



**Auditor of State  
Betty Montgomery**



CITY OF GROVE CITY  
FRANKLIN COUNTY

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**CITY OF GROVE CITY  
FRANKLIN COUNTY**

**SCHEDULE OF FEDERAL AWARDS EXPENDITURES  
FOR THE YEAR ENDED DECEMBER 31, 2003**

Federal Grantor/ Pass Through Grantor Program Title	Pass Through Entity Number	Federal CFDA Number	Disbursements
<b><u>U.S. Department of Housing and Urban Development</u></b>			
<i>Passed Through Ohio Department of Development:</i>			
Community Development Block Grant/State Program (CDBG)	B01/B02-UC-39-0002	14.228	\$ 45,723
Total U.S. Department of Housing and Urban Development:			45,723
<b><u>U.S. Department of Homeland Security</u></b>			
<i>Passed Through Ohio Department of Public Safety:</i>			
Emergency Management Performance Grant	FEMA-1453-DR-049-32592	97.042	43,058
Total U.S. Department of Homeland Security:			43,058
<b><u>U.S. Department of Justice</u></b>			
Public Safety Partnership and Community Policing	N/A	16.710	213,916
Local Law Enforcement Block Grant Program (LLEBG)	N/A	16.592	12,283
Total U.S. Department of Justice			226,199
<b><u>U.S. Department of Transportation</u></b>			
<i>Passed Through Ohio Department of Transportation:</i>			
Highway Planning and Construction	02N042	20.205	3,720
Total U.S. Department of Transportation			3,720
<b>Total Federal Awards Expenditures:</b>			<b>\$ 318,700</b>

The accompanying notes to this schedule are an integral part of this schedule.

**CITY OF GROVE CITY  
FRANKLIN COUNTY**

**NOTES TO THE SCHEDULE OF FEDERAL AWARDS EXPENDITURES  
FISCAL YEAR ENDED DECEMBER 31, 2003**

**NOTE A—SIGNIFICANT ACCOUNTING POLICIES**

The accompanying Schedule of Federal Awards Expenditures (the Schedule) summarizes activity of the City's federal award programs. The schedule has been prepared on the cash basis of accounting.

**NOTE B—MATCHING REQUIREMENTS**

Certain Federal programs require that the City contribute non-Federal funds (matching funds) to support the Federally-funded programs. The City has complied with the matching requirements. The expenditure of non-Federal matching funds is not included on the Schedule.



## Auditor of State Betty Montgomery

### INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE AND ON INTERNAL CONTROL REQUIRED BY GOVERNMENT AUDITING STANDARDS

City of Grove City  
Franklin County  
4035 Broadway  
Grove City, Ohio 43213

To the City Council:

We have audited the financial statements of the governmental activities, the business type activities, each major fund, and the aggregate remaining fund information of the City of Grove City, Franklin County, Ohio, (the City) as of and for the year ended December 31, 2003 and have issued our report thereon dated June 21, 2004. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

#### Compliance

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could directly and materially affect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that we must report under *Government Auditing Standards*. However, we noted certain immaterial instances of noncompliance that we have reported to management of the City in a separate letter dated June 21, 2004.

#### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted a matter involving the internal control over financial reporting that does not require inclusion in this report that we have reported to management of the City in a separate letter dated June 21, 2004.

35 N. Fourth St. / Second Floor / Columbus, OH 43215  
Telephone: (614) 466-3402 (800) 443-9275 Fax: (614) 728-7199  
[www.auditor.state.oh.us](http://www.auditor.state.oh.us)

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

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

**Betty Montgomery**  
Auditor of State

June 21, 2004





**Auditor of State  
Betty Montgomery**

**INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE  
TO THE MAJOR FEDERAL PROGRAM, INTERNAL CONTROL OVER COMPLIANCE IN  
ACCORDANCE WITH OMB CIRCULAR A-133 AND SCHEDULE OF FEDERAL AWARDS  
EXPENDITURES**

City of Grove City  
Franklin County  
4035 Broadway  
Grove City, Ohio 43213

To the City Council:

**Compliance**

We have audited the compliance of the City of Grove City, Franklin County, Ohio, (the City) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133, Compliance Supplement* that are applicable to its major federal program for the year ended December 31, 2003. The City's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings. Compliance with the requirements of laws, regulations, contracts and grants applicable to the City's major federal program is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

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

In our opinion, the City complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended December 31, 2003. However, we noted an instance of noncompliance that does not require inclusion in this report that we have reported to the management of City in a separate letter dated June 21, 2004.

### **Internal Control Over Compliance**

The management of the City is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the City's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

### **Schedule of Federal Awards Expenditures**

We have audited the financial statements of the governmental activities, the business type activities, each major fund and the aggregated remaining fund information of the City as of and for the year ended December 31, 2003. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying schedule of federal awards expenditures is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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



**Betty Montgomery**  
Auditor of State

June 21, 2004

CITY OF GROVE CITY  
FRANKLIN COUNTY

SCHEDULE OF FINDINGS  
OMB CIRCULAR A -133 §.505  
DECEMBER 31, 2003

1. SUMMARY OF AUDITOR'S RESULTS		
(d)(1)(i)	Type of Financial Statement Opinion	Unqualified
(d)(1)(ii)	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material non-compliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material internal control weakness conditions reported for major federal programs?	No
(d)(1)(iv)	Were there any other reportable internal control weakness conditions reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unqualified
(d)(1)(vi)	Are there any reportable findings under § .510?	No
(d)(1)(vii)	Major Programs (list):	<b>Public Safety Partnership and Community Policing (COPS);</b> CFDA # 16.710
(d)(1)(viii)	Dollar Threshold: Type A\B Programs	Type A: \$300,000 Type B: \$100,000
(d)(1)(ix)	Low Risk Auditee?	No

<b>2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b>
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None

<b>3. FINDINGS AND QUESTIONED COST FOR FEDERAL AWARDS</b>
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None





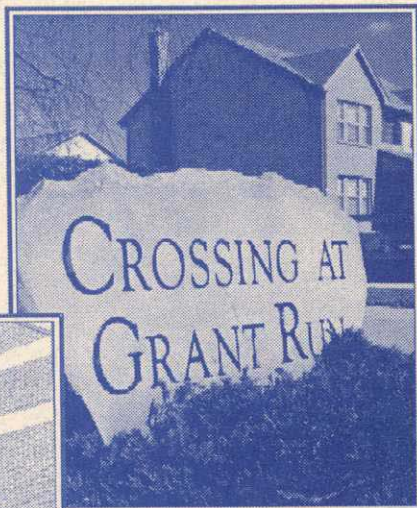
# City of Grove City, Ohio

## 2003 Comprehensive Annual Financial Report

FOR THE YEAR ENDED DECEMBER 31, 2003



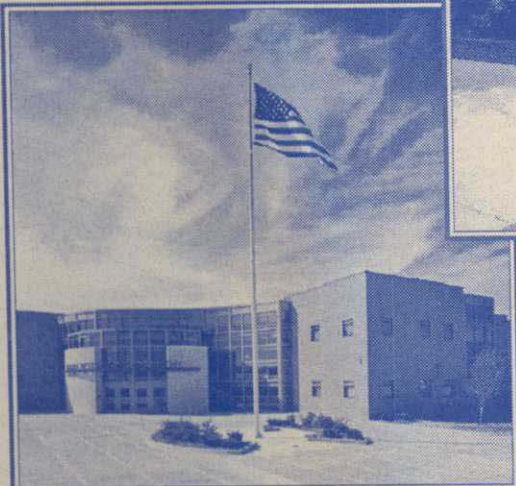
GROVE CITY GATORS SWIM TEAM



CROSSING AT GRANT RUN



CITY HALL



SOUTH-WESTERN CAREER ACADEMY



SOUTHWEST HEALTH CENTER





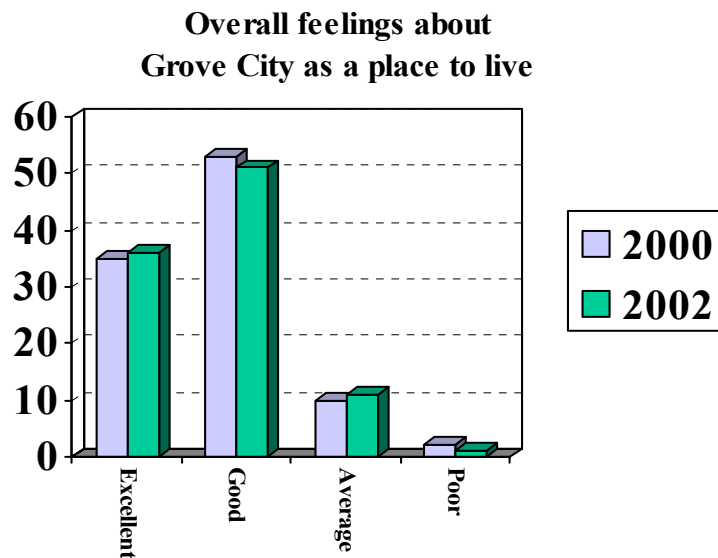
**COMPREHENSIVE  
ANNUAL FINANCIAL REPORT  
of the  
City of Grove City, Ohio  
For the Year Ended December 31, 2003**

**Grove City Surveys Tell It Like It Is.  
Community Satisfaction**

90% designated fire/paramedic service as above average

76% voiced satisfaction in safety services

87% graded the city above average as a place to live







**City of Grove City**  
**Comprehensive Annual Financial Report**

*For the Year Ended December 31, 2003*

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# The City of Grove City, Ohio

P.O. Box 427 • 4035 Broadway • Grove City, Ohio 43123-0427

CHERYL L. GROSSMAN  
Mayor

June 21, 2004

Honorable Citizens of Grove City  
and Members of City Council  
Grove City, Ohio

I am pleased to present our Comprehensive Annual Financial Report of the City of Grove City for the year ended December 31, 2003. 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 designed to fairly present the financial position and results of operations of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

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

1. The introductory section includes the table of contents, this transmittal letter, the City's organizational chart, a list of principal officials, and a Certificate of Achievement for Excellence in Financial Reporting.
2. The financial section includes the basic financial statements and the combining, individual fund statements and schedules, as well as an independent auditor's report on the financial statements and schedules and Management's Discussion and Analysis.
3. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis.
4. The community section provides a visual presentation of the Grove City community.

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

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

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

The Grove City Area Community Improvement Corporation (CIC), a not-for-profit corporation established by state law, provides financing and development services to the City by means of issuing Certificates of Participation and selling unused City land to enhance economic development. Because this service almost entirely benefits the City, the CIC is considered a blended component unit of the City.

Jackson Township, responsible for the provision of fire prevention and emergency medical services, and the Southwestern City School District have been excluded from the City's financial statements. Each has its own governing authority and neither is fiscally dependent on the City. In addition, the Grove City Public Library, established by the Southwestern City School District's Board of Education under the control of a board of trustees appointed by the Board of Education, is not considered a component unit of the City.

The City is a member of the Central Ohio Health Care Consortium, a risk sharing health insurance pool.

### **THE CITY AND FORM OF GOVERNMENT**

The City of Grove City, Ohio, is a rapidly expanding community of 31,511 residents and a growing municipality in central Ohio. Only eleven miles from downtown Columbus, the City is the southern gateway to the 1.7 million inhabitants of the Columbus Metropolitan Area. The City has one interchange on Interstate 270 (the Columbus outer belt), the City's northern boundary, and two interchanges on Interstate 71 within the corporate boundaries of the City. Rail service is provided by CSX, while private air service is available at Bolton Field, five miles northwest of the City. Public air service is available 15 miles northeast at Port Columbus International Airport via Interstates 270 or 670, while Rickenbacker Port Authority, one of the country's fastest growing freight airports, is less than 10 miles east of the City.

