

SHARONVILLE



CITY OF SHARONVILLE, OHIO

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For The Year Ended December 31, 2011



On the cover:

Left to right, top to bottom

Depot Square in downtown historic Sharonville, Tax Office Façade, City of Sharonville Administrative Building façade, Main Fire Station, Patriot Pointe Veteran's Memorial

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2011

Prepared by the Auditor's Office

Mark Piepmeier
City Auditor

and

Amy Moore
Former Deputy Auditor and Budget Director



TABLE OF CONTENTS

CITY OF SHARONVILLE
HAMILTON COUNTY, OHIO

I INTRODUCTORY SECTION

A Letter of Transmittalv
B Elected Officials xii
C City Organizational Chart xiii
D Certificate of Achievement for Excellence in Financial Reporting..... xiv

II FINANCIAL SECTION

A Independent Accountants' Report1
B Management's Discussion and Analysis.....3
C Basic Financial Statements:
 Government-wide Financial Statements:
 Statement of Net Assets12
 Statement of Activities14
 Fund Financial Statements:
 Governmental Funds:
 Balance Sheet16
 Reconciliation of Total Governmental Fund Balances to Net Assets of
 Governmental Activities18
 Statement of Revenues, Expenditures and Changes in Fund Balances20
 Reconciliation of the Statement of Revenues, Expenditures and Changes
 in Fund Balances to the Statement of Activities24
 Statement of Revenues, Expenditures and Changes in Fund Balance -
 Budget and Actual (Non-GAAP Budgetary Basis):
 General Fund25
 Street Construction, Maintenance and Repair Fund26
 Fire Department Fund27
 Proprietary Funds:
 Statement of Net Assets28
 Statement of Revenues, Expenses and Changes in Fund Net Assets31
 Statement of Cash Flows32
 Fiduciary Funds:
 Statement of Net Assets34
 Statement of Changes in Net Assets35
Notes to the Basic Financial Statements.....36

D Combining and Individual Fund Statements and Schedules:

Nonmajor Governmental Financial Statements:

Combining Balance Sheet.....	74
Combining Statement of Revenues, Expenditures and Changes in Fund Balances.....	75
Combining Balance Sheet – Nonmajor Special Revenue Funds.....	76
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Special Revenue Funds.....	80
Combining Balance Sheet – Nonmajor Debt Service Funds.....	84
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Debt Service Funds.....	86
Combining Balance Sheet – Nonmajor Capital Projects Funds.....	88
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Capital Projects Funds.....	90

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

Major Governmental Funds:

<i>General Fund</i>	92
<i>Special Revenue Fund:</i>	
Street Construction, Maintenance and Repair Fund.....	96
Fire Department Fund.....	97
<i>Capital Projects Funds:</i>	
Chester Road TIF Fund.....	98

Nonmajor Governmental Funds:

<i>Special Revenue Funds:</i>	
State Highway Fund.....	99
Permissive Motor Vehicle Tax Fund.....	100
Federal Emergency Management Agency (FEMA) Fund.....	101
State Health Licenses Fund.....	102
Teen Fund.....	103
Law Enforcement Trust Fund.....	104
Drug Law Enforcement Fund.....	105
DUI Checkpoint Grant Fund.....	106
DUI Education and Enforcement Fund.....	107

Special Revenue Funds (Continued):

Mayor’s Court Computer Fund	108
Clerk of Courts Computer Fund	109
Law Enforcement Block Grant Fund	110
Confinement Reimbursement Fund.....	111
Community Oriented Policing Services (COPS) Grant Fund	112
Drug Enforcement Agency (DEA) Federal Sharing Fund	113
Termination Benefits Fund.....	114
Other Grants Fund	115

Debt Service Funds:

Note Debt Retirement Fund.....	116
Debt Retirement Fund	117
Special Assessment Bond Retirement Fund.....	118
Special Assessment Retirement Fund	119
Crystalview Widening Fund.....	120
Zind Lane Sewer Fund	121
Crowne Point Drive Fund.....	122

Capital Projects Funds:

Capital Improvement Fund.....	123
Capital Improvement Issue II Fund.....	124
Route 42 Improvement Fund.....	125
Issue II Mosteller / I-275 Fund.....	126
Downtown TIF Fund	127
Special Assessment Fund	128
Storm Water Fund	129

Fiduciary Funds – Agency Funds:

Combining Statement of Changes in Assets and Liabilities	131
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III

STATISTICAL SECTION

Net Assets by Component - Last Nine Years S 2
Changes in Net Assets - Last Nine Years..... S 4
Fund Balances, Governmental Funds - Last Ten Years S 8
Changes in Fund Balances, Governmental Funds - Last Ten Years S 10
Income Tax Revenues by Source, Governmental Funds - Last Ten Years S 14
Income Tax Collections - Current Year and Nine Years Ago..... S 17
Ratio of Outstanding Debt By Type - Last Ten Years S 18
Ratios of General Bonded Debt Outstanding - Last Ten Years..... S 20
Computation of Direct and Overlapping Debt Attributable to
Governmental Activities - Current Year S 23
Debt Limitations - Last Ten Years S 24
Pledged Revenue Coverage - Last Ten Years S 26
Demographic and Economic Statistics - Last Ten Years S 28
Principal Employers - Current Year and Nine Years Ago S 31
Full Time Equivalent Employees by Function - Last Ten Years S 32
Operating Indicators by Function - Last Ten Years S 34
Capital Asset Statistics by Function - Last Eight Years S 36

INTRODUCTORY SECTION





CITY OF SHARONVILLE

10900 Reading Road • Sharonville, Ohio 45241

phone (513) 563-1144

fax (513)-563-0617

June 28, 2012

Honorable Mayor, Members of City Council
and Citizens of Sharonville, Ohio:

We are pleased to submit the tenth Comprehensive Annual Financial Report for the City of Sharonville for the fiscal year ended December 31, 2011. This report has been prepared in conformity with generally accepted accounting principles (GAAP) and guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA).

Introduction

While there is no legal requirement for the preparation of this report, it represents a commitment by the City of Sharonville (the "City") to conform to nationally recognized standards of excellence in financial reporting and to provide significantly enhanced financial information and accountability to its citizens. 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 is accurate in all material respects and is reported in a manner that presents fairly the financial position and results of operations of the various funds of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

This letter should be read in conjunction with the Management Discussion and Analysis (MD&A) that can be found immediately following the Independent Accountants' Report.

The Reporting Entity

The accompanying basic financial statements comply with the provisions of GASB Statement No. 14, *"The Financial Reporting Entity,"* as amended by GASB Statement No. 39, *"Determining Whether Certain Organizations are Component Units"* in that the financial statements include all organizations, activities, functions and component units for which the City (the reporting entity) is financially accountable. Financial accountability is defined as the appointment of a voting majority of the component unit's board and either (1) the City's ability to impose its will over the component unit, or (2) the possibility that the component unit will provide financial benefit to or impose a financial burden on the City.

The City provides the following services to its residents and businesses: police and fire protection, emergency medical response, parks and recreational activities, planning, zoning, street maintenance, solid waste collection, income tax collection and other governmental services. In addition, the City owns and operates a convention center and a senior apartment complex, which are reported as enterprise funds.

The Community Improvement Corporation of Sharonville is reported as a discretely presented component unit in a separate column in the combined financial statements.

***Letter of Transmittal
For the Year Ended December 31, 2011***

The City of Sharonville

The City of Sharonville is located in Hamilton County in southwestern Ohio. The City is situated east of Interstate 75 and south of Interstate 275, approximately 15 miles north of downtown Cincinnati. Sharonville was originally settled in 1788 and was incorporated as a City in 1962. It is a Statutory City with a Mayor-Council form of government.

The legislative body of Sharonville consists of a seven-member Council whose members are elected to serve two-year terms. The chief executive and administrative officer of the City is the Mayor who is elected to a four-year term. The Law Director is elected to a four-year term and heads the Department of Law. The City Auditor, who is elected to a four-year term, supervises the Department of Finance and performs the powers, duties and functions of the fiscal officer of the City pursuant to the general laws of Ohio. In addition, the City Auditor is responsible for the administration, control, funding and payment of the City's debt. As the City's chief fiscal officer, the City Auditor maintains the City's accounting records. The City Treasurer is responsible for receiving and investing all funds of the City and is elected to a four-year term.

The Police Department consists of an authorized strength of 47 full-time officers and non-sworn administrative personnel (37 sworn and 10 support staff). The Department responds to approximately 2,000 service calls per month, and is made up of the Administrative Section, Patrol Division, Detective Division, and Clerical Section. In addition to preventive patrol, criminal investigations, and traffic safety, the Department is committed to offering a wide variety of crime prevention services while providing a community orientation program for all area businesses and residents. Other programs of the Department include D.A.R.E., Anti-Drug Prevention, Neighborhood Watch, Crime Prevention, and Operation Identification. The Department also teaches safety programs in the City's schools and has the services of a full-time K-9 for drug investigation, searching and apprehension, and public relations.

The Fire Department is an ISO Class III department staffed 24 hours a day by 37 full-time and 37 part-time fire personnel and officers. Services offered by the Department include fire suppression, paramedic level emergency medical services, fire prevention and public education for children in kindergarten through eighth grade. The Department operates from three stations, which are located in the City.

The Health Department provides environmental health and public nursing services to the community. The environmental division performs food service and vending location licensing inspections, manufactured home park licensing, retail food establishment inspections, and household sewage system monitoring, public health nuisances, enforcement of Smoke Free Ohio and community education services. In addition, the division issues swimming pool and retail food establishment permits. The nursing division provides continuity of care following hospital discharge, teaches home caregivers, educates the community on immunizations and communicable diseases, conducts health screenings, offers dietary counseling, vaccines for children and provides school health services.

***Letter of Transmittal
For the Year Ended December 31, 2011***

The Parks and Recreation Department offers a variety of facilities and a broad range of activities for all groups. The main community center is a 51,000 square foot facility that houses a fitness center, indoor running/walking track, a double gymnasium, a single gymnasium/multipurpose rental facility, locker rooms, pre-school nursery, aerobics and dance room, craft room, lounge and game area, and a family game area. Additionally, the Crescentville Family Center is a small satellite center that provides quality programs for all ages and drop-in usage of a lounge, video games and family game area. The Parks Division maintains 4 active parks, one of which is a 5 acre Fossil Park which includes educational signage, fossil hunting, and a one mile looped hiking trail. These parks contain 35 acres of green space and provide facilities for hiking, and picnicking as well as athletic facilities for baseball, football, soccer, tennis, basketball, horseshoes and volleyball. The City also maintains two public swimming pools.

Services provided by the Public Works Department include brush pick-up, landscaping, tree trimming, roadside and facility mowing, and street sweeping. The Department is also responsible for parking lot maintenance, pothole repair, snow removal, street name and directional signage, street painting, street, curb and sidewalk repairs, and storm sewer and catch basin repair. The City provides solid waste collection through contracted service which is managed by the Public Works Department. The Department also manages the City offered recycling drop off sites and participates in the Hamilton County Residential Recycling Incentive Program. The Department also oversees the operation of Golden View Acres, a City-owned and operated 52-unit apartment complex for senior citizens.

The Sharonville Convention Center recently finished a \$25 Million expansion and celebrated our grand reopening in May of 2012. The Sharonville Convention Center, in Northern Cincinnati, provides a beautiful and contemporary location for meetings, conventions, banquets, trade shows and public events. Conveniently located 15 miles north of downtown Cincinnati, just off I-75 and I-275, the Sharonville Convention Center is easily accessible via all of the region's highways. Some of the feature highlights of our expanded and renovated convention center include:

- The spectacular new 14,000 square foot Northern Lights Ballroom
- New 20,000 square foot Exhibit Hall
- 15 flexible and beautifully appointed break out meeting rooms
- New technologies including electronic signage, message boards, complimentary Wi-Fi and an innovative projection wall at our entrance to welcome your guests
- Leed Silver Certification and a complete recycling program
- Over 1,000 free on-site parking spaces
- Over 20 hotels, plus a wide variety of dining and entertainment options nearby.

***Letter of Transmittal
For the Year Ended December 31, 2011***

Economic Conditions and Outlook

The City of Sharonville is ideally located just 15 miles north of downtown Cincinnati along Interstate Highways 275 and 75. With Interstate Highway 71 only one mile away from the City limits, there are four interstate exits which provide access to the City. The City's strategic location has encouraged development in leading regional industries like tourism, transportation, engineering, automotive, and logistics.

The City of Sharonville is one of the few cities in the State of Ohio that does not levy property taxes, thus the City primarily relies upon income tax revenue. There are approximately 1,200 businesses within city limits which increase the daily population to roughly 35,000. The Economic Development Office has been working hard to improve business opportunities through creation of various incentive, retention, and attraction programs.

The City's tax structure, location, and existing business foundation, have been catalysts for establishing and maintaining a diverse income tax base which allows the City to continue preferred level of services in a challenging economic environment. The diversity can be seen in the top ten employers who collectively represent approximately 30% of the total income tax collections.

The City plans to exercise sound investment procedures to maximize the rates of the return. The City will continue the policy to issue short term debt for construction projects when the rates of return on investments exceed the interest on borrowed funds.

Major Initiatives

The City conducts an annual Street Repair Program which addresses streets, curbs, and sidewalks. There were several traffic improvement projects in 2010 addressing signalization, intersection improvements and pedestrian movement.

The Mosteller Road repaving project was completed in 2011. The project includes total curb replacement, base repair and resurfacing of Mosteller Road from Sharon Road to Kemper Road for approximately 5,200 feet. The cost for this work is approximately \$700,000. The city was awarded 100% funding from the Ohio Department of Transportation.

The City continues to work with a private developer to complete the development on 46 acres of land which has already brought approximately 350 new jobs to Sharonville. By the end of 2011 only 7 acres remained for new development. Additionally, the City of Sharonville arranged a special assessment in combination with a grant to fund the construction of the construction of the new road and improvements to the industrial park that equate to nearly \$1.5 million of improvements.

***Letter of Transmittal
For the Year Ended December 31, 2011***

Construction ensued on the expansion of the Sharonville Convention Center in 2010. The proposed expansion will create a new ballroom; add a 20,000 sq. ft. exhibit hall and 14,000 sq. ft. of meeting space, for a grand total of 61,200 sq. ft. of meeting space in the expanded facility. The expansion is expected to be complete in the fall of 2011, with renovation of the existing space within the Convention Center to begin and end in the spring of 2012, completing the project. This investment is expected to increase private investment in the development of properties around the Convention Center, as well as increase the economic outlook of the supporting hospitality and retail industries. The project is supported financially through taxes generated from the Hamilton County's and City of Sharonville's transient occupancy tax (hotel tax) combined.

The improvements at the Kemper Rd / Reed Hartman Highway intersection were completed in 2011. These improvements will reduce traffic congestion in this area by adding turning capacity to the roadway and improving access to I-275. The reduced congestion should allow for additional development to occur in vacant parcels within the immediate area and to the east.

As part of the Downtown Strategic Master Plan, the Planning Commission approved a Resolution to create a new Mixed Use zoning district in the downtown area. The new district is supportive of the core business district and is located along the east and south periphery of the downtown. Residential uses are now permitted along with traditional commercial retail, entertainment, food service, and similar. Multi-family uses are permitted but the ordinance contains a series of minimum unit sizes to prevent high density multi-family developments.

The Northern Lights Community Entertainment District was expanded to include additional property in the Northern Lights District on the west side of Lippelman Road. This is a relatively small expansion and should not have a negative effect on the overall district. The District expansion was to assist in the growth of an existing facility, which as a complimentary use is a benefit to the district and to Sharonville as a whole. With the completion of the Convention Center in early 2012 we expect an increase in queries for new development and re-development along Chester Road.

The City implemented an updated fee schedule for all building permits, zoning permits, administrative process fees for items to include but not limited to zoning variances and site plan approval, and miscellaneous items not previously covered such as driveway and parking lot permits. The fee schedule had not been updated in nearly 20 years. The approval fee for all commercial and residential construction is now set at 1% of valuation, which better represents the level of services provided relative to the level of construction.

The Princeton School District bond levy passed in 2011. The multi-million dollar project to re-build the Princeton High School and Middle School will commence in earnest in 2012 with the expectation of pouring foundation footings in early spring. This will be a combined facility to include shared central services. The new building is wholly within the Sharonville corporate limits. The former Robert E. Lucas School (RELIS) in Sharonville began renovations in 2011 with final work to be completed in 2012. Once complete, all District administrative staff will be relocated to this facility, which will take place in 2012. The bus depot is also now located entirely within Sharonville city limits.

***Letter of Transmittal
For the Year Ended December 31, 2011***

Financial Information

Internal Control, Budgetary Control and the Accounting System

Management of the City is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City 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 (GAAP). 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. All internal control evaluations occur within this framework. It is the belief of the City's administrative and financial management that the City's financial controls adequately safeguard existing assets and provide reasonable assurance of the proper recording of financial transactions.

The City utilizes a fully-automated accounting system. The system, coupled with the manual auditing of each voucher prior to payment by the Auditor's Office, ensure that the financial information generated is both accurate and reliable.

In addition, the City maintains extensive budgetary controls. The objective of these controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by City Council.

All funds other than the Community Improvement Corporation of Sharonville (CIC) and agency funds are included in the annual appropriated budget. The level of budgetary control (*i.e.*, the level at which expenditures can not legally exceed the appropriated amount) is at the department level and within each department at the levels of personal services and other expenditures. Budgetary control is maintained by encumbering the estimated purchase amounts prior to the release of purchase orders to vendors. Purchase orders that result in overruns of budgeted balances are not released until additional appropriations are made available. Unencumbered amounts lapse at year-end. Appropriations, initial and supplemental, must be authorized by City Council.

As demonstrated by the statements and schedules included in the financial section of this Comprehensive Annual Financial Report, the City continues to meet its responsibility for sound fiscal management.

Other Information

Independent Audit

State statutes require an annual audit by independent certified public accountants. The basic financial statements of the City of Sharonville were audited by the Ohio Auditor of State. Generally accepted auditing standards and the standards set forth in the General Accounting Office's Government Auditing Standards were used by the auditors in conducting the audit. The independent accountants' unqualified opinion has been included in the financial section of this report.

***Letter of Transmittal
For the Year Ended December 31, 2011***

Awards

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 Sharonville for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2010. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards in state and local government financial reporting. To be awarded a Certificate of Achievement, a governmental unit must prepare an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. The report must satisfy both generally accepted accounting principles and applicable legal requirements respective to the reporting entity.

A Certificate of Achievement is valid for a period of one year only. We believe this current report continues to conform to the high standards set by the GFOA for a Certificate of Achievement for Excellence in Financial Reporting and we are submitting it to GFOA.

Acknowledgments

The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the finance and administration department. Sincere appreciation is extended to all members of the department who assisted and contributed to the preparation of this report.

Special acknowledgment is extended to the staff of Donald J. Schonhardt and Associates, Inc. for their guidance in the preparation of this report.

Finally, a special thanks to the Mayor and City Council for their interest and support in planning and conducting the government in a responsible and progressive manner.

Respectfully submitted,



Amy Moore
Former Deputy Auditor
and Budget Director



Mark Piepmeier
City Auditor

CITY OF SHARONVILLE, OHIO

***Elected Officials
For the Year Ended December 31, 2011***

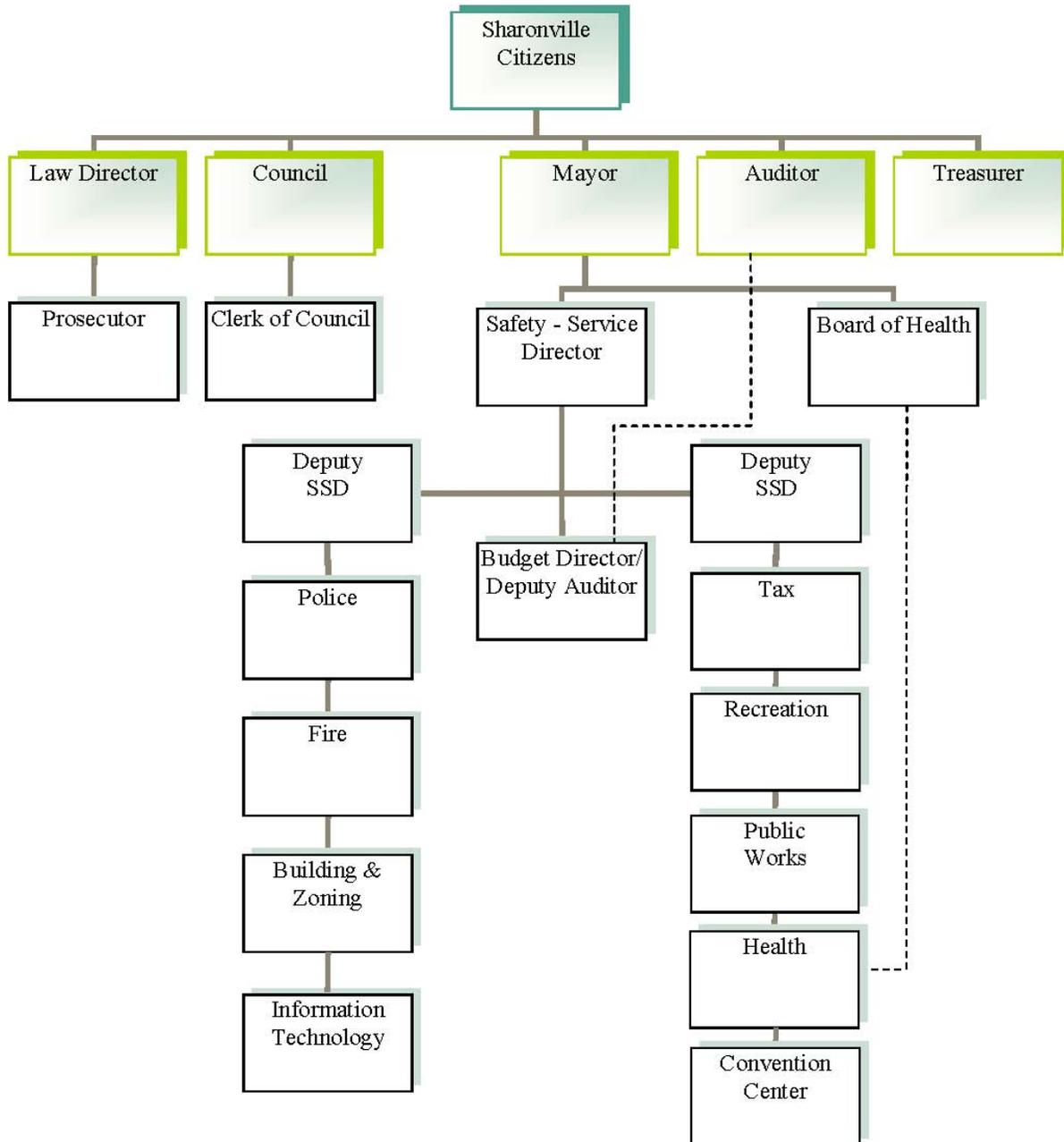
Office	Elected Official	Term Expires
Mayor	Virgil Lovitt II	12/31/2011
President of Council	Kevin Hardman	12/31/2011
Council Ward 1	Ed Cunningham	12/31/2011
Council Ward 2	Janey Kattelman	12/31/2011
Council Ward 3	Kerry Rabe	12/31/2011
Council Ward 4	Robert Tankersley	12/31/2011
Council at Large	Vicki Hoppe	12/31/2011
Council at Large	Greg Pugh	12/31/2011
Council at Large	Paul Schmidt	12/31/2011
Treasurer	Al Ledbetter	12/31/2013
Auditor	Mark Piepmeier	12/31/2011
Law Director	Thomas Keating	12/31/2011

Office	Official
Safety/Service Director	Ted Mack
Deputy Safety/Service Director	Christine Thompson
Deputy Safety/Service Director	Robert Fisher
Budget Director/Deputy Auditor	Amy Moore
Tax Commissioner	Martha Cross Funk
Police Chief	Michael Schappa
Fire Chief	Ralph Hammonds
Building and Planning Director	Richard Osgood
Health Commissioner	Dennis Propes
Public Works Director	Joe Kempe
Recreation Director	Sue Koetz
Convention Center Manager	Will Greiner

City Address:
Sharonville City Hall
10900 Reading Road
Sharonville, Ohio 45241

CITY OF SHARONVILLE, OHIO

**City Organizational Chart
For the Year Ended December 31, 2011**



*Government Finance Officers Association of the United States and Canada
Certificate of Achievement for Excellence in Financial Reporting*

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

City of Sharonville
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2010

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.



Linda C. Davison

President

Jeffrey R. Emer

Executive Director

FINANCIAL SECTION





Dave Yost • Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

City of Sharonville
Hamilton County
10900 Reading Rd.
Sharonville, Ohio 45241

Honorable Mayor and Members of City Council:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate discretely presented component unit and remaining fund information of the City of Sharonville, Hamilton County, Ohio (the City), as of and for the year ended December 31, 2011, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate discretely presented component unit and remaining fund information of the City of Sharonville, Hamilton County, Ohio, as of December 31, 2011, and the respective changes in financial position and where applicable, cash flows, thereof and the respective budgetary comparisons for the General Fund, the Street Construction Maintenance and Repair Fund and the Fire Department Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 2, during the year ended December 31, 2011, the City adopted the provisions of Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 28, 2012, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require this presentation to include *Management's discussion and analysis*, as 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 have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any other assurance.

We conducted our audit to opine on the financial statements that collectively comprise the City's basic financial statements taken as a whole. The introductory section, the financial section's combining statements, individual fund statements and schedules, and the statistical section information provide 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 relate directly to the underlying accounting and other records used to prepare the basic financial statements. These statements and schedules were subject 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, 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.



Dave Yost
Auditor of State

June 28, 2012

The discussion and analysis of the City of Sharonville's financial performance provides an overall review of the City's financial activities for the fiscal year ended December 31, 2011. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the notes to the basic financial statements and financial statements to enhance their understanding of the City's financial performance.

FINANCIAL HIGHLIGHTS

Key financial highlights for 2011 are as follows:

- ❑ In total, net assets increased by \$3,775,636. Net assets of governmental activities increased by \$3,457,028, which represents a 10% increase from 2010. Net assets of business-type activities increased by \$318,608, or 4.6% from 2010.
- ❑ General revenues accounted for \$23,169,478 in revenue, or 73.0% of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$8,559,370, or 27.0% of total revenues of \$31,728,848.
- ❑ The City had \$24,155,152 in expenses related to governmental activities; only \$4,442,702 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily income taxes) of \$23,169,478 were adequate to provide for these programs.
- ❑ Among major funds, the general fund had \$16,130,197 in revenues and other financing sources and \$14,854,193 in expenditures and other financing uses. The general fund's fund balance increased \$1,276,004.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts – *management's discussion and analysis*, the *basic financial statements*, and an optional section that presents *combining statements* for nonmajor governmental funds. The basic financial statements include two kinds of statements that present different views of the City:

These statements are as follows:

1. *The Government-Wide Financial Statements* – These statements provide both long-term and short-term information about the City's overall financial status.
2. *The Fund Financial Statements* – These statements focus on individual parts of the City, reporting the City's operations in more detail than the government-wide statements.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements.

