



Dave Yost • Auditor of State



**CITY OF NORTH RIDGEVILLE  
LORAIN COUNTY**

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**CITY OF NORTH RIDGEVILLE  
LORAIN COUNTY  
FEDERAL AWARDS EXPENDITURES SCHEDULE  
FOR THE YEAR ENDED DECEMBER 31, 2012**

<b>FEDERAL GRANTOR/ Pass-Through Grantor/ Program Title</b>	<b>Pass Through Entity Number</b>	<b>CFDA Number</b>	<b>Expenditures</b>
<b><u>U.S. DEPARTMENT OF HOUSING &amp; URBAN DEVELOPMENT</u></b>			
<i>Passed Through Ohio Department of Development</i>			
Community Development Block Grant:			
Small Cities Formula Allocation - 2009	A-C-09-157-1	14.228	\$ 1,631
Small Cities Formula Allocation - 2010	A-F-10-2CX1	14.228	1,400
Small Cities Formula Allocation - 2011	A-C-11-2CX1	14.228	64,034
Small Cities Formula Allocation - 2011	A-F-11-2CX1	14.228	<u>52,380</u>
Total Community Development Block Grant			<u>119,445</u>
HOME Investments Partnerships Program:			
Small Cities Community Housing Improvement Program - 2009	A-C-09-157-2	14.239	6,925
Small Cities Community Housing Improvement Program - 2011	A-C-11-2CX-2	14.239	<u>5,517</u>
Total HOME Investments Partnerships Program			<u>12,442</u>
<b>Total U.S. Department of Housing &amp; Urban Development</b>			<b><u>131,887</u></b>
<b><u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u></b>			
<i>Passed Through Western Reserve Area Agency on Aging</i>			
Special Programs for the Aging - Title III, Part B	N/A	93.044	<u>14,938</u>
<b>Total U.S. Department of Health and Human Services</b>			<b><u>14,938</u></b>
<b><u>U.S. DEPARTMENT OF JUSTICE</u></b>			
<i>Direct Federal Assistance Program:</i>			
Bulletproof Vest Partnership Program - 2011	N/A	16.607	1,687
Bulletproof Vest Partnership Program - 2012	N/A	16.607	<u>3,237</u>
<b>Total U.S. Department of Justice</b>			<b><u>4,924</u></b>
<b><u>U.S. DEPARTMENT OF HOMELAND SECURITY</u></b>			
<i>Direct Federal Assistance Program:</i>			
Assistance to Firefighters Grant Program - 2010	N/A	97.044	<u>270,000</u>
<b>Total U.S. Department of Homeland Security</b>			<b><u>270,000</u></b>
<b><u>U.S. CONGRESS</u></b>			
<i>Passed Through Ohio Department of Transportation</i>			
Highway Planning and Construction:			
Railroad Improvement and Rehabilitation Set Aside	N/A	20.205	<u>305,302</u>
<b>Total U.S. Congress</b>			<b><u>305,302</u></b>
<b>TOTAL FEDERAL AWARDS EXPENDITURES</b>			<b><u>\$ 727,051</u></b>

See Notes to the Federal Awards Expenditures Schedule.

**CITY OF NORTH RIDGEVILLE  
LORAIN COUNTY**

**NOTES TO THE FEDERAL AWARDS EXPENDITURES SCHEDULE  
FISCAL YEAR ENDED DECEMBER 31, 2012**

**NOTE A - SIGNIFICANT ACCOUNTING POLICIES**

The accompanying Federal Awards Expenditures Schedule (the Schedule) reports the City of North Ridgeville's (the City's) federal award programs' disbursements. The Schedule has been prepared on the cash basis of accounting.

**NOTE B - MATCHING REQUIREMENTS**

Certain Federal programs require the City to contribute non-Federal funds (matching funds) to support the Federally-funded programs. The City has met its matching requirements. The Schedule does not include the expenditure of non-Federal matching funds.

CFDA – Catalog of Federal Domestic Assistance.

N/A – Not applicable.



# Dave Yost • Auditor of State

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

City of North Ridgeville  
Lorain County  
7307 Avon Belden Road  
North Ridgeville, Ohio 44039

To the City Council:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of North Ridgeville, Lorain County, Ohio (the City) as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the City basic financial statements and have issued our report thereon dated June 27, 2013.

### ***Internal Control Over Financial Reporting***

As part of our financial statement audit, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinions on the financial statements, but not to the extent necessary to opine on the effectiveness of the City's internal control. Accordingly, we have not opined on it.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the City's financial statements. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

***Compliance and Other Matters***

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

***Purpose of this Report***

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



**Dave Yost**  
Auditor of State

Columbus, Ohio

June 27, 2013





# Dave Yost • Auditor of State

## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133, AND THE FEDERAL AWARDS EXPENDITURES SCHEDULE

City of North Ridgeville  
Lorain County  
7307 Avon Belden Road  
North Ridgeville, Ohio 44039

To the City Council:

### ***Report on Compliance for Each Major Federal Program***

We have audited the City of North Ridgeville's, (the City) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that could directly and materially affect each of the City of North Ridgeville's major federal programs for the year ended December 31, 2012. The *Summary of Audit Results* in the accompanying schedule of findings identifies the City's major federal programs.

### ***Management's Responsibility***

The City's Management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

### ***Auditor's Responsibility***

Our responsibility is to opine on the City's compliance for each of the City's major federal programs based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for financial audits included in the Comptroller General of the United States' *Government Auditing Standards*; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. These standards and OMB Circular A-133 require us to plan and perform the audit to reasonably assure whether noncompliance with the applicable compliance requirements referred to above that could directly and materially affect 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 our audit provides a reasonable basis for our compliance opinion on the City's major programs. However, our audit does not provide a legal determination of the City's compliance.

***Basis for Qualified Opinion on the Railroad Improvement and Rehabilitation Set Aside***

As described in finding 2012-001 in the accompanying schedule of findings, the City did not comply with requirements regarding Procurement and Suspension and Debarment applicable to its *Railroad Improvement and Rehabilitation Set Aside* major federal program. Compliance with this requirement is necessary, in our opinion, for the City to comply with requirements applicable to this program.

***Qualified Opinion on the Railroad Improvement and Rehabilitation Set Aside***

In our opinion, except for the noncompliance described in the *Basis for Qualified Opinion on the Railroad Improvement and Rehabilitation Set Aside* paragraph, the City of North Ridgeville complied, in all material respects, with the requirements referred to above that could directly and materially affect its *Railroad Improvement and Rehabilitation Set Aside* for the year ended December 31, 2012.

***Unmodified Opinion on the Other Major Federal Program***

In our opinion, the City of North Ridgeville, complied in all material respects with the requirements referred to above that could directly and materially affect its other major federal program identified in the summary of auditor's results section of the accompanying schedule of findings for the year ended December 31, 2012.

***Report on Internal Control Over Compliance***

The City's management is responsible for establishing and maintaining effective internal control over compliance with the applicable compliance requirements referred to above. In planning and performing our compliance audit, we considered the City's internal control over compliance with the applicable requirements that could directly and materially affect a major federal program, to determine our auditing procedures appropriate for opining on each major federal program's compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not to the extent needed to opine on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the City's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. Therefore, we cannot assure we have identified all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. However, as discussed below, we identified a certain deficiency in internal control over compliance that we consider to be a material weakness.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, when performing their assigned functions, to prevent, or to timely detect and correct, noncompliance with a federal program's applicable compliance requirement. 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 federal program's compliance requirement will not be prevented, or timely detected and corrected. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings as item 2012-001 to be a material weakness.

The City's response to our internal control compliance finding is described in the accompanying schedule of findings. We did not audit the City's response and, accordingly, we express no opinion on it.

This report only describes the scope of our tests of internal control over compliance and the results of this testing based on OMB Circular A-133 requirements. Accordingly, this report is not suitable for any other purpose.

***Report on Federal Awards Expenditures Schedule***

We have also audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of North Ridgeville, (the City) as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our unmodified report thereon dated June 27, 2013. We conducted our audit to opine on the City's basic financial statements. The accompanying federal awards expenditures schedule presents additional analysis required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and is not a required part of the basic financial statements. The schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records management used to prepare the basic financial statements. We subjected this schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this schedule directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. In our opinion, this schedule is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.



**Dave Yost**  
Auditor of State

Columbus, Ohio

June 27, 2013

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**CITY OF NORTH RIDGEVILLE  
LORAIN COUNTY**

**SCHEDULE OF FINDINGS  
OMB CIRCULAR A -133 § .505  
DECEMBER 31, 2012**

**1. SUMMARY OF AUDITOR'S RESULTS**

<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unmodified
<i>(d)(1)(ii)</i>	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(ii)</i>	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(iii)</i>	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
<i>(d)(1)(iv)</i>	Were there any material internal control weaknesses reported for major federal programs?	Yes
<i>(d)(1)(iv)</i>	Were there any significant deficiencies in internal control reported for major federal programs?	No
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unmodified for all major programs except for the Railroad Improvement and Rehabilitation Set Aside which we Qualified
<i>(d)(1)(vi)</i>	Are there any reportable findings under § .510(a)?	Yes
<i>(d)(1)(vii)</i>	Major Programs (list):	Assistance to Firefighters Grant Program, CFDA #97.044  Highway Planning and Construction: Railroad Improvement and Rehabilitation Set Aside, CFDA #20.205
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A/B Programs	Type A: > \$ 300,000 Type B: all others
<i>(d)(1)(ix)</i>	Low Risk Auditee?	No

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

None.

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# City of North Ridgeville, Ohio



**Comprehensive Annual Financial Report  
For the Year Ended December 31, 2012**

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**CITY OF NORTH RIDGEVILLE, OHIO**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR THE YEAR ENDED DECEMBER 31, 2012**

Prepared By:  
Office of the Auditor

Chris S. Costin, CPA, CGFM  
Auditor

Teresa A. Machovina  
Deputy Auditor

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# ***THE CITY OF NORTH RIDGEVILLE***

7307 AVON BELDEN ROAD, NORTH RIDGEVILLE, OHIO 44039

TELEPHONE: (440) 353-0851 FAX: (440) 353-1542

## **Auditor's Office**



Members of City Council and  
Citizens of North Ridgeville  
North Ridgeville, Ohio

We are pleased to submit this Comprehensive Annual Financial Report (CAFR) of the City of North Ridgeville, Ohio for its fiscal year ended December 31, 2012. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation including all disclosures rests with 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 City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

### **Independent Audit**

The City's financial statements for the year ended December 31, 2012 were examined by independent auditor **Dave Yost**, Auditor of State of Ohio. The Independent Auditor's Report on the basic financial statements is included in the Financial Section of this report.

### **Reporting Entity**

For financial reporting purposes, the City includes all funds that comprise the primary government and all agencies, boards and commissions for which the City is financially accountable and component units. Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the organization is fiscally dependent on the City or if the City appoints a majority of the organization's governing board and 1) it is able to impose its will on the organization or 2) there is a potential for the organization to provide specific financial benefits or impose specific financial burdens on the City. The City has no component units.

## **CITY PROFILE**

### **The City**

The City of North Ridgeville is located in Lorain County in north central Ohio, approximately twenty miles southwest of the City of Cleveland and approximately ten miles southeast of the City of Lorain. The City's area is approximately 25 square miles. The City's population was 29,465 according to the 2010 Federal census, which is the third largest in Lorain County. The City is in the Cleveland-Elyria-Mentor Metropolitan Statistical Area (MSA) and the Cleveland-Akron-Elyria Combined Statistical Area (CSA).

The City is provided with banking and financial services by eight local commercial banks and savings and loan associations, operating a total of eight offices within the City. Three daily and two weekly newspapers serve the City. The City is within the broadcast area of seven television stations and approximately thirty-one AM and FM radio stations. Multi-channel cable TV service, including educational, governmental and public access channels is provided by Time Warner Cable.

Within commuting distance are several public and private two-year and four-year colleges and universities, including Cleveland State University, University of Akron, and Kent State University (three of Ohio's twelve state universities), Lorain County Community College (LCCC), Cuyahoga Community College, Oberlin College (located in the County), Baldwin Wallace University, John Carroll University and Case Western Reserve University. The LCCC University Partnership Ridge Campus opened in January 2013 offering numerous academic programs within the City.

The City is served by four acute-care hospitals, located in the cities of Lorain, Elyria, Westlake, and Fairview Park within a ten mile radius of the City. A Medivac unit, providing emergency medical services, operates at the Lorain County Regional Airport and a heliport has been built adjacent to Community Health Partners (Health Center) in Lorain to provide for emergency transportation of patients by helicopter.

The City owns and operates five parks covering 118 acres and provides recreational facilities including basketball, volleyball and tennis courts, baseball / softball fields, soccer fields, picnic areas and a stocked fishing lake. An additional 66 acres has been leased for private use as a sports park. In addition, the City is within the Lorain County Metropolitan Park District, created to preserve natural resources and provide park and recreation facilities within the County. The Park District's Sandy Ridge Reservation, which is located within the City, consists of 310 acres of wildlife preservation with small ponds, a trail complete with information signs, observation mound, playground, educational center and picnic area.

### **City Government**

The City of North Ridgeville was founded in 1810, incorporated as a village in 1958 and became a city in 1960.

The City operates under and is governed by its Charter, first adopted by voters in 1961 and which has been and may be amended by the voters from time to time. The City is also subject to some general laws applicable to all cities. Under the Ohio Constitution, the City may exercise all powers of local self-government and police powers to the extent not in conflict with applicable laws. The Charter provides for a Mayor-Council form of government.

Legislative authority is vested in a seven-member Council, of whom three are elected at-large and four are elected from wards, all for four-year terms. The Council fixes compensation of City officials and employees, and enacts ordinances and resolutions relating to the City services, tax levies, appropriating and borrowing money, licensing and regulating businesses and trades, and other municipal purposes. The presiding officer is the President of Council, who is elected by the Council from the at-large members for a two-year term.

The City's chief executive and administrative officer is the Mayor, who is elected by the voters for a four-year term. The Mayor appoints the directors of most City departments, subject to the approval of a majority of all the members of Council. The major appointed officials are the Directors of Law, Safety-Service and the Treasurer. The Mayor also appoints members to a number of boards and commissions, and appoints and removes, in accordance with civil service requirements, all appointed officers and employees.

The Auditor, who is the City's chief fiscal officer, and the Clerk of Council are appointed by Council. The Auditor is appointed to a two-year term, subject to removal by a majority of all of the members elected to Council. The Clerk of Council serves at the pleasure of Council.

All elected officials, except the Mayor, serve part-time.

The City provides a full range of municipal services. These include police, fire, emergency rescue, parks and recreation, water and sewer utility, planning, zoning, general administrative services, and a Mayor's court.

## **CITY ECONOMIC CONDITION**

### **Local Economy and Outlook**

The City is primarily a residential and agricultural area with many residents commuting daily to work in the City of Cleveland and other areas in Lorain County and adjacent Cuyahoga County. Approximately one fourth of the land in the City is undeveloped or used for agricultural purposes. Because of its location adjacent to the substantially fully developed Cities of Westlake and North Olmsted and access to I-80, I-90, I-480 and State Route 10, and close proximity to Cleveland Hopkins International Airport, new residential, commercial, light industrial and warehousing development is expected to continue within the next several years.

Because the City has a diverse workforce and is not reliant on any concentration of industry, it has been able to weather the economic downturns without curtailing basic services. The City's major sources of revenues are municipal income taxes, property taxes and intergovernmental revenues consisting of state shared taxes and grants. Over the past ten years, the City has been one of the fastest growing residential communities in the State of Ohio. In 2009, the City completed an update of its comprehensive master plan that identifies areas for residential, commercial, industrial and governmental development and infrastructure improvements to encourage and accommodate responsible and orderly development.

In recent years, the City has constructed a two million gallon water tower and acquired additional water capacity from the City of Avon Lake with the installation of new water mains through the eastern and western portions of the City. The City believes that all of its foreseeable needs for waterworks system capacity to support development in the City have been met. In 2004, the City completed a major expansion of its French Creek Wastewater Treatment Plant to meet the anticipated needs of the City and the adjacent City of Avon and Village of Sheffield, which the plant also serves. The City also completed construction of an interceptor trunk sanitary sewer line to service the previously underdeveloped western area of the City. Infrastructure is now in place to allow further residential and commercial development on the City's westside.

To attract commercial developments, the City has established an enterprise zone (coterminous with the City) and a community reinvestment area. Under its enterprise zone program and policy, the City offers businesses abatements of up to 100% of real property taxes on new property added to the tax duplicate, for a period of up to ten years. The amounts, types and duration of the actual abatements offered by the City under this program are a function of the size of the proposed development and the number of jobs created. Under its community reinvestment zone program and policy, the City offers an abatement of real property taxes on new property added to the tax duplicate, for a period of up to 15 years.

Five separate industrial parks are located within in the City. The largest of these is Taylor Woods Industrial Park, which includes facilities of Invacare Corp. (a manufacturer of wheelchairs), Beckett Gas, Inc. (a manufacturer of gas burners), and Beckett Air, Inc. (a manufacturer of blower parts). The newest of these is Bliss Industrial Park, which includes JBC Technology Incorporated (a manufacturer of seals and gaskets and precision die cutting). Building permits were issued in 2012 for commercial buildings and improvements with an estimated value of \$ 2,045,000, the lowest in recent years. However, the City expects commercial development to expand as the result of its infrastructure improvements completed in recent years, access to Interstate highways and close proximity to Cleveland Hopkins International Airport and downtown Cleveland, Ohio.

Residential development continues within the City. In various stages of planning and construction in the western half of the City are two planned community developments: Waterbury, a 640 acre development representing approximately 2,000 residential units, and Meadow Lakes, a 570 acre development representing approximately 1,900 residential units, each of which are approximately fifty percent completed. Other developments in the western area include the subdivisions of Avalon, Hampton Place, Hartford Oval, Stone Creek, Cypress Station and Timber Ridge, which together, represent approximately 950 homes. Elsewhere in the City, Ridgefield Homes, an upscale development represents approximately 1,000 homes, about two-thirds complete. Several other smaller subdivisions remain under development throughout the City. The City's Building Department reflects about 2,800 residential units projected to be constructed within the developments. Building permits were issued in 2012 for new residential units with an estimated value of \$ 29,401,600.

The City believes its infrastructure and planning are in place to allow it to remain one of the fastest growing communities in Northeast Ohio.

## **Long-term Planning**

Long-term financial planning is performed on a departmental basis and incorporated as a part of the annual appropriation process.

Operating costs are forecast for governmental operations on a five-year basis for the following reason. Property tax collections are the second highest source of general revenue to the City. The City's voted property tax levies are limited to five years in duration and must be "renewed" or "replaced" by voter approval upon expiration. Property tax levies are voted on at a specific millage rate. Ohio House Bill 920, in effect since 1976, removed the inflationary revenue growth resulting from increased property valuation by requiring annually, a decrease in the millage rate proportional to the increase in property valuation. As a result, the amount of annual tax collections generated by the levy remains approximately the same for the five-year period based on the annually determined "effective tax rate". Upon expiration of each levy, the City must seek voter approval to "renew" or "replace" each levy. A renewal levy results in the continuation of tax collections at the effective rate based on the property tax valuation when the original levy was first passed, resulting in the same annual tax collections as the previous five years. A "replacement" levy results in the original tax rate applied to the current property valuation, which results in additional tax revenue based on the updated most recent valuation. The City's policy in recent years has been to seek "replacement" levies, which have been supported by the voters. Accordingly, in the initial years following passage, levy monies are allowed to accumulate for use in the later years when increasing operating costs exceed the tax levy revenue collected.

Capital asset budgets for governmental operations are maintained by the departments, and capital asset replacements are planned as part of the City's annual appropriation process. Annually, 15% of the City's net municipal income tax collections, after deducting tax department operating costs are earmarked for transfer to the City's Capital Projects Fund for the acquisition of capital outlay and payment of debt service related thereto.

Operating costs and capital outlay related to the City's enterprise operations consisting of water and sanitary sewer are paid from user fees and tap-in charges, as applicable. Historically, the City's water and sanitary sewer operations have been self-sufficient. The City obtains independent rate studies periodically and adjusts user fees as needed. Recent rate studies have resulted in water and sanitary sewer user rate increases.

## **Major Initiatives**

### **Police Department**

The Police Department provides basic and enhanced law enforcement services to this growing community with a compliment of thirty seven full-time officers, six full-time dispatchers, two administrative staff, seven part-time staff and seventeen volunteer auxiliary officers. Police services include directed patrol, selective traffic patrol, detective bureau, school resource officer, bicycle patrol, motorcycle units, K-9 units, Safetyville program, animal control units, Lorain County Community College Police Academy staff, and participation with multi-jurisdictional SWAT and bomb teams, the U.S. Marshall Fugitive Task Force, and the Cuyahoga County Incident Response Team. In 2012, the department responded to over 34,000 calls for service and assistance. In January, 2013, the City was notified that it had achieved the ranking of 21<sup>st</sup> Safest City in America, by *NeighborhoodScout*, a division of *Location, Inc.*, based on nationwide crime data research reported to the FBI calculated on cities with 25,000 or more population.

### **Fire Department**

The Fire Department is the largest dual-role emergency service in Lorain County providing both advanced life-support paramedic service and fire protection on a twenty-four hour basis with a full time staff of thirty-seven including thirty-three fire suppression personnel who are state certified paramedics. The Department is a member of the Lorain County dive rescue, technical rescue and hazardous materials teams which provide various technical rescue assistance throughout Lorain County. The Department maintains an aggressive fire prevention program that educates students, conducts fire safety inspections and provides CPR classes to residents and businesses. In 2012, the Department responded to 2,488 medical emergencies and 595 fire calls. The Department is a member of the WESTCOM regional dispatch center which provides mutual aid emergency support services to the City from various surrounding cities. The Department is also involved in various safety inspections and prevention programs. The Department maintains an ISO Public Protection Classification (PPC) of #4 for its fire suppression services. The Department is currently exploring funding options and feasibility for the construction of two new fire stations with the goal of improving services and reducing initial response times.



### **Building Department**

The Building Department staffs five full-time building inspectors, two part-time building inspectors and two secretaries under the direction of the Chief Building Official. The City maintains an ISO (Insurance Service Office) building code rating of #5 for residential and #4 for commercial property owners. The Department continually strives to maintain or improve the City's ISO ratings to minimize the insurance cost of its citizens. During 2012, building permits were issued for 249 residential dwellings and 2 commercial buildings. In 2012, the Department implemented mobile technology for its field inspectors enabling remote access to plans and inspection reports enhancing efficiency and compliance. In 2013, the Department will implement electronic plan review enabling applicants to upload drawings through the internet and track the status of their plan review from inception through issuance of a permit electronically.

### **Engineering Department**

The Engineering Department consists of seven full-time staff. In 2012, the Department's services included engineering review for 8 commercial projects, and 8 residential subdivisions to provide an additional 248 residential lots receiving preliminary or final approval at various locations throughout the City. The Department continues enhancements of its Geographic Information System for the City's infrastructure systems including, storm sewer, sanitary sewer, waterways, contouring, zoning and soil conditions. The Department is currently studying methods to improve storm water management within the City.

### **Utilities Department**

The Utilities Department serviced over 12,300 water, sewer and sanitation accounts in 2012 with its utilities office staff of four full-time employees. The City continues to reap the benefits of its automated electronic meter reading system which, in addition to providing contemporaneous "read" information transmitted directly to the utility department computers, can identify potential water leaks, broken and vandalized meters, greatly enhancing its customer service while reducing operating costs. The City-wide recycling program which provided color coordinated wheel cart receptacles to its residents continues to increase in the volume of recyclables collected annually.

### **French Creek Wastewater Treatment Plant**

The City's French Creek Wastewater Treatment Plant services the City, the City of Avon and the Village of Sheffield. The Plant's staff consists of twenty-one full-time employees. In 2004, the City completed expansion and upgrade of the plant which increased its capacity by fifty percent to 11.25 MGD. The land and plant facilities were originally designed to accommodate a 33 MGD treatment facility to be constructed in four phases, as the served communities continue to grow. In 2011, the City entered into a contract with Quasar Energy Group to construct an anaerobic digestion sludge treatment system. Upon completion in mid-2013, the digester will be capable of treating sludge with high volatile organic content to produce renewable energy gas which will be converted to electrical energy used to operate the plant. Adaption of this process should result in significant cost savings to the City.

### **Parks and Recreation**

The Parks and Recreation Department provides affordable programs and services for residents that include leisure activities, special events, cultural enrichment and education. The City's park system includes South Central park, a 30 acre woodland park with a fishing lake; state-of-the-art splash pad, pavilions, and an array of sport amenities; Shady Drive Complex, a 59 acre baseball/softball complex; Frontier Park, a 13 acre football complex; and Root Road Soccer Complex, a 12 acre soccer complex. In 2012, the Department offered over 100 toddler, youth and adult programs and special events for the City's residents. The Department provides internet access to the community including program tracking and online registration. The Department has contracted with an outside consultant for preparation of a comprehensive master plan to include optimum use of facilities and future planning recommendations, which is to be presented to City Council in 2013. The Department obtained a \$150,000 grant from the Ohio Department of Natural Resources for construction of a 1.2 mile walking trail through its South Central Park to be completed in 2013.

### **Service Department**

In 2012, the City's Service Department consisting of 20 employees, repaved 3 lane miles of roads, repaired 38 water main breaks, replaced 201 curb boxes and 17 fire hydrants, and spread 2,124 tons of winter road salt over 19,000 truck miles of roads. The Department began experimentation with a newly developed winter road mix to enhance driving conditions while reducing annual labor and product costs, to be expanded in 2013.

## **Office of Older Adults**

The North Ridgeville Senior Center (Office of Older Adults) is a multi-functioning center that strives to keep older adults independent and in their homes as long as possible with assistance through its transportation, socialization, health assistance, supportive services and snow plowing programs. In addition to its staff of 6 full time equivalent employees, the Center received over 6,000 hours of volunteer services in 2012. The Center provides nutritional meals to homebound seniors through its Meals-on-Wheels program for the City and surrounding townships, and provides transportation services for doctor appointments, grocery shopping, and other special trips. Help clinics and screenings are provided at no charge for various health matters including hearing, blood pressure, glucose/cholesterol, and memory testing. The Senior Center provides a "CareCall" program consisting of an automated telephone service to communicate with seniors and other needy citizens on a daily basis. Other services include recreational programs, CPR classes, self-defense and driving classes, flu shots and periodic outings. Activities at the Center include bingo, line-dancing, yoga and numerous other fun and fellowship events. The Office continues to explore and enhance its programs and activities for the seniors of the City.

## **Financial Information**

### **Internal Control**

Management of the City is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the government are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that 1) the cost of a control should not exceed the benefits likely to be derived, and 2) the valuation of costs and benefits requires estimates and judgments by management. We believe that the City's system of internal control is adequate to safeguard assets and provide reasonable assurance of proper recording of transactions.

### **Basis of Accounting**

The City prepares its annual financial statements under the reporting model required by Government Accounting Standards Board Statement No. 34 (GASB 34), "Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments". Under GASB 34, the basic financial statements consist of:

**Government-wide financial statements** - These statements are prepared on an accrual basis of accounting, which is similar to the basis of accounting followed by many businesses. The government-wide statements distinguish between those activities of the City that are governmental and those that are considered business-type activities.

**Fund financial statements** - These statements present information for individual major funds rather than by fund type. Nonmajor funds are combined and presented in total in one column. Governmental funds use the modified accrual basis of accounting and include reconciliation to the governmental activities accrual information presented in the governmental-wide financial statements. Proprietary and fiduciary funds use the accrual basis of accounting.

**Statements of budgetary comparisons** - These statements present comparison of actual information to the legally adopted budget. The budgetary basis, as provided by Ohio law, is on the basis of cash receipts, disbursements and encumbrances.

For a more detailed description, see the Management's Discussion and Analysis and the Notes to the Basic Financial Statements.

## **Budgetary Controls**

Detailed provisions for budgeting, tax levies and appropriations are set forth in the Ohio Revised Code and the City Charter.

The City prepares an annual budget of estimated receipts and expenditures for the upcoming year, which is filed with the Lorain County Budget Commission by July 20<sup>th</sup> preceding the budget year. Estimated resources, which includes estimated receipts taken from the City's budget, property tax and local government assistance as revised by the County, and unencumbered balances, is certified by the County Budget Committee, which estimated resources serve as the basis for appropriations. A temporary appropriation resolution to control expenditures may be passed by City Council around January 1 of each year for the period January 1 to March 31. An annual appropriation measure must be passed by April 1 each year for the period January 1 to December 31. Appropriations by fund-type cannot exceed the estimated resources as certified by the County Budget Commission. Revisions to its estimated resources may be made during the year as new information becomes available which, upon written request is certified by the County Budget Commission. City Council can pass supplemental appropriation ordinances, as long as total appropriations by fund-type do not exceed the amount of estimated resources certified by the County, as reflected on the most recent Amended Certificate of Estimated Resources.

For management purposes, the City maintains budgetary control on a non-GAAP basis by fund and within each fund by department at major object levels, which include personal services, other expenditures, and transfers. Budgetary control is maintained by an encumbrance of purchase commitment amounts prior to the release of purchase orders to vendors. Purchase order requests for the expenditure of monies are submitted to the Mayor or Safety-Service Director for approval. The purchase order is forwarded to the Auditor's office for certification of the availability of funds. The estimated expenditure is then encumbered against available appropriation. Encumbrances, which would exceed the available appropriation are not approved or recorded until the City Council authorizes additional appropriations or transfers. The Auditor's office prepares monthly financial statements on the budgetary basis for City Council and the Administration, which reflect detailed annual budget information, monthly and year-to-date receipts, expenditures, encumbrances and unencumbered balances.

## **AWARDS AND ACKNOWLEDGEMENTS**

### **GFOA Certificate of Achievement**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of North Ridgeville, Ohio for its comprehensive annual financial report for the fiscal year ended December 31, 2011. In order to be awarded a Certificate of Achievement, a government 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.

### **Acknowledgments**

The preparation of this report could not have been accomplished without the efficient and dedicated services of the staff of the Auditor's Office. Preparation of the Comprehensive Annual Financial Report requires a major effort and special appreciation is extended to everyone who assisted and contributed to the preparation of this report especially the City's Departments heads. Appreciation is extended to the Administration and City Council for their continued support and commitment to responsible fiscal reporting.

Respectfully submitted,



Chris S. Costin, CPA, CGFM  
City Auditor  
June 27, 2013

City of North Ridgeville, Ohio  
Principal City Officials  
December 31, 2012

**Elected Officials**

Council member, At-Large, President  
Council member, At-Large  
Council member, At-Large, President Pro-Tem  
Council member, Ward 1  
Council member, Ward 2  
Council member, Ward 3  
Council member, Ward 4  
Mayor

Kevin Corcoran  
Bernadine R. Butkowski  
Roseanne Johnson  
Nancy J. Buescher  
Dennis J. Boose  
Richard W. Jaenke  
Robert W. Olesen  
G. David Gillock

**Appointed Officials and Department Heads**

Safety-Service Director  
Law Director / Prosecutor  
Engineer  
Treasurer  
Auditor  
Deputy Auditor  
Income Tax Administrator  
Police Chief  
Fire Chief  
Service Department Superintendent  
Chief Building Official  
Parks and Recreation Director  
Older Adult Services Director  
Information Services Director  
Utilities Department Director  
French Creek Plant Superintendent  
Maintenance and Grounds Supervisor  
Mayor's Court Magistrate  
Clerk of Mayor's Court  
Clerk of Council  
Assistant Clerk of Council

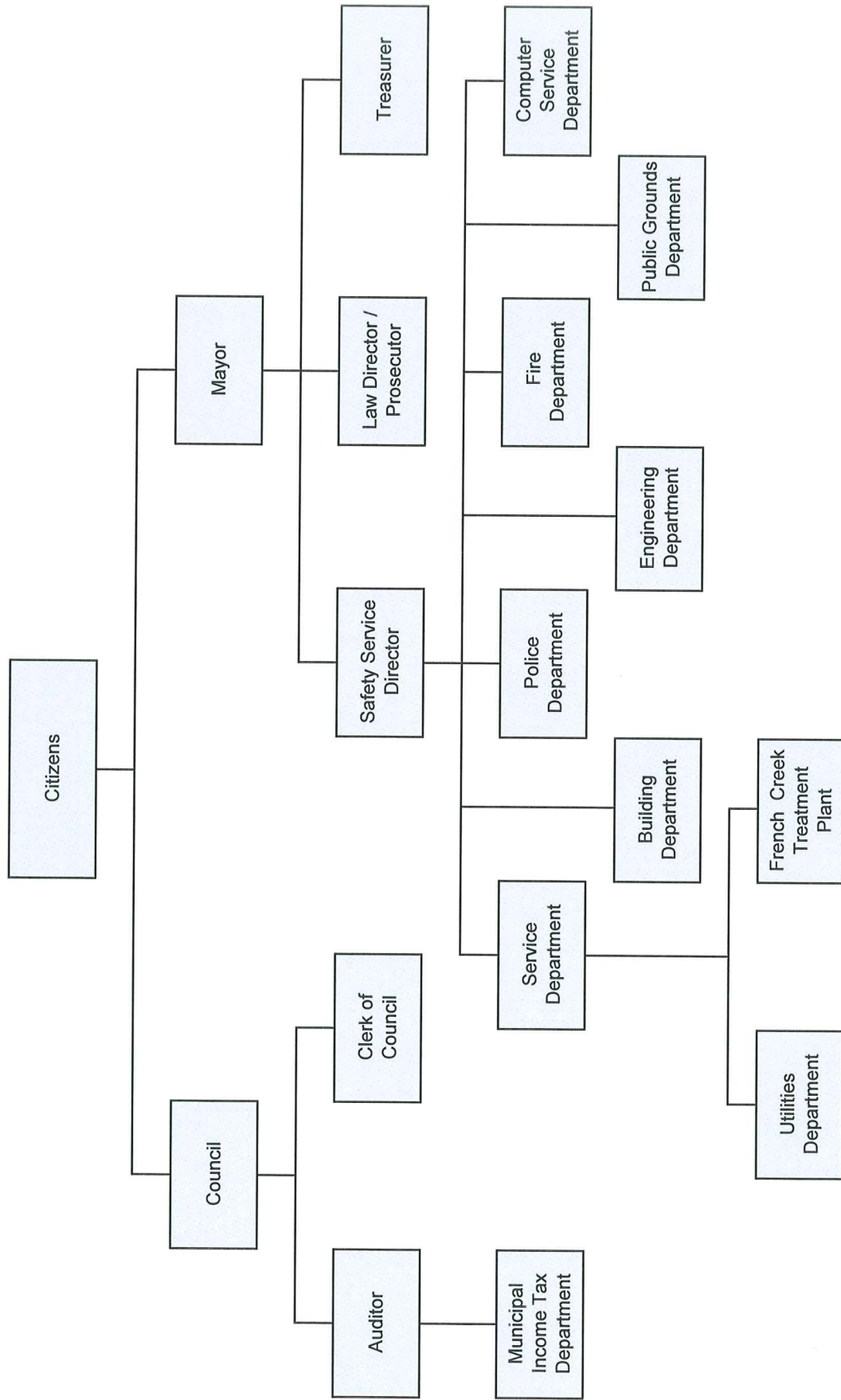
Jeffry J. Armbruster  
Andrew J. Crites, ESQ.  
Scott A. Wangler, P.E.  
Anthony L. Hatmaker  
Chris S. Costin, CPA, CGFM  
Teresa A. Machovina  
Laverne Porowski  
Michael W. Freeman  
Richard E. Miller  
Allen C. Swindig, Jr.  
Guy M. Fursdon, C.B.O.  
Kevin M. Fougrouse  
Rita M. Price  
Steven S. Dove  
James E. Whitlock  
Donald D. Daley  
Gary M. Teel  
R. Brian Moriarty, L.P.A.  
Diana G. Graham  
George E. Smith  
Tara L. Peet, CMC

**Chairmen, Boards and Commissions**

Civil Service Commission  
Parks and Recreation Commission  
Planning Commission  
Fair Housing Board  
Income Tax Board of Review  
Zoning Board of Appeals

James P. Yost  
Brent Milner  
Jim Rothgery  
Anthony L. Hatmaker  
Margaret Knight  
Shawn Kimble

# City of North Ridgeville, Ohio Organization Chart



# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of North Ridgeville  
Ohio

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2011

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.



*Christopher P. Moirice*

President

*Jeffrey R. Emer*

Executive Director



# Dave Yost • Auditor of State

## INDEPENDENT AUDITOR'S REPORT

City of North Ridgeville  
Lorain County  
7307 Avon Belden Road  
North Ridgeville, Ohio 44039

To the City Council:

### ***Report on the Financial Statements***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of North Ridgeville, Lorain County, Ohio (the City), as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for preparing and fairly presenting these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes designing, implementing, and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the City's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinions.

### ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of North Ridgeville, Lorain County, Ohio, as of December 31, 2012, and the respective changes in financial position and where applicable, cash flows, thereof and the respective budgetary comparisons for the General Fund and Solid Waste Management Fund thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require this presentation to include *Management's discussion and analysis*, listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, consisting of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, to the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not opine or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to opine or provide any other assurance.

#### *Supplementary and Other Information*

Our audit was conducted to opine on the City's basic financial statements taken as a whole. The introductory section, the financial section's combining statements, and individual fund statements and schedules, and the statistical section information present additional analysis and are not a required part of the basic financial statements.

The financial section's combining statements, individual fund statements and schedules, are management's responsibility, and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected these statements and schedules to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

We did not subject the introductory section and statistical section information to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or any other assurance on them.



***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 27, 2013, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine 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* in considering the City's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

**Dave Yost**  
Auditor of State

Columbus, Ohio

June 27, 2013

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**CITY OF NORTH RIDGEVILLE, OHIO**  
*MANAGEMENT'S DISCUSSION AND ANALYSIS*  
*FOR THE YEAR ENDED DECEMBER 31, 2012*  
*UNAUDITED*

Management's discussion and analysis (MD&A) of the City of North Ridgeville's financial performance presents a narrative overview and analysis of the City's financial activities for the year ended December 31, 2012. The intent of the discussion and analysis is to present the City's financial performance as a whole. Readers are encouraged to consider this information in conjunction with the basic financial statements and notes to the basic financial statements for an enhanced understanding of the City's financial performance.