Grove City operates under a Home-Rule City Charter adopted by the electorate November 4, 1958, which became effective July 1, 1959, and was amended December 6, 1962, November 2, 1982, and again November 5, 1985. This charter provides for the Mayor-Council-Administrator form of government, whereby the legislative powers of the City are vested in a five member City Council, one of whom is elected at large for a two-year term with the remaining members elected by wards for four-year overlapping terms, two elected each biennium. The Council sets the compensation guidelines for City officials and employees, and enacts ordinances and resolutions relating to City services, tax levies, appropriations, indebtedness, licensing of regulated businesses and trades, and other municipal purposes.

The Mayor is the chief executive officer of the municipal corporation. Elected to a four-year term, the Mayor holds authority to appoint the City Administrator and other Directors, including the Director of Finance and the Director of Law.

The City Administrator holds a full-time professional position as chief administrative officer of the City, responsible for its daily operations.

The Director of Finance is the chief fiscal and accounting officer of the City. The responsibilities of this office include preparation and management of the capital and operating budgets and debt and treasury programs of the City.

## **ECONOMIC CONDITION AND OUTLOOK**

The Columbus Metropolitan Area is one of the few urban centers in the northeast quadrant of the U.S. to have maintained continuous commercial, industrial, and residential growth throughout the past two decades. The heart of the metropolitan area is Franklin County, with a diverse industrial base that is expected to grow 29 percent by the year 2010. The unemployment rate for the County registers below the Ohio and national averages, with labor costs at or below the mean for selected occupational groups in ten similarly sized U.S. metropolitan areas.

Grove City is a vital link to the growth of the Columbus Metropolitan Area. With more than \$810 million in building permits issued over the past ten years, Grove City has contributed to the Columbus area's commerce and industry in addition to its population. In the past twelve years, assessed value of taxable property, which includes real property, public utility property and tangible personal property, has climbed from \$223 million to \$684 million. This is a result of the access and availability of well-priced land that has attracted industry leaders and the up and coming to Grove City. Approximately 65.2 percent of the current tax base is in residential property while the remainder is made up of commercial (14.5 percent), industrial (5.5 percent), personal and public utility inventory (14.6 percent), and agricultural (.2 percent) categories.

Grove City continues to experience strong fiscal management and a stable financial position that is a direct result of the increase in income tax revenue generated by its expanding employment base and a 3% vacancy rate in our business parks. Grove City's diverse employment base is demonstrated by its business citizens, varying from Ohio Health Urgent Care that employs 100 people, Converse Electric that employs 75 people, to the Beulah Park Jockey Club, a thoroughbred horse track that employs in excess of 300 persons, to Wal-Mart Distribution which employs over 1,300 associates. The total Grove City work force is estimated at 19,383 workers.

The largest employer in the City is the Southwestern City School District with over 1,500 teachers, administrators, and support personnel. Manufacturing and distribution are also major contributors to the Grove City employment environment. Prominent manufacturers and other businesses in the City include the Ohio Auto Auction (600 employees), TOSOH SMD, Inc. (236 associates), Horton Emergency Vehicles (260 employees), Simmons USA (230 employees), Tigerpoly Manufacturing (325 associates), Decision One (300 employees), T. Marzetti (200 employees), Airborne Express (100 employees), Phillips Consumer Electronics (75 employees), Video Duplication Services (32 employees), Becker Powder (35 employees), and Ashland Chemical (20 employees),

Prominent distributors, in addition to Wal-Mart Distribution, include GAP and Banana Republic (600 employees), Roadway Package Systems (600 employees), Ross Labs (100 employees), Borders Books (211 employees), American Pacific (110 employees), Parcel Direct (100 employees), Pier One (100 employees), Quill Corporation (53 employees), and Fed Ex Ground (1,000 employees).

This captured employment base and the increasing residential population have expanded the number and diversity of national, regional, and locally-owned restaurants now busily serving our community.

Opportunities for residential, commercial and industrial development within the City have been enhanced by major expansions of the City's water distribution, sanitary sewer, street systems, and freeway interchanges. These infrastructure improvements are a result of a comprehensive planning process that coordinates actions of the City Administration and City Council in conjunction with the Grove City area developers.

To accommodate such industrial and commercial growth, the City cooperated with private investors to develop seven commerce parks: GROVE CITY INDUSTRIAL PARK, a 100-acre park with 13 major buildings and 1 to 20 acre tracts available at I-71 and State Route 665; SOUTHPARK, a 350-acre park with 18 major buildings and 1 to 20 acre tracts available at I-71 and I-270; CAPITAL PARK SOUTH, a 150-acre park with 8 major buildings and 1 to 30 acre tracts available at I-270 and State Route 62; SOUTHPOINTE, a 53-acre park with 7 major buildings; GATEWAY BUSINESS PARK, a 114-acre park with 4 major buildings and 35 acres available at I-71

and State Route 665; GATEWAY BUSINESS PARK WEST, a 232-acre park that was platted in 1999; and GATEWAY TO THE CITY OFFICE PARK, a 35-acre park with 9 of its 16 platted sites currently occupied or under construction at I-71 and Stringtown Road.

Immediate access to Interstates 71 and 270 has established Grove City as a travel center offering over 1,320 guest rooms that account for gross sales exceeding \$9.1 million per year. A growing list of restaurants complement the variety of accommodations found in the City.

The City offers a wide range of housing opportunities. Between 1980 and 2003, the average cost of a newly constructed single-family dwelling increased from \$58,000 to \$204,584. In 2003, the selling price ranged from \$95,000 to \$425,000.

The projected development area of the City of Grove City is approximately 23 square miles. Of the 14.52 square miles currently within the City, 12.5 are developed, with the balance in agricultural use or holdings.

### **MAJOR INITIATIVES**

#### **FOR THE YEAR**

Grove City continues to enjoy a vibrant, dynamic, stable, and healthy business community. The YMCA of Central Ohio, in partnership with the City, developed a 49,700 sq. ft. full service facility on a 10 acre site in the City's 110-acre Fryer park. Amenities include a gymnasium, an indoor track, a fitness area with equipment, a daycare area, indoor and outdoor swimming facilities, and a physical therapy clinic owned and operated by The Ohio State University Medical Center. Commercial and Industrial residents invested approximately \$126 million in new construction and alterations. Residential and commercial housing continued to expand in 2003 with 350 single-family permits valued at \$61,659,994, which includes 88 condominium units valued at \$14,029,700.

The Development Department commissioned studies updating comprehensive land and beautification plans for the City and managed a large number of residential, commercial, and industrial development requests and proposals, including a 56-acre mixed-use business park and the comprehensive Stringtown East / Buckeye Parkway development. The Stringtown East / Buckeye Parkway development showcases major retail and commercial uses and a 640 acre golf course community called the Pinnacle Club.

The Service Department coordinated activities and provided continuity in the midst of a number of street and utility projects in progress, in addition to maintaining the day-to-day maintenance of City owned infrastructure. The major projects completed in 2003 were Hoover Road from Dartmoor to Milligan Grove, with the assistance of the Ohio Public Works Commission; over \$700,000 in various traffic control improvements; Broadway Road from Civic to Woodlawn; and over \$1 million in residential and secondary street improvements. Other Major projects still in progress include SR 665 Water Main Improvements and Water Boost Station; Hoover Road from Milligan Grove to Orders Road, with the assistance of Ohio Public Works Commission; the reconstruction of Stringtown Road and White Road east of I-71; and the inspection and supervision of the private TIF supported construction of \$7 million of public roads associated with the Parkview north and south retail centers.

Other equally important efforts are highlighted by the continued success of the Adopt-a-Street program, the curbside recycling program, in conjunction with the Grove City Chapter of Keep America Beautiful, and the planting of 1,137 new trees. Through the work of the Service Department and the Tree Commission, the City received the title of Tree City U.S.A. for the tenth year and hosted a spring and fall public tree sale and Arbor Week program.

With the area growing rapidly, the City's community-based policing strategy has made an impact on crime. The City's eight block watch groups, its strict enforcement of traffic laws, and the "Don't Tempt a Thief Program" (an ongoing public awareness effort in cooperation with the local business community), have helped to decrease the number of reported major crimes. These efforts have been complemented with an expanded D.A.R.E. program, an "Adopt a COP program" serving local elementary schools, Explorer post activities, a five percent increase in house watches, and an increase in foot patrols in targeted public parks, residential, and business districts. The police department also increased the staffing for the bike patrol and speakers bureau that have been well received by the community. These achievements have been assisted with the implementation of in-car video and speed trailer technology. The Division of Police is reinforcing its programs by focused involvement in the accreditation program of the Commission on Accreditation for Law Enforcement Agencies. The Mayor's Court administrative addition and the remodeling of the communications center at the Safety Complex completed in the spring of 2002 has allowed for full implementation of a local juvenile court and the new computer aided dispatching facilities for police and fire, which includes mobile data terminals, as well as digital imaging and fingerprinting system for assigned vehicles. This year also saw the retirement of Chief James McKean, a 28 year veteran of the department, and the appointment of Dennis Deskins, a 26 veteran of the force as Chief.

The Grove City Public Parks System has grown to include more than 400 acres of passive or active land. The centrally located Windsor Park is fully loaded with recreational opportunity including lighted tennis courts, basketball and horseshoe courts, and batting cages available to the public. Windsor is home to our senior center, with over 1,200 members, and our youth baseball programs, offering six little league, two pony league and three t-ball diamonds, hosting our nearly 1,000 league participants and ten regional tournaments. The Big Splash at Evans Park, a state-of-the art family aquatic center, celebrated its fourth full season of operation with more than 50,000 passing through the facility's gates. Softball, the restoration of the Orders Road School House, the location of a 49,700 sq. ft. full service YMCA, and other strategic site planning has kept the 110-acre Fryer Park a favorite of the Grove City community. Grove City's community amenities are a proven motivating factor in "our" residents calling this City home. The 2002 Community Attitude Study (Saperstein and Associates) showed that nearly nine out of ten residents have favorable impressions of our community events, which range from an alumni homecoming and community independence day, to the winter Town Center tree lighting celebrations punctuated by other family oriented events co-sponsored with other community groups such as Boo on Broadway, Arts in the Alley, and the Big Bear Balloon Festival.

The Division of Building and Regulation, with three full-time inspectors and one zoning compliance officer, made over 15,105 inspections, in response to 4,907 permits issued for new construction and alteration of structures in excess of \$202 million of new value, and over 2,000 inspections in response to property management and other environmental code violations. The Department updated their administrative code and also participated in the recodification of the City development code.

The Finance Department continued to receive a positive return from income tax and personal property tax surveillance that realized over \$472,000 for the City, as well as increased personal property revenue to Jackson Township and South Western City School District. Surveillance of building license registrations with the assistance of the Building Department realized increased revenues of \$28,673. The Department participated in the further development of computer-based information systems and management of \$16.25 million of outside funding for capital projects and other City programs. The Department also actively participated on the executive committee of the Central Ohio Health Care Consortium that has managed the health care expenditures of Grove City and twelve other communities over the last thirteen years with an average expenditure increase of fewer than ten percent for the period. This year will mark the sixteenth year of filing financial statements according to Generally Accepted Accounting Principles (GAAP) and the fifteenth submission of a Comprehensive Annual Financial Report (CAFR) to the Government Finance Officers Association for their Certificate of Achievement program and the second year of GASB No. 34 implementation.