Government-Wide Financial Statements

The government-wide statements report information about the City as a whole using accepting methods similar to those used by private-sector companies. The statement of net assets includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the City's net assets and how they have changed. Net-assets (the difference between the City's assets and liabilities) is one way to measure the City's financial health or position.

- Over time, increases or decreases in the City's net assets are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the City you need to consider additional nonfinancial factors such as the City's tax base and the condition of the City's capital assets

The government-wide financial statements of the City are divided into two categories:

- *Governmental Activities* – Most of the City's programs and services are reported here including security of persons and property, public health and welfare services, leisure time activities, community environment, transportation and general government.
- *Business-Type Activities* – These services are provided on a charge for goods or services basis to recover all of the expenses of the goods or services provided. The City's convention center and senior citizen housing complex are reported as business activities.

Fund Financial Statements

The fund financial statements provide more detailed information about the City's most significant funds, not the City as a whole. Funds are accounting devices that the City uses to keep track of specific sources of funding and spending for particular purposes.

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

CITY OF SHARONVILLE, OHIO

**Management's Discussion and Analysis
For the Year Ended December 31, 2011**

Unaudited

Proprietary Funds – Proprietary funds use the same basis of accounting as business-type activities; therefore, these statements will essentially match.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the City's own programs. All of the City's fiduciary activities are reported in separate Statements of Fiduciary Net Assets and Changes in Fiduciary Net Assets.

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

The following table is a comparison of the City's Net Assets for the years ended December 31, 2011 and 2010:

	Governmental Activities		Business-type Activities		Total	
	2011	2010	2011	2010	2011	2010
Current and other assets	\$21,637,988	\$19,534,256	\$12,152,220	\$27,099,403	\$33,790,208	\$46,633,659
Capital assets, Net	35,593,258	36,411,879	34,244,635	20,022,817	69,837,893	56,434,696
Total assets	57,231,246	55,946,135	46,396,855	47,122,220	103,628,101	103,068,355
Long-term debt outstanding	13,653,178	15,721,916	31,071,869	31,649,395	44,725,047	47,371,311
Other liabilities	6,085,556	6,188,735	8,047,063	8,513,510	14,132,619	14,702,245
Total liabilities	19,738,734	21,910,651	39,118,932	40,162,905	58,857,666	62,073,556
Net assets						
Invested in capital assets, net of related debt	20,570,792	19,512,004	9,817,339	5,420,257	30,388,131	24,932,261
Restricted	10,797,191	10,520,510	0	21,800,169	10,797,191	32,320,679
Unrestricted	6,124,529	4,002,970	(2,539,416)	(20,261,111)	3,585,113	(16,258,141)
Total net assets	\$37,492,512	\$34,035,484	\$7,277,923	\$6,959,315	\$44,770,435	\$40,994,799

CITY OF SHARONVILLE, OHIO

**Management's Discussion and Analysis
For the Year Ended December 31, 2011**

Unaudited

Changes in Net Assets – The following table shows the changes in net assets for the fiscal years 2011 and 2010:

	Governmental Activities		Business-type Activities		Total	
	2011	2010	2011	2010	2011	2010
Revenues						
Program revenues:						
Charges for Services and Sales	\$1,605,751	\$1,725,144	\$1,134,266	\$1,314,469	\$2,740,017	\$3,039,613
Operating Grants and Contributions	2,627,355	2,277,689	2,982,402	2,380,073	5,609,757	4,657,762
Capital Grants and Contributions	209,596	2,959,518	0	0	209,596	2,959,518
Total Program revenues	4,442,702	6,962,351	4,116,668	3,694,542	8,559,370	10,656,893
General revenues:						
Income Taxes	19,970,964	18,411,406	0	0	19,970,964	18,411,406
Other Local Taxes	89,592	0	0	0	89,592	0
Payments in Lieu of Taxes	788,376	800,688	0	0	788,376	800,688
Grants and Entitlements not Restricted to Specific Programs	1,326,156	1,810,874	0	0	1,326,156	1,810,874
Investment Earnings	15,512	21,198	0	0	15,512	21,198
Miscellaneous	978,878	772,748	0	0	978,878	772,748
Total General revenues	23,169,478	21,816,914	0	0	23,169,478	21,816,914
Total revenues	27,612,180	28,779,265	4,116,668	3,694,542	31,728,848	32,473,807
Program Expenses						
Security of Persons and Property	12,287,143	12,016,995	0	0	12,287,143	12,016,995
Public Health and Welfare Services	374,700	445,232	0	0	374,700	445,232
Leisure Time Activities	3,087,936	3,176,146	0	0	3,087,936	3,176,146
Community Environment	586,111	544,214	0	0	586,111	544,214
Basic Utility Services	527,483	466,805	0	0	527,483	466,805
Transportation	2,721,535	2,509,460	0	0	2,721,535	2,509,460
General Government	4,033,393	3,538,547	0	0	4,033,393	3,538,547
Interest and Fiscal Charges	536,851	657,907	0	0	536,851	657,907
Convention Center	0	0	3,480,293	2,817,156	3,480,293	2,817,156
Senior Citizen Housing	0	0	317,767	310,768	317,767	310,768
Total expenses	24,155,152	23,355,306	3,798,060	3,127,924	27,953,212	26,483,230
Change in Net Assets before Transfers	3,457,028	5,423,959	318,608	566,618	3,775,636	5,990,577
Transfers	0	0	0	0	0	0
Total Change in Net Assets	3,457,028	5,423,959	318,608	566,618	3,775,636	5,990,577
Beginning Net Assets	34,035,484	28,611,525	6,959,315	6,392,697	40,994,799	35,004,222
Ending Net Assets	\$37,492,512	\$34,035,484	\$7,277,923	\$6,959,315	\$44,770,435	\$40,994,799

Governmental Activities

Net assets of the City's governmental activities increased by \$3,457,028. The increase was a result of increased revenues that outpaced the increase in expenses. Increases were experienced in income tax (due to a slightly improving economy), miscellaneous revenue for sale of a building, and a large grant for the Fire Department.

CITY OF SHARONVILLE, OHIO

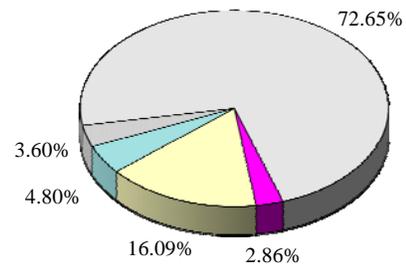
***Management's Discussion and Analysis
For the Year Ended December 31, 2011***

Unaudited

The City receives an income tax based on 1.5% of all salaries, wages, commissions and other compensation and on net profits earned within the City as well as on income of residents earned outside the City.

Taxes made up 72.65% of revenues for governmental activities for the City in fiscal year 2011. The City's reliance upon tax revenues is demonstrated by the following graph:

Revenue Sources	2011	Percent of Total
Taxes	\$20,060,556	72.65%
Payments in Lieu of Taxes	788,376	2.86%
Program Revenues	4,442,702	16.09%
Shared Revenues	1,326,156	4.80%
General Other	994,390	3.60%
Total Revenue	\$27,612,180	100.00%



Business-Type Activities

The net assets of the business-type activities increased by \$318,608 during 2011. The most important reason for the increase in net assets is due to the fact that in 2011 the City received the full amount from Hamilton County (related to the Convention Center financing agreement) as well as a portion of the money withheld from the 2010 contribution.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

The City's governmental funds reported a combined fund balance of \$10,811,175, which is an increase from last year's balance of \$8,986,495. The schedule below indicates the fund balance and the total change in fund balance by fund type as of December 31, 2011 and 2010:

	Fund Balance December 31, 2011	Restated Fund Balance December 31, 2010	Increase (Decrease)
General	\$6,990,420	\$5,714,416	\$1,276,004
Street Construction, Maintenance and Repair	1,336,275	1,206,958	129,317
Fire Department	2,459,565	1,492,435	967,130
Chester Road TIF	(1,725,479)	(1,422,844)	(302,635)
Other Governmental	1,750,394	1,995,530	(245,136)
Total	\$10,811,175	\$8,986,495	\$1,824,680

CITY OF SHARONVILLE, OHIO

***Management's Discussion and Analysis
For the Year Ended December 31, 2011***

Unaudited

General Fund – The City's General Fund balance increase is due to many factors. The tables that follow assist in illustrating the financial activities and balance of the General Fund:

	2011 Revenues	2010 Revenues	Increase (Decrease)
Taxes	\$13,567,301	\$12,365,802	\$1,201,499
Intergovernmental Revenues	897,206	1,015,573	(118,367)
Charges for Services	340,551	370,795	(30,244)
Licenses and Permits	525,503	483,849	41,654
Investment Earnings	15,130	19,968	(4,838)
Fines and Forfeitures	360,446	340,708	19,738
All Other Revenue	423,896	375,883	48,013
Total	<u>\$16,130,033</u>	<u>\$14,972,578</u>	<u>\$1,157,455</u>

General Fund revenues in 2011 increased by 7.72% compared to revenues in fiscal year 2010. The most significant factor contributing to this increase was an increase in income tax revenue due to slightly improved economic condition.

	2011 Expenditures	2010 Expenditures	Increase (Decrease)
Security of Persons and Property	\$5,467,587	\$5,619,316	(\$151,729)
Public Health and Welfare Services	354,674	363,945	(9,271)
Leisure Time Activities	2,480,596	2,664,712	(184,116)
Community Environment	584,908	543,526	41,382
Basic Utility Services	527,483	466,805	60,678
General Government	3,138,235	2,940,463	197,772
Total	<u>\$12,553,483</u>	<u>\$12,598,767</u>	<u>(\$45,284)</u>

The decrease in General Fund expenditures was the result of the City's efforts to control expenditures during the fiscal year by continuing to streamline operations and purchasing decisions.

Street, Construction, Maintenance and Repair Department Fund – The fund balance increased by \$129,317 during 2011. The increase in fund balance was primarily related to a decrease in expenses due to a light snow year.

Fire Department Fund – The fund balance increased by \$967,130 during 2011. The increase in fund balance was primarily related to increase in income taxes and the sale of a building.

***Management's Discussion and Analysis
For the Year Ended December 31, 2011***

Unaudited

Chester Road TIF Fund – The fund balance decreased by \$302,635 during the year due to a large refund that was awarded by the County to a few parcels within the TIF.

The City's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund.

During the course of fiscal year 2011 the City amended its General Fund budget several times.

For the General Fund, final budget basis revenue of \$15.6 million increases when compared to the original budget estimates due to an increase in tax collections. The City increased appropriations by \$599,619 to account cover additional transfers to other funds with the largest amounts being used for early payoff of two capital leases. The General Fund's actual results varied slightly from the final budgeted amounts. The General Fund had an adequate fund balance to cover expenditures.

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**Management's Discussion and Analysis
For the Year Ended December 31, 2011**

Unaudited

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of fiscal 2011 the City had \$69,837,893 net of accumulated depreciation invested in land, construction in progress, land improvements, buildings and improvements, machinery and equipment and vehicles. Of this total, \$35,593,258 was related to governmental activities and \$34,244,635 to the business-type activities. The following table shows fiscal year 2011 and 2010 balances:

	Governmental Activities		Increase (Decrease)
	2011	2010	
Land	\$6,639,810	\$6,712,310	(\$72,500)
Construction in Progress	3,105,862	4,909,767	(1,803,905)
Land Improvements	8,254,319	8,235,860	18,459
Buildings and Improvements	17,349,380	18,158,901	(809,521)
Infrastructure	19,948,532	17,428,757	2,519,775
Machinery and Equipment	2,831,528	2,534,098	297,430
Vehicles	4,089,170	3,995,166	94,004
Less: Accumulated Depreciation	(26,625,343)	(25,562,980)	(1,062,363)
Totals	<u>\$35,593,258</u>	<u>\$36,411,879</u>	<u>(\$818,621)</u>

	Business-Type Activities		Increase (Decrease)
	2011	2010	
Land	\$3,395,000	\$3,395,000	\$0
Construction in Progress	26,163,448	11,772,890	14,390,558
Land Improvements	168,090	168,090	0
Buildings and Improvements	8,074,861	8,074,861	0
Infrastructure	95,599	76,929	18,670
Machinery and Equipment	279,633	279,633	0
Vehicles	25,000	25,000	0
Less: Accumulated Depreciation	(3,956,996)	(3,769,586)	(187,410)
Totals	<u>\$34,244,635</u>	<u>\$20,022,817</u>	<u>\$14,221,818</u>

The primary increases in governmental activities' capital assets occurred in infrastructure. During 2011 the City completed several infrastructure projects throughout the City. Additionally, the business type activities experienced a large increase in construction in progress due to the expansion of the Sharonville Convention Center. Additional information on the City's capital assets can be found in Note 9.

***Management's Discussion and Analysis
For the Year Ended December 31, 2011***

Unaudited

Debt

At December 31, 2011, the City had \$12,220,333 in general obligation bonds outstanding, \$1,981,665 due within one year. The following table summarizes the City's debt outstanding as of December 31, 2011 and 2010:

	<u>2011</u>	<u>2010</u>
Governmental Activities:		
General Obligation Bonds	\$9,144,468	\$10,464,827
Special Assessment Bonds	1,400,000	1,400,000
Compensated Absences	3,108,710	3,368,312
Capital Leases	0	488,777
Total Governmental Activities	<u>13,653,178</u>	<u>15,721,916</u>
Business-Type Activities:		
General Obligation Bonds	3,075,865	3,667,171
Revenue Bonds	27,728,083	27,715,558
Compensated Absences	267,921	266,666
Total Business-Type Activities	<u>31,071,869</u>	<u>31,649,395</u>
Totals	<u>\$44,725,047</u>	<u>\$47,371,311</u>

Under current state statutes, the City's general obligation bonded debt issues are subject to a legal limitation based on 10.50% of the total assessed value of real and personal property. At December 31, 2011, the City's outstanding debt was below the legal limit. Additional information on the City's long-term debt can be found in Note 14.

ECONOMIC FACTORS

The City's income tax collections showed strong signs of a rebound in 2011. Additionally signs of rebound were shown through increases in building permits. Since the City does not collect any property tax, the City has not and will not experience the effects of the property related tax reductions resulting from property value reductions and State reimbursement cuts.

The City's financial position will be significantly affected by the redevelopment of Chester Road and the expansion of the Convention Center. The expanded Convention Center was opened in May, 2012 and has already hosted numerous events and has strong future bookings. The additional planned infrastructure improvements will spur business opportunities including restaurants, hotels, and entertainment. The plans also include infrastructure improvements to give the road a boulevard appearance while maintaining the anticipated increased flow of traffic.

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information contact Mark Piepmeier, Auditor of the City of Sharonville.

CITY OF SHARONVILLE, OHIO

**Statement of Net Assets
December 31, 2011**

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Community Improvement Corporation of Sharonville
Assets:				
Cash and Cash Equivalents	\$ 13,160,020	\$ 11,561,175	\$ 24,721,195	\$ 12,187
Receivables:				
Taxes	4,112,350	0	4,112,350	0
Accounts	346,572	34,422	380,994	0
Intergovernmental	1,668,469	10,059	1,678,528	0
Special Assessments	2,012,769	0	2,012,769	0
Inventory of Supplies at Cost	115,917	0	115,917	0
Prepaid Items	74,889	5,692	80,581	0
Unamortized Bond Issuance Costs	147,002	508,723	655,725	0
Restricted Assets:				
Cash and Cash Equivalents	0	32,149	32,149	0
Capital Assets:				
Capital Assets Not Being Depreciated	9,745,672	29,558,448	39,304,120	0
Capital Assets Being Depreciated, Net	25,847,586	4,686,187	30,533,773	0
Total Assets	57,231,246	46,396,855	103,628,101	12,187
Liabilities:				
Accounts Payable	400,774	1,267,896	1,668,670	0
Accrued Wages and Benefits	260,102	14,821	274,923	0
Intergovernmental Payable	736,330	43,144	779,474	0
Accrued Real Estate Taxes	0	0	0	2,625
Tenant Security Deposit	0	0	0	1,050
Customer Deposits	0	35,102	35,102	0
Unearned Revenue	0	1,517,605	1,517,605	0
Accrued Interest Payable	63,350	178,495	241,845	0
General Obligation Notes Payable	4,625,000	4,990,000	9,615,000	0
Noncurrent liabilities:				
Due within one year	1,634,068	637,115	2,271,183	0
Due in more than one year	12,019,110	30,434,754	42,453,864	0
Total Liabilities	19,738,734	39,118,932	58,857,666	3,675

CITY OF SHARONVILLE, OHIO

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Community Improvement Corporation of Sharonville
Net Assets:				
Invested in Capital Assets, Net of Related Debt	20,570,792	9,817,339	30,388,131	0
Restricted For:				
Capital Projects	3,423,669	0	3,423,669	0
Debt Service	2,257,540	0	2,257,540	0
Streets and Highways	2,633,828	0	2,633,828	0
Security of Persons and Property	2,479,648	0	2,479,648	0
Other Purposes	2,506	0	2,506	0
Unrestricted (Deficit)	6,124,529	(2,539,416)	3,585,113	8,512
Total Net Assets	<u>\$ 37,492,512</u>	<u>\$ 7,277,923</u>	<u>\$ 44,770,435</u>	<u>\$ 8,512</u>

See accompanying notes to the basic financial statements

CITY OF SHARONVILLE, OHIO

**Statement of Activities
For the Year Ended December 31, 2011**

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
Security of Persons and Property	\$ 12,287,143	\$ 950,816	\$ 390,608	\$ 0
Public Health and Welfare Services	374,700	87,806	19,518	0
Leisure Time Activities	3,087,936	318,241	0	0
Community Environment	586,111	242,856	0	0
Basic Utility Services	527,483	0	0	0
Transportation	2,721,535	6,032	2,217,229	209,596
General Government	4,033,393	0	0	0
Interest and Fiscal Charges	536,851	0	0	0
Total Governmental Activities	24,155,152	1,605,751	2,627,355	209,596
Business-Type Activities:				
Convention Center	3,480,293	869,989	2,982,402	0
Senior Citizen Housing	317,767	264,277	0	0
Total Business-Type Activities	3,798,060	1,134,266	2,982,402	0
Totals	\$ 27,953,212	\$ 2,740,017	\$ 5,609,757	\$ 209,596
Component Unit:				
Community Improvement Corporation of Sharonville	\$ 66,404	\$ 17,708	\$ 0	\$ 50,000

General Revenues

Income Taxes
Other Local Taxes
Payments in Lieu of Taxes
Grants and Entitlements not Restricted to Specific Programs
Investment Earnings
Miscellaneous
Total General Revenues
 Change in Net Assets
 Net Assets Beginning of Year
 Net Assets End of Year

See accompanying notes to the basic financial statements

CITY OF SHARONVILLE, OHIO

Net (Expense) Revenue and Changes in Net Assets			Component Unit
Governmental Activities	Business-Type Activities	Total	Community Improvement Corporation of Sharonville
\$ (10,945,719)	\$ 0	\$ (10,945,719)	
(267,376)	0	(267,376)	
(2,769,695)	0	(2,769,695)	
(343,255)	0	(343,255)	
(527,483)	0	(527,483)	
(288,678)	0	(288,678)	
(4,033,393)	0	(4,033,393)	
(536,851)	0	(536,851)	
<u>(19,712,450)</u>	<u>0</u>	<u>(19,712,450)</u>	
0	372,098	372,098	
0	(53,490)	(53,490)	
<u>0</u>	<u>318,608</u>	<u>318,608</u>	
<u>(19,712,450)</u>	<u>318,608</u>	<u>(19,393,842)</u>	
			\$ 1,304
19,970,964	0	19,970,964	0
89,592	0	89,592	0
788,376	0	788,376	0
1,326,156	0	1,326,156	0
15,512	0	15,512	0
978,878	0	978,878	0
<u>23,169,478</u>	<u>0</u>	<u>23,169,478</u>	<u>0</u>
3,457,028	318,608	3,775,636	1,304
<u>34,035,484</u>	<u>6,959,315</u>	<u>40,994,799</u>	<u>7,208</u>
<u>\$ 37,492,512</u>	<u>\$ 7,277,923</u>	<u>\$ 44,770,435</u>	<u>\$ 8,512</u>

CITY OF SHARONVILLE, OHIO

**Balance Sheet
Governmental Funds
December 31, 2011**

	General Fund	Street Construction, Maintenance and Repair Fund	Fire Department Fund	Chester Road TIF Fund
Assets:				
Cash and Cash Equivalents	\$ 5,575,751	\$ 1,039,592	\$ 1,903,063	\$ 2,926,946
Receivables:				
Taxes	2,621,564	0	1,178,858	311,928
Accounts	81,060	0	265,500	0
Intergovernmental	246,586	1,079,882	0	0
Special Assessments	0	0	0	0
Interfund Loans Receivables	5,000	0	44,045	0
Inventory of Supplies, at Cost	0	77,664	0	0
Prepaid Items	44,636	4,216	22,793	0
Total Assets	\$ 8,574,597	\$ 2,201,354	\$ 3,414,259	\$ 3,238,874
Liabilities:				
Accounts Payable	\$ 150,826	\$ 117,168	\$ 65,954	\$ 159
Accrued Wages and Benefits Payable	155,754	10,588	91,068	0
Intergovernmental Payable	428,525	17,402	283,611	2,747
Interfund Loans Payable	0	0	0	0
Deferred Revenue	849,072	719,921	514,061	311,928
Accrued Interest Payable	0	0	0	24,519
General Obligation Notes Payable	0	0	0	4,625,000
Total Liabilities	1,584,177	865,079	954,694	4,964,353
Fund Balances:				
Nonspendable	44,636	81,880	22,793	0
Restricted	0	1,254,395	2,436,772	0
Committed	90,050	0	0	0
Assigned	286,206	0	0	0
Unassigned	6,569,528	0	0	(1,725,479)
Total Fund Balances	6,990,420	1,336,275	2,459,565	(1,725,479)
Total Liabilities and Fund Balances	\$ 8,574,597	\$ 2,201,354	\$ 3,414,259	\$ 3,238,874

See accompanying notes to the basic financial statements

CITY OF SHARONVILLE, OHIO

Other Governmental Funds	Total Governmental Funds
\$ 1,714,668	\$ 13,160,020
0	4,112,350
12	346,572
342,001	1,668,469
2,012,769	2,012,769
0	49,045
38,253	115,917
3,244	74,889
<u>\$ 4,110,947</u>	<u>\$ 21,540,031</u>
\$ 66,667	\$ 400,774
2,692	260,102
4,045	736,330
49,045	49,045
2,238,104	4,633,086
0	24,519
0	4,625,000
<u>2,360,553</u>	<u>10,728,856</u>
41,497	190,806
1,493,767	5,184,934
220,130	310,180
0	286,206
(5,000)	4,839,049
<u>1,750,394</u>	<u>10,811,175</u>
<u>\$ 4,110,947</u>	<u>\$ 21,540,031</u>

CITY OF SHARONVILLE, OHIO

***Reconciliation Of Total Governmental Fund Balances
To Net Assets Of Governmental Activities
December 31, 2011***

Total Governmental Fund Balances	\$ 10,811,175
<i>Amounts reported for governmental activities in the statement of net assets are different because</i>	
Capital Assets used in governmental activities are not resources and therefore are not reported in the funds.	35,593,258
Other long-term assets are not available to pay for current- period expenditures and therefore are deferred in the funds.	4,633,086
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	
General Obligation Bonds Payable	(9,005,000)
Unamortized Bond Premiums	(219,233)
Unamortized Bond Issuance Costs	147,002
Deferred Loss on Refunding	79,765
Special Assessment Bonds Payable	(1,400,000)
Compensated Absences Payable	(3,108,710)
Accrued Interest Payable	(38,831)
<i>Net Assets of Governmental Activities</i>	<u>\$ 37,492,512</u>

See accompanying notes to the basic financial statements



CITY OF SHARONVILLE, OHIO

**Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2011**

	General Fund	Street Construction, Maintenance and Repair Fund	Fire Department Fund	Chester Road TIF Fund
Revenues:				
Taxes	\$ 13,567,301	\$ 0	\$ 6,397,636	\$ 0
Payments in Lieu of Taxes	0	0	0	476,448
Intergovernmental Revenues	897,206	1,766,759	0	0
Charges for Services	340,551	0	506,170	0
Licenses and Permits	525,503	0	0	0
Investment Earnings	15,130	271	0	0
Special Assessments	0	0	0	0
Fines and Forfeitures	360,446	0	312	0
All Other Revenue	423,896	11,700	1,914	0
Total Revenue	<u>16,130,033</u>	<u>1,778,730</u>	<u>6,906,032</u>	<u>476,448</u>
Expenditures:				
Current:				
Security of Persons and Property	5,467,587	0	5,781,242	0
Public Health and Welfare Services	354,674	0	0	0
Leisure Time Activities	2,480,596	0	0	0
Community Environment	584,908	0	0	0
Basic Utility Services	527,483	0	0	0
Transportation	0	1,710,908	0	0
General Government	3,138,235	0	0	0
Capital Outlay	0	0	102,559	724,588
Debt Service:				
Principal Retirement	0	0	0	0
Interest & Fiscal Charges	0	0	0	54,495
Total Expenditures	<u>12,553,483</u>	<u>1,710,908</u>	<u>5,883,801</u>	<u>779,083</u>
Excess (Deficiency) of Revenues Over Expenditures	3,576,550	67,822	1,022,231	(302,635)

CITY OF SHARONVILLE, OHIO

Other Governmental Funds	Total Governmental Funds
\$ 0	\$ 19,964,937
0	476,448
1,255,605	3,919,570
0	846,721
0	525,503
111	15,512
236,426	236,426
67,116	427,874
332,888	770,398
<u>1,892,146</u>	<u>27,183,389</u>
395,002	11,643,831
19,648	374,322
1,000	2,481,596
0	584,908
0	527,483
403,026	2,113,934
261,767	3,400,002
1,459,829	2,286,976
1,783,777	1,783,777
484,473	538,968
<u>4,808,522</u>	<u>25,735,797</u>
(2,916,376)	1,447,592

(Continued)

CITY OF SHARONVILLE, OHIO

**Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2011**

	General Fund	Street Construction, Maintenance and Repair Fund	Fire Department Fund	Chester Road TIF Fund
Other Financing Sources (Uses):				
Sale of Capital Assets	164	0	284,960	0
Transfers In	0	0	358,397	0
Transfers Out	(2,300,710)	0	(698,458)	0
Total Other Financing Sources (Uses)	(2,300,546)	0	(55,101)	0
Net Change in Fund Balances	1,276,004	67,822	967,130	(302,635)
Fund Balances at Beginning of Year, Restated	5,714,416	1,206,958	1,492,435	(1,422,844)
Increase in Inventory Reserve	0	61,495	0	0
Fund Balances End of Year	\$ 6,990,420	\$ 1,336,275	\$ 2,459,565	\$ (1,725,479)

See accompanying notes to the basic financial statements

CITY OF SHARONVILLE, OHIO

<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
180	285,304
2,640,771	2,999,168
<u>0</u>	<u>(2,999,168)</u>
<u>2,640,951</u>	<u>285,304</u>
(275,425)	1,732,896
1,995,530	8,986,495
<u>30,289</u>	<u>91,784</u>
<u>\$ 1,750,394</u>	<u>\$ 10,811,175</u>

CITY OF SHARONVILLE, 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, 2011***

Net Change in Fund Balances - Total Governmental Funds \$ 1,732,896

Amounts reported for governmental activities in the statement of activities are different because

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlay in the current period.