**Financial Highlights**

Following the latest economic recession, the City's recovery has been progressing at a slow pace. The City has continued to curtail certain controllable expenditures without a significant reduction in City services. Labor costs were reduced in 2012 as the result negotiated temporary wage and benefit reductions in year 2011. Certain unfunded capital expenditures have been delayed. These management initiatives with employee cooperation have resulted in control of the City's costs. Favorably, as result of installation of the City's west side sanitary sewer trunkline and acquiring additional contractual drinking water volume in recent years, residential new construction in the community has continued, resulting in annual revenue to the City consisting of increased municipal income taxes, licenses and fees, charges for services, tap-in fees and developer contributions.

The City's total net position increased by \$ 3,535,114 to \$ 136,913,360 at December 31, 2012. Total assets (after depreciation and amortization) increased by \$ 487,769 to \$ 180,354,514, while total liabilities favorably decreased by \$ 3,047,345 to \$ 43,441,154 at December 31, 2012. Net position of governmental activities increased by \$ 1,641,467 to \$ 66,609,937 and net position of business-type activities increased by \$ 1,893,647, reflecting the improving financial condition of the City.

Total revenues of the City increased by \$ 1,965,408 or 5.2% to \$ 40,025,565 in 2012 due primarily to increases in charges for services, and grants and entitlements. Charges for services of governmental activities included a 23% increase in sanitation collection fees in the Solid Waste Management Fund. Charges for services of business-type activities included an increase in water and sanitary sewer rates of 11.6% and 3%, respectively. Total program expenses increased by \$ 1,175,125 or 3.3 % to \$ 36,490,451 in 2012, due in large part to the reinstatement of a portion of the labor and benefit cost reductions negotiated in 2011.

**Overview of Financial Statements**

This annual report includes the City's basic financial statements which consist of government-wide financial statements, fund financial statements, notes to the basic financial statements and other information. The Government-wide financial statements provide information about the City as a whole, providing an aggregate view of the City's finances. The fund financial statements provide an additional level of detail focusing on spendable resources.

**Government-wide Financial Statements**

The government-wide financial statements provide a broad overview of the City's finances in a manner similar to a private-sector business. The *Statement of Net Position* presents information on all the City's assets, deferred outflows of resources, liabilities and deferred inflows of resources with the residual being reported as net position. Increases or decreases in net position over time serve as a useful indicator of whether or not the financial position of the City is improving or deteriorating. The *Statement of Activities* presents information reflecting the City's financial activities and changes in net position during the year. These two statements use the accrual basis of accounting, under which revenue is generally recognized when earned and expenses recognized when incurred, regardless of when cash is received or paid. These statements distinguish between governmental activities which are those that are principally supported by taxes and intergovernmental revenues, and business-type activities which are those that are intended to recover their costs through user fees and charges. The City's business-type activities consist of water system operations and sanitary sewer system operations.

**CITY OF NORTH RIDGEVILLE, OHIO**  
*MANAGEMENT'S DISCUSSION AND ANALYSIS*  
*FOR THE YEAR ENDED DECEMBER 31, 2012*  
*UNAUDITED*

**Fund Financial Statements**

The governmental fund financial statements, listed in the table of contents, focus on the City's most significant, or major funds. The City's major governmental funds are the General Fund, Solid Waste Management Fund and Capital Projects Fund. The remaining non-major funds are combined and reflected in one single column. Governmental fund financial statements focus on near-term inflows and outflows of spendable resources and on balances of spendable resources that are available at year-end. This information can be useful in determining what financial resources are available to finance the City's activities. A *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, 2012 is presented. The City, similar to other local governments, uses fund accounting to ensure and demonstrate finance related legal requirements.

**Fund Categories**

The City's funds can be divided into three categories comprised of governmental funds, proprietary funds and fiduciary funds.

**Governmental funds**

Most of the City's activities are reported in governmental funds, which are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. Governmental funds use the modified accrual method of accounting, which measures cash and other financial assets readily convertible to cash.

**Proprietary funds**

Proprietary funds are generally used to account for activities for which the City will charge customers and users. The City maintains two types of proprietary funds. The first type, enterprise funds are used to account for those functions reported as business-type activities in the government-wide financial statements, which for the City, consists of water system operations and sanitary sewer system operations. The second type, internal service funds are used to accumulate and allocate costs of goods and services among the City's various functions. The City uses an internal service fund for its medical self-insurance program. This internal service fund is included within the governmental activities in the government-wide financial statements since the City was the only participant in the self-insurance program. Proprietary funds use the accrual basis of accounting.

**Fiduciary funds**

Fiduciary funds are used to account for resources held for the benefit of parties outside the City and are not included in the government-wide financial statements since the resources held are not available to support City programs. The City uses agency funds included under the fiduciary funds category. Agency funds are reported on a full accrual basis, for which only a statement of assets and liabilities is presented.

**Notes to the Basic Financial Statements**

Notes to the basic financial statements provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. These should be read in conjunction with those financial statements.

**CITY OF NORTH RIDGEVILLE, OHIO**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2012**  
**UNAUDITED**

**Other Information**

In addition to the basic financial statements and accompanying notes to the basic financial statements, also presented are combining statements for nonmajor governmental funds and individual budgetary comparisons.

**The City of North Ridgeville as a Whole**

**Analysis of Net Position**

The Statement of Net Position presents the City as a whole. The following provides a summary of the City's net position as of the current year-end compared to the prior year-end.

	Governmental Activities		Business-type Activities		Total	
	2012	2011	2012	2011	2012	2011
<b>Assets</b>						
Current and other assets	\$ 23,997,081	\$ 21,619,796	\$ 20,726,522	\$ 19,380,307	\$ 44,723,603	\$ 41,000,103
Capital assets, net	62,194,120	63,839,053	73,436,791	75,027,589	135,630,911	138,866,642
<b>Total assets</b>	<b>86,191,201</b>	<b>85,458,849</b>	<b>94,163,313</b>	<b>94,407,896</b>	<b>180,354,514</b>	<b>179,866,745</b>
<b>Liabilities</b>						
Current liabilities	8,329,934	8,789,759	580,984	718,352	8,910,918	9,508,111
Long-term liabilities	11,251,330	11,700,620	23,278,906	25,279,768	34,530,236	36,980,388
<b>Total liabilities</b>	<b>19,581,264</b>	<b>20,490,379</b>	<b>23,859,890</b>	<b>25,998,120</b>	<b>43,441,154</b>	<b>46,488,499</b>
<b>Net position</b>						
Net investment in capital assets	54,512,935	55,632,130	50,767,163	50,366,964	105,280,098	105,999,094
Restricted	7,178,967	5,588,289	-	-	7,178,967	5,588,289
Unrestricted	4,918,035	3,748,051	19,536,260	18,042,812	24,454,295	21,790,863
<b>Total net position</b>	<b>\$ 66,609,937</b>	<b>\$ 64,968,470</b>	<b>\$ 70,303,423</b>	<b>\$ 68,409,776</b>	<b>\$ 136,913,360</b>	<b>\$ 133,378,246</b>

Total assets increased by \$ 487,769 to \$ 180,354,514 in year 2012, which included an increase of \$ 3,723,500 in current and other assets and a decrease of \$ 3,235,731 in capital assets, net. Current and other assets included increases in equity in pooled cash, municipal income taxes receivable and due from other governments. Net investment in capital assets (land, construction in progress, buildings and improvements, equipment and vehicles and infrastructure, net of depreciation) less any debt related to acquire those assets still outstanding, represents the largest portion of net position, which decreased by \$ 718,996 due to the effect of depreciation. Capital assets are used to provide services to the City's citizens, however, are not available for future spending. Total capital assets, net of depreciation and amortization, in 2012 decreased by \$ 3,235,731 to \$ 135,630,911. New additions to capital assets included \$ 1,482,835 of developer contributions of infrastructure related to residential real estate development. The City obtained \$ 865,606 of other capital grants and contributions and expended \$ 2,161,666 for capital asset additions. Total capital asset additions of \$ 4,510,107 in 2012 consisted of \$ 29,675 for land and building, \$ 1,359,850 for construction in progress, \$ 848,593 for equipment and vehicles, and \$ 2,271,989 for infrastructure. Depreciation and amortization of capital assets amounted to \$ 7,191,008 and \$ 68,352, respectively. Total liabilities decreased by \$ 3,047,345 to \$ 43,441,154 resulting from debt repayments and reductions in accounts and contracts payable. The City's total net position increased by \$ 3,535,114 to \$ 136,913,360, comprised of a \$ 1,641,467 increase in governmental activities and \$ 1,893,647 increase in business-type activities.

**CITY OF NORTH RIDGEVILLE, OHIO**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2012**  
**UNAUDITED**

**Analysis of Changes in Net Position**

To understand what makes up changes in net position, following is a summary of activities for the current year compared to the prior year.

Change in Net Position

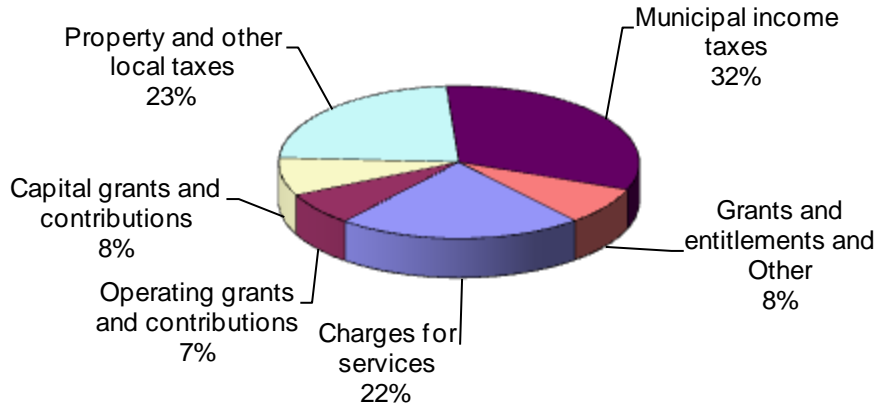
	Governmental Activities		Business-type Activities		Total	
	2012	2011	2012	2011	2012	2011
Revenues						
Program revenues						
Charges for services	\$ 5,816,560	\$ 5,030,601	\$ 10,810,865	\$ 9,459,370	\$ 16,627,425	\$ 14,489,971
Operating grants and contributions	1,997,920	2,335,694	-	-	1,997,920	2,335,694
Capital grants and contributions	2,215,049	1,969,333	2,136,165	2,401,753	4,351,214	4,371,086
Total program revenues	10,029,529	9,335,628	12,947,030	11,861,123	22,976,559	21,196,751
General revenues						
Property and other local taxes	6,259,876	6,149,178	-	-	6,259,876	6,149,178
Municipal income taxes	8,658,855	8,532,862	-	-	8,658,855	8,532,862
Grants and entitlements	1,898,510	1,606,460	-	-	1,898,510	1,606,460
Other	184,466	513,455	47,299	61,451	231,765	574,906
Total general revenues	17,001,707	16,801,955	47,299	61,451	17,049,006	16,863,406
Total revenues	27,031,236	26,137,583	12,994,329	11,922,574	40,025,565	38,060,157
Program expenses						
Security of persons and property	10,673,542	9,699,133	-	-	10,673,542	9,699,133
Public health and welfare	442,970	550,435	-	-	442,970	550,435
Leisure time activities	417,638	390,554	-	-	417,638	390,554
Community environment	1,200,276	1,593,165	-	-	1,200,276	1,593,165
Transportation	5,896,752	6,125,333	-	-	5,896,752	6,125,333
General government	6,530,544	6,308,755	-	-	6,530,544	6,308,755
Interest	228,047	260,588	-	-	228,047	260,588
Water	-	-	3,903,422	3,570,377	3,903,422	3,570,377
Sewer	-	-	7,197,260	6,816,986	7,197,260	6,816,986
Total program expenses	25,389,769	24,927,963	11,100,682	10,387,363	36,490,451	35,315,326
Increase in net position	1,641,467	1,209,620	1,893,647	1,535,211	3,535,114	2,744,831
Net position, beginning of year	64,968,470	63,758,850	68,409,776	66,874,565	133,378,246	130,633,415
Net position, end of year	\$ 66,609,937	\$ 64,968,470	\$ 70,303,423	\$ 68,409,776	\$ 136,913,360	\$ 133,378,246

**CITY OF NORTH RIDGEVILLE, OHIO**  
*MANAGEMENT'S DISCUSSION AND ANALYSIS*  
*FOR THE YEAR ENDED DECEMBER 31, 2012*  
*UNAUDITED*

**Governmental activities**

Revenues by source of governmental activities in 2012 were comprised of:

**Revenues by Source, Governmental Activities**



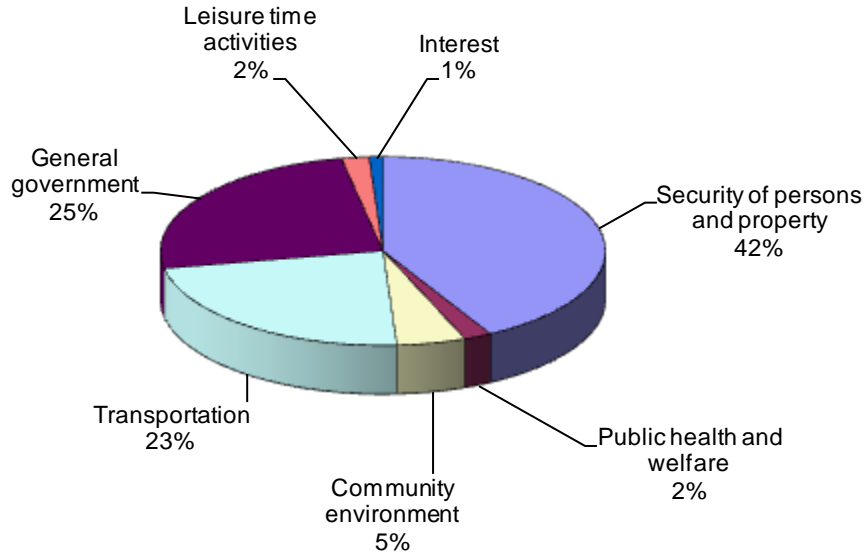
Total program revenues of governmental activities reflected a net increase of \$ 693,901 or 7.4% in 2012 compared to 2011. Charges for services increased by \$ 785,959 resulting primarily from an increase in sanitation revenue in 2012, operating grants and contributions decreased by \$ 337,774 due primarily to a reduction in federal private housing grants received, and capital grants and contributions increased by \$ 245,716 due to an increase in federal grants and Ohio Public Works grants which exceeded a decrease in developer contributions of infrastructure in 2012. Developer governmental type infrastructure contributions in recent years, consisting primarily of road systems, amounted to \$ 730,903 in 2012, \$ 1,555,377 in 2011, \$ 1,066,089 in 2010, \$ 1,765,033 in 2009, \$ 2,073,655 in 2008, \$ 5,231,564 in 2007, and \$ 12,294,015 in 2006, reflecting the activity of the local housing market.

Total general revenues increased by \$ 199,752 or 1.2% in 2012, resulting from higher grants and entitlements, municipal income taxes, and property and other taxes. Municipal income taxes of \$ 8,658,855 represented the largest portion of general revenues and 32.0% of total revenues in 2012, followed by property and other local taxes which represented 23.2% of total revenues. Municipal income taxes increased by \$ 125,993 or 1.5%, property and other taxes increased by \$ 110,698 or 1.8%, and grants and entitlements increased by \$ 292,050 or 18.2%, in 2012 over 2011.

**CITY OF NORTH RIDGEVILLE, OHIO**  
*MANAGEMENT'S DISCUSSION AND ANALYSIS*  
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Program expenses of governmental activities in 2012 were comprised of:

**Program Expenses, Governmental Activities**



Program expenses amounted to \$ 25,389,769 in 2012, of which \$ 10,029,529 was supported by program revenue. Security of persons and property, which includes police, fire and paramedic services, in 2012 represented \$ 10,673,542 or 42% of total program expenses. Transportation, which includes street maintenance, snow removal and storm channel maintenance, represented \$ 5,896,752 or 23% of program expenses. General government, which includes legislative and administrative services of council, mayor, law, finance and computer services departments, utilities and maintenance of buildings represented \$ 6,530,544 or 25% of program expenses. Community environment represented \$ 1,200,276 or 5% of program expenses and included sanitation collection and community development. Leisure time activities, which include recreation activities and maintenance of the City's park system, represented \$ 417,638 or 2% of total program expenses. Public health and welfare, which includes senior citizen programs, payments to the County health department and cemetery maintenance, represented \$ 442,970 or 2% of total program expenses in 2012. Program expenses, in total were \$ 461,806 higher in 2012 than 2011. In governmental activities in 2012, as a result of negotiated labor contracts in 2011, the City realized \$ 388,000 of labor cost savings and benefit decreases including employee hospitalization contributions, reduced from labor cost savings of \$ 516,000 in 2011. In 2012, the Police received a negotiated 2% base wage increase.

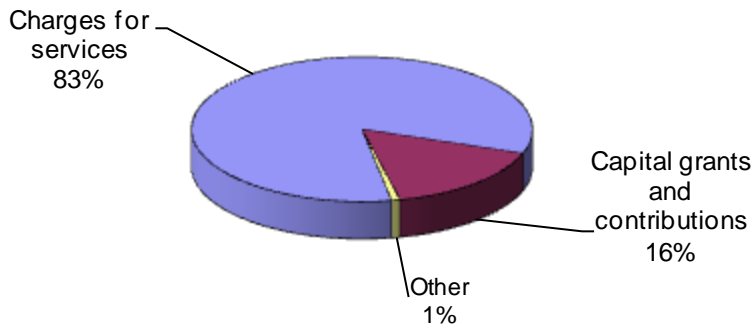


**CITY OF NORTH RIDGEVILLE, OHIO**  
*MANAGEMENT'S DISCUSSION AND ANALYSIS*  
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**Business-type activities**

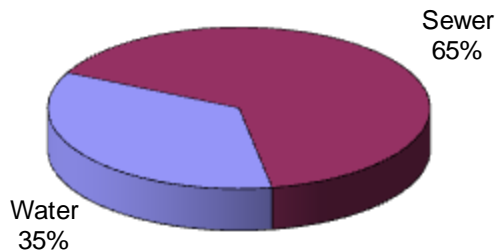
Revenues by source for business-type activities for 2012 were comprised of:

**Revenues by Source, Business-type Activities**



Program revenues of business-type activities represented 99% of total revenues in 2012. Charges for services of \$ 10,810,865 represented 83% of total revenues while capital grants and contributions of \$ 2,136,165 represented 16%. Capital grants and contributions included \$ 752,033 of contractor contributions of infrastructure 2012, down from \$1,276,700 in 2011. Tap-in fees amounted to \$ 1,464,200 in 2012, up from \$1,262,100 in 2011. The City's water rates were increased by 11.6% and its sewer rates by 3% in 2012. The volume of billed water usage increased by 14% in 2012 over 2011. Other general revenues of \$ 47,299 represented 1% of total revenues, comprised primarily of interest income.

**Expenses, Business-type Activities**



Water operations expenses amounted to \$ 3,903,422 or 35% and sanitary sewer operations expenses amounted to \$ 7,197,260 or 65% of total program expenses for business-type activities in 2012. Both water operations and sanitary sewer operations have historically been self-supporting through user fees and charges. Water is purchased from three sources. The City's wastewater treatment facility services the City and two neighboring communities.

For the year 2012, business-type activities realized an increase in net position of \$ 1,766,083 comprised of water \$ 886,891, and sewer \$ 879,192.

**CITY OF NORTH RIDGEVILLE, OHIO**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2012**  
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**The City's Funds**

The City's governmental funds financial information begins at page 20. As reflected on the *Balance Sheet*, total governmental assets increased by \$ 2,031,330 or 9.5%, to \$ 23,331,949, while total governmental liabilities were reduced by \$ 244,884 or 2.0%, to \$ 11,884,189, which decrease in liabilities was comprised primarily of a decrease in accounts and contracts payable. The net result was an increase in governmental total fund balances of \$ 2,276,214 or 24.8% to \$ 11,447,760 at year-end 2012. As reflected on the *Statement of Revenues, Expenditures and Changes in Fund Balances*, total governmental funds revenues increased by \$ 830,054 or 3.3% in 2012, while total expenditures increased by \$ 184,232 or .7%. Total other financing sources (uses) decreased by \$ 198,196, which included lower note proceeds of \$ 2,515,860 in 2012 compared to note proceeds of \$ 2,714,056 in 2011. The most significant changes in governmental revenues consisted of an increase in charges for services of \$ 570,574, resulting primarily from a 22.9% rate increase in sanitation fees. The most significant changes in current governmental expenditures were increases in security of persons and property and capital outlay of \$ 618,642 and \$ 608,127, respectively. The increase in security of persons and property resulted from a reduction in employee concessions from negotiated contracts in 2011, and a 2% renegotiated base wage increase to Police in 2012.

The City's major funds in 2012 consisted of the General Fund, Solid Waste Management Fund and Capital Projects Fund. General Fund revenues were \$ 420,533 or 3.3% lower in 2012 than 2011, resulting primarily from lower intergovernmental revenue. General Fund total expenditures increased by \$ 198,533 or 2.0%, due primarily to an increase in security of persons and property. Other financing sources (uses) were \$ 75,000 higher in 2012 than 2011, resulting from higher transfers to the Capital Projects Fund. Accordingly, the General Fund balance increased by \$ 943,482 to \$ 6,191,830 at year-end 2012, compared to a \$ 1,637,548 increase in 2011. The Solid Waste Management Fund became a major fund in 2012 as the result of increased revenue from a 23% rate increase to offset the cost of sanitation collections provided by an outside sanitation collection company. The operations of the Solid Waste Management Fund are supported predominately by charges for services. The Capital Projects Fund is supported primarily by transfers from the income tax collections which increased to \$ 1,125,000 in 2012 from \$ 1,050,000 in 2011. Proceeds from the issuance of notes of \$ 2,421,000 in 2012 were used primarily to repay existing notes, which are issued for a one year term. Capital outlay expended from the Capital Projects Fund in 2012 amounted to \$ 389,744. The Capital Projects Fund ending fund balance reflected a net increase of \$ 152,689 in 2012.

The City's proprietary funds information begins at page 26. Drinking water operations are reflected in the Water Fund. Water Fund net position increased by \$ 886,891 to \$ 20,780,321 at year-end 2012. Charges for services included an 11.6% water rate increase in 2012 to offset the increased cost of water operations. Water consumption increased by 14% in 2012. Water operating revenues increased by \$ 767,674 or 21.2% in 2012 as the result of lower water consumption. Capital contributions were \$ 418,768 in 2012, consisting primarily of developers' contributions of waterlines infrastructure and tap-in fees, which amounted to \$ 325,601 or 43.7% less than in 2011. Sanitary sewer operations are reflected in the Sewer Fund. The City's wastewater treatment facility services the City, the City of Avon and the Village of Sheffield. Sewer fund net position increased by \$ 879,192 to \$ 49,354,549 at year-end 2012. Charges for services included 3% rate increase in 2012 to the City's users to offset the increased cost of sewer operations. Sewer operating revenues increased by \$ 583,821 or 10.0% in 2012, resulting from the sewer rate increase and volume increases. Capital contributions were \$ 1,717,397 in 2012, comprised primarily of developer contributions of sewer system infrastructure and tap-in fees, which were \$ 60,013 or 3.6% more than 2011. The City's water and sewer operations have historically been self-sufficient.

**CITY OF NORTH RIDGEVILLE, OHIO**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2012**  
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**Budgetary Highlights**

The City prepares its budget in accordance with Ohio law on the basis of cash receipts, disbursements and encumbrances. The City's original budget and amendments are enacted by City Council upon recommendation of Council's Finance Committee. Budgetary expenditure modifications at the legal level of control may only be made by ordinance of City Council. The City's final budget differs from the original budget due to various amendments during the year to reflect changes in unanticipated revenue receipts and amended appropriations.

The General Fund is the City's most significant budgeted fund. Original budgeted receipts (excluding other financing sources) for the General Fund were \$ 3,445,000. Final budgeted receipts were \$ 3,870,000. The City actually received \$ 4,206,214. Actual receipts were greater than estimated due in large part to the City's conservative approach, inasmuch as original budget revenue is conservatively estimated. Intergovernmental revenues, fines, licenses and permits from building fees and Mayor's court, and miscellaneous were higher than originally estimated. Original budgeted appropriations (excluding other financing uses) were \$ 11,343,209 and final amended appropriations were \$ 11,445,609. Amended appropriations provided for two new project feasibility studies and personnel cost revisions. The City actually expended \$ 10,146,661, which was \$ 1,298,948 less than final appropriations, resulting from the intended management control over expenditures. The City historically spends less than appropriated. In 2012 actual expenditures were 89% of final appropriations.

**Capital and Intangible Assets**

Capital and intangible assets, net of depreciation and amortization, at December 31, consisted of:

	Governmental Activities		Business-type Activities		Total	
	2012	2011	2012	2011	2012	2011
Land	\$ 1,709,949	\$ 1,686,299	\$ 785,216	\$ 786,184	\$ 2,495,165	\$ 2,472,483
Construction in progress	1,896,877	1,351,555	337,138	5,925	2,234,015	1,357,480
Buildings and improvements	3,085,740	3,200,452	468,133	485,233	3,553,873	3,685,685
Equipment and vehicles	2,946,624	2,826,023	8,985,745	9,822,634	11,932,369	12,648,657
Infrastructure	52,554,930	54,774,724	61,473,641	62,472,343	114,028,571	117,247,067
Intangible assets	-	-	1,386,918	1,455,270	1,386,918	1,455,270
	<u>\$ 62,194,120</u>	<u>\$ 63,839,053</u>	<u>\$ 73,436,791</u>	<u>\$ 75,027,589</u>	<u>\$ 135,630,911</u>	<u>\$ 138,866,642</u>

Capital assets are major assets that benefit more than one fiscal year. The City's capitalization threshold is \$ 2,500, that is, asset cost must equal \$ 2,500 or more to be capitalized. Infrastructure assets are long-lived capital assets that are normally stationary in nature with a useful life significantly greater than most capital assets. The City's governmental infrastructure includes streets, bridges, culverts, sidewalks and storm drainage systems.

The City's total capital assets, net of depreciation and amortization amounted to \$ 135,630,911 at December 31, 2012, which was \$ 3,235,731 lower than the previous year, since depreciation and amortization exceeded additions. Capital assets, net of depreciation under governmental activities decreased by \$ 1,644,933 in 2012, which included \$ 730,903 from developers' contributions of infrastructure of road systems. Business-type capital assets, net of depreciation decreased by \$ 1,590,798 to \$ 73,436,791, which additions included \$ 752,033 of developers' contributions of waterlines and sewer lines infrastructure. Total depreciation and amortization increased by \$ 52,644 or .7% to \$ 7,259,360 in 2012 from \$ 7,206,716 in 2011.

For more information about the City's capital assets, see Note 2J and Note 8 of *Notes to the Basic Financial Statements*.

**CITY OF NORTH RIDGEVILLE, OHIO**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2012**  
**UNAUDITED**

**Debt**

Outstanding debt obligations of the City at December 31 consisted of:

	Governmental Activities		Business-type Activities		Total	
	2012	2011	2012	2011	2012	2011
Notes and loans payable	\$ 2,901,000	\$ 2,841,140	\$ 1,434,000	\$ 1,659,000	\$ 4,335,000	\$ 4,500,140
Water rights ETL-2 loan	-	-	709,593	735,418	709,593	735,418
OPWC loans	848,705	919,596	63,380	71,831	912,085	991,427
OWDA loan	-	-	1,614,500	1,759,840	1,614,500	1,759,840
Capital lease	56,480	81,187	3,155	4,536	59,635	85,723
General obligation bonds	3,785,000	4,250,000	16,885,000	18,370,000	20,670,000	22,620,000
Special assessment bonds	90,000	115,000	1,960,000	2,060,000	2,050,000	2,175,000
Accrued leave benefits	3,570,145	3,493,697	609,278	619,143	4,179,423	4,112,840
	<u>\$ 11,251,330</u>	<u>\$ 11,700,620</u>	<u>\$ 23,278,906</u>	<u>\$ 25,279,768</u>	<u>\$ 34,530,236</u>	<u>\$ 36,980,388</u>

As of December 31, 2012, the City had \$ 34,530,236 of total debt outstanding, of which \$ 6,629,994 is due within one year. Total debt outstanding decreased by \$ 2,450,152 in 2012, which resulted from debt payments.

The general obligation bonds outstanding at year-end 2012 include various purposes consisting of road improvements, service garage addition, waterlines and sanitary sewer improvements. Sources for the debt service payments include property tax collections, general revenues of the City, and water and sewer operations, as applicable. The special assessment bonds were for infrastructure improvements, which debt service is repaid from collections from property owners. The City's general obligation bonds and special assessment bonds mature in various increments through 2028. The OWDA loan financed an elevated water storage tank, which debt is repaid from water system revenues. The OPWC loans consist of several zero percent interest loans with twenty year terms, used primarily for road reconstruction, which are repaid from the City's capital projects and street funds, and a sewer line reconstruction which is repaid from sanitary sewer system revenues. The water rights ETL-2 loan consists of the cost of water rights, to purchase a specified amount of drinking water, financed over 258 months.

In October 2008, Moody's Investors Service affirmed the City's general obligation long-term rating of A-1 in connection with the issuance of \$ 12,000,000 of general obligation capital improvement and equipment bonds in November 2008. The A-1 rating applied to the general obligation long-term bonded debt outstanding at that date in addition to the new Series 2008 issue. The City has not requested a rating update since 2008.

The State of Ohio statute limits the amount of general obligation debt, including both voted and unvoted debt, but excluding certain exempt debt, that may be issued to 10 ½ % of the total tax valuation of all property within the City. The City's overall debt limitation at December 31, 2012 was \$ 71,366,000 against which \$ 5,195,000 of debt has been issued, leaving significant additional debt capacity within the debt limitation, in the amount of \$ 66,171,000.

For more information about the City's debt, see Note 2M, Note 9, Note 10 and Note 11 of *Notes to the Basic Financial Statements*.

**CITY OF NORTH RIDGEVILLE, OHIO**  
*MANAGEMENT'S DISCUSSION AND ANALYSIS*  
*FOR THE YEAR ENDED DECEMBER 31, 2012*  
*UNAUDITED*

**Economic Factors and Next Year's Budget**

While the City continues to use a conservative economic forecast for revenue growth and a zero-based approach to expenditure appropriations for 2013, the economic outlook remains cautiously optimistic, as the regional economy continues its slow improvement. Favorably, as the result of significant infrastructure improvements made by the City over the past several years, new housing construction has continued within the City resulting in additional annual revenues consisting of increased municipal income taxes, licenses and fees, charges for services and tap-in fees. A continued increase in revenues from new housing construction is expected in year 2013. Municipal income taxes are also anticipated to increase from the continued residential and commercial growth within the City. Unfavorably, as result of the sexennial reappraisal of real estate within the County in 2012 pursuant to statutory requirements, the assessed value of residential and agricultural real estate within the City was reduced by \$56 million or 9%, resulting in an anticipated reduction of \$ 513,000 in property tax collections in 2013. It is anticipated that the increase in revenues from housing and municipal income taxes will offset this loss in property taxes. The City is anticipating a reduction in certain intergovernmental revenues from the State of Ohio as contained in the Governor's last biennial budget, and from elimination of the Ohio Estate tax after 2012. City's management anticipates additional water and sewer rate increases over the next few years, as necessary, to offset the rising cost of these enterprise operations.

The City previously renegotiated labor agreements with its three employee bargaining units in 2011, resulting in cost reductions from wage and benefit curtailments in 2011 and 2012. For 2013, these curtailments have been fully eliminated and additional wage rate increases are expected to average between 2% - 4% higher than 2012. Other inflationary cost increases are anticipated to be offset by revenue increases in 2013 and controlled spending.

**Request for Information**

This financial report is designed to provide our citizens, taxpayers and creditors with a general overview of the City's finances and show the City's accountability for the money it receives and spends. If you have any questions about this report or need additional financial information, contact the Auditor's Office, City of North Ridgeville, 7307 Avon Belden Road, North Ridgeville, Ohio 44039; telephone (440) 353-0851.

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CITY OF NORTH RIDGEVILLE, OHIO

STATEMENT OF NET POSITION

DECEMBER 31, 2012

	Governmental Activities	Business-Type Activities	Total
<b>Assets</b>			
Equity in pooled cash and equivalents	\$ 12,547,275	\$ 16,238,352	\$ 28,785,627
Accounts receivable	324,900	944,600	1,269,500
Due from other governments	1,924,559	566,717	2,491,276
Internal balances	(168,553)	168,553	-
Inventories and supplies	-	201,700	201,700
Prepaid and deferred expenses	49,700	21,300	71,000
Income taxes receivable	2,443,500	-	2,443,500
Taxes receivable - property and other	6,370,400	-	6,370,400
Special assessments receivable	68,300	2,585,300	2,653,600
Claims advance deposit	437,000	-	437,000
<b>Capital assets</b>			
Nondepreciable capital assets	3,606,826	1,122,354	4,729,180
Depreciable capital assets, net	58,587,294	70,927,519	129,514,813
Intangible assets, net	-	1,386,918	1,386,918
<b>Total assets</b>	<b>86,191,201</b>	<b>94,163,313</b>	<b>180,354,514</b>
<b>Liabilities</b>			
Accounts and contracts payable	135,227	311,162	446,389
Accrued salaries, wages and benefits	397,954	90,304	488,258
Accrued interest payable	30,500	81,700	112,200
Claims payable	315,000	-	315,000
Due to other governments	1,067,116	97,818	1,164,934
Unearned revenue	6,384,137	-	6,384,137
<b>Long-term liabilities</b>			
Due within one year	3,320,443	3,309,551	6,629,994
Due in more than one year	7,930,887	19,969,355	27,900,242
<b>Total liabilities</b>	<b>19,581,264</b>	<b>23,859,890</b>	<b>43,441,154</b>
<b>Net position</b>			
Net investment in capital assets	54,512,935	50,767,163	105,280,098
<b>Restricted for:</b>			
Debt service	251,376	-	251,376
Capital projects	1,052,403	-	1,052,403
Highway and streets	3,098,784	-	3,098,784
Public safety	1,227,624	-	1,227,624
Recreation	336,713	-	336,713
Community environment	830,276	-	830,276
Other purposes	381,791	-	381,791
Unrestricted	4,918,035	19,536,260	24,454,295
<b>Total net position</b>	<b>\$ 66,609,937</b>	<b>\$ 70,303,423</b>	<b>\$ 136,913,360</b>

See accompanying notes to the basic financial statements.

CITY OF NORTH RIDGEVILLE, OHIO  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2012

Functions/Programs	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants, Interest and Contributions	Capital Grants and Contributions
<b>Governmental activities:</b>				
Security of persons and property	\$ 10,673,542	\$ 1,265,696	\$ 4,924	\$ 270,000
Public health and welfare	442,970	32,075	14,938	-
Leisure time activities	417,638	217,063	-	-
Community environment	1,200,276	648,048	195,355	-
Transportation	5,896,752	-	1,782,703	1,921,399
General government	6,530,544	3,653,678	-	23,650
Interest	228,047	-	-	-
<b>Total governmental activities</b>	<b>25,389,769</b>	<b>5,816,560</b>	<b>1,997,920</b>	<b>2,215,049</b>
<b>Business-type activities:</b>				
Water	3,903,422	4,390,975	-	418,768
Sewer	7,197,260	6,419,890	-	1,717,397
<b>Total business-type activities</b>	<b>11,100,682</b>	<b>10,810,865</b>	<b>-</b>	<b>2,136,165</b>
<b>Total</b>	<b>\$ 36,490,451</b>	<b>\$ 16,627,425</b>	<b>\$ 1,997,920</b>	<b>\$ 4,351,214</b>

General revenues  
Property taxes levied for:  
    General purpose  
    Other  
Municipal income taxes levied for:  
    General purpose  
Grants and entitlements not restricted to specific purposes  
Investment earnings  
Miscellaneous  
Total general revenues

Change in net position

Net position at beginning of year  
Net position at end of year

See accompanying notes to the basic financial statements.