## **FOR THE FUTURE**

The City is eagerly anticipating the opening and dedication of the City's reconstruction of portions of Stringtown and White Roads east of I-71; completion of Buckeye Parkway; the construction of the 21-inch waterline on SR665 from Buckeye Parkway to Hoover Road; the realignment of Marlane Drive; ground breaking by the developers on a \$139 million 204-acre mixed retail and commercial development east of I-71 between Stringtown and White Roads; and the annexation and final development plans for the Pinnacle Club of Grove City, a 606 acre signature golf course and upscale housing community.

Other significant and historic events include the reconstruction of Hoover Road from Grove City High School to Orders Road, which is the last section of Hoover Road to be completed. The Ohio Public Works Commission (Issue II Infrastructure Improvements) and the Franklin County Engineer are funding portions of this \$3.2 million project scheduled to be completed in the summer of 2004. The City hopes to continue to be successful in leveraging local capital projects monies through this competitive funding program for the reconstruction of Big Run Road. The project will be done with the cooperation of the Franklin County Engineer, the Ohio Public Works Commission, and private developers.

The City of Grove City has appropriated \$9.2 million for 2004 to fund the balance of the project cost for the "Issue II" projects discussed above and other capital improvements scheduled for 2004. The most notable upcoming projects include: the street maintenance program; the ongoing curb ramp replacement program; the I-270/Broadway landscaping; the Hoover Road/Orders Road Realignment; various cost-sharing sections of Buckeye Parkway, that is the planned north-south boulevard on the east side of Grove City; and the reconstruction of Elm Street, with the assistance of the Franklin County Commissioners' Community Development Block Grant program.

Residential and commercial developments will continue to expand in 2004. In 2003, 350 new home permits were issued and 225 lots were platted. The inventory of developed residential lots available as of December 31, 2003 was 440, with an additional 225 lots pending. There is a \$30 million 59,000 sq. ft. addition to the Fed Ex facility at SR 665 that has been approved and will be under construction the summer of 2004, a \$111 million, 750,000 sq. ft. warehouse in the South-Pointe Commerce Park that will be occupied mid summer by the international safety product distributor Bacou-Dalloz, and a number of new residential and commercial subdivisions that are in different stages of the public development process.

The Building Department plans to continue to enhance their records management system for all development related functions by the use of mobile data terminals for field reports and further integration of other relevant data bases, including the City's GIS data and mapping system.

## **FINANCIAL INFORMATION**

### **INTERNAL CONTROL STRUCTURE AND BUDGETARY CONTROLS**

Development of the City's accounting system includes consideration of internal accounting controls. Internal accounting controls are designed to provide reasonable but not absolute assurance regarding (1) the safeguarding of assets against loss from unauthorized use or disposition and (2) the reliability of financial records for preparing financial statements. The concept of reasonable assurance states that internal control should be evaluated to insure that the expense associated with providing internal controls does not exceed the benefit expected to be derived from their implementation. This evaluation involves estimates and judgment by the City administration and Finance Department. Administrative and financial management personnel believe that the City's financial controls adequately safeguard existing assets and provide reasonable assurance of the proper recording of financial transactions.

Budgetary control is maintained by the encumbrance of purchase amounts prior to the release of purchase orders to vendors. Purchase orders are not issued when insufficient appropriations preclude the encumbrance of the amount of the purchase. The City's accounting system provides interim financial reports which detail year-to-date expenditures plus encumbrances versus the original appropriations plus any additional appropriations made to date. The reports permit the Finance Director and other City officials to ascertain the status of a department's appropriations at any time during the year.

### **FINANCIAL CONDITION**

The City has prepared financial statements following Governmental Accounting Standards Board (GASB) Statement No. 34, "Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments." GASB Statement No. 34 presents basic financial statements as follows:

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

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

Statements of budgetary comparisons – These statements present comparisons of actual information to the legally adopted budget. The budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances.

As part of this new reporting model, management is responsible for preparing a Management's Discussion and Analysis of the City. This discussion follows the Independent Accountants' Report, providing an assessment of the City finances for 2003.

### **CASH MANAGEMENT**

Cash management is a vital component of the City's overall financial strategy. An aggressive cash management program is maintained by the Finance Director. Major considerations are cash flows necessary to pay City liabilities and available interest rates. As City funds become available, they are invested immediately in short-term certificates of deposit or in other securities authorized by State statutes. Interest earnings are allocated to funds based on the requirements of the Ohio Constitution and State statutes. All deposits are covered by federal depository insurance or pooled collateral with a market value equal to at least 105 percent of deposits.

### **RISK MANAGEMENT**

The City maintains comprehensive insurance coverage with private carriers for real property, building contents, and vehicles. The City also carries general liability, police professional liability, and public official's liability insurance.

## OTHER INFORMATION

### INDEPENDENT AUDIT

Included in this report is an unqualified audit opinion rendered on the City's financial statements for the year ended December 31, 2003, by the Auditor of State. City management plans to continue to subject the financial statements to an annual independent audit as part of the preparation of a Comprehensive Annual Financial Report. An annual audit serves to maintain and strengthen the City's accounting and budgetary controls.

### CERTIFICATE OF ACHIEVEMENT

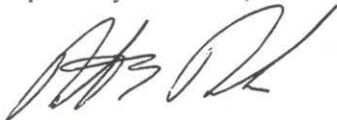
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Grove City, Ohio, for its 2002 comprehensive annual financial report. In order to be awarded a Certificate of Achievement, the City must publish an easily readable and efficiently organized CAFR. The report must satisfy both Generally Accepted Accounting Principles (GAAP) and applicable legal requirements.

A Certificate of Achievement is the highest form of recognition in the area of governmental financial reporting, and its attainment is a significant accomplishment for the City. We believe this comprehensive annual financial report meets the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA for review and determination of its eligibility for a certificate for 2003.

### ACKNOWLEDGMENTS

Sincere gratitude goes to Mayor Cheryl L. Grossman for her support and to City Council for granting the funds for this project. The Finance Department prepared this Comprehensive Annual Financial Report with the efficient and dedicated services of its entire staff. Special acknowledgment is extended to the Local Government Services Division of the Office of The Auditor of State for their continued guidance in the preparation of this report.

Respectfully submitted,



Robert E. Behlen III  
Finance Director

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Grove City,  
Ohio

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2002

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



President

Executive Director

*List of Principal Officials*

**Elected City Officials**

**MAYOR**

CHERYL L. GROSSMAN

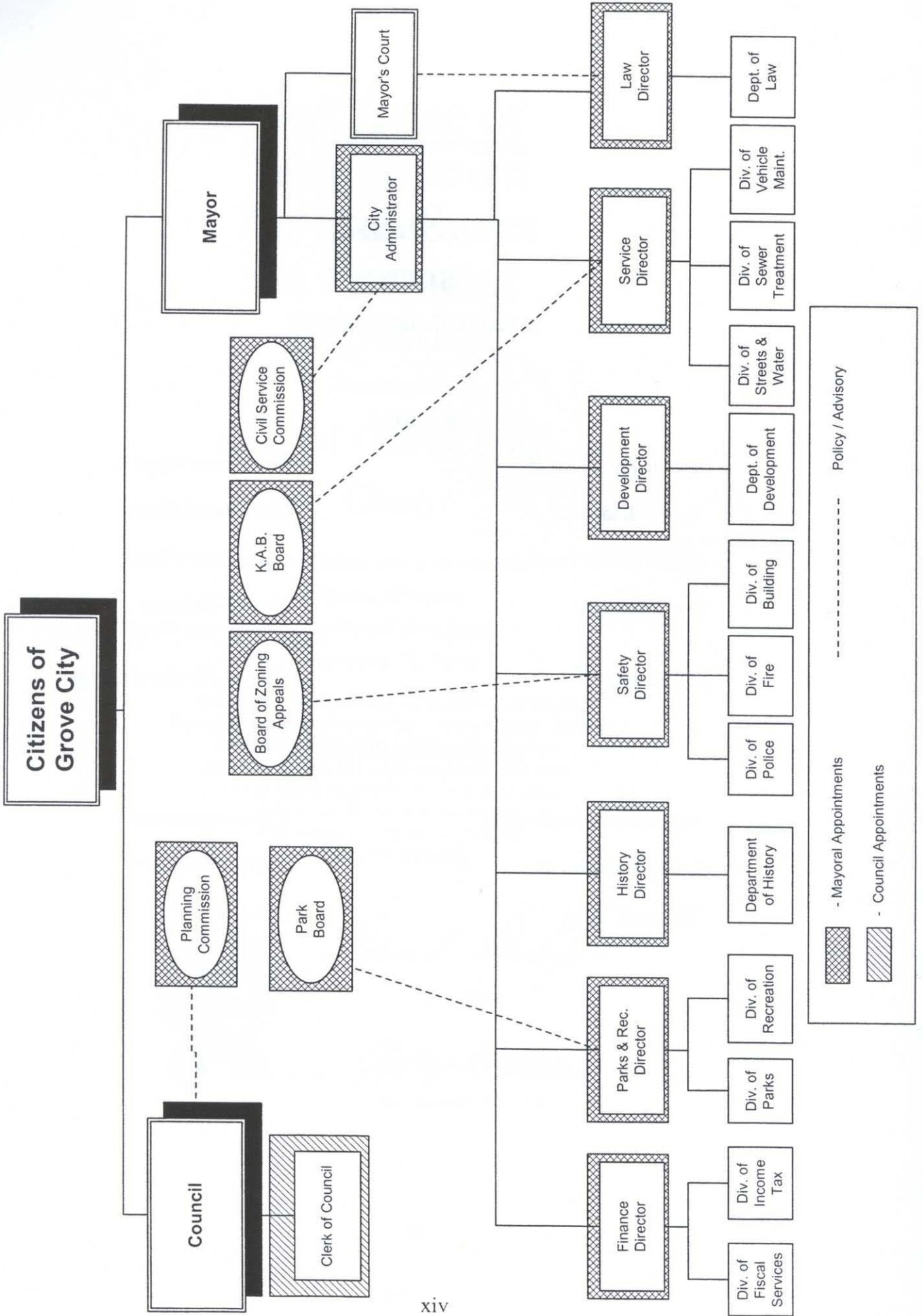
**City Council**

Bob Hatley	<i>Councilman Ward 3</i>
Vaughn Radi	<i>Councilman Ward 1</i>
Arthur “Budd” Eversman	<i>Councilman Ward 2</i>
Maria Klemack	Council President <i>Councilman Ward 4</i>
Bill Saxton	<i>Council Member At Large</i>

**Appointed City Officials**

James Blackburn (Interim)	<i>City Administrator</i>
Robert E. Behlen III	<i>Finance Director</i>
Thomas R. Clark	<i>Law Director</i>