Capital Outlay	1,634,366	
Depreciation Expense	<u>(1,822,484)</u>	(188,118)

The net effect of various miscellaneous transactions involving capital assets (i.e. disposals and donations) is to increase net assets.

The statement of activities reports gains arising from the disposal of capital assets. Conversely, the governmental funds do not report any gains on the disposal of capital assets.	(630,503)
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	428,791
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Repayment of bond and loan principal is an expenditure in the governmental funds, but the transactions, however, have no effect on net assets.

General Obligation Bond Principal Payment	1,295,000	
Amortization of General Obligation Bond Premium	39,862	
Capital Leases Principal Payment	<u>488,777</u>	1,823,639

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.	3,485
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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 the governmental funds.

Compensated Absences	236,284	
Change in Inventory	91,784	
Amorization of Deferred Loss on Defeasance	(14,503)	
Amortization of Bond Issuance Costs	<u>(26,727)</u>	<u>286,838</u>

Change in Net Assets of Governmental Activities \$ 3,457,028

See accompanying notes to the basic financial statements

CITY OF SHARONVILLE, OHIO

**Statement of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
General Fund
For the Year Ended December 31, 2011**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 12,337,033	\$ 12,937,033	\$ 13,319,545	\$ 382,512
Intergovernmental Revenue	817,672	817,672	920,683	103,011
Charges for Services	393,055	393,055	355,514	(37,541)
Licenses and Permits	620,874	620,874	524,817	(96,057)
Investment Earnings	20,000	20,000	15,130	(4,870)
Fines and Forfeitures	397,500	397,500	364,442	(33,058)
All Other Revenues	375,580	375,580	390,552	14,972
Total Revenues	14,961,714	15,561,714	15,890,683	328,969
Expenditures:				
Current:				
Security of Persons and Property	5,851,053	5,897,053	5,598,911	298,142
Public Health and Welfare Services	371,704	375,904	357,004	18,900
Leisure Time Activities	2,658,963	2,685,563	2,515,923	169,640
Community Environment	568,750	603,052	586,299	16,753
Basic Utility Services	645,829	645,829	645,829	0
General Government	3,260,776	3,321,073	3,056,013	265,060
Total Expenditures	13,357,075	13,528,474	12,759,979	768,495
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,604,639	2,033,240	3,130,704	1,097,464
Other Financing Sources (Uses):				
Sale of Capital Assets	0	0	164	164
Transfers Out	(1,952,490)	(2,380,710)	(2,380,710)	0
Advances In	0	0	43,000	43,000
Advances Out	0	0	(48,000)	(48,000)
Total Other Financing Sources (Uses):	(1,952,490)	(2,380,710)	(2,385,546)	(4,836)
Net Change in Fund Balance	(347,851)	(347,470)	745,158	1,092,628
Fund Balance at Beginning of Year	3,980,934	3,980,934	3,980,934	0
Prior Year Encumbrances	349,874	349,874	349,874	0
Fund Balance at End of Year	\$ 3,982,957	\$ 3,983,338	\$ 5,075,966	\$ 1,092,628

See accompanying notes to the basic financial statements

CITY OF SHARONVILLE, OHIO

**Statement of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Special Revenue Fund – Street Construction, Maintenance and Repair Fund
For the Year Ended December 31, 2011**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenue	\$ 1,340,000	\$ 1,340,000	\$ 1,723,468	\$ 383,468
Investment Earnings	750	750	271	(479)
All Other Revenues	6,100	6,100	11,700	5,600
Total Revenues	<u>1,346,850</u>	<u>1,346,850</u>	<u>1,735,439</u>	<u>388,589</u>
Expenditures:				
Current:				
Transportation	1,107,128	1,135,378	985,005	150,373
Capital Outlay	519,529	919,029	851,369	67,660
Total Expenditures	<u>1,626,657</u>	<u>2,054,407</u>	<u>1,836,374</u>	<u>218,033</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(279,807)	(707,557)	(100,935)	606,622
Fund Balance at Beginning of Year	856,386	856,386	856,386	0
Prior Year Encumbrances	64,798	64,798	64,798	0
Fund Balance at End of Year	<u>\$ 641,377</u>	<u>\$ 213,627</u>	<u>\$ 820,249</u>	<u>\$ 606,622</u>

See accompanying notes to the basic financial statements

CITY OF SHARONVILLE, OHIO

**Statement of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Special Revenue Fund – Fire Department Fund
For the Year Ended December 31, 2011**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 5,865,967	\$ 5,865,967	\$ 6,339,402	\$ 473,435
Charges for Services	550,000	550,000	504,034	(45,966)
Fines and Forfeitures	0	0	897	897
All Other Revenues	0	0	1,914	1,914
Total Revenues	6,415,967	6,415,967	6,846,247	430,280
Expenditures:				
Current:				
Security of Persons and Property	5,989,418	6,053,419	5,956,362	97,057
Capital Outlay	265,000	597,500	590,886	6,614
Total Expenditures	6,254,418	6,650,919	6,547,248	103,671
Excess (Deficiency) of Revenues Over (Under) Expenditures	161,549	(234,952)	298,999	533,951
Other Financing Sources (Uses):				
Sale of Capital Assets	0	0	284,960	284,960
Transfers In	358,397	358,397	358,397	0
Transfers Out	(698,458)	(698,458)	(698,458)	0
Advances In	0	0	288,455	288,455
Advances Out	0	0	(332,500)	(332,500)
Total Other Financing Sources (Uses):	(340,061)	(340,061)	(99,146)	240,915
Net Change in Fund Balance	(178,512)	(575,013)	199,853	774,866
Fund Balance at Beginning of Year	869,941	869,941	869,941	0
Prior Year Encumbrances	211,614	211,614	211,614	0
Fund Balance at End of Year	\$ 903,043	\$ 506,542	\$ 1,281,408	\$ 774,866

See accompanying notes to the basic financial statements

CITY OF SHARONVILLE, OHIO

**Statement of Net Assets
Proprietary Funds
December 31, 2011**

	Business-Type Activities		
	Enterprise Funds		
	Convention Center	Other Enterprise Fund	Total
Assets:			
Current Assets:			
Cash and Cash Equivalents	\$ 11,329,768	\$ 231,407	\$ 11,561,175
Receivables:			
Accounts Receivable	34,069	353	34,422
Intergovernmental Receivable	10,059	0	10,059
Prepaid Items	4,407	1,285	5,692
Total Current Assets	11,378,303	233,045	11,611,348
Noncurrent Assets:			
Restricted Assets:			
Cash and Cash Equivalents	0	32,149	32,149
Unamortized Bond Issuance Cost	508,723	0	508,723
Capital Assets:			
Capital Assets Not Being Depreciated	29,513,448	45,000	29,558,448
Capital Assets Being Depreciated, Net	4,016,433	669,754	4,686,187
Total Noncurrent Assets	34,038,604	746,903	34,785,507
Total Assets	45,416,907	979,948	46,396,855
Liabilities:			
Current Liabilities:			
Accounts Payable	1,266,894	1,002	1,267,896
Accrued Wages and Benefits	13,394	1,427	14,821
Intergovernmental Payable	27,843	15,301	43,144
Customer Deposits	0	35,102	35,102
Deferred Revenue	1,517,605	0	1,517,605
Accrued Interest Payable	178,495	0	178,495
General Obligation Notes Payable	4,990,000	0	4,990,000
General Obligation Bonds Payable - Current	611,306	0	611,306
Revenue Bond Payable - Current	(12,525)	0	(12,525)
Compensated Absences - Current	15,985	22,349	38,334
Total Current Liabilities	8,608,997	75,181	8,684,178

CITY OF SHARONVILLE, OHIO

	Business-Type Activities		
	Enterprise Funds		
	Convention Center	Other Enterprise Fund	Total
Noncurrent Liabilities:			
General Obligation Bonds Payable	2,464,559	0	2,464,559
Revenue Bonds Payable	27,740,608	0	27,740,608
Compensated Absences Payable	226,035	3,552	229,587
Total Noncurrent Liabilities	30,431,202	3,552	30,434,754
Total Liabilities	39,040,199	78,733	39,118,932
Net Assets:			
Invested in Capital Assets, Net of Related Debt	9,102,585	714,754	9,817,339
Unrestricted	(2,725,877)	186,461	(2,539,416)
Total Net Assets	\$ 6,376,708	\$ 901,215	\$ 7,277,923

See accompanying notes to the basic financial statements



CITY OF SHARONVILLE, OHIO

**Statement of Revenues, Expenses and Changes in Fund Net Assets
Proprietary Funds
For the Year Ended December 31, 2011**

	Business-Type Activities		
	Enterprise Funds		
	Convention Center	Other Enterprise Fund	Total
Operating Revenues:			
Charges for Services	\$ 726,992	\$ 263,272	\$ 990,264
Other Operating Revenues	100,571	1,005	101,576
Total Operating Revenues	827,563	264,277	1,091,840
Operating Expenses:			
Personal Services	898,750	89,185	987,935
Materials and Supplies	22,192	24,870	47,062
Contractual Services	226,435	31,252	257,687
Utilities	242,908	29,520	272,428
Depreciation	144,470	42,940	187,410
Other Operating Expense	0	100,000	100,000
Total Operating Expenses	1,534,755	317,767	1,852,522
Operating Income (Loss)	(707,192)	(53,490)	(760,682)
Non-Operating Revenue (Expenses):			
Interest Income	42,426	0	42,426
Interest and Fiscal Charges	(1,945,538)	0	(1,945,538)
Intergovernmental Revenues	2,982,402	0	2,982,402
Total Non-Operating Revenues (Expenses)	1,079,290	0	1,079,290
Change in Net Assets	372,098	(53,490)	318,608
Net Assets Beginning of Year	6,004,610	954,705	6,959,315
Net Assets End of Year	\$ 6,376,708	\$ 901,215	\$ 7,277,923

See accompanying notes to the basic financial statements

CITY OF SHARONVILLE, OHIO

**Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2011**

	Business-Type Activities		
	Enterprise Funds		
	Convention Center	Other Enterprise Fund	Total
<u>Cash Flows from Operating Activities:</u>			
Cash Received from Customers	\$696,718	\$269,837	\$966,555
Cash Payments for Goods and Services	(492,989)	(190,383)	(683,372)
Cash Payments to Employees	(876,155)	(108,245)	(984,400)
Other Operating Revenues	90,512	1,005	91,517
Net Cash Used by Operating Activities	<u>(581,914)</u>	<u>(27,786)</u>	<u>(609,700)</u>
<u>Cash Flows from Noncapital Financing Activities:</u>			
Intergovernmental Revenue Received	2,982,402	0	2,982,402
Net Cash Provided by Noncapital Financing Activities	<u>2,982,402</u>	<u>0</u>	<u>2,982,402</u>
<u>Cash Flows from Capital and Related Financing Activities:</u>			
Acquisition and Construction of Assets	(14,824,616)	(18,670)	(14,843,286)
Sale of General Obligation Notes	4,990,000	0	4,990,000
Payment on General Obligation Notes	(5,020,000)	0	(5,020,000)
Payment on General Obligation Bonds	(605,000)	0	(605,000)
Interest Paid on All Debt	(1,894,589)	0	(1,894,589)
Net Cash Used for Capital and Related Financing Activities	<u>(17,354,205)</u>	<u>(18,670)</u>	<u>(17,372,875)</u>
<u>Cash Flows from Investing Activities:</u>			
Receipts of Interest	42,426	0	42,426
Net Cash Provided for Investing Activities	<u>42,426</u>	<u>0</u>	<u>42,426</u>
Net Decrease in Cash and Cash Equivalents	(14,911,291)	(46,456)	(14,957,747)
Cash and Cash Equivalents at Beginning of Year	26,241,059	310,012	26,551,071
Cash and Cash Equivalents at End of Year	<u>\$11,329,768</u>	<u>\$263,556</u>	<u>\$11,593,324</u>
<u>Reconciliation of Cash and</u>			
<u>Cash Equivalents per the Statement of Net Assets:</u>			
Cash and Cash Equivalents	\$11,329,768	\$231,407	\$11,561,175
Restricted Cash and Cash Equivalents	0	32,149	32,149
Cash and Cash Equivalents at End of Year	<u>\$11,329,768</u>	<u>\$263,556</u>	<u>\$11,593,324</u>

CITY OF SHARONVILLE, OHIO

	Business-Type Activities		
	Enterprise Funds		
	Convention Center	Other Enterprise Fund	Total
<u>Reconciliation of Operating Loss to Net Cash</u>			
<u>Used by Operating Activities:</u>			
Operating Loss	(\$707,192)	(\$53,490)	(\$760,682)
Adjustments to Reconcile Operating Loss to			
Net Cash Used by Operating Activities:			
Depreciation Expense	144,470	42,940	187,410
Changes in Assets and Liabilities:			
Increase in Accounts Receivable	(22,450)	(83)	(22,533)
Increase in Intergovernmental Receivables	(10,059)	0	(10,059)
Increase in Prepaid Items	(4,407)	(1,285)	(5,692)
Decrease in Accounts Payable	(2,904)	(11,277)	(14,181)
Increase (Decrease) in Accrued Wages and Benefits	(684)	129	(555)
Increase in Intergovernmental Payable	8,465	11,650	20,115
Increase in Customer Deposits Payable	0	3,046	3,046
Decrease in Deferred Revenue	(7,824)	0	(7,824)
Increase (Decrease) in Compensated Absences	20,671	(19,416)	1,255
Total Adjustments	125,278	25,704	150,982
Net Cash Used by Operating Activities	(\$581,914)	(\$27,786)	(\$609,700)

Schedule of Noncash Investing, Capital and Financing Activities:

For the year ended December 31, 2011, the Convention Center Fund had an outstanding liability of \$1,237,841 for the construction and acquisition of capital assets.

See accompanying notes to the basic financial statements

CITY OF SHARONVILLE, OHIO

**Statement of Net Assets
Fiduciary Fund
December 31, 2011**

	Private Purpose	
	Trust	
	Unclaimed	Agency Funds
	Monies Fund	
Assets:		
Cash and Cash Equivalents	\$ 22,262	\$ 931,330
Total Assets	<u>22,262</u>	<u>931,330</u>
Liabilities:		
Intergovernmental Payable	0	3,582
Due to Others	0	927,748
Total Liabilities	<u>0</u>	<u>931,330</u>
Net Assets:		
Unrestricted	22,262	0
Total Net Assets	<u>\$ 22,262</u>	<u>\$ 0</u>

See accompanying notes to the basic financial statements

CITY OF SHARONVILLE, OHIO

**Statement of Changes in Net Assets
Fiduciary Funds
For the Year Ended December 31, 2011**

	Private Purpose Trust Unclaimed Monies Fund
Additions:	
Contributions:	
Miscellaneous	\$ 29
Total Additions	<u>29</u>
Deductions:	
Total Deductions	<u>0</u>
Change in Net Assets	29
Net Assets at Beginning of Year	<u>22,233</u>
Net Assets End of Year	<u>\$ 22,262</u>

See accompanying notes to the basic financial statements

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2011***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The City of Sharonville, Ohio (the "City") was incorporated in 1962 under the laws of the State of Ohio and operates under a Mayor-Council form of government.

The accompanying basic financial statements comply with the provisions of GASB Statement No. 14, *"The Financial Reporting Entity,"* as amended by GASB Statement No. 39, *"Determining Whether Certain Organizations are Component Units"* in that the financial statements include all organizations, activities, functions and component units for which the City (the primary government) is financially accountable. Financial accountability is defined as the appointment of a voting majority of a legally separate organization's governing body and either (1) the City's ability to impose its will over the organization, or (2) the potential that the organization will provide a financial benefit to or impose a financial burden on the City.

Based on the foregoing, the City's financial reporting entity includes all funds, agencies, boards and commissions that are part of the primary government, which include the following services: public safety (police and fire), highways and streets, sanitation, health and social services, culture-recreation, public improvements, planning and zoning and general administrative services. The City also owns and operates senior citizen housing and a convention center which are reported as enterprise funds. In addition, the City has included the Community Improvement Corporation of Sharonville (CIC) as a discretely presented component unit.

Discretely Presented Component Unit – The component unit column in the entity-wide financial statements includes the financial data of the City's component unit. It is reported in a separate column to emphasize that it is legally separate from the City. The component unit is being presented as a part of the City's reporting entity because the City appoints the voting majority of the component unit's board and the City can impose its' will on the component unit.

Community Improvement Corporation of Sharonville – The Community Improvement Corporation of Sharonville (CIC), a non-profit organization, is a six member board comprised of four City officials and two council members. The primary purpose of the CIC is the planning of the industrial, commercial, distribution and research development of the City, including the assurance that mortgage payments will be made to foster such development, the acquisition, construction, equipment and improvement of buildings, structures and other properties, the acquisition of sites for such development, the lease, sale and subdivision of such sites and incurring of debt in order to carry out such development, and to make loans to any individual or business entity in order to carry out such development purpose for the City. The City provides all subsidies to the CIC to finance its operations and activities, there were no subsidies provided to the CIC in 2011. Financial statements related to the CIC can be obtained from the City Auditor.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2011***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation - Fund Accounting

The City uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain City functions or activities.

A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. The following fund types are used by the City:

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

General Fund - This fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. Principal sources of revenue are municipal income taxes and shared tax revenues. Primary expenditures are for police protection, community environment and general government.

Street Construction, Maintenance and Repair Fund - This fund is used to account for state-levied and controlled gasoline tax and motor vehicle registration fees designated for street maintenance and repair.

Fire Department Fund - This fund is used to account for income tax revenues collected to fund Fire Department operations.

Chester Road TIF Fund - This fund is used to account for the construction on the Chester Road Project.

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

Proprietary Funds - The proprietary funds are accounted for on an "economic resource" measurement focus. This measurement focus provides that all assets and liabilities associated with the operation of the proprietary funds are included on the balance sheet. The proprietary fund operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net total assets.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2011***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation - Fund Accounting (Continued)

Enterprise Funds - These funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, in which the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The following is the City's major enterprise fund:

Convention Center Fund - This fund is used to account for revenues and expenses associated with the operation of the city-owned convention center.

The other enterprise fund of the City, the Senior Citizen Housing Fund, is used to account for revenues and expenses associated with the operation of the city-owned Senior Housing Apartment Complex, as well as revenues from lease deposits and waiting list deposits.

Fiduciary Funds

Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds. Fiduciary funds are used to account for assets the City holds in a trustee capacity or as an agent for individuals, private organizations, other governments, and other funds. The City's fiduciary funds are a private-purpose trust fund and agency funds. The private purpose trust fund is used to account for unclaimed monies. Agency funds are purely custodial (assets equal liabilities) and thus do not involve measurement of results of operations. The City's agency funds account for funds from the Mayor's Court, funds for employee benefits plans, fees for building standards, tax refunds, and funds to repair the downtown shopping area.

C. Basis of Presentation – Financial Statements

Government-wide Financial Statements – The statement of net assets and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the City that are governmental and those that are considered business-type activities.

The government-wide statements are prepared using the economic resources measurement focus. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund 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.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2011***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation – Financial Statements (Continued)

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the City and for each function or program of the City's governmental activities. 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 and grants and contributions that are restricted to meeting the operational or capital requirements of 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 – Fund financial statements report detailed information about the City. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by fund type.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds are a balance sheet, which generally includes only current assets and current liabilities, and a statement of revenues, expenditures and changes in fund balances, which reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

All proprietary fund types are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the statement of net assets. The statement of changes in fund net assets presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. 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 represents the methodology utilized in the recognition of revenues and expenditures or expenses reported in the financial statements. The accounting and reporting treatment applied to a fund is determined by its measurement focus.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2011***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Basis of Accounting (Continued)

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

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

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

Special assessments receivable, which are measurable, but not available at December 31, are recorded as deferred revenue.

For governmental activities and proprietary funds, the City applies Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins issued on or before November 30, 1989 that do not conflict with or contradict GASB pronouncements. The City has elected not to apply FASB statements and interpretations issued after November 30, 1989 to its business-type activities and enterprise funds.

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

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2011***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources and the appropriation ordinance, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriation ordinance are subject to amendment throughout the year.

All funds other than agency funds are legally required to be budgeted and appropriated; however, only governmental funds are required to be reported. The primary level of budgetary control is at the department level and within each department at the levels of personal services and other expenditures. Administrative control is maintained through the establishment of more detailed line-item budgets. Budgetary modifications may only be made by ordinance of the City Council.

1. Tax Budget

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

2. Estimated Resources

The County Budget Commission reviews estimated revenue and determines if the budget substantiates a need to levy all or part of previously authorized taxes. The Budget Commission then certifies its actions to the City by September 1 of each year. As part of the certification process, the City receives an official certificate of estimated resources stating the projected receipts by fund. Prior to December 31, the City must revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year do not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriations measure. On or about January 1, the certificate of estimated resources is amended to include any unencumbered fund balances from the preceding year. The certificate may be further amended during the year if a new source of revenue is identified or actual receipts exceed current estimates. The amounts reported on the budgetary statement reflect the amounts in the final amended official certificate of estimated resources issued during 2011.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2011***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process (Continued)

3. Appropriations

A temporary appropriation ordinance to control expenditures may be passed on or about January 1 of each year for the period January 1 through March 31. An annual appropriation ordinance must be passed by April 1 of each year for the period January 1 through December 31.

The appropriation ordinance establishes spending controls at the fund level. The appropriation ordinance may be amended during the year as additional information becomes available, provided that total fund appropriations do not exceed the current estimated resources as certified. The allocation of appropriations among departments and objects within a fund may be modified during the year by an ordinance of City Council. During 2011, supplemental appropriations were necessary to budget for projects that were not originally appropriated. The budgetary figures, which appear on the budgetary statements, are provided on the budgetary basis to provide a comparison of actual results with the final budget, including all amendments and modifications.

4. Encumbrances

As part of formal budgetary control, purchase orders, contracts and other commitments for expenditures are encumbered and recorded as the equivalent of expenditures in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance. Encumbrances outstanding at year end, however, are reported as reservations of fund balances for subsequent year expenditures in the accompanying basic purpose financial statements.

5. Lapsing of Appropriations

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

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2011**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process (Continued)

6. Budgetary Basis of Accounting

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

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the "Statement of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual" for the general fund and the major special revenue funds:

	Net Change in Fund Balance		
	General Fund	Street Construction, Maintenance and Repair Fund	Fire Department Fund
GAAP Basis (as reported)	\$1,276,004	\$67,822	\$967,130
Increase (Decrease):			
Accrued Revenues at December 31, 2011 received during 2012	(2,105,138)	(359,961)	(974,342)
Accrued Revenues at December 31, 2010 received during 2011	1,860,788	316,670	870,512
Accrued Expenditures at December 31, 2011 paid during 2012	735,105	145,158	440,633
Accrued Expenditures at December 31, 2010 paid during 2011	(773,424)	(51,664)	(482,025)
2011 Prepays for 2012	(44,636)	(4,216)	(22,793)
2010 Prepays for 2011	47,060	4,599	22,393
Perspective Difference:			
Activity of Funds Reclassified for GAAP Reporting Purposes	159,134	0	0
Outstanding Encumbrances	(409,735)	(219,343)	(621,655)
Budget Basis	<u>\$745,158</u>	<u>(\$100,935)</u>	<u>\$199,853</u>

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2011***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Cash and Cash Equivalents

Cash and cash equivalents include amounts in demand deposits and the State Treasurer's Asset Reserve (STAR Ohio). STAR Ohio is considered a cash equivalent because it is a highly liquid investment with an original maturity date of three months or less.

The City pools its cash for investment and resource management purposes. Each fund's equity in pooled cash and investments represents the balance on hand as if each fund maintains its own cash and investment account. For purposes of the statement of cash flows, the proprietary funds' share of equity in pooled cash and cash equivalents (both unrestricted and restricted) are considered to be cash equivalents. See Note 5 "Cash, Cash Equivalents and Investments."

G. Investments

Investment procedures and interest allocations are restricted by provisions of the Ohio Constitution and the Ohio Revised Code. The City allocates interest among certain funds based upon the fund's cash balance at the date of investment. In accordance with GASB Statement No. 31, "*Accounting and Financial Reporting for Certain Investments and for External Investment Pools*", the City reports its investments, which consists of STAR Ohio and various federal securities, at fair value. Fair value is determined by quoted market prices. See Note 5, "Cash, Cash Equivalents and Investments."

The City has invested funds in STAR Ohio during 2011. STAR Ohio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price which is the price the investment could be sold for on December 31, 2011.

H. Inventory

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

I. Capital Assets and Depreciation

Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 and an estimated useful life threshold of three or more years.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2011***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. Capital Assets and Depreciation (Continued)

1. Property, Plant and Equipment - Governmental Activities

Governmental activities capital assets are those not directly related to the business type funds. These generally are acquired or constructed for governmental activities and are recorded as expenditures in the governmental funds and are capitalized at cost (or estimated historical cost for assets not purchased in recent years). These assets are reported in the Governmental Activities column of the Government-wide Statement of Net Assets, but they are not reported in the Fund Financial Statements.

Contributed capital assets are recorded at fair market value at the date received. Capital assets include land, improvements to land, buildings, building improvements, machinery, equipment and infrastructure. Infrastructure is defined as long-lived capital assets that normally are stationary in nature and normally can be preserved for a significant number of years. Examples of infrastructure include roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems. Estimated historical costs for governmental activities capital asset values were initially determined at December 31, 1987 by identifying historical costs when such information was available. In cases where information supporting original cost was not obtainable, estimated historical costs were developed. For certain capital assets, the estimates were arrived at by indexing estimated current costs back to the estimated year of acquisition.

2. Property, Plant and Equipment – Business Type Activities

Property, plant and equipment acquired by the proprietary funds are stated at cost (or estimated historical cost), including interest capitalized during construction and architectural and engineering fees where applicable. Contributed capital assets are recorded at fair market value at the date received. These assets are reported in both the Business-Type Activities column of the Government-wide Statement of Net Assets and in the respective funds.

3. Depreciation

All capital assets are depreciated, excluding land and construction in progress. Depreciation has been provided using the straight-line method over the following estimated useful lives:

<u>Description</u>	<u>Governmental and Business-Type Activities Estimated Lives (Years)</u>
Land Improvements	20
Buildings	25 – 50
Building Improvements	20 – 30
Infrastructure	10 – 20
Machinery, Equipment, Furniture, Fixtures and Vehicles	3 – 30

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2011***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Long-Term Obligations

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

<u>Obligation</u>	<u>Fund</u>
Notes Payable	Note Debt Retirement Fund
Special Assessment Bonds	Crowne Point Drive Fund
General Obligation Bonds	Convention Center Fund Note Debt Retirement Fund Debt Retirement Fund
Revenue Bonds	Convention Center Fund
Capital Leases	Street Construction, Maintenance and Repair Fund
Compensated Absences	General Fund Street Construction, Maintenance and Repair Fund Fire Fund Permissive Motor Vehicle License Fund Senior Citizen Housing Fund Convention Center Fund

K. Compensated Absences

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

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

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2011***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. Compensated Absences (Continued)

For governmental funds, that portion of unpaid compensated absences that is due and payable is reported as an expenditure in the fund from which the individual earning the leave is paid, and a corresponding liability is reflected in the account "Compensated Absences Payable." In the government wide statement of net assets, "Compensated Absences Payable" is recorded within the "Due within one year" account and the long-term portion of the liability is recorded within the "Due in more than one year" account.