Net (Expense) Revenue and Changes in Net Position

<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
\$ (9,132,922)	\$ -	\$ (9,132,922)
(395,957)	-	(395,957)
(200,575)	-	(200,575)
(356,873)	-	(356,873)
(2,192,650)	-	(2,192,650)
(2,853,216)	-	(2,853,216)
(228,047)	-	(228,047)
<u>(15,360,240)</u>	<u>-</u>	<u>(15,360,240)</u>
-	906,321	906,321
-	<u>940,027</u>	<u>940,027</u>
-	<u>1,846,348</u>	<u>1,846,348</u>
<u>(15,360,240)</u>	<u>1,846,348</u>	<u>(13,513,892)</u>
1,105,891	-	1,105,891
5,153,985	-	5,153,985
8,658,855	-	8,658,855
1,898,510	-	1,898,510
28,482	47,299	75,781
155,984	-	155,984
<u>17,001,707</u>	<u>47,299</u>	<u>17,049,006</u>
1,641,467	1,893,647	3,535,114
<u>64,968,470</u>	<u>68,409,776</u>	<u>133,378,246</u>
<u>\$ 66,609,937</u>	<u>\$ 70,303,423</u>	<u>\$ 136,913,360</u>

CITY OF NORTH RIDGEVILLE, OHIO

BALANCE SHEET -  
GOVERNMENTAL FUNDS

DECEMBER 31, 2012

	General	Solid Waste Management	Capital Projects	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>					
Equity in pooled cash and equivalents	\$ 6,183,390	\$ 667,819	\$ 467,571	\$ 4,581,810	\$ 11,900,590
Income taxes receivable	2,443,500	-	-	-	2,443,500
Taxes receivable - property and other	1,107,300	-	-	5,263,100	6,370,400
Special assessments receivable	-	-	-	68,300	68,300
Due from other governments	349,950	-	-	1,574,609	1,924,559
Accounts receivable and other	61,100	35,800	-	228,000	324,900
Interfund receivables	250,000	-	-	-	250,000
Prepaid items	44,700	-	-	5,000	49,700
<b>Total assets</b>	<b>\$ 10,439,940</b>	<b>\$ 703,619</b>	<b>\$ 467,571</b>	<b>\$ 11,720,819</b>	<b>\$ 23,331,949</b>
<b>Liabilities and fund balances</b>					
<b>Liabilities</b>					
Accounts and contracts payable	\$ 79,904	\$ 1,016	\$ -	\$ 54,307	\$ 135,227
Accrued salaries, wages and benefits	209,347	2,178	-	186,429	397,954
Due to other governments	562,909	2,663	-	501,544	1,067,116
Interfund payables	-	-	-	250,000	250,000
Deferred revenue	3,395,950	-	-	6,637,942	10,033,892
<b>Total liabilities</b>	<b>4,248,110</b>	<b>5,857</b>	<b>-</b>	<b>7,630,222</b>	<b>11,884,189</b>
<b>Fund balances</b>					
Nonspendable	44,700	-	-	5,000	49,700
Restricted	-	697,762	467,571	4,164,173	5,329,506
Committed	525,940	-	-	-	525,940
Assigned	3,083,563	-	-	-	3,083,563
Unassigned	2,537,627	-	-	(78,576)	2,459,051
<b>Total fund balances</b>	<b>6,191,830</b>	<b>697,762</b>	<b>467,571</b>	<b>4,090,597</b>	<b>11,447,760</b>
<b>Total liabilities and fund balances</b>	<b>\$ 10,439,940</b>	<b>\$ 703,619</b>	<b>\$ 467,571</b>	<b>\$ 11,720,819</b>	<b>\$ 23,331,949</b>

See accompanying notes to the basic financial statements

CITY OF NORTH RIDGEVILLE, OHIO  
 RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES  
 TO NET POSITION OF GOVERNMENTAL ACTIVITIES

DECEMBER 31, 2012

Total governmental funds balances	\$	11,447,760
Amount reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore not reported in the funds.		62,194,120
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds:		
Property and other local taxes	\$ 387,600	
Municipal income tax	1,911,100	
Intergovernmental	1,254,050	
Special assessments	97,005	
Total	3,649,755	3,649,755
In the statement of activities, interest is accrued on outstanding long-term obligations, whereas in governmental funds, an interest expenditure is reported when due.		(30,500)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
Notes and loans payable	(2,901,000)	
OPWC loans payable	(848,705)	
General obligation bonds payable	(3,785,000)	
Special assessment bonds	(90,000)	
Capital leases	(56,480)	
Compensated absences	(3,570,145)	
	(11,251,330)	(11,251,330)
An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.		
Net position		768,685
Internal balances		(168,553)
Net position of governmental activities	\$	66,609,937

See accompanying notes to the basic financial statements.

CITY OF NORTH RIDGEVILLE, OHIO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
GOVERNMENTAL FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2012

	General	Solid Waste Management	Capital Projects	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>					
Property and other local taxes	\$ 1,098,591	\$ -	\$ -	\$ 5,119,185	\$ 6,217,776
Municipal income taxes	8,413,555	-	-	-	8,413,555
Intergovernmental	896,075	-	-	4,257,401	5,153,476
Special assessments	-	-	-	145,424	145,424
Charges for services	-	2,869,222	-	812,476	3,681,698
Fines, licenses and permits	1,210,097	-	-	91,013	1,301,110
Interest	14,335	1,121	1,107	10,627	27,190
Miscellaneous	644,054	2,486	-	215,767	862,307
<b>Total revenues</b>	<u>12,276,707</u>	<u>2,872,829</u>	<u>1,107</u>	<u>10,651,893</u>	<u>25,802,536</u>
<b>Expenditures</b>					
<b>Current</b>					
Security of persons and property	5,296,780	-	-	5,271,693	10,568,473
Public health and welfare	381,760	-	-	18,197	399,957
Leisure time activities	262,892	-	-	128,596	391,488
Community environment	1,171,310	-	-	-	1,171,310
Transportation	-	-	-	2,686,807	2,686,807
General government	3,070,353	2,465,032	-	717,692	6,253,077
Capital outlay	-	-	389,744	908,081	1,297,825
<b>Debt service</b>					
Principal	-	-	2,806,000	210,891	3,016,891
Capital lease	20,077	473	-	4,157	24,707
Interest and fiscal charges	5,053	119	198,674	27,801	231,647
<b>Total expenditures</b>	<u>10,208,225</u>	<u>2,465,624</u>	<u>3,394,418</u>	<u>9,973,915</u>	<u>26,042,182</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>2,068,482</u>	<u>407,205</u>	<u>(3,393,311)</u>	<u>677,978</u>	<u>(239,646)</u>
<b>Other financing sources (uses)</b>					
Transfers in	-	-	1,125,000	-	1,125,000
Transfers out	(1,125,000)	-	-	-	(1,125,000)
Issuance of notes and loans	-	-	2,421,000	94,860	2,515,860
<b>Total other financing sources (uses)</b>	<u>(1,125,000)</u>	<u>-</u>	<u>3,546,000</u>	<u>94,860</u>	<u>2,515,860</u>
<b>Net change in fund balances</b>	943,482	407,205	152,689	772,838	2,276,214
<b>Fund balances, beginning of year</b>	<u>5,248,348</u>	<u>290,557</u>	<u>314,882</u>	<u>3,317,759</u>	<u>9,171,546</u>
<b>Fund balances, end of year</b>	<u>\$ 6,191,830</u>	<u>\$ 697,762</u>	<u>\$ 467,571</u>	<u>\$ 4,090,597</u>	<u>\$ 11,447,760</u>

See accompanying notes to the basic financial statements.

CITY OF NORTH RIDGEVILLE, 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, 2012

Net change in fund balances - total governmental funds		\$ 2,276,214
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 useful lives and reported as depreciation expense. This is the amount by which depreciation expense exceeded net capital outlay in the current period.		
	Capital outlay, net	2,854,015
	Depreciation expense	<u>(4,498,948)</u>
		(1,644,933)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds		
	Municipal income tax	245,300
	Property and other local taxes	42,100
	Special assessments	(17,995)
	Intergovernmental	<u>26,050</u>
		295,455
Other financing sources in the governmental funds that increase long-term liabilities in the statement of net position are not reported as revenue in the statement of activities.		
	Note proceeds	(2,515,860)
Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position		
	Note principal paid	2,456,000
	Loan principal paid	70,891
	Capital lease principal paid	24,707
	Bond principal paid	<u>490,000</u>
		3,041,598
In the statement of activities, interest is accrued on outstanding debt, whereas in governmental funds, an interest expenditure is reported when due.		
		3,600
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
	Compensated absences	(76,448)
The internal service fund used by management to charge the costs of insurance to individual funds is not reported in the entity-wide statement of activities. Governmental expenditures and related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund is allocated among governmental activities.		
	Change in net position	389,405
	Internal balances	<u>(127,564)</u>
		261,841
Change in net position of governmental activities		<u>\$ 1,641,467</u>

See accompanying notes to the basic financial statements.

## CITY OF NORTH RIDGEVILLE, OHIO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL

FOR THE YEAR ENDED DECEMBER 31, 2012

	General Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
<b>Revenues</b>				
Property and other local taxes	\$ 1,104,755	\$ 1,104,755	\$ 1,098,591	\$ (6,164)
Intergovernmental revenue	751,820	846,320	923,275	76,955
Fines, licenses, and permits	929,500	1,078,000	1,211,697	133,697
Interest	5,000	3,500	4,637	1,137
Miscellaneous	653,925	837,425	968,014	130,589
<b>Total revenues</b>	<b>3,445,000</b>	<b>3,870,000</b>	<b>4,206,214</b>	<b>336,214</b>
<b>Expenditures</b>				
Current				
Security of persons and property	5,550,030	5,600,030	5,166,718	433,312
Public health and welfare	400,471	402,871	381,942	20,929
Leisure time activities	288,364	288,364	268,043	20,321
Community development	1,220,341	1,220,341	1,173,497	46,844
General government	3,884,003	3,934,003	3,156,461	777,542
<b>Total expenditures</b>	<b>11,343,209</b>	<b>11,445,609</b>	<b>10,146,661</b>	<b>1,298,948</b>
Excess (deficiency) of revenues over expenditures	(7,898,209)	(7,575,609)	(5,940,447)	1,635,162
Other financing sources (uses)				
Transfers-in	6,375,000	6,375,000	6,375,000	-
Advances-in	430,000	351,211	351,211	-
Advances-out	(100,000)	(250,000)	(250,000)	-
<b>Total other financing sources (uses)</b>	<b>6,705,000</b>	<b>6,476,211</b>	<b>6,476,211</b>	<b>-</b>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	(1,193,209)	(1,099,398)	535,764	1,635,162
Prior year encumbrances	115,001	115,001	115,001	-
Fund balances, beginning of year	2,244,029	2,244,029	2,244,029	-
Fund balances, end of year	\$ 1,165,821	\$ 1,259,632	\$ 2,894,794	\$ 1,635,162

See accompanying notes to the basic financial statements.

CITY OF NORTH RIDGEVILLE, OHIO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL

FOR THE YEAR ENDED DECEMBER 31, 2012

	Solid Waste Management Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Charges for services	\$ 2,300,000	\$ 2,700,000	\$ 2,861,322	\$ 161,322
Interest	1,000	1,000	1,121	121
Miscellaneous	-	-	2,486	2,486
Total revenues	<u>2,301,000</u>	<u>2,701,000</u>	<u>2,864,929</u>	<u>163,929</u>
Expenditures				
Current				
General government				
Personal services	89,200	89,200	83,946	5,254
Materials and supplies	38,657	38,657	21,685	16,972
Contractual services	2,575,663	2,675,663	2,508,778	166,885
Capital outlay	7,000	7,000	-	7,000
Other	44,200	44,200	40,154	4,046
Total expenditures	<u>2,754,720</u>	<u>2,854,720</u>	<u>2,654,563</u>	<u>200,157</u>
Excess (deficiency) of revenues over expenditures	(453,720)	(153,720)	210,366	364,086
Prior year encumbrances	189,971	189,971	189,971	-
Fund balance, beginning of year	<u>266,475</u>	<u>266,475</u>	<u>266,475</u>	<u>-</u>
Fund balance, end of year	<u>\$ 2,726</u>	<u>\$ 302,726</u>	<u>\$ 666,812</u>	<u>\$ 364,086</u>

See accompanying notes to the basic financial statements.





CITY OF NORTH RIDGEVILLE, OHIO

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION -  
PROPRIETARY FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2012

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Water	Sewer	Total	Internal Service Fund
Operating revenues				
Charges for services	\$ 4,268,432	\$ 6,409,574	\$ 10,678,006	\$ 2,872,553
Miscellaneous	122,543	10,316	132,859	-
Total operating revenues	<u>4,390,975</u>	<u>6,419,890</u>	<u>10,810,865</u>	<u>2,872,553</u>
Operating expenses				
Personal services	838,440	2,253,028	3,091,468	-
Contractual services	104,070	1,111,789	1,215,859	-
Supplies and materials	1,810,228	506,550	2,316,778	-
Other operating	82,336	710,238	792,574	2,484,440
Depreciation	753,888	1,938,172	2,692,060	-
Amortization	68,352	-	68,352	-
Total operating expenses	<u>3,657,314</u>	<u>6,519,777</u>	<u>10,177,091</u>	<u>2,484,440</u>
Operating income (loss)	<u>733,661</u>	<u>(99,887)</u>	<u>633,774</u>	<u>388,113</u>
Nonoperating revenues (expenses)				
Interest income	12,894	34,405	47,299	1,292
Loss on disposal of capital assets	-	(968)	(968)	-
Interest and fiscal charges	(278,432)	(771,755)	(1,050,187)	-
Total nonoperating revenues (expenses)	<u>(265,538)</u>	<u>(738,318)</u>	<u>(1,003,856)</u>	<u>1,292</u>
Income (loss) before contributions and transfers	<u>468,123</u>	<u>(838,205)</u>	<u>(370,082)</u>	<u>389,405</u>
Capital contributions	<u>418,768</u>	<u>1,717,397</u>	<u>2,136,165</u>	<u>-</u>
	<u>418,768</u>	<u>1,717,397</u>	<u>2,136,165</u>	<u>-</u>
Change in net position	886,891	879,192	1,766,083	389,405
Net position, beginning of year	<u>19,893,430</u>	<u>48,475,357</u>		<u>379,280</u>
Net position, end of year	<u>\$ 20,780,321</u>	<u>\$ 49,354,549</u>		<u>\$ 768,685</u>

Some amounts reported for business-type activities in the statement of activities are different because

a portion of the net expense of the internal service fund is reported with business-type activities:	<u>127,564</u>
Change in net position business-type activities	<u>\$ 1,893,647</u>

See accompanying notes to the basic financial statements.

CITY OF NORTH RIDGEVILLE, OHIO

STATEMENT OF CASH FLOWS -  
PROPRIETARY FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2012

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Water	Sewer	Total	Internal Service Fund
Cash flows from operating activities:				
Receipts from customers and users	\$ 4,193,332	\$ 6,130,221	\$ 10,323,553	\$ 2,872,553
Cash payments to suppliers for materials and supplies	(1,718,581)	(429,690)	(2,148,271)	-
Cash payments for employee services and benefits	(835,231)	(2,250,678)	(3,085,909)	-
Cash payments for contractual services	(102,206)	(1,088,158)	(1,190,364)	(2,478,537)
Other operating revenues	122,543	10,316	132,859	-
Other operating expenses	(79,239)	(761,466)	(840,705)	-
Net cash provided by operating activities	<u>1,580,618</u>	<u>1,610,545</u>	<u>3,191,163</u>	<u>394,016</u>
Cash flows from capital and related financing activities:				
Acquisition of capital assets	(153,562)	(264,987)	(418,549)	-
Tap-in fees	156,170	1,401,924	1,558,094	-
Issuance of notes	-	1,216,000	1,216,000	-
Issuance of bonds	218,000	-	218,000	-
Note principal paid	(443,000)	(1,216,000)	(1,659,000)	-
Loan principal paid - OPWC	-	(8,451)	(8,451)	-
Loan principal paid - ETL2	(25,825)	-	(25,825)	-
Loan principal paid - OWDA	(145,340)	-	(145,340)	-
Bond principal paid	(500,000)	(1,085,000)	(1,585,000)	-
Capital lease principal paid	(474)	(907)	(1,381)	-
Interest paid	(281,832)	(776,355)	(1,058,187)	-
Net cash (used in) capital and related financing activities	<u>(1,175,863)</u>	<u>(733,776)</u>	<u>(1,909,639)</u>	<u>-</u>
Cash flows from investing activities:				
Interest	<u>11,894</u>	<u>27,743</u>	<u>39,637</u>	<u>1,292</u>
Net cash provided by investing activities	<u>11,894</u>	<u>27,743</u>	<u>39,637</u>	<u>1,292</u>
Net increase in cash and cash equivalents	416,649	904,512	1,321,161	395,308
Cash and cash equivalents, beginning of year	<u>4,466,640</u>	<u>10,450,551</u>	<u>14,917,191</u>	<u>251,377</u>
Cash and cash equivalents, end of year	<u>\$ 4,883,289</u>	<u>\$ 11,355,063</u>	<u>\$ 16,238,352</u>	<u>\$ 646,685</u>
Noncash capital and related financing activities:				
Contributions of capital assets from contractors, consisting of infrastructure	<u>\$ 262,598</u>	<u>\$ 489,435</u>	<u>\$ 752,033</u>	<u>\$ -</u>
Loss on abandoned property	<u>\$ -</u>	<u>\$ 968</u>	<u>\$ 968</u>	<u>\$ -</u>

(Continued)

See accompanying notes to the basic financial statements.

CITY OF NORTH RIDGEVILLE, OHIO

STATEMENT OF CASH FLOWS -  
PROPRIETARY FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2012

(Concluded)

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Water	Sewer	Total	Internal Service Fund
Reconciliation of operating income to net cash provided by operating activities:				
Operating income (loss)	\$ 733,661	\$ (99,887)	\$ 633,774	\$ 388,113
Adjustments:				
Depreciation	753,888	1,938,172	2,692,060	-
Amortization	68,352	-	68,352	-
Changes in net position (increase) decrease and liabilities increase (decrease)				
Accounts receivable and other	(75,100)	51,900	(23,200)	-
Due from other governments	-	(56,390)	(56,390)	-
Inventories and supplies	20,300	(2,700)	17,600	-
Prepaid and deferred expenses	(1,100)	(700)	(1,800)	-
Claims advance deposit	-	-	-	23,000
Accounts and contracts payable	76,708	(222,900)	(146,192)	-
Accrued salaries, wages, and benefits	4,717	9,751	14,468	-
Claims payable	-	-	-	(17,097)
Due to other governments	618	1,738	2,356	-
Accrued leave benefits	(1,426)	(8,439)	(9,865)	-
Net cash provided by operating activities	\$ 1,580,618	\$ 1,610,545	\$ 3,191,163	\$ 394,016

See accompanying notes to the basic financial statements.

CITY OF NORTH RIDGEVILLE, OHIO  
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES  
DECEMBER 31, 2012

	<u>Agency Funds</u>
Assets	
Equity in pooled cash and equivalents	<u>\$ 1,060,976</u>
Liabilities	
Accounts and contracts payable	\$ 884
Due to others	<u>1,060,092</u>
Total liabilities	<u>\$ 1,060,976</u>

See accompanying notes to the basic financial statements.

CITY OF NORTH RIDGEVILLE, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2012

NOTE 1 DESCRIPTION OF THE CITY AND REPORTING ENTITY

The City of North Ridgeville, Ohio, was founded in 1810 and became a City in 1960. The North Ridgeville Charter was originally adopted by the voters in October, 1961, in order to secure the benefits of municipal home rule. Under the Ohio Constitution, the City may exercise all powers of local self-government to the extent not in conflict with applicable general laws. The City, under its charter, operates with an elected Council/Mayor form of government. The responsibilities for the major financial functions of the City are divided among the Council, Mayor, Auditor, and Treasurer. The Auditor, who is appointed by Council, is the City's fiscal and chief accounting officer. The Treasurer, Law Director, and other appointed officials are appointed by the Mayor with Council approval. The City's fiscal year corresponds with the calendar year.

A reporting entity is comprised of the primary government, component units and other organizations that are included to insure that the financial statements are not misleading. The primary government of the City consists of all funds, agencies, departments and offices that are not legally separate from the City. The primary government includes the City departments and agencies that provide the following services: police protection, fire fighting and prevention, emergency rescue, street maintenance and repairs, sanitation, building inspection, parks and recreation, water and sewer.

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

The City is associated with the Lorain County General Health District, a jointly governed organization, which provides health services to the members of the Health District. The City does not have any financial interest in or responsibility for the Health District. The County Auditor serves as fiscal agent. See Note 19.

The City is a member of the Northeast Ohio Public Energy Council (NOPEC). NOPEC is a regional council of governments formed under Chapter 167 of the Ohio Revised Code. NOPEC was formed to serve as a vehicle for communities wishing to proceed with an aggregation program for the purchase of electricity. See Note 19.

The City entered into a Joint Economic Development Zone Agreement (JEDZ) in 2008. However, the City has no financial commitment to the project and has no direct economic benefit. See Note 19.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of North Ridgeville have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial principles. The most significant of the City's accounting policies are described below.

CITY OF NORTH RIDGEVILLE, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2012

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

A. BASIS OF PRESENTATION

The City's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

Government-wide Financial Statements

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

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

Fund Financial Statements

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

B. FUND ACCOUNTING

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

Governmental Funds

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

CITY OF NORTH RIDGEVILLE, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2012

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. FUND ACCOUNTING (continued)

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

Solid Waste Management Fund – The Solid Waste Management Fund accounts for fees charged for the payment of sanitation collections.

Capital Projects Fund – The Capital Projects Fund accounts for resources used for the acquisition and construction of major capital assets.

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

Proprietary Funds

Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position and cash flows. Proprietary funds are classified as either enterprise or internal service.

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

Water Fund - The Water Fund accounts for the operation of the City's drinking water distribution system.

Sewer Fund - The Sewer Fund accounts for the operation of the City's sanitary sewer collection system and City owned wastewater treatment facility.

Internal Service Funds - Internal service funds account for the financing of services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis. The City's Internal Service Fund reports on a self-insurance program for employee medical benefits.

Fiduciary Funds

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds. Trust funds are used to account for assets held by the City 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 has no trust funds. Agency funds are purely custodial in nature (assets equal liabilities) and thus do not involve measurement of results of operations. The City's agency funds account for building permit fees collected on behalf of the State, certain activities of the senior citizens center, mayor court bail bond collections, and deposits from citizens, contractors and developers.

C. MEASUREMENT FOCUS

Government-wide Financial Statements

The government-wide financial statements are prepared using the flow of economic resources measurement focus. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of the City are included on the Statement of Net Position. The Statement of Activities presents increases (i.e. revenues) and decreases (i.e. expenses) in net position.

CITY OF NORTH RIDGEVILLE, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2012

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. MEASUREMENT FOCUS (continued)

Amounts reported as program revenues include: charges to customers for goods, services, or privileges provided; operating grants and contributions; and capital grants and contributions including special assessments. Internally dedicated resources are reported as general revenues rather than program revenues, as are taxes.

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 deferred outflows of resources along with current liabilities and deferred inflows of resources generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Proprietary funds distinguish operating revenue and expenses from non-operating items. Operating revenue and expenses generally result from providing services and producing and delivering goods in accordance with the proprietary fund's principle on going operations. The principle operating revenue of the City's water fund and sewer fund are charges for services. These funds also recognize fees intended to recover the cost of connecting new customers to the City's water and sewer utility systems as operating revenue. Operating expenses for the enterprise funds include the cost of services, administrative expenses and overhead and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenue and expenses, which for the City includes interest income, gain/loss on disposal of capital assets, and interest and fiscal charges.

As with the government-wide statements, all proprietary funds are accounted for on a flow of economic resources measurement focus. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of these funds are included on the statement of net position. The statement of changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

D. BASIS OF ACCOUNTING

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary and fiduciary funds also 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

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the 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.



CITY OF NORTH RIDGEVILLE, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2012

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. BASIS OF ACCOUNTING (continued)

Nonexchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements and donations. On an accrual basis, revenue from income taxes is recognized in the period in which the income is earned. Revenue from property taxes is recognized in the year for which the taxes are levied. See Note 7A. Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: income tax, state-levied locally shared taxes including gasoline tax, fines and forfeitures, interest, grants, fees and rentals.

Deferred Revenue

Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Property taxes for which there is an enforceable legal claim as of December 31, 2012, but which were levied to finance subsequent year operations, have been recorded as deferred revenue. Special assessments not received within the available period, and grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

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

Expenses/Expenditures

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

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

E. BUDGETARY PROCESS

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

CITY OF NORTH RIDGEVILLE, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2012

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. BUDGETARY PROCESS (continued)

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

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

Encumbrances outstanding at year end represent the estimated amount of expenditures that will ultimately result if unperformed contracts in process (for example, purchase orders and contracted services) are completed. Encumbrances outstanding at year end are reported as part of restricted, committed or assigned fund balance for subsequent year expenditures in the governmental funds.

At the close of each fiscal year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations.

F. CASH AND CASH EQUIVALENTS

The City pools its cash for investment and administration purposes. Deposit and investment procedures are restricted by the provisions of the Ohio Revised Code. For purposes of the statement of cash flows, the City considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

G. INVESTMENTS

Nonparticipating interest-earning investment contracts are stated at cost. Money market investments and participating interest earning investment contracts with a remaining maturity of one year or less at time of purchase are stated at amortized cost. All other investments are stated at fair value.

During the year, the City invested funds in the State Treasury Assets Reserve (STAR Ohio). STAR Ohio is an investment pool managed by the State Treasurer's Office which allows governments within Ohio 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, 2012.

H. INVENTORIES

Inventories are valued at the lower of cost (first-in, first-out) or market. The costs of inventory items are recognized as expenses when used in the enterprise funds. Inventories consist of parts and supplies.

I. PREPAID AND DEFERRED EXPENSES

Payments made to vendors for services that will benefit periods beyond the current year-end are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed. A portion of the relevant governmental funds' balances equal to the prepaid items has been reserved to indicate that it is not available for appropriation.

CITY OF NORTH RIDGEVILLE, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2012

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

J. CAPITAL ASSETS

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net position and in the respective funds.

Capital assets are recorded at cost or estimated historical cost and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The City maintains a capitalization threshold of twenty-five hundred dollars. The City's infrastructure consists of streets, bridges, culverts, curbs, sidewalks, storm sewers, and water and sanitary sewer systems. Improvements are capitalized, whereas the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

All reported capital assets are depreciated except for land 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:

<u>Description</u>	<u>Estimated Lives</u>
Buildings and improvements	30 to 50 years
Infrastructure	15 to 50 years
Equipment and vehicles	3 to 10 years

K. INTERFUND BALANCES

On fund financial statements, outstanding interfund loans and unpaid amounts for interfund services are reported as "interfund receivables/payables". Interfund loans which do not represent available expendable resources are offset by a fund balance reserve account. Interfund balance amounts are eliminated in the statement of net position, except for any net residual amounts due between governmental and business-type activities, which are presented as internal balances. Long-term interfund loans are offset by a fund balance reserve account which indicates that they do not constitute available expendable financial resources, even though it is a component of net current assets.

L. COMPENSATED ABSENCES

Vacation benefits are accrued as a liability as the benefits are earned if the employee's 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. Sick leave benefits are accrued as a liability using the vesting method. The liability is based on an estimate of the amount of accumulated sick leave that will be paid as a termination benefit.

CITY OF NORTH RIDGEVILLE, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2012

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

M. ACCRUED LIABILITIES AND LONG-TERM LIABILITIES

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

Generally, 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 and judgments, 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, capital leases and long-term loans are recognized as a liability on the governmental fund financial statements when due.

N. 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 the 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 legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of loans receivable, as well as property acquired for resale, unless the use of the proceeds from the collection of those receivables or from the sale of those properties is restricted, committed, or assigned.

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.

Committed - The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (ordinance) of the City Council. Those committed amounts cannot be used for any other purpose unless the City Council removes or changes the specified use by taking the same type of action (ordinance) it employed to previously commit those amounts. 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 the City Council.

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 followed 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 NORTH RIDGEVILLE, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2012

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

O. NET POSITION

Net position is the residual amount when comparing assets and deferred outflows of resources to liabilities and deferred inflows of resources. The net investment in capital assets component of net position 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. The restricted component of net position is reported when there are limitations imposed on their use either through constitutional provisions or enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The government-wide statement of net position for the governmental activities reports \$ 7,178,967 of restricted net position, none of which is restricted by enabling legislation. The City applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted components of net position are available.

P. OPERATING REVENUES AND EXPENSES

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for services primarily for water and sanitary sewer services and self-insurance program. Operating expenses are necessary costs incurred to provide the goods or service that is the primary activity of the fund. All revenues and expenses not meeting this definition are reported as nonoperating.

Q. CONTRIBUTIONS OF CAPITAL

Contributions of capital in proprietary fund financial statements arise from outside contributions of capital assets (primarily related to housing developments), tap-in fees to the extent they exceed the cost of the connection to the system, or from grants or outside contributions of resources restricted to capital acquisition and construction.

R. INTERFUND ACTIVITY

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Transfers between governmental activities are eliminated on the government-wide financial statements. Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the Statement of Activities. Interfund payments for services provided and used are not eliminated.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are presented on the financial statements.

S. EXTRAORDINARY AND SPECIAL ITEMS

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the City Administration and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during the current year.

T. USE OF ESTIMATES

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

CITY OF NORTH RIDGEVILLE, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2012

NOTE 3 CHANGE IN ACCOUNTING PRINCIPLES

GASB Statement No.57, "OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans". The objective of this Statement is to address issues related to the use of the alternative measurement method and the frequency and timing of measurements by employers that participate in agent multiple-employer other postemployment benefit (OPEB) plans. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2011 and have been implemented by the City. The implementation of GASB Statement No. 57 did not have an effect on the financial statements of the City.

GASB Statement No. 60, "Accounting and Financial Reporting for Service Concession Arrangements". The objective of this Statement is to improve financial reporting by addressing issues related to service concession arrangements (SCAs), which are a type of public-private or public-public partnership. The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2011 and have been implemented by the City. The implementation of GASB Statement No. 60 did not have an effect on the financial statements of the City.

GASB Statement No. 62, "Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements". The objective of this Statement is to incorporate into the GASB's authoritative literature certain accounting and financial reporting guidance that is included in the FASB and AICPA pronouncements which does not conflict with or contradict GASB pronouncements. The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2011 and have been implemented by the City. The implementation of GASB Statement No. 62 did not have an effect on the financial statements of the City.

GASB Statement No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position". This Statement provides financial reporting guidance for deferred outflows of resources and deferred inflows of resources. The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2011 and have been implemented by the City. The implementation of GASB Statement No. 63 did not have an effect on the financial statements of the City.

GASB Statement No. 64, "Derivative Instruments: Application of Hedge Accounting Termination Provisions". The objective of this Statement is to clarify whether an effective hedging relationship continues after the replacement of a swap counterparty or a swap counterparty's credit support provider. This Statement sets forth criteria that establish when the effective hedging relationship continues and hedge accounting should continue to be applied. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2011 and have been implemented by the City. The implementation of GASB Statement No. 64 did not have an effect on the financial statements of the City.

CITY OF NORTH RIDGEVILLE, OHIO  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 DECEMBER 31, 2012

NOTE 4 COMPLIANCE AND ACCOUNTABILITY

Not apparent in the basic financial statements are the following deficit fund balances:

Special Revenue Funds	
Police Levy	\$ (13,095)
Fire Levy	\$ (65,481)

These deficits result from reflecting expenditures in accordance with the modified accrual basis of accounting, which are larger than amounts recognized on the budget basis. The City, in accordance with its budget basis, will appropriate such expenditures from resources of the subsequent year.

NOTE 5 BUDGETARY BASIS OF ACCOUNTING

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

Revenues are recorded when received (budget basis) rather than when susceptible to accrual (GAAP basis).

Expenditures are recorded when paid or encumbered (budget basis) rather than when the liability is incurred (GAAP basis).

Proceeds from and principle payments on short-term note obligations are reported on the operating statement (budget basis) rather than balance sheet transactions (GAAP basis).

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the General Fund and Solid Waste Management Fund (Special Revenue Fund).

	Net Change in Fund Balance	
	General Fund	Solid Waste Management Fund
Budget basis	\$ 535,764	\$ 210,366
Adjustments, increase (decrease)		
Revenue accruals	(704,711)	7,900
Expenditure accruals	602,375	188,939
Funds budgeted elsewhere **	510,054	-
GAAP basis, as reported	\$ 943,482	\$ 407,205

\*\* As part of Governmental Accounting Standards Board Statement No. 54, "Fund Balance Reporting", the Income Tax Fund is legally budgeted in a separate special revenue fund, but is considered part of the General Fund on a GAAP basis.

CITY OF NORTH RIDGEVILLE, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2012

NOTE 6 POOLED CASH AND EQUIVALENTS, DEPOSITS AND INVESTMENTS

A. LEGAL REQUIREMENTS

State statutes classify monies held by the City into three categories.

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

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

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

Protection of the City's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the Treasurer by the financial institution, or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution.

Interim monies may be invested in the following securities:

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligation or security issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least 2 percent and be marked to market daily, and the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool (STAR Ohio).



CITY OF NORTH RIDGEVILLE, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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NOTE 6 DEPOSITS AND INVESTMENTS (continued)

A. LEGAL REQUIREMENTS (continued)

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 treasurer or qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

B. DEPOSITS AND CASH ON HAND

Custodial credit risk is the risk that, in the event of a bank failure, the City's deposits may not be returned. The City does not have a deposit policy for custodial credit risk. At fiscal year-end, the carrying amount of the City's deposits was \$ 17,305,427 and the bank balance was \$ 18,381,738. Of the bank balance, \$ 16,788,172 was covered by federal depository insurance and \$ 1,593,566 by collateral held by third party trustees in accordance with the Ohio Revised Code, in collateral pools securing all public funds on deposit with specific depository institutions, which amount is considered uncollateralized as defined by the Government Accounting Standards Board.

Cash on hand at December 31, 2012 amounted to \$ 2,625.

C. INVESTMENTS

For an investment, custodial credit risk 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. As of December 31, 2012, the City had the following investments:

	Maturities	Fair Value
State Treasurer's investment pool	n/a	\$ 12,538,551

D. INTEREST RATE RISK

The Ohio Revised Code generally limits security purchases to those that mature within five years of the settlement date.

E. CREDIT RISK

The City follows the Ohio Revised Code that limits its investment choices, as discussed in Note 6 A. above. As of December 31, 2012, the City's investments in Star Ohio were rated AAAm by Standard & Poor's. Ohio law requires that Star Ohio maintain the highest rating provided by at least one nationally recognized standard rating service.

F. CONCENTRATION OF CREDIT RISK

The City places no limit on the amount that may be invested in any one issuer.

CITY OF NORTH RIDGEVILLE, OHIO  
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NOTE 7 RECEIVABLES

Receivables at December 31, 2012, consisted primarily of municipal income taxes, property and other taxes, intergovernmental revenues arising from entitlements and shared revenues, special assessments, and accounts (billings for utility service).

No allowances for doubtful accounts have been recorded because uncollectible amounts are expected to be insignificant.

Special assessments expected to be collected in more than one year amount to \$ 68,300 in the Special Assessment Bond Retirement Fund and \$ 2,585,300 in the Sewer Fund.

A. PROPERTY TAXES

Property taxes include amounts levied against all real and public utility property located in the City. Property tax revenue received during 2012 for real and public utility property taxes represents collections of the 2011 taxes.

2012 real property taxes are levied after October 1, 2012, on the assessed value as of January 1, 2012, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2012 real property taxes are collected in and intended to finance 2013 activities.

Public utility property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2012 public utility property taxes became a lien December 31, 2011, are levied after October 1, 2012, and are collected in 2013 with real property taxes.

The full tax rate for all City operations for the collection year ended December 31, 2012 was \$ 11.71 per \$1,000 of assessed value. The assessed values of real and public utility property upon which 2012 property tax receipts were based are as follows:

	2012
Property valuation consisted of:	<u>Collection Year</u>
Real property	\$ 720,626,020
Public utility property	<u>10,994,850</u>
Total valuation	<u><u>\$ 731,620,870</u></u>

Real property taxes are payable annually or semi-annually. If paid annually, the payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established.

CITY OF NORTH RIDGEVILLE, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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NOTE 7 RECEIVABLES (continued)

A. PROPERTY TAXES (continued)

The County Treasurer collects property taxes on behalf of all taxing districts in the county, including the City. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real property taxes, public utility taxes and outstanding delinquencies which are measurable as of December 31, 2012 and for which there is an enforceable legal claim. In the General Fund, Street Levy, Police Levy, Police Pension, Fire Levy, Fire Pension, and Paramedic Levy (Special Revenue) Funds, the entire receivable has been offset by deferred revenue since the current taxes were not levied to finance 2012 operations and the collection of delinquent taxes during the available period is not subject to reasonable estimation. On a full accrual basis, delinquent property taxes have been recorded as revenue while the remainder of the receivable is deferred.

B. INCOME TAXES

The City levies an income tax of 1% on substantially all income earned within the City. In addition, residents are required to pay City income tax on income earned outside the City with a certain credit for income taxes paid to other municipalities. This tax has been historically collected and administered by the City. However, beginning on January 1, 2013, the Regional Income Tax Agency (R.I.T.A.) will begin collecting the City's municipal income taxes. Employers within the City are required to withhold income tax on employee compensation and remit at least quarterly. Corporations and other individual taxpayers are also required to pay their estimated taxes at least quarterly and file a final return annually.

