interest,
- * investments are to remain liquid to meet reasonable anticipated operating requirements,
- * investment instruments shall be purchased for the safety of capital as well as the income to be derived and never for speculation, and
- * manage bank account relations to secure adequate services while minimizing costs.

Receivables

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectable.

CITY OF SPRINGDALE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2010

Prepaid Items

Certain payments made to vendors for services that will benefit subsequent periods are recorded as prepaid items. On government-wide and fund financial statements, prepaid items are presented based on the consumption method, whereas an asset is recognized at year end for the value of the prepayment remaining. On the fund financial statements, prepaid items are equally offset by a fund balance reserve which indicates that these prepaid items do not constitute available spendable resources even though they are a component of net current assets.

Inventory

On government-wide and fund financial statements, inventories are presented based on the consumption method at the lower of cost or market on a first-in, first-out basis and are expensed when used. For all funds, cost is determined on a first-in, first-out basis. Inventory in governmental funds consists of expendable supplies held for consumption.

Capital Assets

General capital assets are capital assets which are associated with and generally arise from governmental activities. They generally result from expenditures in the governmental funds. General capital 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.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and deletions during the year. For purposes of financial reporting, only capital assets valued at \$5,000 or more are reported. Donated capital assets are recorded at their fair market value as of the date received, if valued at \$5,000 or more. The City's infrastructure consists of sewer lines, streets, traffic signals, sidewalks, parks, and construction in progress. Improvements are capitalized if value is added and the life of the asset is materially extended; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized.

All reported capital assets are depreciated except land, real estate held for development, and construction in progress. 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 replacement. Depreciation is computed using the straight-line method over the following useful lives:

Buildings	15 - 60 years
Improvements other than building	10 - 25 years
Machinery and equipment	5 - 10 years
Furniture and fixtures	15 - 20 years
Vehicles	5 - 20 years
Infrastructure	15-100 years

CITY OF SPRINGDALE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2010

Interest Income

Interest income is distributed to the funds according to the Ohio Revised Code and City Ordinance. The Ohio Revised Code requires interest to be credited to the general fund, however, the City passes legislation allowing interest to be allocated to the applicable funds based on the principal balance. Total interest revenue during 2010 was \$23,728. Total interest credited to the general fund during 2010 was \$23,595, which includes \$947 assigned from other funds.

Payments In Lieu Of Taxes

Payments in lieu of taxes represent service payments received from the Hamilton County Auditor in lieu of property taxes for the purpose of making TIF bond payments and other applicable expenditures.

Special Assessments

Special assessments represent amounts received from the Hamilton County Auditor in lieu of property taxes based on the Tax Increment Financing (TIF) Service Agreement. As part of the Pictoria Island Service Agreement, Phase II, long term bonds were issued by the Greater Cincinnati Port Authority (Port). Phase II of the agreement covers an office tower as well as the adjacent parking garage. The special assessments were levied based on lost service payments as a result of the parking garage becoming a public purpose parcel and therefore the TIF value was decreased to \$0. The special assessments were levied on the tenants of the office tower to make up the shortfall in service payments. When the special assessments are received from the County Auditor at settlement, the amount is then remitted to the Port bond trustee in accordance with the Service Agreement.

Special assessments were also collected as a result of unpaid amounts owed by residents for grass cutting services performed. Billings are sent to the resident owner for services performed. If payment is not received within 30 days, a special assessment is levied on property taxes through Hamilton County.

Restricted Assets

The balance sheet, general fund assets, reports funds that are restricted for a specific use. These are funds on deposit for unclaimed monies, performance bonds and plan review fees.

Interfund Balances

On fund financial statements, long-term interfund loans are classified as "advances to other funds/advances from other funds" on the balance sheet. These amounts are eliminated in the governmental activities column of the statement of net assets. The City had no short-term interfund loans at year-end.

Compensated Absences

The City reports compensated absences in accordance with the provisions of GASB Statement No. 16, "Accounting for 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 employer will compensate the employees for the benefits through paid time off or some other means. Accumulated vacation leave normally must be used by year-end, but based on the City implementing mandatory furlough leave in 2010, up to eighty-hours of vacation leave was allowed to be carried over for use in 2011. The balance carried over must be used by March 30, 2011.

CITY OF SPRINGDALE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2010

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 employee wage rates at fiscal year-end taking into consideration any limits specified in the City's personnel manual. At year-end 2010, a compensated absence liability is reported on the government-wide financial statements as long-term liabilities.

For governmental funds, compensated absences are recognized as liabilities and expenditures to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account "compensated absences payable" in the fund from which the employees who have accumulated leave are paid. In prior years, the liability for compensated absences has been liquidated from the general fund, street construction, maintenance and repair fund, and the state highway fund. The noncurrent portion of the liability is not reported. At year-end 2010, a compensated absence liability is reported on the fund financial statements.

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide 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, claims, compensated absences, and contractually required pension contributions that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Bonds and capital leases are recognized as a liability on the fund financial statements when due.

Net Assets

On the statement of net assets and the statement of activities, 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 borrowing 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. Restricted for other purposes is comprised of net assets restricted for non-capital grants. The City applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available. Of the City's \$6,960,241 restricted net assets, \$0 is restricted for enabling legislation.

Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the City is bound to observe constraints imposed upon the use of resources in the governmental funds. The classifications are as follows:

Nonspendable – The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or are legally or contractually required to be maintained intact. The “not in spendable form” criteria includes items that are not expected to be converted to cash. It also includes the long-term amount of interfund loans.

CITY OF SPRINGDALE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2010

Restricted – Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or is imposed by law through constitutional provisions or enabling legislation (City ordinance).

Enabling legislation authorizes the City to assess, levy, charge, or otherwise mandate payment of resources (from external resources providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. Legal enforceability means that the City can be compelled by an external party (such as citizens, public interest groups, or the judiciary) to use resources created by enabling legislation only for the purposes specified by the legislation.

Committed – The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action (ordinance or resolution) of City Council. Those committed amounts cannot be used for any other purpose unless City Council removes or changes the specified use by taking the same type of formal action it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, the committed fund balance may be redirected for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by City Council, separate from the authorization to raise the underlying revenue; therefore, compliance with those constraints are not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned – Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by City Council or a City official delegated that authority by the City Charter or ordinance.

Unassigned – Unassigned fund balance is the residual classification for the general fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

The City applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

CITY OF SPRINGDALE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2010

Interfund Activity

Flows of cash from one fund to another without a requirement for repayment are reported as transfers. Transfers are reported as other financing sources/uses in governmental funds. Interfund transfers are eliminated in the statement of activities, but the interfund services provided and used are not eliminated in the process of consolidation. On the fund financial statements, the outstanding interfund loans are long-term and are reported as “Advances to other funds” and “Advances from other funds”. These interfund loans are classified as nonspendable fund balance which indicates they are not in spendable even though it is a component of net current assets. These amounts are eliminated in the statement of net assets.

Estimates

The preparation of the basic financial statements in conformity with GAAP 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.

3. CHANGE IN ACCOUNTING PRINCIPLES

GASB 51

In 2010, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 51, “*Accounting and Financial Reporting for Intangible Assets*”. This Statement establishes accounting and financial reporting requirements for intangible assets (easements, water rights, land use rights, patents, trademarks, and computer software) to enhance the comparability of the accounting and finance reporting of such assets among various state and local governments. All intangible assets not specifically excluded in the Statement are to be classified as capital assets and only to be recognized if it is considered identifiable. The Statement also establishes guidance specific to the amortization of any intangible assets recognized.

The provisions of this Statement generally are required and applied retroactively. For governments that were classified as phase 1 or phase 2 for the purpose of the implementing Statement No. 34, retroactive reporting is required for intangible assets acquired in fiscal years city after June 30, 1980, except for those considered to have indefinite useful lives as of the effective date of this Statement and those that would be considered internally generated. Retroactive reporting is not required but is permitted for intangible assets considered to have indefinite useful lives as of the effective date of this Statement and those considered to be internally generated.

GASB 54

Also in 2010, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 54, “*Fund Balance Reporting and Governmental Fund Type Definitions*”. This Statement enhances the usefulness of fund balance information by providing clearer classifications that can be more consistently applied and clarifying the existing governmental fund type definitions. This Statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Implementation of the Statement did not result in any change in the City’s financial statement amounts .

CITY OF SPRINGDALE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2010

4. FUND BALANCES

Fund balance is classified as nonspendable, restricted, committed, assigned, and unassigned. The constraints placed on fund balance for the major governmental funds and all other governmental funds are as follows:

Fund Balance	General Fund	Capital Improve- ments Fund	Northwest Business TIF Fund	Nonmajor Govern- mental Funds	Total
<u>Nonspendable:</u>					
Interfund loans	\$464,673	\$0	\$0	\$0	\$464,673
Prepaid items	19,539	0	0	0	19,539
Inventory	252,456	0	0	0	252,456
Total nonspendable	<u>736,668</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>736,668</u>
<u>Restricted for:</u>					
Capital improvements	0	561,794	0	0	561,794
Debt service	0	0	134,826	0	134,826
Operating grants	0	0	0	41,620	41,620
Road maintenance	0	0	0	252,929	252,929
Law enforcement	0	0	0	43,639	43,639
Leisure time activities	0	0	0	5,966	5,966
Community	0	0	0	271	271
Total restricted	<u>0</u>	<u>561,794</u>	<u>134,826</u>	<u>344,425</u>	<u>1,041,045</u>
<u>Committed for:</u>					
Other purposes	0	0	5,618	0	5,618
Total committed	<u>0</u>	<u>0</u>	<u>5,618</u>	<u>0</u>	<u>5,618</u>
<u>Assigned to:</u>					
Health insurance	41,641	0	0	0	41,641
Liability insurance	657,462	0	0	0	657,462
Other purposes	62,472	0	0	0	62,472
Total assigned	<u>761,575</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>761,575</u>
Unassigned	<u>4,552,787</u>	<u>0</u>	<u>0</u>	<u>(464,673)</u>	<u>4,088,114</u>
Total fund balance	<u>\$6,051,030</u>	<u>\$561,794</u>	<u>\$140,444</u>	<u>(\$120,248)</u>	<u>\$6,633,020</u>

5. FUND DEFICITS

The capital projects, Tri-County Mall tax increment financing fund, at December 31, 2010 included a fund deficit of \$464,673. This is due to the recognition of expenditures on the modified accrual basis of accounting which are greater than expenditures recorded on the cash basis. The general fund is liable for the fund deficits and provides transfers when cash is required, not when accruals occur.

CITY OF SPRINGDALE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2010

6. DEPOSITS AND INVESTMENTS

The City maintains a cash and investment pool used by all funds. Each fund has an equity interest in this account. Monies of substantially all funds of the City are maintained or invested in a common group of bank accounts and in short-term investments. The City records and reports Star Ohio at cost (which approximates fair value). The provisions of the Ohio Revised Code and City Ordinance govern the investment and deposit of City monies. In accordance with these provisions, only banks located in Ohio and domestic building and loan associations are eligible to hold public deposits.

Ohio law requires the classification of funds held by the City into three categories:

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

Category 2 consists of “inactive” funds – those funds not required for use within the current period of designation of depositories. Inactive funds may be deposited or invested only as certificates of deposit maturing no later than the end of the current period of designation of depositories.

Category 3 consists of “interim” funds – those funds not needed for immediate use but needed before the end of the current period of designation of depositories. The City’s investment policy allows interim funds to be invested in the following:

- * Bonds, notes, or other obligations of or guaranteed by the United States, or those for which the faith of the United States is pledged for the payment of principal and interest thereon;
- * Bonds, notes, debentures or other obligations or securities issued by any federal government agency, or the export-import bank of Washington;
- * The Clerk of Council/Finance Director may enter into a repurchase agreement with any eligible institution mentioned in the R.C. Section 135.03 and confirmed by Council, under the terms of which agreement the Clerk of Council/Finance Director purchases for the City, and such institution agrees unconditionally to repurchase any of the securities listed (in the investment policy) that will mature or are redeemable within five (5) years from the date of purchase;
- * Certificates of deposit of eligible depositories, which may provide (and if so, shall be shown on its face) that the amount of such deposit is payable upon written notice a specified period before the date of the repayment maturity;
- * Insured deposit amounts in eligible depositories paying interest at a rate greater than the interest rate paid on the City’s active deposits; and
- * Star Ohio, an investment pool managed by the Treasurer of the State.

CITY OF SPRINGDALE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2010

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. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the City, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the City or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

Public depositories must give security for all public funds on deposit. These institutions may either specifically collateralize individual accounts in lieu of amounts insured by the Federal Deposit Insurance Corporation (FDIC) or Federal Savings and Loan Insurance Corporation (FSLIC), or may pledge a pool of government securities the face value of which is at least 105 percent of the total value of public monies on deposit at the institution.

The City has invested funds in the State Treasury Asset Reserve of Ohio (STAR Ohio) during fiscal year 2010. STAR Ohio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. Star Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in Star Ohio are valued at Star Ohio's share price which is the price the investment could be sold for on December 31, 2010. The City had no funds invested in Star Ohio at December 31, 2010.

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. Of the bank balance of \$5,777,612, \$530,965 was covered by federal deposit insurance. The remaining amount, \$5,246,647 was covered by provided collateral and not subject to custodial credit risk. Although all statutory requirements for the deposit of money had been followed, noncompliance with federal requirements would 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

The City had no items classified as investments at December 31, 2010.

Interest Rate Risk – Interest rate risk is the risk that an investment's value will change as interest rates change. The City has no formal policy regarding interest rate risk, but as a means of limiting its exposure to fair value losses caused by changing interest rates, the City attempts, to the extent possible, to match investments with anticipated cash flow requirements.

CITY OF SPRINGDALE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2010

Credit Risk – Credit risk is the risk of loss due to a debtor’s non-payment of debt. The City has no formal policy regarding credit risk. Investments in STAR Ohio were rated AAAM by Standard & Poor’s. The City limits their investments to those authorized by the City investment policy.

Custodial Credit Risk - Custodial credit risk for investments is the risk that in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. All of the City’s securities are either insured and registered in the name of the City or at least registered in the name of the City, other than the City’s repurchase agreements which are exposed to custodial credit risk in that they are uninsured, unregistered, and held by the counterparty’s trust department or agent but not in the City’s name. The City has no investment policy dealing with investment custodial risk beyond the requirement in state statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the treasurer or qualified trustee.

Concentration of Credit Risk - The City places no limit on the amount it may invest in any one issuer. See the table above for the concentration of credit risk regarding the City’s investments.

7. RECEIVABLES

Receivables at year-end consist primarily of municipal income taxes, property and other taxes, intergovernmental receivables arising from entitlements, shared revenues, payments in lieu of taxes, special assessments, grants, and accounts.

Property taxes

The assessed valuation of property within the City subject to the levy of ad valorem taxes includes real property, public utilities property, and tangible personal property. The City’s property taxes are collected by the Hamilton County Auditor and are remitted to the City on a periodic basis. The full tax rate for all City operations for the year-ended December 31, 2010 was \$3.08 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2010 property tax receipts were based are as follows:

Real Property – 2009 Assessed Valuation	\$365,922,290
Public Utility Tangible Personal Property – 2009 Assessed Valuation	8,598,540
Tangible Personal Property – 2009 Assessed Valuation	<u>2,497,350</u>
Total	<u><u>\$377,018,180</u></u>

Property taxes receivable represent real and tangible personal property taxes, public utility property taxes, and outstanding delinquencies, which are measurable as of December 31, 2010. Although total property tax collections for the next fiscal year are measurable, the City recognizes property taxes as deferred revenue since the first settlement date is more than thirty-one days after year-end and does not meet the availability criteria for recognition of revenue and because the taxes are not intended to finance current operations.