Compensated absences are expensed in the Senior Citizens Housing and Convention Center enterprise funds when earned. The related liability is reported within the fund.

L. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2011, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed.

M. Restricted Assets

Certain cash and cash equivalents are classified as restricted on the balance sheet and statement of net assets because these funds are being held by a trustee, an agent or by the City for specified purposes.

N. Intergovernmental Revenues

In governmental funds, grants awarded on a non-reimbursement basis, entitlements and shared revenues are recorded as intergovernmental receivables and revenues when measurable and available. Reimbursable grants are recorded as intergovernmental receivables and revenues when the related expenditures are made.

Grants received for proprietary fund operations are recognized as revenues when measurable and earned. Such resources restricted for the construction of capital assets are recorded as contributed capital.

O. Pensions

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

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2011***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

P. Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures in the purchaser funds. Interfund services provided and used are not eliminated in the process of consolidation. 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. Repayments from funds responsible for particular expenditures to the funds that initially paid for them are not presented on the financial statements.

The City generally eliminates the effect of interfund activity in the government-wide financial statements to remove indirect expenses, except where the elimination would distort the costs and program revenues reported for the various functions.

Q. Fund Balance

In the fund financial statements, fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund balance is reported in five components – nonspendable, restricted, committed, assigned and unassigned.

Nonspendable – Nonspendable fund balance includes amounts that cannot be spent because they are either not in spendable form or legally contractually required to be maintained intact.

Restricted – Restricted fund balance consists of amounts that have constraints placed on them either externally by third parties (creditors, grantors, contributors, or laws or regulations of other governments) or by law through constitutional provisions or enabling legislation. Enabling legislation authorizes the City to assess, levy, charge or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement (compelled by external parties) that those resources be used only for the specific purposes stipulated in the legislation.

Committed – Committed fund balance consists of amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the City’s highest level of decision making authority. For the City, these constraints consist of ordinances and resolutions passed by City Council. Committed amounts cannot be used for any other purpose unless the City removes or changes the specified use by taking the same type of action (ordinance, resolution) it employed previously to commit those amounts.

Assigned – Assigned fund balance consists of amounts that are constrained by the City’s intent to be used for specific purposes, but are neither restricted nor committed.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2011***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Q. Fund Balance (Continued)

Unassigned – Unassigned fund balance consists of amounts that have not been restricted, committed or assigned to specific purposes within the General Fund as well as negative fund balances in all other governmental funds.

When both restricted and unrestricted resources are available for use, it is the City's policy to use unrestricted resources first (committed, assigned and unassigned), then restricted resources as they are needed.

R. Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Net Assets restricted for Other Purposes include programs for street and highway improvements, federal grants for security of persons and property and mandatory fines for various court programs.

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

S. Interfund Assets/ Liabilities

The City reports cash overdrafts from pooled cash and cash equivalents as an interfund loan payable in the fund with the overdraft and as an interfund loan receivable in the fund(s) designated by management.

T. 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.

U. 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 and that are either unusual in nature or infrequent in occurrence. Neither transaction occurred within the City during fiscal year 2011.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2011***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

V. Operating Revenues and Expenses

Proprietary funds distinguish operating revenues and expenses from nonoperating items. 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 from the convention center and the senior housing center. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

W. Unearned/Deferred Revenue in Enterprise Funds

The unearned/deferred revenue recorded within the Business-Type Activities/Convention Center Fund is comprised of deposits received by the City throughout the year for events to be held at the Convention Center in the near future.

NOTE 2 – CHANGE IN ACCOUNTING PRINCIPLE – RESTATEMENT OF FUND BALANCE/NET ASSETS

For 2011 the City implemented GASB Statement No. 54, “*Fund Balance Reporting and Governmental Fund Type Definitions*”.

Statement No. 54 provides more clearly defined categories to make the nature and extent of the constraints placed on a governments fund balances more transparent. It also clarifies the existing governmental fund type definitions. While the application of this new standard did not have an effect on total prior year fund balances, it did result in the reclassification of funds as detailed below.

	<u>General Fund</u>	<u>Other Governmental Funds</u>
Fund Balance		
at December 31, 2010	\$5,465,232	\$2,244,714
Fund Reclassification	249,184	(249,184)
Fund Balance		
as Restated	<u>\$5,714,416</u>	<u>\$1,995,530</u>

CITY OF SHARONVILLE, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2011**

NOTE 3 – FUND BALANCE CLASSIFICATION

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

Fund Balances	General	Street Construction, Maintenance and Repair	Fire Department	Chester Road TIF	Other Governmental Funds	Total Governmental Funds
Nonspendable:						
Prepaid Items	\$44,636	\$4,216	\$22,793	\$0	\$3,244	\$74,889
Supplies Inventory	0	77,664	0	0	38,253	115,917
Total Nonspendable	<u>44,636</u>	<u>81,880</u>	<u>22,793</u>	<u>0</u>	<u>41,497</u>	<u>190,806</u>
Restricted:						
Transportation Projects	0	1,254,395	0	0	539,722	1,794,117
Court Projects	0	0	0	0	128,147	128,147
Law Enforcement	0	0	0	0	244,055	244,055
Debt Service	0	0	0	0	280,400	280,400
Fire Department	0	0	2,436,772	0	0	2,436,772
Capital Improvements	0	0	0	0	301,440	301,440
Health	0	0	0	0	3	3
Total Restricted	<u>0</u>	<u>1,254,395</u>	<u>2,436,772</u>	<u>0</u>	<u>1,493,767</u>	<u>5,184,934</u>
Committed:						
Termination Benefits	90,050	0	0	0	0	90,050
Teen Activities	0	0	0	0	2,503	2,503
Debt Service	0	0	0	0	1,300	1,300
Capital Improvements	0	0	0	0	216,327	216,327
Total Committed	<u>90,050</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>220,130</u>	<u>310,180</u>
Assigned:						
Encumbrances	286,206	0	0	0	0	286,206
Unassigned (Deficit)	<u>6,569,528</u>	<u>0</u>	<u>0</u>	<u>(1,725,479)</u>	<u>(5,000)</u>	<u>4,839,049</u>
Total Fund Balances	<u>\$6,990,420</u>	<u>\$1,336,275</u>	<u>\$2,459,565</u>	<u>(\$1,725,479)</u>	<u>\$1,750,394</u>	<u>\$10,811,175</u>

NOTE 4 – FUND DEFICITS

The fund deficits at December 31, 2011 of \$1,725,479 in the Chester Road TIF Fund and of \$5,000 in the Downtown TIF Fund (capital projects fund), arise from the recognition of certain liabilities under the modified accrual basis of accounting. Under the budgetary basis of accounting the deficits do not exist. The General Fund provides transfers when cash is required, not when accruals occur.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2011***

NOTE 5 - CASH AND CASH EQUIVALENTS

Cash resources of several individual funds are combined to form a pool of cash, cash equivalents and investments.

Statutes require the classification of funds held by the City into three categories. Category 1 consists of “active” funds - those funds required to be kept in a “cash” or “near cash” status for immediate use by the City. Such funds must be maintained either as cash in the City Treasury or in depository accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts.

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

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

- United States treasury notes, bills, bonds, or any other obligation or security issued by the United States treasury or any other obligation guaranteed as to principal or interest by the United States;
- Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the federal national mortgage association, federal home loan bank, federal farm credit bank, federal home loan mortgage corporation, government national mortgage association, and student loan marketing association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
- Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
- Interim deposits in eligible institutions applying for interim funds;
- Bonds and other obligations of the State of Ohio;
- No-load money market mutual funds consisting exclusively of obligations described in the first two bullets of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions, and
- The State Treasury Asset Reserve of Ohio (STAR Ohio).

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2011**

NOTE 5 - CASH AND CASH EQUIVALENTS (Continued)

A. Deposits

Custodial credit risk is the risk that in the event of bank failure, the government's deposits may not be returned. Protection of City cash and deposits is provided by the federal deposit insurance corporation as well as qualified securities pledged by the institution holding the assets. Ohio Law requires that deposits be placed in eligible banks or savings and loan associations located in Ohio. Any public depository in which the City places deposits must pledge as collateral eligible securities of aggregate market value equal to the excess of deposits not insured by the Federal Deposit Insurance Corporation (FDIC). The securities pledged as collateral are pledged to a pool for each individual financial institution in amounts equal to at least 105% of the carrying value of all public deposits held by each institution. Obligations that may be pledged as collateral are limited to obligations of the United States and its agencies and obligations of any state, county, municipal corporation or other legally constituted authority of any other state, or any instrumentality of such county, municipal corporation or other authority. Collateral is held by trustees including the Federal Reserve Bank and designated third party trustees of the financial institutions.

At year end the carrying amount of the City's deposits was \$19,504,968 and the bank balance was \$19,695,712. Federal depository insurance covered \$750,000 of the bank balance and \$18,945,712 was uninsured. Of the remaining uninsured bank balance, the City was exposed to custodial risk as follows:

	<u>Balance</u>
Uninsured and collateralized with securities held by the pledging institution's trust department not in the City's name	\$18,945,712
Total Balance	<u><u>\$18,945,712</u></u>

B. Investments

The City's investments at December 31, 2011 were as follows:

	<u>Fair Value</u>	<u>Credit Rating</u>	<u>Investment Maturities (in Years)</u>	
			<u>less than 1</u>	<u>1-3</u>
STAR Ohio	<u>\$6,201,968</u>	AAAm ¹	<u>\$6,201,968</u>	<u>\$0</u>
Total Investments	<u><u>\$6,201,968</u></u>		<u><u>\$6,201,968</u></u>	<u><u>\$0</u></u>

¹ Standard & Poor's

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2011***

NOTE 5 - CASH AND CASH EQUIVALENTS (Continued)

B. Investments (Continued)

Interest Rate Risk – The Ohio Revised Code generally limits security purchases to those that mature within five years of settlement date.

Investment Credit Risk – The City has no investment policy that limits its investment choices other than the limitation of State statute for “interim” funds described previously.

Concentration of Credit Risk – The City places no limit on the amount the City may invest in one issuer.

Custodial Credit Risk – 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 investment or collateral securities that are in the possession of an outside party.

C. Reconciliation of Cash, Cash Equivalents and Investments

The classification of cash, cash equivalents and investments on the financial statements is based on criteria set forth in GASB Statement No. 9. Certificates of deposit with an original maturity of three months or less are treated as cash equivalents. The classification of cash and cash equivalents (deposits) for purposes of this note are based on criteria set forth in GASB Statement No. 3.

	<u>Cash and Cash Equivalents</u>	<u>Investments</u>
Per Financial Statements	\$25,706,936	\$0
STAR Ohio	<u>(6,201,968)</u>	<u>6,201,968</u>
Per GASB Statement No. 3	<u>\$19,504,968</u>	<u>\$6,201,968</u>

* Includes Restricted Cash and Cash Equivalents.

NOTE 6 - INCOME TAXES

The City levies a tax of 1.5% on all salaries, wages, commissions and other compensation and on net profits earned within the City as well as on incomes of residents earned outside the City. In the latter case, the City allows a credit of 100% of the tax paid to another municipality to a maximum of the total amount assessed.

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

CITY OF SHARONVILLE, OHIO

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2011***

NOTE 7 - RECEIVABLES

Receivables at December 31, 2011 consisted of income taxes, payment in lieu of taxes, accounts receivable, special assessments and intergovernmental receivables arising from shared revenues.

NOTE 8 – TRANSFERS AND INTERFUND BALANCES

Following is a summary of transfers in and out for all funds for 2011:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$0	\$2,300,710
Fire Department Fund	358,397	698,458
Other Governmental Funds	2,640,771	0
Totals	<u>\$2,999,168</u>	<u>\$2,999,168</u>

Transfers are used to remove from the funds that statute or budget requires to collect them to the funds that statute or budget requires to expend them; to segregate money for anticipated capital projects; to provide additional resources for current operations or debt service; to return money to the fund from which it was originally provided once a project is completed; and to transfer capital assets. The Fire Department and the Convention Center Funds made transfers out to retire debt in accordance with Ohio Revised Code.

Individual interfund balances at December 31, 2011 are as follows:

<u>Fund</u>	<u>Interfund Loan Receivable</u>	<u>Interfund Loan Payable</u>
General Fund	\$5,000	\$0
Fire Department Fund	44,045	0
Other Governmental Funds	0	49,045
Totals	<u>\$49,045</u>	<u>\$49,045</u>

The interfund loans receivable/payable on the Governmental Balance Sheet is temporary loans to assist with cash flows until the receipt of certain grants.

CITY OF SHARONVILLE, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2011**

NOTE 9 - CAPITAL ASSETS

A. Governmental Activities Capital Assets

Summary by category of changes in governmental activities capital assets at December 31, 2011:

Historical Cost:

Class	December 31, 2010	Additions	Deletions	December 31, 2011
<i>Capital assets not being depreciated:</i>				
Land	\$6,712,310	\$0	(\$72,500)	\$6,639,810
Construction in Progress	4,909,767	189,833	(1,993,738)	3,105,862
<i>Capital assets not being depreciated</i>	11,622,077	189,833	(2,066,238)	9,745,672
<i>Capital assets being depreciated:</i>				
Land Improvements	8,235,860	27,968	(9,509)	8,254,319
Buildings and Improvements	18,158,901	0	(809,521)	17,349,380
Infrastructure	17,428,757	2,774,756	(254,981)	19,948,532
Machinery and Equipment	2,534,098	419,884	(122,454)	2,831,528
Vehicles	3,995,166	215,663	(121,659)	4,089,170
<i>Capital assets being depreciated</i>	50,352,782	3,438,271	(1,318,124)	52,472,929
Total Cost	\$61,974,859	\$3,628,104	(\$3,384,362)	\$62,218,601

Accumulated Depreciation:

Class	December 31, 2010	Additions	Deletions	December 31, 2011
Land Improvements	(\$3,358,339)	(\$380,347)	\$9,033	(\$3,729,653)
Buildings and Improvements	(5,407,539)	(387,558)	291,428	(5,503,669)
Infrastructure	(12,301,976)	(587,097)	252,678	(12,636,395)
Machinery and Equipment	(1,432,444)	(229,180)	86,391	(1,575,233)
Vehicles	(3,062,682)	(238,302)	120,591	(3,180,393)
Total Depreciation	(\$25,562,980)	(\$1,822,484) *	\$760,121	(\$26,625,343)
<i>Net Value:</i>	\$36,411,879			\$35,593,258

* Depreciation expenses were charged to governmental functions as follows:

Security of Persons and Property	\$417,035
Leisure Time Activities	535,566
Transportation	650,971
General Government	218,912
Total Depreciation Expense	\$1,822,484

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2011**

NOTE 9 - CAPITAL ASSETS (Continued)

B. Business-Type Activities Capital Assets

Summary by category of changes in business-type activities capital assets at December 31, 2011:

Historical Cost:

Class	December 31, 2010	Additions	Deletions	December 31, 2011
<i>Capital assets not being depreciated:</i>				
Land	\$3,395,000	\$0	\$0	\$3,395,000
Construction In Progress	11,772,890	14,390,558	0	26,163,448
<i>Capital assets not being depreciated</i>	15,167,890	14,390,558	0	29,558,448
<i>Capital assets being depreciated:</i>				
Land Improvements	168,090	0	0	168,090
Buildings and Improvements	8,074,861	0	0	8,074,861
Infrastructure	76,929	18,670	0	95,599
Machinery and Equipment	279,633	0	0	279,633
Vehicles	25,000	0	0	25,000
<i>Capital assets being depreciated</i>	8,624,513	18,670	0	8,643,183
Total Cost	\$23,792,403	\$14,409,228	\$0	\$38,201,631

Accumulated Depreciation:

Class	December 31, 2010	Additions	Deletions	December 31, 2011
Land Improvements	(\$116,444)	(\$10,182)	\$0	(\$126,626)
Buildings and Improvements	(3,342,039)	(164,811)	0	(3,506,850)
Infrastructure	(48,987)	(5,392)	0	(54,379)
Machinery and Equipment	(237,116)	(7,025)	0	(244,141)
Vehicles	(25,000)	0	0	(25,000)
Total Depreciation	(\$3,769,586)	(\$187,410)	\$0	(\$3,956,996)

Net Value:

\$20,022,817	\$34,244,635
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***Notes to the Basic Financial Statements
For the Year Ended December 31, 2011***

NOTE 10 – DEFINED BENEFIT PENSION PLANS

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

A. Ohio Public Employees Retirement System ("OPERS")

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

All employees of the City, except full-time uniformed police officers and full-time firefighters, participate in one of the three pension plans administered by OPERS: the Traditional Pension Plan (TP), the Member-Directed Plan (MD), and the Combined Plan (CO). The TP Plan is a cost-sharing multiple employer defined benefit pension plan. The MD Plan is 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 MD Plan members accumulate retirement assets equal to the value of member and (vested) employer contributions plus any investment earnings thereon. The CO Plan is a cost-sharing multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan. Under the CO Plan employer contributions are invested by the retirement system to provide a formula retirement benefit similar in nature to the TP Plan. Member contributions, the investment of which is self-directed by the members, accumulate retirement assets in a manner similar to the MD Plan.

OPERS provides retirement, disability, survivor and death benefits and annual cost-of-living adjustments to members of the TP Plan and CO Plan. Members of the MD Plan do not qualify for ancillary benefits, including postemployment health care benefits. Chapter 145 of the Ohio Revised Code provides statutory authority to establish and amend benefits. The Ohio Public Employees Retirement System issues a stand-alone financial report that includes financial statements and required supplementary information for OPERS. Interested parties may obtain a copy by making a written request to OPERS, Attention: Finance Director, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-5601 or 1-800-222-7377.

The ORC provides statutory authority for employee and employer contributions. For 2011, employee and employer contribution rates were consistent across all three plans (TP, MD and CO). The employee contribution rate is 10.0%. The 2011 employer contribution rate for local government employer units was 14.00%, of covered payroll which is the maximum contribution rate set by State statutes. Employer contribution rates are actuarially determined. A portion of the City's contribution is used to fund pension obligations with the remainder being used to fund health care benefits. The portion of employer contributions allocated to pension obligations for members in the Traditional Plan was 10.0% for calendar year 2011. The portion of employer contributions allocated to pension obligations for members in the Combined Plan was 7.95% for calendar year 2011. The contribution requirements of plan members and the City are established and may be amended by the OPERS Board. The City's required contributions for pension obligations to OPERS for the years ending December 31, 2011, 2010, and 2009 were \$566,761, \$532,571 and \$502,001, respectively, which were equal to the required contributions for each year.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2011***

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

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

All City full-time police officers and full-time firefighters participate in 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. Contribution requirements and benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the ORC. The Ohio Police and Fire Pension Fund issues a stand-alone financial report that includes financial statements and required supplementary information for the plan. Interested parties may obtain a copy by making a written request to 140 East Town Street, Columbus, Ohio 43215-5164 or by calling (614) 228-2975.

Plan members are required to contribute 10.0% of their annual covered salary, while employers are required to contribute 19.5% and 24.0% respectively for police officers and firefighters. A portion of the City’s contribution is used to fund pension obligations with the remainder being used to fund health care benefits; for 2011, 12.75% of annual covered salary for police and 17.25% of annual covered salary for firefighters, respectively, were the portions used to fund pension obligations. The City’s contributions for pension obligations to the OP&F Fund for the years ending December 31, 2011, 2010, and 2009 were \$396,734, \$401,343 and \$391,768 for police and \$511,352, \$528,817 and \$515,171 for firefighters, respectively, which were equal to the required contributions for each year.

NOTE 11 - POSTEMPLOYMENT BENEFITS

A. Ohio Public Employees Retirement System (“OPERS”)

Plan Description – 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 health care plan, which includes a medical plan, prescription drug program and Medicare Part B Premium reimbursement, to qualifying member of both the Traditional Pension and the Combined Plans. Members of the Member Directed Plan do not qualify for ancillary benefits, including post-employment health care coverage.

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 is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 45.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2011***

NOTE 11 - POSTEMPLOYMENT BENEFITS (Continued)

A. Ohio Public Employees Retirement System (“OPERS”) (Continued)

The ORC 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 ORC.

OPERS issues a stand-alone financial report. Interested parties may obtain a copy by making a written request to OPERS, Attention: Finance Director, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-5601 or 1-800-222-7377.

Funding Policy – The ORC provides the statutory authority requiring public employers to fund post retirement health care coverage through their contributions to OPERS. A portion of each employer’s contribution to OPERS is set aside for the funding of post retirement health care benefits. Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2011, local government employers contributed at a rate of 14.00% of covered payroll. The ORC currently limits the employer contribution to a rate not to exceed 14.0% of covered payroll for local government employers. Active members do not make contributions to the OPEB plan.

The OPERS Postemployment Health Care plan was established under, and is administered 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 postemployment health care benefits. The portion of employer contributions allocated to health care for members in the Traditional Plan was 4.0% for calendar year 2011. The portion of employer contributions allocated to health care for members in the Combined Plan was 6.05% for calendar year 2011. The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care benefits provided by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The City's contributions for health care to the OPERS for the years ending December 31, 2011, 2010, and 2009 were \$226,705, \$306,734 and \$359,483, respectively, which were equal to the required contributions for each year.

The Health Care Preservation Plan (HCPP) adopted by the OPERS Retirement Board on September 9, 2004, was effective January 1, 2007. Member and employer contribution rates increased as of January 1, 2006, January 1, 2007 and January 1, 2008, which allowed additional funds to be allocated to the health care plan.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2011***

NOTE 11 - POSTEMPLOYMENT BENEFITS (Continued)

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

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

OP&F provides access to post-retirement health care coverage for 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 is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 45.

The ORC permits, but does not mandate, OP&F to provide OPEB benefits. Authority to establish and amend benefits is provided in Chapter 742 of the ORC.

OP&F issues a stand-alone financial report that includes financial information and required supplementary information for the plan. Interested parties may obtain a copy by making a written request to 140 East Town Street, Columbus, Ohio 43215-5164.

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

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 2011, 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 contributions for health care to the OP&F for the years ending December 31, 2011, 2010, and 2009 were \$210,035, \$212,476 and \$207,406 for police and \$200,094, \$206,928 and \$201,588 for firefighters, respectively, which were equal to the required contributions for each year.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2011**

NOTE 12 - OTHER EMPLOYEE BENEFITS

A. Dental Optical Plan

The City sponsors a Dental/Optical Plan for full-time employees of the City. Amounts not paid as dental or optical claims are remitted to employees upon termination or retirement. At December 31, 2011 the City had \$204,361 payable to employees for the Dental/Optical Plan.

B. Compensated Absences

At December 31, 2011, the City's accumulated, unpaid compensated absences amounted to \$3,376,631. Of this amount, \$3,108,710 is recorded as Governmental Activities on the Entity Wide Statement of Net Assets (\$208,709 is reported as due within one year), \$267,921 is recorded as Business-type activities (\$38,334 is reported as due within one year).

NOTE 13 - NOTES PAYABLE

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

Notes payable at December 31, 2011 were as follows:

	Balance December 31, 2010	Issued	(Retired)	Balance December 31, 2011
Capital Projects Fund:				
Capital Improvement Fund:				
1.25% Chester Road TIF Project	\$4,720,000	\$0	(\$4,720,000)	\$0
1.13% Chester Road TIF Project	0	4,625,000	0	4,625,000
Total Capital Projects Fund	<u>4,720,000</u>	<u>4,625,000</u>	<u>(4,720,000)</u>	<u>4,625,000</u>
Enterprise Fund:				
Convention Center Fund:				
1.25% Convention Center Imprv.	5,020,000	0	(5,020,000)	0
1.13% Convention Center Imprv.	0	4,990,000	0	4,990,000
Total Enterprise Fund	<u>5,020,000</u>	<u>4,990,000</u>	<u>(5,020,000)</u>	<u>4,990,000</u>
Total Notes Payable	<u><u>\$9,740,000</u></u>	<u><u>\$9,615,000</u></u>	<u><u>(\$9,740,000)</u></u>	<u><u>\$9,615,000</u></u>

CITY OF SHARONVILLE, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2011**

NOTE 14 - LONG-TERM OBLIGATIONS

Long-term obligations of the City at December 31, 2011 were as follows:

	Balance December 31, 2010	Issued	(Retired)	Balance December 31, 2011	Amount Due Within One Year
Business-Type Activities:					
General Obligation Bonds:					
1.50% - 5.25% Convention Center - Issue I	\$2,315,000	\$0	(\$425,000)	\$1,890,000	\$440,000
Unamortized Premium	84,262	0	(18,725)	65,537	18,725
Deferred Loss on Refunding	(162,091)	0	32,419	(129,672)	(32,419)
1.50% - 5.25% Convention Center - Issue II	1,430,000	0	(180,000)	1,250,000	185,000
Total General Obligation Bonds	<u>3,667,171</u>	<u>0</u>	<u>(591,306)</u>	<u>3,075,865</u>	<u>611,306</u>
Revenue Bonds:					
3.88 - 6.30% Convention Center - RZEDB - BAB	28,060,000	0	0	28,060,000	0
Discount on Bonds	(344,442)	0	12,525	(331,917)	(12,525)
Total Revenue Bonds	<u>27,715,558</u>	<u>0</u>	<u>12,525</u>	<u>27,728,083</u>	<u>(12,525)</u>
Other Long-Term Obligations:					
Compensated Absences	266,666	13,111	(11,856)	267,921	38,334
Total Business-Type Activities	<u>\$31,649,395</u>	<u>\$13,111</u>	<u>(\$590,637)</u>	<u>\$31,071,869</u>	<u>\$637,115</u>
Governmental Activities:					
General Obligation Bonds:					
1.50% - 5.25% Fire House Construction	\$4,135,000	\$0	(\$515,000)	\$3,620,000	\$535,000
1.50% - 5.25% Pool Construction	2,345,000	0	(295,000)	2,050,000	305,000
1.50% - 5.25% Kemper Road Improvement	815,000	0	(100,000)	715,000	105,000
1.50% - 5.25% Crescentville Road	275,000	0	(35,000)	240,000	35,000
Unamortized Premium	184,197	0	(28,339)	155,858	28,339
2.50% - 4.25% Recreation Center Refunding	2,730,000	0	(350,000)	2,380,000	365,000
Unamortized Premium	74,898	0	(11,523)	63,375	11,523
Deferred Loss on Refunding	(94,268)	0	14,503	(79,765)	(14,503)
Total General Obligation Bonds	<u>10,464,827</u>	<u>0</u>	<u>(1,320,359)</u>	<u>9,144,468</u>	<u>1,370,359</u>
Special Assessment Bonds:					
1.75%-4.38% GSA Property Road	1,400,000	0	0	1,400,000	55,000
Total Special Assessment Bonds (with Government Commitment)	<u>1,400,000</u>	<u>0</u>	<u>0</u>	<u>1,400,000</u>	<u>55,000</u>
Other Long-Term Obligations:					
Compensated Absences	3,368,312	245,645	(505,247)	3,108,710	208,709
Capital Leases	488,777	0	(488,777)	0	0
Total Other Long-Term Obligations	<u>3,857,089</u>	<u>245,645</u>	<u>(994,024)</u>	<u>3,108,710</u>	<u>208,709</u>
Total Governmental Activities	<u>\$15,721,916</u>	<u>\$245,645</u>	<u>(\$2,314,383)</u>	<u>\$13,653,178</u>	<u>\$1,634,068</u>

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2011**

NOTE 14 - LONG-TERM OBLIGATIONS (Continued)

The principal amount of the City's special assessment debt outstanding at December 31, 2011, \$1,400,000, is general obligation debt (backed by the full faith and credit of the City) that is being retired with the proceeds from special assessments levied against benefited property owners. The City is obligated to repay the debt irrespective of the amount of special assessments collected from property owners. The fund balance of \$31,706 in the special assessment retirement fund at December 31, 2011 is restricted for the retirement of outstanding special assessment bonds. Delinquent special assessments at year end were \$0.