C. DUE FROM OTHER GOVERNMENTS

A summary of the principal items due from other governments follows:

	Amount
Governmental Activities	
Gasoline tax	\$ 599,000
Local government assistance	193,400
Homestead and rollback	332,350
Estate tax	98,800
Permissive tax	213,000
Issue II	371,756
CDBG	47,426
Title III Grant	1,159
Miscellaneous	67,668
Total governmental activities	1,924,559
Business-type Activities	
Sanitary sewer charges	566,717
Total business-type activities	566,717
Total	\$ 2,491,276

CITY OF NORTH RIDGEVILLE, OHIO  
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**NOTE 8 CAPITAL AND INTANGIBLE ASSETS**

A summary of changes in capital assets during 2012 follows:

	Balance January 1	Additions	Disposals	Balance December 31
<b><u>Governmental activities</u></b>				
Capital assets, not being depreciated				
Land	\$ 1,686,299	\$ 23,650	\$ -	\$ 1,709,949
Construction in progress	1,351,555	943,701	398,379	1,896,877
Total capital assets, not being depreciated	<u>3,037,854</u>	<u>967,351</u>	<u>398,379</u>	<u>3,606,826</u>
Capital assets, being depreciated				
Buildings and improvements	5,235,361	6,025	-	5,241,386
Equipment and vehicles	9,847,103	846,193	421,881	10,271,415
Infrastructure	97,142,128	1,435,020	-	98,577,148
Total capital assets, being depreciated	<u>112,224,592</u>	<u>2,287,238</u>	<u>421,881</u>	<u>114,089,949</u>
Less accumulated depreciation				
Buildings and improvements	2,034,909	120,737	-	2,155,646
Equipment and vehicles	7,021,080	723,397	419,686	7,324,791
Infrastructure	42,367,404	3,654,814	-	46,022,218
Total accumulated depreciation	<u>51,423,393</u>	<u>4,498,948</u>	<u>419,686</u>	<u>55,502,655</u>
Total capital assets, being depreciated, net	<u>60,801,199</u>	<u>(2,211,710)</u>	<u>2,195</u>	<u>58,587,294</u>
Total governmental capital assets, net	<u>\$ 63,839,053</u>	<u>\$ (1,244,359)</u>	<u>\$ 400,574</u>	<u>\$ 62,194,120</u>
<b><u>Business-type activities</u></b>				
Capital assets, not being depreciated				
Land	\$ 786,184	\$ -	\$ 968	\$ 785,216
Construction in progress	5,925	416,149	84,936	337,138
Total capital assets, not being depreciated	<u>792,109</u>	<u>416,149</u>	<u>85,904</u>	<u>1,122,354</u>
Capital assets, being depreciated				
Buildings and improvements	713,983	-	-	713,983
Equipment and vehicles	15,474,854	2,400	177,275	15,299,979
Infrastructure	89,083,735	836,969	-	89,920,704
Total capital assets, being depreciated	<u>105,272,572</u>	<u>839,369</u>	<u>177,275</u>	<u>105,934,666</u>
Less accumulated depreciation				
Buildings and improvements	228,750	17,100	-	245,850
Equipment and vehicles	5,652,220	839,289	177,275	6,314,234
Infrastructure	26,611,392	1,835,671	-	28,447,063
Total accumulated depreciation	<u>32,492,362</u>	<u>2,692,060</u>	<u>177,275</u>	<u>35,007,147</u>
Total capital assets, being depreciated, net	<u>72,780,210</u>	<u>(1,852,691)</u>	<u>-</u>	<u>70,927,519</u>
Total business-type capital assets, net	<u>\$ 73,572,319</u>	<u>\$ (1,436,542)</u>	<u>\$ 85,904</u>	<u>\$ 72,049,873</u>

CITY OF NORTH RIDGEVILLE, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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NOTE 8 CAPITAL AND INTANGIBLE ASSETS (continued)

Depreciation expense was charged to governmental functions as follows:

Security of persons and property	\$ 406,422
Public health and welfare	40,609
Leisure time activities	41,173
Transportation	3,915,426
General government	95,318
	\$ 4,498,948

Intangible assets at December 31, 2012 consisted of:

<u>Business-type activities</u>	Balance January 1	Additions	Disposals	Balance December 31
Intangible assets				
Waterway rights	\$ 2,363,474	\$ -	\$ -	\$ 2,363,474
Less accumulated amortization	908,204	68,352	-	976,556
Total intangible assets, net	\$ 1,455,270	\$ (68,352)	\$ -	\$ 1,386,918

The City entered into agreements in 1993 and 2008 for the right to purchase specified amounts of drinking water. The cost of these water rights is amortized ratably on a straight line basis over 30 -50 years.

NOTE 9 NOTES PAYABLE

Notes payable during the year consisted of the following general obligation bond anticipation notes:

	Balance 12/31/11	Additions	Repayments	Balance 12/31/12
Governmental activities				
Long-term notes payable				
Capital Improvements				
2011, 1.00% various purpose	\$ 2,396,000	\$ -	\$ 2,396,000	\$ -
2012, .85% various purpose	-	2,421,000	-	2,421,000
Business-type activities				
Long-term notes payable				
Water				
2011, 1.00% various purpose	443,000	-	443,000	-
2012, .85% various purpose	-	218,000	-	218,000
Sewer				
2011, 1.00% various purpose	1,216,000	-	1,216,000	-
2012, .85% various purpose	-	1,216,000	-	1,216,000
	\$ 4,055,000	\$ 3,855,000	\$ 4,055,000	\$ 3,855,000

The various purpose bond anticipation notes issued in 2012 in the amount of \$ 3,855,000 consisted of street improvements - \$ 1,981,000, real estate acquisition - \$ 300,000, equipment acquisition - \$ 140,000, waterline improvements – \$ 218,000, and sewerline improvements - \$ 1,216,000.

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NOTE 10 LONG-TERM DEBT

The original issue date, interest rate, original issue amount and date of maturity of each of the City's bonds, loans and notes follow:

<u>Debt Issue</u>	<u>Original Issue Date</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Original Issue Amount</u>
<u>Governmental activities</u>				
General obligation bonds				
Refunding	2003	2013	3.25 - 4.00%	1,532,000
Various purpose	2006	2026	4.00 - 5.00%	2,516,000
Land acquisition	2008	2013	3.00 - 5.30%	135,000
Equipment acquisition	2008	2018	3.00 - 5.30%	450,000
Various purpose	2008	2023	3.00 - 5.30%	1,940,000
Various purpose	2008	2028	3.00 - 5.30%	1,380,000
Special assessment bonds				
Refunding	2003	2015	3.25 - 4.00%	333,000
Bond anticipation note	2012	2013	0.85%	2,421,000
OPWC loan	1999	2019	0.00%	143,604
OPWC loan	2000	2020	0.00%	160,029
OPWC loan	2000	2020	0.00%	176,121
OPWC loan	2001	2021	0.00%	69,587
OPWC loan	2002	2024	0.00%	123,377
OPWC loan	2003	2023	0.00%	112,684
OPWC loan	2007	2027	0.00%	115,200
OPWC loan	2007	2027	0.00%	172,943
OPWC loan	2008	2028	0.00%	50,000
OPWC loan	2011	2031	0.00%	83,498
OPWC loan	2011	2031	0.00%	210,798
Loan payable - County engineer	2009	2019	0.00%	505,140
<u>Business-type activities</u>				
General obligation bonds				
Sanitary sewer	2001	2021	3.85 - 4.90%	6,180,000
Refunding - sewer	2003	2013	3.25 - 4.00%	2,165,000
Refunding - water	2003	2013	3.25 - 4.00%	1,260,000
Various purpose	2006	2026	4.00 - 5.00%	8,800,682
Water system	2008	2018	3.00 - 5.30%	3,500,000
Water system	2008	2028	3.00 - 5.30%	1,225,000
Sewerlines	2008	2028	3.00 - 5.30%	3,370,000
Special assessment bonds	2006	2026	4.00 - 5.00%	2,498,318
Bond anticipation note	2012	2013	0.85%	1,434,000
OPWC loan	2000	2020	0.00%	169,017
OWDA loan	2002	2022	4.14%	2,831,547
Water rights ETL-2 loan	2008	2030	3.79%	782,265

CITY OF NORTH RIDGEVILLE, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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NOTE 10 LONG-TERM DEBT (continued)

Changes in the City's long-term obligations during 2012 were as follows:

	Outstanding 12/31/11	Additions	Reductions	Outstanding 12/31/12	Due In One Year
<u>Governmental activities</u>					
General obligation bonds					
Various purpose (2003)					
Varying % through 2013	\$ 190,000	\$ -	\$ 95,000	\$ 95,000	\$ 95,000
Various purpose (2006)					
Varying % through 2026	780,000	-	145,000	635,000	145,000
Land acquisition (2008)					
Varying % through 2013	60,000	-	30,000	30,000	30,000
Equipment acquisition (2008)					
Varying % through 2018	335,000	-	40,000	295,000	45,000
Various purpose (2008)					
Varying % through 2023	1,640,000	-	105,000	1,535,000	110,000
Various purpose (2008)					
Varying % through 2028	1,245,000	-	50,000	1,195,000	50,000
Total general obligation bonds	<u>4,250,000</u>	<u>-</u>	<u>465,000</u>	<u>3,785,000</u>	<u>475,000</u>
Special assessment bonds					
with governmental commitment					
Improvements (2003)					
Varying % through 2015	115,000	-	25,000	90,000	30,000
	<u>115,000</u>	<u>-</u>	<u>25,000</u>	<u>90,000</u>	<u>30,000</u>
Notes payable	2,396,000	2,421,000	2,396,000	2,421,000	2,421,000
OPWC loans	919,596	-	70,891	848,705	70,891
Loan payable	445,140	94,860	60,000	480,000	60,000
Capital lease payable	81,187	-	24,707	56,480	26,992
Accrued leave benefits	3,493,697	110,503	34,055	3,570,145	236,560
Total governmental activities	<u>\$ 11,700,620</u>	<u>\$ 2,626,363</u>	<u>\$ 3,075,653</u>	<u>\$ 11,251,330</u>	<u>\$ 3,320,443</u>

CITY OF NORTH RIDGEVILLE, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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NOTE 10 LONG-TERM DEBT (continued)

	Outstanding 12/31/11	Additions	Reductions	Outstanding 12/31/12	Due In One Year
<b>Business-type activities</b>					
General obligation bonds					
Waterline refunding (2003)					
Varying % through 2013	\$ 260,000	\$ -	\$ 130,000	\$ 130,000	\$ 130,000
Sewer improvements (2001)					
Varying % through 2021	3,690,000	-	300,000	3,390,000	310,000
Sewer refunding (2003)					
Varying % through 2013	445,000	-	215,000	230,000	230,000
Sewer various purpose (2006)					
Varying % through 2026	7,230,000	-	350,000	6,880,000	365,000
Water system improvements (2008)					
Varying % through 2018	2,595,000	-	325,000	2,270,000	340,000
Water system improvements (2008)					
Varying % through 2028	1,110,000	-	45,000	1,065,000	45,000
Sewer improvements (2008)					
Varying % through 2028	3,040,000	-	120,000	2,920,000	125,000
	<u>18,370,000</u>	<u>-</u>	<u>1,485,000</u>	<u>16,885,000</u>	<u>1,545,000</u>
Special assessment bonds					
with governmental commitment					
Improvements (2006)					
Varying % through 2026	2,060,000	-	100,000	1,960,000	105,000
	<u>2,060,000</u>	<u>-</u>	<u>100,000</u>	<u>1,960,000</u>	<u>105,000</u>
OPWC loan	71,831	-	8,451	63,380	8,451
OWDA loan	1,759,840	-	145,340	1,614,500	151,420
Notes payable	1,659,000	1,434,000	1,659,000	1,434,000	1,434,000
Water rights ETL-2 loan	735,418	-	25,825	709,593	26,821
Capital lease payable	4,536	-	1,381	3,155	1,508
Accrued leave benefits	619,143	-	9,865	609,278	37,351
	<u>619,143</u>	<u>-</u>	<u>9,865</u>	<u>609,278</u>	<u>37,351</u>
<b>Total business-type activities</b>	<u>\$ 25,279,768</u>	<u>\$ 1,434,000</u>	<u>\$ 3,434,862</u>	<u>\$ 23,278,906</u>	<u>\$ 3,309,551</u>

General obligation bonds are direct obligations of the City for which its full faith and credit are pledged for payment. The governmental general obligation bonds are paid primarily from the Capital Projects and Street Levy funds. The water and sewer bonds are paid from respective Water and Sanitary Sewer enterprise fund revenues. The special assessment bonds are paid from proceeds of special assessments levied against benefited property owners and collected in the City's Special Assessment Debt Service Fund. In the event that a property owner would fail to pay the assessment, payment would be made by the City.

In 2003, the City issued \$ 5,290,000 of general obligation capital improvement refunding bonds to advance refund \$ 1,950,000 of general obligation bonds under governmental activities and \$ 3,215,000 of general obligation bonds under business-type activities. The defeased bonds were callable and repaid in December 2005 from proceeds placed in an irrevocable trust obtained from the 2003 bond issue.



CITY OF NORTH RIDGEVILLE, OHIO  
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NOTE 10 LONG-TERM DEBT (continued)

OPWC loan payments are paid from the respective special revenue, capital project and sanitary sewer enterprise funds. OWDA loan payments are paid from the water enterprise fund.

Notes payable balance outstanding at December 31, 2012 of \$ 2,421,000 under governmental activities and \$ 1,434,000 under business-type activities are classified as long-term. Although the notes are due within one year or less, the aforementioned notes are intended to be refinanced. Of these notes, approximately \$ 895,000 will be repaid from future special assessments and the balance from capital projects, streets, water and sewer funds, as applicable.

The loan payable of \$ 480,000 will be repaid from the Capital Projects Fund or Street Levy Fund. Water rights ETL-2 loan payments are paid from the Water Fund. Accrued leave benefits will be paid from the funds from which employees' wages are paid, primarily the General Fund, Street (SCMR) Fund, Water Fund and Sewer Fund.

The City's overall legal debt margin was \$ 71,366,000 at December 31, 2012, with debt leeway of \$ 66,171,000.

Principal and interest requirements to retire long-term obligations outstanding at December 31, 2012, excluding accrued leave benefits, are as follows:

Year	Governmental Activities			
	General Obligation Bonds		Special Assessment Bonds	
	Principal	Interest	Principal	Interest
2013	\$ 475,000	\$ 179,032	\$ 30,000	\$ 3,450
2014	370,000	160,183	30,000	2,355
2015	395,000	144,659	30,000	1,200
2016	400,000	127,871	-	-
2017	245,000	110,697	-	-
2018-2022	1,160,000	378,211	-	-
2023-2027	635,000	111,173	-	-
2028-2031	105,000	5,513	-	-
	\$ 3,785,000	\$ 1,217,339	\$ 90,000	\$ 7,005

Year	Governmental Activities					Total Principal	Total Interest
	OPWC loans Principal	County Engineer Principal	Notes Payable		Total		
			Principal	Interest	Interest		
2013	\$ 70,891	\$ 60,000	\$ 2,421,000	\$ 20,578	\$ 3,056,891	\$ 203,060	
2014	70,892	60,000	-	-	530,892	162,538	
2015	70,892	60,000	-	-	555,892	145,859	
2016	70,892	60,000	-	-	530,892	127,871	
2017	70,892	60,000	-	-	375,892	110,697	
2018-2022	270,103	180,000	-	-	1,610,103	378,211	
2023-2027	166,125	-	-	-	801,125	111,173	
2028-2031	58,018	-	-	-	163,018	5,513	
	\$ 848,705	\$ 480,000	\$ 2,421,000	\$ 20,578	\$ 7,624,705	\$ 1,244,922	

CITY OF NORTH RIDGEVILLE, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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NOTE 10 LONG-TERM DEBT (continued)

Year	Business-Type Activities						
	General Obligation Bonds		Special Assessment Bonds		OPWC Loans	Notes Payable	
	Principal	Interest	Principal	Interest	Principal	Principal	Interest
2013	\$ 1,545,000	\$ 783,783	\$ 105,000	\$ 87,714	\$ 8,451	\$ 1,434,000	\$ 12,190
2014	1,240,000	721,082	110,000	83,383	8,451	-	-
2015	1,290,000	667,882	115,000	78,845	8,451	-	-
2016	1,355,000	612,037	115,000	73,958	8,451	-	-
2017	1,410,000	552,984	120,000	69,358	8,451	-	-
2018-2022	5,755,000	1,814,255	705,000	255,821	21,125	-	-
2023-2027	3,935,000	617,951	690,000	79,265	-	-	-
2028-2031	355,000	18,638	-	-	-	-	-
	<u>\$16,885,000</u>	<u>\$5,788,612</u>	<u>\$1,960,000</u>	<u>\$728,344</u>	<u>\$ 63,380</u>	<u>\$ 1,434,000</u>	<u>\$ 12,190</u>

Year	Business-Type Activities					
	OWDA Loan		Water Rights ETL-2 Loan		Total	Total
	Principal	Interest	Principal	Interest	Principal	Interest
2013	\$ 151,420	\$ 65,289	\$ 26,821	\$ 26,438	\$ 3,270,692	\$ 975,414
2014	157,753	58,956	27,856	25,043	1,544,060	888,464
2015	164,352	52,357	28,930	24,329	1,606,733	823,413
2016	171,227	45,482	30,046	23,213	1,679,724	754,690
2017	178,389	38,320	31,205	22,054	1,748,045	682,716
2018-2022	791,359	75,476	175,039	91,256	7,447,523	2,236,808
2023-2027	-	-	211,508	54,787	4,836,508	752,003
2028-2031	-	-	178,188	12,657	533,188	31,295
	<u>\$ 1,614,500</u>	<u>\$ 335,880</u>	<u>\$ 709,593</u>	<u>\$279,777</u>	<u>\$22,666,473</u>	<u>\$ 7,144,803</u>

NOTE 11 CAPITAL LEASE

The City is obligated under a certain lease accounted for as a capital lease. The leased assets are included in capital assets and the related obligation is included under long-term debt. At December 31, 2012, assets under capital lease totaled \$ 107,381 in governmental activities, with related accumulated depreciation of \$ 67,113 and \$ 5,999 in business-type activities, with related accumulated depreciation of \$ 3,750. The lease is in effect until 2014. The following is the schedule of future minimum lease payments under the capital lease together with the net present value of the minimum lease payments as of December 31, 2012.

Year	Governmental Activities	Business-Type Activities	Total
2013	\$ 30,926	\$ 1,728	\$ 32,654
2014	30,926	1,728	32,654
Total minimum lease payments	61,852	3,455	65,307
Less amount representing interest	(5,372)	(300)	(5,672)
Net present value of minimum lease payments	<u>\$ 56,480</u>	<u>\$ 3,155</u>	<u>\$ 59,635</u>

CITY OF NORTH RIDGEVILLE, OHIO  
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NOTE 12 DEFINED BENEFIT PENSION PLANS

A. OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM

Ohio Public Employees Retirement System (OPERS) administers three separate pension plans as described below:

1. The Traditional Pension Plan—a cost sharing, multiple-employer defined benefit pension plan.
2. 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.
3. 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 the Ohio Revised Code. OPERS issues a stand-alone financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/investments/cafr.shtml>, writing to OPERS, 277 East Town Street, Columbus, OH 43215-4642, or by calling 614-222-5601 or 800-222-7377.

The Ohio Revised Code provides statutory authority for member and employer contributions. For 2012, 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 2012 member contribution rates were 10.0% for members in state and local classifications. Public safety and law enforcement members contributed 11.5% and 12.1%, respectively. Effective January 1, 2013, the member contribution rates for public safety and law enforcement members increased to 12.00% and 12.60% respectively.

The 2012 employer contribution rate for state and local employers was 14.0% of covered payroll. The law enforcement and public safety division employer contribution rate was 18.10% of covered payroll.

The City's required contributions for pension obligations to the traditional and combined plans for the years ended December 31, 2012, 2011, and 2010, were \$ 627,000, \$ 642,400, and \$ 604,500, respectively. For 2012, \$ 542,100 (86.5%) has been contributed. The balance was subsequently contributed in 2013. The full amount has been contributed for 2011 and 2010.

CITY OF NORTH RIDGEVILLE, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2012

NOTE 12 DEFINED BENEFIT PENSION PLANS (continued)

B. OHIO POLICE AND FIRE PENSION FUND

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

Plan members are required to contribute 10% of their annual covered salary, while employers are required to contribute 12.75% and 17.25% respectively for police officers and firefighters. The City's contributions to OP&F for police and firefighters pensions, respectively, were \$ 346,000 and \$ 433,900 for the year ended December 31, 2012, \$ 343,600 and \$ 417,600 for the year ended December 31, 2011 and \$ 542,800 and \$ 600,500 for the year ended December 31, 2010. The full amount has been contributed for 2011 and 2010. For 2012, \$ 254,100 (73.4%) and \$ 310,000 (71.5%) has been contributed for police and firefighters pensions, respectively. The balance was subsequently paid in 2013.

NOTE 13 – POSTEMPLOYMENT BENEFITS

A. OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM

Ohio Public Employees Retirement System (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 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 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.

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 OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 45.

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

CITY OF NORTH RIDGEVILLE, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2012

NOTE 13 – POSTEMPLOYMENT BENEFITS (continued)

A. OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (continued)

Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2012, state and local employers contributed at a rate of 14.00% of covered payroll and public safety and law enforcement employer units contributed at 18.10%. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active members do not make contributions to the OPEB Plan.

OPERS' Post Employment Health Care plan was established under, and is administrated in accordance with, Internal Revenue Code 401(h). Each year, the OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for funding of post employment health care benefits. The portion of employer contributions allocated to health care for members in the Traditional Plan was 4.0% during calendar year 2012. The portion of employer contributions allocated to health care for members in the Combined Plan was 6.05% during calendar year 2012. The portion of employer contributions allocated to health care for the calendar year beginning January 1, 2012 remained the same, but they are subject to change based on Board action. Employers will be notified if the portion allocated to health care changes during calendar year 2012. The OPERS Board of Trustees is also authorized to establish rules for the retiree, or their surviving beneficiaries, to pay a portion of the health care benefits provided. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The City contributions to fund postemployment benefits for the years ended December 31, 2012, 2011, and 2010, were \$ 250,800, \$ 256,900, and \$ 344,600, respectively. For 2012, \$ 216,800 (87.7%) has been contributed. The balance was subsequently contributed in 2013. The full amount has been contributed for 2011 and 2010.

Changes to the health care plan were adopted by the OPERS Board of Trustees on September 19, 2012, with a transition plan commencing January 1, 2014. With the recent passage of pension legislation under SB 343 and the approved health care changes, OPERS expects to be able to consistently allocate 4 percent of the employer contributions toward the health care fund after the end of the transition period.

B. OHIO POLICE AND FIRE PENSION FUND

The City contributes to the Ohio Police and Fire Pension Fund (OP&F) sponsored health care program, a cost-sharing multiple-employer defined postemployment health care plan administered by OP&F. OP&F provides healthcare 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 any person who receives or is eligible to receive a monthly service, disability, or survivor benefit check or is a spouse or eligible dependent child of such person. The health care coverage provided by OP&F meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 45. The Ohio Revised Code allows, but does not mandate OP&F to provide OPEB benefits. Authority for the OP&F Board of Trustees to provide health care coverage to eligible participants and to establish and amend benefits are codified in Chapter 742 of the Ohio Revised Code. OP&F issues a publicly available financial report that includes financial information and required supplementary information for the Plan. That report may be obtained by writing to OP&F, 140 East Town Street, Columbus, Ohio 43215-5164.

CITY OF NORTH RIDGEVILLE, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2012

NOTE 13 – POSTEMPLOYMENT BENEFITS (continued)

B. OHIO POLICE AND FIRE PENSION FUND (continued)

The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F (defined benefit pension plan). Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently, 19.50% and 24.00% of covered payroll for police and fire employers, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.50% of covered payroll for police employer units and 24.00% of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

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

For the year ended December 31, 2012, the employer contribution allocated to the health care plan was 6.75% of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

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 actual contributions to fund postemployment health care benefits for police and firefighters were \$ 183,200 and \$ 169,800 for the year ended December 31, 2012, \$ 181,900 and \$ 163,400 for the year ended December 31, 2011, and \$ 187,800 and \$ 168,700 for the year ended December 31, 2010. The full amount has been contributed for 2011 and 2010. For 2012, \$ 134,500 (73.4%) and \$ 121,300 (71.5%) has been contributed for police and firefighters, respectively. The balance was subsequently paid in 2013.

CITY OF NORTH RIDGEVILLE, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2012

NOTE 14 RISK MANAGEMENT

The City is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees and natural disasters. There have not been any significant reductions in insurance coverage from coverage in the prior year and the amounts of settlements have not exceeded coverage for any of the prior three years.

The City has insurance coverage through the Municipal Insurance Alliance of Ohio with the U.S. Specialty Insurance Company. This coverage includes general liability including personal and bodily injury in the amount of \$1 million per occurrence and \$3 million aggregate, business automobile liability in the amount of \$1 million combined single limit, employee benefits liability in the amount of \$1 million each employee limit and \$3 million aggregate limit, stop gap liability in the amount of \$1 million, public official liability in the amount of \$1 million annual aggregate limit, law enforcement liability in the amount of \$1 million annual aggregate limit, and commercial umbrella coverage in the amount of \$10 million each occurrence and \$ 10 million general aggregate limit. Various deductibles apply. The City also has in force building and personal property casualty coverage with the same insurer in the amount of \$ 46,858,585 with additional flood and earthquake coverage in the amount of \$1 million for any one flood and \$1 million annual aggregate and \$1 million for any one earthquake and \$1 million annual aggregate, electronic data processing systems coverage in the amount of \$500,000, and crime coverage for forgery or alteration of \$50 thousand, theft and destruction of \$ 100 thousand and public employee dishonesty of \$100 thousand per loss. Various deductibles apply.

In order to minimize the annual cost of medical insurance, the City has established a medical self-insurance fund for City employees and their covered dependents. This program is administered with the use of an outside third-party administrator. At December 31, 2012, self-insurance was in effect for losses up to \$ 75,000 per participant. Excess losses are insured by a private insurance company. At year-end, self-insurance was in effect with an annual aggregate liability limit of \$ 2,721,277 and an aggregate terminal liability of \$ 401,076. At December 31, 2012 the self-insurance total net position amounted to \$ 768,685 and cash held in reserve by the insurer for future claims payment amounted to \$ 437,000.

Liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Changes in the balance of claims liability during the years ended December 31, 2012 and 2011 are as follows. Incurred claims and claims payments are not segregated between events related to the current year and events related to prior years due to the impracticability of obtaining such information by separate period.

	<u>2012</u>	<u>2011</u>
Unpaid claims, beginning of year	\$ 332,097	\$ 385,000
Incurred claims	1,973,756	2,132,230
Claims payment	<u>(1,990,853)</u>	<u>(2,185,133)</u>
Unpaid claims, end of year	<u>\$ 315,000</u>	<u>\$ 332,097</u>

CITY OF NORTH RIDGEVILLE, OHIO  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 DECEMBER 31, 2012

NOTE 15 FEDERAL GRANTS AND ENTITLEMENTS

For the year ended December 31, 2012, the City recognized federal grants and entitlements revenue of \$ 727,051. These programs generally require compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the City at December 31, 2012.

NOTE 16 CONTINGENCIES

The City of North Ridgeville, Ohio is defendant in certain lawsuits, the outcome of which cannot be determined. It is the opinion of the City's management that any judgment against the City would not have a material adverse effect on the City's financial position.

NOTE 17 CONTRACTUAL COMMITMENTS

As of December 31, 2012 the City had contractual commitments as follows:

<u>Project</u>	<u>Project's Estimated Cost</u>	<u>Outstanding Commitments</u>
Road projects	\$ 1,526,000	\$ 769,700
Park trail project	328,000	328,000
Storm water retention project	150,000	138,000
Waterlines	408,000	256,000
Sanitary sewer projects	1,067,000	1,013,300
	<u>\$ 3,479,000</u>	<u>\$ 2,505,000</u>

NOTE 18 INTERFUND BALANCES AND TRANSFERS

At December 31, 2012 interfund balances consisted of \$ 250,000 due to the General Fund from the Federal Grants Fund (Special Revenue Fund). The General Fund advanced monies to the Federal Grants Fund which will be repaid upon collection of grant proceeds.

The Capital Projects Fund is supported primarily by transfers from income tax collections, which transfers for the year ended December 31, 2012 consisted of the following:

<u>Transferred to:</u>	<u>Transferred from:</u>	<u>Amount</u>
Capital Projects Fund	General Fund	<u>\$ 1,125,000</u>



CITY OF NORTH RIDGEVILLE, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2012

NOTE 19 JOINTLY GOVERNED ORGANIZATIONS

A. LORAIN COUNTY GENERAL HEALTH DISTRICT

The Lorain County General Health District, a jointly governed organization, provides health care services to the citizens within the Health District. The Health District is governed by the Board of Health which represents the area served by the Health District and oversees the operation of the Health District. The Board of Health members are appointed to staggered four year terms. One member is appointed by the City of North Ridgeville, one member is jointly appointed by the Cities of Avon and Sheffield Lake and one member is appointed jointly by the Cities of Amherst and Oberlin. The remaining four members are appointed by the various mayors of villages, chairmen of the township trustees and the County Commissioners. The City contributed \$ 102,146 during 2012 for the operation of the Health District. Financial information can be obtained by contacting the Health Commissioner, 9880 S. Murray Ridge Road, Elyria, Ohio 44035.

B. NORTHEAST OHIO PUBLIC ENERGY COUNCIL

The City is a member of the Northeast Ohio Public Energy Council (NOPEC). NOPEC is a regional council of governments formed under Chapter 167 of the Ohio Revised Code. NOPEC was formed to serve as a vehicle for communities wishing to proceed with an aggregation program for the purchase of electricity. NOPEC is currently comprised of 129 communities who have been authorized by ballot to purchase electricity on behalf of their citizens. The intent of NOPEC is to provide electricity at the lowest possible rates while at the same time insuring stability in prices by entering into long-term contracts with suppliers to provide electricity to the citizens of its member communities.

NOPEC is governed by a General Assembly made up of one representative from each member community. The representatives from each county then elect one person to serve on the eight member NOPEC Board of Directors. The Board oversees and manages the operation of the aggregation program. The degree of control exercised by any participating government is limited to its representation in the General Assembly and on the Board. The City did not contribute to NOPEC during the current year. Financial information can be obtained by contacting the Treasurer, 31320 Solon Road, Suite 20, Solon, Ohio 44139.

C. JOINT ECONOMIC DEVELOPMENT ZONE AGREEMENT

In 2008, the City adopted a joint economic development zone agreement (JEDZ) with the City of Avon, Ohio, together with several other cities (Parties), pursuant to Ohio Revised Code Section 715.69. The purpose of the agreement was to stimulate economic growth within the JEDZ and to reimburse the Parties to the JEDZ for a portion of the lost tax revenue for certain businesses that relocate to the JEDZ from the Parties' cities. The JEDZ consists of approximately 791 acres in the City of Avon at an intersection being developed on Interstate 90 and Nagel Road. The City's contribution to the JEDZ is its agreement to support and advocate for County, State and/or Federal funding for this project. The City has no financial commitment to the project and has no other economic benefit.

CITY OF NORTH RIDGEVILLE, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2012

NOTE 20 FUND BALANCES

Fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the City is bound to observe constraints imposed upon the use of the resources in the government funds. The constraints placed on a fund for the major governmental funds and all other governmental funds are presented below:

	General	Solid Waste Management	Capital Projects	Other Governmental Funds	Total Governmental Funds
Fund balances					
Nonspendable					
Prepaid items	\$ 44,700	\$ -	\$ -	\$ 5,000	\$ 49,700
Restricted					
Debt service	-	-	-	169,571	169,571
Capital projects	-	-	467,571	-	467,571
Highway and streets	-	-	-	2,292,784	2,292,784
Public safety	-	-	-	850,800	850,800
Recreation	-	-	-	336,713	336,713
Community environment	-	697,762	-	132,514	830,276
Other purposes	-	-	-	381,791	381,791
Total restricted	-	697,762	467,571	4,164,173	5,329,506
Committed					
Capital projects	525,940	-	-	-	525,940
Assigned					
Encumbrances	223,482	-	-	-	223,482
2013 appropriations	2,860,081	-	-	-	2,860,081
Total assigned	3,083,563	-	-	-	3,083,563
Unassigned (deficit)	2,537,627	-	-	(78,576)	2,459,051
Total fund balances	\$ 6,191,830	\$ 697,762	\$ 467,571	\$ 4,090,597	\$ 11,447,760

NOTE 21 SUBSEQUENT EVENTS

In April 2013, the City issued \$ 3,505,000 of bond anticipation notes (BANs), consisting of \$ 2,945,000 used to pay existing BANs, \$ 450,000 for acquisition of motor vehicles and equipment, \$ 100,000 for recreational improvements, and \$ 10,000 related to a future special assessment project.

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## COMBINING STATEMENTS AND NONMAJOR FUND SCHEDULES

### COMBINING STATEMENTS – NONMAJOR GOVERNMENTAL FUNDS

#### NONMAJOR SPECIAL REVENUE FUNDS

The Special Revenue Funds are used to account for specific revenues that are restricted for a specific purpose. These resources are usually restricted by statute, City Charter or ordinance to finance specific functions or activities.

**Street Construction, Maintenance and Repair Fund (SCMR)** - Accounts for the portion of State gasoline tax and motor vehicle registration fees designated for maintenance and repair of roadways within the City.

**State Highway Fund** – Accounts for the portion of State gasoline tax and motor vehicle registration fees designated for maintenance and repairs of roadways within the City.

**Motor Vehicle License Tax Fund** – Accounts for the additional motor vehicle registration fees designated for maintenance and repairs of roadways within the City.

**Street Levy Fund** – Accounts for property taxes received from a voted tax levy for the construction, reconstruction, resurfacing and repair of roads and bridges.

**Surface Drainage Fund** – Accounts for revenues from building permit fees for the purpose of providing and maintaining storm sewer drainage.

**Police Levy Fund** – Accounts for property taxes from a voted tax levy for the purpose of operating the City police department.

**Police Pension Fund** – Accounts for property taxes levied for the payment of current employer contributions for police disability and pension benefits.

**Law Enforcement Trust Fund** – Accounts for confiscated monies or proceeds from the sale of confiscated property seized by law enforcement officers in the course of their work for the purpose of enhancing police services.

**Local Law Enforcement Assistance Fund** – Accounts for reimbursements for continuing professional training programs for peace officers from the State Law Enforcement Assistance Fund.

**Drug Law Enforcement Trust Fund** – Accounts for confiscated monies or proceeds from the sale of confiscated property seized by law enforcement officers in the course of their work for the purpose of enhancing police services and promoting drug education.

**DUI Enforcement and Education Trust Fund** – Accounts for fines imposed by the courts for the purpose of enhancing police services and promoting DUI education.

**Clerk of Courts Computer Service Fund** – Accounts for court fees for the purpose of the computerization of the clerk of court's office.

**Court Computerization Fund** – Accounts for court fees for the purpose of computerizing the court, procuring and maintaining computerized legal research services.

## NONMAJOR SPECIAL REVENUE FUNDS (Continued)

**Fire Levy Fund** – Accounts for property taxes received from a voted tax levy for the purpose of operating the City fire department.

**Fire Pension Fund** – Accounts for property taxes levied for the payment of current employer contributions for fire disability and pension benefits.

**Paramedic Levy Fund** – Accounts for property taxes received from a voted tax levy for the purpose of operating a paramedic program.

**Ambulance Fund** – Accounts for ambulance fees for the purpose of maintaining and purchasing ambulatory equipment.

**State and Other Grants Fund** – Accounts for revenues and related expenditures of state and other grants.

**Federal Grants Fund** – Accounts for revenues and related expenditures of federal grants.

**Cemetery Fund** – Accounts for burial fees used to maintain the City's cemeteries.

**Park and Recreation Trust Fund** – Accounts for program revenues and expenditures for the operation and maintenance of recreation programs, services, parks and related.

**Park and Recreation Improvement Fund** – Accounts for building permit fees for the purpose of planning, acquisition, improvement, expansion and operation of public parks, playgrounds and recreation facilities.

**Senior Citizens Title III Fund** – Accounts for grant monies received for support service for older adults.

## NONMAJOR DEBT SERVICE FUNDS

**General Obligation Bond Retirement Fund** – Accounts for resources that are used for payment of principal and interest and fiscal charges on general obligation debt.

**Special Assessment Bond Retirement Fund** – Accounts for the accumulation of resources from special assessments levied against benefited properties for the payment of principal and interest and fiscal charges on special assessment debt.

## NONMAJOR CAPITAL PROJECTS FUND

Capital Projects funds are used to account for the acquisition and construction of capital assets other than those financed by proprietary funds.

**Issue II Fund** – Accounts for Ohio Public Works grant activity consisting of the grant received and the related expenditure paid by the Ohio Public Works Commission directly to the contractors on behalf of the City.