CITY OF SPRINGDALE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2010

Real property taxes collected in any calendar year are generally levied on assessed values as of January 1 of the preceding year according to the following calendar:

- | | |
|----------------------------------|-------------------|
| • Lien date | January 1, 2009 |
| • Levy date - first half | December 31, 2009 |
| • First installment payment due | January 31, 2010 |
| • Levy date - second half | March 31, 2010 |
| • Second installment payment due | June 20, 2010 |

Assessed values are established by the County Auditor at no more than 35% of appraised market value. The laws of the State of Ohio require that all property be revalued every six years, and at any time the County Auditor finds that true or taxable value thereof has changed, and in the third calendar year following the year in which a sexennial reappraisal is completed as ordered by the State Commissioner of Tax Equalization. Real property last experienced a tri-ennial reappraisal during 2008 with the results affecting collections beginning in 2009.

Public utilities real and tangible personal property taxes collected in any calendar year are those levied on assessed values as of December 31 of the preceding year. Certain tangible personal property of public utilities is currently assessed at 100% of its true value. Real property of public utilities is currently assessed at 35% of true value. Property taxes on public utilities are subject to the same calendar as real property taxes, which are described above.

The County Treasurer collects property taxes on behalf of all taxing districts in the county. The County Auditor remits to the City its portion of the taxes collected as advances and at settlement twice a year. Accrued property taxes receivable represent real property taxes, public utility taxes and outstanding delinquencies which are measurable as of year-end 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 year-end, nor were they levied to finance current year operations. The receivable is therefore offset by deferred revenue in the fund financial statements. The receivable is also offset by unearned revenue in the government-wide financial statements, with the exception of delinquencies, which are presented as property tax revenue.

Income Taxes

In 2010, the City levied a municipal income tax of 1.5% on substantially all earnings (qualified wages and other personal service compensation) of its residents working both in and out of the City and to earnings of nonresidents working within the City. In conjunction with a mandatory filing requiring, the City allows a credit to residents for income taxes paid to other governments up to 100% of the City's current tax rate.

The municipal income tax also applies to net income of business conducted in the City. Employers within the City are required to withhold income tax on employee compensation and remit the tax to the City on a quarterly basis. Corporations and other individual taxpayers are encouraged to pay their estimated tax quarterly and file a declaration annually.

Income tax proceeds are used to provide for general municipal operations, maintenance, new equipment, extension and enlargement of municipal services and facilities and permanent improvements of the City and the discharge of principal and interest of obligations for permanent improvements.

**CITY OF SPRINGDALE, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 DECEMBER 31, 2010**

Intergovernmental Receivables

A summary of the principle items of intergovernmental receivables is as follows:

Local government	\$250,400
Gasoline tax	184,000
License tax	75,600
Estate Tax	61,135
Homestead/rollback	33,000
Grants	23,742
Other	29,512
Total	<u>\$657,389</u>

8. INTERFUND TRANSACTIONS

Advances To/From Other Funds

A previous interfund loan of \$541,465 was made from the general fund to the Tri-County Mall tax increment financing fund. This loan was made regarding the East Kemper Road at Tri-County Mall Road Improvements project and will be repaid to the general fund when service payments are received to the fund. At the time it was believed the interfund loan would be repaid within a year, but since has been determined these should be shown as long-term advances on the fund financial statements. In 2010, \$53,918 was repaid from the Tri-County Mall tax increment financing fund to the general fund.

Following is a schedule of advances to/from other funds:

<u>Advances To Other Funds</u>	<u>Advances From Other Funds</u>	<u>Amount</u>
General Fund	Capital projects, Tri-County Mall TIF fund	\$464,673

The capital projects, Tri-County Mall TIF fund, is a nonmajor fund.

Transfers In/Transfers Out

In 2010, the City had the following interfund transfers:

<u>Transfer-Out Fund</u>	<u>Transfer-In Fund</u>	<u>Amount</u>
General Fund	Capital projects, community center debt fund	\$517,400
General Fund	Special revenue, residential recycling fund	<u>63,000</u>
General Fund	Capital projects, capital improvements fund	500,000
		<u>\$1,080,400</u>

The capital projects, community center debt fund, and the special revenue, residential recycling fund are nonmajor funds. The capital projects, capital improvements fund is a major fund. All transfer activity was the result of cash flow needs within the fund.

CITY OF SPRINGDALE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2010

9. CAPITAL ASSETS

Capital asset activity is summarized below:

<u>Governmental Activities</u>	<u>Balance 1/1/10</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 12/31/10</u>
Capital assets, not being depreciated:				
Land	\$1,944,739	\$0	\$0	\$1,944,739
Real estate held for development	442,910	0	0	442,910
Infrastructure	0	279,752	0	279,752
Construction in progress	4,281,886	1,653,675	(5,619,867)	315,694
Total capital assets not being depreciated	<u>6,669,535</u>	<u>1,933,427</u>	<u>(5,619,867)</u>	<u>2,983,095</u>
Capital assets, being depreciated:				
Buildings	19,683,205	98,402	0	19,781,607
Improvements other than building	2,523,354	0	0	2,523,354
Machinery and equipment	1,490,584	32,608	(6,080)	1,319,715
Furniture and fixtures	36,582	0	0	36,582
Vehicles	3,308,254	36,301	(38,029)	3,306,526
Infrastructure	47,139,293	5,540,352	0	52,679,645
Total capital assets being depreciated	<u>74,181,272</u>	<u>5,707,663</u>	<u>(44,109)</u>	<u>79,844,826</u>
Less accumulated depreciation:				
Buildings	(5,346,267)	(348,235)	0	(5,694,502)
Improvements other than building	(1,330,762)	(107,312)	0	(1,438,074)
Machinery and equipment	(1,054,141)	(98,645)	5,776	(1,147,010)
Furniture and fixtures	(11,279)	(1,953)	0	(13,232)
Vehicles	(2,241,451)	(187,708)	36,128	(2,393,031)
Infrastructure	(25,373,166)	(1,352,544)	0	(26,725,710)
Total accumulated depreciation	<u>(35,357,066)</u>	<u>(2,096,397)</u>	<u>41,904</u>	<u>(37,411,559)</u>
Total capital assets being depreciated, net	<u>38,824,206</u>	<u>3,611,266</u>	<u>(2,205)</u>	<u>42,433,267</u>
Governmental activities capital assets, net	<u>\$45,493,741</u>	<u>\$5,544,693</u>	<u>(\$5,622,072)</u>	<u>\$45,416,362</u>

CITY OF SPRINGDALE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2010

As a result of implementing GASB 51, the balances of capital assets have been restated from prior year. Following is a summary of capital assets by category, which documents the beginning balance as previously stated, adjustments noted, and the restated beginning balance.

	Beginning Balance as Previously Stated	Adjustments	Restated Beginning Balance
Land	\$1,944,739	\$0	\$1,944,739
Real estate held for development	442,910	0	442,910
Construction in progress	4,281,886	0	4,281,886
Building	19,683,205	0	19,683,205
Improvements other than building	2,523,354	0	2,523,354
Machinery and equipment	1,310,303	180,281	1,490,584
Furniture and fixtures	36,582	0	36,582
Vehicles	3,308,254	0	3,308,254
Infrastructure	47,139,293	0	47,139,293
Capital assets at cost	<u>80,670,526</u>	<u>180,281</u>	<u>80,850,807</u>
Less:			
Accumulated depreciation	<u>(35,249,759)</u>	<u>(107,307)</u>	<u>(35,357,066)</u>
Capital assets, net	<u><u>\$45,420,767</u></u>	<u><u>\$72,974</u></u>	<u><u>\$45,493,741</u></u>

Also, implementing GASB 51 had the following affect on net assets, as previously stated:

Net assets at 12-31-09	\$49,756,939
Adjustments per above	<u>72,974</u>
Net assets at 12-31-09, restated	<u><u>\$49,649,913</u></u>

In 2010, depreciation expense was charged to governmental functions as follows:

Security of persons and property	\$368,963
Public health services	2,349
Leisure time activities	320,623
Community environment	7,295
Transportation	1,151,090
General government	<u>246,077</u>
	<u><u>\$2,096,397</u></u>

10. COMPENSATED ABSENCES

Accumulated Unpaid Vacation Leave

Full-time City employees earn vacation leave at varying rates based upon years of service. Employees are compensated at year-end for any unused vacation if requested by the employee. Vacation leave accumulated normally must be used by year-end, but based on the City implementing mandatory furlough leave in 2010, up to eighty hours of vacation leave was allowed to be carried over to 2011. The balance carried over must be used by March 30, 2011.

CITY OF SPRINGDALE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2010

Accumulated Unpaid Sick Leave

Full-time City employees earn sick leave at the rate of ten hours per month, provided that in each month, one hundred hours were worked. Sick leave balances at year-end are carried over to the next year. Sick leave may be accumulated up to 1,600 hours. Employees are compensated at year-end for sick leave balances over 1,600 (paid out at one-half the hours over 1,600). At retirement, an employee (or the employee's estate in the case of an employee's death) is paid for the accumulated sick leave hours as follows:

<u>Hours of Sick Leave</u>	<u>Conversion Rate</u>
1 to 400	No conversion
401 to 800	3 to 1 conversion
801 to 1,200	2 to 1 conversion
1,201 to 1,600	1 to 1 conversion

Compensatory Time

Compensatory time can only be accumulated by full-time employees for hours worked in excess of their regular schedule. Compensatory hours are compensated at a rate of one and one-half times the employees regular pay rate. Compensatory time balances at year-end are carried over to the next year. For non-union employees, the maximum balance of compensatory time to be accumulated at any given time is sixty-eight hours. Employees of the fire department under union contract can accrue and use up to a balance of seventy-two hours at any given time. Employees of the police department under union contract can accrue and use up to a balance of one hundred hours at any given time.

11. LONG-TERM OBLIGATIONS

A schedule of changes in bonds and other long-term obligations of the City during the current year is as follows:

<u>Governmental Activities</u>	<u>Balance 1-1-10</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 12-31-10</u>	<u>Amount Due Within A Year</u>
General obligation bonds:					
Community center expansion Bonds	\$3,108,264	\$0	(\$401,072)	\$2,707,192	\$401,072
Total general obligation bonds	<u>3,108,264</u>	<u>0</u>	<u>(401,072)</u>	<u>2,707,192</u>	<u>401,072</u>
Tax increment financing phase I revenue bonds	2,599,959	0	(66,017)	2,533,942	70,186
Capital leases	26,767	0	(5,462)	21,305	5,912
Compensated absences	<u>690,063</u>	<u>839,191</u>	<u>(867,287)</u>	<u>661,967</u>	<u>195,636</u>
Total governmental activities	<u>\$6,425,053</u>	<u>\$839,191</u>	<u>(\$1,339,838)</u>	<u>\$5,924,406</u>	<u>\$672,806</u>

CITY OF SPRINGDALE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2010

The 1-1-10 balance reflects unamortized bond premium for the general obligation bond issue. The deletions above reflect amortization of bond premium of \$1,072 for the community center expansion bonds that is not reflected in the fund financial statements.

Community Center Expansion General Obligation Bonds Payable

The City issued \$5,900,000 of Community Center Expansion General Obligation Bonds dated September 15, 2002. The bonds mature December 1, 2017 and bear interest at the rate of 3.72%. The bonds were issued for the purpose of paying the cost of constructing, furnishing and equipping additions and renovations to the Municipal Community Center, and paying related costs, under authority of the general laws of the State of Ohio and the Uniform Public Securities Law of the Ohio Revised Code and by virtue of ordinances duly adopted by Council. For the current year, principal and interest paid were \$400,000 and \$117,400, respectively. The liability at December 31, 2010 for the Community Center Expansion General Obligation Bonds payable is \$2,707,192 and is recorded in the government-wide financial statements.

Tax Increment Financing - Phase I Revenue Bonds Payable

The City issued \$3,040,000 of Pictoria Island Phase I Tax Increment Financing (TIF) Revenue Bonds dated September 14, 2000. The bonds were issued to retire notes that were issued for the construction of infrastructure and a man-made lake in the Northwest Business District (Pictoria Island) TIF area. The bonds mature September 1, 2029 and bear interest at the rate of 6.70%. The City has pledged future service payments (payments in lieu of taxes) received from the owners of the property under the TIF agreement to repay the bond principal and interest. The service payments are based on the incremental value of improvements made to the property under the agreement. If at any time a shortfall exists in the fund making the bond payments, the developers of the property are liable for the shortfall amount. The service payments, and anticipated shortfall payments, are projected to produce 100% of the debt service requirements over the life of the bonds. Total principal and interest remaining on the bonds is \$4,466,208 payable through September 2029. For the current year, principal and interest paid and total service payments and shortfall received were \$238,198 and \$258,158, respectively. The liability at December 31, 2010 for the TIF Revenue Bonds Payable is \$2,533,942 and is presented in the government-wide financial statements.

Principal and interest requirements to retire the City's long-term obligations outstanding at year-end are as follows:

Year-Ending December 31	General Obligation Bonds		TIF Revenue Bonds	
	Principal	Interest	Principal	Interest
2011	\$401,072	\$103,800	\$70,186	\$168,012
2012	401,072	89,600	75,036	163,162
2013	401,072	74,800	80,221	157,977
2014	401,072	59,800	85,764	152,434
2015	401,072	44,600	91,690	146,508
2016-2020	701,832	41,600	562,700	628,290
2021-2025	0	0	785,887	405,100
2026-2029	0	0	787,930	105,311
Total	\$2,707,192	\$414,200	\$2,539,414	\$1,926,794

CITY OF SPRINGDALE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2010

12. LEASES

The City's prior lease obligations that meet the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13 "Accounting for Leases", have been recorded on the government-wide statements. The following is a schedule of the future long-term minimum lease payments required under the capital lease, and the present value of the minimum lease payments:

<u>Year Ending December 31</u>	
2011	7,404
2012	7,404
2013	9,074
2014	395
	<hr/>
Total minimum lease payments	24,277
Less: amount representing interest	<u>(2,972)</u>
Present value of minimum lease	<u><u>\$21,305</u></u>

The leased assets have been capitalized for the amount of the present value of the minimum lease payments at the inception of the lease. \$31,454 represents the amount of capital assets under capital lease obligation at December 31, 2010. In 2010, \$4,937 was paid from the general fund as principal retirement and \$526 was paid from the grants fund as principal retirement. Capital lease payments have been reclassified and are reflected as debt service in the fund financial statements and on the budgetary basis.

13. DEFINED BENEFIT PENSION PLANS

Ohio Public Employees Retirement System

Substantially all City employees, other than full-time fire and police personnel, participate in the Ohio Public Employees Retirement System (OPERS). The OPERS administers three separate pension plans as described below:

The Traditional Pension Plan - a cost-sharing, multiple-employer defined benefit pension plan.

The Member-Directed Plan – a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20% per year). Under the Member-Directed Plan, members accumulate retirement assets equal to the value of member and (vested) employer contributions, plus any investment earnings.

The Combined Plan - 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, but less than, 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 in Chapter 145 of

CITY OF SPRINGDALE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2010

the Ohio Revised Code (ORC). 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.

The ORC provides statutory authority for member and employer contributions. For 2010, member and employer contribution rates were consistent across all three plans. While members in the state and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the Traditional Pension Plan. The 2010 member contribution rates were 10.0% of covered payroll for members in state and local classifications. Public safety and law enforcement members contributed 10.5% and 11.1%, respectively. The 2010 employer contribution rate for state and local employers was 14% of covered payroll. The law enforcement and public safety division employer contribution rate was 17.78% of covered payroll. The City's contributions to OPERS for the years ended December 31, 2010, 2009, and 2008 were \$545,608, \$592,041, and \$615,008, respectively, equal to the required contribution for each year.