A. Principal and Interest Requirements

A summary of the City's future long-term debt funding requirements, including principal and interest payments as of December 31, 2011 follows:

Years	Business-Type Activities General Obligation Bonds		Business-Type Activities Revenue Bonds	
	Principal	Interest	Principal	Interest
2012	\$625,000	\$135,037	\$0	\$1,677,882
2013	655,000	106,281	0	1,677,882
2014	685,000	75,387	0	1,677,882
2015	715,000	42,918	0	1,677,882
2016	225,000	18,244	0	1,677,882
2017-2021	235,000	6,169	2,795,000	8,058,039
2022-2026	0	0	3,985,000	7,094,287
2027-2031	0	0	6,600,000	5,512,021
2032-2036	0	0	8,705,000	3,010,845
2037-2038	0	0	5,975,000	384,930
Totals	<u>\$3,140,000</u>	<u>\$384,036</u>	<u>\$28,060,000</u>	<u>\$32,449,532</u>

Years	Governmental Activities General Obligation Bonds		Governmental Activities Special Assessment Bonds	
	Principal	Interest	Principal	Interest
2012	\$1,345,000	\$374,587	\$55,000	\$50,425
2013	1,395,000	318,557	55,000	49,490
2014	1,460,000	262,537	60,000	48,555
2015	1,525,000	155,881	60,000	47,535
2016	1,600,000	128,244	60,000	45,675
2017-2021	1,680,000	46,819	335,000	197,570
2022-2026	0	0	395,000	131,300
2027-2031	0	0	380,000	42,219
Totals	<u>\$9,005,000</u>	<u>\$1,286,625</u>	<u>\$1,400,000</u>	<u>\$612,769</u>

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2011**

NOTE 14 - LONG-TERM OBLIGATIONS (Continued)

B. Recovery Zone Economic Development and Build America Bond Subsidy

In 2010, the Convention Center Fund issued Series 2010A taxable bonds as Recovery Zone Economic Development (RZEDB) Bonds and Series 2010B taxable bonds as Build America (BAB) Bonds under the provisions of the American Recovery and Reinvestment Act of 2009. The RZEDB Bonds have a par value of \$20,295,000 and the BAB Bonds have a par value of \$7,765,000 totaling \$28,060,000. Under this agreement, the Convention Center is to receive 45% of the bond interest on the RZEDB as a subsidy and 35% of the bond interest on the BA Bonds as a subsidy. The amount of the subsidy received in 2011 was \$713,652. Below is a schedule of the amounts to be received in future years:

Years	Revenue Bond Subsidy	
	RZEDB	BAB
2012	\$568,770	\$144,882
2013	568,770	144,882
2014	568,770	144,882
2015	568,770	144,882
2016	568,770	144,882
2017-2021	2,843,850	608,434
2022-2026	2,843,850	271,118
2027-2031	2,480,408	0
2032-2036	1,354,880	0
2037-2038	173,215	0
Totals	<u>\$12,540,053</u>	<u>\$1,603,962</u>

C. Convention Center Revenue Bond

A cooperative agreement was entered into on March 18, 2010 between the Convention Facilities Authority for Hamilton County, Ohio, the County of Hamilton and the City of Sharonville to provide for a funding agreement to pay for the Convention Center RZEDB – BAB Bonds. The agreement provides for the County to contribute up to the lesser of the balance in the County Residual Account on each County Annual Contribution Calculation Date (February 28), or \$1,300,000. In the event that the balance in the residual account is less than \$1.3 million, the City of Sharonville is responsible for the first \$200,000 of the County Annual Contribution Deficit, the second \$200,000 is the responsibility of the County and any deficit above \$400,000 will be shared 50-50% between the City and the County.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2011***

NOTE 15 - CONDUIT DEBT OBLIGATIONS

From 1977 through 1995, the City issued \$65,295,000 in Industrial Revenue Bonds and Economic Development Revenue Bonds to provide financial assistance to private and public sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private or public sector entity served by the bond issuance. Neither the City, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of December 31, 2011, the outstanding principal amount payable on all of the outstanding bonds was \$2,115,000.

NOTE 16 - 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. In 2007, the City joined the Ohio Government Risk Management Plan (OGRMP), a public entity risk plan formed under 2744.081 of the Ohio Revised Code that operates as a common risk management and insurance program for 550 member political subdivisions. The City pays an annual premium to OGRMP for its general insurance coverage. The agreement for formation of OGRMP provides that the organization will be self-sustaining through member premiums and will reinsure through commercial insurance and reinsurance companies.

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

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

The City continues to carry commercial insurance for other risks of loss, including employee health and life insurance. There has been no significant reduction in insurance coverages from coverages in the prior year. In addition, settled claims resulting from these risks have not exceeded commercial insurance coverages in any of the past three fiscal years.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2011***

NOTE 17 – CONTRACTUAL COMMITMENTS

As of December 31, 2011, the City had the following commitments with respect to capital projects:

<u>Project</u>	<u>Remaining Contractual Commitment</u>	<u>Expected Date of Completion</u>
Various Contracts for the Convention Center Expansion	\$2,838,124	May-12
Fire Truck	310,000	February-12
Ambulance Remount	176,000	April-12
2011 Street Repair Program	171,829	February-12
Total	<u><u>\$3,495,953</u></u>	

NOTE 18 - CONTINGENCIES

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

NOTE 19 - RELATED PARTY TRANSACTIONS

The Community Improvement Corporation of Sharonville (CIC), a discretely presented component unit of the City, did not receive transfers from the City for operations in 2011. Property located in the City and owned by the City at 11083 Reading Road and 3327 Creek Road is being managed by the CIC. In exchange for its services, the CIC has been assigned any rent to be earned from tenant use of the property. The City is paying maintenance, insurance and taxes on the property. The tenant at 11083 Reading Road paid \$700 per month in 2011, while the tenant at 3327 Creek Road paid \$350 per month in 2011.



*COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES*

*THE FOLLOWING COMBINING STATEMENTS AND SCHEDULES INCLUDE
THE MAJOR AND NONMAJOR GOVERNMENTAL FUNDS, AND
FIDUCIARY FUNDS.*

Nonmajor Governmental Funds

Special Revenue Funds

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

State Highway Fund

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

Permissive Motor Vehicle Tax Fund

To account for county-levied motor vehicle registration fees designated for maintenance and repair of roads within the City.

Federal Emergency Management Agency (FEMA) Fund

To account for grant monies received from the Federal Emergency Management Agency for assistance with public or individual restoration of disaster-damaged projects.

State Health Licenses Fund

To account for the revenues and expenditures of the State-mandated Health Licensing programs such as Food Service, Temporary Food Service, Swimming Pools and Mobile Home Parks.

Teen Fund

To account for monies received from fund raising for the City's teen group.

Law Enforcement Trust Fund

To account for revenues received from local law enforcement grants from the US Department of Justice for Law Enforcement. Expenditures are restricted to law enforcement including restricted personnel costs and equipment as defined in the grants.

Drug Law Enforcement Fund

To account for mandatory fines collected for drug offenses.

DUI Checkpoint Grant Fund

To account for financial resources used enhance law enforcement activities as a deterrent to the operation of motor vehicles while under the influence of alcohol.

(Continued)

Special Revenue Funds

DUI Education and Enforcement Fund

To account for financial resources used to educate and treat persons with alcohol related problems and to enhance law enforcement activities as a deterrent to the operation of motor vehicles while under the influence of alcohol.

Mayor's Court Computer Fund

To account for revenues from fines to be used for computers and updating Mayor's Court computer functions.

Clerk of Courts Computer Fund

To account for revenues from fines to be used for computers and updating Clerk of Courts computer functions.

Law Enforcement Block Grant Fund

To account for grant monies for special overtime for the Police Department. (The Balance Sheet is not presented because there are no assets or liabilities at year end.)

Confinement Reimbursement Fund

To account for revenues from fines imposed on individuals who are incarcerated in the Hamilton County Jail.

Community Oriented Policing Services (COPS) Grant Fund

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

Drug Enforcement Agency (DEA) Federal Sharing Fund

To account for funds received from the federal Drug Enforcement Agency.

Termination Benefits Fund

To account for the large sum payout of retirees for sick, vacation and compensatory time accrued through their employment with the City. (The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances are not presented because this fund is reported as part of the General Fund on a GAAP basis.)

Other Grants Fund

To account for local grants monies used for various projects throughout the City. (The Balance Sheet is not presented because there are no assets or liabilities at year end.)

(Continued)

Debt Service Fund

Debt Service Funds are used to account for retirement of the City's general obligation and special assessment bonds.

Note Debt Retirement Fund

To account for the accumulation of resources for the payments of general obligation note debt of the City including self-supporting obligations not otherwise paid from proprietary funds.

Debt Retirement Fund

To account for the accumulation of resources for the payments of general obligation debt of the City including self-supporting obligations not otherwise paid from proprietary funds.

Special Assessment Bond Retirement Fund

To accumulate special assessment revenues collected by the County Treasurer and remitted to the City by the County Auditor for payment of special assessment bonds.

Special Assessment Retirement Fund

To accumulate special assessment revenues collected by the County Treasurer and remitted to the City by the County Auditor for payment of special assessment bonds.

Crystalview Widening Fund

To account for payments of principal and interest on the City's Crystalview Widening special assessment bond. Revenues for this purpose include special assessment collections. (The Balance Sheet is not presented because there are no assets or liabilities at year end.)

Zind Lane Sewer Fund

To account for payments of principal and interest on the City's Zind Lane Sewer special assessment bond. Revenues for this purpose include special assessment collections.

Crowne Point Drive Fund

To account for payments of principal and interest on the City's Miller Valentine special assessment bonds. Revenues for this purpose include special assessment collections and investment income.

Capital Projects Funds

The Capital Projects Funds are used to account for the financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by proprietary or trust funds.

Capital Improvement Fund

To account for the accumulation of funds for the acquisition of capital assets and/or the construction of major capital facilities.

Capital Improvement Issue II Fund

To account for government and local portions of Issue II funds that will be expended as they are approved.

Route 42 Improvement Fund

To account for grant monies received for survey work that will ultimately lead to future improvements on Route 42. (The Balance Sheet is not presented because there are no assets or liabilities at year end.)

Issue II Mosteller / I-275 Fund

To account for the City's share of construction at the Mosteller I-275 interchange. (The Balance Sheet is not presented because there are no assets or liabilities at year end.)

Downtown TIF Fund

To account for receipts and expenditures related to the TIF created to make improvements to the downtown area of Sharonville.

Special Assessment Fund

To account for the construction of a new roadway financed by proceeds of bonds that will be repaid with a voluntary special assessment of the related parcels. (The Balance Sheet is not presented because there are no assets or liabilities at year end.)

Storm Water Fund

To account for the collection of assessments for the construction of a storm water system within the City.

CITY OF SHARONVILLE, OHIO

**Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2011**

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets:				
Cash and Cash Equivalents	\$ 860,540	\$ 281,700	\$ 572,428	\$ 1,714,668
Receivables:				
Accounts	0	0	12	12
Intergovernmental	342,001	0	0	342,001
Special Assessments	0	2,012,769	0	2,012,769
Inventory of Supplies, at Cost	38,253	0	0	38,253
Prepaid Items	863	0	2,381	3,244
Total Assets	<u>\$ 1,241,657</u>	<u>\$ 2,294,469</u>	<u>\$ 574,821</u>	<u>\$ 4,110,947</u>
Liabilities:				
Accounts Payable	\$ 11,994	\$ 0	\$ 54,673	\$ 66,667
Accrued Wages and Benefits Payable	2,692	0	0	2,692
Intergovernmental Payable	4,045	0	0	4,045
Interfund Loans Payable	44,045	0	5,000	49,045
Deferred Revenue	225,335	2,012,769	0	2,238,104
Total Liabilities	<u>288,111</u>	<u>2,012,769</u>	<u>59,673</u>	<u>2,360,553</u>
Fund Balances:				
Nonspendable	39,116	0	2,381	41,497
Restricted	911,927	280,400	301,440	1,493,767
Committed	2,503	1,300	216,327	220,130
Unassigned	0	0	(5,000)	(5,000)
Total Fund Balances	<u>953,546</u>	<u>281,700</u>	<u>515,148</u>	<u>1,750,394</u>
Total Liabilities and Fund Balances	<u>\$ 1,241,657</u>	<u>\$ 2,294,469</u>	<u>\$ 574,821</u>	<u>\$ 4,110,947</u>

CITY OF SHARONVILLE, OHIO

**Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds
For the Year Ended December 31, 2011**

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:				
Intergovernmental Revenues	\$ 823,868	\$ 408,142	\$ 23,595	\$ 1,255,605
Investment Earnings	111	0	0	111
Special Assessments	0	50,425	186,001	236,426
Fines and Forfeitures	67,116	0	0	67,116
All Other Revenue	6,576	326,300	12	332,888
Total Revenue	897,671	784,867	209,608	1,892,146
Expenditures:				
Current:				
Security of Persons and Property	395,002	0	0	395,002
Public Health and Welfare Services	19,648	0	0	19,648
Leisure Time Activities	1,000	0	0	1,000
Transportation	403,026	0	0	403,026
General Government	0	57,410	204,357	261,767
Capital Outlay	0	539,702	920,127	1,459,829
Debt Service:				
Principal Retirement	0	1,295,000	488,777	1,783,777
Interest & Fiscal Charges	0	468,429	16,044	484,473
Total Expenditures	818,676	2,360,541	1,629,305	4,808,522
Excess (Deficiency) of Revenues Over Expenditures	78,995	(1,575,674)	(1,419,697)	(2,916,376)
Other Financing Sources (Uses):				
Sale of Capital Assets	0	0	180	180
Transfers In	0	1,280,785	1,359,986	2,640,771
Total Other Financing Sources (Uses)	0	1,280,785	1,360,166	2,640,951
Net Change in Fund Balance	78,995	(294,889)	(59,531)	(275,425)
Fund Balances at Beginning of Year, Restated	844,262	576,589	574,679	1,995,530
Increase in Inventory Reserve	30,289	0	0	30,289
Fund Balances End of Year	\$ 953,546	\$ 281,700	\$ 515,148	\$ 1,750,394

CITY OF SHARONVILLE, OHIO

**Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2011**

	State Highway Fund	Permissive Motor Vehicle Tax Fund	FEMA Fund	State Health Licenses Fund
Assets:				
Cash and Cash Equivalents	\$ 286,082	\$ 151,547	\$ 48,856	\$ 14
Receivables:				
Intergovernmental	87,558	250,445	0	0
Inventory of Supplies, at Cost	38,253	0	0	0
Prepaid Items	0	0	0	0
Total Assets	\$ 411,893	\$ 401,992	\$ 48,856	\$ 14
Liabilities:				
Accounts Payable	\$ 3,476	\$ 572	\$ 4,811	\$ 11
Accrued Wages and Benefits Payable	0	2,692	0	0
Intergovernmental Payable	0	3,835	0	0
Interfund Loans Payable	0	0	44,045	0
Deferred Revenue	58,372	166,963	0	0
Total Liabilities	61,848	174,062	48,856	11
Fund Balances:				
Nonspendable	38,253	0	0	0
Restricted	311,792	227,930	0	3
Committed	0	0	0	0
Total Fund Balances	350,045	227,930	0	3
Total Liabilities and Fund Balances	\$ 411,893	\$ 401,992	\$ 48,856	\$ 14

CITY OF SHARONVILLE, OHIO

Teen Fund	Law Enforcement Trust Fund	Drug Law Enforcement Fund	DUI Checkpoint Grant Fund	DUI Education and Enforcement Fund	Mayor's Court Computer Fund
\$ 2,503	\$ 23,600	\$ 106,116	\$ 6,333	\$ 14,488	\$ 38,701
0	0	727	966	25	666
0	0	0	0	0	0
0	209	654	0	0	0
<u>\$ 2,503</u>	<u>\$ 23,809</u>	<u>\$ 107,497</u>	<u>\$ 7,299</u>	<u>\$ 14,513</u>	<u>\$ 39,367</u>
\$ 0	\$ 630	\$ 2,386	\$ 0	\$ 0	\$ 32
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>0</u>	<u>630</u>	<u>2,386</u>	<u>0</u>	<u>0</u>	<u>32</u>
0	209	654	0	0	0
0	22,970	104,457	7,299	14,513	39,335
2,503	0	0	0	0	0
<u>2,503</u>	<u>23,179</u>	<u>105,111</u>	<u>7,299</u>	<u>14,513</u>	<u>39,335</u>
<u>\$ 2,503</u>	<u>\$ 23,809</u>	<u>\$ 107,497</u>	<u>\$ 7,299</u>	<u>\$ 14,513</u>	<u>\$ 39,367</u>

(Continued)

CITY OF SHARONVILLE, OHIO

**Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2011**

	Clerk of Courts Computer Fund	Confinement Reimbursement Fund	COPS Grant Fund	DEA Federal Sharing Fund
Assets:				
Cash and Cash Equivalents	\$ 87,334	\$ 3,178	\$ 5,752	\$ 86,036
Receivables:				
Intergovernmental	1,554	60	0	0
Inventory of Supplies, at Cost	0	0	0	0
Prepaid Items	0	0	0	0
Total Assets	<u>\$ 88,888</u>	<u>\$ 3,238</u>	<u>\$ 5,752</u>	<u>\$ 86,036</u>
Liabilities:				
Accounts Payable	\$ 76	\$ 0	\$ 0	\$ 0
Accrued Wages and Benefits Payable	0	0	0	0
Intergovernmental Payable	0	210	0	0
Interfund Loans Payable	0	0	0	0
Deferred Revenue	0	0	0	0
Total Liabilities	<u>76</u>	<u>210</u>	<u>0</u>	<u>0</u>
Fund Balances:				
Nonspendable	0	0	0	0
Restricted	88,812	3,028	5,752	86,036
Committed	0	0	0	0
Total Fund Balances	<u>88,812</u>	<u>3,028</u>	<u>5,752</u>	<u>86,036</u>
Total Liabilities and Fund Balances	<u>\$ 88,888</u>	<u>\$ 3,238</u>	<u>\$ 5,752</u>	<u>\$ 86,036</u>

CITY OF SHARONVILLE, OHIO

Total Nonmajor
Special Revenue
Funds

\$ 860,540

342,001

38,253

863

\$ 1,241,657

\$ 11,994

2,692

4,045

44,045

225,335

288,111

39,116

911,927

2,503

953,546

\$ 1,241,657

CITY OF SHARONVILLE, OHIO

**Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2011**

	State Highway Fund	Permissive Motor Vehicle Tax Fund	FEMA Fund	State Health Licenses Fund
Revenues:				
Intergovernmental Revenues	\$ 143,252	\$ 270,957	\$ 330,761	\$ 19,518
Investment Earnings	69	42	0	0
Fines and Forfeitures	0	0	0	0
All Other Revenue	2,000	287	0	0
Total Revenue	<u>145,321</u>	<u>271,286</u>	<u>330,761</u>	<u>19,518</u>
Expenditures:				
Current:				
Security of Persons and Property	0	0	330,761	0
Public Health and Welfare Services	0	0	0	19,648
Leisure Time Activities	0	0	0	0
Transportation	147,643	255,383	0	0
Total Expenditures	<u>147,643</u>	<u>255,383</u>	<u>330,761</u>	<u>19,648</u>
Net Change in Fund Balance	(2,322)	15,903	0	(130)
Fund Balances at Beginning of Year	322,078	212,027	0	133
Increase in Inventory Reserve	30,289	0	0	0
Fund Balances End of Year	<u>\$ 350,045</u>	<u>\$ 227,930</u>	<u>\$ 0</u>	<u>\$ 3</u>

CITY OF SHARONVILLE, OHIO

Teen Fund	Law Enforcement Trust Fund	Drug Law Enforcement Fund	DUI Checkpoint Grant Fund	DUI Education and Enforcement Fund	Mayor's Court Computer Fund
\$ 0	\$ 0	\$ 0	\$ 4,644	\$ 0	\$ 0
0	0	0	0	0	0
0	3,000	27,538	0	684	10,346
0	855	2,437	0	997	0
0	3,855	29,975	4,644	1,681	10,346
0	4,243	19,654	5,993	3,045	6,221
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	4,243	19,654	5,993	3,045	6,221
0	(388)	10,321	(1,349)	(1,364)	4,125
2,503	23,567	94,790	8,648	15,877	35,210
0	0	0	0	0	0
<u>\$ 2,503</u>	<u>\$ 23,179</u>	<u>\$ 105,111</u>	<u>\$ 7,299</u>	<u>\$ 14,513</u>	<u>\$ 39,335</u>

(Continued)

CITY OF SHARONVILLE, OHIO

**Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2011**

	Clerk of Courts Computer Fund	Law Enforcement Block Grant Fund	Confinement Reimbursement Fund	COPS Grant Fund
Revenues:				
Intergovernmental Revenues	\$ 0	\$ 0	\$ 0	\$ 0
Investment Earnings	0	0	0	0
Fines and Forfeitures	24,136	0	1,412	0
All Other Revenue	0	0	0	0
Total Revenue	<u>24,136</u>	<u>0</u>	<u>1,412</u>	<u>0</u>
Expenditures:				
Current:				
Security of Persons and Property	14,462	8,400	310	0
Public Health and Welfare Services	0	0	0	0
Leisure Time Activities	0	0	0	0
Transportation	0	0	0	0
Total Expenditures	<u>14,462</u>	<u>8,400</u>	<u>310</u>	<u>0</u>
Net Change in Fund Balance	9,674	(8,400)	1,102	0
Fund Balances at Beginning of Year	79,138	8,400	1,926	5,752
Increase in Inventory Reserve	0	0	0	0
Fund Balances End of Year	<u>\$ 88,812</u>	<u>\$ 0</u>	<u>\$ 3,028</u>	<u>\$ 5,752</u>

CITY OF SHARONVILLE, OHIO

<u>DEA Federal Sharing Fund</u>	<u>Other Grants Fund</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$ 54,736	\$ 0	\$ 823,868
0	0	111
0	0	67,116
0	0	6,576
<u>54,736</u>	<u>0</u>	<u>897,671</u>
1,913	0	395,002
0	0	19,648
0	1,000	1,000
0	0	403,026
<u>1,913</u>	<u>1,000</u>	<u>818,676</u>
52,823	(1,000)	78,995
33,213	1,000	844,262
0	0	30,289
<u>\$ 86,036</u>	<u>\$ 0</u>	<u>\$ 953,546</u>

CITY OF SHARONVILLE, OHIO

**Combining Balance Sheet
Nonmajor Debt Service Funds
December 31, 2011**

	Note Debt Retirement Fund	Debt Retirement Fund	Special Assessment Bond Retirement Fund	Special Assessment Retirement Fund
Assets:				
Cash and Cash Equivalents	\$ 1,300	\$ 186,940	\$ 0	\$ 31,706
Receivables:				
Special Assessments	0	0	2,012,769	0
Total Assets	<u>\$ 1,300</u>	<u>\$ 186,940</u>	<u>\$ 2,012,769</u>	<u>\$ 31,706</u>
Liabilities:				
Deferred Revenue	\$ 0	\$ 0	\$ 2,012,769	\$ 0
Total Liabilities	<u>0</u>	<u>0</u>	<u>2,012,769</u>	<u>0</u>
Fund Balances:				
Restricted	0	186,940	0	31,706
Committed	1,300	0	0	0
Total Fund Balances	<u>1,300</u>	<u>186,940</u>	<u>0</u>	<u>31,706</u>
Total Liabilities and Fund Balances	<u>\$ 1,300</u>	<u>\$ 186,940</u>	<u>\$ 2,012,769</u>	<u>\$ 31,706</u>

CITY OF SHARONVILLE, OHIO

Zind Lane Sewer Fund	Crowne Point Drive Fund	Total Nonmajor Debt Service Funds
\$ 13,595	\$ 48,159	\$ 281,700
<u>0</u>	<u>0</u>	<u>2,012,769</u>
<u>\$ 13,595</u>	<u>\$ 48,159</u>	<u>\$ 2,294,469</u>
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 2,012,769</u>
<u>0</u>	<u>0</u>	<u>2,012,769</u>
13,595	48,159	280,400
<u>0</u>	<u>0</u>	<u>1,300</u>
<u>13,595</u>	<u>48,159</u>	<u>281,700</u>
<u>\$ 13,595</u>	<u>\$ 48,159</u>	<u>\$ 2,294,469</u>

CITY OF SHARONVILLE, OHIO

***Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Debt Service Funds
For the Year Ended December 31, 2011***

	Note Debt Retirement Fund	Debt Retirement Fund	Special Assessment Bond Retirement Fund	Special Assessment Retirement Fund
Revenues:				
Intergovernmental Revenues	\$ 0	\$ 408,142	\$ 0	\$ 0
Special Assessments	0	0	50,425	0
All Other Revenue	7,800	318,500	0	0
Total Revenue	7,800	726,642	50,425	0
Expenditures:				
Current:				
General Government	0	0	0	0
Capital Outlay	0	539,702	0	0
Debt Service:				
Principal Retirement	350,000	945,000	0	0
Interest & Fiscal Charges	82,219	335,785	50,425	0
Total Expenditures	432,219	1,820,487	50,425	0
Excess (Deficiency) of Revenues Over Expenditures	(424,419)	(1,093,845)	0	0
Other Financing Sources (Uses):				
Transfers In	0	1,280,785	0	0
Total Other Financing Sources (Uses)	0	1,280,785	0	0
Net Change in Fund Balance	(424,419)	186,940	0	0
Fund Balances at Beginning of Year	425,719	0	0	31,706
Fund Balances End of Year	\$ 1,300	\$ 186,940	\$ 0	\$ 31,706

CITY OF SHARONVILLE, OHIO

Crystalview Widening Fund	Zind Lane Sewer Fund	Crowne Point Drive Fund	Total Nonmajor Debt Service Funds
\$ 0	\$ 0	\$ 0	\$ 408,142
0	0	0	50,425
0	0	0	326,300
0	0	0	784,867
33,530	0	23,880	57,410
0	0	0	539,702
0	0	0	1,295,000
0	0	0	468,429
33,530	0	23,880	2,360,541
(33,530)	0	(23,880)	(1,575,674)
0	0	0	1,280,785
0	0	0	1,280,785
(33,530)	0	(23,880)	(294,889)
33,530	13,595	72,039	576,589
\$ 0	\$ 13,595	\$ 48,159	\$ 281,700