CITY OF NORTH RIDGEVILLE, OHIO  
 COMBINING BALANCE SHEET -  
 NONMAJOR GOVERNMENTAL FUNDS

DECEMBER 31, 2012

	Nonmajor Special Revenue	Nonmajor Debt Service	Nonmajor Capital Projects	Total
<b>Assets</b>				
Equity in pooled cash	\$ 4,412,239	\$ 169,571	\$ -	\$ 4,581,810
Taxes receivable - property and other	5,263,100	-	-	5,263,100
Special assessments receivable	-	68,300	-	68,300
Due from other governments	1,202,853	-	371,756	1,574,609
Accounts receivable and other	228,000	-	-	228,000
Prepaid items	5,000	-	-	5,000
<b>Total assets</b>	<b>\$ 11,111,192</b>	<b>\$ 237,871</b>	<b>\$ 371,756</b>	<b>\$ 11,720,819</b>
<b>Liabilities and fund balances</b>				
<b>Liabilities</b>				
Accounts and contracts payable	\$ 54,307	\$ -	\$ -	\$ 54,307
Accrued salaries, wages and benefits	186,429	-	-	186,429
Due to other governments	129,788	-	371,756	501,544
Interfund payables	250,000	-	-	250,000
Deferred revenue	6,569,642	68,300	-	6,637,942
<b>Total liabilities</b>	<b>7,190,166</b>	<b>68,300</b>	<b>371,756</b>	<b>7,630,222</b>
<b>Fund balances</b>				
Nonspendable	5,000	-	-	5,000
Restricted	3,994,602	169,571	-	4,164,173
Unassigned	(78,576)	-	-	(78,576)
<b>Total fund balances</b>	<b>3,921,026</b>	<b>169,571</b>	<b>-</b>	<b>4,090,597</b>
<b>Total liabilities and fund balances</b>	<b>\$ 11,111,192</b>	<b>\$ 237,871</b>	<b>\$ 371,756</b>	<b>\$ 11,720,819</b>

CITY OF NORTH RIDGEVILLE, OHIO  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
 NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2012

	Nonmajor Special Revenue	Nonmajor Debt Service	Nonmajor Capital Projects	Total
<b>Revenues</b>				
Property and other local taxes	\$ 5,119,185	\$ -	\$ -	\$ 5,119,185
Intergovernmental	3,444,180	-	813,221	4,257,401
Special assessments	-	145,424	-	145,424
Charges for services	812,476	-	-	812,476
Fines, licenses and permits	91,013	-	-	91,013
Interest	10,173	454	-	10,627
Miscellaneous	215,767	-	-	215,767
<b>Total revenues</b>	<b>9,692,794</b>	<b>145,878</b>	<b>813,221</b>	<b>10,651,893</b>
<b>Expenditures</b>				
<b>Current</b>				
Security of persons and property	5,271,693	-	-	5,271,693
Public health and welfare	18,197	-	-	18,197
Leisure time activities	128,596	-	-	128,596
Transportation	2,686,807	-	-	2,686,807
General government	567,776	149,916	-	717,692
Capital outlay	-	-	908,081	908,081
<b>Debt service</b>				
Principal	165,891	45,000	-	210,891
Capital lease	4,157	-	-	4,157
Interest and fiscal charges	8,840	18,961	-	27,801
<b>Total expenditures</b>	<b>8,851,957</b>	<b>213,877</b>	<b>908,081</b>	<b>9,973,915</b>
Excess (deficiency) of revenues over expenditures	840,837	(67,999)	(94,860)	677,978
<b>Other financing sources (uses)</b>				
Issuance of notes	-	-	94,860	94,860
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>94,860</b>	<b>94,860</b>
Excess (deficiency) of revenues over expenditures and other sources (uses)	840,837	(67,999)	-	772,838
Fund balances, beginning of year	3,080,189	237,570	-	3,317,759
<b>Fund balances, end of year</b>	<b>\$ 3,921,026</b>	<b>\$ 169,571</b>	<b>\$ -</b>	<b>\$ 4,090,597</b>

CITY OF NORTH RIDGEVILLE, OHIO  
 COMBINING BALANCE SHEET -  
 NONMAJOR SPECIAL REVENUE FUNDS

DECEMBER 31, 2012

	SCMR	State Highway	Motor Vehicle License Tax	Street Levy	Surface Drainage
<u>Assets</u>					
Equity in pooled cash	\$ 398,617	\$ 83,051	\$ 156,796	\$ 1,595,728	\$ 139,855
Taxes receivable - property and other	-	-	-	1,234,300	-
Due from other governments	554,000	45,000	213,000	72,739	-
Accounts receivable and other	-	-	-	400	-
Prepaid items	-	-	5,000	-	-
Total assets	<u>\$ 952,617</u>	<u>\$ 128,051</u>	<u>\$ 374,796</u>	<u>\$ 2,903,167</u>	<u>\$ 139,855</u>
<u>Liabilities</u>					
Accounts and contracts payable	\$ 23,116	\$ -	\$ 6,894	\$ -	\$ 259
Accrued salaries, wages, and benefits	28,575	-	6,222	-	3,901
Due to other governments	28,723	-	7,117	-	3,181
Interfund payables	-	-	-	-	-
Deferred revenue	451,300	36,700	173,500	1,298,700	-
Total liabilities	<u>531,714</u>	<u>36,700</u>	<u>193,733</u>	<u>1,298,700</u>	<u>7,341</u>
<u>Fund balances</u>					
Nonspendable	-	-	5,000	-	-
Restricted	420,903	91,351	176,063	1,604,467	132,514
Unassigned	-	-	-	-	-
Total fund balances	<u>420,903</u>	<u>91,351</u>	<u>181,063</u>	<u>1,604,467</u>	<u>132,514</u>
Total liabilities and fund balances	<u>\$ 952,617</u>	<u>\$ 128,051</u>	<u>\$ 374,796</u>	<u>\$ 2,903,167</u>	<u>\$ 139,855</u>



<u>Police Levy</u>	<u>Police Pension</u>	<u>Law Enforcement Trust</u>	<u>Local Law Enforcement Assistance</u>	<u>Drug Law Enforcement Trust</u>	<u>DUI Enforcement and Education Trust</u>	<u>Clerk of Courts Computer Service</u>	<u>Court Computerization</u>
\$ 36,681	\$ 8,600	\$ 2,726	\$ 10,757	\$ 4,070	\$ 63,987	\$ 155,733	\$ 136,251
1,266,800	195,400	-	-	-	-	-	-
66,100	10,200	3,237	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$1,369,581</u>	<u>\$ 214,200</u>	<u>\$ 5,963</u>	<u>\$ 10,757</u>	<u>\$ 4,070</u>	<u>\$ 63,987</u>	<u>\$ 155,733</u>	<u>\$ 136,251</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 147	\$ -
48,978	-	-	-	-	-	-	-
798	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
1,332,900	205,600	-	-	-	-	-	-
<u>1,382,676</u>	<u>205,600</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>147</u>	<u>-</u>
-	-	-	-	-	-	-	-
-	8,600	5,963	10,757	4,070	63,987	155,586	136,251
(13,095)	-	-	-	-	-	-	-
(13,095)	8,600	5,963	10,757	4,070	63,987	155,586	136,251
<u>\$1,369,581</u>	<u>\$ 214,200</u>	<u>\$ 5,963</u>	<u>\$ 10,757</u>	<u>\$ 4,070</u>	<u>\$ 63,987</u>	<u>\$ 155,733</u>	<u>\$ 136,251</u>

(Continued)

CITY OF NORTH RIDGEVILLE, OHIO  
 COMBINING BALANCE SHEET -  
 NONMAJOR SPECIAL REVENUE FUNDS

DECEMBER 31, 2012

(Concluded)

	Fire Levy	Fire Pension	Paramedic Levy	Ambulance	State and Other Grants
<u>Assets</u>					
Equity in pooled cash	\$ 24,117	\$ 24,274	\$ 83,871	\$ 460,666	\$ 141,776
Taxes receivable - property and other	1,234,300	195,400	1,136,900	-	-
Due from other governments	64,400	10,200	59,300	-	22,735
Accounts receivable and other	-	-	-	-	-
Prepaid items	-	-	-	-	-
Total assets	<u>\$ 1,322,817</u>	<u>\$ 229,874</u>	<u>\$ 1,280,071</u>	<u>\$ 460,666</u>	<u>\$ 164,511</u>
<u>Liabilities</u>					
Accounts and contracts payable	\$ -	\$ -	\$ 765	\$ 4,131	\$ 3,332
Accrued salaries, wages, and benefits	43,720	-	43,852	10,606	-
Due to other governments	45,878	-	23,774	20,097	-
Interfund payables	-	-	-	-	-
Deferred revenue	1,298,700	205,600	1,196,200	-	82,651
Total liabilities	<u>1,388,298</u>	<u>205,600</u>	<u>1,264,591</u>	<u>34,834</u>	<u>85,983</u>
Fund balances					
Nonspendable	-	-	-	-	-
Restricted	-	24,274	15,480	425,832	78,528
Unassigned	(65,481)	-	-	-	-
Total fund balances	<u>(65,481)</u>	<u>24,274</u>	<u>15,480</u>	<u>425,832</u>	<u>78,528</u>
Total liabilities and fund balances	<u>\$ 1,322,817</u>	<u>\$ 229,874</u>	<u>\$ 1,280,071</u>	<u>\$ 460,666</u>	<u>\$ 164,511</u>

<u>Federal Grants</u>	<u>Cemetery</u>	<u>Park and Recreation Trust</u>	<u>Park and Recreation Improvement</u>	<u>Senior Citizens Title III</u>	<u>Total</u>
\$ 343,563	\$ 194,197	\$ 146,655	\$ 192,557	\$ 7,711	\$ 4,412,239
-	-	-	-	-	5,263,100
80,783	-	-	-	1,159	1,202,853
227,600	-	-	-	-	228,000
-	-	-	-	-	5,000
<u>\$ 651,946</u>	<u>\$ 194,197</u>	<u>\$ 146,655</u>	<u>\$ 192,557</u>	<u>\$ 8,870</u>	<u>\$ 11,111,192</u>
\$ 13,164	\$ -	\$ 2,499	\$ -	\$ -	\$ 54,307
-	-	-	-	575	186,429
-	-	-	-	220	129,788
250,000	-	-	-	-	250,000
287,791	-	-	-	-	6,569,642
<u>550,955</u>	<u>-</u>	<u>2,499</u>	<u>-</u>	<u>795</u>	<u>7,190,166</u>
-	-	-	-	-	5,000
100,991	194,197	144,156	192,557	8,075	3,994,602
-	-	-	-	-	(78,576)
<u>100,991</u>	<u>194,197</u>	<u>144,156</u>	<u>192,557</u>	<u>8,075</u>	<u>3,921,026</u>
<u>\$ 651,946</u>	<u>\$ 194,197</u>	<u>\$ 146,655</u>	<u>\$ 192,557</u>	<u>\$ 8,870</u>	<u>\$ 11,111,192</u>

CITY OF NORTH RIDGEVILLE, OHIO  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
 NONMAJOR SPECIAL REVENUE FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>SCMR</u>	<u>State Highway</u>	<u>Motor Vehicle License Tax</u>	<u>Street Levy</u>	<u>Surface Drainage</u>
<b>Revenues</b>					
Property and other local taxes	\$ -	\$ -	\$ -	\$ 1,200,657	\$ -
Intergovernmental revenue	1,212,553	98,106	462,958	223,109	-
Charges for services	-	-	-	-	-
Fines, licenses, and permits	-	-	-	-	-
Interest	631	120	337	4,025	358
Miscellaneous	9,111	-	3,075	3,987	148,881
<b>Total revenues</b>	<u>1,222,295</u>	<u>98,226</u>	<u>466,370</u>	<u>1,431,778</u>	<u>149,239</u>
<b>Expenditures</b>					
<b>Current</b>					
Security of persons and property	-	-	-	-	-
Public health and welfare	-	-	-	-	-
Leisure time activities	-	-	-	-	-
Transportation	1,090,024	74,678	431,202	715,912	1,703
General government	-	-	-	-	141,034
<b>Debt service</b>					
Principal	-	-	6,169	152,542	7,180
Capital lease	-	-	-	-	-
Interest and fiscal charges	-	-	-	7,794	-
<b>Total expenditures</b>	<u>1,090,024</u>	<u>74,678</u>	<u>437,371</u>	<u>876,248</u>	<u>149,917</u>
<b>Excess (deficiency) of revenues over expenditures</b>	132,271	23,548	28,999	555,530	(678)
<b>Fund balances, beginning of year</b>	<u>288,632</u>	<u>67,803</u>	<u>152,064</u>	<u>1,048,937</u>	<u>133,192</u>
<b>Fund balances, end of year</b>	<u>\$ 420,903</u>	<u>\$ 91,351</u>	<u>\$ 181,063</u>	<u>\$ 1,604,467</u>	<u>\$ 132,514</u>

<u>Police Levy</u>	<u>Police Pension</u>	<u>Law Enforcement Trust</u>	<u>Local Law Enforcement Assistance</u>	<u>Drug Law Enforcement Trust</u>	<u>DUI Enforcement and Education Trust</u>	<u>Clerk of Courts Computer Service</u>	<u>Court Computerization</u>
\$1,232,251	\$ 189,877	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
191,914	33,965	3,237	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	1,567	15,355	-	11,841
518	28	23	-	9	133	349	313
-	-	3,596	26	-	-	27,629	-
<u>1,424,683</u>	<u>223,870</u>	<u>6,856</u>	<u>26</u>	<u>1,576</u>	<u>15,488</u>	<u>27,978</u>	<u>12,154</u>
1,468,220	215,300	9,036	-	2,171	-	7,077	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	1,341	-
-	-	-	-	-	-	337	-
<u>1,468,220</u>	<u>215,300</u>	<u>9,036</u>	<u>-</u>	<u>2,171</u>	<u>-</u>	<u>8,755</u>	<u>-</u>
(43,537)	8,570	(2,180)	26	(595)	15,488	19,223	12,154
<u>30,442</u>	<u>30</u>	<u>8,143</u>	<u>10,731</u>	<u>4,665</u>	<u>48,499</u>	<u>136,363</u>	<u>124,097</u>
<u>\$ (13,095)</u>	<u>\$ 8,600</u>	<u>\$ 5,963</u>	<u>\$ 10,757</u>	<u>\$ 4,070</u>	<u>\$ 63,987</u>	<u>\$ 155,586</u>	<u>\$ 136,251</u>

(Continued)

CITY OF NORTH RIDGEVILLE, OHIO  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
 NONMAJOR SPECIAL REVENUE FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2012

(Concluded)

	Fire Levy	Fire Pension	Paramedic Levy	Ambulance	State and Other Grants
<b>Revenues</b>					
Property and other local taxes	\$ 1,200,657	\$ 189,877	\$ 1,105,866	\$ -	\$ -
Intergovernmental revenue	186,994	33,965	172,231	-	30,519
Charges for services	-	-	-	634,008	-
Fines, licenses, and permits	-	-	-	-	-
Interest	634	116	388	1,023	-
Miscellaneous	-	-	-	-	-
<b>Total revenues</b>	<b><u>1,388,285</u></b>	<b><u>223,958</u></b>	<b><u>1,278,485</u></b>	<b><u>635,031</u></b>	<b><u>30,519</u></b>
<b>Expenditures</b>					
<b>Current</b>					
Security of persons and property	1,598,909	199,706	1,237,285	533,989	-
Public health and welfare	-	-	-	-	-
Leisure time activities	-	-	-	-	-
Transportation	-	-	-	-	-
General government	-	-	-	-	29,740
<b>Debt service</b>					
Principal	-	-	-	-	-
Capital lease	-	-	-	2,816	-
Interest and fiscal charges	-	-	-	709	-
<b>Total expenditures</b>	<b><u>1,598,909</u></b>	<b><u>199,706</u></b>	<b><u>1,237,285</u></b>	<b><u>537,514</u></b>	<b><u>29,740</u></b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>(210,624)</b>	<b>24,252</b>	<b>41,200</b>	<b>97,517</b>	<b>779</b>
<b>Fund balances, beginning of year</b>	<b><u>145,143</u></b>	<b><u>22</u></b>	<b><u>(25,720)</u></b>	<b><u>328,315</u></b>	<b><u>77,749</u></b>
<b>Fund balances, end of year</b>	<b><u>\$ (65,481)</u></b>	<b><u>\$ 24,274</u></b>	<b><u>\$ 15,480</u></b>	<b><u>\$ 425,832</u></b>	<b><u>\$ 78,528</u></b>

<u>Federal Grants</u>	<u>Cemetery</u>	<u>Park and Recreation Trust</u>	<u>Park and Recreation Improvement</u>	<u>Senior Citizens Title III</u>	<u>Total</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,119,185
779,691	-	-	-	14,938	3,444,180
-	31,850	146,618	-	-	812,476
-	-	-	62,250	-	91,013
-	433	343	379	13	10,173
11,042	225	500	7,695	-	215,767
<u>790,733</u>	<u>32,508</u>	<u>147,461</u>	<u>70,324</u>	<u>14,951</u>	<u>9,692,794</u>
-	-	-	-	-	5,271,693
-	3,482	-	-	14,715	18,197
-	-	118,391	10,205	-	128,596
373,288	-	-	-	-	2,686,807
397,002	-	-	-	-	567,776
-	-	-	-	-	165,891
-	-	-	-	-	4,157
-	-	-	-	-	8,840
<u>770,290</u>	<u>3,482</u>	<u>118,391</u>	<u>10,205</u>	<u>14,715</u>	<u>8,851,957</u>
20,443	29,026	29,070	60,119	236	840,837
80,548	165,171	115,086	132,438	7,839	3,080,189
<u>\$ 100,991</u>	<u>\$ 194,197</u>	<u>\$ 144,156</u>	<u>\$ 192,557</u>	<u>\$ 8,075</u>	<u>\$ 3,921,026</u>

CITY OF NORTH RIDGEVILLE, OHIO

COMBINING BALANCE SHEET -  
NONMAJOR DEBT SERVICE FUNDS

DECEMBER 31, 2012

	General Obligation Bond Retirement	Special Assessment Bond Retirement	Total
<b>Assets</b>			
Equity in pooled cash and equivalents	\$ 21,072	\$ 148,499	\$ 169,571
Special assessments receivable	-	68,300	68,300
<b>Total assets</b>	<b>\$ 21,072</b>	<b>\$ 216,799</b>	<b>\$ 237,871</b>
<b>Liabilities</b>			
Deferred revenue	\$ -	\$ 68,300	\$ 68,300
<b>Total liabilities</b>	<b>-</b>	<b>68,300</b>	<b>68,300</b>
<b>Fund balances</b>			
Restricted	21,072	148,499	169,571
<b>Total fund balance</b>	<b>21,072</b>	<b>148,499</b>	<b>169,571</b>
<b>Total liabilities and fund balance</b>	<b>\$ 21,072</b>	<b>\$ 216,799</b>	<b>\$ 237,871</b>



CITY OF NORTH RIDGEVILLE, OHIO  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
 NONMAJOR DEBT SERVICE FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2012

	General Obligation Bond Retirement	Special Assessment Bond Retirement	Total
Revenues			
Special assessments	\$ 109,540	\$ 35,884	\$ 145,424
Interest	80	374	454
Total revenues	<u>109,620</u>	<u>36,258</u>	<u>145,878</u>
Expenditures			
Current			
General government	148,529	1,387	149,916
Debt service			
Bond principal	20,000	25,000	45,000
Interest and fiscal charges	14,611	4,350	18,961
Total expenditures	<u>183,140</u>	<u>30,737</u>	<u>213,877</u>
Excess of revenues over expenditures	(73,520)	5,521	(67,999)
Fund balance, beginning of year	<u>94,592</u>	<u>142,978</u>	<u>237,570</u>
Fund balance, end of year	<u>\$ 21,072</u>	<u>\$ 148,499</u>	<u>\$ 169,571</u>

CITY OF NORTH RIDGEVILLE, OHIO  
BALANCE SHEET -  
NONMAJOR CAPITAL PROJECTS FUND  
DECEMBER 31, 2012

	Issue II
Assets	
Due from other governments	\$ 371,756
Total assets	\$ 371,756
Liabilities	
Due to other governments	\$ 371,756
Total liabilities	371,756
Fund balances	
Restricted	-
Total fund balance	-
Total liabilities and fund balances	\$ 371,756

CITY OF NORTH RIDGEVILLE, OHIO  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
 NONMAJOR CAPITAL PROJECTS FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2012

	Issue II
Revenue	
Intergovernmental	\$ 813,221
Total revenue	813,221
Expenditures	
Capital outlay	908,081
Total expenditures	908,081
Excess (deficiency) of revenue over expenditures	(94,860)
Other financing sources (uses)	
Issuance of notes	94,860
Total other financing sources (uses)	94,860
Excess (deficiency) of revenues over expenditures and other sources (uses)	-
Fund balances, beginning of year	-
Fund balances, end of year	\$ -

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## COMBINING STATEMENTS - AGENCY FUNDS

Agency Funds are used to account for assets held by the government as an agent for individuals, private organizations, other governments and/or other funds. These funds are purely custodial in nature (assets equal liabilities) and therefore do not involve the measurement of results of operations.

**Board of Building Standards Fund** – Accounts for fees required by the State to be collected by the City and paid to the State.

**Senior Citizens Multi Trust Fund** – Accounts for revenue earned and expended by the Senior Citizens Center.

**Mayor's Court Bail Trust Fund** – Accounts for bail collected.

**Trust Miscellaneous Fund** – Accounts for deposits held by the City from contractors, developers or individuals to ensure compliance with City Ordinances, and for other various deposits held by the City on behalf of others.

CITY OF NORTH RIDGEVILLE, OHIO  
 COMBINING STATEMENT OF ASSETS AND LIABILITIES -  
 AGENCY FUNDS  
 DECEMBER 31, 2012

	Board of Building Standards	Senior Citizens Multi-Trust	Mayor's Court Bail Trust
<b>Assets</b>			
Equity in pooled cash and equivalents	\$ 196	\$ 28,706	\$ 2,968
<b>Liabilities</b>			
Accounts and contracts payable	\$ 196	\$ 688	\$ -
Due to others	-	28,018	2,968
<b>Total liabilities</b>	<b>\$ 196</b>	<b>\$ 28,706</b>	<b>\$ 2,968</b>

<u>Trust</u>	<u>Total</u>
<u>Miscellaneous</u>	
<u>\$ 1,029,106</u>	<u>\$ 1,060,976</u>
 \$ -	 \$ 884
<u>1,029,106</u>	<u>1,060,992</u>
<u>\$ 1,029,106</u>	<u>\$ 1,060,976</u>

CITY OF NORTH RIDGEVILLE, OHIO  
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -  
 AGENCY FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2012

	Beginning Balance 1/1/2012	Additions	Reductions	Ending Balance 12/31/2012
<b>Board of Building Standards</b>				
Assets				
Equity in pooled cash and equivalents	\$ 342	\$ 4,206	\$ 4,352	\$ 196
Liabilities				
Accounts and contracts payable	\$ 342	\$ 4,206	\$ 4,352	\$ 196
Total liabilities	\$ 342	\$ 4,206	\$ 4,352	\$ 196

	Beginning Balance 1/1/2012	Additions	Reductions	Ending Balance 12/31/2012
<b>Senior Citizens Multi-Trust</b>				
Assets				
Equity in pooled cash and equivalents	\$ 25,622	\$ 74,844	\$ 71,760	\$ 28,706
Liabilities				
Accounts and contracts payable	\$ 647	\$ 688	\$ 647	\$ 688
Due to others	24,975	74,156	71,113	28,018
Total liabilities	\$ 25,622	\$ 74,844	\$ 71,760	\$ 28,706

	Beginning Balance 1/1/2012	Additions	Reductions	Ending Balance 12/31/2012
<b>Mayor's Court Bail Trust</b>				
Assets				
Equity in pooled cash and equivalents	\$ 2,568	\$ 27,466	\$ 27,066	\$ 2,968
Liabilities				
Due to others	\$ 2,568	27,466	27,066	\$ 2,968
Total liabilities	\$ 2,568	\$ 27,466	\$ 27,066	\$ 2,968

	Beginning Balance 1/1/2012	Additions	Reductions	Ending Balance 12/31/2012
<b>Trust Miscellaneous</b>				
Assets				
Equity in pooled cash and equivalents	\$ 820,178	\$ 1,973,348	\$ 1,764,420	\$ 1,029,106
Liabilities				
Due to others	\$ 820,178	\$ 1,973,348	\$ 1,764,420	\$ 1,029,106
Total liabilities	\$ 820,178	\$ 1,973,348	\$ 1,764,420	\$ 1,029,106

(Continued)



CITY OF NORTH RIDGEVILLE, OHIO  
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -  
 AGENCY FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2012

	(Concluded)			
<b>Total All Agency Funds</b>	Beginning Balance 1/1/2012	Additions	Reductions	Ending Balance 12/31/2012
<b>Assets</b>				
Equity in pooled cash and equivalents	\$ 848,710	\$ 2,079,864	\$ 1,867,598	\$ 1,060,976
<b>Liabilities</b>				
Accounts and contracts payable	\$ 989	\$ 4,894	\$ 4,999	\$ 884
Due to others	847,721	2,074,970	1,862,599	1,060,092
<b>Total liabilities</b>	<b>\$ 848,710</b>	<b>\$ 2,079,864</b>	<b>\$ 1,867,598</b>	<b>\$ 1,060,976</b>

**INDIVIDUAL FUND SCHEDULES OF REVENUES, EXPENDITURES/EXPENSES  
AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL**

CITY OF NORTH RIDGEVILLE, OHIO  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2012

	General Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Property and other local taxes	\$ 1,104,755	\$ 1,104,755	\$ 1,098,591	\$ (6,164)
Intergovernmental revenue	751,820	846,320	923,275	76,955
Fines, licenses, and permits	929,500	1,078,000	1,211,697	133,697
Interest	5,000	3,500	4,637	1,137
Miscellaneous	653,925	837,425	968,014	130,589
Total revenues	<u>3,445,000</u>	<u>3,870,000</u>	<u>4,206,214</u>	<u>336,214</u>
Expenditures				
Current				
Security of persons and property				
Police				
Personal services	3,416,820	3,425,360	3,218,063	207,297
Materials and supplies	284,927	287,547	263,615	23,932
Contractual services	78,423	75,473	58,697	16,776
Capital outlay	33,000	34,460	34,458	2
Other	97,163	87,493	65,217	22,276
Total police	<u>3,910,333</u>	<u>3,910,333</u>	<u>3,640,050</u>	<u>270,283</u>
Fire				
Personal services	739,205	739,505	716,276	23,229
Materials and supplies	177,173	227,573	183,720	43,853
Contractual services	28,675	27,975	25,239	2,736
Capital outlay	24,650	24,650	24,370	280
Total fire	<u>969,703</u>	<u>1,019,703</u>	<u>949,605</u>	<u>70,098</u>
Humane officer				
Personal services	49,630	49,630	32,507	17,123
Materials and supplies	7,272	7,272	4,516	2,756
Contractual services	300	300	-	300
Other	260	260	-	260
Total humane officer	<u>57,462</u>	<u>57,462</u>	<u>37,023</u>	<u>20,439</u>
Street lighting				
Materials and supplies	171,322	171,322	150,301	21,021
Other	10,000	10,000	3,000	7,000
Total street lighting	<u>181,322</u>	<u>181,322</u>	<u>153,301</u>	<u>28,021</u>
Mayor's court				
Personal services	251,060	251,060	222,741	28,319
Materials and supplies	12,500	12,500	7,741	4,759
Capital outlay	3,000	3,000	1,255	1,745
Other	164,650	164,650	155,002	9,648
Total mayor's court	<u>431,210</u>	<u>431,210</u>	<u>386,739</u>	<u>44,471</u>
Total security of persons and property	<u>5,550,030</u>	<u>5,600,030</u>	<u>5,166,718</u>	<u>433,312</u>

(Continued)

CITY OF NORTH RIDGEVILLE, OHIO  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2012

	General Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Public health and welfare				
General government				
Other	\$ 102,200	\$ 102,200	\$ 102,146	\$ 54
Total general government	<u>102,200</u>	<u>102,200</u>	<u>102,146</u>	<u>54</u>
Senior citizens				
Personal services	253,250	255,650	243,214	12,436
Materials and supplies	26,691	26,921	21,705	5,216
Contractual services	8,800	8,800	8,425	375
Capital outlay	9,530	9,300	6,452	2,848
Total senior citizens	<u>298,271</u>	<u>300,671</u>	<u>279,796</u>	<u>20,875</u>
Total public health and welfare	<u>400,471</u>	<u>402,871</u>	<u>381,942</u>	<u>20,929</u>
Leisure time activities				
Park and recreation				
Personal services	193,920	193,920	185,783	8,137
Materials and supplies	20,028	19,798	13,937	5,861
Contractual services	38,500	38,500	38,356	144
Other	35,916	36,146	29,967	6,179
Total leisure time activities	<u>288,364</u>	<u>288,364</u>	<u>268,043</u>	<u>20,321</u>
Community development				
Building				
Personal services	583,580	583,580	565,128	18,452
Materials and supplies	12,994	11,394	9,059	2,335
Contractual services	24,408	22,528	19,896	2,632
Capital outlay	2,000	5,480	4,645	835
Other	1,000	1,000	72	928
Total building	<u>623,982</u>	<u>623,982</u>	<u>598,800</u>	<u>25,182</u>
Engineer				
Personal services	566,040	566,040	554,462	11,578
Materials and supplies	18,633	19,433	14,006	5,427
Contractual services	10,406	9,606	5,715	3,891
Other	1,280	1,280	514	766
Total engineer	<u>596,359</u>	<u>596,359</u>	<u>574,697</u>	<u>21,662</u>
Total community development	<u>1,220,341</u>	<u>1,220,341</u>	<u>1,173,497</u>	<u>46,844</u>

(Continued)

CITY OF NORTH RIDGEVILLE, OHIO  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2012

	General Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
General government				
Council				
Personal services	\$ 268,370	\$ 268,370	\$ 252,638	\$ 15,732
Materials and supplies	8,900	8,900	2,782	6,118
Capital outlay	5,000	5,000	4,352	648
Other	16,315	16,315	10,433	5,882
Total council	<u>298,585</u>	<u>298,585</u>	<u>270,205</u>	<u>28,380</u>
Mayor				
Personal services	242,100	242,400	239,115	3,285
Materials and supplies	4,500	3,400	3,348	52
Capital outlay	-	1,500	1,500	-
Other	6,652	5,952	4,296	1,656
Total mayor	<u>253,252</u>	<u>253,252</u>	<u>248,259</u>	<u>4,993</u>
Finance				
Personal services	504,170	506,370	498,028	8,342
Materials and supplies	12,602	11,702	10,765	937
Contractual services	9,000	8,300	8,175	125
Capital outlay	70,000	70,000	70,000	-
Other	1,300	700	425	275
Total finance	<u>597,072</u>	<u>597,072</u>	<u>587,393</u>	<u>9,679</u>
Law director				
Personal services	297,250	297,250	295,775	1,475
Materials and supplies	6,043	5,483	4,905	578
Contractual services	99,830	98,830	88,473	10,357
Other	3,700	5,260	3,819	1,441
Total law director	<u>406,823</u>	<u>406,823</u>	<u>392,972</u>	<u>13,851</u>
Computer services				
Personal services	165,100	165,100	161,340	3,760
Materials and supplies	76,190	62,390	45,742	16,648
Contractual services	50,232	30,032	18,094	11,938
Capital outlay	60,000	105,000	104,842	158
Other	21,531	15,531	7,204	8,327
Total computer services	<u>373,053</u>	<u>378,053</u>	<u>337,222</u>	<u>40,831</u>
Human resources				
Personal services	73,810	73,810	-	73,810
Total human resources	<u>73,810</u>	<u>73,810</u>	<u>-</u>	<u>73,810</u>
Safety service director				
Personal services	182,690	182,690	181,573	1,117
Materials and supplies	2,700	2,700	2,356	344
Contractual services	1,465	1,465	921	544
Capital outlay	21,050	21,050	19,862	1,188
Other	3,000	3,000	853	2,147
Total safety service director	<u>210,905</u>	<u>210,905</u>	<u>205,565</u>	<u>5,340</u>
Civil service				
Personal services	9,480	9,480	9,470	10
Materials and supplies	9,000	9,000	3,519	5,481
Contractual services	40,000	40,000	21,191	18,809
Other	2,870	2,870	1,167	1,703
Total civil service	<u>61,350</u>	<u>61,350</u>	<u>35,347</u>	<u>26,003</u>

(Continued)

CITY OF NORTH RIDGEVILLE, OHIO  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2012

	General Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
General government				
Personal services	\$ 64,190	\$ 64,190	\$ 27,412	\$ 36,778
Materials and supplies	13,567	13,567	1,063	12,504
Contractual services	275,827	295,927	144,936	150,991
Capital outlay	5,550	5,550	1,447	4,103
Other	487,203	512,103	276,376	235,727
Total general government	<u>846,337</u>	<u>891,337</u>	<u>451,234</u>	<u>440,103</u>
Public buildings				
Materials and supplies	7,500	7,500	3,627	3,873
Contractual services	112,021	112,021	64,605	47,416
Capital outlay	2,500	2,500	-	2,500
Other	132,160	132,160	106,361	25,799
Total public buildings	<u>254,181</u>	<u>254,181</u>	<u>174,593</u>	<u>79,588</u>
Public grounds/cemetery				
Personal services	407,127	407,127	382,381	24,746
Materials and supplies	71,986	70,636	51,406	19,230
Contractual services	5,942	5,942	5,329	613
Capital outlay	8,000	8,000	5,807	2,193
Other	15,580	16,930	8,748	8,182
Total public grounds/cemetery	<u>508,635</u>	<u>508,635</u>	<u>453,671</u>	<u>54,964</u>
Total general government	<u>3,884,003</u>	<u>3,934,003</u>	<u>3,156,461</u>	<u>777,542</u>
Total expenditures	<u>11,343,209</u>	<u>11,445,609</u>	<u>10,146,661</u>	<u>1,298,948</u>
Excess (deficiency) of revenues over expenditures	<u>(7,898,209)</u>	<u>(7,575,609)</u>	<u>(5,940,447)</u>	<u>1,635,162</u>
Other financing sources (uses)				
Transfers-in	6,375,000	6,375,000	6,375,000	-
Advances-in	430,000	351,211	351,211	-
Advances-out	(100,000)	(250,000)	(250,000)	-
Total other financing sources (uses)	<u>6,705,000</u>	<u>6,476,211</u>	<u>6,476,211</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	<u>(1,193,209)</u>	<u>(1,099,398)</u>	<u>535,764</u>	<u>1,635,162</u>
Prior year encumbrances	115,001	115,001	115,001	-
Fund balances, beginning of year	<u>2,244,029</u>	<u>2,244,029</u>	<u>2,244,029</u>	<u>-</u>
Fund balances, end of year	<u>\$ 1,165,821</u>	<u>\$ 1,259,632</u>	<u>\$ 2,894,794</u>	<u>\$ 1,635,162</u>

CITY OF NORTH RIDGEVILLE, OHIO  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2012

	Solid Waste Management Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Charges for services	\$ 2,300,000	\$ 2,700,000	\$ 2,861,322	\$ 161,322
Interest	1,000	1,000	1,121	121
Miscellaneous	-	-	2,486	2,486
Total revenues	<u>2,301,000</u>	<u>2,701,000</u>	<u>2,864,929</u>	<u>163,929</u>
Expenditures				
Current				
General government				
Personal services	89,200	89,200	83,946	5,254
Materials and supplies	38,657	38,657	21,685	16,972
Contractual services	2,575,663	2,675,663	2,508,778	166,885
Capital outlay	7,000	7,000	-	7,000
Other	44,200	44,200	40,154	4,046
Total expenditures	<u>2,754,720</u>	<u>2,854,720</u>	<u>2,654,563</u>	<u>200,157</u>
Excess (deficiency) of revenues over expenditures	(453,720)	(153,720)	210,366	364,086
Prior year encumbrances	189,971	189,971	189,971	-
Fund balance, beginning of year	<u>266,475</u>	<u>266,475</u>	<u>266,475</u>	<u>-</u>
Fund balance, end of year	<u>\$ 2,726</u>	<u>\$ 302,726</u>	<u>\$ 666,812</u>	<u>\$ 364,086</u>

CITY OF NORTH RIDGEVILLE, OHIO  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2012

	Capital Projects Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Interest	\$ 1,000	\$ 900	\$ 1,107	\$ 207
Total revenues	<u>1,000</u>	<u>900</u>	<u>1,107</u>	<u>207</u>
Expenditures				
Capital outlay	838,058	843,058	716,118	126,940
Debt service				
Principal	2,806,000	2,806,000	2,806,000	-
Interest and fiscal charges	198,807	198,807	198,674	133
Total expenditures	<u>3,842,865</u>	<u>3,847,865</u>	<u>3,720,792</u>	<u>127,073</u>
Excess (deficiency) of revenues over expenditures	<u>(3,841,865)</u>	<u>(3,846,965)</u>	<u>(3,719,685)</u>	<u>127,280</u>
Other financing sources (uses)				
Transfers-in	1,125,000	1,125,000	1,125,000	-
Issuance of notes	2,421,000	2,421,000	2,421,000	-
Total other financing sources (uses)	<u>3,546,000</u>	<u>3,546,000</u>	<u>3,546,000</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	(295,865)	(300,965)	(173,685)	127,280
Prior year encumbrances	35,557	35,557	35,557	-
Fund balances, beginning of year	<u>279,325</u>	<u>279,325</u>	<u>279,325</u>	<u>-</u>
Fund balances, end of year	<u>\$ 19,017</u>	<u>\$ 13,917</u>	<u>\$ 141,197</u>	<u>\$ 127,280</u>



CITY OF NORTH RIDGEVILLE, OHIO  
SCHEDULE OF REVENUES, EXPENSES AND  
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2012

	Water Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
<b>Revenues</b>				
Charges for services	\$ 3,700,000	\$ 4,000,000	\$ 4,193,332	\$ 193,332
Tap in fees	103,000	145,800	156,170	10,370
Miscellaneous	60,000	114,000	122,543	8,543
Interest income	14,000	10,000	11,894	1,894
<b>Total revenues</b>	<b>3,877,000</b>	<b>4,269,800</b>	<b>4,483,939</b>	<b>214,139</b>
<b>Expenses</b>				
Personal services	886,700	886,300	835,249	51,051
Materials and supplies	395,149	451,359	295,808	155,551
Contractual services	204,631	151,231	119,109	32,122
Capital outlay	475,646	567,746	453,855	113,891
Other non-operating expenses	1,651,276	1,748,866	1,556,837	192,029
Debt service				
OWDA principal	145,340	145,340	145,340	-
Note principal	443,000	443,000	443,000	-
Bond principal	130,000	500,000	500,000	-
ETL2 obligation	25,825	25,825	25,825	-
Interest and fiscal charges	281,875	281,854	281,714	140
<b>Total expenditures</b>	<b>4,639,442</b>	<b>5,201,521</b>	<b>4,656,737</b>	<b>544,784</b>
<b>Excess (deficiency) of revenues over expenses</b>	<b>(762,442)</b>	<b>(931,721)</b>	<b>(172,798)</b>	<b>758,923</b>
<b>Other financing sources (uses)</b>				
Issuance of notes	218,000	218,000	218,000	-
Transfers-out	(370,000)	-	-	-
<b>Total other financing sources (uses)</b>	<b>(152,000)</b>	<b>218,000</b>	<b>218,000</b>	<b>-</b>
<b>Excess (deficiency) of revenues over expenses and other financing sources (uses)</b>	<b>(914,442)</b>	<b>(713,721)</b>	<b>45,202</b>	<b>758,923</b>
Prior year encumbrances	85,619	85,619	85,619	-
Fund balances, beginning of year	4,380,721	4,380,721	4,380,721	-
<b>Fund balances, end of year</b>	<b>\$ 3,551,898</b>	<b>\$ 3,752,619</b>	<b>\$ 4,511,542</b>	<b>\$ 758,923</b>

CITY OF NORTH RIDGEVILLE, OHIO  
SCHEDULE OF REVENUES, EXPENSES AND  
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2012