Ohio Police and Fire Pension Fund

All full-time police officers and firefighters participate in the Ohio Police and Fire Pension Fund (OP&F), a cost-sharing multiple-employer defined benefit pension plan. OP&F provides retirement and disability pension 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 ORC. OP&F issues a publicly available financial report that includes financial information and require supplementary information for the plan. That report maybe obtained by writing to OP&F, 140 East Town Street, Columbus, OH 43215-5164.

Plan members are required to contribute 10.0% of their annual covered salary, while employer are required to contribute 19.5% and 24.0% respectively for police officers and firefighters. The City's contributions to OP&F for the years ending December 31, 2010, 2009, and 2008, were \$952,746, \$977,239, \$964,167, respectively, or 55% of the required contributions for 2009, 75% of the required contributions for 2008, and 77% of the required contributions for 2007.

14. POST EMPLOYMENT BENEFITS

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 – a cost-sharing, multiple-employer defined benefit pension plan; the Member-Directed Plan – a defined contribution plan, and the Combined Plan – a cost-sharing, multiple-employer defined benefit pension plan that has the elements of both a defined benefit and defined contribution plan.

OPERS maintains a cost-sharing multiple employer defined benefit post-employment healthcare plan, which includes a medical plan, prescription drug program and Medicare Part B premium reimbursement, to 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.

CITY OF SPRINGDALE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2010

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 health care coverage provided by the OPERS meets the definition of an Other Post-employment Benefit as described in GASB Statement No. 45, "*Accounting and Financial Reporting by Employers for Post-employment Benefits other than Pension*".

The Ohio Revised Code (ORC) permits, but does not mandate, OPERS to provide other post-employment benefits (OPEB) to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the ORC. OPERS issues a stand-alone financial report. Interested parties by obtain a copy by writing to OPERS, 277 East Town Street, Columbus, OH 43215-4642 or by calling (614) 222-5601 or (800) 222-7377.

Funding Policy - The ORC provides the statutory authority requiring public employers to fund post-employment health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside for the funding of post-retirement health care benefits. Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2010, state and local employers contributed at a rate of 14% of covered payroll and public safety and law enforcement employers contributed at 17.87%. The ORC currently limits the employer contribution to a rate not to exceed 14% of covered payroll for state and local employer units and 18.1% of covered payroll for law and public safety employer units. Active members do not make contributions to the OPEB Plan.

The OPERS Post Employment Health Care Plan was established under, and is administrated in accordance with, Internal Revenue Code 401(h). Each year, the OPERS Board of Trustees determines the portion of the employer contribution rate that will be set aside for funding of post-employment health care benefits. The portion of employer contributions allocated to health care for members in the Traditional Plan was 5.5% from January 1 through February 28, 2010 and 5.0% from March 1 through December 31, 2010. The portion of employer contributions allocated to health care for members in the Combined Plan was 4.73% from January 1 through February 28, 2010, and 4.23% from March 1 through December 31, 2010.

The OPERS Board of Trustees is also authorized to establish rules for the payment of a portion of the health care benefits provided, by the retiree or the surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The rates stated above are the contractually required contribution rates for OPERS. In 2010, the employer contributions actually made by the City to fund post-employment benefits were \$198,569.

The Health Care Preservation Plan adopted by the OPERS Borad of Trustees September 9, 2004, was effective January 1, 2007. Member and employer contribution rates for state and local employers 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 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 SPRINGDALE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2010

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 and long term care to retirees, qualifying benefit recipients and their eligible dependents.

OP&F provides access to post-retirement health care coverage for eligible persons 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 the OP&F meets the definition of an Other Post Employment Benefit as described in GASB Statement No. 45, "*Accounting and Financial Reporting by Employers for Post-employment Benefits other than Pension*".

The ORC 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 are codified in Chapter 742 of the ORC. 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 ORC provides for contribution requirements of the participating employers and of plan members to the OP&F (defined benefit plan). Participating employers are required to contribute to the pension plan at rates expressed as percentages of the total payroll of active pension plan members, currently, 19.5% and 24% of covered payroll for police and fire employers, respectively. The ORC states that the employer contribution may not exceed 19.5% of covered payroll for police employer units and 24% 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 administered as an IRS Code 401(h) account, both of which are within the defined benefit pension plan, under the authority granted by the ORC 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, 2010, the employer contribution allocated to the health care plan was 6.75% of covered payroll. The amount of employer contributions allocated to the healthcare 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).

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 for the years ending December 31, 2010, 2009, and 2008, were \$952,746, \$977,239, \$964,167, respectively, of which \$897,372, \$612,729, and \$604,533, respectively, was allocated to the healthcare plan

CITY OF SPRINGDALE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2010

15. OTHER EMPLOYEE BENEFITS

Deferred Compensation Plan

City employees may participate in the Ohio Public Employees Deferred Compensation Plan (“Plan”) created in accordance with Internal Revenue Code Section 457. Participation is on a voluntary, payroll deduction basis. Under the Plan, employees can defer up to \$11,000 annually until a future time (usually after retirement). The deferred amounts as well as any income earned related to the deferral are not subject to federal or state income tax until actually received by the employee. The Plan permits deferral of compensation until future years. According to the Plan, the deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. The Plan agreement states that the City and the Plan have no liability for losses under the Plan with the exception of fraud or wrongful taking. The Deferred Compensation Plan assets are placed in trust for the sole benefit of employees or other beneficiaries. In accordance with GASB Statement No. 32, “*Accounting and Financial Reporting for Internal Revenue Code, Section 457, Deferred Compensation Plans*”, these amounts are not reflected on the City’s financial statements.

16. RISK MANAGEMENT

Property Insurance Program

The City is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters and has established a risk management strategy that attempts to minimize losses and the carrying cost of insurance. Effective June 1, 1991, the City joined the Miami Valley Risk Management Association (MVRMA), a property and casualty pooling arrangement. MVRMA’s deductible is \$2,500 per community per occurrence. MVRMA retains responsibility for the payment of claims within specified self-insured retention limits prior to the application of coverage provided by excess reinsurance contracts. MVRMA’s per-occurrence retention limit for property was \$250,000 effective July 1, 2009 with the exception of boiler and machinery for which there was a \$5,000 per-occurrence retention limit. Liability had a per-occurrence retention limit of \$2,000,000 in 2010 with \$2,000,000 excess, \$1,000,000 reinsured by Government Entities Mutual Inc. Settled claims have not exceeded commercial coverage in any of the past three years. There have been no significant reductions in insurance coverage from the prior year.

Workers Compensation Program

The City pays the state Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

Health Insurance Program

Medical coverage is offered to employees through a self-funded insurance plan. Under this program, coverage is provided for up to \$100,000 per covered person. The plan is offered to local governments state-wide through the Ohio Mid-Eastern Regional Education Service Agency (OME-RESA) located in Steubenville, and administered by United Healthcare of Ohio. The City joined this plan effective August 1, 2010.

Premium payments are made based on actuarial estimates of the amounts needed to pay claims and actual amounts needed to pay fixed costs (premiums for stop-loss coverage and medical conversion and administrative fees and services). The City’s independent advisor has determined that \$725,888 is a good and sufficient provision for incurred but not reported claims as of December 31, 2010. This amount is non-discounted and is based on historical claims experience. The liability of \$725,888 is based on an

CITY OF SPRINGDALE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2010

estimate provided by USI Insurance (independent advisor) and the requirements of GASB Statement No. 10, “Accounting and Financial Reporting for Risk Financing and Related Insurance Issues”, as amended by GASB Statement No. 30, “Risk Financing Omnibus”, which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be accrued at the estimated ultimate cost of settling claims.

Also, the City provides a dental plan with coverage ranging from 50 percent to 100 percent depending on the type of dental services performed. A third party administrator (Dental Care Plus) reviews all claims which then are paid by the City. There is a monthly charge for employees enrolled in the dental plan.

Following are reconciliations of changes in aggregate liabilities for claims payable for the past two years for health insurance and dental insurance:

<u>Health Insurance</u>	<u>2010</u>	<u>2009</u>
Claims payable, beginning of the year	\$76,465	\$101,152
Claims incurred during the year	2,334,157	1,300,301
Claim payments during the year	<u>(1,684,734)</u>	<u>(1,321,988)</u>
Claims payable, end of year	<u>\$725,888</u>	<u>\$76,465</u>
<u>Dental Insurance</u>	<u>2010</u>	<u>2009</u>
Claims payable, beginning of the year	\$9,566	\$8,746
Claims incurred during the year	205,769	144,331
Claim payments during the year	<u>(188,285)</u>	<u>(1443,511)</u>
Claims payable, end of year	<u>\$27,050</u>	<u>\$9,566</u>

Total liability for claims payable at December 31, 2010 is \$752,938.

17. JOINT VENTURES

Miami Valley Risk management Association

The cities and other entity of Beavercreek, Bellbrook, Blue Ash, Centerville, Englewood, Indian Hill, Kettering, Madeira, Mason, Miamisburg, Montgomery, Northern Area Water Authority (NAWA), Piqua, Sidney, Springdale, Tipp City, Troy, Vandalia, West Carrollton, Wilmington, and Wyoming, have entered a joint venture for the purpose of providing various types of insurance coverage. This association is organized as an Ohio not-for-profit corporation operating under the name of Miami Valley Risk Management Association (MVRMA). The association exists for the public purpose of enabling its member political subdivisions to obtain insurance coverage, provide methods for paying claims, and provide a formalized, jointly administered self-insurance pool. In addition to the self-insurance pool, the Association provides risk management services, loss prevention programs, and various other educational materials.

MVRMA was incorporated December 1, 1988 under Section 2744.081 of the Ohio Revised Code and is governed by a twenty-one member Board of Trustees, consisting of a trustee appointed by each of the member cities with each trustee having a single vote. The Board of Trustees elects the officers of the corporation, and is responsible for its own financial matters including budgeting. The City exercises no

CITY OF SPRINGDALE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2010

significant influence over the Board of Trustees and there is no liability on the part of the City for MVRMA's fiscal matters. MVRMA issues a stand-alone Comprehensive Annual Financial Report. Interested parties may obtain a copy by making a written request to 4625 Presidential Way, Kettering, OH 45429 or by calling (937) 438-8878.

MVRMA maintains excess reinsurance contracts with insurance carriers who provide various limits of coverage over MVRMA's self-insured retention limits. For the year-ended December 31, 2010, MVRMA purchased the following types of insurance/reinsurance in excess of its self-insurance retention presented in the previous paragraph:

General liability	\$10,000,000 per occurrence
Police professional liability	10,000,000 per occurrence
Automobile liability	10,000,000 per occurrence
Public officials liability	500,000 per occurrence and annual aggregate
Employment practices liability	500,000 per occurrence and annual aggregate
Boiler and machinery	100,000,000 per occurrence
Property (excluding flood and earthquake)	1,000,000,000 per occurrence
Property – flood and earthquake	25,000,000 per occurrence and annual aggregate

MVRMA has established a Shock Loss Fund (SLF) to replace the aggregate stop-loss policy. Each year a moving target equal to the annual loss fund is established. MVRMA members will fund approximately 15% of that amount annually with the expectation that over a period of time, the balance of the SLF will be equivalent to the current year's annual loss fund. Contributions to the SLF will be recorded with separate accounting designed to preserve each member municipality's percentage ownership. Each member's SLF balance will be reviewed annually in conjunction with MVRMA's preliminary budget process. Any member whose balance is equivalent to its upcoming annual loss fund contribution will not be required to make an additional deposit. Unless otherwise waived by the MVRMA Board, any member whose balance falls below its targeted amount, will be required to contribute the amount needed to reach the targeted amount or 15% of the annual loss year contribution, whichever is less.

There was no joint venture debt at December 31, 2010. MVRMA was created to enable its members to share risk, and it is reasonably possible that MVRMA, Inc. may make additional assessments to the City. The pool contribution factors at December 31, 2010 are: Beavercreek - 5.96%, Bellbrook - .97%, Blue Ash - 7.03%, Centerville - 3.92%, Englewood - 2.92%, Indian Hill - 3.45%, Kettering - 12.12%, Maderia - 1.94%, Mason - 6.55%, Miamisburg - 8.46%, Montgomery - 3.17%, NAWA - .17%, Piqua - 6.01%, Sidney - 6.90%, Springdale - 4.06%, Tipp - 2.87%, Troy - 7.29%, Vandalia - 4.80%, West Carolton - 3.30%, Wilmington - 5.84%, Wyoming - 2.30%.

A summary of audited financial information for MVRMA as of December 31, 2009, is presented below:

**CITY OF SPRINGDALE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2010**

Total assets	<u>\$18,448,229</u>
Total liabilities	6,663,664
Total net assets	<u>11,784,565</u>
Total liabilities and net assets	<u>\$18,448,229</u>
Total operating revenues	\$4,194,482
Total operating expenditures	<u>3,738,123</u>
Operating income	456,359
Non-operating revenue	447,649
Change in net assets	<u>904,008</u>
Beginning net assets	<u>10,880,557</u>
Ending net assets	<u>\$11,784,565</u>

Joint Economic Development District

In 2009, a Joint Economic Development District (JEDD) was created between the City of Springdale, the City of Fairfield, and West Chester Township. The purpose of the JEDD was to economic development and job creation for the designated JEDD area. The district is comprised of 43 acres located at the northwest corner of Union Center Boulevard and Cincinnati-Dayton Road in West Chester Township.

A 1% income tax was enacted effective September 15, 2009 covering the JEDD district. The income tax is administrered by the City of Fairfield. The City of Springdale is involved based on the loss of income tax revenue due to the company leaving Springdale and locating to West Chester Township.

The City of Springdale receives funding under the JEDD for a total of 10 years, at 7% of the net distribution. The City began receiving JEDD distribution in January of 2010. The amounts received are recorded to the general fund as intergovernmental revenue. A total of \$76,181 is included as intergovernmental revenue on the full accrual and fund financial statements for 2010. The distribution of funds under the JEDD is as follows:

Distribution of Gross Tax:

- 5% Service fee for collection to the City of Fairfield
- 2% Escrow account for payment of refunds
- 93% Net Distribution

Net Distribution:

- 83% West Chester Township
- 7% City of Springdale
- 10% City of Fairfield

18. CONSTRUCTION COMMITMENTS

CITY OF SPRINGDALE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2010

As of December 31, 2010, the City had the following construction commitments with respect to capital improvement projects:

<u>Project</u>	<u>Contract Amount</u>	<u>Amount Paid at 12/31/10</u>	<u>Remaining Construction Commitment</u>
State Route 747/CSX Grade Separation Project	\$11,317,747	\$11,279,218	\$38,529
State Route 4/Crescentville Road Improvements	842,484	764,937	77,547
State Route 747/Crescentville Road Improvements	1,399,567	1,395,668	3,899
Northland Boulevard Improvements	1,186,849	1,132,238	54,611

The State Route 747/CSX Railroad Grade Separation project, State Route 4/Crescentville Road Improvements project, and the State Route 747/Crescentville Road Improvements project are administered by the Ohio Department of Transportation (ODOT), except for the City's local obligation. The City records transactions as ODOT makes on-behalf-of-payments to contractors. ODOT has encumbered these transactions on their internal financial system, therefore, no amounts are encumbered by the City at year-end outside the anticipated remaining local obligation. The remaining construction commitments will be paid from the capital projects, capital improvements fund.

19. CONTINGENT LIABILITIES

The City's attorney is of the opinion that ultimate disposition of actual or potential claims against the City and other actual or potential legal proceedings will not materially affect the financial condition of the City. Therefore, the financial statements do not present estimated claims from legal proceedings.