CITY OF SHARONVILLE, OHIO

**Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2011**

	Capital Improvement Fund	Capital Improvement Issue II Fund	Downtown TIF Fund	Storm Water Fund
Assets:				
Cash and Cash Equivalents	\$ 269,545	\$ 1,900	\$ 0	\$ 300,983
Receivables:				
Accounts	0	0	0	12
Prepaid Items	0	0	0	2,381
Total Assets	\$ 269,545	\$ 1,900	\$ 0	\$ 303,376
Liabilities:				
Accounts Payable	\$ 53,218	\$ 0	\$ 0	\$ 1,455
Interfund Loans Payable	0	0	5,000	0
Total Liabilities	53,218	0	5,000	1,455
Fund Balances:				
Nonspendable	0	0	0	2,381
Restricted	0	1,900	0	299,540
Committed	216,327	0	0	0
Unassigned	0	0	(5,000)	0
Total Fund Balances	216,327	1,900	(5,000)	301,921
Total Liabilities and Fund Balances	\$ 269,545	\$ 1,900	\$ 0	\$ 303,376

CITY OF SHARONVILLE, OHIO

Total Nonmajor
Capital Projects
Funds

\$ 572,428

12

2,381

\$ 574,821

\$ 54,673

5,000

59,673

2,381

301,440

216,327

(5,000)

515,148

\$ 574,821

CITY OF SHARONVILLE, OHIO

***Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2011***

	Capital Improvement Fund	Capital Improvement Issue II Fund	Route 42 Improvement Fund	Issue II Mosteller / I-275 Fund
Revenues:				
Intergovernmental Revenues	\$ 0	\$ 0	\$ 20,000	\$ 3,595
Special Assessments	0	0	0	0
All Other Revenue	0	0	0	0
Total Revenue	0	0	20,000	3,595
Expenditures:				
Current:				
General Government	0	0	0	0
Capital Outlay	713,699	12,557	20,000	3,595
Debt Service:				
Principal Retirement	488,777	0	0	0
Interest & Fiscal Charges	16,044	0	0	0
Total Expenditures	1,218,520	12,557	20,000	3,595
Excess (Deficiency) of Revenues Over Expenditures	(1,218,520)	(12,557)	0	0
Other Financing Sources (Uses):				
Sale of Capital Assets	180	0	0	0
Transfers In	1,359,986	0	0	0
Total Other Financing Sources (Uses)	1,360,166	0	0	0
Net Change in Fund Balance	141,646	(12,557)	0	0
Fund Balances at Beginning of Year	74,681	14,457	0	0
Fund Balances End of Year	\$ 216,327	\$ 1,900	\$ 0	\$ 0

CITY OF SHARONVILLE, OHIO

Downtown TIF Fund	Special Assessment Fund	Storm Water Fund	Total Nonmajor Capital Project Funds
\$ 0	\$ 0	\$ 0	\$ 23,595
0	0	186,001	186,001
0	0	12	12
0	0	186,013	209,608
5,000	0	199,357	204,357
0	170,276	0	920,127
0	0	0	488,777
0	0	0	16,044
5,000	170,276	199,357	1,629,305
(5,000)	(170,276)	(13,344)	(1,419,697)
0	0	0	180
0	0	0	1,359,986
0	0	0	1,360,166
(5,000)	(170,276)	(13,344)	(59,531)
0	170,276	315,265	574,679
\$ (5,000)	\$ 0	\$ 301,921	\$ 515,148

CITY OF SHARONVILLE, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – General Fund
For the Year Ended December 31, 2011**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 12,337,033	\$ 12,937,033	\$ 13,319,545	\$ 382,512
Intergovernmental Revenues	817,672	817,672	920,683	103,011
Charges for Services	393,055	393,055	355,514	(37,541)
Licenses and Permits	620,874	620,874	524,817	(96,057)
Investment Earnings	20,000	20,000	15,130	(4,870)
Fines and Forfeitures	397,500	397,500	364,442	(33,058)
All Other Revenues	375,580	375,580	390,552	14,972
Total Revenues	<u>14,961,714</u>	<u>15,561,714</u>	<u>15,890,683</u>	<u>328,969</u>
Expenditures:				
Security of Persons and Property:				
Police Department:				
Personal Services	5,224,914	5,220,914	4,975,733	245,181
Materials and Supplies	172,110	215,110	208,447	6,663
Contractual Services	454,029	461,029	414,731	46,298
Total Security of Persons and Property	<u>5,851,053</u>	<u>5,897,053</u>	<u>5,598,911</u>	<u>298,142</u>
Public Health and Welfare Services:				
Health Department:				
Personal Services	330,642	334,842	324,453	10,389
Materials and Supplies	12,575	12,563	9,553	3,010
Contractual Services	28,487	28,499	22,998	5,501
Total Public Health and Welfare Services	<u>371,704</u>	<u>375,904</u>	<u>357,004</u>	<u>18,900</u>
Leisure Time Activities:				
Recreation Centers:				
Personal Services	638,699	632,889	593,518	39,371
Materials and Supplies	51,843	54,528	51,125	3,403
Contractual Services	272,229	305,704	279,397	26,307
Total Recreation Centers	<u>962,771</u>	<u>993,121</u>	<u>924,040</u>	<u>69,081</u>

(Continued)

CITY OF SHARONVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – General Fund
For the Year Ended December 31, 2011***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Recreation Parks and Programs:				
Personal Services	1,267,609	1,283,959	1,219,550	64,409
Materials and Supplies	31,424	33,924	23,688	10,236
Contractual Services	135,848	133,348	108,496	24,852
Total Recreation Parks and Programs	<u>1,434,881</u>	<u>1,451,231</u>	<u>1,351,734</u>	<u>99,497</u>
Recreation Pools:				
Personal Services	202,000	187,936	187,784	152
Materials and Supplies	34,764	27,108	27,108	0
Contractual Services	24,547	26,167	25,257	910
Total Recreation Pools	<u>261,311</u>	<u>241,211</u>	<u>240,149</u>	<u>1,062</u>
Total Leisure Time Activities	<u>2,658,963</u>	<u>2,685,563</u>	<u>2,515,923</u>	<u>169,640</u>
Community Environment:				
Building and Planning:				
Personal Services	500,524	509,974	503,808	6,166
Materials and Supplies	9,832	9,141	7,471	1,670
Contractual Services	58,394	83,937	75,020	8,917
Total Community Environment	<u>568,750</u>	<u>603,052</u>	<u>586,299</u>	<u>16,753</u>
Basic Utility Services:				
Waste Collection:				
Contractual Services	<u>645,829</u>	<u>645,829</u>	<u>645,829</u>	<u>0</u>
Total Basic Utility Services	<u>645,829</u>	<u>645,829</u>	<u>645,829</u>	<u>0</u>
General Government:				
Mayor:				
Personal Services	59,190	59,190	58,940	250
Materials and Supplies	200	200	200	0
Contractual Services	10,612	10,612	9,480	1,132
Total Mayor	<u>70,002</u>	<u>70,002</u>	<u>68,620</u>	<u>1,382</u>

(Continued)

CITY OF SHARONVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – General Fund
For the Year Ended December 31, 2011***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Council:				
Personal Services	119,800	119,800	119,582	218
Materials and Supplies	250	825	777	48
Contractual Services	<u>2,766</u>	<u>4,691</u>	<u>3,485</u>	<u>1,206</u>
Total Council	122,816	125,316	123,844	1,472
Auditor and Treasurer:				
Personal Services	37,000	37,000	36,795	205
Contractual Services	<u>51,715</u>	<u>51,715</u>	<u>45,952</u>	<u>5,763</u>
Total Auditor and Treasurer	88,715	88,715	82,747	5,968
Law Director:				
Personal Services	82,700	82,700	82,372	328
Contractual Services	<u>66,306</u>	<u>66,306</u>	<u>43,061</u>	<u>23,245</u>
Total Law Director	149,006	149,006	125,433	23,573
Civil Service:				
Personal Services	21,000	21,000	20,286	714
Materials and Supplies	100	0	0	0
Contractual Services	<u>11,542</u>	<u>20,142</u>	<u>13,308</u>	<u>6,834</u>
Total Civil Service	32,642	41,142	33,594	7,548
Safety/Service Director:				
Personal Services	1,073,063	1,086,513	1,055,799	30,714
Materials and Supplies	1,300	1,300	901	399
Contractual Services	<u>110,753</u>	<u>105,902</u>	<u>77,267</u>	<u>28,635</u>
Total Safety/Service Director	1,185,116	1,193,715	1,133,967	59,748
Tax Department:				
Personal Services	445,868	455,518	450,750	4,768
Materials and Supplies	19,696	19,402	18,745	657
Contractual Services	<u>45,283</u>	<u>52,276</u>	<u>48,823</u>	<u>3,453</u>
Total Tax Department	510,847	527,196	518,318	8,878

(Continued)

CITY OF SHARONVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – General Fund
For the Year Ended December 31, 2011***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Building and Lands:				
Personal Services	203,133	199,983	191,301	8,682
Materials and Supplies	37,676	28,089	26,856	1,233
Contractual Services	271,145	286,231	278,164	8,067
Total Buildings and Lands	<u>511,954</u>	<u>514,303</u>	<u>496,321</u>	<u>17,982</u>
Miscellaneous Government:				
Materials and Supplies	40,016	50,016	46,738	3,278
Contractual Services	549,662	561,662	426,431	135,231
Total Miscellaneous Government	<u>589,678</u>	<u>611,678</u>	<u>473,169</u>	<u>138,509</u>
Total General Government	<u>3,260,776</u>	<u>3,321,073</u>	<u>3,056,013</u>	<u>265,060</u>
Total Expenditures	<u>13,357,075</u>	<u>13,528,474</u>	<u>12,759,979</u>	<u>768,495</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,604,639	2,033,240	3,130,704	1,097,464
Other Financing Sources (Uses):				
Sale of Capital Assets	0	0	164	164
Transfers Out	(1,952,490)	(2,380,710)	(2,380,710)	0
Advances In	0	0	43,000	43,000
Advances Out	0	0	(48,000)	(48,000)
Total Other Financing Sources (Uses)	<u>(1,952,490)</u>	<u>(2,380,710)</u>	<u>(2,385,546)</u>	<u>(4,836)</u>
Net Change in Fund Balance	(347,851)	(347,470)	745,158	1,092,628
Fund Balance at Beginning of Year	3,980,934	3,980,934	3,980,934	0
Prior Year Encumbrances	349,874	349,874	349,874	0
Fund Balance at End of Year	<u>\$ 3,982,957</u>	<u>\$ 3,983,338</u>	<u>\$ 5,075,966</u>	<u>\$ 1,092,628</u>

CITY OF SHARONVILLE, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – Special Revenue Fund
For the Year Ended December 31, 2011**

STREET CONSTRUCTION, MAINTENANCE AND REPAIR FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 1,340,000	\$ 1,340,000	\$ 1,723,468	\$ 383,468
Investment Earnings	750	750	271	(479)
All Other Revenues	6,100	6,100	11,700	5,600
Total Revenues	<u>1,346,850</u>	<u>1,346,850</u>	<u>1,735,439</u>	<u>388,589</u>
Expenditures:				
Transportation:				
Street Maintenance and Repair Department:				
Personal Services	785,632	793,382	709,561	83,821
Materials and Supplies	101,315	102,014	87,871	14,143
Contractual Services	81,802	81,603	70,636	10,967
Snow and Ice Removal Department:				
Personal Services	42,000	42,000	14,279	27,721
Materials and Supplies	38,252	59,627	56,848	2,779
Contractual Services	18,239	16,864	12,793	4,071
Traffic Signs and Signals Department:				
Materials and Supplies	1,800	600	0	600
Contractual Services	38,088	39,288	33,017	6,271
Total Transportation	<u>1,107,128</u>	<u>1,135,378</u>	<u>985,005</u>	<u>150,373</u>
Capital Outlay	519,529	919,029	851,369	67,660
Total Expenditures	<u>1,626,657</u>	<u>2,054,407</u>	<u>1,836,374</u>	<u>218,033</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(279,807)	(707,557)	(100,935)	606,622
Fund Balance at Beginning of Year	856,386	856,386	856,386	0
Prior Year Encumbrances	64,798	64,798	64,798	0
Fund Balance at End of Year	<u>\$ 641,377</u>	<u>\$ 213,627</u>	<u>\$ 820,249</u>	<u>\$ 606,622</u>

CITY OF SHARONVILLE, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – Special Revenue Fund
For the Year Ended December 31, 2011**

FIRE DEPARTMENT FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 5,865,967	\$ 5,865,967	\$ 6,339,402	\$ 473,435
Charges for Services	550,000	550,000	504,034	(45,966)
Fines and Forfeitures	0	0	897	897
All Other Revenues	0	0	1,914	1,914
Total Revenues	<u>6,415,967</u>	<u>6,415,967</u>	<u>6,846,247</u>	<u>430,280</u>
Expenditures:				
Security of Persons and Property:				
Fire Department:				
Personal Services	5,224,309	5,285,809	5,216,197	69,612
Materials and Supplies	205,906	246,945	237,596	9,349
Contractual Services	559,203	520,665	502,569	18,096
Total Security of Persons and Property	<u>5,989,418</u>	<u>6,053,419</u>	<u>5,956,362</u>	<u>97,057</u>
Capital Outlay	265,000	597,500	590,886	6,614
Total Expenditures	<u>6,254,418</u>	<u>6,650,919</u>	<u>6,547,248</u>	<u>103,671</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	161,549	(234,952)	298,999	533,951
Other Financing Sources (Uses):				
Sale of Capital Assets	0	0	284,960	284,960
Transfers In	358,397	358,397	358,397	0
Transfers Out	(698,458)	(698,458)	(698,458)	0
Advances In	0	0	288,455	288,455
Advances Out	0	0	(332,500)	(332,500)
Total Other Financing Sources (Uses)	<u>(340,061)</u>	<u>(340,061)</u>	<u>(99,146)</u>	<u>240,915</u>
Net Change in Fund Balance	(178,512)	(575,013)	199,853	774,866
Fund Balance at Beginning of Year	869,941	869,941	869,941	0
Prior Year Encumbrances	211,614	211,614	211,614	0
Fund Balance at End of Year	<u>\$ 903,043</u>	<u>\$ 506,542</u>	<u>\$ 1,281,408</u>	<u>\$ 774,866</u>

CITY OF SHARONVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – Capital Project Fund
For the Year Ended December 31, 2011***

CHESTER ROAD TIF PROJECT FUND

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Payments in Lieu of Taxes	\$ 500,000	\$ 476,448	\$ (23,552)
Total Revenues	<u>500,000</u>	<u>476,448</u>	<u>(23,552)</u>
Expenditures:			
Capital Outlay	1,603,629	774,421	829,208
Debt Service:			
Principal Retirement	4,720,000	4,720,000	0
Interest Charges	<u>80,808</u>	<u>77,692</u>	<u>3,116</u>
Total Expenditures	<u>6,404,437</u>	<u>5,572,113</u>	<u>832,324</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,904,437)	(5,095,665)	808,772
Other Financing Sources (Uses):			
Premium on Notes Issued	0	21,691	21,691
General Obligation Notes Issued	<u>4,620,000</u>	<u>4,625,000</u>	<u>5,000</u>
Total Other Financing Sources (Uses)	<u>4,620,000</u>	<u>4,646,691</u>	<u>26,691</u>
Net Change in Fund Balance	(1,284,437)	(448,974)	835,463
Fund Balance at Beginning of Year	<u>3,328,610</u>	<u>3,328,610</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 2,044,173</u>	<u>\$ 2,879,636</u>	<u>\$ 835,463</u>

CITY OF SHARONVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2011***

STATE HIGHWAY FUND			
	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenues	\$ 112,000	\$ 139,742	\$ 27,742
Investment Earnings	300	69	(231)
All Other Revenues	<u>2,000</u>	<u>2,000</u>	<u>0</u>
Total Revenues	<u>114,300</u>	<u>141,811</u>	<u>27,511</u>
Expenditures:			
Transportation:			
Street Maintenance and Repair Department:			
Contractual Services	32,249	29,314	2,935
Snow and Ice Removal Department:			
Materials and Supplies	47,000	46,971	29
Traffic Signs and Signals Department:			
Materials and Supplies	2,030	940	1,090
Contractual Services	<u>34,398</u>	<u>22,461</u>	<u>11,937</u>
Total Transportation	<u>115,677</u>	<u>99,686</u>	<u>15,991</u>
Capital Outlay	<u>159,796</u>	<u>159,796</u>	<u>0</u>
Total Expenditures	<u>275,473</u>	<u>259,482</u>	<u>15,991</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(161,173)	(117,671)	43,502
Fund Balance at Beginning of Year	119,427	119,427	0
Prior Year Encumbrances	<u>173,909</u>	<u>173,909</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 132,163</u>	<u>\$ 175,665</u>	<u>\$ 43,502</u>

CITY OF SHARONVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2011***

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenues	\$ 250,000	\$ 281,495	\$ 31,495
Investment Earnings	100	42	(58)
All Other Revenues	<u>0</u>	<u>287</u>	<u>287</u>
Total Revenues	<u>250,100</u>	<u>281,824</u>	<u>31,724</u>
Expenditures:			
Transportation:			
Street Maintenance and Repair Department:			
Personal Services	174,426	168,974	5,452
Materials and Supplies	56,600	56,600	0
Contractual Services	40,388	36,489	3,899
Traffic Signs and Signals Department:			
Contractual Services	<u>120</u>	<u>59</u>	<u>61</u>
Total Expenditures	<u>271,534</u>	<u>262,122</u>	<u>9,412</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(21,434)	19,702	41,136
Fund Balance at Beginning of Year	123,901	123,901	0
Prior Year Encumbrances	<u>2,688</u>	<u>2,688</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 105,155</u>	<u>\$ 146,291</u>	<u>\$ 41,136</u>

CITY OF SHARONVILLE, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2011**

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenues	\$ 332,500	\$ 330,761	\$ (1,739)
Total Revenues	<u>332,500</u>	<u>330,761</u>	<u>(1,739)</u>
Expenditures:			
Capital Outlay	<u>332,500</u>	<u>331,775</u>	<u>725</u>
Total Expenditures	<u>332,500</u>	<u>331,775</u>	<u>725</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	(1,014)	(1,014)
Other Financing Sources (Uses):			
Advances In	0	332,500	332,500
Advances Out	<u>0</u>	<u>(288,455)</u>	<u>(288,455)</u>
Total Other Financing Sources (Uses)	<u>0</u>	<u>44,045</u>	<u>44,045</u>
Net Change in Fund Balance	0	43,031	43,031
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 43,031</u>	<u>\$ 43,031</u>

CITY OF SHARONVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2011***

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenues	\$ 23,000	\$ 19,518	\$ (3,482)
Total Revenues	<u>23,000</u>	<u>19,518</u>	<u>(3,482)</u>
Expenditures:			
Public Health and Welfare Services:			
Health Department:			
Contractual Services	<u>23,000</u>	<u>19,518</u>	<u>3,482</u>
Total Expenditures	<u>23,000</u>	<u>19,518</u>	<u>3,482</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0
Other Financing Sources (Uses):			
Advances In	0	23,000	23,000
Advances Out	<u>0</u>	<u>(23,000)</u>	<u>(23,000)</u>
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	0	0	0
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

CITY OF SHARONVILLE, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2011**

	TEEN FUND		Variance with Final Budget Positive (Negative)
	<u>Final Budget</u>	<u>Actual</u>	<u>(Negative)</u>
Revenues:			
Total Revenues	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Expenditures:			
Leisure Time Activities:			
Recreation Parks and Programs Department:			
Contractual Services	<u>2,503</u>	<u>0</u>	<u>2,503</u>
Total Expenditures	<u>2,503</u>	<u>0</u>	<u>2,503</u>
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	(2,503)	0	2,503
Fund Balance at Beginning of Year	<u>2,503</u>	<u>2,503</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 2,503</u>	<u>\$ 2,503</u>

CITY OF SHARONVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2011***

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Fines and Forfeitures	\$ 1,700	\$ 3,000	\$ 1,300
All Other Revenues	<u>0</u>	<u>855</u>	<u>855</u>
Total Revenues	<u>1,700</u>	<u>3,855</u>	<u>2,155</u>
Expenditures:			
Security of Persons and Property:			
Police Department:			
Materials and Supplies	9,000	4,255	4,745
Contractual Services	<u>6,000</u>	<u>525</u>	<u>5,475</u>
Total Expenditures	<u>15,000</u>	<u>4,780</u>	<u>10,220</u>
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	(13,300)	(925)	12,375
Fund Balance at Beginning of Year	<u>23,567</u>	<u>23,567</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 10,267</u>	<u>\$ 22,642</u>	<u>\$ 12,375</u>

CITY OF SHARONVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2011***

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Fines and Forfeitures	\$ 21,000	\$ 27,222	\$ 6,222
All Other Revenues	0	2,314	2,314
Total Revenues	<u>21,000</u>	<u>29,536</u>	<u>8,536</u>
Expenditures:			
Security of Persons and Property:			
Police Department:			
Materials and Supplies	44,480	14,404	30,076
Contractual Services	<u>27,000</u>	<u>14,016</u>	<u>12,984</u>
Total Security of Persons and Property	<u>71,480</u>	<u>28,420</u>	<u>43,060</u>
Capital Outlay	<u>34,018</u>	<u>30,111</u>	<u>3,907</u>
Total Expenditures	<u>105,498</u>	<u>58,531</u>	<u>46,967</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(84,498)	(28,995)	55,503
Fund Balance at Beginning of Year	91,936	91,936	0
Prior Year Encumbrances	<u>4,498</u>	<u>4,498</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 11,936</u>	<u>\$ 67,439</u>	<u>\$ 55,503</u>

CITY OF SHARONVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2011***

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenues	\$ 4,838	\$ 3,992	\$ (846)
Total Revenues	<u>4,838</u>	<u>3,992</u>	<u>(846)</u>
Expenditures:			
Security of Persons and Property:			
Police Department:			
Personal Services	6,073	5,935	138
Contractual Services	<u>7,413</u>	<u>372</u>	<u>7,041</u>
Total Expenditures	<u>13,486</u>	<u>6,307</u>	<u>7,179</u>
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	(8,648)	(2,315)	6,333
Fund Balance at Beginning of Year	<u>8,648</u>	<u>8,648</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 6,333</u>	<u>\$ 6,333</u>

CITY OF SHARONVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2011***

DUI EDUCATION AND ENFORCEMENT FUND

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Fines and Forfeitures	\$ 350	\$ 711	\$ 361
All Other Revenues	<u>350</u>	<u>997</u>	<u>647</u>
Total Revenues	<u>700</u>	<u>1,708</u>	<u>1,008</u>
Expenditures:			
Security of Persons and Property:			
Police Department:			
Materials and Supplies	10,000	3,045	6,955
Contractual Services	<u>2,000</u>	<u>0</u>	<u>2,000</u>
Total Expenditures	<u>12,000</u>	<u>3,045</u>	<u>8,955</u>
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	(11,300)	(1,337)	9,963
Fund Balance at Beginning of Year	<u>15,825</u>	<u>15,825</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 4,525</u>	<u>\$ 14,488</u>	<u>\$ 9,963</u>

CITY OF SHARONVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2011***

MAYOR'S COURT COMPUTER FUND

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Fines and Forfeitures	\$ 8,300	\$ 10,562	\$ 2,262
Total Revenues	<u>8,300</u>	<u>10,562</u>	<u>2,262</u>
Expenditures:			
Security of Persons and Property:			
Police Department:			
Materials and Supplies	2,490	211	2,279
Contractual Services	<u>6,471</u>	<u>4,427</u>	<u>2,044</u>
Total Security of Persons and Property	<u>8,961</u>	<u>4,638</u>	<u>4,323</u>
Capital Outlay	<u>11,497</u>	<u>10,745</u>	<u>752</u>
Total Expenditures	<u>20,458</u>	<u>15,383</u>	<u>5,075</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(12,158)	(4,821)	7,337
Fund Balance at Beginning of Year	30,438	30,438	0
Prior Year Encumbrances	<u>3,675</u>	<u>3,675</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 21,955</u>	<u>\$ 29,292</u>	<u>\$ 7,337</u>

CITY OF SHARONVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2011***

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Fines and Forfeitures	<u>\$ 19,000</u>	<u>\$ 24,640</u>	<u>\$ 5,640</u>
Total Revenues	<u>19,000</u>	<u>24,640</u>	<u>5,640</u>
Expenditures:			
Security of Persons and Property:			
Police Department:			
Materials and Supplies	1,450	492	958
Contractual Services	<u>14,846</u>	<u>10,275</u>	<u>4,571</u>
Total Security of Persons and Property	<u>16,296</u>	<u>10,767</u>	<u>5,529</u>
Capital Outlay	<u>26,826</u>	<u>25,071</u>	<u>1,755</u>
Total Expenditures	<u>43,122</u>	<u>35,838</u>	<u>7,284</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(24,122)	(11,198)	12,924
Fund Balance at Beginning of Year	68,061	68,061	0
Prior Year Encumbrances	<u>8,575</u>	<u>8,575</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 52,514</u>	<u>\$ 65,438</u>	<u>\$ 12,924</u>

CITY OF SHARONVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2011***

LAW ENFORCEMENT BLOCK GRANT FUND

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Total Revenues	\$ 0	\$ 0	\$ 0
Expenditures:			
Security of Persons and Property:			
Police Department:			
Personal Services	8,400	8,400	0
Total Expenditures	8,400	8,400	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	(8,400)	(8,400)	0
Other Financing Sources (Uses):			
Advances Out	(10,000)	(10,000)	0
Total Other Financing Sources (Uses)	(10,000)	(10,000)	0
Net Change in Fund Balance	(18,400)	(18,400)	0
Fund Balance at Beginning of Year	18,400	18,400	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

CITY OF SHARONVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2011***

CONFINEMENT REIMBURSEMENT FUND

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Fines and Forfeitures	\$ 1,000	\$ 1,406	\$ 406
Total Revenues	<u>1,000</u>	<u>1,406</u>	<u>406</u>
Expenditures:			
Security of Persons and Property:			
Police Department:			
Contractual Services	<u>3,042</u>	<u>970</u>	<u>2,072</u>
Total Expenditures	<u>3,042</u>	<u>970</u>	<u>2,072</u>
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	(2,042)	436	2,478
Fund Balance at Beginning of Year	582	582	0
Prior Year Encumbrances	<u>1,460</u>	<u>1,460</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 2,478</u>	<u>\$ 2,478</u>

CITY OF SHARONVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2011***

	COPS GRANT FUND		Variance with Final Budget Positive (Negative)
	<u>Final Budget</u>	<u>Actual</u>	<u>(Negative)</u>
Revenues:			
Total Revenues	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Expenditures:			
Security of Persons and Property:			
Police Department:			
Materials and Supplies	<u>5,752</u>	<u>0</u>	<u>5,752</u>
Total Expenditures	<u>5,752</u>	<u>0</u>	<u>5,752</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,752)	0	5,752
Fund Balance at Beginning of Year	<u>5,752</u>	<u>5,752</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 5,752</u>	<u>\$ 5,752</u>

CITY OF SHARONVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2011***

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenues	\$ 0	\$ 54,736	\$ 54,736
Total Revenues	<u>0</u>	<u>54,736</u>	<u>54,736</u>
Expenditures:			
Security of Persons and Property:			
Police Department:			
Materials and Supplies	14,704	7,624	7,080
Contractual Services	<u>3,500</u>	<u>2,262</u>	<u>1,238</u>
Total Expenditures	<u>18,204</u>	<u>9,886</u>	<u>8,318</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(18,204)	44,850	63,054
Other Financing Sources (Uses):			
Advances In	<u>0</u>	<u>10,000</u>	<u>10,000</u>
Total Other Financing Sources (Uses)	<u>0</u>	<u>10,000</u>	<u>10,000</u>
Net Change in Fund Balance	(18,204)	54,850	73,054
Fund Balance at Beginning of Year	<u>23,836</u>	<u>23,836</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 5,632</u>	<u>\$ 78,686</u>	<u>\$ 73,054</u>

CITY OF SHARONVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2011***

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Total Revenues	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Expenditures:			
General Government:			
Personal Services	<u>241,400</u>	<u>240,812</u>	<u>588</u>
Total Expenditures	<u>241,400</u>	<u>240,812</u>	<u>588</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(241,400)	(240,812)	588
Other Financing Sources (Uses):			
Transfers In	<u>80,000</u>	<u>80,000</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>80,000</u>	<u>80,000</u>	<u>0</u>
Net Change in Fund Balance	(161,400)	(160,812)	588
Fund Balance at Beginning of Year	196,384	196,384	0
Prior Year Encumbrances	<u>52,800</u>	<u>52,800</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 87,784</u>	<u>\$ 88,372</u>	<u>\$ 588</u>

* - For GAAP reporting purposes, this fund is combined with the General Fund.