	Sewer Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
<b>Revenues</b>				
Charges for services	\$ 4,636,137	\$ 5,134,137	\$ 5,862,892	\$ 728,755
Special assessments	198,700	178,000	183,097	5,097
Tap in fees	850,000	1,148,000	1,241,137	93,137
Miscellaneous	-	4,000	10,316	6,316
Interest income	26,000	22,100	27,743	5,643
<b>Total revenues</b>	<u>5,710,837</u>	<u>6,486,237</u>	<u>7,325,185</u>	<u>838,948</u>
<b>Expenses</b>				
Personal services	2,576,150	2,576,750	2,251,129	325,621
Materials and supplies	573,391	608,350	373,737	234,613
Contractual services	1,962,225	2,061,985	1,535,003	526,982
Capital outlay	2,169,559	2,261,560	1,352,805	908,755
Other	1,167,964	1,123,344	809,840	313,504
Debt service				
OPWC principal	8,460	8,460	8,451	9
Note principal	1,216,000	1,216,000	1,216,000	-
Bond principal	1,085,000	1,095,000	1,085,000	10,000
Interest and fiscal charges	767,785	768,285	767,897	388
<b>Total expenditures</b>	<u>11,526,534</u>	<u>11,719,734</u>	<u>9,399,862</u>	<u>2,319,872</u>
<b>Excess (deficiency) of revenues over expenses</b>	<u>(5,815,697)</u>	<u>(5,233,497)</u>	<u>(2,074,677)</u>	<u>3,158,820</u>
<b>Other financing sources (uses)</b>				
Issuance of notes	1,216,000	1,216,000	1,216,000	-
<b>Total other financing sources (uses)</b>	<u>1,216,000</u>	<u>1,216,000</u>	<u>1,216,000</u>	<u>-</u>
<b>Excess (deficiency) of revenues over expenses and other financing sources (uses)</b>	<u>(4,599,697)</u>	<u>(4,017,497)</u>	<u>(858,677)</u>	<u>3,158,820</u>
<b>Prior year encumbrances</b>	849,704	849,704	849,704	-
<b>Fund balances, beginning of year</b>	<u>9,600,747</u>	<u>9,600,747</u>	<u>9,600,747</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u>\$ 5,850,754</u>	<u>\$ 6,432,954</u>	<u>\$ 9,591,774</u>	<u>\$ 3,158,820</u>

CITY OF NORTH RIDGEVILLE, OHIO  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2012

	Income Tax Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Municipal income taxes	\$ 8,000,000	\$ 8,200,000	\$ 8,622,855	\$ 422,855
Interest	5,000	5,000	8,198	3,198
Miscellaneous	-	-	1,340	1,340
Total revenues	<u>8,005,000</u>	<u>8,205,000</u>	<u>8,632,393</u>	<u>427,393</u>
Expenditures				
Current				
General government				
Personal services	339,250	339,250	219,644	119,606
Materials and supplies	91,067	87,767	54,764	33,003
Contractual services	18,426	18,426	11,105	7,321
Capital outlay	20,200	20,200	1,955	18,245
Other	265,238	268,538	130,049	138,489
Total expenditures	<u>734,181</u>	<u>734,181</u>	<u>417,517</u>	<u>316,664</u>
Excess (deficiency) of revenues over expenditures	<u>7,270,819</u>	<u>7,470,819</u>	<u>8,214,876</u>	<u>744,057</u>
Other financing sources (uses)				
Transfers-out	(7,500,000)	(7,500,000)	(7,500,000)	-
Total other financing sources (uses)	<u>(7,500,000)</u>	<u>(7,500,000)</u>	<u>(7,500,000)</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	(229,181)	(29,181)	714,876	744,057
Prior year encumbrances	11,331	11,331	11,331	-
Fund balances, beginning of year	<u>2,257,129</u>	<u>2,257,129</u>	<u>2,257,129</u>	<u>-</u>
Fund balances, end of year	<u>\$ 2,039,279</u>	<u>\$ 2,239,279</u>	<u>\$ 2,983,336</u>	<u>\$ 744,057</u>

CITY OF NORTH RIDGEVILLE, OHIO  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2012

	Street Construction, Maintenance and Repair Fund (SCMR)			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Intergovernmental revenue	\$ 1,100,000	\$ 1,109,100	\$ 1,210,953	\$ 101,853
Interest	200	400	631	231
Miscellaneous	1,800	8,500	9,111	611
Total revenues	<u>1,102,000</u>	<u>1,118,000</u>	<u>1,220,695</u>	<u>102,695</u>
Expenditures				
Current				
Transportation				
Streets				
Personal services	1,070,290	1,070,290	907,178	163,112
Materials and supplies	188,359	198,479	131,453	67,026
Contractual services	26,514	39,214	35,912	3,302
Capital outlay	6,000	6,000	4,660	1,340
Other	6,000	-	-	-
Traffic signals				
Materials and supplies	31,906	31,906	26,712	5,194
Total expenditures	<u>1,329,069</u>	<u>1,345,889</u>	<u>1,105,915</u>	<u>239,974</u>
Excess (deficiency) of revenues over expenditures	(227,069)	(227,889)	114,780	342,669
Prior year encumbrances	14,439	14,439	14,439	-
Fund balances, beginning of year	<u>229,691</u>	<u>229,691</u>	<u>229,691</u>	<u>-</u>
Fund balances, end of year	<u>\$ 17,061</u>	<u>\$ 16,241</u>	<u>\$ 358,910</u>	<u>\$ 342,669</u>

CITY OF NORTH RIDGEVILLE, OHIO  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2012

	State Highway Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Intergovernmental revenue	\$ 90,900	\$ 89,700	\$ 98,006	\$ 8,306
Interest	100	100	120	20
Total revenues	<u>91,000</u>	<u>89,800</u>	<u>98,126</u>	<u>8,326</u>
Expenditures				
Current				
Transportation				
Materials and supplies	120,000	125,000	86,678	38,322
Contractual services	25,000	20,000	-	20,000
Total expenditures	<u>145,000</u>	<u>145,000</u>	<u>86,678</u>	<u>58,322</u>
Excess (deficiency) of revenues over expenditures	(54,000)	(55,200)	11,448	66,648
Prior year encumbrances	-	-	-	-
Fund balances, beginning of year	<u>59,603</u>	<u>59,603</u>	<u>59,603</u>	<u>-</u>
Fund balances, end of year	<u>\$ 5,603</u>	<u>\$ 4,403</u>	<u>\$ 71,051</u>	<u>\$ 66,648</u>

CITY OF NORTH RIDGEVILLE, OHIO  
SCHEDULE OF REVENUES, EXPENDITURES AND  
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FOR THE YEAR ENDED DECEMBER 31, 2012

	Motor Vehicle License Tax Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Intergovernmental revenue	\$ 430,000	\$ 426,500	\$ 459,958	\$ 33,458
Interest	100	200	337	137
Miscellaneous	1,900	3,000	3,075	75
Total revenues	<u>432,000</u>	<u>429,700</u>	<u>463,370</u>	<u>33,670</u>
Expenditures				
Current				
Transportation				
Personal services	237,346	237,346	222,025	15,321
Materials and supplies	166,765	171,435	115,660	55,775
Contractual services	50,305	50,605	39,204	11,401
Capital outlay	1,200	1,200	1,200	-
Other	91,065	86,095	63,275	22,820
Debt service				
Principal	6,170	6,170	6,169	1
Total expenditures	<u>552,851</u>	<u>552,851</u>	<u>447,533</u>	<u>105,318</u>
Excess (deficiency) of revenues over expenditures	(120,851)	(123,151)	15,837	138,988
Prior year encumbrances	6,720	6,720	6,720	-
Fund balances, beginning of year	<u>123,527</u>	<u>123,527</u>	<u>123,527</u>	<u>-</u>
Fund balances, end of year	<u>\$ 9,396</u>	<u>\$ 7,096</u>	<u>\$ 146,084</u>	<u>\$ 138,988</u>

CITY OF NORTH RIDGEVILLE, OHIO  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2012

	Street Levy Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Property and other local taxes	\$ 1,208,853	\$ 1,208,853	\$ 1,200,657	\$ (8,196)
Intergovernmental revenue	179,000	179,000	214,770	35,770
Interest	5,000	5,000	3,625	(1,375)
Miscellaneous	-	341,000	343,918	2,918
Total revenues	<u>1,392,853</u>	<u>1,733,853</u>	<u>1,762,970</u>	<u>29,117</u>
Expenditures				
Current				
Transportation				
Materials and supplies	200,000	210,000	201,092	8,908
Contractual services	100,000	90,000	75,423	14,577
Capital outlay	2,186,953	2,213,953	1,065,266	1,148,687
Debt service				
Principal	95,000	95,000	95,000	-
Interest and fiscal charges	7,800	7,800	7,794	6
Total expenditures	<u>2,589,753</u>	<u>2,616,753</u>	<u>1,444,575</u>	<u>1,172,178</u>
Excess (deficiency) of revenues over expenditures	(1,196,900)	(882,900)	318,395	1,201,295
Prior year encumbrances	550,473	550,473	550,473	-
Fund balances, beginning of year	<u>654,771</u>	<u>654,771</u>	<u>654,771</u>	<u>-</u>
Fund balances, end of year	<u>\$ 8,344</u>	<u>\$ 322,344</u>	<u>\$ 1,523,639</u>	<u>\$ 1,201,295</u>

CITY OF NORTH RIDGEVILLE, OHIO  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2012

	Surface Drainage Fund			Variance w ith Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Interest	\$ 500	\$ 300	\$ 358	\$ 58
Miscellaneous	104,500	140,700	148,881	8,181
Total revenues	<u>105,000</u>	<u>141,000</u>	<u>149,239</u>	<u>8,239</u>
Expenditures				
Current				
Transportation				
Personal services	123,340	123,340	87,865	35,475
Materials and supplies	47,430	48,530	35,169	13,361
Contractual services	39,650	39,650	10,625	29,025
Capital outlay	3,500	3,500	500	3,000
Other	30,740	29,640	20,254	9,386
Debt service				
Principal	7,190	7,190	7,180	10
Total expenditures	<u>251,850</u>	<u>251,850</u>	<u>161,593</u>	<u>90,257</u>
Excess (deficiency) of revenues over expenditures	(146,850)	(110,850)	(12,354)	98,496
Prior year encumbrances	11,000	11,000	11,000	-
Fund balances, beginning of year	<u>140,651</u>	<u>140,651</u>	<u>140,651</u>	<u>-</u>
Fund balances, end of year	<u>\$ 4,801</u>	<u>\$ 40,801</u>	<u>\$ 139,297</u>	<u>\$ 98,496</u>



CITY OF NORTH RIDGEVILLE, OHIO  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2012

	Police Levy Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Property and other local taxes	\$ 1,241,375	\$ 1,241,375	\$ 1,232,251	\$ (9,124)
Intergovernmental revenue	183,000	183,000	191,914	8,914
Interest	200	200	518	318
Total revenues	<u>1,424,575</u>	<u>1,424,575</u>	<u>1,424,683</u>	<u>108</u>
Expenditures				
Current				
Security of persons and property				
Personal services	1,500,670	1,500,670	1,466,582	34,088
Contractual services	20,500	20,500	20,195	305
Total expenditures	<u>1,521,170</u>	<u>1,521,170</u>	<u>1,486,777</u>	<u>34,393</u>
Excess (deficiency) of revenues over expenditures	(96,595)	(96,595)	(62,094)	34,501
Prior year encumbrances	-	-	-	-
Fund balances, beginning of year	<u>98,775</u>	<u>98,775</u>	<u>98,775</u>	<u>-</u>
Fund balances, end of year	<u>\$ 2,180</u>	<u>\$ 2,180</u>	<u>\$ 36,681</u>	<u>\$ 34,501</u>

CITY OF NORTH RIDGEVILLE, OHIO  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2012

	Police Pension Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Property and other local taxes	\$ 191,986	\$ 191,986	\$ 189,877	\$ (2,109)
Intergovernmental revenue	27,500	27,500	33,965	6,465
Interest	100	100	28	(72)
Total revenues	<u>219,586</u>	<u>219,586</u>	<u>223,870</u>	<u>4,284</u>
Expenditures				
Current				
Security of persons and property				
Personal services	225,000	224,900	224,000	900
Contractual services	3,300	3,400	3,354	46
Total expenditures	<u>228,300</u>	<u>228,300</u>	<u>227,354</u>	<u>946</u>
Excess (deficiency) of revenues over expenditures	(8,714)	(8,714)	(3,484)	5,230
Prior year encumbrances	-	-	-	-
Fund balances, beginning of year	<u>12,084</u>	<u>12,084</u>	<u>12,084</u>	<u>-</u>
Fund balances, end of year	<u>\$ 3,370</u>	<u>\$ 3,370</u>	<u>\$ 8,600</u>	<u>\$ 5,230</u>

CITY OF NORTH RIDGEVILLE, OHIO  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2012

	Law Enforcement Trust Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Interest	\$ -	\$ -	\$ 23	\$ 23
Miscellaneous	4,400	3,600	3,596	(4)
Total revenues	<u>4,400</u>	<u>3,600</u>	<u>3,619</u>	<u>19</u>
Expenditures				
Current				
Security of persons and property				
Materials and supplies	600	600	556	44
Capital outlay	10,180	10,180	9,755	425
Total expenditures	<u>10,780</u>	<u>10,780</u>	<u>10,311</u>	<u>469</u>
Excess (deficiency) of revenues over expenditures	(6,380)	(7,180)	(6,692)	488
Prior year encumbrances	3,280	3,280	3,280	-
Fund balances, beginning of year	<u>4,863</u>	<u>4,863</u>	<u>4,863</u>	<u>-</u>
Fund balances, end of year	<u>\$ 1,763</u>	<u>\$ 963</u>	<u>\$ 1,451</u>	<u>\$ 488</u>

CITY OF NORTH RIDGEVILLE, OHIO  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2012

	Local Law Enforcement Assistance Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Miscellaneous	\$ -	\$ -	\$ 26	\$ 26
Total revenues	-	-	26	26
Expenditures				
Current				
Security of persons and property				
Personal services	10,000	10,000	-	10,000
Total expenditures	10,000	10,000	-	10,000
Excess (deficiency) of revenues over expenditures	(10,000)	(10,000)	26	10,026
Prior year encumbrances	-	-	-	-
Fund balances, beginning of year	10,731	10,731	10,731	-
Fund balances, end of year	<u>\$ 731</u>	<u>\$ 731</u>	<u>\$ 10,757</u>	<u>\$ 10,026</u>

CITY OF NORTH RIDGEVILLE, OHIO  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2012

	Drug Law Enforcement Trust Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Fines, licenses, and permits	\$ 2,000	\$ 1,500	\$ 1,567	\$ 67
Interest	-	-	9	9
Total revenues	<u>2,000</u>	<u>1,500</u>	<u>1,576</u>	<u>76</u>
Expenditures				
Current				
Security of persons and property				
Materials and supplies	5,813	5,813	1,988	3,825
Other	200	200	195	5
Total expenditures	<u>6,013</u>	<u>6,013</u>	<u>2,183</u>	<u>3,830</u>
Excess (deficiency) of revenues over expenditures	(4,013)	(4,513)	(607)	3,906
Prior year encumbrances	1,013	1,013	1,013	-
Fund balances, beginning of year	<u>3,664</u>	<u>3,664</u>	<u>3,664</u>	<u>-</u>
Fund balances, end of year	<u>\$ 664</u>	<u>\$ 164</u>	<u>\$ 4,070</u>	<u>\$ 3,906</u>

CITY OF NORTH RIDGEVILLE, OHIO  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2012

	DUI Enforcement and Education Trust Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Fines, licenses, and permits	\$ 10,000	\$ 13,000	\$ 15,355	\$ 2,355
Interest	200	200	133	(67)
Total revenues	<u>10,200</u>	<u>13,200</u>	<u>15,488</u>	<u>2,288</u>
Expenditures				
Current				
Security of persons and property				
Materials and supplies	15,000	15,000	-	15,000
Other	5,000	5,000	-	5,000
Total expenditures	<u>20,000</u>	<u>20,000</u>	<u>-</u>	<u>20,000</u>
Excess (deficiency) of revenues over expenditures	(9,800)	(6,800)	15,488	22,288
Prior year encumbrances	-	-	-	-
Fund balances, beginning of year	<u>48,499</u>	<u>48,499</u>	<u>48,499</u>	<u>-</u>
Fund balances, end of year	<u>\$ 38,699</u>	<u>\$ 41,699</u>	<u>\$ 63,987</u>	<u>\$ 22,288</u>

CITY OF NORTH RIDGEVILLE, OHIO  
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CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2012

	Clerk of Courts Computer Service Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Interest	\$ 400	\$ 400	\$ 349	\$ (51)
Miscellaneous	12,000	24,000	27,629	3,629
Total revenues	<u>12,400</u>	<u>24,400</u>	<u>27,978</u>	<u>3,578</u>
Expenditures				
Current				
Security of persons and property				
Materials and supplies	5,000	5,500	4,109	1,391
Capital outlay	50,000	46,000	-	46,000
Other	2,000	5,500	4,646	854
Total expenditures	<u>57,000</u>	<u>57,000</u>	<u>8,755</u>	<u>48,245</u>
Excess (deficiency) of revenues over expenditures	(44,600)	(32,600)	19,223	51,823
Prior year encumbrances	-	-	-	-
Fund balances, beginning of year	<u>136,363</u>	<u>136,363</u>	<u>136,363</u>	<u>-</u>
Fund balances, end of year	<u>\$ 91,763</u>	<u>\$ 103,763</u>	<u>\$ 155,586</u>	<u>\$ 51,823</u>

CITY OF NORTH RIDGEVILLE, OHIO  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2012

	Court Computerization Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Fines, licenses, and permits	\$ 10,000	\$ 10,000	\$ 11,841	\$ 1,841
Interest	500	500	313	(187)
Total revenues	<u>10,500</u>	<u>10,500</u>	<u>12,154</u>	<u>1,654</u>
Expenditures				
General government				
Capital outlay	50,000	50,000	-	50,000
Total expenditures	<u>50,000</u>	<u>50,000</u>	<u>-</u>	<u>50,000</u>
Excess (deficiency) of revenues over expenditures	(39,500)	(39,500)	12,154	51,654
Prior year encumbrances	-	-	-	-
Fund balances, beginning of year	<u>124,097</u>	<u>124,097</u>	<u>124,097</u>	<u>-</u>
Fund balances, end of year	<u><u>\$ 84,597</u></u>	<u><u>\$ 84,597</u></u>	<u><u>\$ 136,251</u></u>	<u><u>\$ 51,654</u></u>



CITY OF NORTH RIDGEVILLE, OHIO  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2012

	Fire Levy Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Property and other local taxes	\$ 1,208,153	\$ 1,200,553	\$ 1,200,657	\$ 104
Intergovernmental revenue	179,700	186,700	186,994	294
Interest	400	500	634	134
Miscellaneous	100	-	-	-
Total revenues	<u>1,388,353</u>	<u>1,387,753</u>	<u>1,388,285</u>	<u>532</u>
Expenditures				
Current				
Security of persons and property				
Personal services	1,553,390	1,553,790	1,532,262	21,528
Contractual services	20,000	20,000	19,677	323
Capital outlay	88,000	88,000	88,000	-
Total expenditures	<u>1,661,390</u>	<u>1,661,790</u>	<u>1,639,939</u>	<u>21,851</u>
Excess (deficiency) of revenues over expenditures	(273,037)	(274,037)	(251,654)	22,383
Prior year encumbrances	88,000	88,000	88,000	-
Fund balances, beginning of year	<u>187,771</u>	<u>187,771</u>	<u>187,771</u>	<u>-</u>
Fund balances, end of year	<u>\$ 2,734</u>	<u>\$ 1,734</u>	<u>\$ 24,117</u>	<u>\$ 22,383</u>

CITY OF NORTH RIDGEVILLE, OHIO  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2012

	Fire Pension Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Property and other local taxes	\$ 191,986	\$ 191,986	\$ 189,877	\$ (2,109)
Intergovernmental revenue	27,500	27,500	33,965	6,465
Interest	100	100	116	16
Total revenues	<u>219,586</u>	<u>219,586</u>	<u>223,958</u>	<u>4,372</u>
Expenditures				
Current				
Security of persons and property				
Personal services	245,000	244,900	230,000	14,900
Contractual services	3,300	3,400	3,354	46
Total expenditures	<u>248,300</u>	<u>248,300</u>	<u>233,354</u>	<u>14,946</u>
Excess (deficiency) of revenues over expenditures	(28,714)	(28,714)	(9,396)	19,318
Prior year encumbrances	-	-	-	-
Fund balances, beginning of year	<u>33,670</u>	<u>33,670</u>	<u>33,670</u>	<u>-</u>
Fund balances, end of year	<u>\$ 4,956</u>	<u>\$ 4,956</u>	<u>\$ 24,274</u>	<u>\$ 19,318</u>

CITY OF NORTH RIDGEVILLE, OHIO  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2012

	Paramedic Levy Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Property and other local taxes	\$ 1,114,286	\$ 1,105,786	\$ 1,105,866	\$ 80
Intergovernmental revenue	16,400	172,100	172,231	131
Interest	350	350	388	38
Total revenues	<u>1,131,036</u>	<u>1,278,236</u>	<u>1,278,485</u>	<u>249</u>
Expenditures				
Current				
Security of persons and property				
Personal services	1,238,492	1,285,972	1,221,974	63,998
Materials and supplies	29,262	17,882	15,144	2,738
Contractual services	22,924	22,924	21,362	1,562
Capital outlay	10,850	10,850	10,850	-
Other	21,400	25,500	15,841	9,659
Total expenditures	<u>1,322,928</u>	<u>1,363,128</u>	<u>1,285,171</u>	<u>77,957</u>
Excess (deficiency) of revenues over expenditures	(191,892)	(84,892)	(6,686)	78,206
Prior year encumbrances	3,708	3,708	3,708	-
Fund balances, beginning of year	<u>83,739</u>	<u>83,739</u>	<u>83,739</u>	<u>-</u>
Fund balances, end of year	<u>\$ (104,445)</u>	<u>\$ 2,555</u>	<u>\$ 80,761</u>	<u>\$ 78,206</u>

CITY OF NORTH RIDGEVILLE, OHIO  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2012

	Ambulance Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Charges for services	\$ 550,000	\$ 586,200	\$ 634,008	\$ 47,808
Interest	2,000	800	1,023	223
Total revenues	<u>552,000</u>	<u>587,000</u>	<u>635,031</u>	<u>48,031</u>
Expenditures				
Current				
Security of persons and property				
Personal services	274,570	280,240	275,643	4,597
Materials and supplies	46,117	42,777	32,112	10,665
Contractual services	377,109	377,009	309,519	67,490
Capital outlay	15,000	15,000	13,887	1,113
Other	13,200	16,070	7,213	8,857
Total expenditures	<u>725,996</u>	<u>731,096</u>	<u>638,374</u>	<u>92,722</u>
Excess (deficiency) of revenues over expenditures	(173,996)	(144,096)	(3,343)	140,753
Prior year encumbrances	73,485	73,485	73,485	-
Fund balances, beginning of year	<u>330,015</u>	<u>330,015</u>	<u>330,015</u>	<u>-</u>
Fund balances, end of year	<u>\$ 229,504</u>	<u>\$ 259,404</u>	<u>\$ 400,157</u>	<u>\$ 140,753</u>

CITY OF NORTH RIDGEVILLE, OHIO  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2012

	State and Other Grants Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Intergovernmental revenue	\$ 325,500	\$ 10,142	\$ 10,142	\$ -
Total revenues	<u>325,500</u>	<u>10,142</u>	<u>10,142</u>	<u>-</u>
Expenditures				
Current				
General government				
Materials and supplies	85,200	85,200	59,355	25,845
Capital outlay	320,000	-	-	-
Total expenditures	<u>405,200</u>	<u>85,200</u>	<u>59,355</u>	<u>25,845</u>
Excess (deficiency) of revenues over expenditures	(79,700)	(75,058)	(49,213)	25,845
Prior year encumbrances	-	-	-	-
Fund balances, beginning of year	<u>158,042</u>	<u>158,042</u>	<u>158,042</u>	<u>-</u>
Fund balances, end of year	<u>\$ 78,342</u>	<u>\$ 82,984</u>	<u>\$ 108,829</u>	<u>\$ 25,845</u>

CITY OF NORTH RIDGEVILLE, OHIO  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2012

	Federal Grants Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Intergovernmental revenue	\$ 1,010,879	\$ 657,979	\$ 746,893	\$ 88,914
Miscellaneous	10,000	10,000	11,042	1,042
Total revenues	<u>1,020,879</u>	<u>667,979</u>	<u>757,935</u>	<u>89,956</u>
Expenditures				
Current				
Transportation				
Contractual services	438,779	358,779	339,931	18,848
General government				
Contractual services	690,060	625,060	538,638	86,422
Total expenditures	<u>1,128,839</u>	<u>983,839</u>	<u>878,569</u>	<u>105,270</u>
Excess (deficiency) of revenues over expenditures	<u>(107,960)</u>	<u>(315,860)</u>	<u>(120,634)</u>	<u>195,226</u>
Other financing sources (uses)				
Advances-in	100,000	250,000	250,000	-
Advances-out	<u>(430,000)</u>	<u>(351,211)</u>	<u>(351,211)</u>	<u>-</u>
Total other financing sources (uses)	<u>(330,000)</u>	<u>(101,211)</u>	<u>(101,211)</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	(437,960)	(417,071)	(221,845)	195,226
Prior year encumbrances	308,260	308,260	308,260	-
Fund balances, beginning of year	<u>135,705</u>	<u>135,705</u>	<u>135,705</u>	<u>-</u>
Fund balances, end of year	<u>\$ 6,005</u>	<u>\$ 26,894</u>	<u>\$ 222,120</u>	<u>\$ 195,226</u>

CITY OF NORTH RIDGEVILLE, OHIO  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2012

	Cemetery Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Charges for services	\$ 21,000	\$ 31,000	\$ 31,850	\$ 850
Interest	1,000	400	433	33
Miscellaneous	-	200	225	25
Total revenues	<u>22,000</u>	<u>31,600</u>	<u>32,508</u>	<u>908</u>
Expenditures				
Current				
Public health and welfare				
Materials and supplies	4,500	4,260	2,582	1,678
Contractual services	4,200	4,200	660	3,540
Capital outlay	2,000	2,000	-	2,000
Other	10,000	10,240	240	10,000
Total expenditures	<u>20,700</u>	<u>20,700</u>	<u>3,482</u>	<u>17,218</u>
Excess (deficiency) of revenues over expenditures	1,300	10,900	29,026	18,126
Prior year encumbrances	-	-	-	-
Fund balances, beginning of year	<u>165,171</u>	<u>165,171</u>	<u>165,171</u>	<u>-</u>
Fund balances, end of year	<u>\$ 166,471</u>	<u>\$ 176,071</u>	<u>\$ 194,197</u>	<u>\$ 18,126</u>

CITY OF NORTH RIDGEVILLE, OHIO  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2012

	Park and Recreation Trust Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Charges for services	\$ 130,000	\$ 143,000	\$ 146,618	\$ 3,618
Interest	500	300	343	43
Miscellaneous	-	500	500	-
Total revenues	<u>130,500</u>	<u>143,800</u>	<u>147,461</u>	<u>3,661</u>
Expenditures				
Current				
Leisure time activities				
Personal services	4,310	4,310	4,064	246
Materials and supplies	27,500	25,040	21,796	3,244
Contractual services	58,400	56,200	37,857	18,343
Other	63,745	68,405	54,719	13,686
Total expenditures	<u>153,955</u>	<u>153,955</u>	<u>118,436</u>	<u>35,519</u>
Excess (deficiency) of revenues over expenditures	(23,455)	(10,155)	29,025	39,180
Prior year encumbrances	3,645	3,645	3,645	-
Fund balances, beginning of year	<u>111,386</u>	<u>111,386</u>	<u>111,386</u>	<u>-</u>
Fund balances, end of year	<u>\$ 91,576</u>	<u>\$ 104,876</u>	<u>\$ 144,056</u>	<u>\$ 39,180</u>



CITY OF NORTH RIDGEVILLE, OHIO  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2012

	Park and Recreation Improvement Fund			Variance w ith Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Fines, licenses, and permits	\$ 40,000	\$ 59,000	\$ 62,250	\$ 3,250
Interest	500	300	379	79
Miscellaneous	-	7,200	7,695	495
Total revenues	<u>40,500</u>	<u>66,500</u>	<u>70,324</u>	<u>3,824</u>
Expenditures				
Current				
Leisure time activities				
Capital outlay	50,000	61,000	40,205	20,795
Total expenditures	<u>50,000</u>	<u>61,000</u>	<u>40,205</u>	<u>20,795</u>
Excess (deficiency) of revenues over expenditures	(9,500)	5,500	30,119	24,619
Prior year encumbrances	-	-	-	-
Fund balances, beginning of year	<u>132,438</u>	<u>132,438</u>	<u>132,438</u>	<u>-</u>
Fund balances, end of year	<u>\$ 122,938</u>	<u>\$ 137,938</u>	<u>\$ 162,557</u>	<u>\$ 24,619</u>

CITY OF NORTH RIDGEVILLE, OHIO  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2012

	Senior Citizens Title III Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Intergovernmental	\$ 15,995	\$ 13,095	\$ 14,754	\$ 1,659
Interest	5	5	13	8
Total revenues	<u>16,000</u>	<u>13,100</u>	<u>14,767</u>	<u>1,667</u>
Expenditures				
Current				
Public health and welfare				
Personal services	21,940	19,640	14,715	4,925
Total expenditures	<u>21,940</u>	<u>19,640</u>	<u>14,715</u>	<u>4,925</u>
Excess (deficiency) of revenues over expenditures	(5,940)	(6,540)	52	6,592
Prior year encumbrances	-	-	-	-
Fund balances, beginning of year	<u>7,659</u>	<u>7,659</u>	<u>7,659</u>	<u>-</u>
Fund balances, end of year	<u>\$ 1,719</u>	<u>\$ 1,119</u>	<u>\$ 7,711</u>	<u>\$ 6,592</u>

CITY OF NORTH RIDGEVILLE, OHIO  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2012

	General Obligation Bond Retirement Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
TIF assessments	\$ 30,050	\$ 109,521	\$ 109,540	\$ 19
Interest	50	50	80	30
Total revenues	<u>30,100</u>	<u>109,571</u>	<u>109,620</u>	<u>49</u>
Expenditures				
Current				
General government				
Other	70,584	147,019	147,019	-
Debt service				
Principal	20,000	20,000	20,000	-
Interest and fiscal charges	15,685	16,161	16,121	40
Total expenditures	<u>106,269</u>	<u>183,180</u>	<u>183,140</u>	<u>40</u>
Excess (deficiency) of revenues over expenditures	(76,169)	(73,609)	(73,520)	89
Prior year encumbrances	-	-	-	-
Fund balance, beginning of year	<u>94,592</u>	<u>94,592</u>	<u>94,592</u>	<u>-</u>
Fund balances, end of year	<u>\$ 18,423</u>	<u>\$ 20,983</u>	<u>\$ 21,072</u>	<u>\$ 89</u>

CITY OF NORTH RIDGEVILLE, OHIO  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2012

	Special Assessment Bond Retirement Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Special assessments	\$ 30,950	\$ 35,850	\$ 35,884	\$ 34
Interest	250	250	374	124
Total revenues	<u>31,200</u>	<u>36,100</u>	<u>36,258</u>	<u>158</u>
Expenditures				
Debt service				
Principal	25,000	25,000	25,000	-
Interest and fiscal charges	6,100	6,100	5,737	363
Total expenditures	<u>31,100</u>	<u>31,100</u>	<u>30,737</u>	<u>363</u>
Excess (deficiency) of revenues over expenditures	100	5,000	5,521	521
Prior year encumbrances	-	-	-	-
Fund balance, beginning of year	<u>142,978</u>	<u>142,978</u>	<u>142,978</u>	<u>-</u>
Fund balances, end of year	<u>\$ 143,078</u>	<u>\$ 147,978</u>	<u>\$ 148,499</u>	<u>\$ 521</u>

CITY OF NORTH RIDGEVILLE, OHIO  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2012

	Issue II Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Intergovernmental revenue	\$ 1,405,537	\$ 569,416	\$ 569,416	\$ -
Total revenues	<u>1,405,537</u>	<u>569,416</u>	<u>569,416</u>	<u>-</u>
Expenditures				
Capital outlay	1,503,577	623,116	623,116	-
Total expenditures	<u>1,503,577</u>	<u>623,116</u>	<u>623,116</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>(98,040)</u>	<u>(53,700)</u>	<u>(53,700)</u>	<u>-</u>
Other financing sources (uses)				
Note proceeds	98,040	53,700	53,700	-
Total other financing sources (uses)	<u>98,040</u>	<u>53,700</u>	<u>53,700</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	-	-	-	-
Prior year encumbrances	-	-	-	-
Fund balances, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF NORTH RIDGEVILLE, OHIO  
SCHEDULE OF REVENUES, EXPENSES AND  
CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2012

	Self-Insurance Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Charges for services	\$ 2,874,000	\$ 2,864,000	\$ 2,872,553	\$ 8,553
Interest income	1,000	1,000	1,292	292
Total revenues	<u>2,875,000</u>	<u>2,865,000</u>	<u>2,873,845</u>	<u>8,845</u>
Expenses				
Other operating expenses	3,120,242	3,115,242	2,630,616	484,626
Total expenses	<u>3,120,242</u>	<u>3,115,242</u>	<u>2,630,616</u>	<u>484,626</u>
Excess (deficiency) of revenues over expenses	(245,242)	(250,242)	243,229	493,471
Prior year encumbrances	190,242	190,242	190,242	-
Fund balances, beginning of year	<u>61,135</u>	<u>61,135</u>	<u>61,135</u>	<u>-</u>
Fund balances, end of year	<u>\$ 6,135</u>	<u>\$ 1,135</u>	<u>\$ 494,606</u>	<u>\$ 493,471</u>

## STATISTICAL SECTION

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

<b>Contents</b>	<b>Page</b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	<b>S 2</b>
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the City's most significant local revenue sources, property tax and municipal income tax.	<b>S 20</b>
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	<b>S 29</b>
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	<b>S 35</b>
<b>Operating Information</b> These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.	<b>S 38</b>

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

City of North Ridgeville, Ohio  
 Net Position by Component  
 Last Ten Years  
*(Accrual Basis of Accounting)*

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Governmental activities				
Net invested in capital assets	\$ 54,512,935	\$ 55,632,130	\$ 56,146,937	\$ 56,582,855
Restricted	7,178,967	5,588,289	5,549,186	5,577,303
Unrestricted	4,918,035	3,748,051	2,062,727	1,729,626
Total governmental activities net position	<u>\$ 66,609,937</u>	<u>\$ 64,968,470</u>	<u>\$ 63,758,850</u>	<u>\$ 63,889,784</u>
Business-type activities				
Net invested in capital assets	\$ 50,767,163	\$ 50,366,964	\$ 50,453,768	\$ 51,390,803
Unrestricted	19,536,260	18,042,812	16,420,797	14,866,702
Total business-type activities net position	<u>\$ 70,303,423</u>	<u>\$ 68,409,776</u>	<u>\$ 66,874,565</u>	<u>\$ 66,257,505</u>
Primary government				
Net invested in capital assets	\$ 105,280,098	\$ 105,999,094	\$ 106,600,705	\$ 107,973,658
Restricted	7,178,967	5,588,289	5,549,186	5,577,303
Unrestricted	24,454,295	21,790,863	18,483,524	16,596,328
Total primary government net position	<u>\$ 136,913,360</u>	<u>\$ 133,378,246</u>	<u>\$ 130,633,415</u>	<u>\$ 130,147,289</u>

**Notes:**

Years 2004 and 2003 have been restated to reflect the effects of prior period adjustments recorded in 2005 and 2004.

Years 2010 through 2003 have been restated to reflect the effects of a prior period adjustments recorded in 2011.



2008	2007	2006	2005	2004	2003
\$ 57,741,872	\$ 56,744,157	\$ 53,758,265	\$ 42,063,301	\$ 35,374,469	\$ 35,918,266
5,741,588	5,789,465	4,285,461	4,442,278	3,585,061	3,721,616
2,467,150	4,514,448	5,494,491	2,765,450	1,524,578	210,131
<u>\$ 65,950,610</u>	<u>\$ 67,048,070</u>	<u>\$ 63,538,217</u>	<u>\$ 49,271,029</u>	<u>\$ 40,484,108</u>	<u>\$ 39,850,013</u>
\$ 50,892,182	\$ 49,678,959	\$ 48,614,828	\$ 42,496,786	\$ 37,810,231	\$ 36,852,258
17,021,198	17,859,134	17,189,627	13,386,101	12,473,264	11,405,636
<u>\$ 67,913,380</u>	<u>\$ 67,538,093</u>	<u>\$ 65,804,455</u>	<u>\$ 55,882,887</u>	<u>\$ 50,283,495</u>	<u>\$ 48,257,894</u>
\$ 108,634,054	\$ 106,423,116	\$ 102,373,093	\$ 84,560,087	\$ 73,184,700	\$ 72,770,524
5,741,588	5,789,465	4,285,461	4,442,278	3,585,061	3,721,616
19,488,348	22,373,582	22,684,118	16,151,551	13,997,842	11,615,767
<u>\$ 133,863,990</u>	<u>\$ 134,586,163</u>	<u>\$ 129,342,672</u>	<u>\$ 105,153,916</u>	<u>\$ 90,767,603</u>	<u>\$ 88,107,907</u>

City of North Ridgeville, Ohio  
Expenses and Program Revenues  
Last Ten Years  
(Accrual Basis of Accounting)

	2012	2011	2010	2009
<b>Expenses</b>				
Governmental activities				
Security of persons and property	\$ 10,673,542	\$ 9,699,133	\$ 10,462,747	\$ 10,642,211
Public health and welfare	442,970	550,435	425,218	438,424
Leisure time activities	417,638	390,554	377,164	426,346
Community environment	1,200,276	1,593,165	1,457,665	1,461,279
Transportation	5,896,752	6,125,333	5,852,535	6,372,633
General government	6,530,544	6,308,755	6,081,311	6,259,737
Interest	228,047	260,588	291,769	321,447
Other operating	-	-	-	-
Total governmental activities expenses	<u>25,389,769</u>	<u>24,927,963</u>	<u>24,948,409</u>	<u>25,922,077</u>
Business-type activities				
Water	3,903,422	3,570,377	3,543,351	3,475,600
Sewer	7,197,260	6,816,986	6,909,990	8,393,945
Total business-type activities expenses	<u>11,100,682</u>	<u>10,387,363</u>	<u>10,453,341</u>	<u>11,869,545</u>
Total primary government expenses	<u>\$ 36,490,451</u>	<u>\$ 35,315,326</u>	<u>\$ 35,401,750</u>	<u>\$ 37,791,622</u>
<b>Program Revenues</b>				
Governmental activities				
Charges for services and sales				
Security of persons and property	\$ 1,265,696	\$ 1,354,143	\$ 1,234,542	\$ 1,261,613
Public health and welfare	32,075	25,290	23,056	27,025
Leisure time activities	217,063	177,407	212,659	195,285
Community environment	648,048	666,022	549,313	608,846
Transportation	-	-	-	-
General government	3,653,678	2,807,739	2,518,662	2,484,044
Operating grants, interest and contributions	1,997,920	2,335,694	2,108,730	2,258,787
Capital grants and contributions	2,215,049	1,969,333	2,147,642	1,870,334
Total governmental activities program revenues	<u>10,029,529</u>	<u>9,335,628</u>	<u>8,794,604</u>	<u>8,705,934</u>
Business-type activities				
Charges for services				
Water	4,390,975	3,623,301	3,806,474	3,181,204
Sewer	6,419,890	5,836,069	5,118,206	4,619,780
Capital grants and contributions	2,136,165	2,401,753	2,050,548	2,159,513
Total business-type program revenues	<u>12,947,030</u>	<u>11,861,123</u>	<u>10,975,228</u>	<u>9,960,497</u>
Total primary government program revenues	<u>\$ 22,976,559</u>	<u>\$ 21,196,751</u>	<u>\$ 19,769,832</u>	<u>\$ 18,666,431</u>

**Notes:**

Years 2004 and 2003 have been restated to reflect the effects of prior period adjustments recorded in 2005 and 2004.