Combining Statements and Individual Fund Schedules

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds – used to account for the proceeds of specific revenue sources (other than capital projects) that are legally restricted to expenditures for specified purposes.

Street Construction, Maintenance and Repair Fund – To account for that portion of the state gasoline tax and motor vehicle registration fees designated for maintenance of streets within the City. Ninety-two and one-half percent of gasoline and auto license taxes are allocated to the fund.

State Highway Fund – To account for that portion of the state gasoline and motor vehicle registration fees designated for maintenance of state highways within the City. Seven and one-half percent of gasoline and auto license taxes are allocated to this fund.

Grants Fund – To account for grants obtained from outside agencies for other than capital purposes.

Drug Law Enforcement Fund – To account for mandatory fines collected for drug agencies.

Law Enforcement Fund – To account for the proceeds from the confiscation of contraband.

Law Enforcement Training Fund – To account for proceeds from the State of Ohio under the law enforcement continuing professional training program and shall be used for paying the costs of continuing education.

Driving Under the Influence Fund – To account for fines imposed on DUI offenders. Under state laws disbursements may be made from this fund for law enforcement purposes related to informing the public of laws governing the operation of motor vehicles while under the influence of alcohol.

Residential Recycling Incentive Fund – To account for payments received from the Hamilton County Solid Waste Management District incentive funds and expenditures made for solid waste management activities.

Vehicle Immobilization Fee Fund – To account for the vehicle immobilization fee received by the State and make expenditures for law enforcement purposes relating to the costs incurred in enforcing Ohio Revised Code Section 4503.233.

Parks and Urban Forestry Fund – To account for the costs of purchasing and planting municipal street trees.

Adult Sports Fund – To account for the fees collected and the costs incurred for adults who participate in league sports at the City Community Center.

Capital Projects Funds – used to account for financial resources to be used for the application or construction of major capital facilities.

Tri-County Mall Tax Increment Financing (TIF) Fund – To account for the activity related to the Tri-County Mall TIF Project.

Community Center Debt Fund – To account for the outstanding debt payments related to the Community Center Expansion Project.

**CITY OF SPRINGDALE, OHIO
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 DECEMBER 31, 2010**

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
Assets:			
Equity in pooled cash and cash equivalents	\$317,066	\$0	\$317,066
Receivables:			
Intergovernmental	277,667	0	277,667
Total assets	\$594,733	\$0	\$594,733
Liabilities:			
Accounts payable	\$6,905	\$0	\$6,905
Accrued wages and benefits payable	7,369	0	7,369
Advances from other funds	0	464,673	464,673
Deferred revenue	236,034	0	236,034
Total liabilities	250,308	464,673	714,981
Fund balances:			
Restricted	344,425	0	344,425
Unassigned	0	(464,673)	(464,673)
Total fund balance (deficit)	344,425	(464,673)	(120,248)
Total liabilities and fund balances	\$594,733	\$0	\$594,733

**CITY OF SPRINGDALE, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2010**

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:			
Payments in lieu of taxes	\$0	\$54,467	\$54,467
Intergovernmental	\$666,590	0	666,590
Fines and forfeitures	10,798	0	10,798
Fees, licenses and permits	10,152	0	10,152
Other	2,300	0	2,300
Total revenues	689,840	54,467	744,307
Expenditures:			
Current:			
Security of persons and property	74,165	0	74,165
Public health services	76,200	0	76,200
Leisure time activities	31,215	0	31,215
Community environment	80,828	0	80,828
Transportation	412,465	0	412,465
General government	0	4	4
Debt service:			
Principal retirement	526	400,000	400,526
Interest and fiscal charges	134	117,400	117,534
Total expenditures	675,533	517,404	1,192,937
Ecess (deficiency) of revenues over expenditures	14,307	(462,937)	(448,630)
Other financing sources:			
Transfers-in	63,000	517,400	580,400
Total other financing sources	63,000	517,400	580,400
Net change in fund balances	77,307	54,463	131,770
Beginning fund balance (deficit)	267,118	(519,136)	(252,018)
Ending fund balance (deficit)	\$344,425	(\$464,673)	(\$120,248)

**CITY OF SPRINGDALE, OHIO
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2010**

	Street Construction, Maintenance and Repair Fund	State Highway Fund	Grants Fund	Drug Law Enforcement Fund	Law Enforcement Fund
Assets:					
Equity in pooled cash and cash equivalents	\$204,721	\$12,606	\$43,901	\$1,472	\$3,443
Receivable:					
Intergovernmental	240,000	19,600	10,344	0	0
Total assets	<u>\$444,721</u>	<u>\$32,206</u>	<u>\$54,245</u>	<u>\$1,472</u>	<u>\$3,443</u>
Liabilities:					
Accounts payable	\$93	\$0	\$0	\$200	\$0
Accrued wages and benefits payable	7,369	0	0	0	0
Deferred revenue	200,165	16,371	12,625	0	0
Total liabilities	<u>207,627</u>	<u>16,371</u>	<u>12,625</u>	<u>200</u>	<u>0</u>
Fund balances:					
Restricted	237,094	15,835	41,620	1,272	3,443
Total fund balances	<u>237,094</u>	<u>15,835</u>	<u>41,620</u>	<u>1,272</u>	<u>3,443</u>
Total liabilities and fund balances	<u>\$444,721</u>	<u>\$32,206</u>	<u>\$54,245</u>	<u>\$1,472</u>	<u>\$3,443</u>

Law Enforcement Training Fund	Driving Under the Influence Fund	Residential Recycling Fund	Vehicle Immobilization Fee Fund	Adult Sports Fund	Total Nonmajor Special Revenue Funds
\$11,810	\$24,265	\$6,583	\$2,299	\$5,966	\$317,066
<u>0</u>	<u>2,400</u>	<u>5,323</u>	<u>0</u>	<u>0</u>	<u>277,667</u>
<u>\$11,810</u>	<u>\$26,665</u>	<u>\$11,906</u>	<u>\$2,299</u>	<u>\$5,966</u>	<u>\$594,733</u>
\$0	\$300	\$6,312	\$0	\$0	\$6,905
0	0	0	0	0	7,369
<u>0</u>	<u>1,550</u>	<u>5,323</u>	<u>0</u>	<u>0</u>	<u>236,034</u>
<u>0</u>	<u>1,850</u>	<u>11,635</u>	<u>0</u>	<u>0</u>	<u>250,308</u>
<u>11,810</u>	<u>24,515</u>	<u>271</u>	<u>2,299</u>	<u>5,966</u>	<u>344,125</u>
<u>11,810</u>	<u>24,515</u>	<u>271</u>	<u>2,299</u>	<u>5,966</u>	<u>344,125</u>
<u>\$11,810</u>	<u>\$26,365</u>	<u>\$11,906</u>	<u>\$2,299</u>	<u>\$5,966</u>	<u>\$594,433</u>

**CITY OF SPRINGDALE, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2010**

	Street Construction, Maintenance and Repair Fund	State Highway Fund	Grants Fund	Drug Law Enforcement Fund	Law Enforcement Fund
Revenues:					
Intergovernmental	\$491,286	\$39,835	\$123,007	\$0	\$0
Fines and forfeitures	0	0	0	208	5,446
Fees, licenses and permits	0	0	0	0	0
Other	0	0	2,300	0	0
Total revenues	491,286	39,835	125,307	208	5,446
Expenditures:					
Current:					
Security of persons and property	0	0	47,393	335	22,712
Public health services	0	0	76,200	0	0
Leisure time activities	0	0	23,195	0	0
Community environment	0	0	0	0	0
Transportation	353,075	59,390	0	0	0
Debt service:					
Principal retirement	0	0	526	0	0
Interest and fiscal charges	0	0	134	0	0
Total expenditures	353,075	59,390	147,448	335	22,712
Excess (deficiency) of revenues over expenditures	138,211	(19,555)	(22,141)	(127)	(17,266)
Other financing sources:					
Transfers-in	0	0	0	0	0
Total other financing sources	0	0	0	0	0
Net change in fund balances	138,211	(19,555)	(22,141)	(127)	(17,266)
Beginning fund balances	98,883	35,390	63,761	1,399	20,709
Ending fund balances	\$237,094	\$15,835	\$41,620	\$1,272	\$3,443

Law Enforcement Training Fund	Driving Under the Influence Fund	Residential Recycling Fund	Vehicle Immobilization Fee Fund	Parks and Urban Forestry Fund	Adult Sports Fund	Total Nonmajor Special Revenue Funds
\$1,010	\$0	\$11,452	\$0	\$0	\$0	\$666,590
0	5,144	0	0	0	0	10,798
0	850	0	0	0	9,302	10,152
0	0	0	0	0	0	2,300
<u>1,010</u>	<u>5,994</u>	<u>11,452</u>	<u>0</u>	<u>0</u>	<u>9,302</u>	<u>689,840</u>
1,120	2,605	0	0	0	0	74,165
0	0	0	0	0	0	76,200
0	0	0	0	0	8,020	31,215
0	0	78,031	0	2,797	0	80,828
0	0	0	0	0	0	412,465
0	0	0	0	0	0	526
0	0	0	0	0	0	134
<u>1,120</u>	<u>2,605</u>	<u>78,031</u>	<u>0</u>	<u>2,797</u>	<u>8,020</u>	<u>675,533</u>
<u>(110)</u>	<u>3,389</u>	<u>(66,579)</u>	<u>0</u>	<u>(2,797)</u>	<u>1,282</u>	<u>14,307</u>
<u>0</u>	<u>0</u>	<u>63,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>63,000</u>
<u>0</u>	<u>0</u>	<u>63,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>63,000</u>
<u>(110)</u>	<u>3,389</u>	<u>(3,579)</u>	<u>0</u>	<u>(2,797)</u>	<u>1,282</u>	<u>77,307</u>
<u>11,920</u>	<u>21,426</u>	<u>3,850</u>	<u>2,299</u>	<u>2,797</u>	<u>4,684</u>	<u>267,118</u>
<u>\$11,810</u>	<u>\$24,815</u>	<u>\$271</u>	<u>\$2,299</u>	<u>\$0</u>	<u>\$5,966</u>	<u>\$344,425</u>

**CITY OF SPRINGDALE, OHIO
BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUND
DECEMBER 31, 2010**

	<u>Tri-County Mall TIF Fund</u>	<u>Total Nonmajor Capital Projects Fund</u>
Liabilities:		
Advances from other funds	<u>464,673</u>	<u>464,673</u>
Total liabilities	<u>464,673</u>	<u>464,673</u>
Fund balance:		
Unassigned	<u>(464,673)</u>	<u>(464,673)</u>
Total fund deficit	<u>(464,673)</u>	<u>(464,673)</u>
Total liabilities and fund balance	<u><u>\$0</u></u>	<u><u>\$0</u></u>

**CITY OF SPRINGDALE, OHIO
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2010**

	Tri-County Mall TIF Fund	Community Center Debt Fund	Total Capital Projects Funds
Revenues:			
Payments in lieu of taxes	\$54,467	\$0	\$54,467
Total revenues	<u>54,467</u>	<u>0</u>	<u>54,467</u>
Expenditures:			
Current:			
General government	4	0	4
Debt service:			
Principal retirement	0	400,000	400,000
Interest and fiscal charges	0	117,400	117,400
Total expenditures	<u>4</u>	<u>517,400</u>	<u>517,404</u>
Excess (deficiency) of revenues over expenditures	<u>54,463</u>	<u>(517,400)</u>	<u>(462,937)</u>
Other financing sources:			
Transfers-in	<u>0</u>	<u>517,400</u>	<u>517,400</u>
Total other financing sources	<u>0</u>	<u>517,400</u>	<u>517,400</u>
Net change in fund balance	54,463	0	54,463
Beginning fund balance (deficit)	<u>(519,136)</u>	<u>0</u>	<u>(519,136)</u>
Ending fund balance (deficit)	<u><u>(\$464,673)</u></u>	<u><u>\$0</u></u>	<u><u>(\$464,673)</u></u>

**CITY OF SPRINGDALE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2010**

	General Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Municipal income taxes	\$11,967,504	\$11,967,504	\$11,994,298	\$26,794
Property and other taxes	1,486,000	1,486,000	1,495,138	9,138
Intergovernmental	1,405,666	1,560,648	1,525,896	(34,752)
Charges for services	374,500	374,500	378,455	3,955
Fines and forfeitures	368,500	368,500	267,744	(100,756)
Fees, licenses and permits	344,300	344,300	407,936	63,636
Interest	24,000	24,000	24,900	900
Other	252,300	252,300	492,267	239,967
Total revenues	16,222,770	16,377,752	16,586,634	208,882
Expenditures:				
Police department:				
Personal services	4,336,801	4,306,801	4,259,262	47,539
Other	682,075	682,075	601,721	80,354
Total police department	5,018,876	4,988,876	4,860,983	127,893
Fire department:				
Personal services	2,677,017	2,852,017	2,849,067	2,950
Other	365,185	465,185	381,642	83,543
Total fire department	3,042,202	3,317,202	3,230,709	86,493
Health department:				
Personal services	232,837	232,837	224,148	8,689
Other	41,100	41,100	36,173	4,927
Total health department	273,937	273,937	260,321	13,616
Parks and recreation department:				
Personal services	1,151,800	1,151,800	1,102,227	49,573
Other	518,753	468,753	395,340	73,413
Total parks and recreation department	1,670,553	1,620,553	1,497,567	122,986
Building department:				
Personal services	462,935	474,935	468,625	6,310
Other	70,323	58,323	43,450	14,873
Total building department	533,258	533,258	512,075	21,183
Public works department:				
Personal services	506,649	676,649	637,401	39,248
Other	501,625	411,625	362,108	49,517
Total public works department	1,008,274	1,088,274	999,509	88,765
Finance department:				
Personal services	194,029	204,029	200,484	3,545
Other	92,975	92,975	86,814	6,161
Total finance department	287,004	297,004	287,298	9,706

**CITY OF SPRINGDALE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2010
(CONTINUED)**

	General Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Tax department:				
Personal services	361,791	391,791	379,855	11,936
Other	461,803	411,803	409,546	2,257
Total tax department	<u>823,594</u>	<u>803,594</u>	<u>789,401</u>	<u>14,193</u>
Administration department:				
Personal services	727,154	745,154	726,369	18,785
Other	3,256,126	3,435,429	3,318,009	117,420
Total administration department	<u>3,983,280</u>	<u>4,180,583</u>	<u>4,044,378</u>	<u>136,205</u>
Total expenditures	<u>16,640,978</u>	<u>17,103,281</u>	<u>16,482,241</u>	<u>621,040</u>
Excess (deficiency) of revenues over expenditures	<u>(418,208)</u>	<u>(725,529)</u>	<u>104,393</u>	<u>829,922</u>
Other financing sources (uses):				
Transfers-in	7,294	7,294	7,294	0
Transfers-out	(1,333,803)	(1,080,400)	(1,080,400)	0
Advances-in	<u>0</u>	<u>53,918</u>	<u>53,918</u>	<u>0</u>
Total other financing sources (uses)	<u>(1,326,509)</u>	<u>(1,019,188)</u>	<u>(1,019,188)</u>	<u>0</u>
Net change in fund balance	(1,744,717)	(1,744,717)	(914,795)	829,922
Beginning fund balance	5,013,850	5,013,850	5,013,850	0
Prior years encumbrances	<u>114,654</u>	<u>114,654</u>	<u>114,654</u>	<u>0</u>
Ending fund balance	<u><u>\$3,383,787</u></u>	<u><u>\$3,383,787</u></u>	<u><u>\$4,213,709</u></u>	<u><u>\$829,922</u></u>