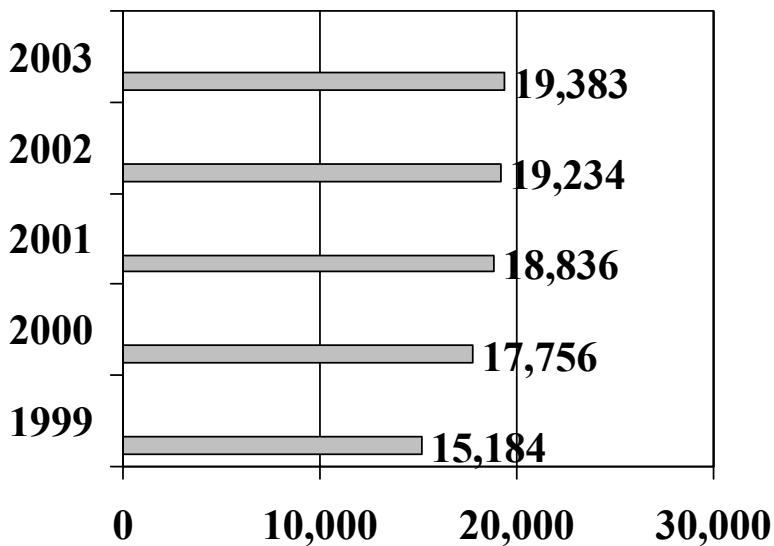
# City of Grove City Organizational Chart



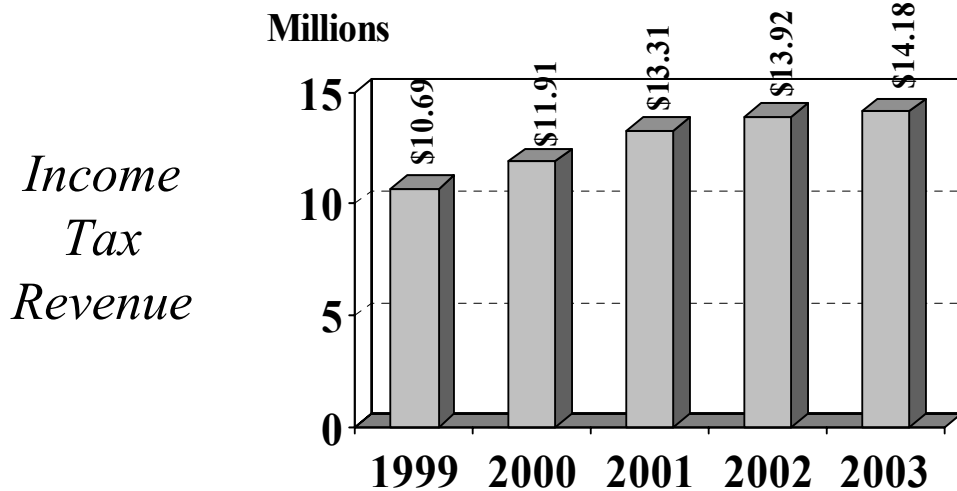
# City of Grove City, Ohio

## FINANCIAL SECTION

### Grove City Thrives on Employment.



*Employment  
Base Growth  
1999-2003*



*Income  
Tax  
Revenue*







## Auditor of State Betty Montgomery

### INDEPENDENT ACCOUNTANTS' REPORT

City of Grove City  
Franklin County  
4035 Broadway  
Grove City, Ohio 43123

To the Members of Council:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Grove City, Franklin County, Ohio, (the City), as of and for the year ended December 31, 2003, 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 *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Grove City, Franklin County, Ohio, as of December 31, 2003, and the respective changes in financial position and cash flows, where applicable, and the budgetary comparison for the General Fund, thereof, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 21, 2004, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Management's Discussion and Analysis is not a required part of the basic financial statements but is supplementary information the Governmental Accounting Standards Board requires. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

We conducted our audit to form opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual fund statements and schedules, and statistical tables are presented for additional analysis and are not a required part of the basic financial statements. We subjected the combining and individual fund statements and schedules to the auditing procedures applied in the audit of the basic financial statements. 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 and statistical sections to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

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

**Betty Montgomery**  
Auditor of State

June 21, 2004

**City of Grove City, Ohio**  
*Management's Discussion and Analysis*  
*For The Year Ended December 31, 2003*  
*(Unaudited)*

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## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

The City of Grove City's discussion and analysis of the annual financial report provides a review of the financial performance for the year ended December 31, 2003.

## **FINANCIAL HIGHLIGHTS**

- ‡ The City's total net assets increased \$11,029,424. Revenues of Governmental Activities exceeded expenses by \$10,916,692. Much of this excess was used for the acquisition and construction of capital assets including Hoover Road, Milligan/Dartmoor Road, additional land adjacent to the Grove City Lumber Yard, Stringtown and White Road improvements, Broadway and Lincoln Avenue, and various water and sanitary sewer lines. Net assets of Business-Type Activities increased by \$112,732, mainly due to capital assets contributed from Governmental Activities.
  
- ‡ General revenues of Governmental Activities accounted for \$21,004,184 or 80 percent of all governmental revenues. Program specific revenues in the form of charges for services, grants, contributions, and interest accounted for \$5,296,494 or 20 percent of total governmental revenues of \$26,300,678.
  
- ‡ Enterprise funds reflected a total operating loss of \$505,307. The Water Fund reflected an operating income of \$126,951, while the Sewer Fund reflected an operating loss of \$632,258. The operating loss of the Sewer Fund was a result of increasing depreciation costs and the increasing demand for labor proportionate to the growth of the community.
  
- ‡ The City had \$15,185,354 in expenses related to Governmental Activities. \$5,296,494 of these expenses were offset by program specific charges for services, grants, and contributions. General revenues (primarily income taxes) of \$21,004,184 were more than adequate to provide for these programs. The City had \$1,447,855 in expenses related to Business-Type Activities. \$1,341,460 of these expenses were offset by program specific charges for services, while \$20,495 in general revenues were not adequate to cover all remaining expenses.

## **USING THIS ANNUAL FINANCIAL REPORT**

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

The Statement of Net Assets and Statement of Activities provide information about the activities of the City as a whole and present a long-term view of the City's finances. The fund financial statements provide the next level of detail. For Governmental Funds, these statements tell how services were financed in the short-term, as well as the amount of funds available for future spending. The fund

financial statements focus on the City's most significant funds, with all other nonmajor funds presented in total in one column.

## **REPORTING THE CITY AS A WHOLE**

### *Statement of Net Assets and the Statement of Activities*

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

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

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

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

**Business-Type Activities** – These services include water and sewer. Service fees for these operations are charged based upon the amount of usage. The intent is that the fees charged recoup operational costs.

## **REPORTING THE CITY'S MOST SIGNIFICANT FUNDS**

### *Fund Financial Statements*

The analysis of the City's major funds begins on page 8. Fund financial statements provide detailed information about the City's major funds – not the City as a whole. Some funds are required by state law and bond covenants. Other funds may be established by the Finance Director, with the approval of Council, to help control, manage, and report money received for a particular purpose or to show that the City is meeting legal responsibilities for the use of grants. The City of Grove City's major funds are the General, Road Improvement, Debt Service, Water, and Sewer Funds.

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

**Enterprise Funds** – When the City charges citizens for the services it provides, with the intent of recapturing operating costs, these services are generally reported in Proprietary Funds. Proprietary Funds use the same basis of accounting as Business-Type Activities; therefore, these statements will essentially match.

## THE CITY AS A WHOLE

As stated previously, the Statement of Net Assets looks at the City as a whole. Table 1 provides a summary of the City's net assets for 2003 compared to 2002.

Table 1  
Net Assets

	Governmental Activities		Business-Type Activities		Total	
	Restated 2002	2003	Restated 2002	2003	2002	2003
<b>Assets</b>						
Current and Other Assets	\$35,371,240	\$40,699,611	\$3,024,900	\$3,304,930	\$38,396,140	\$44,004,541
Nondepreciable Capital Assets	8,732,110	12,177,630	1,168,450	877,009	9,900,560	13,054,639
Depreciable Capital Assets, Net	<u>14,092,016</u>	<u>22,819,677</u>	<u>28,643,462</u>	<u>28,759,333</u>	<u>42,735,478</u>	<u>51,579,010</u>
Total Assets	<u>58,195,366</u>	<u>75,696,918</u>	<u>32,836,812</u>	<u>32,941,272</u>	<u>91,032,178</u>	<u>108,638,190</u>
<b>Liabilities</b>						
Current and Other Liabilities	5,523,855	12,320,841	78,805	317,193	5,602,660	12,638,034
Long-Term Liabilities: Due Within One Year	1,391,861	1,479,692	246,228	254,665	1,638,089	1,734,357
Due in More Than One Year	<u>15,105,136</u>	<u>14,805,179</u>	<u>1,876,416</u>	<u>1,621,319</u>	<u>16,981,552</u>	<u>16,426,498</u>
Total Liabilities	<u>22,020,852</u>	<u>28,605,712</u>	<u>2,201,449</u>	<u>2,193,177</u>	<u>24,222,301</u>	<u>30,798,889</u>
<b>Net Assets</b>						
Invested in Capital Assets, Net Of Related Debt	15,516,435	24,759,022	27,739,650	27,634,724	43,256,085	52,393,746
Restricted for:						
Capital Outlay	5,420,880	9,718,749	0	0	5,420,880	9,718,749
Debt Service	1,934,976	1,991,720	0	0	1,934,976	1,991,720
Other Purposes	3,491,271	3,651,763	0	0	3,491,271	3,651,763
Revenue Bonds Current Debt Service	0	0	199,580	199,506	199,580	199,506
Revenue Bonds Improvement And Replacement	0	0	77,800	77,800	77,800	77,800
Unrestricted	<u>9,810,952</u>	<u>6,969,952</u>	<u>2,618,333</u>	<u>2,836,065</u>	<u>12,429,285</u>	<u>9,806,017</u>
Total Net Assets	<u>\$36,174,514</u>	<u>\$47,091,206</u>	<u>\$30,635,363</u>	<u>\$30,748,095</u>	<u>\$66,809,877</u>	<u>\$77,839,301</u>

Total net assets increased \$11,029,424. Net assets of the City's Governmental Activities increased by \$10,916,692 with unrestricted net assets decreasing \$2,879,829.

The net assets of the City's Business-Type Activities increased by \$112,732. The City strives to control operation expenses for Business-Type Activities in order to maintain stability in charges for services and to closely monitor the trends of our growing community in order to adjust for budgetary issues and changes in city code where necessary. The City has commissioned a rate study that has so far adjusted sanitary sewer tap fee charges and will address charges for services for both water and sewer in 2004.

Table 2 shows the changes in net assets for the years ended December 31, 2003 and 2002.