CITY OF SHARONVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2011***

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Total Revenues	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Expenditures:			
General Government:			
Contractual Services	<u>1,000</u>	<u>1,000</u>	<u>0</u>
Total Expenditures	<u>1,000</u>	<u>1,000</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,000)	(1,000)	0
Fund Balance at Beginning of Year	<u>1,000</u>	<u>1,000</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

CITY OF SHARONVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Debt Service Funds
For the Year Ended December 31, 2011***

NOTE DEBT RETIREMENT FUND

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
All Other Revenues	<u>\$ 7,150</u>	<u>\$ 7,800</u>	<u>\$ 650</u>
Total Revenues	<u>7,150</u>	<u>7,800</u>	<u>650</u>
Expenditures:			
Debt Service:			
Principal Retirement	<u>350,000</u>	<u>350,000</u>	<u>0</u>
Interest Charges	<u>82,219</u>	<u>82,219</u>	<u>0</u>
Total Expenditures	<u>432,219</u>	<u>432,219</u>	<u>0</u>
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	<u>(425,069)</u>	<u>(424,419)</u>	<u>650</u>
Fund Balance at Beginning of Year	<u>425,719</u>	<u>425,719</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 650</u>	<u>\$ 1,300</u>	<u>\$ 650</u>

CITY OF SHARONVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Debt Service Funds
For the Year Ended December 31, 2011***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenues	\$ 462,440	\$ 408,142	\$ (54,298)
All Other Revenues	131,560	318,500	186,940
Total Revenues	594,000	726,642	132,642
Expenditures:			
Capital Outlay	594,000	539,702	54,298
Debt Service:			
Principal Retirement	945,000	945,000	0
Interest Charges	335,785	335,785	0
Total Expenditures	1,874,785	1,820,487	54,298
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,280,785)	(1,093,845)	186,940
Other Financing Sources (Uses):			
Transfers In	1,280,785	1,280,785	0
Total Other Financing Sources (Uses)	1,280,785	1,280,785	0
Net Change in Fund Balance	0	186,940	186,940
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	\$ 0	\$ 186,940	\$ 186,940

CITY OF SHARONVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Debt Service Funds
For the Year Ended December 31, 2011***

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Special Assessments	<u>\$ 50,425</u>	<u>\$ 50,425</u>	<u>\$ 0</u>
Total Revenues	<u>50,425</u>	<u>50,425</u>	<u>0</u>
Expenditures:			
Debt Service:			
Interest Charges	<u>50,425</u>	<u>50,425</u>	<u>0</u>
Total Expenditures	<u>50,425</u>	<u>50,425</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

CITY OF SHARONVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Debt Service Funds
For the Year Ended December 31, 2011***

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Total Revenues	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Expenditures:			
General Government:			
Contractual Services	<u>31,706</u>	<u>0</u>	<u>31,706</u>
Total Expenditures	<u>31,706</u>	<u>0</u>	<u>31,706</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(31,706)	0	31,706
Fund Balance at Beginning of Year	<u>31,706</u>	<u>31,706</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 31,706</u>	<u>\$ 31,706</u>

CITY OF SHARONVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Debt Service Funds
For the Year Ended December 31, 2011***

CRYSTALVIEW WIDENING FUND			
	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Total Revenues	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Expenditures:			
General Government:			
Contractual Services	<u>33,530</u>	<u>33,530</u>	<u>0</u>
Total Expenditures	<u>33,530</u>	<u>33,530</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(33,530)	(33,530)	0
Fund Balance at Beginning of Year	<u>33,530</u>	<u>33,530</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

CITY OF SHARONVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Debt Service Funds
For the Year Ended December 31, 2011***

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Total Revenues	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Expenditures:			
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0
Fund Balance at Beginning of Year	<u>13,595</u>	<u>13,595</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 13,595</u>	<u>\$ 13,595</u>	<u>\$ 0</u>

CITY OF SHARONVILLE, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Debt Service Funds
For the Year Ended December 31, 2011**

CROWNE POINT DRIVE FUND			
	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Total Revenues	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Expenditures:			
General Government:			
Contractual Services	<u>72,039</u>	<u>23,880</u>	<u>48,159</u>
Total Expenditures	<u>72,039</u>	<u>23,880</u>	<u>48,159</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(72,039)	(23,880)	48,159
Fund Balance at Beginning of Year	<u>72,039</u>	<u>72,039</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 48,159</u>	<u>\$ 48,159</u>

CITY OF SHARONVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2011***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Total Revenues	\$ 0	\$ 0	\$ 0
Expenditures:			
Capital Outlay	892,416	861,288	31,128
Debt Service:			
Principal Retirement	488,777	488,777	0
Interest Charges	20,209	16,044	4,165
Total Expenditures	1,401,402	1,366,109	35,293
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,401,402)	(1,366,109)	35,293
Other Financing Sources (Uses):			
Sale of Capital Assets	0	180	180
Transfers In	1,359,986	1,359,986	0
Total Other Financing Sources (Uses)	1,359,986	1,360,166	180
Net Change in Fund Balance	(41,416)	(5,943)	35,473
Fund Balance at Beginning of Year	51,554	51,554	0
Prior Year Encumbrances	37,551	37,551	0
Fund Balance at End of Year	\$ 47,689	\$ 83,162	\$ 35,473

CITY OF SHARONVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2011***

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Total Revenues	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Expenditures:			
Capital Outlay	<u> 14,457</u>	<u> 14,457</u>	<u> 0</u>
Total Expenditures	<u> 14,457</u>	<u> 14,457</u>	<u> 0</u>
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	<u> (14,457)</u>	<u> (14,457)</u>	<u> 0</u>
Fund Balance at Beginning of Year	<u> 14,457</u>	<u> 14,457</u>	<u> 0</u>
Fund Balance at End of Year	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>

CITY OF SHARONVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2011***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenues	\$ 20,000	\$ 20,000	\$ 0
Total Revenues	20,000	20,000	0
Expenditures:			
Capital Outlay	20,000	20,000	0
Total Expenditures	20,000	20,000	0
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	0	0	0
Other Financing Sources (Uses):			
Advances In	0	20,000	20,000
Advances Out	0	(20,000)	(20,000)
Total Other Financing Sources (Uses)	0	0	0
Net Change in Fund Balance	0	0	0
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	\$ 0	\$ 0	\$ 0

CITY OF SHARONVILLE, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2011**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenues	\$ 45,000	\$ 42,664	\$ (2,336)
Total Revenues	45,000	42,664	(2,336)
Expenditures:			
Capital Outlay	45,000	42,664	2,336
Total Expenditures	45,000	42,664	2,336
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	0	0	0
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	\$ 0	\$ 0	\$ 0

CITY OF SHARONVILLE, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2011***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Total Revenues	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Expenditures:			
General Government:			
Contractual Services	<u>5,000</u>	<u>5,000</u>	<u>0</u>
Total Expenditures	<u>5,000</u>	<u>5,000</u>	<u>0</u>
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	(5,000)	(5,000)	0
Other Financing Sources (Uses):			
Advances In	<u>5,000</u>	<u>5,000</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>5,000</u>	<u>5,000</u>	<u>0</u>
Net Change in Fund Balance	0	0	0
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

CITY OF SHARONVILLE, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2011**

	SPECIAL ASSESSMENT FUND		Variance with Final Budget Positive (Negative)
	<u>Final Budget</u>	<u>Actual</u>	
Revenues:			
Total Revenues	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Expenditures:			
Capital Outlay	<u> 208,718</u>	<u> 208,718</u>	<u> 0</u>
Total Expenditures	<u> 208,718</u>	<u> 208,718</u>	<u> 0</u>
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	<u> (208,718)</u>	<u> (208,718)</u>	<u> 0</u>
Fund Balance at Beginning of Year	<u> 208,718</u>	<u> 208,718</u>	<u> 0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

CITY OF SHARONVILLE, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2011**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Special Assessments	\$ 186,000	\$ 186,001	\$ 1
Total Revenues	<u>186,000</u>	<u>186,001</u>	<u>1</u>
Expenditures:			
General Government:			
Miscellaneous Financing Department:			
Contractual Services	<u>464,956</u>	<u>204,484</u>	<u>260,472</u>
Total General Government	<u>464,956</u>	<u>204,484</u>	<u>260,472</u>
Capital Outlay	<u>10,000</u>	<u>0</u>	<u>10,000</u>
Total Expenditures	<u>474,956</u>	<u>204,484</u>	<u>270,472</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(288,956)	(18,483)	270,473
Fund Balance at Beginning of Year	297,689	297,689	0
Prior Year Encumbrances	<u>8,956</u>	<u>8,956</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 17,689</u>	<u>\$ 288,162</u>	<u>\$ 270,473</u>

Fiduciary Funds

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

Agency Funds

Mayor's Court Fund

To account for funds that flow through the Mayor's Court.

Employee Benefits Fund

To account for funds related to the IRS 125 Employee Benefits Plan.

Ohio Board of Building Standards Fund

To account for funds from the three percent (3%) fees as required by Ohio Revised Code.

Tax Rebate 1.5% Fund

To account for funds being claimed by taxpayers for over-payment of taxes at the 1.5% tax rate.

CITY OF SHARONVILLE, OHIO

**Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Year Ended December 31, 2011**

	Balance December 31, 2010	Additions	Deductions	Balance December 31, 2011
Mayor's Court Fund				
Assets:				
Cash and Cash Equivalents	\$67,960	\$557,434	(\$572,003)	\$53,391
Total Assets	<u>\$67,960</u>	<u>\$557,434</u>	<u>(\$572,003)</u>	<u>\$53,391</u>
Liabilities:				
Due to Others	\$67,960	\$557,434	(\$572,003)	\$53,391
Total Liabilities	<u>\$67,960</u>	<u>\$557,434</u>	<u>(\$572,003)</u>	<u>\$53,391</u>
Employee Benefits Fund				
Assets:				
Cash and Cash Equivalents	\$234,934	\$92,599	(\$123,172)	\$204,361
Total Assets	<u>\$234,934</u>	<u>\$92,599</u>	<u>(\$123,172)</u>	<u>\$204,361</u>
Liabilities:				
Due to Others	\$234,934	\$92,599	(\$123,172)	\$204,361
Total Liabilities	<u>\$234,934</u>	<u>\$92,599</u>	<u>(\$123,172)</u>	<u>\$204,361</u>
Ohio Board of Building Standards Fund				
Assets:				
Cash and Cash Equivalents	\$3,226	\$5,515	(\$5,159)	\$3,582
Total Assets	<u>\$3,226</u>	<u>\$5,515</u>	<u>(\$5,159)</u>	<u>\$3,582</u>
Liabilities:				
Intergovernmental Payables	\$3,226	\$5,515	(\$5,159)	\$3,582
Total Liabilities	<u>\$3,226</u>	<u>\$5,515</u>	<u>(\$5,159)</u>	<u>\$3,582</u>
Tax Rebate 1.5% Fund				
Assets:				
Cash and Cash Equivalents	\$417,989	\$796,293	(\$544,286)	\$669,996
Total Assets	<u>\$417,989</u>	<u>\$796,293</u>	<u>(\$544,286)</u>	<u>\$669,996</u>
Liabilities:				
Due to Others	\$417,989	\$796,293	(\$544,286)	\$669,996
Total Liabilities	<u>\$417,989</u>	<u>\$796,293</u>	<u>(\$544,286)</u>	<u>\$669,996</u>
Totals - All Agency Funds				
Assets:				
Cash and Cash Equivalents	\$724,109	\$1,451,841	(\$1,244,620)	\$931,330
Total Assets	<u>\$724,109</u>	<u>\$1,451,841</u>	<u>(\$1,244,620)</u>	<u>\$931,330</u>
Liabilities:				
Intergovernmental Payables	\$3,226	\$5,515	(\$5,159)	\$3,582
Due to Others	720,883	1,446,326	(1,239,461)	927,748
Total Liabilities	<u>\$724,109</u>	<u>\$1,451,841</u>	<u>(\$1,244,620)</u>	<u>\$931,330</u>



STATISTICAL SECTION



STATISTICAL TABLES

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.

Contents

Financial Trends	S 2 – S 13
These schedules contain trend information to help the reader understand how the city’s financial position has changed over time.	
Revenue Capacity	S 14 – S 17
These schedules contain information to help the reader understand and assess the factors affecting the city’s ability to generate its most significant local revenue sources, the property tax and the income tax.	
Debt Capacity	S 18 – S 27
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.	
Economic and Demographic Information	S 28 – S 31
These schedules offer economic and demographic indicators to help the reader understand the environment within which the city’s financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.	
Operating Information	S 32 – S 37
These schedules contain service and infrastructure data to help the reader understand how the information in the city’s financial report relates to the services the city provides and the activities it performs.	
Sources Note:	
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 34 in 2003; schedules presenting government-wide information include information beginning in that year.	

City of Sharonville

*Net Assets by Component
Last Nine Years
(accrual basis of accounting)*

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Governmental Activities:				
Invested in Capital Assets, Net of Related Debt	\$7,579,874	\$6,034,135	\$7,565,792	\$13,967,107
Restricted	9,810,613	9,779,977	10,551,263	7,088,138
Unrestricted	2,964,793	6,439,690	5,968,841	3,773,963
Total Governmental Activities Net Assets	<u>\$20,355,280</u>	<u>\$22,253,802</u>	<u>\$24,085,896</u>	<u>\$24,829,208</u>
Business-type Activities:				
Invested in Capital Assets, Net of Related Debt	\$1,890,127	\$1,840,939	\$1,960,040	\$2,394,091
Restricted	0	0	0	0
Unrestricted	781,059	460,278	1,193,441	1,145,530
Total Business-type Activities Net Assets	<u>\$2,671,186</u>	<u>\$2,301,217</u>	<u>\$3,153,481</u>	<u>\$3,539,621</u>
Primary Government:				
Invested in Capital Assets, Net of Related Debt	\$9,470,001	\$7,875,074	\$9,525,832	\$16,361,198
Restricted	9,810,613	9,779,977	10,551,263	7,088,138
Unrestricted	3,745,852	6,899,968	7,162,282	4,919,493
Total Primary Government Net Assets	<u>\$23,026,466</u>	<u>\$24,555,019</u>	<u>\$27,239,377</u>	<u>\$28,368,829</u>

Source: City Finance Office

City of Sharonville

<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
\$15,362,490	\$15,216,606	\$17,610,943	\$19,512,004	\$20,570,792
5,583,479	9,135,665	8,172,552	10,520,510	10,797,191
4,963,610	3,445,315	2,828,030	4,002,970	6,124,529
<u>\$25,909,579</u>	<u>\$27,797,586</u>	<u>\$28,611,525</u>	<u>\$34,035,484</u>	<u>\$37,492,512</u>
\$3,415,488	\$3,769,217	\$4,993,028	\$5,420,257	\$9,817,339
0	0	0	21,800,169	0
1,140,989	1,182,393	1,399,669	(20,261,111)	(2,539,416)
<u>\$4,556,477</u>	<u>\$4,951,610</u>	<u>\$6,392,697</u>	<u>\$6,959,315</u>	<u>\$7,277,923</u>
\$18,777,978	\$18,985,823	\$22,603,971	\$24,932,261	\$30,388,131
5,583,479	9,135,665	8,172,552	32,320,679	10,797,191
6,104,599	4,627,708	4,227,699	(16,258,141)	3,585,113
<u>\$30,466,056</u>	<u>\$32,749,196</u>	<u>\$35,004,222</u>	<u>\$40,994,799</u>	<u>\$44,770,435</u>

City of Sharonville

Changes in Net Assets Last Nine Years (accrual basis of accounting)

	2003	2004	2005	2006
Expenses				
Governmental Activities:				
Security of Persons and Property	\$10,269,289	\$11,398,938	\$11,726,212	\$11,736,011
Public Health and Welfare Services	382,116	350,553	361,002	349,637
Leisure Time Activities	2,807,430	2,962,009	3,313,120	3,223,962
Community Environment	533,193	585,562	561,985	495,139
Basic Utility Services	468,046	431,204	577,944	507,998
Transportation	2,871,053	1,826,457	1,655,934	2,039,820
General Government	7,395,342	5,659,441	4,068,570	3,860,974
Interest and Fiscal Charges	746,869	759,495	757,929	837,660
<i>Total Governmental Activities Expenses</i>	<u>25,473,338</u>	<u>23,973,659</u>	<u>23,022,696</u>	<u>23,051,201</u>
Business-type Activities:				
Convention Center	1,846,690	1,782,608	1,616,476	1,520,275
Senior Citizen Housing	167,776	185,300	226,006	188,040
<i>Total Business-type Activities Expenses</i>	<u>2,014,466</u>	<u>1,967,908</u>	<u>1,842,482</u>	<u>1,708,315</u>
<i>Total Primary Government Expenses</i>	<u><u>\$27,487,804</u></u>	<u><u>\$25,941,567</u></u>	<u><u>\$24,865,178</u></u>	<u><u>\$24,759,516</u></u>
Program Revenues				
Governmental Activities:				
Charges for Services				
Security of Persons and Property	\$778,637	\$1,127,288	\$772,124	\$827,235
Public Health and Welfare Services	71,112	73,124	78,229	83,347
Leisure Time Activities	313,240	375,287	371,937	383,172
Community Environment	139,055	155,626	307,639	261,735
Transportation	17,935	3,545	315	1,538
General Government	10,506	5,448	49	17
Operating Grants and Contributions	176,551	2,474,915	1,794,027	1,607,033
Capital Grants and Contributions	1,058,392	2,081	34,431	249,831
<i>Total Governmental Activities</i>	<u>2,565,428</u>	<u>4,217,314</u>	<u>3,358,751</u>	<u>3,413,908</u>
<i>Program Revenues</i>	<u>2,565,428</u>	<u>4,217,314</u>	<u>3,358,751</u>	<u>3,413,908</u>

City of Sharonville

2007	2008	2009	2010	2011
\$12,781,602	\$12,627,634	\$11,820,345	\$12,016,995	\$12,287,143
325,641	417,441	345,875	445,232	374,700
3,199,167	3,329,341	3,301,438	3,176,146	3,087,936
474,967	479,941	572,323	544,214	586,111
541,779	555,320	560,329	466,805	527,483
2,368,038	3,006,944	2,234,076	2,509,460	2,721,535
4,703,522	4,181,862	3,923,301	3,538,547	4,033,393
798,793	809,105	591,279	657,907	536,851
<u>25,193,509</u>	<u>25,407,588</u>	<u>23,348,966</u>	<u>23,355,306</u>	<u>24,155,152</u>
1,623,356	1,787,979	1,815,100	2,817,156	3,480,293
199,472	252,945	420,419	310,768	317,767
<u>1,822,828</u>	<u>2,040,924</u>	<u>2,235,519</u>	<u>3,127,924</u>	<u>3,798,060</u>
<u>\$27,016,337</u>	<u>\$27,448,512</u>	<u>\$25,584,485</u>	<u>\$26,483,230</u>	<u>\$27,953,212</u>
\$858,087	\$912,430	\$950,231	\$1,081,070	\$950,816
81,458	84,322	89,594	84,412	87,806
361,611	359,354	306,803	351,563	318,241
213,804	264,345	181,447	204,974	242,856
989	176,334	178,811	3,125	6,032
0	0	92,526	0	0
1,989,130	1,836,691	1,571,977	2,277,689	2,627,355
130,725	806,472	13,847	2,959,518	209,596
<u>3,635,804</u>	<u>4,439,948</u>	<u>3,385,236</u>	<u>6,962,351</u>	<u>4,442,702</u>

(continued)

City of Sharonville

Changes in Net Assets Last Nine Years (accrual basis of accounting)

	2003	2004	2005	2006
Business-type Activities:				
Charges for Services				
Convention Center	859,776	1,007,123	1,365,959	951,945
Senior Citizen Housing	196,179	195,172	205,567	216,804
Operating Grants and Contributions	390,384	398,644	738,984	925,706
<i>Total Business-type Activities</i>				
<i>Program Revenues</i>	1,446,339	1,600,939	2,310,510	2,094,455
<i>Total Primary Government</i>				
<i>Program Revenues</i>	4,011,767	5,818,253	5,669,261	5,508,363
Net (Expense)/Revenue				
Governmental Activities	(22,907,910)	(19,756,345)	(19,663,945)	(19,637,293)
Business-type Activities	(568,127)	(366,969)	468,028	386,140
<i>Total Primary Government</i>				
<i>Net (Expense)/Revenue</i>	(\$23,476,037)	(\$20,123,314)	(\$19,195,917)	(\$19,251,153)
General Revenues and				
Other Changes in Net Assets				
Governmental Activities:				
Income Taxes	\$18,573,923	\$20,601,078	\$19,488,300	\$19,077,969
Payments in Lieu of Taxes	0	0	0	0
Other Local Taxes	0	0	268,487	0
Grants and Entitlements not				
Restricted to Specific Programs	1,954,517	471,168	1,135,536	1,028,370
Investment Earnings	220,211	330,352	446,000	784,306
Miscellaneous	393,863	328,662	567,601	352,589
Transfers	(235,000)	0	(384,236)	0
<i>Total Governmental Activities</i>	20,907,514	21,731,260	21,521,688	21,243,234
Business-type Activities:				
Investment Earnings	0	0	0	0
Transfers	210,000	0	384,236	0
<i>Total Business-type Activities</i>	210,000	0	384,236	0
<i>Total Primary Government</i>	\$21,117,514	\$21,731,260	\$21,905,924	\$21,243,234
Change in Net Assets				
Governmental Activities	(\$2,000,396)	\$1,974,915	\$1,857,743	\$1,605,941
Business-type Activities	(358,127)	(366,969)	852,264	386,140
<i>Total Primary Government</i>				
<i>Change in Net Assets</i>	(\$2,358,523)	\$1,607,946	\$2,710,007	\$1,992,081

Source: City Finance Office

City of Sharonville

2007	2008	2009	2010	2011
1,084,056	1,021,770	888,091	1,060,764	869,989
223,811	235,671	253,653	253,705	264,277
1,526,405	1,178,616	3,427,312	2,380,073	2,982,402
2,834,272	2,436,057	4,569,056	3,694,542	4,116,668
6,470,076	6,876,005	7,954,292	10,656,893	8,559,370
(21,557,705)	(20,967,640)	(19,963,730)	(16,392,955)	(19,712,450)
1,011,444	395,133	2,333,537	566,618	318,608
(\$20,546,261)	(\$20,572,507)	(\$17,630,193)	(\$15,826,337)	(\$19,393,842)
\$20,141,422	\$19,591,472	\$17,656,370	\$18,411,406	\$19,970,964
0	699,857	736,368	800,688	788,376
0	0	0	0	89,592
1,478,133	1,683,303	965,973	1,810,874	1,326,156
727,051	418,611	159,497	21,198	15,512
291,470	462,404	367,011	772,748	978,878
0	0	892,450	0	0
22,638,076	22,855,647	20,777,669	21,816,914	23,169,478
5,412	0	0	0	0
0	0	(892,450)	0	0
5,412	0	(892,450)	0	0
\$22,643,488	\$22,855,647	\$19,885,219	\$21,816,914	\$23,169,478
\$1,080,371	\$1,888,007	\$813,939	\$5,423,959	\$3,457,028
1,016,856	395,133	1,441,087	566,618	318,608
\$2,097,227	\$2,283,140	\$2,255,026	\$5,990,577	\$3,775,636

City of Sharonville

*Fund Balances, Governmental Funds
Last Ten Years
(modified accrual basis of accounting)*

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
General Fund				
Nonspendable	\$0	\$0	\$0	\$0
Committed	0	0	0	0
Assigned	0	0	0	0
Unassigned	0	0	0	0
Reserved	323,078	132,959	144,599	175,922
Unreserved	<u>2,095,454</u>	<u>3,351,630</u>	<u>4,507,745</u>	<u>5,137,744</u>
<i>Total General Fund</i>	<u>2,418,532</u>	<u>3,484,589</u>	<u>4,652,344</u>	<u>5,313,666</u>
All Other Governmental Funds				
Nonspendable	0	0	0	0
Restricted	0	0	0	0
Committed	0	0	0	0
Unassigned	0	0	0	0
Reserved	5,173,160	3,915,743	2,274,435	2,108,165
Unreserved, Undesignated, Reported in:				
Special Revenue Funds	2,004,711	1,413,303	2,798,138	3,791,802
Capital Projects Funds	<u>1,725,287</u>	<u>1,241,778</u>	<u>4,422,068</u>	<u>4,498,142</u>
Total All Other Governmental Funds	<u>8,903,158</u>	<u>6,570,824</u>	<u>9,494,641</u>	<u>10,398,109</u>
<i>Total Governmental Funds</i>	<u><u>\$11,321,690</u></u>	<u><u>\$10,055,413</u></u>	<u><u>\$14,146,985</u></u>	<u><u>\$15,711,775</u></u>

Source: City Finance Office

Note: The City implemented GASB 54 in 2011 which established new fund balance classifications for governmental funds.