**CITY OF SPRINGDALE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2010**

	Capital Improvements Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues	\$1,953,204	\$1,599,607	\$1,533,546	(\$66,061)
Expenditures	3,438,463	2,738,463	2,616,040	122,423
Excess (deficiency) of revenues over expenditures	(1,485,259)	(1,138,856)	(1,082,494)	56,362
Other financing sources:				
Transfers-in	746,403	500,000	500,000	0
Total other financing sources	746,403	500,000	500,000	0
Net change in fund balance	(738,856)	(638,856)	(582,494)	56,362
Beginning fund balance	192,010	192,010	192,010	0
Prior year encumbrances	593,116	593,116	593,116	0
Ending fund balance	<u>\$46,270</u>	<u>\$146,270</u>	<u>\$202,632</u>	<u>\$56,362</u>

**CITY OF SPRINGDALE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2010**

	Northwest Business District TIF Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues	\$1,124,477	\$844,477	\$834,603	(\$9,874)
Expenditures	1,091,086	841,086	809,768	31,318
Net change in fund balance	33,391	3,391	24,835	21,444
Beginning fund balance	128,742	128,742	128,742	0
Ending fund balance	\$162,133	\$132,133	\$153,577	\$21,444

**CITY OF SPRINGDALE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2010**

	<u>Street Construction, Maintenance and Repair Fund</u>			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Final Budget</u>
Revenues	\$475,000	\$475,000	\$490,511	\$15,511
Expenditures:				
Personal services	495,000	320,000	285,325	34,675
Other	40,000	80,000	72,203	7,797
Total expenditures	<u>535,000</u>	<u>400,000</u>	<u>357,528</u>	<u>42,472</u>
Net change in fund balance	(60,000)	75,000	132,983	57,983
Beginning fund balance	<u>71,737</u>	<u>71,737</u>	<u>71,737</u>	<u>0</u>
Ending fund balance	<u><u>\$11,737</u></u>	<u><u>\$146,737</u></u>	<u><u>\$204,720</u></u>	<u><u>\$57,983</u></u>

**CITY OF SPRINGDALE, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 FOR THE YEAR ENDED DECEMBER 31, 2010**

	State Highway Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues	\$38,000	\$38,000	\$39,771	\$1,771
Expenditures:				
Personal services	35,000	43,000	37,593	5,407
Other	20,000	24,000	21,797	2,203
Total expenditures	55,000	67,000	59,390	7,610
Net change in fund balance	(17,000)	(29,000)	(19,619)	9,381
Beginning fund balance	32,225	32,225	32,225	0
Ending fund balance	\$15,225	\$3,225	\$12,606	\$9,381

**CITY OF SPRINGDALE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2010**

	Grants Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues	\$106,604	\$126,604	\$125,306	(\$1,298)
Expenditures:				
Personal services	46,868	86,868	80,606	6,262
Other	73,327	73,327	67,510	5,817
Total expenditures	120,195	160,195	148,116	12,079
Net change in fund balance	(13,591)	(33,591)	(22,810)	10,781
Beginning fund balance	66,398	66,398	66,398	0
Prior year encumbrances	313	313	313	0
Ending fund balance	<u>\$53,120</u>	<u>\$33,120</u>	<u>\$43,901</u>	<u>\$10,781</u>

**CITY OF SPRINGDALE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2010**

	Drug Law Enforcement Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues	\$200	\$200	\$208	\$8
Expenditures	1,384	1,384	1,335	49
Net change in fund balance	(1,184)	(1,184)	(1,127)	57
Beginning fund balance	1,399	1,399	1,399	0
Ending fund balance	\$215	\$215	\$272	\$57

**CITY OF SPRINGDALE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2010**

	Law Enforcement Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues	\$0	\$5,446	\$5,446	\$0
Expenditures	20,362	25,762	25,712	50
Net change in fund balance	(20,362)	(20,316)	(20,266)	50
Beginning fund balance	20,709	20,709	20,709	0
Ending fund balance	\$347	\$393	\$443	\$50

**CITY OF SPRINGDALE, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 FOR THE YEAR ENDED DECEMBER 31, 2010**

	Law Enforcement Training Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues	\$5,000	\$5,000	\$1,010	(\$3,990)
Expenditures	16,920	1,920	1,120	800
Net change in fund balance	(11,920)	3,080	(110)	(3,190)
Beginning fund balance	11,920	11,920	11,920	0
Ending fund balance (deficit)	\$0	\$15,000	\$11,810	(\$3,190)

**CITY OF SPRINGDALE, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 FOR THE YEAR ENDED DECEMBER 31, 2010**

	Driving Under the Influence Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues	\$4,000	\$4,000	\$5,143	\$1,143
Expenditures	20,639	4,639	3,905	734
Net change in fund balance	(16,639)	(639)	1,238	1,877
Beginning fund balance	21,426	21,426	21,426	0
Ending fund balance	\$4,787	\$20,787	\$22,664	\$1,877

**CITY OF SPRINGDALE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2010**

	Residential Recycling Incentive Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues	\$10,000	\$10,000	\$11,453	\$1,453
Expenditures	79,000	80,000	77,956	2,044
Excess (deficiency) of revenues over expenditures	(69,000)	(70,000)	(66,503)	3,497
Other financing sources:				
Transfers-in	70,000	63,000	63,000	0
Total other financing sources	70,000	63,000	63,000	0
Net change in fund balance	1,000	(7,000)	(3,503)	3,497
Beginning fund balance	10,087	10,087	10,087	0
Ending fund balance	\$11,087	\$3,087	\$6,584	\$3,497

**CITY OF SPRINGDALE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2010**

	Vehicle Immobilization Fee Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues	\$100	\$100	\$0	(\$100)
Expenditures	2,298	0	0	0
Net change in fund balance	(2,198)	100	0	(100)
Beginning fund balance	2,299	2,299	2,299	0
Ending fund balance (deficit)	\$101	\$2,399	\$2,299	(\$100)

**CITY OF SPRINGDALE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2010**

	Parks and Urban Forestry Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues	\$10,000	\$0	\$0	\$0
Expenditures	12,000	2,797	2,797	0
Net change in fund balance	(2,000)	(2,797)	(2,797)	0
Beginning fund balance	2,797	2,797	2,797	0
Ending fund balance	\$797	\$0	\$0	\$0

**CITY OF SPRINGDALE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2010**

	Adult Sports Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues	\$8,000	\$8,000	\$9,301	\$1,301
Expenditures	9,300	9,300	8,020	1,280
Net change in fund balance	(1,300)	(1,300)	1,281	2,581
Beginning fund balance	4,684	4,684	4,684	0
Ending fund balance	\$3,384	\$3,384	\$5,965	\$2,581

**CITY OF SPRINGDALE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2010**

	Tri-County Mall TIF Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues	\$0	\$54,467	\$54,467	\$0
Expenditures	0	549	549	0
Excess of revenues over expenditures	0	53,918	53,918	0
Other financing uses:				
Advances-out	0	53,918	53,918	0
Total other financing uses	0	53,918	53,918	0
Net change in fund balance	0	0	0	0
Beginning fund balance	0	0	0	0
Ending fund balance	\$0	\$0	\$0	\$0

**CITY OF SPRINGDALE, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2010**

	Community Center Debt Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Expenditures	\$517,400	\$517,400	\$517,400	\$0
Deficiency of revenues over expenditures	(517,400)	(517,400)	(517,400)	0
Other financing sources:				
Transfers-in	517,400	517,400	517,400	0
Total other financing sources	517,400	517,400	517,400	0
Net change in fund balance	0	0	0	0
Beginning fund balance	0	0	0	0
Ending fund balance	\$0	\$0	\$0	\$0

SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES

AGENCY FUND

An agency fund is used to account for assets held by the City in the capacity of an agent for individuals, private organizations, other governmental units, and or other funds. The City had the following agency fund at year-end 2010:

Ohio Board of Building Standards Assessment Fund - To account for the collection of the Ohio Board of Building Standards Assesment on building permits in the amount of 3%. The amounts collected are remitted to the state on a monthly basis.

**CITY OF SPRINGDALE, OHIO
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUND
FOR THE YEAR ENDED DECEMBER 31, 2010**

OHIO BOARD OF BUILDING STANDARDS ASSESSMENT FUND

	<u>Balance</u> <u>1-1-10</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>12-31-10</u>
Assets:				
Equity in pooled cash and cash equivalents	<u>\$63</u>	<u>\$2,269</u>	<u>(\$2,203)</u>	<u>\$129</u>
Total assets	<u><u>\$63</u></u>	<u><u>\$2,269</u></u>	<u><u>(\$2,203)</u></u>	<u><u>\$129</u></u>
Liabilities:				
OBBS assessment payable	<u>\$63</u>	<u>\$2,269</u>	<u>(\$2,203)</u>	<u>\$129</u>
Total liabilities	<u><u>\$63</u></u>	<u><u>\$2,269</u></u>	<u><u>(\$2,203)</u></u>	<u><u>\$129</u></u>

STATISTICAL TABLES

This part of the City of Springdale's comprehensive annual financial report presents detailed information as a basis for understanding what the information in the financial statements, notes disclosures, and required supplementary information says about the City's overall financial health.

CONTENTS	PAGES
Financial Trends	94 - 101
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	102 – 107
Revenue Capacity	
These schedules contain information to help the reader assess the City's most significant local revenue sources.	
Debt Capacity	108 – 112
These schedules contain information to help the reader assess the affordability of the City's current level of outstanding debt and the City's ability to issue additional debt in the future.	
Demographic Economic Information	113 – 114
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	
Operating Information	115 – 119
These schedules contain service and capital asset 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 during fiscal year 2003. Fiscal year 2006 was the City's first year implementation of the GASB 44 statistical tables.

**CITY OF SPRINGDALE, OHIO
NET ASSETS BY COMPONENT
LAST EIGHT FISCAL YEARS
(Accrual Basis of Accounting)**

	Fiscal Year							
	2010	2009 (1)	2008	2007 (2)	2006	2005	2004	2003
Governmental Activities:								
Invested in capital assets, net of related debt	\$40,153,924	\$39,758,751	\$38,409,204	\$37,384,095	\$31,627,778	\$30,253,167	\$33,757,865	\$30,481,274
Restricted:								
Capital projects	807,915	1,233,445	1,493,138	426,277	405,459	500,209	634,709	530,535
Street construction, maintenance and repair (2)	437,259	296,822	304,504	310,226	0	0	0	0
Other purposes	143,200	218,237	343,119	145,191	478,039	466,818	247,618	270,272
Unrestricted	<u>6,960,201</u>	<u>8,142,658</u>	<u>8,024,198</u>	<u>9,721,624</u>	<u>10,137,553</u>	<u>9,350,967</u>	<u>9,569,466</u>	<u>6,847,416</u>
Total governmental activities net assets	<u>\$48,502,499</u>	<u>\$49,649,913</u>	<u>\$48,574,163</u>	<u>\$47,987,413</u>	<u>\$42,648,829</u>	<u>\$40,571,161</u>	<u>\$44,209,658</u>	<u>\$38,129,497</u>

(1) - restated from originally reported.

(2) - for years 2006 and prior, this was not presented separately.

Note - The figures above reflect the primary government

Source: City of Springdale, Finance Department.

**CITY OF SPRINGDALE, OHIO
CHANGES IN NET ASSETS
LAST EIGHT FISCAL YEARS
(Accrual Basis of Accounting)**

	Fiscal Year							
	2010	2009	2008	2007	2006	2005	2004	2003
Expenses:								
Governmental activities:								
Security of persons and property	\$8,810,920	\$8,456,664	\$8,621,133	\$8,012,932	\$7,736,040	\$7,530,755	\$6,787,024	\$6,680,416
Public health services	374,701	329,233	350,211	307,216	291,719	271,193	237,012	238,119
Leisure time activities	1,857,647	1,966,513	2,165,723	2,122,880	1,982,092	1,780,450	1,561,162	1,599,793
Community environment	697,507	636,329	569,724	665,349	550,008	898,820	429,532	815,457
Basic utility services	0	0	0	0	0	0	351,761	346,257
Transportation	2,405,106	3,042,133	2,404,303	2,754,111	4,040,086	2,698,600	2,966,044	1,903,066
General government	5,403,997	5,934,624	6,009,237	5,878,925	9,856,646	4,654,747	3,493,078	4,019,434
Interest and fiscal charges	300,536	318,455	334,096	379,544	422,062	435,450	429,712	451,051
Total governmental activities	<u>19,850,414</u>	<u>20,683,951</u>	<u>20,454,427</u>	<u>20,120,957</u>	<u>24,878,653</u>	<u>18,270,015</u>	<u>16,255,325</u>	<u>16,053,593</u>
Program revenues:								
Governmental activities:								
Charges for services:								
Security of persons and property	697,654	686,782	635,002	701,787	624,188	585,253	295,960	312,763
Public health services	63,643	60,417	57,306	48,048	54,279	60,608	4,170	2,250
Leisure time activities	166,211	188,263	173,481	180,271	204,824	152,927	8,039	10,126
Community environment	99,775	57,079	69,096	198,392	105,286	112,247	0	0
Transportation	5,190	3,780	5,690	4,005	6,328	5,032	0	0
General government	115,973	106,800	105,075	100,732	100,312	99,358	0	0
Operating grants and contributions:								
Security of persons and property	24,538	105,998	74,859	35,043	21,294	78,055	141,294	79,499
Public health services	63,992	47,140	24,374	22,117	29,049	7,498	6,238	1,633
Leisure time activities	0	0	4,669	0	1,000	0	0	0
Community environment	23,195	16,801	0	0	0	0	0	0
Transportation	0	0	151,263	0	0	0	35,493	5,105
General government	0	0	0	0	1,000	0	0	0
Capital grants and contributions:								
Security of persons and property	0	0	0	56,770	0	0	0	0
Leisure time activities	0	0	0	10,076	88,080	0	0	0
Transportation	1,137,457	2,472,788	225,827	2,978,570	6,689,584	4,113,591	4,332,571	839,874
General government	0	0	0	0	0	0	0	358,821
Total governmental activities program revenues	<u>2,397,628</u>	<u>3,745,848</u>	<u>1,526,642</u>	<u>4,335,811</u>	<u>7,925,224</u>	<u>5,214,569</u>	<u>4,823,765</u>	<u>1,610,071</u>
Net expense	<u>(17,452,786)</u>	<u>(16,938,103)</u>	<u>(18,927,785)</u>	<u>(15,785,146)</u>	<u>(16,953,429)</u>	<u>(13,055,446)</u>	<u>(11,431,560)</u>	<u>(14,443,522)</u>

CITY OF SPRINGDALE, OHIO
CHANGES IN NET ASSETS
LAST EIGHT FISCAL YEARS
(Accrual Basis of Accounting)
PAGE 2

	Fiscal Year							
	2010	2009	2008	2007	2006	2005	2004	2003
General revenues and other changes in net assets:								
Governmental activities:								
Municipal income taxes	11,720,803	12,903,475	13,924,066	14,911,874	15,882,753	14,328,990	10,683,944	9,370,885
Property and other taxes	1,520,103	1,533,906	1,615,652	1,763,277	1,627,413	1,719,428	1,883,142	1,847,701
Payments in lieu of taxes	359,032	682,506	813,210	822,556	712,138	615,809	888,758	715,444
Special assessments	103,385	430,108	217,836	293,925	39,000	0	0	0
Grants and entitlements - not restricted	2,006,063	1,921,521	2,305,337	2,547,912	2,020,579	2,668,820	2,379,086	2,215,435
Contributions	0	0	0	13,495	52,297	5,500	11,902	3,350
Investment earnings	23,728	30,041	190,659	531,424	549,867	228,536	69,224	64,280
Other revenues	572,298	439,322	447,775	239,267	445,524	317,532	891,194	618,591
Total general revenues	<u>16,305,412</u>	<u>17,940,879</u>	<u>19,514,535</u>	<u>21,123,730</u>	<u>21,329,571</u>	<u>19,884,615</u>	<u>16,807,250</u>	<u>14,835,686</u>
Special item	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>275,000</u>	<u>0</u>
Change in net assets:								
Governmental activities	<u>(\$1,147,374)</u>	<u>\$1,002,776</u>	<u>\$586,750</u>	<u>\$5,338,584</u>	<u>\$4,376,142</u>	<u>\$6,829,169</u>	<u>\$5,375,690</u>	<u>\$392,164</u>

Note - The above figures reflect the primary government
Source: City of Springdale, Finance Department.