Table 2  
Changes In Net Assets

	Governmental Activities		Business-Type Activities		Total	
	Restated 2002	2003	Restated 2002	2003	2002	2003
<b>Revenues</b>						
Program Revenues:						
Charges for Services	\$2,063,255	\$2,839,016	\$747,470	\$849,148	\$2,810,725	\$3,688,164
Operating Grants, Contributions and Interest	1,601,207	1,662,922	0	0	1,601,207	1,662,922
Capital Grants, Contributions and Interest	2,193,223	794,556	714,582	492,312	2,907,805	1,286,868
Total Program Revenues	<u>5,857,685</u>	<u>5,296,494</u>	<u>1,462,052</u>	<u>1,341,460</u>	<u>7,319,737</u>	<u>6,637,954</u>
General Revenues:						
Property and Other Local Taxes	3,226,778	3,324,130	0	0	3,226,778	3,324,130
Income Taxes	15,372,667	14,859,483	0	0	15,372,667	14,859,483
Grants and Entitlements	2,031,459	2,011,979	0	0	2,031,459	2,011,979
Rent	0	21,722	0	0	0	21,722
Investment Earnings	459,190	271,514	22,015	18,416	481,205	289,930
Other	333,507	515,356	170,503	2,079	504,010	517,435
Total General Revenues	<u>21,423,601</u>	<u>21,004,184</u>	<u>192,518</u>	<u>20,495</u>	<u>21,616,119</u>	<u>21,024,679</u>
Total Revenues	<u>27,281,286</u>	<u>26,300,678</u>	<u>1,654,570</u>	<u>1,361,955</u>	<u>28,935,856</u>	<u>27,662,633</u>
<b>Program Expenses:</b>						
Security of Persons and Property	6,213,923	6,620,720	0	0	6,213,923	6,620,720
Public Health	316,933	276,176	0	0	316,933	276,176
Leisure Time Activities	2,468,187	1,895,869	0	0	2,468,187	1,895,869
Community Development	917,167	1,061,094	0	0	917,167	1,061,094
Transportation	1,014,035	1,091,121	0	0	1,014,035	1,091,121
General Government	4,363,435	3,660,892	0	0	4,363,435	3,660,892
Interest and Fiscal Charges	477,561	579,482	0	0	477,561	579,482
Water	0	0	569,167	435,147	569,167	435,147
Sewer	0	0	894,663	1,012,708	894,663	1,012,708
Total Expenses	<u>15,771,241</u>	<u>15,185,354</u>	<u>1,463,830</u>	<u>1,447,855</u>	<u>17,235,071</u>	<u>16,633,209</u>
Increase in Net Assets before Transfers	11,510,045	11,115,324	190,740	(85,900)	11,700,785	11,029,424
Transfers	(139,162)	(198,632)	139,162	198,632	0	0
Increase in Net Assets	<u>\$11,370,883</u>	<u>\$10,916,692</u>	<u>\$329,902</u>	<u>\$112,732</u>	<u>\$11,700,785</u>	<u>\$11,029,424</u>

### ***Governmental Activities***

The 2 % income tax is the largest source of revenue for the General Fund and the City of Grove City. Employee withholding from all businesses contributes 76.2% of the revenue received in 2003 with business earnings contributing 15.39% and individuals contributing 8.41%. The City provides full tax credit for taxes paid to another municipality and an exemption for residents under the age of 18.

Since 1992, income tax revenue has increased an average of 12.3%. During 2002 and 2003, a few of Grove City's employers went through reorganization and downsizing. However, other companies expanded and new businesses were added to the economic base.

Administration and Council has a quality of life commitment to the citizens and businesses located in Grove City. With this in mind, Council committed through appropriations in 2003 over \$33,032,067 from governmental and business sources including federal and state grants for capital assets, equipment, and related repairs. These assets included street reconstruction, street resurfacing, sidewalk replacements, safety and street maintenance equipment and vehicles, as well as park and recreation equipment.

Governmental program expenses for 2003 were as follows:

Security of Person And Property	43.60%
Public Health	1.82%
Leisure Time Activity	12.48%
Community Development	6.99%
Transportation	7.18%
General Government	24.11%
Interest And Fiscal Charges	3.82%
	<u>100.00%</u>

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

When looking at the sources of income to support Governmental Activities, it should be noted that charges for services are only 10.79% of revenue. Revenues provided by sources other than City residents in the form of operating and capital grants comprise another 9.34%. The remaining revenues are primarily generated locally through property and income taxes. City Council relies on these taxes to furnish the quality of life to businesses and citizens to which they and previous Councils have always been committed.

Charges for services program revenue increased in 2003 due to an increase in licenses and permits revenue and also an increase in general recreation user charges.

General Government expenditures decreased in 2003 due to the acquisition of capital assets.

### ***Business-Type Activities***

The City's Business-Type Activities include water and sewer services.

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

Columbus is responsible for all line repairs and all upkeep and expansion of the treatment and storage facilities.

Sewer treatment is contracted with the City of Columbus and is paid for through user fees billed by the City of Columbus to Grove City residents and businesses. The City of Grove City has its own user fee that is incorporated in the Columbus billing. This revenue is used to pay for the necessary level of staffing required to complement the contracted services, debt service on sanitary sewer system improvements, and to fund system improvements and depreciation. The City of Grove City also collects a tap fee each time a new tap to the system is made which funds a portion of system repair and replacement. Grove City owns and maintains the infrastructure necessary to furnish services to their citizens and is responsible for major reconstruction and extension of new service within the community. The City of Columbus is responsible for all upkeep and expansion of the treatment and storage facilities.

## **THE CITY'S FUNDS**

Information about the City's major Governmental Funds begins on page 14. These funds are reported using the modified accrual basis of accounting. All Governmental Funds had total revenues of \$26,084,173 and expenditures of \$34,611,356. The General Fund's balance increased by \$553,373, primarily due to an increase in license and permit revenue with a decrease in leisure time activity expenditures. The difference in funding was supported by the re-issuance of \$6,700,000 in Bond Anticipation Notes to meet the principal and interest requirements of the initial Stringtown-White Road issue and some additional project costs and the balance from the Road Improvement Fund.

The Road Improvement fund balance decreased \$2,505,373, due to the reconstruction of Stringtown and White Roads.

The Debt Service fund balance increased \$121,836, due to the issuance of series 2003 notes for street and infrastructure construction. Fund balance at December 31, 2003, was \$1,419,428.

### ***General Fund Budgeting Highlights***

The City's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of receipts, disbursements, and encumbrances. The City's budget is adopted on a fund basis. Before the budget is adopted Council reviews detailed budget worksheets of each function within the General fund and then adopts the budget on a fund basis. During 2003 there were fourteen revisions to the General fund budget. The net effect of the revisions was an increase in the appropriations of \$372,683.

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

Original General Fund budgeted revenues were \$18,384,696. The final budgeted amount was \$20,242,510. This increase of \$1,857,814 was due primarily to an increase in income tax revenue, a \$275,000 developer cost settlement for road construction, an additional \$176,117.51 from the State of Ohio Local Government Fund, reimbursement of \$172,240.36 from COPS MORE grant fund, an additional \$143,155.60 in estate tax receipts, and a \$87,200 reimbursement from Franklin County for reconstruction of the Borror Road bridge.



## CAPITAL ASSETS AND DEBT ADMINISTRATION

### Capital Assets

Table 3  
Capital Assets  
(Net Of Depreciation)

	Governmental Activities		Business-Type Activities		Total	
	Restated		Restated			
	2002	2003	2002	2003	2002	2003
Land	\$4,528,715	\$4,900,409	\$122,312	\$122,312	4,651,027	5,022,721
Construction in Progress	4,203,395	7,277,221	1,046,138	754,697	5,249,533	8,031,918
Buildings	2,260,406	2,515,954	21,589	45,671	2,281,995	2,561,625
Improvement Other Than Buildings	1,517,287	1,538,402	996,170	952,301	2,513,457	2,490,703
Machinery And Equipment	1,811,658	1,909,207	18,653	4,521	1,830,311	1,913,728
Furniture And Fixtures	506,411	520,237	0	0	506,411	520,237
Vehicles	844,818	1,038,227	45,524	36,313	890,342	1,074,540
Computers Equipment	1,259,596	1,028,594	4,914	4,713	1,264,510	1,033,307
Infrastructure	5,891,840	14,269,056	27,556,611	27,715,814	33,448,451	41,984,870
Totals	<u>\$22,824,126</u>	<u>\$34,997,307</u>	<u>\$29,811,911</u>	<u>\$29,636,342</u>	<u>\$52,636,037</u>	<u>\$64,633,649</u>

The majority of the increase in capital assets was the result of the addition of \$8,855,114 of newly constructed infrastructure (includes streets, curb and gutter, street lights, storm sewers, and related structures) and \$7,300,504 of construction in progress (principally Stringtown-White Roads, the 2003 Street Program, Hoover Road from Milligan Grove to Orders Road, and the SR 665 water main and booster station) as part of the financial records pursuant to GASB 34.

See note 10 of the notes to the basic financial statements for more detailed information.

### Debt

At December 31, 2003, the City of Grove City had \$24,694,397 in debt outstanding.

Table 4  
Outstanding Debt at Year End

	Governmental Activities		Business-Type Activities	
	2002	2003	2002	2003
	Mortgage Revenue Bonds	\$0	\$0	\$710,000
General Obligation Bonds	5,900,000	5,460,000	0	0
Special Assessment Bonds	227,563	195,138	0	0
OPWC Loans Payable	2,758,551	2,682,135	1,374,702	1,301,124
Bond Anticipation Notes	6,000,000	6,700,000	0	0
Short-Term Bond Anticipation Notes	0	7,396,000	0	0
Certificates of Participation	800,000	410,000	0	0
Total	<u>\$15,686,114</u>	<u>\$22,843,273</u>	<u>\$2,084,702</u>	<u>\$1,851,124</u>

Special Assessment bonds will be paid with special assessment revenue. All general obligation bond issues will be paid through the Debt Service Fund with property tax revenues. The OPWC loans and certificates of participation will be paid through the General Fund with property and income tax revenues. The Water Fund's revenue bonds are paid from operating revenues of the water enterprise operation. The OPWC loans will be paid from Water and Sewer Enterprise Fund revenue.

The City's overall 10.5 percent legal debt margin was \$53,768,890 as of December 31, 2003. The more restrictive unvoted legal debt margin within 5.5 percent was \$19,528,194 as of the same date. See Note 15 of the notes to the basic financial statements for more detailed information.

## **CONTACTING THE CITY'S FINANCE DEPARTMENT**

This financial report is designed to provide our citizens, taxpayers, creditors, and investors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact Robert E. Behlen III Finance Director, City of Grove City, 4035 Broadway, Grove City, Ohio 43123.

**City of Grove City**  
**Statement Of Net Assets**  
**December 31, 2003**

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b><u>Assets:</u></b>			
Equity In Pooled Cash And			
Cash Equivalents	\$32,030,618	\$2,893,512	\$34,924,130
Accrued Interest Receivable	3,306	0	3,306
Accounts Receivable	3,012	171,607	174,619
Municipal Income Tax Receivable	3,217,975	0	3,217,975
Due From Other Governments	1,823,780	0	1,823,780
Prepaid Items	23,346	0	23,346
Materials And Supplies Inventory	62,317	0	62,317
Property And Other Local Taxes Receivable	2,859,199	0	2,859,199
Cash And Cash Equivalents			
With Fiscal Agents	366,806	199,506	566,312
Unamortized Bond Issuance Costs	0	9,263	9,263
Special Assessments Receivable	309,252	31,042	340,294
Land And Construction In Progress	12,177,630	877,009	13,054,639
Depreciable Capital Assets, Net	22,819,677	28,759,333	51,579,010
<i>Total Assets</i>	<u>75,696,918</u>	<u>32,941,272</u>	<u>108,638,190</u>
<b><u>Liabilities:</u></b>			
Accounts Payable	192,948	3,161	196,109
Accrued Wages	69,747	3,155	72,902
Contracts Payable	1,310,543	74,273	1,384,816
Retainage Payable	140,790	5,323	146,113
Due To Other Governments	339,337	228,278	567,615
Deferred Revenue	2,602,742	0	2,602,742
Accrued Interest Payable	268,734	3,003	271,737
Notes Payable	7,396,000	0	7,396,000
Long-Term Liabilities:			
Due Within One Year	1,479,692	254,665	1,734,357
Due Within More Than One Year	14,805,179	1,621,319	16,426,498
<i>Total Liabilities</i>	<u>28,605,712</u>	<u>2,193,177</u>	<u>30,798,889</u>
<b><u>Net Assets:</u></b>			
Invested In Capital Assets, Net Of Related Debt	24,759,022	27,634,724	52,393,746
Restricted For:			
Capital Outlay	9,718,749	0	9,718,749
Debt Service	1,991,720	0	1,991,720
Other Purposes	3,651,763	0	3,651,763
Revenue Bonds Current Debt Service	0	199,506	199,506
Revenue Bond Improvement And Replacement	0	77,800	77,800
Unrestricted	6,969,952	2,836,065	9,806,017
<i>Total Net Assets</i>	<u>\$47,091,206</u>	<u>\$30,748,095</u>	<u>\$77,839,301</u>