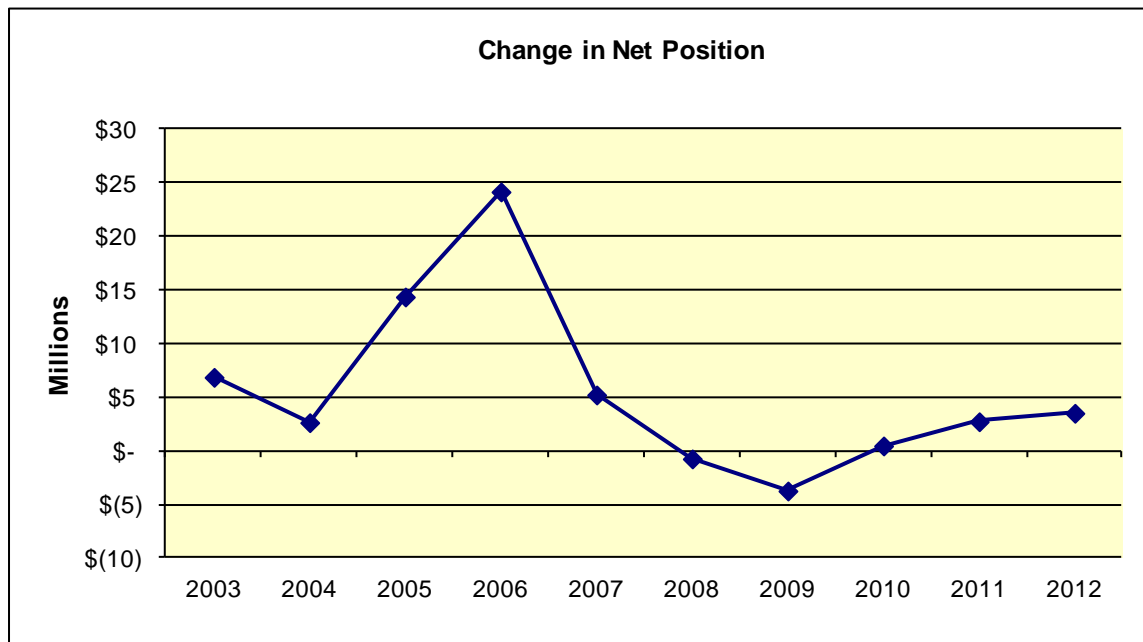
2008	2007	2006	2005	2004	2003
\$ 10,480,106	\$ 9,516,878	\$ 8,370,466	\$ 7,738,519	\$ 7,131,439	\$ 7,582,912
419,527	386,746	359,493	327,045	308,054	322,691
437,223	384,355	370,128	333,742	367,623	361,321
1,573,541	1,439,878	1,384,079	1,208,247	1,184,649	1,162,529
6,388,903	5,596,613	4,557,368	4,516,848	4,662,454	7,186,175
5,747,511	6,536,677	5,387,099	4,657,496	4,258,749	3,780,449
342,242	306,226	350,841	115,712	216,487	421,020
-	-	-	-	91,786	-
<u>25,389,053</u>	<u>24,167,373</u>	<u>20,779,474</u>	<u>18,897,609</u>	<u>18,221,241</u>	<u>20,817,097</u>
3,666,817	3,191,223	3,037,610	2,828,087	2,692,597	2,674,856
7,076,010	6,460,334	6,235,660	5,280,013	5,228,421	4,371,621
<u>10,742,827</u>	<u>9,651,557</u>	<u>9,273,270</u>	<u>8,108,100</u>	<u>7,921,018</u>	<u>7,046,477</u>
<u>\$ 36,131,880</u>	<u>\$ 33,818,930</u>	<u>\$ 30,052,744</u>	<u>\$ 27,005,709</u>	<u>\$ 26,142,259</u>	<u>\$ 27,863,574</u>
\$ 1,171,193	\$ 1,162,188	\$ 343,127	\$ 862,359	\$ 156,765	\$ 368,446
26,360	17,175	46,300	22,240	22,539	28,965
209,039	207,239	195,385	239,182	214,191	193,242
438,324	532,004	732,977	908,381	682,472	669,590
145,633	187,366	234,274	355,950	966,005	228,378
2,058,316	2,225,313	2,064,207	1,432,699	1,440,833	1,725,486
2,084,047	2,741,773	2,283,095	2,228,487	1,661,075	344,822
2,378,816	5,512,773	13,670,417	8,418,961	1,707,417	6,477,132
<u>8,511,728</u>	<u>12,585,831</u>	<u>19,569,782</u>	<u>14,468,259</u>	<u>6,851,297</u>	<u>10,036,061</u>
2,876,563	2,851,335	2,712,571	2,897,841	2,377,185	2,242,054
4,769,719	4,766,393	4,148,040	4,322,741	3,727,977	3,448,258
3,004,039	3,003,730	11,545,108	5,956,054	3,606,568	6,846,291
<u>10,650,321</u>	<u>10,621,458</u>	<u>18,405,719</u>	<u>13,176,636</u>	<u>9,711,730</u>	<u>12,536,603</u>
<u>\$ 19,162,049</u>	<u>\$ 23,207,289</u>	<u>\$ 37,975,501</u>	<u>\$ 27,644,895</u>	<u>\$ 16,563,027</u>	<u>\$ 22,572,664</u>

City of North Ridgeville, Ohio  
 Net (Expense) / Revenue, General Revenues and Total Change in Net Position  
 Last Ten Years  
 (Accrual Basis of Accounting)

	2012	2011	2010	2009
Net (expense) / revenue				
Governmental activities	\$ (15,360,240)	\$ (15,592,335)	\$ (16,153,805)	\$ (17,216,143)
Business-type activities	1,846,348	1,473,760	521,887	(1,909,048)
Total primary government net (expense) revenue	<u>(13,513,892)</u>	<u>(14,118,575)</u>	<u>(15,631,918)</u>	<u>(19,125,191)</u>
General revenues and other changes in net position				
Governmental activities				
Taxes				
Property taxes	6,259,876	6,149,178	5,724,638	5,254,735
Municipal income taxes	8,658,855	8,532,862	7,668,674	7,454,586
Unrestricted grants and entitlements	1,898,510	1,606,460	2,310,187	1,968,859
Investment earnings	28,482	36,882	56,592	184,515
Miscellaneous	155,984	476,573	262,780	292,622
Total governmental activities	<u>17,001,707</u>	<u>16,801,955</u>	<u>16,022,871</u>	<u>15,155,317</u>
Business-type activities				
Investment earnings	47,299	61,451	95,173	253,173
Miscellaneous	-	-	-	-
Total business-type activities	<u>47,299</u>	<u>61,451</u>	<u>95,173</u>	<u>253,173</u>
Change in net position				
Governmental activities	1,641,467	1,209,620	(130,934)	(2,060,826)
Business-type activities	1,893,647	1,535,211	617,060	(1,655,875)
Total primary government	<u>\$ 3,535,114</u>	<u>\$ 2,744,831</u>	<u>\$ 486,126</u>	<u>\$ (3,716,701)</u>

**Notes:**

Years 2004 and 2003 have been restated to reflect the effects of prior period adjustments recorded in 2005 and 2004.



2008	2007	2006	2005	2004	2003
\$ (16,877,325)	\$ (11,581,542)	\$ (1,209,692)	\$ (4,429,350)	\$ (11,369,944)	\$ (10,781,036)
(92,506)	969,901	9,132,449	5,068,536	1,790,712	5,490,126
<u>(16,969,831)</u>	<u>(10,611,641)</u>	<u>7,922,757</u>	<u>639,186</u>	<u>(9,579,232)</u>	<u>(5,290,910)</u>
5,345,345	5,428,764	5,836,564	4,487,783	3,853,427	3,661,533
7,846,955	7,414,000	7,820,157	7,553,084	6,769,677	6,055,356
2,208,505	1,370,833	1,262,355	805,251	1,314,266	2,135,898
339,232	606,740	476,316	220,114	66,669	158,160
39,828	271,058	81,488	150,039	-	17,349
<u>15,779,865</u>	<u>15,091,395</u>	<u>15,476,880</u>	<u>13,216,271</u>	<u>12,004,039</u>	<u>12,028,296</u>
467,793	763,737	789,119	509,592	233,774	149,702
-	-	-	21,264	1,115	-
<u>467,793</u>	<u>763,737</u>	<u>789,119</u>	<u>530,856</u>	<u>234,889</u>	<u>149,702</u>
(1,097,460)	3,509,853	14,267,188	8,786,921	634,095	1,247,260
375,287	1,733,638	9,921,568	5,599,392	2,025,601	5,639,828
<u>\$ (722,173)</u>	<u>\$ 5,243,491</u>	<u>\$ 24,188,756</u>	<u>\$ 14,386,313</u>	<u>\$ 2,659,696</u>	<u>\$ 6,887,088</u>

City of North Ridgeville, Ohio  
 Program Revenues by Function / Program  
 Last Ten Years  
 (Accrual Basis of Accounting)

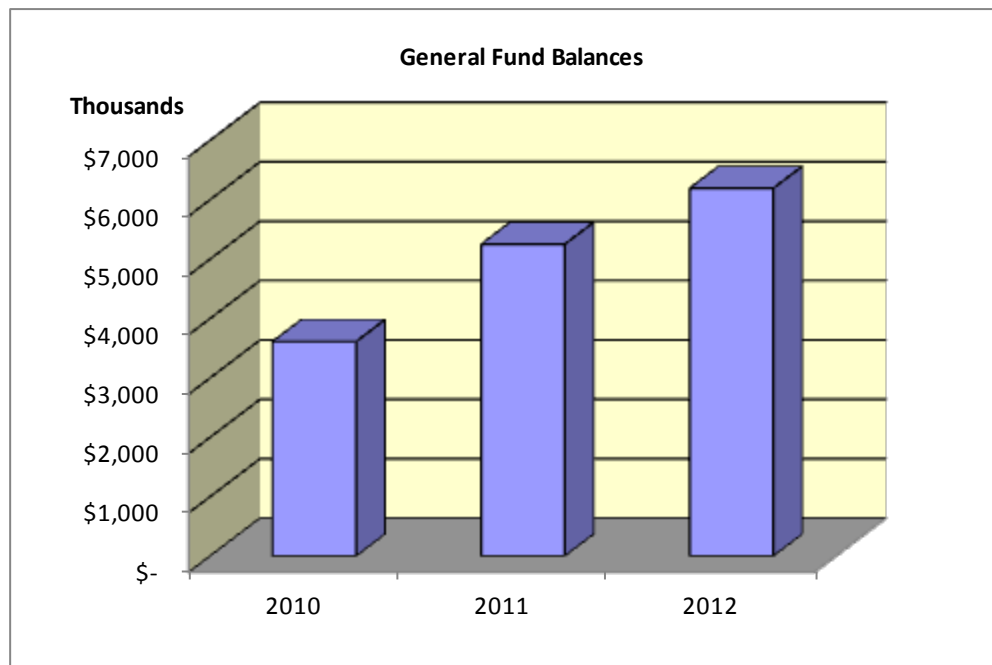
Function / program	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Governmental activities				
Security of persons and property	\$ 1,540,620	\$ 1,354,143	\$ 1,340,100	\$ 1,277,284
Public health and welfare	47,013	42,923	54,365	58,509
Leisure time activities	217,063	227,457	265,066	253,628
Community environment	843,403	1,159,054	794,764	896,070
Transportation	3,704,102	3,618,949	3,688,501	3,621,598
General government	<u>3,677,328</u>	<u>2,933,102</u>	<u>2,651,808</u>	<u>2,598,845</u>
Total governmental activities	<u>10,029,529</u>	<u>9,335,628</u>	<u>8,794,604</u>	<u>8,705,934</u>
Business-type activities				
Water	4,809,743	4,367,670	4,252,962	3,643,556
Sewer	<u>8,137,287</u>	<u>7,493,453</u>	<u>6,722,266</u>	<u>6,316,941</u>
Total business-type activities	<u>12,947,030</u>	<u>11,861,123</u>	<u>10,975,228</u>	<u>9,960,497</u>
Total primary government	<u>\$ 22,976,559</u>	<u>\$ 21,196,751</u>	<u>\$ 19,769,832</u>	<u>\$ 18,666,431</u>

<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
\$ 1,190,283	\$ 1,756,233	\$ 824,129	\$ 919,120	\$ 163,550	\$ 368,446
57,905	50,341	122,541	122,017	22,539	61,468
209,039	217,239	210,635	260,432	214,191	193,242
704,186	812,869	974,345	1,191,056	682,472	669,590
4,150,573	7,418,615	15,254,364	10,412,894	3,724,165	6,615,510
<u>2,199,742</u>	<u>2,330,534</u>	<u>2,183,768</u>	<u>1,562,740</u>	<u>2,044,380</u>	<u>2,127,805</u>
<u>8,511,728</u>	<u>12,585,831</u>	<u>19,569,782</u>	<u>14,468,259</u>	<u>6,851,297</u>	<u>10,036,061</u>
3,488,591	3,804,511	4,916,004	4,871,313	3,646,274	3,964,173
<u>7,161,730</u>	<u>6,816,947</u>	<u>13,489,715</u>	<u>8,305,323</u>	<u>6,065,456</u>	<u>8,572,430</u>
<u>10,650,321</u>	<u>10,621,458</u>	<u>18,405,719</u>	<u>13,176,636</u>	<u>9,711,730</u>	<u>12,536,603</u>
<u>\$ 19,162,049</u>	<u>\$ 23,207,289</u>	<u>\$ 37,975,501</u>	<u>\$ 27,644,895</u>	<u>\$ 16,563,027</u>	<u>\$ 22,572,664</u>

City of North Ridgeville, Ohio  
 Governmental Funds Fund Balances  
 Last Three Years  
 (Modified Accrual Basis of Accounting)

	2012	2011	2010
General Fund			
Nonspendable	\$ 44,700	\$ 45,500	\$ 46,200
Committed	525,940	449,432	315,132
Assigned	3,083,563	75,088	76,639
Unassigned	2,537,627	4,678,328	3,172,829
Total general fund	<u>\$ 6,191,830</u>	<u>\$ 5,248,348</u>	<u>\$ 3,610,800</u>
All Other Governmental Funds			
Nonspendable	\$ 5,000	\$ -	\$ -
Restricted	5,329,506	3,948,918	3,884,216
Unassigned	(78,576)	(25,720)	(152,058)
Total all other governmental funds	<u>\$ 5,255,930</u>	<u>\$ 3,923,198</u>	<u>\$ 3,732,158</u>

The City implemented GASB Statement No. 54 in 2011.



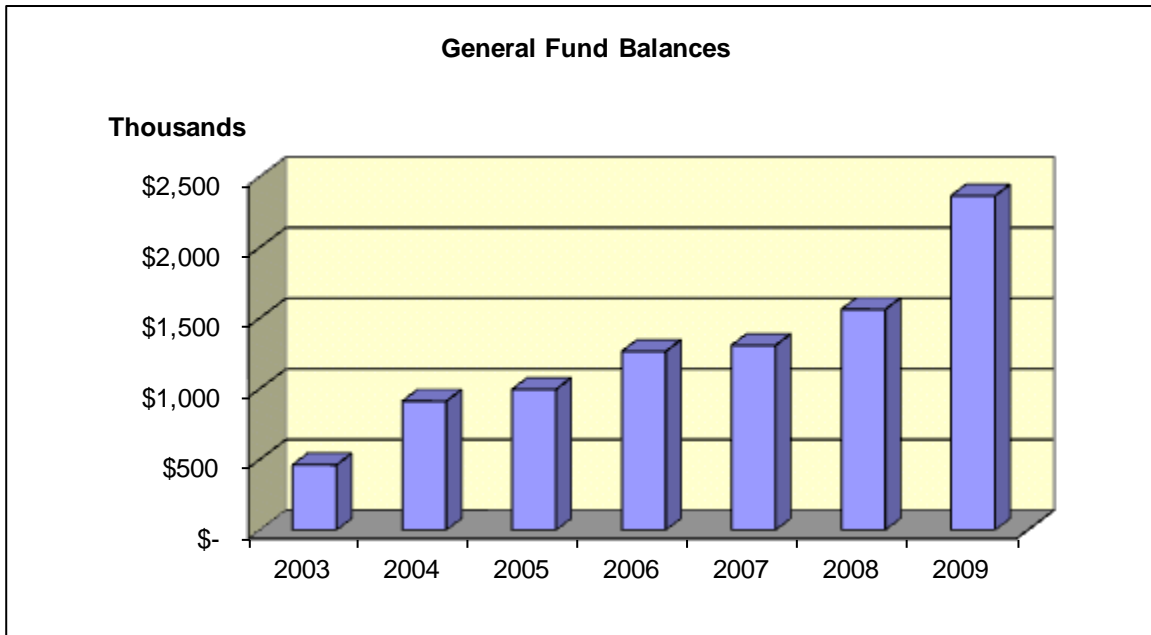


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City of North Ridgeville, Ohio  
 Governmental Funds Fund Balances  
 Last Seven Years  
 (Modified Accrual Basis of Accounting)

	2009	2008	2007	2006
General Fund				
Reserved	\$ 124,217	\$ 463,552	\$ 187,828	\$ 341,046
Unreserved	2,241,155	1,097,996	1,119,230	923,655
Total general fund	<u>\$ 2,365,372</u>	<u>\$ 1,561,548</u>	<u>\$ 1,307,058</u>	<u>\$ 1,264,701</u>
All Other Governmental Funds				
Reserved	\$ 747,984	\$ 1,594,856	\$ 1,164,915	\$ 364,948
Unreserved, reported in				
Special revenue funds	3,975,247	4,939,999	5,779,872	5,081,969
Debt service funds	260,354	235,307	355,320	380,859
Capital projects funds	655,911	677,112	295,657	(744,205)
Total all other governmental funds	<u>\$ 5,639,496</u>	<u>\$ 7,447,274</u>	<u>\$ 7,595,764</u>	<u>\$ 5,083,571</u>

The City implemented GASB Statement No. 54 in 2011.



<u>2005</u>	<u>2004</u>	<u>2003</u>
\$ 180,941	\$ 212,814	\$ 140,677
815,181	699,322	320,729
\$ 996,122	\$ 912,136	\$ 461,406
\$ 210,522	\$ 546,831	\$ 235,177
4,406,893	3,061,846	3,012,263
366,452	397,025	895,364
(1,625,747)	(545,039)	57,368
\$ 3,358,120	\$ 3,460,663	\$ 4,200,172

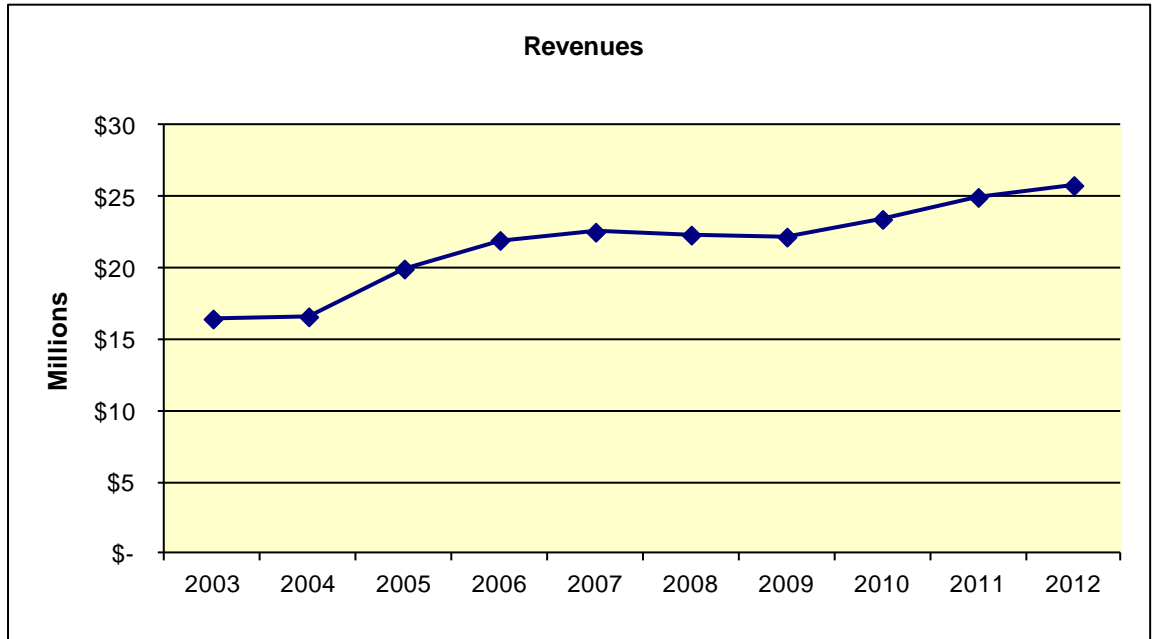
City of North Ridgeville, Ohio  
 Governmental Fund Type – Revenues by Source  
 Last Ten Years  
 (Modified Accrual Basis of Accounting)

	2012	2011	2010	2009
Local taxes				
Municipal income tax	\$ 8,413,555	\$ 8,302,962	\$ 7,751,774	\$ 7,463,586
Property and other taxes	6,217,776	6,157,278	5,548,740	5,321,267
Intergovernmental	5,153,476	4,892,507	5,205,123	4,360,187
Special assessments	145,424	148,018	134,140	138,119
Charges for services	3,681,698	3,111,124	2,971,112	2,836,288
Fines, licenses and permits	1,301,110	1,250,793	1,130,994	1,103,493
Interest	27,190	35,289	54,518	176,180
Miscellaneous	862,307	1,074,511	636,266	795,385
	<u>\$ 25,802,536</u>	<u>\$ 24,972,482</u>	<u>\$ 23,432,667</u>	<u>\$ 22,194,505</u>

Table includes all Governmental Funds

Year 2003 has been restated to reflect the effects of prior period adjustments recorded in 2004.

Source: City financial records



2008	2007	2006	2005	2004	2003
\$ 7,831,255	\$ 7,556,100	\$ 7,425,057	\$ 7,130,884	\$ 6,435,424	\$ 6,318,509
5,436,726	5,416,244	5,824,766	4,297,023	3,865,599	3,667,785
4,525,151	4,397,154	4,568,749	4,296,452	2,846,164	2,794,602
34,417	34,786	32,843	36,703	45,789	235,000
2,238,452	2,148,785	1,647,512	1,562,487	1,476,481	1,483,023
1,119,558	1,422,928	918,930	1,243,039	987,145	888,946
311,718	547,648	429,930	205,070	67,111	130,797
834,266	1,013,344	1,111,073	1,185,464	883,304	936,088
<u>\$ 22,331,543</u>	<u>\$ 22,536,989</u>	<u>\$ 21,958,860</u>	<u>\$ 19,957,122</u>	<u>\$ 16,607,017</u>	<u>\$ 16,454,750</u>

City of North Ridgeville, Ohio  
 Governmental Fund Type – Expenditures by Function  
 Last Ten Years  
 (Modified Accrual Basis of Accounting)

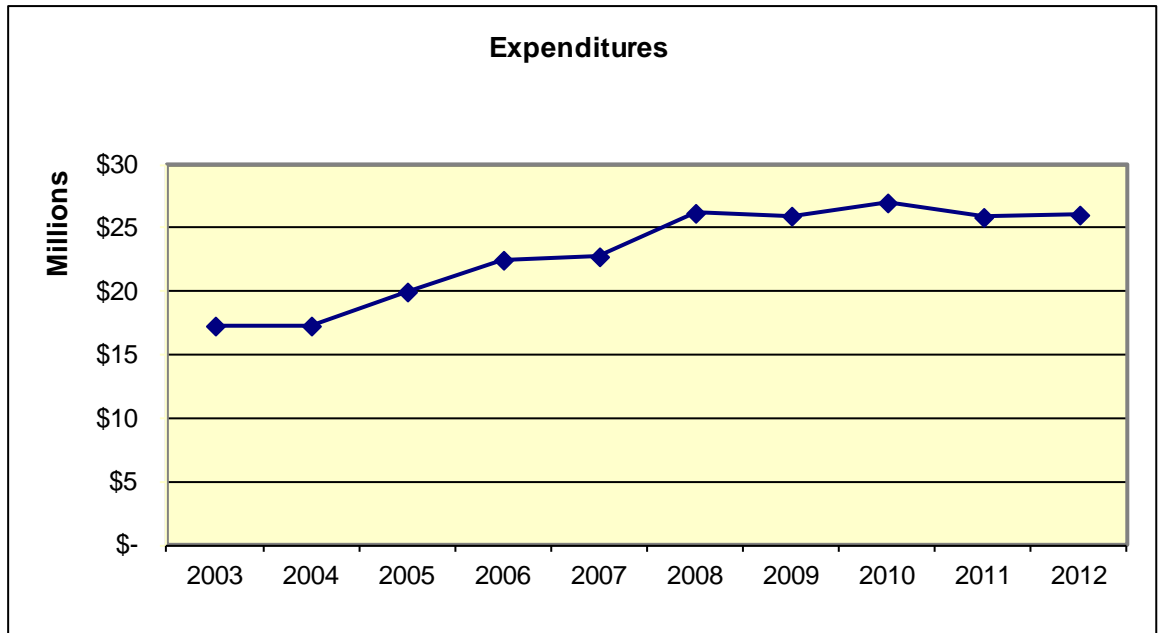
	2012	2011	2010	2009
Current				
Security of persons and property	\$ 10,568,473	\$ 9,949,831	\$ 10,335,970	\$ 10,199,689
Public health and welfare	399,957	415,087	430,594	407,022
Leisure time activities	391,488	368,566	392,533	480,346
Community environment (1)	1,171,310	1,389,032	1,465,810	1,469,339
Transportation	2,686,807	2,803,235	3,015,750	2,370,534
General government	6,253,077	6,567,369	6,438,189	6,034,750
Capital outlay	1,297,825	689,698	1,255,751	3,677,460
Debt service				
Principal	3,016,891	3,389,265	3,357,177	1,016,177
Capital lease	24,707	22,879	3,315	-
Interest and fiscal charges	231,647	262,988	304,569	303,247
	<u>\$ 26,042,182</u>	<u>\$ 25,857,950</u>	<u>\$ 26,999,658</u>	<u>\$ 25,958,564</u>
Debt service as a percentage of noncapital expenditures (2)	<u>14.12%</u>	<u>16.25%</u>	<u>15.83%</u>	<u>6.50%</u>

(1) Included in General government in years previous to 2003.

(2) Comparable data prior to implementation of GASB Statement 34 in fiscal year 2003 is not available to calculate percentage. Table includes all Governmental Funds.

N/AV - not available

Source: City financial records



2008	2007	2006	2005	2004	2003
\$ 9,781,279	\$ 9,300,795	\$ 8,498,652	\$ 7,905,210	\$ 6,989,755	\$ 6,912,480
381,739	363,761	350,511	325,223	296,422	287,622
486,700	501,847	361,135	301,098	335,089	330,359
1,573,541	1,445,378	1,542,750	1,244,413	1,204,651	1,103,637
2,533,352	2,580,163	3,166,563	3,188,942	1,874,993	2,119,863
5,561,610	5,744,122	5,282,896	4,831,549	4,103,322	4,004,255
1,925,852	1,511,396	2,248,312	943,131	635,548	394,446
3,564,928	1,039,594	684,269	1,056,000	1,555,000	1,560,000
-	-	-	-	68,987	146,789
371,542	263,526	345,742	180,113	228,029	431,120
<u>\$ 26,180,543</u>	<u>\$ 22,750,582</u>	<u>\$ 22,480,830</u>	<u>\$ 19,975,679</u>	<u>\$ 17,291,796</u>	<u>\$ 17,290,571</u>
<u>18.19%</u>	<u>8.65%</u>	<u>17.82%</u>	<u>11.88%</u>	<u>12.37%</u>	<u>20.36%</u>

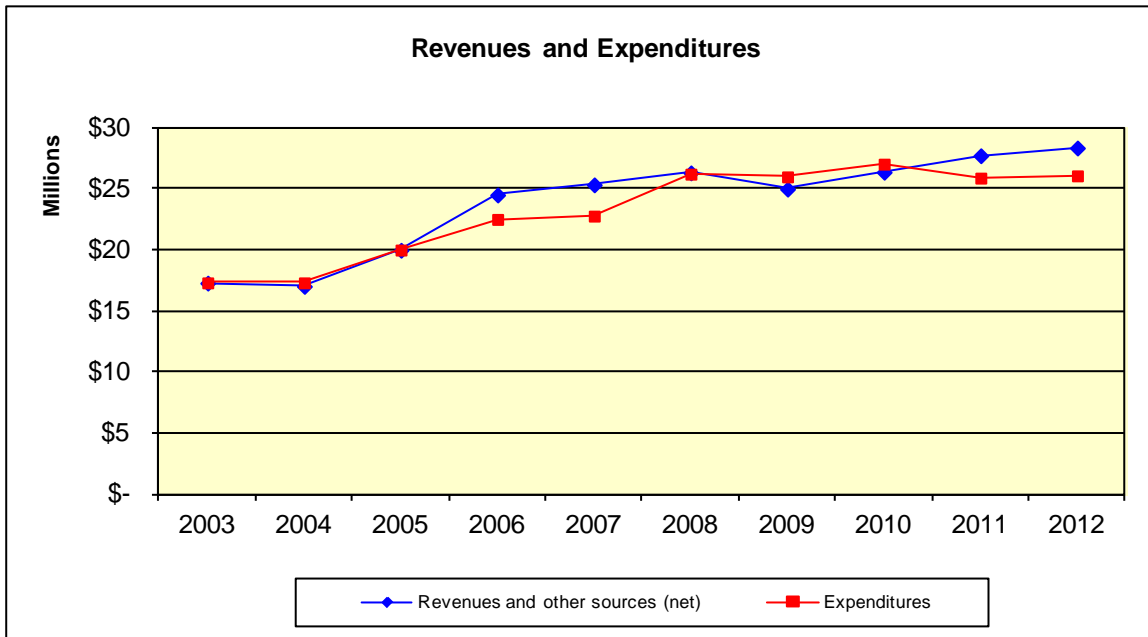
City of North Ridgeville, Ohio  
 Other Financing Sources and Uses and Net Change in Fund Balances - Governmental Funds  
 Last Ten Years  
 (Modified Accrual Basis of Accounting)

	2012	2011	2010	2009
Excess of revenues over (under) expenditures	\$ (239,646)	\$ (885,468)	\$ (3,566,991)	\$ (3,764,059)
Other financing sources (uses)				
Transfers in	1,125,000	1,050,000	6,650,000	8,800,000
Transfers out	(1,125,000)	(1,050,000)	(6,650,000)	(8,800,000)
Proceeds from capital lease	-	-	107,381	-
Issuance of notes and loans	2,515,860	2,714,056	2,797,700	2,755,680
Issuance of bonds	-	-	-	-
Issuance of bonds, refunding	-	-	-	-
Payment to refund bonds escrow	-	-	-	-
Premium on note issue	-	-	-	4,425
Total other financing sources (uses)	<u>2,515,860</u>	<u>2,714,056</u>	<u>2,905,081</u>	<u>2,760,105</u>
Net change in fund balances	<u>\$ 2,276,214</u>	<u>\$ 1,828,588</u>	<u>\$ (661,910)</u>	<u>\$ (1,003,954)</u>

Table includes all Governmental Funds

Year 2003 has been restated to reflect the effects of prior period adjustments recorded in 2004.

Source: City financial records





<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
<u>\$ (3,849,000)</u>	<u>\$ (213,593)</u>	<u>\$ (521,970)</u>	<u>\$ (18,557)</u>	<u>\$ (684,779)</u>	<u>\$ (835,821)</u>
7,600,000	7,732,021	7,122,244	6,362,495	6,542,922	6,895,605
(7,600,000)	(7,732,021)	(7,122,244)	(6,362,495)	(6,542,922)	(6,895,605)
-	-	-	-	-	-
50,000	2,768,143	-	-	396,000	900,000
3,905,000	-	2,516,000	-	-	-
-	-	-	-	-	1,865,000
-	-	-	-	-	(1,950,000)
-	-	-	-	-	-
<u>3,955,000</u>	<u>2,768,143</u>	<u>2,516,000</u>	<u>-</u>	<u>396,000</u>	<u>815,000</u>
<u>\$ 106,000</u>	<u>\$ 2,554,550</u>	<u>\$ 1,994,030</u>	<u>\$ (18,557)</u>	<u>\$ (288,779)</u>	<u>\$ (20,821)</u>

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

Collection Year	Real Property		Public Utility Property		Tangible Personal Property	
	Assessed Value	Estimated Actual Value (1)	Assessed Value	Estimated Actual Value (2)	Assessed Value	Estimated Actual Value (3)
2012	\$ 720,626,020	\$ 2,058,931,485	\$ 10,994,850	\$ 12,494,148	\$ - (4)	\$ -
2011	708,492,680	2,024,264,800	10,455,350	11,881,080	- (4)	-
2010	693,460,692	1,981,316,263	9,801,290	11,137,830	555,529 (4)	2,222,116
2009	711,641,722	2,033,262,063	9,364,430	10,641,398	591,014 (4)	2,364,056
2008	682,070,410	1,948,772,600	9,167,490	10,417,602	5,976,264 (4)	23,905,056
2007	647,273,940	1,849,354,114	12,382,300	14,070,795	12,133,626 (4)	48,534,504
2006	556,194,190	1,589,126,257	12,533,180	14,242,250	16,798,433 (4)	67,193,732
2005	516,494,650	1,475,699,000	13,397,310	15,224,216	27,187,114	108,748,456
2004	479,530,600	1,370,087,429	13,468,230	15,304,807	25,708,440	102,833,760
2003	424,279,770	1,212,227,914	14,029,430	15,942,534	29,101,850	116,407,400

Source: Lorain County Auditor maintained by the County Auditor.

- (1) This amount is calculated based upon an assessed value of 35 percent of actual value.
- (2) This amount is calculated based upon the current assessed value of 88 percent of actual value.
- (3) The amount is calculated based upon an assessed value of 25 percent of actual value.
- (4) Decrease is due to effect of State legislation enacted in June 2005 which phases out over four years from 2006 to 2009 the taxation of personal property. Tangible personal property value in 2009 and 2010 consisted of telephone communications tangible personal property at reduced values.

Total		
Assessed Value	Estimated Actual Value	Total Direct Tax Rate
\$ 731,620,870	\$ 2,071,425,633	\$ 11.71
718,948,030	2,036,145,880	11.71
703,817,511	1,994,676,209	11.71
721,597,166	2,046,267,517	11.71
697,214,164	1,983,095,258	11.95
671,789,866	1,911,959,413	12.06
585,525,803	1,670,562,239	12.36
557,079,074	1,599,671,672	12.56
518,707,270	1,488,225,996	12.36
467,411,050	1,344,577,848	12.41

City of North Ridgeville, Ohio  
Property Tax Rates – Direct and Overlapping Governments  
(Per \$ 1,000 of Assessed Valuation)  
Last Ten Years

Collection Year	City of North Ridgeville					Total Direct Tax Rate
	General Fund		Special Revenue Funds	Debt Service Fund	Agency Fund (2)	
2012	\$ 1.70	(1)	\$ 8.10	-	\$ 1.91	\$ 11.71
2011	1.70	(1)	8.10	-	1.91	11.71
2010	1.70	(1)	8.10	-	1.91	11.71
2009	1.70	(1)	8.10	-	1.91	11.71
2008	1.70	(1)	8.10	0.24	1.91	11.95
2007	1.70	(1)	8.10	0.35	1.91	12.06
2006	1.70	(1)	8.10	0.65	1.91	12.36
2005	1.70	(1)	8.30	0.65	1.91	12.56
2004	1.70	(1)	8.55	0.65	1.46	12.36
2003	1.42		8.83	0.70	1.46	12.41

Source: County Auditor, Lorain County, Ohio

(1) Includes .28 for health previously included with Special revenue funds.

(2) Includes 1.91 in 2005 and later years, and 1.46 in 2000 through 2004 collected and remitted to the Lorain Public Library System.