**CITY OF SPRINGDALE, OHIO
CHANGES IN NET ASSETS
LAST EIGHT FISCAL YEARS
(Accrual Basis of Accounting)**

Page 2

Explanation of large and/or unusual changes as noted in the components of changes in net assets :

Expenses:

- Basic utility services: 2003 and 2004 show expenditures, subsequent years show \$0:
- change due to determination that transactions should be reflected as community environment expense.
- Transportation: Increase of \$1,341,486 from 2005-2006 due to the following:
- increase in payroll expenses per hiring of Public Works Assistant Superintendent.
- increase in expense accruals at year-end 2006 that were not applicable for capital asset inclusion related to road projects.
Decrease of \$1,285,975 from 2006-2007 due to the following:
- decrease in expense accruals at year-end 2007 that were not applicable for capital asset inclusion related to road projects.
- General government: Increase of \$5,201,899 from 2005-2006 due to the following:
- in 2006 as part of the Pictoria Island TIF phase II bond issue closing (bonds issued by the Port of Greater Cincinnati Development Authority), the surplus service payments held by the City were expensed to the Port Authority. The amount expensed was \$2,420,229.
- in prior years, parcels of commercial property and a parcel of residential property were purchased and held for sale. In 2006, the properties were sold, and as a result a loss on sale was incurred in the amount of \$1,847,662.
Decrease of \$3,977,721 from 2006-2007 due to the following:
- the two situations described directly above were not applicable for 2007. A TIF payment was made to the Port Authority in 2007, but was a much smaller amount.
- Program revenues:
- Operating grants and contributions:
- Transportation: Increase of \$151,263 from 2007-2008 due to the following:
- recognition at year end 2008 regarding F.E.M.A. grant reimbursement received in 2009.
- Capital grants and contributions:
- Transportation: Increase of \$2,575,993 from 2005-2006 due to the following:
- increase in the amount of grant funding received for road projects.
Decrease of \$3,711,014 from 2006-2007 due to the following:
- decrease in the amount of grant funding received for road projects.
Decrease of \$2,752,743 from 2007-2008 due to the following:
- decrease in the amount of grant funding received for road projects.
Increase of \$2,246,961 from 2008-2009 due to the following:
- increase in the amount of grant funding received for road projects.
- General revenues:
- Municipal income taxes: Increase in the amount of \$3,645,046 from 2004-2005 due to the following:
- voted increase in the earnings tax rate from 1% to 1.5% effective July 1, 2004.
Increase in the amount of \$1,553,763 from 2005-2006 due to the following:
- increase in overall earnings tax revenue as a result of the increase in the earnings tax rate.
Decrease in the amount of \$987,808 from 2007-2008 due to the following:
- small number of large non-recurring transactions in 2007 which were not applicable to 2008.

**CITY OF SPRINGDALE, OHIO
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS**

	2008	2007	2006	2005	2004	2003	2002	2001
General fund:								
Reserved	\$355,177	\$445,239	\$361,580	\$391,429	\$693,491	\$636,607	\$257,261	\$330,347
Unreserved, designated	1,018,149	1,158,419	982,601	370,498	827,470	942,556	701,454	1,624,593
Unreserved, undesignated	5,982,500	6,333,372	6,760,794	5,864,970	3,916,729	2,101,035	4,757,956	5,092,469
Total general fund	<u>7,355,826</u>	<u>7,937,030</u>	<u>8,104,975</u>	<u>6,626,897</u>	<u>5,437,690</u>	<u>3,680,198</u>	<u>5,716,671</u>	<u>7,047,409</u>
All other governmental funds:								
Reserved	1,031,609	709,099	1,316,668	128,994	646,907	141,110	588,495	635,451
Unreserved, reported in:								
Special revenue funds	238,687	197,787	259,959	171,206	147,469	31,627	124,476	159,490
Capital projects funds	(545,758)	(1,183,421)	(962,847)	(86,627)	87,951	665,013	739,883	(5,609,132)
Total all other governmental funds	<u>724,538</u>	<u>(276,535)</u>	<u>613,780</u>	<u>213,573</u>	<u>882,327</u>	<u>837,750</u>	<u>1,452,854</u>	<u>(4,814,191)</u>
Total governmental funds	<u><u>\$8,080,364</u></u>	<u><u>\$7,660,495</u></u>	<u><u>\$8,718,755</u></u>	<u><u>\$6,840,470</u></u>	<u><u>\$6,320,017</u></u>	<u><u>\$4,517,948</u></u>	<u><u>\$7,169,525</u></u>	<u><u>\$2,233,218</u></u>

Source: City of Springdale, Finance Department.

CITY OF SPRINGDALE, OHIO
FUND BALANCES OF GOVERNMENTAL FUNDS - GASB 54
LAST TWO FISCAL YEARS

	<u>2010</u>	<u>2009</u>
General fund:		
Nonspendable	\$736,668	\$761,361
Assigned	761,575	1,044,782
Unassigned	<u>4,552,787</u>	<u>5,763,841</u>
 Total general fund	 <u>6,051,030</u>	 <u>7,569,984</u>
 All other governmental funds:		
Restricted	1,041,045	809,552
Committed	5,618	3,347
Unassigned	<u>(464,673)</u>	<u>(519,136)</u>
 Total all other governmental funds	 <u>581,990</u>	 <u>293,763</u>
 Total governmental funds	 <u><u>\$6,633,020</u></u>	 <u><u>\$7,863,747</u></u>

Source: City of Springdale, Finance Department.

Note - During 2010, the City implemented GASB Statement No. 54, see footnotes 3 and 4 for further explanation.

CITY OF SPRINGDALE, OHIO
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)

	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Revenues:										
Municipal income taxes	\$11,557,740	\$13,080,829	\$14,461,358	\$14,404,184	\$16,078,321	\$14,566,459	\$11,180,495	\$7,949,572	\$9,259,493	\$10,444,042
Property and other taxes	1,494,203	1,477,370	1,619,032	1,814,939	1,820,299	1,685,775	1,701,993	1,817,457	1,801,239	1,768,396
Payments in lieu of taxes	359,032	682,506	813,210	822,556	804,220	709,717	702,767	715,444	0	0
Special assessments	434,728	209,128	302,535	39,226	0	0	0	5,600	222,212	41,481
Intergovernmental	3,519,833	4,666,460	3,105,629	5,026,769	8,949,194	6,821,970	7,255,039	3,173,085	2,479,949	2,783,359
Charges for services	387,996	377,922	261,639	300,654	363,065	323,797	313,901	292,263	264,265	314,034
Fines and forfeitures	281,087	339,888	373,985	359,820	315,589	274,318	218,577	210,759	217,872	227,678
Fees, licenses and permits	428,055	400,417	391,356	518,593	450,932	419,479	362,885	350,538	368,405	432,009
Interest	23,728	30,042	190,659	531,424	549,867	228,536	69,224	64,280	113,149	350,591
Contributions	0	751	575	30,195	35,598	5,500	11,902	3,350	4,950	7,501
Other	555,052	544,911	287,506	286,423	390,310	338,692	260,576	21,215	41,548	249,043
Total revenues	19,041,454	21,810,224	21,807,484	24,134,783	29,757,395	25,374,243	22,077,359	14,603,563	14,773,082	16,618,134
Expenditures:										
Current:										
Security of persons and property	8,518,865	8,017,532	8,130,860	7,611,391	7,360,010	7,062,612	6,444,052	6,115,425	5,890,142	5,700,856
Public health services	368,057	324,026	329,263	297,746	304,679	264,326	233,212	219,686	240,994	244,481
Leisure time activities	1,567,079	1,664,188	1,817,404	1,789,681	1,597,798	1,390,308	1,269,150	1,302,775	1,318,863	1,201,121
Community environment	658,852	634,854	560,983	675,411	549,928	850,070	415,126	743,674	411,324	395,609
Basic utility services	0	0	0	0	0	0	351,761	346,257	344,241	344,587
Transportation	1,432,936	1,436,394	1,679,504	1,599,785	3,549,015	1,349,958	1,259,781	1,315,080	1,253,692	1,275,896
General government	5,029,013	5,737,292	5,493,993	5,591,828	7,570,993	3,941,265	3,281,585	3,232,456	3,514,816	3,039,672
Capital outlay	1,934,377	3,440,393	2,628,467	6,574,381	7,200,735	8,874,766	6,238,427	3,015,420	4,662,285	4,723,895
Debt service:										
Principal retirement	471,480	469,626	481,691	695,783	712,823	704,333	701,097	674,909	38,652	39,090
Interest and fiscal charges	291,522	309,391	325,032	371,819	415,185	428,315	420,110	421,889	367,642	456,209
Total expenditures	20,272,181	22,033,696	21,447,197	25,207,825	29,261,166	24,865,953	20,614,301	17,387,571	18,042,651	17,421,416
Excess (deficiency) of revenues over expenditures	(1,230,727)	(223,472)	360,287	(1,073,042)	496,229	508,290	1,463,058	(2,784,008)	(3,269,569)	(803,282)
Other financing sources (uses):										
Proceeds from the sale of bonds	0	0	0	0	0	0	0	0	7,000,000	0
Premium/acrued interest on sale of bonds	0	0	0	0	0	0	0	0	19,161	0
Proceeds from the sale of assets	0	0	34,983	14,782	1,372,695	0	0	0	1,186,715	0
Inception of capital lease	0	6,855	24,599	0	12,362	9,163	64,011	79,446	0	0
Transfers-in	1,080,400	865,400	2,973,780	4,125,400	4,005,993	3,978,485	1,625,644	1,965,052	1,905,379	2,887,264
Transfers-out	(1,080,400)	(865,400)	(2,973,780)	(4,125,400)	(4,005,993)	(3,978,485)	(1,625,644)	(1,965,052)	(1,905,379)	(2,887,264)
Total other financing sources (uses)	0	6,855	59,582	14,782	1,385,057	9,163	64,011	79,446	8,205,876	0
Special Item	0	0	0	0	0	0	275,000	0	0	0
Net change in fund balances	(1,230,727)	(216,617)	419,869	(1,058,260)	1,881,286	517,453	1,802,069	(2,704,562)	4,936,307	(803,282)
Beginning fund balance	7,863,747	8,080,364	7,660,495	8,718,755	6,837,469	6,320,017	4,517,948	7,222,510	2,233,218	3,036,500
Ending fund balance (deficit)	\$6,633,020	\$7,863,747	\$8,080,364	\$7,660,495	\$8,718,755	\$6,837,470	\$6,320,017	\$4,517,948	\$7,169,525	\$2,233,218
Debt service as a percentage of noncapital expenditures	4%	4%	4%	6%	5%	7%	8%	8%	3%	4%

Source: City of Springdale, Finance Department.

CITY OF SPRINGDALE, OHIO
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)
Page 2

Explanation of large and/or unusual changes as noted in the components of changes in fund balances.

Revenues:

Municipal income taxes: Decrease in the amount of \$1,309,921 from 2002-2003 due to the following:

- down trend in the economy after the events of September 11, 2001.

 Increase in the amount of \$3,385,964 from 2004-2005 due to the following:

- voted increase in the earnings tax rate from 1% to 1.5% effective July 1, 2004.

 Increase in the amount of \$1,511,862 from 2005-2006 due to the following:

- increase in overall earnings tax revenues as a result of the increase of the earnings tax rate.

 Decrease in the amount of \$1,674,137 from 2006-2007 due to the following:

- larger year-end accruals for 2006 as compared to 2007.

 Decrease in the amount of \$1,380,529 from 2008-2009 due to the following:

- larger year-end accruals for 2008 as compared to 2009.

 Decrease in the amount of \$1,523,089 from 2009-2010 due to the following:

- smaller amounts received in 2010 based on general economy and businesses closing.

Intergovernmental: Decrease in the amount of \$3,922,425 from 2006-2007 due to the following:

- decrease in the amount of grant funding received for road projects.

 Decrease in the amount of \$1,921,140 from 2007-2008 due to the following:

- decrease in the amount of grant funding received for road projects.

 Increase in the amount of \$1,560,831 from 2008-2009 due to the following:

- increase in the amount of grant funding received for road projects.

Expenditures:

Transportation: Increase of \$2,199,057 from 2005-2006 due to the following:

- increase in payroll expenses per hiring of Public Works Assistant Superintendent.
- increase in expense accruals at year-end 2006 for road construction projects.

 Decrease of \$1,949,230 from 2006-2007 due to the following:

- decrease in expense accruals at year-end 2006 for road construction projects.

General government: Increase of \$3,629,728 from 2005-2006 due to the following:

- in 2006 as part of the Pictoria Island TIF phase II bond issue closing (bonds issued by the Port of Greater Cincinnati Development Authority), the surplus service payments held by the City were expensed to the Port Authority. The amount expensed was \$2,420,229.

 Decrease of \$1,979,165 from 2006-2007 due to the following:

- in 2006 as part of the Pictoria Island TIF phase II bond issue closing (bonds issued by the Port of Greater Cincinnati Development Authority), the surplus service payments held by the City were expensed to the Port Authority. In 2007 the amount expensed was a smaller amount.

Capital Outlay: Decrease of \$3,945,914 from 2007-2008 due to the following:

- decrease in road improvement projects in 2008.

 Decrease of \$3,945,914 from 2009-2010 due to the following:

- decrease in road improvement projects in 2010.

CITY OF SPRINGDALE, OHIO
ASSESSED VALUATION AND ESTIMATED ACTUAL VALUES OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

Tax Year/ Collection Year	Real Property		Public Utility - Personal		Tangible Personal Property		Total		Assessed Value as a Percent of Actual Value
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	
2000/2001	\$376,996,840	\$1,077,133,829	\$10,908,270	\$10,908,270	\$93,718,500	\$374,874,000	\$481,623,610	\$1,462,916,099	32.92%
2001/2002	382,430,560	1,092,658,743	7,487,710	7,487,710	92,046,250	368,185,000	481,964,520	1,468,331,453	32.82%
2002/2003	409,639,450	1,170,398,429	6,900,910	6,900,910	97,091,650	388,366,600	513,632,010	1,565,665,939	32.81%
2003/2004	402,402,890	1,149,722,543	6,920,450	6,920,450	89,565,420	358,261,680	498,888,760	1,514,904,673	32.93%
2004/2005	397,960,080	1,137,028,800	8,239,230	8,239,230	88,825,590	355,302,360	495,024,900	1,500,570,390	32.99%
2005/2006	433,234,010	1,237,811,457	7,980,030	7,980,030	89,553,900	358,215,600	530,767,940	1,604,007,087	33.09%
2006/2007	428,485,490	1,224,244,257	7,602,980	7,602,980	64,267,110	257,068,440	500,355,580	1,488,915,677	33.61%
2007/2008	433,739,770	1,239,256,486	6,607,440	6,607,440	46,206,990	184,827,960	486,554,200	1,430,691,886	34.01%
2008/2009	423,920,790	1,211,202,257	7,279,450	7,279,450	583,050	2,332,200	431,783,290	1,220,813,907	35.37%
2009/2010	365,922,290	1,045,492,257	8,598,540	8,598,540	2,497,350	9,989,400	377,018,180	1,064,080,197	35.43%

Source - Hamilton County Auditor

The assessed valuation of property within the City is subject to the levy of ad valorem taxes and includes real property, public utilities property, and tangible personal property. The City's property taxes are collected by the Hamilton County Auditor and are remitted to the City on a periodic basis. The direct tax rate for all City operations for the years ended as noted above was \$3.08 per \$1,000 of assessed value. Assessed values are established by the County Auditor at no more than 35% of appraised market value. The laws of the State of Ohio require that all property be revalued every six years, and at any time the County Auditor finds that true or taxable value thereof has changed, and in the third calendar year following the year in which a sexennial reappraisal is completed as ordered by the State Commissioner of Tax Equalization.