See Accompanying Notes to the Basic Financial Statements

*City of Grove City*

*Statement Of Activities*

*For the Year Ended December 31, 2003*

	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants, Contributions and Interest</u>	<u>Capital Grants, Contributions and Interest</u>
<b><u>Governmental Activities:</u></b>				
Security Of Persons And Property	\$6,620,720	\$325,025	\$130,934	\$0
Public Health	276,176	0	0	0
Leisure Time Activities	1,895,869	1,363,264	10,000	0
Community Development	1,061,094	874,309	25,292	0
Transportation	1,091,121	0	1,496,696	789,444
General Government	3,660,892	276,418	0	5,112
Interest And Fiscal Charges	579,482	0	0	0
<i>Total Governmental Activities</i>	<u>15,185,354</u>	<u>2,839,016</u>	<u>1,662,922</u>	<u>794,556</u>
<b><u>Business-Type Activities:</u></b>				
Water	435,147	504,933	0	0
Sewer	1,012,708	344,215	0	492,312
<i>Total Business-Type Activities</i>	<u>1,447,855</u>	<u>849,148</u>	<u>0</u>	<u>492,312</u>
<i>Total Activities</i>	<u>\$16,633,209</u>	<u>\$3,688,164</u>	<u>\$1,662,922</u>	<u>\$1,286,868</u>

**General Revenues:**

Property And Other Taxes Levied For:  
 General Purposes  
 Debt Service  
 Police  
 Community Development  
 Municipal Income Taxes Levied For  
 General Purposes  
 Grants And Entitlements Not Restricted To Specific Programs  
 Rent  
 Unrestricted Investment Earnings  
 Other

**Transfers**

*Total General Revenues And Transfers*

Change In Net Assets

*Net Assets Beginning of Year - Restated (See Note 3)*

*Net Assets End Of Year*

See Accompanying Notes to the Basic Financial Statements

**Net (Expense) Revenue and Changes in Net Assets**

<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
(\$6,164,761)	\$0	(\$6,164,761)
(276,176)	0	(276,176)
(522,605)	0	(522,605)
(161,493)	0	(161,493)
1,195,019	0	1,195,019
(3,379,362)	0	(3,379,362)
(579,482)	0	(579,482)
<u>(9,888,860)</u>	<u>0</u>	<u>(9,888,860)</u>
0	69,786	69,786
0	(176,181)	(176,181)
<u>0</u>	<u>(106,395)</u>	<u>(106,395)</u>
<u>(9,888,860)</u>	<u>(106,395)</u>	<u>(9,995,255)</u>
1,768,060	0	1,768,060
763,926	0	763,926
637,412	0	637,412
154,732	0	154,732
14,859,483	0	14,859,483
2,011,979	0	2,011,979
21,722		
271,514	18,416	289,930
515,356	2,079	517,435
(198,632)	198,632	0
<u>20,805,552</u>	<u>219,127</u>	<u>21,002,957</u>
10,916,692	112,732	11,029,424
<u>36,174,514</u>	<u>30,635,363</u>	<u>66,809,877</u>
<u>\$47,091,206</u>	<u>\$30,748,095</u>	<u>\$77,839,301</u>

**CITY OF GROVE CITY, OHIO**

**Balance Sheet  
Governmental Funds**

**December 31, 2003**

	<b>General</b>	<b>Road Improvement</b>	<b>Debt Service</b>	<b>Nonmajor Funds</b>	<b>Total Governmental Funds</b>
<b><u>Assets:</u></b>					
Equity In Pooled Cash And Cash Equivalents	\$16,996,757	\$10,018,192	\$1,462,393	\$3,553,276	\$32,030,618
Cash And Cash Equivalents With Fiscal Agents	0	0	0	16,806	16,806
Receivables:					
Property And Other Local Taxes	1,306,051	0	836,552	716,596	2,859,199
Municipal Income Tax	3,217,975	0	0	0	3,217,975
Accounts	3,012	0	0	0	3,012
Interfund	0	45,559	0	0	45,559
Special Assessments	108,097	0	201,155	0	309,252
Accrued Interest	3,306	0	0	0	3,306
Restricted Assets:					
Cash And Cash Equivalents With Fiscal Agents	350,000	0	0	0	350,000
Due From Other Governments	1,017,153	34,396	45,046	727,185	1,823,780
Materials And Supplies Inventory	5,659	0	0	56,658	62,317
Prepaid Items	23,346	0	0	0	23,346
<b>Total Assets</b>	<b>\$23,031,356</b>	<b>\$10,098,147</b>	<b>\$2,545,146</b>	<b>\$5,070,521</b>	<b>\$40,745,170</b>
<b><u>Liabilities and Fund Balances</u></b>					
<b><u>Liabilities:</u></b>					
Accounts Payable	\$120,124	\$0	\$0	\$72,824	\$192,948
Contracts Payable	794,438	276,643	0	239,462	1,310,543
Interfund Payable	0	0	45,559	0	45,559
Accrued Wages	64,474	0	0	5,273	69,747
Retainage Payable	48,145	92,645	0	0	140,790
Due To Other Governments	108,015	0	0	8,449	116,464
Deferred Revenue	3,632,715	34,396	1,080,159	1,335,423	6,082,693
Accrued Interest Payable	0	66,665	0	0	66,665
Notes Payable	0	7,396,000	0	0	7,396,000
<b>Total Liabilities</b>	<b>4,767,911</b>	<b>7,866,349</b>	<b>1,125,718</b>	<b>1,661,431</b>	<b>15,421,409</b>
<b><u>Fund Balances:</u></b>					
Reserved For Encumbrances	3,411,539	2,597,116	0	932,555	6,941,210
Reserved For Debt Service	350,000	0	0	0	350,000
Unreserved:					
Undesignated, Reported In:					
General Fund	14,501,906	0	0	0	14,501,906
Special Revenue Funds	0	0	0	2,251,104	2,251,104
Debt Service Funds	0	0	1,419,428	0	1,419,428
Capital Projects Funds (Deficit)	0	(365,318)	0	225,431	(139,887)
<b>Total Fund Balances</b>	<b>18,263,445</b>	<b>2,231,798</b>	<b>1,419,428</b>	<b>3,409,090</b>	<b>25,323,761</b>
<b>Total Liabilities And Fund Balances</b>	<b>\$23,031,356</b>	<b>\$10,098,147</b>	<b>\$2,545,146</b>	<b>\$5,070,521</b>	<b>\$40,745,170</b>

See Accompanying Notes to the Basic Financial Statements

**CITY OF GROVE CITY, OHIO**

**Reconciliation Of Total Governmental Fund Balances To  
Net Assets Of Governmental Activities**

**December 31, 2003**

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**Total Governmental Fund Balances** \$25,323,761

**Amounts reported for governmental activities in the statement of net assets are different because:**

Capital Assests used in governmental activities are not financial resources and therefore are not reported in the funds. These assets consist of:

Land	4,900,409	
Construction In Progress	7,277,221	
Infrastructure	14,804,745	
Other Capital Assets	15,458,299	
Accumulated Depreciation	<u>(7,443,367)</u>	
Total		34,997,307

Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:

Municipal Income Taxes	1,482,738	
Property and Other Taxes	166,230	
Intergovernmental	1,518,719	
Special Assessments	309,252	
Accounts	<u>3,012</u>	
Total		3,479,951

Due to other governments includes contractually required pension contributions not expected to be paid with expendable available financial resources and therefore not reported in the funds. (222,873)

Some liabilities, including bonds payable, loans payable and accrued interest payable, are not due and payable in the current period and therefore are not reported in the funds:

Accrued Interest	(202,069)	
General Obligation Bonds	(5,460,000)	
Special Assessment Bonds	(195,138)	
OPWC Loans	(2,682,135)	
Certificates of Participation	(410,000)	
Capital Leases Payable	(11,236)	
Compensated Absences	(826,362)	
Notes Payable	<u>(6,700,000)</u>	
Total		<u>(16,486,940)</u>

**Net Assets of Governmental Activities** \$47,091,206

See accompanying notes to the basic financial statements

**CITY OF GROVE CITY, OHIO**

**Statement Of Revenues, Expenditures And Changes In Fund Balances  
Governmental Funds**

**For The Year Ended December 31, 2003**

	<u>General</u>	<u>Road Improvement</u>	<u>Debt Service</u>	<u>Nonmajor Funds</u>	<u>Total Governmental Funds</u>
<b><u>Revenues:</u></b>					
Property Taxes	\$1,209,365	\$0	\$775,181	\$643,311	\$2,627,857
Municipal Income Taxes	14,458,885	0	0	0	14,458,885
Other Local Taxes	568,571	0	0	154,732	723,303
Intergovernmental	1,857,088	830,608	96,343	1,697,484	4,481,523
Charges For Services	414,167	0	0	1,239,644	1,653,811
Licenses And Permits	736,484	0	0	261,445	997,929
Fines And Forfeitures	161,471	0	0	25,805	187,276
Special Assessments	26,990	0	53,824	0	80,814
Interest	269,468	64,183	1,705	341	335,697
Rent	21,722	0	0	0	21,722
Miscellaneous	433,948	1,498	0	79,910	515,356
<b>Total Revenues</b>	<b>20,158,159</b>	<b>896,289</b>	<b>927,053</b>	<b>4,102,672</b>	<b>26,084,173</b>
<b><u>Expenditures:</u></b>					
Current Operations And Maintenance:					
Security Of Persons And Property	5,323,612	0	0	719,361	6,042,973
Public Health	263,602	0	0	12,574	276,176
Leisure Time Activities	470,595	0	0	1,168,848	1,639,443
Community Development	769,166	0	0	284,703	1,053,869
Transportation	0	0	0	1,045,232	1,045,232
General Government	3,730,631	0	0	0	3,730,631
Capital Outlay	8,433,272	4,069,589	0	755,742	13,258,603
Debt Service:					
Principal Retirement	565,660	0	6,472,425	0	7,038,085
Interest And Fiscal Charges	31,644	21,106	473,400	194	526,344
<b>Total Expenditures</b>	<b>19,588,182</b>	<b>4,090,695</b>	<b>6,945,825</b>	<b>3,986,654</b>	<b>34,611,356</b>
Excess Of Revenues Over (Under) Expenditures	569,977	(3,194,406)	(6,018,772)	116,018	(8,527,183)
<b><u>Other Financing Sources (Uses):</u></b>					
Notes Issued	0	594,165	6,105,835	0	6,700,000
Proceeds Of OPWC Loans	0	94,868	0	0	94,868
Inception Of Capital Lease	10,485	0	0	0	10,485
Premium On Debt Issued	0	0	34,773	0	34,773
Transfers - In	22,911	0	0	50,000	72,911
Transfers - Out	(50,000)	0	0	0	(50,000)
<b>Total Other Financing Sources (Uses)</b>	<b>(16,604)</b>	<b>689,033</b>	<b>6,140,608</b>	<b>50,000</b>	<b>6,863,037</b>
Net Change In Fund Balance	553,373	(2,505,373)	121,836	166,018	(1,664,146)
Fund Balances At Beginning Of Year - Restated (See Note 3)	17,710,072	4,737,171	1,297,592	3,243,072	26,987,907
<b>Fund Balances At End Of Year</b>	<b>\$18,263,445</b>	<b>\$2,231,798</b>	<b>\$1,419,428</b>	<b>\$3,409,090</b>	<b>\$25,323,761</b>

See Accompanying Notes to the Basic Financial Statements



**CITY OF GROVE CITY, 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, 2003**

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**Net Change in Fund Balances - Total Governmental Funds** (\$1,664,146)

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:

Capital Outlay	13,698,608	
Depreciation	(1,216,616)	
Excess of Capital Outlay over Depreciation Expense		12,481,992

Governmental funds only report the disposal of fixed assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each sale.