City of Sharonville

2006	2007	2008	2009	2010	2011
\$0	\$0	\$0	\$0	\$0	\$44,636
0	0	0	0	0	90,050
0	0	0	0	0	286,206
0	0	0	0	0	6,569,528
133,670	99,020	169,259	210,733	267,522	0
5,122,570	6,130,065	4,851,999	4,137,756	5,197,710	0
<u>5,256,240</u>	<u>6,229,085</u>	<u>5,021,258</u>	<u>4,348,489</u>	<u>5,465,232</u>	<u>6,990,420</u>
0	0	0	0	0	146,170
0	0	0	0	0	5,184,934
0	0	0	0	0	220,130
0	0	0	0	0	(1,730,479)
4,262,764	1,642,931	2,179,525	2,626,872	1,779,935	0
3,536,093	3,162,766	3,207,347	3,080,558	3,368,477	0
(2,427,215)	(3,336,410)	(1,932,395)	(2,132,286)	(1,627,149)	0
<u>5,371,642</u>	<u>1,469,287</u>	<u>3,454,477</u>	<u>3,575,144</u>	<u>3,521,263</u>	<u>3,820,755</u>
<u>\$10,627,882</u>	<u>\$7,698,372</u>	<u>\$8,475,735</u>	<u>\$7,923,633</u>	<u>\$8,986,495</u>	<u>\$10,811,175</u>

City of Sharonville

*Changes in Fund Balances, Governmental Funds
Last Ten Years
(modified accrual basis of accounting)*

	2002	2003	2004	2005
Revenues:				
Taxes	\$17,366,445	\$18,706,607	\$20,349,502	\$20,602,024
Payments in Lieu of Taxes	0	0	0	0
Intergovernmental Revenues	2,673,895	3,265,709	2,748,108	3,102,272
Charges for Services	643,529	688,258	850,096	794,036
Licenses and Permits	389,235	360,900	398,895	554,483
Investment Earnings	237,410	193,374	348,475	449,196
Special Assessments	125,270	120,187	100,772	89,260
Fines and Forfeitures	371,820	387,486	413,749	433,952
All Other Revenue	345,013	204,428	283,974	257,534
Total Revenue	<u>22,152,617</u>	<u>23,926,949</u>	<u>25,493,571</u>	<u>26,282,757</u>
Expenditures:				
Current:				
Security of Persons and Property	7,695,278	9,300,676	11,070,181	11,249,491
Public Health and Welfare Services	306,549	325,916	345,310	355,894
Leisure Time Activities	2,403,827	2,566,192	2,854,058	2,940,080
Community Environment	451,860	477,303	560,735	520,869
Basic Utility Services	440,747	468,046	431,204	577,944
Transportation	1,143,510	1,283,222	1,314,293	1,306,783
General Government	2,811,164	3,004,275	3,555,646	2,979,947
Capital Outlay	5,158,780	9,703,256	7,623,458	2,490,515
Debt Service:				
Principal Retirement	400,688	3,206,000	1,163,861	1,181,869
Interest and Fiscal Charges	354,241	1,039,251	773,788	772,384
Total Expenditures	<u>21,166,644</u>	<u>31,374,137</u>	<u>29,692,534</u>	<u>24,375,776</u>
Excess (Deficiency) of Revenues Over Expenditures	985,973	(7,447,188)	(4,198,963)	1,906,981

City of Sharonville

2006	2007	2008	2009	2010	2011
\$19,139,977	\$20,290,549	\$19,212,542	\$17,504,675	\$18,257,911	\$19,964,937
0	0	699,857	736,368	800,688	476,448
2,760,328	3,261,644	4,470,345	2,807,875	4,481,399	3,919,570
778,376	867,879	933,899	959,323	867,218	846,721
523,917	476,617	523,759	467,005	483,849	525,503
755,679	708,184	425,854	44,140	21,198	15,512
89,553	130,725	137,004	13,847	200,419	236,426
432,898	417,104	348,046	370,313	425,628	427,874
128,873	81,330	348,964	521,468	579,722	770,398
<u>24,609,601</u>	<u>26,234,032</u>	<u>27,100,270</u>	<u>23,425,014</u>	<u>26,118,032</u>	<u>27,183,389</u>
11,261,727	12,148,459	11,958,679	11,249,572	11,522,061	11,643,831
379,359	347,062	419,725	345,561	445,765	374,322
2,840,788	2,809,181	2,900,484	2,824,218	2,664,712	2,481,596
498,434	497,291	466,570	557,096	543,526	584,908
507,998	541,779	555,320	560,329	466,805	527,483
1,564,074	1,972,165	1,739,059	1,578,400	1,785,519	2,113,934
3,562,483	3,410,862	3,732,419	3,423,205	3,252,463	3,400,002
6,342,629	5,456,038	3,010,260	2,472,773	3,921,251	2,286,976
1,160,000	1,175,000	1,210,000	1,335,000	1,325,000	1,783,777
847,603	810,970	821,227	653,034	643,042	538,968
<u>28,965,095</u>	<u>29,168,807</u>	<u>26,813,743</u>	<u>24,999,188</u>	<u>26,570,144</u>	<u>25,735,797</u>
(4,355,494)	(2,934,775)	286,527	(1,574,174)	(452,112)	1,447,592

(Continued)

City of Sharonville

*Changes in Fund Balances, Governmental Funds
Last Ten Years
(modified accrual basis of accounting)*

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Other Financing Sources (Uses):				
Proceeds from the Sale of Capital Assets	0	0	5,807	2,895
Other Financing Sources - Capital Leases	0	0	0	0
General Obligation Refunding Bonds Issued	0	0	0	0
General Obligation Bonds Issued	2,000,000	14,746,739	0	0
Special Assessment Bonds Issued	0	0	0	0
Premiums on Debt Issuances	0	0	0	0
Payment to Refunded Bond Escrow Agent	0	0	0	0
Transfers In	6,998,757	1,891,400	3,959,350	3,819,956
Transfers Out	(7,249,757)	(2,126,400)	(3,959,350)	(4,204,192)
Total Other Financing Sources (Uses)	<u>1,749,000</u>	<u>14,511,739</u>	<u>5,807</u>	<u>(381,341)</u>
Net Change in Fund Balance	<u>\$2,734,973</u>	<u>\$7,064,551</u>	<u>(\$4,193,156)</u>	<u>\$1,525,640</u>
 Debt Service as a Percentage of Noncapital Expenditures	 4.10%	 15.95%	 8.11%	 8.66%

Source: City Finance Office

City of Sharonville

2006	2007	2008	2009	2010	2011
22,246	11,705	19,638	15,161	0	285,304
69,065	0	499,000	0	203,289	0
0	0	0	3,460,000	0	0
0	0	0	0	0	0
0	0	0	0	1,400,000	0
27,233	18,867	0	115,357	0	0
0	0	0	(3,491,022)	0	0
3,423,736	4,506,118	4,966,559	3,356,021	1,957,663	2,999,168
(3,423,736)	(4,506,118)	(4,966,559)	(2,463,571)	(1,957,663)	(2,999,168)
118,544	30,572	518,638	991,946	1,603,289	285,304
<u>(\$4,236,950)</u>	<u>(\$2,904,203)</u>	<u>\$805,165</u>	<u>(\$582,228)</u>	<u>\$1,151,177</u>	<u>\$1,732,896</u>
8.97%	8.10%	8.21%	8.68%	8.64%	9.64%

City of Sharonville

Income Tax Revenues by Source, Governmental Funds Last Ten Years

Tax year	2002	2003	2004	2005
Income Tax Rate	1.50%	1.50%	1.50%	1.50%
Estimated Personal Income (in thousands)	\$503,508	\$518,827	\$549,617	\$556,163
Total Tax Collected	\$16,766,353	\$18,819,336	\$19,360,339	\$20,078,349
Income Tax Receipts				
Withholding	14,350,771	14,974,511	15,064,199	15,549,738
Percentage	85.60%	79.58%	77.81%	77.45%
Corporate	1,532,679	2,386,694	2,587,091	2,943,801
Percentage	9.14%	12.68%	13.36%	14.66%
Individuals	852,247	1,419,893	1,650,570	1,523,617
Percentage	5.08%	7.54%	8.53%	7.59%
Penalty and Interest	30,656	38,238	58,479	61,193
Percentage	0.18%	0.20%	0.30%	0.30%

Source: City Income Tax Department

City of Sharonville

2006	2007	2008	2009	2010	2011
1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
\$589,376	\$593,596	\$607,689	\$590,365	\$574,849	\$621,753
\$19,937,204	\$20,971,260	\$20,594,952	\$18,677,400	\$19,027,828	\$20,365,647
15,681,150	17,064,053	16,611,460	15,354,257	15,235,792	16,494,415
78.65%	81.37%	80.65%	82.21%	80.06%	80.99%
2,772,855	2,502,457	2,581,828	1,990,915	2,389,008	2,431,248
13.91%	11.93%	12.54%	10.66%	12.56%	11.94%
1,394,448	1,353,362	1,340,718	1,250,076	1,275,819	1,326,586
6.99%	6.45%	6.51%	6.69%	6.71%	6.51%
88,751	51,388	60,946	82,152	127,209	113,398
0.45%	0.25%	0.30%	0.44%	0.67%	0.56%



City of Sharonville

Income Tax Collections Current Year and Nine Years Ago

Calendar Year 2011

<u>Income Tax Filers</u>	<u>Number of Filers</u>	<u>Percent of Total</u>	<u>Taxable Income</u>	<u>Percent of Income</u>	<u>Income Tax Collections</u>	<u>Percent of Income</u>
Top Ten	10	0.08%	\$401,925,911	29.60%	\$6,028,889	29.60%
All Others	13,000	99.92%	955,783,893	70.40%	14,336,758	70.40%
Total	13,010	100.00%	\$1,357,709,804	100.00%	\$20,365,647	100.00%

Calendar Year 2002

<u>Income Tax Filers</u>	<u>Number of Filers</u>	<u>Percent of Total</u>	<u>Taxable Income</u>	<u>Percent of Income</u>	<u>Income Tax Collections</u>	<u>Percent of Income</u>
Top Ten	10	0.12%	\$435,604,236	38.97%	\$6,534,064	38.97%
All Others	8,057	99.88%	682,152,655	61.03%	10,232,290	61.03%
Total	8,067	100.00%	\$1,117,756,891	100.00%	\$16,766,354	100.00%

Source: City Income Tax Department

City of Sharonville

Ratio of Outstanding Debt By Type Last Ten Years

	2002	2003	2004	2005
Governmental Activities ⁽¹⁾				
General Obligation Bonds Payable	\$4,950,000	\$18,602,570	\$17,534,231	\$16,445,892
Special Assessment Bonds Payable	495,000	425,000	360,000	300,000
Capital Leases	176,730	120,730	61,869	0
Business-type Activities ⁽¹⁾				
General Obligation Bonds Payable	\$5,015,000	\$7,879,271	\$7,366,324	\$6,682,887
Revenue Bonds Payable	0	0	0	0
Total Primary Government	<u>\$10,636,730</u>	<u>\$27,027,571</u>	<u>\$25,322,424</u>	<u>\$23,428,779</u>
Population ⁽²⁾				
City of Sharonville	13,926	13,926	13,926	13,926
Outstanding Debt Per Capita	\$764	\$1,941	\$1,818	\$1,682
Income ⁽³⁾				
Personal (in thousands)	503,508	518,827	549,617	556,163
Percentage of Personal Income	2.11%	5.21%	4.61%	4.21%

Sources:

(1) City Finance Office

(2) US Bureau of Census, Population Division

(3) US Department of Commerce, Bureau of Economic Analysis

(a) Per Capita Income is only available by County, Total Personal Income is a calculation

City of Sharonville

2006	2007	2008	2009	2010	2011
\$15,322,553	\$14,174,214	\$12,995,875	\$11,755,186	\$10,464,827	\$9,144,468
235,000	180,000	120,000	60,000	1,400,000	1,400,000
69,065	53,077	535,265	423,436	488,777	0
\$5,847,395	\$5,321,089	\$4,784,783	\$4,233,477	\$3,667,171	\$3,075,865
0	0	0	0	27,715,558	27,728,083
<u>\$21,474,013</u>	<u>\$19,728,380</u>	<u>\$18,435,923</u>	<u>\$16,472,099</u>	<u>\$43,736,333</u>	<u>\$41,348,416</u>
13,926	13,926	13,926	13,926	13,560	13,560
\$1,542	\$1,417	\$1,324	\$1,183	\$3,225	\$3,049
589,376	593,596	607,689	590,365	574,849	621,753
3.64%	3.32%	3.03%	2.79%	7.61%	6.65%

City of Sharonville

Ratios of General Bonded Debt Outstanding Last Ten Years

Year	2002	2003	2004	2005
Population ⁽¹⁾	13,926	13,926	13,926	13,926
Personal Income ⁽²⁾	\$503,508	\$518,827	\$549,617	\$556,163
General Bonded Debt ⁽³⁾				
General Obligation Bonds	\$9,965,000	\$26,481,841	\$24,900,555	\$23,128,779
Resources Available to Pay Principal ⁽⁴⁾	\$90,048	\$0	\$4,890	\$46,095
Net General Bonded Debt	\$9,874,952	\$26,481,841	\$24,895,665	\$23,082,684
Ratio of Net Bonded Debt to Estimated Personal Income	1.96%	5.10%	4.53%	4.15%
Net Bonded Debt per Capita	\$709.10	\$1,901.61	\$1,787.71	\$1,657.52

Source:

(1) U.S. Bureau of Census of Population

(2) Hamilton County Auditor

(3) Includes general obligation bonded debt of governmental and business-type activities.

(4) Includes only Debt Service funds available for general obligation bonded debt supported by income taxes.

City of Sharonville

<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
13,926	13,926	13,926	13,926	13,560	13,560
\$589,376	\$593,596	\$607,689	\$590,365	\$574,849	\$621,753
\$21,169,948	\$19,495,303	\$17,780,658	\$15,988,663	\$14,131,998	\$12,220,333
\$1,300	\$21,747	\$324,400	\$467,770	\$425,719	\$1,300
\$21,168,648	\$19,473,556	\$17,456,258	\$15,520,893	\$13,706,279	\$12,219,033
3.59%	3.28%	2.87%	2.63%	2.38%	1.97%
\$1,520.08	\$1,398.36	\$1,253.50	\$1,114.53	\$1,010.79	\$901.11



City of Sharonville

*Computation of Direct and Overlapping
Debt Attributable to Governmental Activities
December 31, 2011*

<u>Jurisdiction</u>	<u>Gross Debt Outstanding</u>	<u>Percentage Applicable to the City of Sharonville</u>	<u>Amount Applicable to the City of Sharonville</u>
Direct:			
City of Sharonville	\$2,380,000	100.00%	\$2,380,000
Overlapping:			
Princeton City School District	194,554,930	32.75%	63,716,740
Great Oaks Joint Vocational School District	17,500,000	2.75%	481,250
Hamilton County	84,155,000	2.46%	2,070,213
Butler County	60,118,581	0.57%	<u>342,676</u>
		Subtotal	<u>66,610,879</u>
		Total	<u><u>\$68,990,879</u></u>

Source: Ohio Municipal Advisory Council

Percentages determined by dividing each overlapping subdivisions' assessed valuation within the City by the subdivisions' total assessed valuation.

City of Sharonville

Debt Limitations Last Ten Years

Collection Year	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Total Debt				
Net Assessed Valuation	\$580,710,700	\$563,218,560	\$569,852,010	\$554,668,383
Legal Debt Limitation (%) ⁽¹⁾	10.50%	10.50%	10.50%	10.50%
Legal Debt Limitation (\$) ⁽¹⁾	60,974,624	59,137,949	59,834,461	58,240,180
City Debt Outstanding ⁽²⁾	0	0	0	0
Less: Applicable Debt Service Fund Amounts	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Indebtedness Subject to Limitation	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Overall Legal Debt Margin	<u><u>\$60,974,624</u></u>	<u><u>\$59,137,949</u></u>	<u><u>\$59,834,461</u></u>	<u><u>\$58,240,180</u></u>
Unvoted Debt				
Net Assessed Valuation	\$580,710,700	\$563,218,560	\$569,852,010	\$554,668,383
Legal Debt Limitation (%) ⁽¹⁾	5.50%	5.50%	5.50%	5.50%
Legal Debt Limitation (\$) ⁽¹⁾	31,939,089	30,977,021	31,341,861	30,506,761
City Debt Outstanding ⁽²⁾	0	0	0	0
Less: Applicable Debt Service Fund Amounts	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Indebtedness Subject to Limitation	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Overall Legal Debt Margin	<u><u>\$31,939,089</u></u>	<u><u>\$30,977,021</u></u>	<u><u>\$31,341,861</u></u>	<u><u>\$30,506,761</u></u>

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

(2) City Debt Outstanding does not include General Obligation Bonds and Notes supported by income taxes. Enterprise Debt is not considered in the computation of the Legal Debt Margin.

Source: City Finance Office

City of Sharonville

2006	2007	2008	2009	2010	2011
\$510,813,800	\$495,320,220	\$476,015,410	\$478,329,590	\$478,384,600	\$449,119,680
10.50%	10.50%	10.50%	10.50%	10.50%	10.50%
53,635,449	52,008,623	49,981,618	50,224,607	50,230,383	47,157,566
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>\$53,635,449</u>	<u>\$52,008,623</u>	<u>\$49,981,618</u>	<u>\$50,224,607</u>	<u>\$50,230,383</u>	<u>\$47,157,566</u>
\$510,813,800	\$495,320,220	\$476,015,410	\$478,329,590	\$478,384,600	\$449,119,680
5.50%	5.50%	5.50%	5.50%	5.50%	5.50%
28,094,759	27,242,612	26,180,848	26,308,127	26,311,153	24,701,582
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>\$28,094,759</u>	<u>\$27,242,612</u>	<u>\$26,180,848</u>	<u>\$26,308,127</u>	<u>\$26,311,153</u>	<u>\$24,701,582</u>

City of Sharonville

*Pledged Revenue Coverage
Last Ten Years*

	2002	2003	2004	2005	2006
Special Assessment Bonds (1) (2)					
Special Assessment Collections	\$125,270	\$120,187	\$100,772	\$89,260	\$89,553
Debt Service					
Principal	75,000	70,000	65,000	60,000	65,000
Interest	40,820	35,230	29,995	25,380	21,120
Coverage	1.08	1.14	1.06	1.05	1.04

- (1) The Crystal View Widening Special Assessment Bonds were issued in 1984, in the amount of \$178,000
The Zind Lane Sewer Special Assessment Bonds were issued in 1987, in the amount of \$91,437
The Miller Valentine Phase I Special Assessment Bonds were issued in 1991, in the amount of \$880,000
The Miller Valentine Phase II Special Assessment Bonds were issued in 1991, in the amount of \$235,000
The GSA Property Road Special Assessment Bonds were issued in 2010, in the amount of \$1,400,000
- (2) The Convention Center Revenue Bonds will be reported beginning next year upon commencement of debt service.

Source: City Finance Office

City of Sharonville

2007	2008	2009	2010	2011
\$130,725	\$137,004	\$13,847	\$200,419	\$236,426
55,000	60,000	60,000	60,000	0
14,705	12,645	8,430	4,215	50,425
1.88	1.89	0.20	3.12	4.69

City of Sharonville

Demographic and Economic Statistics Last Ten Years

Calendar Year	2002	2003	2004	2005
Population (1)				
City of Sharonville	13,926	13,926	13,926	13,926
Hamilton County	845,303	845,303	845,303	806,652
Income (2) (a)				
Total Personal (in thousands)	503,508	518,827	549,617	556,163
Per Capita	36,156	37,256	39,467	39,937
Unemployment Rate (3)				
Federal	4.8%	5.8%	6.0%	5.5%
State	4.3%	5.7%	6.1%	6.0%
Hamilton County	5.1%	5.1%	5.1%	4.9%
Civilian Work Force Estimates (3)				
State	5,828,000	5,915,000	5,875,300	5,900,400
Hamilton County	435,200	437,900	422,200	426,800

Sources:

(1) US Bureau of Census of Population

(2) US Department of Commerce, Bureau of Economic Analysis

(a) Per Capita Income is only available by County, Total Personal Income is a calculation

(3) State Department of Labor Statistics

City of Sharonville

2006	2007	2008	2009	2010	2011
13,926	13,926	13,926	13,926	13,560	13,560
806,652	806,652	806,652	806,652	802,374	802,374
589,376	593,596	607,689	590,365	574,849	621,753
42,322	42,625	43,637	42,393	42,393	45,852
5.0%	4.6%	5.8%	9.3%	9.4%	8.9%
5.9%	5.6%	6.6%	10.2%	9.6%	8.6%
5.0%	5.0%	5.6%	8.9%	8.5%	8.6%
5,934,000	5,976,500	5,986,400	5,986,400	5,906,000	5,806,000
423,500	431,200	432,400	432,400	434,700	406,900



City of Sharonville

Principal Employers Current Year and Nine Years Ago

Employer	Nature of Business	2011	
		Rank	Number of Employees
Ford Motor Company	Auto Parts Manufacturing	1	N/A
US Postal Service	Bulk Mail Processing	2	N/A
United Parcel Service	Bulk Mail Processing	3	N/A
Princeton School District	Public Education	4	N/A
General Mills	Cereal Manufacturing	5	N/A
Xtek Inc	Steel Fabrication	6	N/A
TSS Aviation	Manufacturing	7	N/A
Valley Asphalt / John R Jurgensen	Asphalt Mfg & Construction	8	N/A
Hobsons Inc	Publishing & Technology	9	N/A
Champion	Manufacturing & Supply	10	N/A
Total			N/A

Employer	Nature of Business	2002	
		Rank	Number of Employees
Ford Motor Company	Auto Parts Manufacturing	1	N/A
General Mills	Cereal Manufacturing	2	N/A
US Postal Service	Bulk Mail Processing	3	N/A
Princeton City School District	Public Education	4	N/A
United Parcel Service	Bulk Mail Processing	5	N/A
Champion	Manufacturing	6	N/A
Johnson Diversey	Health and Beauty Products	7	N/A
Xtek Inc	Steel Fabrication	8	N/A
Great Oaks	Public Education	9	N/A
City of Sharonville	Municipal Government	10	N/A
Total			N/A

Sources:

City Income Tax Department

The City's Income Tax Department will not disclose number of employees due to privacy concerns.

City of Sharonville

Full Time Equivalent Employees by Function Last Ten Years

	2002	2003	2004	2005	2006
Governmental Activities					
General Government					
Finance	10.00	10.00	12.00	11.00	11.00
Legal/Court	2.00	2.00	2.00	2.00	2.00
Administration	4.00	5.00	5.00	4.00	4.00
Maintenance	5.00	4.00	5.00	5.00	5.00
Security of Persons and Property					
Police	51.00	51.00	53.00	48.00	48.00
Fire	41.00	50.00	53.00	54.00	58.00
Transportation					
Street	15.00	14.00	15.00	14.00	14.00
Leisure Time Activities					
Recreation	45.00	45.00	54.00	56.00	49.00
Parks and Grounds	9.00	10.00	10.00	10.00	11.00
Public Health and Welfare Services					
Health	6.00	6.00	6.00	6.00	5.00
Community Environment					
Building and Planning	8.00	9.00	9.00	8.00	8.00
Business-Type Activities					
Senior Citizen Housing	1.00	1.00	1.00	1.00	1.00
Convention Center	14.00	13.00	13.00	11.00	11.00
<i>Total Employees</i>	<u>211.00</u>	<u>220.00</u>	<u>238.00</u>	<u>230.00</u>	<u>227.00</u>

Method: 1.00 for each full-time, 0.50 for each part-time and 0.25 for each seasonal employee.

An hour limit of 900 was used to differentiate between part time and seasonal.

Source: City Finance Office

City of Sharonville

<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
11.00	11.00	11.00	11.00	11.00
2.00	2.00	2.00	2.00	2.00
5.00	6.00	6.00	6.00	6.00
5.00	6.00	5.00	5.00	5.00
47.00	50.00	48.00	47.00	43.00
59.00	55.00	56.00	54.00	48.00
14.00	13.00	13.00	16.00	13.00
52.00	47.00	34.00	52.00	45.00
9.00	9.00	7.00	7.00	7.00
5.00	5.00	5.00	5.00	5.00
7.00	7.00	7.00	8.00	8.00
1.00	1.00	1.00	1.00	1.00
11.00	12.00	12.00	12.00	12.00
<u>228.00</u>	<u>224.00</u>	<u>207.00</u>	<u>226.00</u>	<u>206.00</u>

City of Sharonville

Operating Indicators by Function Last Ten Years

	2002	2003	2004	2005	2006
Governmental Activities					
General Government					
Court					
Number of Traffic Cases	N/A	N/A	4,167	3,748	3,179
Number of Open Cases	N/A	N/A	110	179	184
Licenses and Permits					
Number of Building Permits	618	498	677	740	573
Number of Building Inspections	1,560	1,096	1,418	1,476	1,281
Security of Persons and Property					
Police					
Number of Citations Issued	4,777	4,591	4,606	4,249	3,493
Number of Arrests	1,071	1,046	1,054	1,203	1,398
Number of Accidents	1,284	1,436	1,334	1,190	1,074
Fire					
Number of Fire Calls	702	867	863	792	781
Number of EMS Runs	1,813	1,791	2,195	2,071	2,045
Number of Inspections	865	840	617	834	1,093
Transportation					
Street					
Number of Streets Resurfaced	7	10	9	3	3
Number of Potholes Repaired	124	169	161	200	180
Leisure Time Activities					
Recreation					
Number of Programs Offered	165	200	220	175	150
Number of Pool Passes Issued	1,694	1,599	2,059	2,042	1,497
Public Health and Welfare					
Number of Flu Shots	828	850	720	618	590
Number of Smoking Complaints	0	0	0	0	0
Number of Food Inspections	516	481	432	469	437
Number of Nuisance Inspections	70	75	87	103	98
Number of Vaccines for Children	0	0	0	0	0

Source: City Finance Office

City of Sharonville

2007	2008	2009	2010	2011
3,145	3,076	3,441	4,016	4,552
138	71	180	136	135
662	526	497	640	630
1,433	1,309	1,199	1,669	1,587
3,761	2,725	3,446	3,891	3,775
1,188	991	914	906	940
1,076	1,124	979	812	845
992	1,163	1,109	1,228	1,340
2,113	2,337	2,085	2,061	2,242
1,172	1,131	1,087	1,042	1,085
7	6	3	3	12
185	170	185	250	200
150	150	120	120	120
1,776	1,895	1,816	1,973	1,952
573	584	706	582	438
47	26	15	18	22
431	400	361	459	444
115	152	131	206	224
0	1	155	395	213

City of Sharonville

Capital Asset Statistics by Function Last Eight Years

	2004	2005	2006	2007	2008
Governmental Activities	(1)				
General Government					
Public Land and Buildings					
Land (acres)	6,848	6,848	6,848	6,848	6,848
Buildings	1	1	1	1	1
Security of Persons and Property					
Police					
Stations	1	1	1	1	1
Vehicles	22	22	22	24	24
Fire					
Stations	3	3	3	3	3
Vehicles	18	18	18	18	18
Transportation					
Street					
Streets (lane miles)	134	134	134	135	135
Street Lights	935	933	934	935	935
Vehicles	16	16	16	18	17
Leisure Time Activities					
Recreation					
Land (acres)	35	35	35	35	35
Buildings	2	2	2	2	2
Parks	4	4	4	4	4
Playgrounds	4	4	4	4	4
Swimming Pools	2	2	2	2	2
Tennis Courts	5	5	5	5	5
Baseball/Softball Diamonds	14	14	14	14	14
Soccer Fields	11	11	11	11	11
Business-Type Activities					
Senior Citizen Housing					
Buildings	3	3	3	3	3
Convention Center					
Buildings	1	1	1	1	1

Source: City Finance Office

(1) Information prior to 2004 is not available.

City of Sharonville

<u>2009</u>	<u>2010</u>	<u>2011</u>
6,848	6,848	6,848
1	1	1
1	1	1
24	24	23
3	3	3
19	19	20
135	136	135
935	935	936
17	17	17
35	35	35
2	2	2
4	4	4
4	4	4
2	2	2
5	5	5
14	14	14
11	11	11
3	3	3
1	1	1