Tangible personal property used in business, other than public utilities, is currently assessed for ad valorem taxation purposes at 25% of its true value. Amounts paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semiannually. If paid annually, payment is due April 30; if paid semiannually, the first payment is due April 30 with the remainder payable by September 20.

Public utilities real and tangible personal property taxes collected in any calendar year are those levied on assessed values as of December 31 of the preceding year. Certain tangible personal property of public utilities is currently assessed at 100% of its true value. Real property of public utilities is currently assessed at 35% of true value. Property taxes on public utilities are subject to the same calendar as real property taxes, which are described above.

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

CITY OF SPRINGDALE, OHIO
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
(Per \$1,000 of Assessed Valuation)
LAST TEN FISCAL YEARS

Tax Year/ Collection Year	City of Springdale	Overlapping Rates				Total Full Rate
		Hamilton County	Princeton City School District	Winton Woods School District	Great Oaks Joint Vocational School	
2000/2001	3.08	19.92	46.19	70.08	2.70	71.89
2001/2002	3.08	21.47	46.19	70.08	2.70	73.44
2002/2003	3.08	21.87	45.79	70.08	2.70	73.44
2003/2004	3.08	21.51	49.03	70.08	2.70	76.32
2004/2005	3.08	21.06	49.03	78.03	2.70	75.87
2005/2006	3.08	20.81	49.03	78.03	2.70	75.62
2006/2007	3.08	20.18	49.03	78.03	2.70	74.99
2007/2008	3.08	20.56	49.03	78.03	2.70	75.37
2008/2009	3.08	20.63	48.99	78.03	2.70	75.40
2009/2010	3.08	20.48	48.99	85.93	2.70	76.25

Source: Hamilton County, Ohio: County Auditor.

Notes: The rates presented for a particular calendar year are the rates that, when applied to the assessed values presented in the Assessed Values Table, generated the property tax revenue billed in that year. The City's basic property tax rate may be increased only by the majority vote of the City residents.

Overlapping rates are those of the local and county governments that apply to property owners within the City.

**CITY OF SPRINGDALE, OHIO
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

<u>Tax Year/ Collection Year</u>	<u>Current Levy</u>	<u>Delinquent Levy</u>	<u>Total Tax Levy</u>	<u>Current Tax Levy Collections</u>	<u>Percent of Current Tax Levy Collected</u>	<u>Delinquent Tax Levy Collections</u>	<u>Total Tax Collections</u>	<u>Percent of Total Tax Collections to Total Tax Levy</u>	<u>Outstanding Delinquent Tax</u>	<u>Percent of Delinquent Taxes to Total Tax Levy</u>
2000/2001	\$1,468,062	\$94,639	\$1,562,701	\$1,434,979	97.75%	\$49,281	\$1,484,260	94.98%	\$79,643	5.10%
2001/2002	1,499,295	132,084	1,631,379	1,450,468	96.74%	75,601	1,526,069	93.54%	107,560	6.59%
2002/2003	1,566,369	147,353	1,713,722	1,507,336	96.23%	60,359	1,567,695	91.48%	142,605	8.32%
2003/2004	1,537,364	313,482	1,850,846	1,468,355	95.51%	74,515	1,542,870	83.36%	307,976	16.64%
2004/2005	1,536,064	332,387	1,868,451	1,476,075	96.09%	58,350	1,534,425	82.12%	329,068	17.61%
2005/2006	1,546,413	183,797	1,730,210	1,475,484	95.41%	109,178	1,584,662	91.59%	149,660	8.65%
2006/2007	1,495,740	175,198	1,670,938	1,443,253	96.49%	128,569	1,571,822	94.07%	99,116	5.93%
2007/2008	1,421,941	103,772	1,525,713	1,374,382	96.66%	49,383	1,423,765	93.32%	101,999	6.69%
2008/2009	1,343,107	139,648	1,482,755	1,302,250	96.96%	88,057	1,390,307	93.77%	92,423	6.23%
2009/2010	1,319,247	102,650	1,421,897	1,250,657	94.80%	52,742	1,303,399	91.67%	118,418	8.33%

Source: Hamilton County, Ohio: County Auditor.

**CITY OF SPRINGDALE, OHIO
PRINCIPAL PROPERTY TAXPAYERS
DECEMBER 31, 2010**

Taxpayer	Fiscal Year 2010		
	Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Tri-County Mall LLC	\$22,804,810	1	6%
Merchant Street 27 LLC @30	8,242,510	2	2%
Springdale-Kemper Association	7,726,890	3	2%
KE Tri-County LLC	7,605,510	4	2%
Kimco 420 Inc.	7,225,800	5	2%
Duke Energy Ohio Inc.	7,039,080	6	2%
NRFC Cinn Investor LLC	5,950,000	7	2%
NAI Entertainment Holdings	5,875,760	8	2%
Kir Tri-County 018 LLC	5,597,140	9	1%
Jubilee Springdale LLC	4,817,130	10	1%
All Others	294,133,550	-	78%
Total Assessed Valuation	\$377,018,180		100%

Source: Hamilton County Auditor.

For comparison purposes, information for 2001 was not available from the Hamilton County Auditor

CITY OF SPRINGDALE, OHIO
GENERAL ACTIVITIES TAX REVENUES BY SOURCE
LAST EIGHT FISCAL YEARS
(Accrual Basis of Accounting)

<u>Year</u>	<u>Municipal Income Taxes</u>	<u>Property and Other Taxes</u>	<u>Total</u>
2003	\$9,370,885	\$1,847,701	\$11,218,586
2004	10,683,944	1,883,142	12,567,086
2005	14,328,990	1,719,428	16,048,418
2006	15,882,753	1,627,413	17,510,166
2007	14,911,874	1,763,277	16,675,151
2008	13,924,066	1,615,652	15,539,718
2009	12,903,475	1,533,906	14,437,381
2010	11,720,803	1,520,103	13,240,906

Source: City of Springdale, Finance Department.

**CITY OF SPRINGDALE, OHIO
INCOME TAX REVENUE BY PAYER TYPE
LAST TEN FISCAL YEARS
(Budget (Cash) Basis of Accounting)**

Fiscal Year	Tax Rate (1)	Withholding	Business	Individuals	Penalty/ Interest	Total	Percentage of Total				
							Withholding	Business	Individual	Penalty/ Interest	Total
2001	1.0%	\$7,412,190	\$2,624,309	\$418,310	\$351,508	\$10,806,317	69%	24%	4%	3%	100%
2002	1.0%	7,385,399	1,810,504	430,402	119,800	9,746,105	76%	19%	4%	1%	100%
2003	1.0%	7,353,205	1,658,689	420,360	132,701	9,564,955	77%	17%	4%	1%	100%
2004	1.5%	7,954,118	1,089,399	437,379	68,451	9,549,347	83%	11%	5%	1%	100%
2005	1.5%	10,951,054	2,533,670	648,207	106,919	14,239,850	77%	18%	5%	1%	100%
2006	1.5%	11,469,191	3,513,412	598,308	96,326	15,677,237	73%	22%	4%	1%	100%
2007	1.5%	11,801,203	3,161,780	611,839	96,878	15,671,700	75%	20%	4%	1%	100%
2008	1.5%	11,545,811	2,602,265	616,552	120,197	14,884,825	78%	17%	4%	1%	100%
2009	1.5%	11,080,439	1,875,776	610,370	112,316	13,678,901	81%	14%	4%	1%	100%
2010	1.5%	9,771,007	1,570,397	566,677	86,217	11,994,298	81%	13%	5%	1%	100%

Source: City of Springdale, Tax Department

(1) - Effective July 1, 2004, City electors voted to increase the City income tax rate from 1% to 1.5%.

Note: The City is prohibited by statute from presenting information regarding individual taxpayers.

**CITY OF SPRINGDALE, OHIO
RATIO OF OUTSTANDING DEBT BY TYPE
TO TOTAL PERSONAL INCOME AND DEBT PER CAPITA
LAST TEN FISCAL YEARS**

Year	Governmental Activities						Total Debt	Estimated Personal Income (1)	Percentage of Personal Income (2)	Per Capita
	General Obligation Bonds	General Obligation Bond Anticipation Notes	TIF Revenue Bonds	TIF Revenue Bond Anticipation Notes	Ohio Police/Fire Pension Loan	Capital Leases				
2001	\$0	\$5,800,000	\$2,995,350	\$0	\$14,096	\$0	\$8,809,446	\$166,776,200	1893%	834
2002	7,000,000	0	2,956,667	0	13,890	0	9,970,557	153,279,600	1537%	955
2003	6,413,118	0	2,915,311	0	13,680	66,102	9,408,211	152,999,400	1626%	914
2004	5,786,905	1,500,000	2,871,098	0	13,462	93,443	10,264,908	124,347,280	1211%	1,006
2005	5,160,692	1,250,000	2,823,830	0	13,238	65,765	9,313,525	147,145,333	1580%	920
2006	4,534,479	625,000	2,773,494	0	13,004	35,873	7,981,850	147,732,533	1851%	791
2007	3,910,408	0	2,719,468	0	12,760	14,360	6,656,996	155,278,067	2333%	640
2008	3,509,336	0	2,661,709	0	0	27,787	6,198,832	162,961,333	2629%	597
2009	3,108,264	0	2,599,959	0	0	26,766	5,734,989	159,929,333	2789%	552
2010	2,707,192	0	2,533,942	0	0	21,304	5,262,438	159,389,578	3029%	469

Source: City of Springdale, finance department

(1): Obtained from the Springdale tax department - total residential tax liability

(2): Calculated as estimated personal income divided by total debt

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

CITY OF SPRINGDALE, OHIO
RATIO OF NET GENERAL BONDED DEBT TO ASSESSED
VALUE AND NET BONDED DEBT PER CAPITA
LAST TEN FISCAL YEARS

<u>Year</u>	<u>Population (A)</u>	<u>Estimated Actual Value (B)</u>	<u>General Bonded Debt (C)</u>	<u>Less Balance In General Obligation Bond Retirement Fund (C)</u>	<u>Net General Bonded Debt (C)</u>	<u>Ratio of Net Bonded Debt to Estimated Actual Value</u>	<u>Net Bonded Debt Per Capita</u>
2001	10,562	\$1,462,916,099	\$0	\$0	\$0	0%	0
2002	10,435	1,468,331,453	7,000,000	0	7,000,000	0.48%	671
2003	10,297	1,565,665,939	6,413,118	0	6,413,118	0.41%	623
2004	10,206	1,514,904,673	5,786,905	0	5,786,905	0.38%	567
2005	10,118	1,500,570,390	5,160,692	0	5,160,692	0.34%	510
2006	10,085	1,604,007,087	4,534,479	0	4,534,479	0.28%	450
2007	10,408	1,488,915,677	3,910,408	0	3,910,408	0.26%	376
2008	10,384	1,430,691,886	3,509,336	0	3,509,336	0.25%	338
2009	10,384	1,220,813,907	3,108,264	0	3,108,264	0.25%	299
2010	11,223	1,064,080,197	2,707,192	0	2,707,192	0.25%	241

(A) - Source: U.S. Census Bureau population estimates, obtained through Hamilton County

(B) - Source: Hamilton County, Ohio: County Auditor.

(C) - Source: City of Springdale, Finance Department.

CITY OF SPRINGDALE, OHIO
RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR GENERAL OBLIGATION
BONDED DEBT TO TOTAL GENERAL GOVERNMENTAL EXPENDITURES
LAST TEN FISCAL YEARS

Year	Principal	Interest	Total Debt Service	General Governmental Expenditures (1)	Ratio of Debt Service to General Governmental Expenditures
2001	\$0	\$0	\$0	\$12,438,426	0%
2002	0	168,508	168,508	13,155,565	1.28%
2003	620,000	225,047	845,047	13,452,462	6.28%
2004	620,000	221,164	841,164	13,439,455	6.26%
2005	620,000	231,183	851,183	15,206,598	5.60%
2006	620,000	183,120	803,120	16,440,230	4.89%
2007	620,000	163,980	783,980	16,899,870	4.64%
2008	400,000	143,400	543,400	17,618,657	3.08%
2009	400,000	130,400	530,400	17,274,957	3.07%
2010	400,000	117,400	517,400	17,071,878	3.03%

(1): Includes general and special revenue funds.
Source: City of Springdale, Finance Department.

**CITY OF SPRINGDALE, OHIO
COMPUTATION OF DIRECT AND OVERLAPPING DEBT
DECEMBER 31, 2010**

	<u>Net Debt Outstanding</u>	<u>Percentage (1) Applicable to City of Springdale</u>	<u>Amount Applicable to City of Springdale</u>
<u>Direct:</u>			
City of Springdale	\$2,700,000	100%	\$2,700,000
<u>Overlapping:</u>			
Hamilton County	95,945,000	1.88%	1,803,766
Princeton City School District	195,979,930	23.29%	45,643,726
Great Oaks Joint Vocational School	18,450,000	1.95%	<u>359,775</u>
Subtotal			<u>47,807,267</u>
			<u><u>\$50,507,267</u></u>

(1) - The overlap percentage was calculated based on assessed valuation.

All information above was obtained from the Ohio Municipal Advisory Council.

**CITY OF SPRINGDALE, OHIO
COMPUTATION OF LEGAL DEBT MARGIN
LAST TEN FISCAL YEARS**

	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Total assessed property value (1)	\$377,018,180	\$431,783,290	\$486,554,200	\$500,355,580	\$530,767,940	\$495,024,900	\$498,888,760	\$513,632,010	\$481,964,520	\$481,623,610
Total debt limit (10.5% of assessed value):	\$39,586,909	\$45,337,245	\$51,088,191	\$52,537,336	\$55,730,634	\$51,977,615	\$52,383,320	\$53,931,361	\$50,606,275	\$50,570,479
Total net debt applicable to limit:										
General obligation bonds (2)	2,707,192	3,108,264	3,509,336	3,910,408	4,534,479	5,160,905	5,786,905	6,413,118	7,000,000	0
General obligation notes	0	0	0	0	625,000	1,250,000	1,500,000	0	0	5,800,000
Legal debt limit margin	\$36,879,717	\$42,228,981	\$47,578,855	\$48,626,928	\$50,571,155	\$45,566,710	\$45,096,415	\$47,518,243	\$43,606,275	\$44,770,479
Total net debt applicable to the limit as a percentage of total debt limit	7%	7%	7%	7%	9%	12%	14%	12%	14%	11%
Total unvoted debt limit (5.5% of assessed value):	\$20,736,000	\$23,748,081	\$26,760,481	\$27,519,557	\$29,192,237	\$27,226,370	\$27,438,882	\$28,249,761	\$26,508,049	\$26,489,299
Total net debt applicable to limit:										
General obligation bonds (2)	2,707,192	3,108,264	3,509,336	3,910,408	4,534,479	5,160,905	5,786,905	6,413,118	7,000,000	0
General obligation notes	0	0	0	0	625,000	1,250,000	1,500,000	0	0	5,800,000
Legal debt limit margin	\$18,028,808	\$20,639,817	\$23,251,145	\$23,609,149	\$24,032,758	\$20,815,465	\$20,151,977	\$21,836,643	\$19,508,049	\$20,689,299
Total net debt applicable to the limit as a percentage of total debt limit	13%	13%	13%	14%	18%	24%	27%	23%	26%	22%

Source: City of Springdale, Finance Department.