Loss on Disposal Of Assets		(308,811)
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Repayment of long-term obligations is reported as an expenditure in governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. In the current year, these amounts consist of:

General Obligation Bond Principal Payments	440,000	
Special Assessment Bond Principal Payments	32,425	
Ohio Public Works Commission Loan Principal Payments	171,284	
Street and Construction Infrastructure Notes Payments	6,000,000	
Capital Lease Payments	4,376	
Certificates of Participation Principal Payments	390,000	
	390,000	7,038,085

Some revenues that will not be collected for several months after the City's year end are not considered "available" revenues and are deferred in the governmental funds. Deferred revenues changed by these amounts this year:

Municipal Income Taxes	400,598	
Property and Other Taxes	(27,030)	
Intergovernmental	(77,962)	
Special Assessments	(73,611)	
Interest	(5,490)	
	(5,490)	216,505

Some capital assets were financed through capital leases. In governmental funds, a capital lease arrangement is considered a source of financing, but in the statement of net assets, the lease obligation is reported as a liability.

(10,485)

The issuance of long-term debt provides current financial resources to governmental funds, but in the statement of net assets, the debt is reported as a liability.

OPWC Loans Payable		(94,868)
Notes Payable		(6,700,000)

Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. The additional amount of interest on the statement of activities is the result of the following:

Net Increase in Accrued Interest		(87,911)
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Some items reported as expenses in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.

These activities consist of:

Increase in Compensated Absences	(20,606)	
Decrease in Due to Other Governments	66,937	
	66,937	46,331

Change in Net Assets of Governmental Activities	\$10,916,692
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See Accompanying Notes to the Basic Financial Statements

**CITY OF GROVE CITY, OHIO**

**General Fund**

**Statement Of Revenues, Expenditures And Changes In Fund Balance - Budget And Actual  
(Non-GAAP Budgetary Basis)**

**For The Year Ended December 31, 2003**

	<b>Original Budget</b>	<b>Revised Budget</b>	<b>Budgetary Actual</b>	<b>Variance Positive (Negative)</b>
<b><u>Revenues:</u></b>				
Property Taxes	\$1,129,904	\$1,129,904	\$1,209,365	\$79,461
Municipal Income Taxes	12,986,611	14,384,873	14,587,524	202,651
Other Local Taxes	505,920	560,392	568,287	7,895
Intergovernmental	1,675,569	1,858,935	1,885,081	26,146
Charges For Services	114,695	412,377	414,167	1,790
Licenses And Permits	637,045	726,543	736,484	9,941
Fines And Forfeitures	141,246	157,504	159,708	2,204
Special Assessments	24,028	26,615	26,990	375
Interest	239,012	264,746	273,317	8,571
Rent	0	21,722	21,722	0
Miscellaneous	930,666	698,899	713,422	14,523
<b>Total Revenues</b>	<b>18,384,696</b>	<b>20,242,510</b>	<b>20,596,067</b>	<b>353,557</b>
<b><u>Expenditures:</u></b>				
Current Operations And Maintenance:				
Security Of Persons And Property	5,911,585	6,093,552	5,874,355	219,197
Public Health	214,456	323,305	270,292	53,013
Leisure Time Activities	582,416	594,827	545,312	49,515
Community Development	966,630	999,410	861,194	138,216
General Government	4,983,316	5,354,531	4,889,831	464,700
Capital Outlay	15,702,886	15,389,074	11,828,508	3,560,566
Debt Service:				
Principal Retirement	589,100	538,856	538,373	483
Interest And Fiscal Charges	0	29,517	29,517	0
<b>Total Expenditures</b>	<b>28,950,389</b>	<b>29,323,072</b>	<b>24,837,382</b>	<b>4,485,690</b>
Excess Of Revenues Over (Under) Expenditures	(10,565,693)	(9,080,562)	(4,241,315)	4,839,247
<b><u>Other Financing Uses:</u></b>				
Transfers - Out	(50,000)	(50,000)	(50,000)	0
Net Change In Fund Balance	(10,615,693)	(9,130,562)	(4,291,315)	4,839,247
Fund Balance At Beginning Of Year	10,377,457	10,377,457	10,377,457	0
Prior Year Encumbrances	6,408,625	6,408,625	6,408,625	0
Fund Balance At End Of Year	<u>\$6,170,389</u>	<u>\$7,655,520</u>	<u>\$12,494,767</u>	<u>\$4,839,247</u>

See Accompanying Notes to the Basic Financial Statements

**CITY OF GROVE CITY, OHIO**

**Statement Of Fund Net Assets  
Enterprise Funds**

**December 31, 2003**

	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
<b><u>Assets:</u></b>			
<b><u>Current Assets:</u></b>			
Equity in Pooled Cash and Cash Equivalents	\$1,175,923	\$1,639,789	\$2,815,712
Receivables:			
Accounts	97,840	73,767	171,607
Special Assessments	0	1,949	1,949
<b>Total Current Assets</b>	<b>1,273,763</b>	<b>1,715,505</b>	<b>2,989,268</b>
<b><u>Non-Current Assets:</u></b>			
Restricted Assets:			
Equity in Pooled Cash and Cash Equivalents	77,800	0	77,800
Cash and Cash Equivalents with Fiscal Agents	199,506	0	199,506
Special Assessments	0	29,093	29,093
Unamortized Bond Costs	9,263	0	9,263
Land and Construction in Progress	384,929	492,080	877,009
Depreciable Capital Assets, Net	12,405,415	16,353,918	28,759,333
<b>Total Non-Current Assets</b>	<b>13,076,913</b>	<b>16,875,091</b>	<b>29,952,004</b>
<b>Total Assets</b>	<b>14,350,676</b>	<b>18,590,596</b>	<b>32,941,272</b>
<b><u>Liabilities:</u></b>			
<b><u>Current Liabilities:</u></b>			
Accounts Payable	83	3,078	3,161
Contracts Payable	74,273	0	74,273
Accrued Wages	253	2,902	3,155
Compensated Absences Payable	4,211	4,707	8,918
Retainage Payable	5,323	0	5,323
Due to Other Governments	679	227,599	228,278
Accrued Interest Payable	3,003	0	3,003
Revenue Bonds Payable	170,000	0	170,000
OPWC Loans Payable	23,106	52,641	75,747
<b>Total Current Liabilities</b>	<b>280,931</b>	<b>290,927</b>	<b>571,858</b>
<b><u>Long-Term Liabilities (Net Of Current Portion):</u></b>			
OPWC Loans Payable	244,410	980,967	1,225,377
Revenue Bonds Payable	380,000	0	380,000
Compensated Absences Payable	3,228	12,714	15,942
<b>Total Long-Term Liabilities</b>	<b>627,638</b>	<b>993,681</b>	<b>1,621,319</b>
<b>Total Liabilities</b>	<b>908,569</b>	<b>1,284,608</b>	<b>2,193,177</b>
<b><u>Net Assets:</u></b>			
Invested in capital assets, net of related debt	11,866,776	15,767,948	27,634,724
Restricted for:			
Revenue Bonds Current Debt Service	199,506	0	199,506
Revenue Bond Improvement & Replacement	77,800	0	77,800
Unrestricted	1,298,025	1,538,040	2,836,065
<b>Total Net Assets</b>	<b>\$13,442,107</b>	<b>\$17,305,988</b>	<b>\$30,748,095</b>

See Accompanying Notes to the Basic Financial Statements

**CITY OF GROVE CITY, OHIO**

**Statement Of Revenues, Expenses And Changes In Fund Net Assets  
Enterprise Funds**

**For The Year Ended December 31, 2003**

	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
<b><u>Operating Revenues:</u></b>			
Charges for Services	\$440,142	\$344,215	\$784,357
Tap-In Fees	64,791	0	64,791
Miscellaneous	10	2,069	2,079
<i>Total Operating Revenues</i>	<u>504,943</u>	<u>346,284</u>	<u>851,227</u>
<b><u>Operating Expenses:</u></b>			
Salaries	42,522	279,920	322,442
Purchased Services	2,017	210,440	212,457
Materials And Supplies	988	38,019	39,007
Depreciation	332,465	441,903	774,368
Other Operating Expenses	0	8,260	8,260
<i>Total Operating Expenses</i>	<u>377,992</u>	<u>978,542</u>	<u>1,356,534</u>
Operating Income (Loss)	<u>126,951</u>	<u>(632,258)</u>	<u>(505,307)</u>
<b><u>Non Operating Revenues (Expenses):</u></b>			
Interest	18,416	0	18,416
Interest And Fiscal Charges	(57,155)	(34,166)	(91,321)
<i>Total Non Operating Revenues (Expenses)</i>	<u>(38,739)</u>	<u>(34,166)</u>	<u>(72,905)</u>
Income (Loss) Before Contributions And Transfers	88,212	(666,424)	(578,212)
Capital Contributions	181,221	532,634	713,855
Transfers - Out	(22,911)	0	(22,911)
Change In Net Assets	246,522	(133,790)	112,732
Net Assets At Beginning Of Year - Restated (See Note 3)	<u>13,195,585</u>	<u>17,439,778</u>	<u>30,635,363</u>
<i>Net Assets At End Of Year</i>	<u><u>\$13,442,107</u></u>	<u><u>\$17,305,988</u></u>	<u><u>\$30,748,095</u></u>

See Accompanying Notes to the Basic Financial Statements

**CITY OF GROVE CITY, OHIO**

**Statement Of Cash Flows  
Enterprise Funds**

**For The Year Ended December 31, 2003**

	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
<b><u>Increases (decreases) In Cash And Cash Equivalents:</u></b>			
<b><u>Cash Flows From Operating Activities:</u></b>			
Cash Received From Customers	\$467,841	\$370,769	\$838,610
Cash Payments For Personal Services	(43,940)	(306,485)	(350,425)
Cash Payments To Suppliers For Goods And Services	(2,921)	(71,732)	(74,653)
Cash Payments For Other Operating Expenses	0	(8,260)	(8,260)
Other Operating Revenues	10	5,279	5,289
Tap-In Fees	64,791	297,563	362,354
Tap-In Fees Paid To Other Governments	0	(297,563)	(297,563)
<b>Net Cash Provided By (Used For) Operating Activities</b>	<b>485,781</b>	<b>(10,429)</b>	<b>475,352</b>
<b><u>Cash Flows From Noncapital Financing Activities:</u></b>			
Transfers To Other Funds	(22,911)	0	(22,911)
<b><u>Cash Flows From Capital And Related Financing Activities:</u></b>			
Tap-In Fees	0	492,312	492,312
Acquisition Of Capital Assets	(251,925)	(51,057)	(302,982)
Principal Paid On Revenue Bonds	(160,000)	0	(160,000)
Principal Paid On OPWC Loans	(22,600)	(50,978)	(73,578)
Interest And Fiscal Charges Paid On Revenue Bonds	(46,278)	0	(46,278)
Interest And Fiscal Charges Paid On OPWC Loans	(7,695)	(34,166)	(41,861)
<b>Net Cash Provided By (Used For) Capital And Related Financing Activities</b>	<b>(488,498)</b>	<b>356,111</b>	<b>(132,387)</b>
<b><u>Cash Flows From Investing Activities:</u></b>			
Interest	17,405	0	17,405
<b>Net Increase (Decrease) In Cash And Cash Equivalents</b>	<b>(8,223)</b>	<b>345,682</b>	<b>337,459</b>
<b>Cash And Cash Equivalents At Beginning Of Year</b>	<b>1,461,452</b>	<b>1,294,107</b>	<b>2,755,559</b>
<b>Cash And Cash Equivalents At End Of Year</b>	<b>\$1,453,229</b>	<b>\$1,639,789</b>	<b>\$3,093,018</b>