North Ridgeville City School District	Lorain County	Lorain County Board of Health	Lorain County Joint Vocational School	Total Direct and Overlapping Governments
\$ 44.63	\$ 13.69	\$ 1.00	\$ 2.45	\$ 73.48
44.79	13.69	1.00	2.45	73.64
42.19	13.39	1.00	2.45	70.74
42.01	13.39	1.00	2.45	70.56
42.28	13.39	1.00	2.45	71.07
42.62	13.49	1.00	2.45	71.62
43.92	13.49	1.00	2.45	73.22
44.04	13.19	1.00	2.45	73.24
44.79	12.89	1.00	2.45	73.49
46.47	12.89	1.00	2.45	75.22

City of North Ridgeville, Ohio  
Principal Taxpayers – Real Property Taxpayers  
As of December 31, 2012 and December 31, 2003

December 31, 2012			
Taxpayer	Nature of Business	Assessed Valuation	% of Total Assessed Valuation
R. W. Beckett Corp.	Manufacturer	\$ 7,315,370	1.08%
Ridgeville One LLC	Apartment complex	2,562,810	0.38%
Rini Realty Company	Commercial retail property	2,215,510	0.33%
Invacare Corporation	Manufacturer	1,743,980	0.26%
Lake Ridge Holdings Ltd.	Education	1,538,910	0.23%
Valore Properties Inc.	Commercial developer	1,472,680	0.22%
Talan Limited Liability Company	Animal clinic facility	1,356,500	0.20%
Comprehensive Health Care of Ohio Inc.	Hospital Management	1,239,040	0.18%
Mould Development LLC	Commercial developer	1,142,060	0.17%
Bob Schmitt Homes, Inc.	Residential developer	1,130,270	0.17%

December 31, 2003			
Taxpayer	Nature of Business	Assessed Valuation	% of Total Assessed Valuation
R. W. Beckett Corp.	Manufacturer	\$ 2,713,840	0.58%
Bob Schmitt Homes Inc.	Residential developer	2,483,790	0.53%
Rini Realty Company	Commercial retail property	2,003,330	0.43%
FJD Properties LLC	Residential developer	1,487,810	0.32%
Lake Ridge Holdings Ltd	Nursing home	1,292,740	0.28%
Sugar Chestnut LLC	Residential developer	1,281,610	0.27%
North Ridge Plaza	Commercial retail property	1,046,720	0.22%
Vendome Associates Corp.	Apartment complex	1,043,970	0.22%
Mould Development LLC	Commercial developer	979,660	0.21%
Altercare Inc	Residential health care	930,030	0.20%

Source: County Auditor, Lorain County, Ohio

City of North Ridgeville, Ohio  
Principal Taxpayers – Public Utility  
As of December 31, 2012 and December 31, 2003

December 31, 2012			
Taxpayer	Nature of Business	Assessed Valuation	% of Total Assessed Valuation
Ohio Edison Company (a)	Electric	\$ 6,542,400	0.96%
Columbia Gas of Ohio Inc.	Natural gas	2,063,010	0.30%
Cleveland Electric Illuminating Company (a)	Electric	1,504,470	0.22%
Columbia Gas Transmission	Natural gas	1,164,980	0.17%
American Transmission Systems, Inc. (a)	Electric	787,590	0.12%

December 31, 2003			
Taxpayer	Nature of Business	Assessed Valuation	% of Total Assessed Valuation
Ohio Edison Company (a)	Electric	\$ 4,370,250	0.93%
Alltel Ohio	Communications	3,010,750	0.64%
Cleveland Electric Illuminating Company (a)	Electric	1,246,930	0.27%
American Transmission	Electric	975,150	0.21%
Columbia Gas of Ohio Inc.	Natural gas	960,570	0.21%

Source: County Auditor, Lorain County, Ohio

(a) Subsidiary of First Energy Corp.

City of North Ridgeville, Ohio  
Property Tax Levies and Collections (Real and Public Utilities)  
Last Ten Years

<u>Collection Year</u>	<u>Current Tax Levy</u>	<u>Current Tax Collections</u>	<u>Percent Collected</u>	<u>Delinquent Tax Collections (1)</u>	<u>Total Tax Collections (2)</u>	<u>Percent of Total Collections to Current Tax Levy</u>	<u>Outstanding Delinquent Taxes</u>	<u>Percent of Outstanding Delinquent Taxes to Current Tax Levy</u>
2012	\$ 7,161,094	\$ 6,964,397	97.3%	\$ 184,262	\$ 7,148,659	99.8%	\$ 391,521	5.5%
2011	7,036,233	6,829,000	97.1%	226,828	7,055,828	100.3%	348,873	5.0%
2010	6,375,809	6,126,811	96.1%	230,945	6,357,756	99.7%	310,830	4.9%
2009	6,119,564	5,919,822	96.7%	171,653	6,091,475	99.5%	323,540	5.3%
2008	6,104,669	5,908,865	96.8%	175,465	6,084,330	99.7%	299,019	4.9%
2007	5,925,618	5,730,229	96.7%	170,252	5,900,481	99.6%	286,280	4.8%
2006	5,849,709	5,672,994	97.0%	142,129	5,815,123	99.4%	256,930	4.4%
2005	4,074,073	3,963,648	97.3%	105,337	4,068,985	99.9%	236,931	5.8%
2004	3,559,024	3,456,740	97.1%	102,848	3,559,588	100.0%	150,257	4.2%
2003	3,334,550	3,325,229	99.7%	15,137	3,340,366	100.2%	24,049	0.7%

(1) The County does not identify delinquent collections by the year for which the tax was levied.

(2) Total collections includes prior year delinquencies collected in current year.

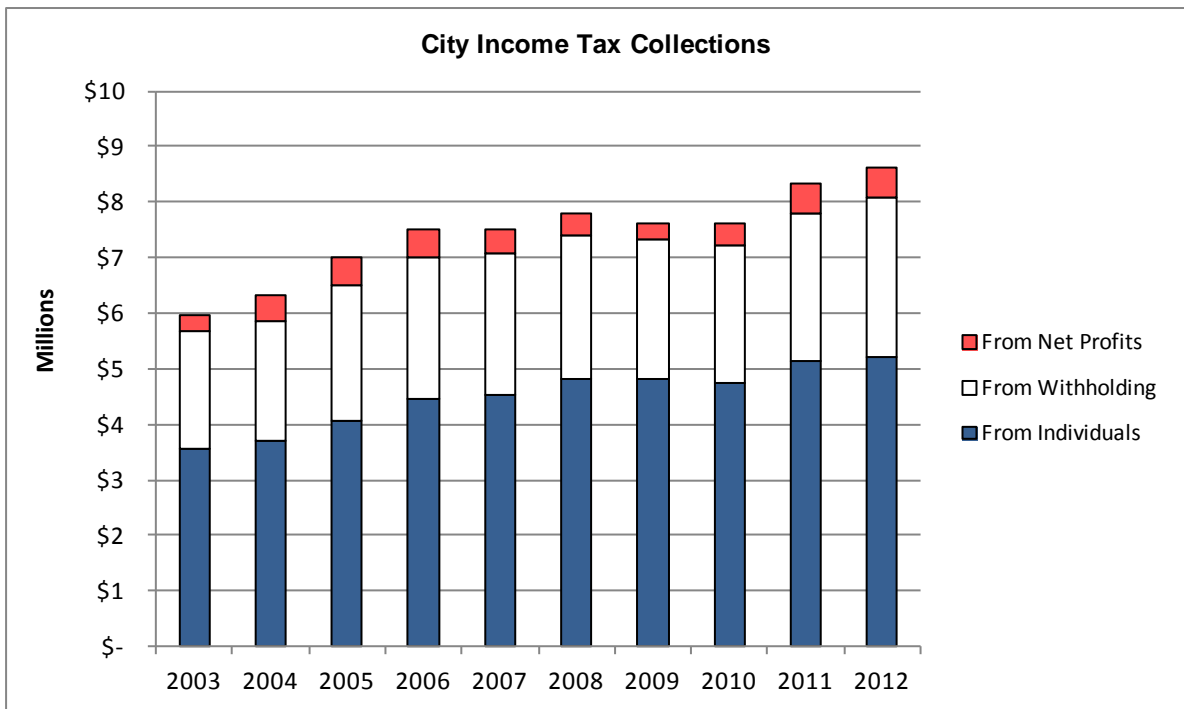


City of North Ridgeville, Ohio  
City Income Tax Collections  
Last Ten Years  
*(Cash Basis of Accounting)*

Collection Year	Total Taxes Collected	From Individuals		From Withholding		From Net Profits	
		\$	%	\$	%	\$	%
2012	\$ 8,622,855	\$ 5,222,599	60.6%	\$ 2,854,160	33.1%	\$ 546,096	6.3%
2011	8,326,062	5,149,286	61.8%	2,660,559	32.0%	516,217	6.2%
2010	7,619,773	4,737,423	62.2%	2,492,438	32.7%	389,912	5.1%
2009	7,614,912	4,810,724	63.2%	2,519,471	33.1%	284,717	3.7%
2008	7,792,580	4,800,969	61.6%	2,617,135	33.6%	374,476	4.8%
2007	7,501,200	4,544,205	60.6%	2,533,997	33.8%	422,998	5.6%
2006	7,502,057	4,455,220	59.4%	2,547,098	34.0%	499,739	6.7%
2005	7,001,723	4,076,610	58.2%	2,423,650	34.6%	501,463	7.2%
2004	6,327,109	3,686,983	58.3%	2,168,591	34.3%	471,535	7.5%
2003	5,950,794	3,561,746	59.9%	2,113,574	35.5%	275,474	4.6%

Note: The City's income tax rate is 1%

Source: City Income Tax Department



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City of North Ridgeville, Ohio  
Ratio of Outstanding Debt by Type  
Last Ten Years

Fiscal Year	Governmental Activities						Total Governmental Activities
	Bond Anticipation Notes	General Obligation Bonds	Special Assessment Bonds	Ohio Public Works Loans	Capital Lease	Loan Payable	
2012	\$ 2,421,000	\$ 3,785,000	\$ 90,000	\$ 848,705	\$ 56,480	\$ 480,000	\$ 7,681,185
2011	2,396,000	4,250,000	115,000	919,596	81,187	445,140	8,206,923
2010	2,546,000	4,950,000	140,000	683,565	104,066	481,380	8,905,011
2009	2,526,000	5,700,000	165,000	739,742	-	229,680	9,360,422
2008	-	6,635,000	190,000	795,919	-	-	7,620,919
2007	2,630,000	3,736,000	214,000	800,847	-	-	7,380,847
2006	1,300,000	4,708,000	238,000	556,298	-	-	6,802,298
2005	1,730,000	2,812,000	263,000	595,567	-	-	5,400,567
2004	1,211,000	3,447,000	288,000	634,837	-	-	5,580,837
2003	900,000	4,077,000	313,000	667,937	68,987	-	6,026,924

Fiscal Year	Business-type Activities							Total Business-type Activities
	Bond Anticipation Notes	General Obligation Bonds	Special Assessment Bonds	Ohio Public Works Loans	Capital Lease	Ohio Water Development Authority Loan	Water Rights ETL-2 Loan	
2012	\$ 1,434,000	\$ 16,885,000	\$ 1,960,000	\$ 63,680	\$ 3,155	\$ 1,614,500	\$ 709,593	\$ 22,669,928
2011	1,659,000	18,370,000	2,060,000	71,831	4,536	1,759,840	735,418	24,660,625
2010	524,000	19,805,000	2,155,000	80,282	5,815	1,899,345	760,284	25,229,726
2009	299,000	21,185,000	2,245,000	88,733	-	2,033,249	782,265	26,633,247
2008	-	22,510,000	2,335,000	97,184	-	2,161,777	782,265	27,886,226
2007	1,200,000	15,270,000	2,420,000	105,635	-	2,285,145	-	21,280,780
2006	-	16,105,682	2,498,318	114,086	-	2,403,560	-	21,121,646
2005	13,825,000	7,835,000	-	122,537	-	2,517,220	-	24,299,757
2004	16,984,000	8,360,000	-	130,988	-	2,626,317	-	28,101,305
2003	6,495,000	8,870,000	-	139,439	-	2,731,034	-	18,235,473

Fiscal Year	Total Primary Government	Percentage of Personal Income (a)	Amount Per Capita (a)
2012	\$ 30,351,113	3.81%	\$ 1,030
2011	32,867,548	4.13%	1,115
2010	34,134,737	4.28%	1,158
2009	35,993,669	7.01%	1,611
2008	35,507,145	6.92%	1,590
2007	28,661,627	5.59%	1,283
2006	27,923,944	5.44%	1,250
2005	29,700,324	5.79%	1,330
2004	33,682,142	6.56%	1,508
2003	24,262,397	4.73%	1,086

(a) See schedule of Demographic Statistics for personal income and population data S 35.

Source: City financial records.

City of North Ridgeville, Ohio  
Ratio of Net General Obligation Bond Debt to Assessed Value  
And Net General Obligation Bonded Debt per Capita  
Last Ten Years

Year	Gross Debt Value (1)	Debt Service Funds Available	Net Bonded Debt	Assessed Value (2)	Population (3)	Ratio of Net Debt to Assessed Value	Net Bonded Debt Per capita
2012	\$ 20,670,000	\$ 21,072	\$ 20,648,928	\$ 731,620,870	29,465	2.82%	\$ 701
2011	22,620,000	94,952	22,525,048	718,948,030	29,465	3.13%	764
2010	24,755,000	189,632	24,565,368	703,817,511	29,465	3.49%	834
2009	26,885,000	121,584	26,763,416	721,597,166	22,338	3.71%	1,198
2008	19,006,000	107,649	18,898,351	697,214,164	22,338	2.71%	846
2007	19,006,000	141,325	18,864,675	671,789,866	22,338	2.81%	845
2006	20,813,682	223,329	20,590,353	587,531,586	22,338	3.50%	922
2005	10,647,000	196,350	10,450,650	557,079,074	22,338	1.88%	468
2004	11,807,000	223,517	11,583,483	518,707,270	22,338	2.23%	519
2003	12,947,000	801,478	12,145,522	467,411,050	22,338	2.60%	544

(1) Amount excludes special assessment bonds and revenue bonds and includes bonds payable from Enterprise revenues.

(2) Source: County Auditor, Lorain County, Ohio; (reflects collection year)

(3) Source: U.S. Bureau of Census

City of North Ridgeville, Ohio  
Direct and Overlapping Governmental Activities Debt  
December 31, 2012

	General Tax Supported Debt Outstanding	Overlapping Percentage Applicable to City (1)	Amount Applicable to City	Amount Per Capita (2)	% of City's Current Assessed Valuation (3)
City of North Ridgeville	\$ 7,680,884	100.00%	\$ 7,680,884	\$ 260.68	1.05%
Lorain County (4)	35,330,000	11.04%	3,900,432	132.38	0.53%
North Ridgeville City Schools (5)	1,275,000	100.00%	1,275,000	43.27	0.17%
Lorain County Joint Vocational School	3,737,105	12.48%	466,391	15.83	0.06%
Subtotal, overlapping debt	<u>40,342,105</u>		<u>5,641,823</u>	<u>191.48</u>	<u>0.76%</u>
Total direct and overlapping debt	<u>\$ 48,022,989</u>		<u>\$ 13,322,707</u>	<u>\$ 452.16</u>	<u>1.81%</u>

(1) Percentages were determined by dividing the assessed valuation at the political subdivision located within the boundaries of the City by the total assessed valuation of the subdivision. The City and North Ridgeville City Schools boundaries are co-terminus.

(2) Based on 2010 Census of 29,465.

(3) The City's assessed valuation was \$ 679,673,330 for collection year 2013 and \$ 731,620,870 for collection year 2012.

(4) Source: County Auditor, Lorain County, Ohio

(5) Source: North Ridgeville Board of Education

City of North Ridgeville, Ohio  
 Computation of Legal Debt Margin  
 Last Ten Years

(Amounts in thousands)

	2012	2011	2010	2009
Assessed value (assessment year)	<u>\$ 679,673</u>	<u>\$ 731,620</u>	<u>\$ 718,948</u>	<u>\$ 703,818</u>
Legal Debt Margin:				
Debt limitation - 10.5 percent of assessed value	<u>\$ 71,366</u>	<u>\$ 76,820</u>	<u>\$ 75,489</u>	<u>\$ 73,900</u>
Debt applicable to limitation				
General obligation bonds	20,670	22,620	24,755	26,885
Special assessment bonds	2,050	2,175	2,295	2,410
Bond anticipation notes	<u>3,855</u>	<u>4,055</u>	<u>3,670</u>	<u>2,825</u>
Gross indebtedness				
Total Voted and Unvoted Debt	<u>26,575</u>	<u>28,850</u>	<u>30,720</u>	<u>32,120</u>
Less: Debt outside limitations				
Self-supporting GO Water	3,465	4,190	4,445	4,910
Self-supporting GO Sewer	14,390	15,375	15,360	16,275
Special assessment	2,960 (a)	3,075 (a)	3,179 (a)	3,278
Tax increment financing	<u>565</u>	<u>605</u>	<u>645</u>	<u>680</u>
Total Debt Outside Limitations	<u>21,380</u>	<u>23,245</u>	<u>23,629</u>	<u>25,143</u>
Total nonexempt debt	5,195	5,605	7,091	6,977
Less: Amount available in debt service fund to pay debt applicable to limitation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net debt within 10.5% limitation	<u>5,195</u>	<u>5,605</u>	<u>7,091</u>	<u>6,977</u>
Debt leeway within 10.5% limitation	<u>\$ 66,171</u>	<u>\$ 71,215</u>	<u>\$ 68,398</u>	<u>\$ 66,923</u>
<hr/>				
Unvoted debt limitation - 5.5% of assessed valuation				
Debt limitation: 5.5% of assessed value	<u>\$ 37,382</u>	<u>\$ 40,239</u>	<u>\$ 39,542</u>	<u>\$ 38,710</u>
Gross indebtedness authorized by City Council	26,575	28,850	30,720	32,120
Less: Debt outside limitations	21,380	23,245	23,629	25,143
Voted debt	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>21,380</u>	<u>23,245</u>	<u>23,629</u>	<u>25,143</u>
Debt within 5.5% limitation	5,195	5,605	7,091	6,977
Less: Amount available in debt service fund to pay debt applicable to limitation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net debt within 5.5% limitation	<u>5,195</u>	<u>5,605</u>	<u>7,091</u>	<u>6,977</u>
Debt leeway within 5.5% unvoted debt limitation	<u>\$ 32,187</u>	<u>\$ 34,634</u>	<u>\$ 32,451</u>	<u>\$ 31,733</u>

(a) Includes property owner's portion of bond anticipation notes to be assessed to property owner.

Source: City Financial Records

2008	2007	2006	2005	2004	2003
<u>\$ 721,597</u>	<u>\$ 697,214</u>	<u>\$ 671,790</u>	<u>\$ 587,532</u>	<u>\$ 557,079</u>	<u>\$ 518,707</u>
<u>\$ 75,767</u>	<u>\$ 73,207</u>	<u>\$ 70,538</u>	<u>\$ 61,691</u>	<u>\$ 58,493</u>	<u>\$ 54,464</u>
29,145	19,006	20,814	10,647	11,807	12,947
2,525	2,634	2,736	263	288	313
-	3,830	1,300	15,555	18,195	7,395
<u>31,670</u>	<u>25,470</u>	<u>24,850</u>	<u>26,465</u>	<u>30,290</u>	<u>20,655</u>
5,345	1,930	840	945	1,050	1,155
17,165	14,540	15,266	16,533	20,066	9,551
2,517	2,623	2,727	4,435	4,505	4,460
775	815	870	900	590	800
<u>25,802</u>	<u>19,908</u>	<u>19,703</u>	<u>22,813</u>	<u>26,211</u>	<u>15,966</u>
5,868	5,562	5,147	3,652	4,079	4,689
-	142	223	196	224	801
<u>5,868</u>	<u>5,420</u>	<u>4,924</u>	<u>3,456</u>	<u>3,855</u>	<u>3,888</u>
<u>\$ 69,899</u>	<u>\$ 67,787</u>	<u>\$ 65,614</u>	<u>\$ 58,235</u>	<u>\$ 54,638</u>	<u>\$ 50,576</u>
<u>\$ 39,687</u>	<u>\$ 38,347</u>	<u>\$ 36,948</u>	<u>\$ 32,314</u>	<u>\$ 30,639</u>	<u>\$ 28,529</u>
31,670	25,470	24,850	26,465	30,290	20,655
25,802	19,908	19,702	22,813	26,211	15,966
-	285	570	855	1,140	1,420
<u>25,802</u>	<u>20,193</u>	<u>20,272</u>	<u>23,668</u>	<u>27,351</u>	<u>17,386</u>
5,868	5,277	4,578	2,797	2,939	3,269
-	-	-	-	31	-
<u>5,868</u>	<u>5,277</u>	<u>4,578</u>	<u>2,797</u>	<u>2,908</u>	<u>3,269</u>
<u>\$ 33,819</u>	<u>\$ 33,070</u>	<u>\$ 32,370</u>	<u>\$ 29,517</u>	<u>\$ 27,731</u>	<u>\$ 25,260</u>

City of North Ridgeville, Ohio  
Pledged Revenue Coverage  
Last Ten Years

	Governmental Activities			
	Special Assessment	Debt Service		Coverage Ratio
	Revenue	Principal	Interest	
2012	\$ 35,884	\$ 25,000	\$ 4,350	1.22
2011	38,870	25,000	5,225	1.29
2010	32,607	25,000	6,037	1.05
2009	37,738	25,000	6,974	1.18
2008	34,417	24,000	7,574	1.09
2007	34,786	24,000	8,814	1.06
2006	32,843	25,000	8,614	0.98
2005	36,703	25,000	9,115	1.08
2004	45,789	25,000	9,490	1.33
2003	55,590	20,000	29,755	1.12

	Business-type Activities			
	Special Assessment	Debt Service		Coverage Ratio
	Revenue	Principal	Interest	
2012	\$ 183,097	\$ 100,000	\$ 91,714	0.96
2011	160,999	95,000	95,514	0.85
2010	179,202	90,000	99,114	0.95
2009	168,733	90,000	102,714	0.88
2008	198,216	85,000	106,114	1.04
2007	193,010	78,318	109,246	1.03
2006	-	-	29,739	-
2005	-	-	-	-
2004	-	-	-	-
2003	-	-	-	-

Source: City Financial Records



City of North Ridgeville, Ohio  
Demographic Statistics  
Last Ten Years

Year	Population (1)	Per Capita Income (1)	Personal Income	Public School Enrollment (2)	Unemployment Rate (3)		
					Metro Area	State	Country
2012	29,465	\$ 27,040	\$ 796,733,600	3,964	7.1%	7.2%	8.1%
2011	29,465	27,040	796,733,600	3,841	7.7%	8.6%	8.9%
2010	29,465	27,040	796,733,600	3,826	9.2%	10.1%	9.6%
2009	22,338	22,971	513,126,198	3,795	9.1%	10.2%	9.3%
2008	22,338	22,971	513,126,198	3,630	6.8%	6.5%	5.8%
2007	22,338	22,971	513,126,198	3,564	6.0%	5.6%	4.6%
2006	22,338	22,971	513,126,198	3,566	5.5%	5.5%	4.6%
2005	22,338	22,971	513,126,198	3,433	5.7%	5.9%	5.1%
2004	22,338	22,971	513,126,198	3,403	5.9%	6.2%	5.5%
2003	22,338	22,971	513,126,198	3,343	6.0%	6.2%	6.0%

Sources: (1) U.S. Department of Census

(2) North Ridgeville Board of Education

(3) Ohio Department of Jobs and Family Services and U.S. Department of Labor and Bureau of Labor Statistics

City of North Ridgeville, Ohio  
Principal Employers  
December 31, 2012 and December 31, 2003

December 31, 2012			
Employer	Nature of Activity or Business	Approximate Number of Employees (1)	Percent of Total
North Ridgeville City School District	Public education	486	4.4%
Invacare Corporation	Manufacturer of wheelchairs	352	3.2%
Beckett Gas, Inc.	Manufacturer of gas burners	230	2.1%
City of North Ridgeville, Ohio	Municipal government	205	1.9%
Center Ridge Nursing Home, Inc.	Skilled nursing home facility	200	1.8%
R. W. Beckett Corporation	Manufacturer of oil burners	200	1.8%
Northridge Health Center aka Altercare, Inc.	Skilled nursing home facility	145	1.3%
JBC Technologies, Inc.	Precision die cutting	136	1.2%
Dreco, Inc.	Manufacturer of plastic products	130	1.2%
Beckett Air, Inc.	Manufacturer of blower wheels	120	1.1%
Total of all employees within the city		11,000	

Source: Hoovers - A D&B Company; respective employers.

December 31, 2003			
Employer	Nature of Activity or Business	Approximate Number of Employees (1)	
North Ridgeville City School District	Public education	440	
Beckett Gas, Inc.	Manufacturer of gas burners	250	
Invacare Corporation	Manufacturer of wheelchairs	200	
City of North Ridgeville, Ohio	Municipal government	200	
R. W. Beckett Corp.	Manufacturer of oil burners	200	
Center Ridge Nursing Home, Inc.	Skilled nursing home facility	175	
Plastic Components, Inc.	Plastic injection manufacturing	150	
Beckett Air, Inc.	Manufacturer of blower wheels	140	
Riser Foods, Inc.	Retail grocery	135	
Lake Ridge Academy	Education	130	
Total of all employees within the city		N/A	

Sources: "2004 Harris Ohio Industrial Directory" and "2004 Harris Ohio Services Directory" in cooperation with the Ohio Department of Development; Lorain County Chamber of Commerce; respective employers.

(1) Approximate number of employees within the City.

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City of North Ridgeville, Ohio  
 Full-Time Equivalent City Government Employees by Function  
 Last Ten Fiscal Years

Function	2012	2011	2010	2009
<b>Security of persons and property</b>				
Police department	50	50	53	51
Fire department	37	37	33	37
Mayor's court	3	3	3	3
<b>Public health and welfare</b>				
Public grounds maintenance	6	6	6	7
Senior center	6	6	6	6
<b>Leisure time activities</b>				
Parks and recreation	3	3	2	3
<b>Transportation</b>				
Street department	20	17	20	20
<b>General government:</b>				
Council	6	6	6	6
Mayor	2	2	2	2
Safety service	2	2	2	2
Legal	3	3	3	3
Finance	6	6	6	6
Income tax	3	3	3	3
Computer services	1	1	2	2
Building	7	6	8	8
Engineering	7	7	8	8
Other	1	0	2	2
<b>Sewer</b>				
Treatment Plant	21	21	22	22
Operations	9	9	7	7
<b>Water</b>				
	<u>12</u>	<u>12</u>	<u>13</u>	<u>14</u>
Total	<u><u>205</u></u>	<u><u>200</u></u>	<u><u>207</u></u>	<u><u>212</u></u>

Source: Various City departments

**Note:** A full-time employee is scheduled to work 2,080 hours per year (including vacation and sick leave). Full-time equivalent of part-time employment is calculated by dividing total labor hours by 2,080.

<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
51	50	48	45	45	45
37	37	34	33	33	33
3	3	3	2	3	3
7	7	7	6	5	5
6	6	6	5	5	4
3	3	3	3	3	3
19	20	18	18	17	17
6	6	6	6	6	6
2	2	2	2	2	2
2	2	2	2	2	2
3	3	3	3	3	3
6	6	6	6	6	5
3	3	3	3	3	3
2	2	2	2	2	2
8	8	8	7	7	7
8	7	7	7	6	6
2	3	1	1	-	-
22	20	19	19	19	19
7	7	7	7	7	7
<u>14</u>	<u>14</u>	<u>13</u>	<u>14</u>	<u>12</u>	<u>13</u>
<u><u>211</u></u>	<u><u>209</u></u>	<u><u>198</u></u>	<u><u>191</u></u>	<u><u>186</u></u>	<u><u>185</u></u>

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

Function/Program	2012	2011	2010	2009
<b>Police</b>				
Dispatch, calls for service	34,439	38,971	36,520	39,078
Physical arrests	7,194	7,418	4,292	4,842
Persons incarcerated	483	434	472	547
Average daily population	2.6	2.7	2.5	2.7
Traffic accidents	576	597	610	546
Parking citations	237	248	162	158
Animal warden, calls for service	670	509	679 (a)	(a)
<b>Fire / EMS</b>				
Emergency responses - EMS	2,488	2,369	2,380	2,111
Persons treated	2,501	2,386	2,372	2,142
Emergency responses - fire	595	577	594	535
Fires extinguished	60	54	71	66
Building fires extinguished	22	24	29	23
<b>Building department</b>				
Building permits issued	2,083	2,582	1,768	1,608
Number of inspections	9,332	8,720	9,568	9,998
Estimated value of construction (thousands of dollars)				
Residential - new	\$ 29,402	\$ 26,926	\$ 29,786	\$ 28,268
Residential - other	\$ 14,846	\$ 13,952	\$ 6,231	\$ 5,666
Commercial - new	\$ 433	\$ 14,076	\$ 1,187	\$ 1,100
Commercial - other	\$ 1,738	\$ 4,405	\$ 1,475	\$ 7,762
Total	<u>\$ 46,419</u>	<u>\$ 59,359</u>	<u>\$ 38,679</u>	<u>\$ 42,796</u>
<b>Engineering department</b>				
Construction plan review - hours	138	188	133	174
Residential lots approved	249	180	236	203
<b>Municipal income tax (year filed)</b>				
Returns filed - individuals	15,217	15,146	14,757	14,387
Returns filed - other	2,222	2,169	2,199	2,149
<b>Park and recreation</b>				
Program participants	7,742	8,036	8,561	7,918
<b>Office of Older Adults</b>				
Meals-on-Wheels, meals served	11,721	10,927	12,021	10,551
Activities, participants	9,222	8,368	8,437	8,222
Transportation, riders	2,280	2,635	2,491	2,802
<b>Water</b>				
New connections	260	194	282	238
Average daily consumption (thousands of gallons)	2,192	2,056	2,190	2,102
Water suppliers	3	3	3	3
Water main breaks	38	40	23	26
<b>Waterw ater</b>				
Average daily flow treated (thousands of gallons)	5,840	6,170	4,585	5,712
Average daily flow treated from North Ridgeville City (thousands of gallons)	3,697	3,508	2,514	2,434
New taps - City	260	194	282	238

Source: Various City departments

(a) Position was vacant in 2009 and part of 2010.

(b) Volume decrease results, in part, from improvements made to remedy outside storm water infiltration.

N/A/V - not available

2008	2007	2006	2005	2004	2003
46,048	42,231	35,810	32,051	31,869	31,827
5,743	5,522	5,138	5,992	5,264	5,580
653	667	675	825	667	654
3.4	3.6	3.3	4.0	3.3	2.8
586	602	580	609	719	634
214	461	264	210	157	274
807	1,270	1,387	1,422	1,368	873
1,998	2,122	1,985	1,878	1,684	1,700
2,004	2,134	2,044	1,935	1,826	1,790
600	544	512	504	505	491
58	63	76	84	76	93
15	12	14	23	16	13
1,792	2,886	2,128	2,174	2,131	1,929
10,190	10,835	12,829	14,524	12,252	9,993
\$ 30,552	\$ 36,662	\$ 47,907	\$ 72,072	\$ 61,497	\$ 50,864
\$ 6,534	\$ 5,752	\$ 6,915	\$ 6,469	\$ 6,374	\$ 6,015
\$ 911	\$ 2,631	\$ 8,023	\$ 3,630	\$ 5,113	\$ 4,488
\$ 1,668	\$ 2,985	\$ 3,850	\$ 3,353	\$ 2,432	\$ 4,539
\$ 39,665	\$ 48,030	\$ 66,695	\$ 85,524	\$ 75,416	\$ 65,906
309	481	561	615	412	170
245	488	1,103	997	963	864
13,465	13,109	12,897	12,049	11,543	11,425
2,031	1,986	1,956	1,781	1,651	1,452
7,424	5,558	4,615	3,623	3,502	3,906
10,590	11,041	10,636	7,682	8,734	NAV
9,731	7,443	6,749	4,879	4,673	NAV
3,089	2,339	2,684	2,221	2,536	NAV
302	300	450	456	528	411
2,117	2,209	2,051	2,118	1,917	1,852
3	3	3	3	3	3
53	30	23	20	24	38
5,890	4,979 (b)	5,762	5,593	4,979	4,391
2,683 (b)	2,815 (b)	2,963	2,939	2,753	2,702
302	305	448	550	545	416

City of North Ridgeville, Ohio  
 Capital Asset Statistics by Function / Program  
 Last Ten Years

Function/Program	2012	2011	2010	2009
<b>Police</b>				
Police stations	1	1	1	1
Vehicles	48	51	43	54
<b>Fire / EMS</b>				
Fire / EMS stations	2	2	2	2
Fire vehicles	8	8	8	8
EMS vehicles	6	5	4	4
<b>Building department</b>				
Vehicles	7	7	7	7
<b>Engineering department</b>				
Vehicles	5	5	5	5
<b>Transportation</b>				
Streets (lane miles)	316	316	313	297
Storm sew ers (miles)	110	108	106	104
Service vehicles	40	41	37	39
<b>Parks and recreation</b>				
City parks	5	5	5	5
Acreage - parks	184	184	184	181
Buildings	5	5	5	4
Baseball / softball fields	13	13	13	13
Football fields	4	4	4	4
Soccer fields	6	6	6	6
<b>City Hall</b>				
City Hall	1	1	1	1
<b>Waterlines (miles)</b>				
Waterlines (miles)	127	127	126	125
<b>Wastew ater</b>				
Treatment plant	1	1	1	1
Sew erlines - City (miles)	121	121	120	119

Source: Various City departments



2008	2007	2006	2005	2004	2003
1	1	1	1	1	1
44	44	44	41	38	43
2	2	2	2	2	2
8	8	7	5	6	6
5	4	4	4	4	4
7	7	7	6	6	6
5	5	6	5	5	5
294	292	287	264	245	238
100	98	92	80	71	66
40	40	37	34	34	35
5	5	5	5	4	4
159	159	159	159	92	92
4	3	3	3	3	3
13	13	13	13	13	13
4	4	4	4	4	4
6	6	6	6	6	6
1	1	1	1	1	1
123	121	120	114	106	99
1	1	1	1	1	1
115	113	112	106	95	91

Front cover portrays a collage of points of interest within the City including City Hall, South Central Park, Safetyville, Olde Town Hall, Sandy Ridge Reservation, Fire Museum and Public Library.

*City of* **North Ridgeville, Ohio**

7307 AVON BELDEN ROAD NORTH RIDGEVILLE, OHIO 44039  
PHONE: 440.353.0851 [www.NRIDGEVILLE.ORG](http://www.NRIDGEVILLE.ORG)

**CITY OF NORTH RIDGEVILLE  
LORAIN COUNTY**

**SCHEDULE OF FINDINGS  
OMB CIRCULAR A -133 § .505  
DECEMBER 31, 2012  
(Continued)**

**3. FINDINGS FOR FEDERAL AWARDS**

**Excluded Parties List System Verification – Procurement and Suspension and Debarment –  
Material Weakness and Material Noncompliance**

<b>Finding Number</b>	2012-001
<b>CFDA Title and Number</b>	Railroad Improvement and Rehabilitation Set Aside, CFDA #20.205
<b>Federal Award Number / Year</b>	2012
<b>Federal Agency</b>	U.S. Congress
<b>Pass-Through Agency</b>	Ohio Department of Transportation

2 CFR 180.300 states that Non-Federal entities are prohibited from contracting with or making subawards under covered transactions to parties that are suspended or debarred or whose principals are suspended or debarred. "Covered transactions" include those procurement contracts for goods and services awarded under a nonprocurement transaction (e.g., grant or cooperative agreement) that are expected to equal or exceed \$25,000 or meet certain other specified criteria. 2 CFR section 180.220 of the government-wide nonprocurement debarment and suspension guidance contains those additional limited circumstances.

When a non-Federal entity enters into a covered transaction with an entity at a lower tier, the non-Federal entity must verify that the entity is not suspended or debarred or otherwise excluded. The General Services Administration (GSA) discontinued the Excluded Parties List System (EPLS) on November 21, 2012. The verification may now be accomplished by checking the System for Award Management, which currently maintains the EPLS, collecting a certification from the entity, or adding a clause or condition to the covered transactions with that entity.

During fiscal year 2012, the City entered into an agreement with the Campbell Technology Corporation for the purchase of loop detectors. The purchase of loop detectors was reimbursed in the amount of \$305,302. The City did not maintain evidence of verifying the vendor was not suspended or debarred by checking the EPLS, collecting the certification from the entity or adding a clause or condition to the covered transactions with the vendor at the time of entering the contract. Therefore, the City could have entered into a contact with an organization and its principals that was suspended or debarred. It was subsequently determined the vendor was not suspended or debarred and was eligible for federal funds.

We recommend the City maintain evidence of verifying that vendors are not suspended or debarred by checking the EPLS, collecting the certification from the entity or adding a clause or condition to the covered transactions with a vendor at the time of entering a contract where more than \$25,000 in federal funds will be expended.

**Official's Response:** The City's expenditure for loop detectors represented the City's agreed upon contribution related to a significantly larger federal grant obtained by the Ohio Railroad Development Commission (ORDC) and Norfolk Southern Railroad Corporation (NS). While the City was advised that all or a portion of its contribution could potentially be reimbursed if funds remained available upon completion of this overall project, the City did not anticipate any reimbursement at the inception of its commitment and proceeded accordingly, following its policies and procedures including verification to the State of Ohio Findings for Recovery Database, a listing of excluded vendors. Subsequently, the City did receive a federal reimbursement, and it was subsequently verified that the City's vendor was not listed on the Excluded Parties List System.

**CITY OF NORTH RIDGEVILLE  
LORAIN COUNTY**

**CORRECTIVE ACTION PLAN  
OMB CIRCULAR A -133 § .315 (c)  
DECEMBER 31, 2012**

Finding Number	Planned Corrective Action	Anticipated Completion Date	Responsible Contact Person
2012-001	The City's policies and practices for competitive bid contracts include a checklist of specific procedures to be followed when awarding a contract. A procedure has been added to this checklist for contracts with federal funding of \$25,000 or greater, requiring verification to the Excluded Parties List System (EPLS), to avoid contracting with parties that are suspended or debarred or whose principals are suspended or debarred.	6/20/13	Chris S. Costin, CPA, CGFM, Auditor

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# Dave Yost • Auditor of State

**CITY OF NORTH RIDGEVILLE**

**LORAIN COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
JULY 9, 2013**