(1) - Obtained from Hamilton County, Ohio: Auditor's Office.

(2) - amount includes bond premium, if applicable

Note: Direct debt limitation is based on Section 133, the Uniform Bond Act of the Ohio Revised Code. The total debt limit should not exceed 10.5% of assessed property value. The total unvoted debt limit should not exceed 5.5% of assessed property value. Revenue bonds and notes related to Pictoria Island Tax Increment Financing is not considered in the computation of legal debt margin.

**CITY OF SPRINGDALE, OHIO
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

Year	Area - Square Miles (A)	Population (B)	Estimated Personal Income (C)	Per Capita Personal Income (D)	Median Age (B)	School Enrollment (E)	Unemployment Rate (F)
2001	5.08	10,562	\$166,776,200	\$15,790	39	1,078	3.60%
2002	5.08	10,435	153,279,600	14,689	39	1,003	5.10%
2003	5.08	10,297	152,999,400	14,859	39	962	5.10%
2004	5.08	10,206	124,347,280	12,184	39	849	5.20%
2005	5.08	10,118	147,145,333	14,543	39	862	5.70%
2006	5.08	10,085	147,732,533	14,649	39	480	5.00%
2007	5.08	10,408	155,278,067	14,919	39	796	5.00%
2008	5.08	10,384	162,961,333	15,694	39	808	5.60%
2009	5.08	10,384	159,929,333	15,402	39	758	8.90%
2010	5.08	11,223	159,389,578	14,202	39	815	9.40%

(A): Obtained from the Springdale Public Works department.

(B): U.S. Census Bureau population estimates, obtained through Hamilton County

(C): Obtained from the Springdale Tax Department - total residential tax liability

(D): Calculated as estimated personal income (C) divided by population (B).

(E): Source: Princeton City School District.

(F): Source: Ohio Bureau of Employment Services, rates are for Hamilton County.

**CITY OF SPRINGDALE, OHIO
PRINCIPAL EMPLOYERS
DECEMBER 31, 2010**

<u>Employer</u>	<u>Number of Employees (A)</u>	<u>Percent of Total</u>
General Electric	999	3%
Avon Products Inc.	938	3%
Maple Knoll Communities Inc.	626	2%
John Morrell and Company	510	2%
Spherion Staffing LLC	447	2%
Macy's Retail Holding	418	1%
Minute Men Inc.	390	1%
Princeton City Schools	364	1%
Marketing Research Services Inc.	351	1%
Cincom Systems Inc.	339	1%
All others	<u>23,556</u>	<u>81%</u>
Total employment within the City	<u><u>28,938</u></u>	<u><u>100%</u></u>

Source: City of Springdale, Tax Department.

(A) - Based on the number of W-2's received for the prior year's employment activity,
Includes both full-time and part-time employees.

For comparison purposes, information for 2001 was not available from the Springdale tax department.

**CITY OF SPRINGDALE, OHIO
 FULL TIME EMPLOYEES BY FUNCTION/DEPARTMENT
 AS OF YEAR END
 LAST TEN FISCAL YEARS**

	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Full-time positions at December 31	114	123	127	127	123	117	117	116	120	117
Security of Persons and Property										
Police Department:										
Police Chief	1	1	1	1	1	1	1	1	1	1
Police Captain	0	1	1	1	1	1	1	1	1	1
Sworn Officers	33	36	37	36	36	33	36	32	34	32
Administrative Secretary	1	1	1	1	1	1	1	1	1	1
Clerks	5	6	6	7	7	7	6	7	7	8
Custodian	1	1	1	1	1	1	1	1	1	1
Fire Department:										
Fire Chief	1	1	1	1	1	1	1	1	1	1
Assistant Fire Chief	1	1	1	1	-	1	-	-	-	-
Fire Captain	3	3	3	3	3	3	4	2	3	3
Fire Inspector	1	0	1	0	1	1	1	1	1	1
Firefighter	4	4	4	4	4	5	4	6	6	5
Firefighters/Paramedic	15	16	15	16	15	12	11	12	12	10
Administrative Secretary	1	1	1	1	1	1	-	1	1	1
Public Health Services										
Health Department:										
Health Commissioner	1	1	1	1	1	1	1	1	1	1
Health Nurse	1	1	1	1	1	1	1	1	1	1
Sanitarian	1	1	1	1	1	1	1	1	1	1
Administrative Assistant	1	1	1	1	1	1	1	1	1	1
Leisure Time Activities										
Parks and Recreation Department:										
Parks and Recreation Director	1	1	1	1	1	1	1	1	1	1
Assistant Recreation Director	3	3	3	3	3	2	2	2	3	3
Fitness Center Manager	1	1	1	1	1	1	1	1	1	1
Parks Maintenance	3	4	5	4	4	4	5	5	5	5
Adult/Senior Programmer	1	1	1	1	1	-	-	-	-	-
Administrative Assistant	0.6	1	1	1	1	1	1	1	1	1
Custodian	1	1	1	1	1	1	1	1	1	1
Community Environment										
Building Department:										
Building Official	1	1	1	1	1	1	1	1	1	1
Building Inspector	2	2	2	1	2	2	2	2	2	2
Property Inspector	2	2	2	2	1	1	1	1	1	1
Administrative Assistant	1	1	1	1	1	1	1	1	1	1

CITY OF SPRINGDALE, OHIO
FULL TIME EMPLOYEES BY FUNCTION/DEPARTMENT
AS OF YEAR END
LAST TEN FISCAL YEARS
PAGE 2

	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Transportation										
Public Works Department:										
Director of Public Works	1	1	1	1	1	1	1	1	1	1
Assistant Director of Public Works	1	0	0	1	1	-	-	-	-	-
Public Works Inspector	1	1	1	1	1	1	1	1	1	1
Mechanic	2	2	1	2	2	2	2	2	2	2
Maintenance Worker	7	10	12	12	10	11	11	11	11	13
Administrative Assistant	0	0	1	1	1	1	1	1	1	1
General Government										
Administration Department:										
City Administrator	1	1	1	1	1	1	1	1	1	1
Assistant City Administrator	1	1	1	1	1	1	1	1	1	1
Economic Development Director	1	1	1	1	1	1	1	1	1	-
Senior Administrative Assistant	0.4	1	1	2	1	1	1	1	1	1
Technical Services Administrator	1	1	0	0	0	0	0	0	0	0
Administrative Assistant	0	0	1	1	1	1	1	1	1	1
Administrative Secretary	1	1	1	1	1	1	1	1	1	1
Custodian	1	1	1	1	1	1	1	1	1	1
Finance Department:										
Finance Officer/Tax Commissioner	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Account Clerk	2	2	2	2	2	2	2	2	2	2
Tax Department:										
Finance Officer/Tax Commissioner	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Account Clerk	4	4	4	4	4	4	4	4	4	4
Administrative Secretary	1	1	1	1	1	1	1	1	1	1
Total Full Time Positions	114	123	127	127	123	117	117	116	120	117

116

Source: City of Springdale, Finance Department

**CITY OF SPRINGDALE, OHIO
OPERATING INDICATORS BY FUNCTION/DEPARTMENT
LAST TEN FISCAL YEARS**

	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
<u>Security of Persons and Property</u>										
Police Department										
Number of stations	1	1	1	1	1	1	1	1	1	1
Total patrol calls for services:	13,954	14,496	14,826	14,117	15,239	15,372	15,948	18,895	19,649	21,070
- 911	117	114	169	200	237	278	268	322	361	565
- Arrests	2,052	2,307	2,518	2,267	2,197	1,923	1,948	2,024	1,935	2,128
- Auto accidents	862	889	1,113	1,314	1,180	1,343	1,425	1,473	1,369	1,459
- Traffic incidents	844	816	1,165	541	419	269	273	293	132	189
- Offense report	1,300	1,802	1,817	1,723	2,361	2,421	2,605	2,958	3,011	3,175
Mayor's court cases heard	2,912	4,032	4,265	3,886	4,089	3,533	3,148	3,825	3,939	3,578
Fire Department										
Number of stations	1	1	1	1	1	1	1	1	1	1
Fire responses	770	693	986	932	912	893	806	846	792	954
Emergency medical services (EMS) responses	1,957	1,889	1,967	1,968	2,056	2,142	1,816	2,100	1,907	1,979
Fire losses	\$240,200	\$109,400	\$168,830	\$229,490	\$121,985	\$132,450	\$169,335	\$85,395	\$197,298	\$615,378
<u>Public Health Services</u>										
Health Department										
Number of health department food inspections	397	390	376	463	556	618	486	417	546	525
Animal nuisance removals (2)	0	85	97	127	132	127	71	56	320	255
Home health care visits (1)	67	65	220	291	263	366	444	49	51	49
<u>Leisure Time Activities</u>										
Parks and Recreation Department										
Number of parks	6	6	6	6	6	6	6	6	6	6
Total park acreage	100	100	100	100	100	100	100	100	100	100
Number of community center memberships	1,910	2,114	3,112	2,115	2,663	2,125	1,984	2,137	2,177	2,052
Community center membership dollars (cash basis)	\$114,978	\$123,131	\$101,612	\$110,194	\$121,699	\$116,106	\$117,783	\$112,874	\$122,183	\$111,634
Active member fitness center visits	40,124	44,453	50,731	52,453	53,787	50,662	51,621	50,173	49,324	49,615
<u>Community Environment</u>										
Building Department										
Total number of permits issued	710	682	658	652	950	682	688	624	638	730
Number of residential permits issued	428	505	368	266	618	375	266	278	229	258
Value of residential permits issued	\$1,942,286	\$2,780,380	\$1,998,921	\$1,324,170	\$16,050,007	\$4,854,928	\$1,512,000	\$1,361,489	\$1,129,614	\$1,219,825
Number of commercial permits issued	282	177	290	380	332	307	422	346	409	471
Value of commercial permits issued	\$13,452,349	\$4,486,595	\$15,409,775	\$31,133,543	\$29,386,840	\$27,131,533	\$19,286,071	\$7,374,016	\$20,129,821	\$28,793,688
Number of building inspections	1,372	1,163	1,923	2,016	2,212	2,308	1,256	1,163	1,765	2,047
Number of certificates of occupancy issued	33	73	124	63	72	72	82	78	98	93

**CITY OF SPRINGDALE, OHIO
OPERATING INDICATORS BY FUNCTION/DEPARTMENT
LAST TEN FISCAL YEARS
PAGE 2**

	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
<u>Transportation</u>										
Public Works Department										
Chipper man hours	3,021	2,696	4,283	2,938	2,615	2,475	2,564	2,565	1,781	2,406
Debris removal requests (3)	49	95	160	194	225	255	274	311	304	291
Cubic yards of mulch delivered to residents	620	600	1,288	1,788	1,476	1,098	1,926	268	NA	NA
Tons of salt used	1,206	1,298	1,625	1,332	683	1,186	1,299	2,257	671	409
Snow and ice control callouts	19	11	14	11	12	19	12	34	11	11
<u>General Government</u>										
Finance Department										
Average number of business days to post receipts	3.2	2.8	3.8	4.3	5.1	4.1	5.2	3.5	4.7	3.8
Average number of business days to pay invoices	6.0	5.0	6.0	8.0	8.2	9.4	9.6	6.2	9.0	6.7
Number of non-payroll checks written	2,914	3,364	3,500	3,961	4,018	3,706	3,386	3,591	3,924	4,100
Number of payroll checks written	1,396	1,629	1,606	1,886	1,979	2,210	2,373	2,290	2,675	2,417
Number of payroll direct deposits issued	4,146	4,234	4,298	4,175	3,779	NA	NA	NA	NA	NA
Tax Department										
Number of business accounts at year-end	2798	2785	2,915	2,971	2,879	2,910	2,857	2,837	2,917	2,796
Number of resident accounts at year-end	4620	4634	4,373	4,530	4,365	3,894	3,887	4,391	4,410	4,630
Current year no-file % (at due date):										
Business returns	37%	37%	43%	42%	44%	51%	33%	45%	NA	NA
Resident returns	35%	35%	29%	33%	29%	24.5%	29%	29%	NA	NA
Average days to process and mail tax refund	27	26	25	35	32	31	28	23	23	26
Tax accounts assigned to mayor's court	192	183	207	171	157	152	196	218	190	168
Tax department overtime hours worked	54	243	297	260	277	386	286	376	495	692

Source: City of Springdale, departmental annual reports, information available from year 2000 forward.

(1): 2001-2003 reflects number of residents visited, 2004-2010 reflects total number of visits

(2): Program discontinued for 2010

(3): 2009 was first year a fee was charged for debris removal services

NA: Information not available

**CITY OF SPRINGDALE, OHIO
CAPITAL ASSET STATISTICS BY FUNCTION/DEPARTMENT
LAST TEN FISCAL YEARS**

	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
<u>General Government</u>										
Administration Department										
Square footage - municipal building	33,620	33,620	33,620	33,620	33,620	33,620	33,620	33,620	33,620	33,620
Administrative vehicles	0	1	1	1	1	1	1	2	2	2
<u>Security of Persons and Property</u>										
Police Department										
Number of stations	1	1	1	1	1	1	1	1	1	1
Square footage - police building	19,500	19,500	19,500	19,500	19,500	19,500	19,500	19,500	19,500	19,500
Number of police cruisers	27	25	23	24	24	26	25	23	23	22
Number of other police vehicles	8	9	9	9	9	8	8	8	7	7
Fire Department										
Number of stations	1	1	1	1	1	1	1	1	1	1
Square footage - fire building	16,800	16,800	16,800	16,800	16,800	16,800	16,800	16,800	16,800	16,800
Number of fire vehicles	5	4	4	4	4	4	5	7	7	7
Number of EMS vehicles	4	5	5	4	4	4	3	3	3	3
Number of other vehicles	4	5	5	5	4	3	3	3	3	3
<u>Public Health Services</u>										
Health Department										
Number of health vehicles	1	1	1	1	1	1	1	2	2	2
<u>Leisure Time Activities</u>										
Parks and Recreation Department										
Square footage - community center	72,000	72,000	72,000	72,000	72,000	72,000	72,000	72,000	72,000	72,000
Number of parks	6	6	6	6	6	6	6	6	6	6
Number of tennis courts	4	4	4	4	4	4	4	4	4	4
Number of baseball diamonds	6	6	6	6	6	6	6	6	6	6
Number of soccer fields	3	3	3	3	3	3	3	3	3	3
Number of work vehicles	7	7	7	6	4	4	4	4	4	4
<u>Community Environment</u>										
Building Department										
Number of vehicles	4	3	3	3	3	3	3	3	3	4
<u>Transportation</u>										
Public Works Department										
Square Footage - office and garage	19,680	19,680	19,680	19,680	19,680	19,680	19,680	19,680	19,680	19,680
Number of work vehicles	15	15	15	14	13	13	12	12	12	12
Number of other vehicles	2	2	2	2	2	1	1	1	1	1

Source: City of Springdale, finance department
NA: Information not available



Dave Yost • Auditor of State

CITY OF SPRINGDALE

HAMILTON 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
FEBRUARY 7, 2012**