(continued)

**CITY OF GROVE CITY, OHIO**

**Statement Of Cash Flows  
Enterprise Funds**

*For The Year Ended December 31, 2003  
(Continued)*

	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
<b><u>Reconciliation Of Operating Income (Loss) To Net Cash Provided By (Used For) Operating Activities:</u></b>			
Operating Income (Loss)	\$126,951	(\$632,258)	(\$505,307)
<b><u>Adjustments To Reconcile Operating Income (Loss) To Net Cash Provided By (Used For) Operating Activities:</u></b>			
Depreciation	332,465	441,903	774,368
Changes In Assets And Liabilities:			
Decrease In Accounts Receivable	27,699	24,462	52,161
Decrease In Special Assessments Receivable	0	2,092	2,092
Increase (Decrease) In Accounts Payable	83	(12)	71
Decrease In Contracts Payable	(6,901)	0	(6,901)
Increase (Decrease) In Contracts Retainage Payable	5,323	(21,214)	(15,891)
Decrease In Accrued Wages Payable	(985)	(3,719)	(4,704)
Increase (Decrease) In Due To Other Governments	(565)	193,111	192,546
Increase (Decrease) In Compensated Absences Payable	1,711	(14,794)	(13,083)
<b><u>Net Cash Provided By (Used For) Operating Activities</u></b>	<b><u>\$485,781</u></b>	<b><u>(\$10,429)</u></b>	<b><u>\$475,352</u></b>

**Noncash Capital Financing Activities:**

For the year ended December 31, 2003, the City's enterprise funds received water and sewer lines that were paid for from the General Fund. The water and sewer lines were recorded as capital assets and capital contributions in the respective funds. The value of the water and sewer lines were \$181,221 and \$40,322, respectively.

See Accompanying Notes to the Basic Financial Statements

**CITY OF GROVE CITY, OHIO**

***Statement Of Fiduciary  
Assets And Liabilities  
Agency Funds***

***December 31, 2003***

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<b><u>Assets:</u></b>	
Equity In Pooled Cash And Cash Equivalents	\$764,872
Receivables:	
Other Local Taxes	<u>9,072</u>
<i>Total Assets</i>	<u><u>\$773,944</u></u>
<b><u>Liabilities:</u></b>	
Undistributed Assets	\$20,076
Deposits Held And Due To Others	<u>753,868</u>
<i>Total Liabilities</i>	<u><u>\$773,944</u></u>

See Accompanying Notes to the Basic Financial Statements

## ***CITY OF GROVE CITY, OHIO***

### ***Notes To The Basic Financial Statements***

***For The Year Ended December 31, 2003***

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#### **NOTE 1 – DESCRIPTION OF THE CITY AND REPORTING ENTITY**

The City of Grove City (the “City”) is a home rule municipal corporation established under the laws of the State of Ohio that operates under its own Charter. The current Charter, which provides for a mayor-council-administrator form of government, was adopted by the electorate November 4, 1958, became effective July 1, 1959, and was amended December 6, 1962, November 2, 1982, and again November 5, 1985.

#### **THE REPORTING ENTITY**

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

The primary government of the City consists of all funds, departments, and activities which are not legally separate from the City. They comprise the City's legal entity, which provides various services including public safety, street maintenance, parks and recreation, senior services, and engineering. The City of Grove City is also responsible for the construction, maintenance, and repairs associated with the water and sewer lines. The City of Columbus provides water and sewer treatment services. Council and the Mayor have direct responsibility for these activities.

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

The Grove City Area Community Improvement Corporation (CIC) was created as a not for profit corporation under Sections 1724.01 et. seq., Ohio Revised Code. The CIC is governed by a twelve member Board of Trustees, six of which are elected or appointed officials of the City. The CIC provides financing services to the City by means of the issuance of Certificates of Participation, and having acquired and sold real property to increase the opportunities for employment and strengthen the economic development of Grove City. Because this service almost entirely benefits the City, the CIC is considered a blended component unit of the City. This activity is presented as a special revenue fund of the City.

The City is a member of the Central Ohio Health Care Consortium (the "Pool"), a risk sharing pool which provides health insurance. The Pool, which commenced business on January 1, 1992, has twelve members consisting of various cities, villages, and townships. The members originally entered into an irrevocable agreement to remain members of the Pool for a minimum of three years. This agreement was renewed for an additional three years on January 1, 2001. The Pool is governed by a Board of Directors consisting of one director appointed by each member. The Board elects a chairman, a vice chairman and a secretary. The Board is responsible for its own financial matters and the Pool maintains its own books of account. Budgeting and financing of the Pool is subject to the approval of the Board. The City has no explicit and measurable equity interest in the Pool. The City has no ongoing financial responsibility other than the three year minimum membership. See Note 13.



**CITY OF GROVE CITY, OHIO**

**Notes To The Basic Financial Statements**  
(Continued)

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**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**BASIS OF PRESENTATION**

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

**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

The Statement of Net Assets and the Statement of Activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the City that are governmental in nature and those that are considered business-type activities.

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

**FUND FINANCIAL STATEMENTS**

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

**CITY OF GROVE CITY, OHIO**

**Notes To The Basic Financial Statements**  
(Continued)

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

**FUND ACCOUNTING**

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

**GOVERNMENTAL FUNDS**

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

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

Road Improvement – This fund accounts for various road construction and improvement projects within the City. These projects are financed from local resources and federal and state grants, including Ohio Public Works Commission grants, loans, and note proceeds.

Debt Service - This fund accounts for the resources that are used for payment of principal and interest and fiscal charges on general obligation debt and special assessment debt.

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

**PROPRIETARY FUNDS**

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

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

Water Fund - This fund is used to account for the provision of water service to certain residents and businesses within the City.

Sewer Fund - This fund is used to account for the provision of sanitary sewer service to the residents of the City.

**CITY OF GROVE CITY, OHIO**

**Notes To The Basic Financial Statements**  
(Continued)

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

**FIDUCIARY FUNDS**

Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds, and agency funds. The three types of trust funds should be used to report resources held and administered by the reporting government when it is acting in a fiduciary capacity for individuals, private organizations, or other governments. These funds are distinguished by the existence of a trust agreement that affects the degree of management involvement and the length of time that the resources are held. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The City has four agency funds which are used to account for money held for other governments, individuals and organizations for medical spending, compliance with building codes, distribution of mayor's court fines, and distribution of hotel/motel tax to the Convention Bureau.

**MEASUREMENT FOCUS**

**A. GOVERNMENT-WIDE FINANCIAL STATEMENTS**

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

**B. FUND FINANCIAL STATEMENTS**

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the Balance Sheet. The Statement of Revenues, Expenditures, and Changes in Fund Balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the Governmental Activities of the government-wide financial statements are prepared. 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.

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

**CITY OF GROVE CITY, OHIO**

**Notes To The Basic Financial Statements**  
(Continued)

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

**BASIS OF ACCOUNTING**

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

**REVENUES - EXCHANGE AND NON-EXCHANGE TRANSACTION**

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

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

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

**DEFERRED REVENUES**

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

Property taxes for which there is an enforceable legal claim as of December 31, 2003, but were levied to finance 2004 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met have also been recorded as deferred revenue.

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

**CITY OF GROVE CITY, OHIO**

**Notes To The Basic Financial Statements**  
(Continued)

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

**EXPENSES/EXPENDITURES**

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

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

**BUDGETS AND BUDGETARY ACCOUNTING**

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

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

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

**CASH AND CASH EQUIVALENTS**

To improve cash management, cash received by the City is pooled. Monies for all funds, including proprietary funds, are maintained in this pool. Individual fund integrity is maintained through the City's records. Interest in the pool is presented as "Equity In Pooled Cash And Cash Equivalents" on the financial statements. The City also has permissive motor vehicle license money, which is held by the Franklin County Engineer as agent and distributed to the City for approved street projects. The balances in these accounts are presented on the balance sheet as "Cash And Cash Equivalents With Fiscal Agents".

**CITY OF GROVE CITY, OHIO**

**Notes To The Basic Financial Statements**  
(Continued)

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

During the year, investments were limited to repurchase agreements, Federal Home Loan Mortgage Corporation Bonds, Federal Home Loan Bank Bonds, and money market funds. Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices. Fair value of money market funds is based on current share price. Nonparticipating investment contracts, such as repurchase agreements, are reported at cost.

Interest income is distributed to the funds according to Ohio constitutional and statutory requirements. Interest revenue credited to the General Fund during fiscal year 2003 amounted to \$269,468, which includes \$47,746 assigned from other funds.

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

**MATERIALS AND SUPPLIES INVENTORY**

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

**PREPAID ITEMS**

Payments made to vendors for services that will benefit periods beyond December 31, 2003, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure is reported in the year in which services are consumed.

**RESTRICTED ASSETS**

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, or laws of other governments, or are imposed by law through constitutional provisions or enabling legislation. Restricted assets in the enterprise funds represent cash and cash equivalents and cash and cash equivalents with fiscal agents set aside for the improvement and replacement of capital assets originally acquired with bond proceeds and for repayment of current debt service on revenue bonds that are required by the bond indenture to be held by a financial services corporation. Restricted assets in the general fund represent cash and cash equivalents with fiscal agent for the repayment of certificates of participation that are required by the bond indenture to be held by a financial services corporation.

**CAPITAL ASSETS**

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

**CITY OF GROVE CITY, OHIO**

**Notes To The Basic Financial Statements**  
(Continued)

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and reductions during the year. Donated capital assets are recorded at their fair market values on the date donated. The City maintains a capitalization threshold of one thousand dollars. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset’s life are expended.

All capital assets except for land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the City’s historical records of necessary improvements and replacements. Depreciation is computed using the straight-line method over the following useful lives:

	<u>YEARS</u>
Buildings	50
Improvements Other Than Buildings	20
Machinery And Equipment	10-20
Furniture And Fixtures	10-20
Vehicles	3-10
Computer Equipment	3-10
Water And Sewer Lines	50
Infrastructure	50

The City’s infrastructure consists of streets, curbs and gutters, sidewalks, street lighting, storm sewer, and water and sewer lines. The City only reports the amounts acquired after 2001. The City plans to phase in the prior years’ amounts in future years.

**COMPENSATED ABSENCES**

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

Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those that the City has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employees’ wage rates at year-end, taking into consideration any limits specified in the City’s termination policy. The City records a liability for accumulated unused sick leave for employees and administrators after three years of service or an accumulation of more than 360 hours of sick leave.

**INTERFUND RECEIVABLES/PAYABLES**

On fund financial statements, outstanding interfund loans and unpaid amounts for interfund services are reported as “interfund receivables/payables.” Interfund Balances are eliminated on the government-wide Statements of Net Assets except for any net residual amounts due between Governmental and Business-Type Activities, which are presented as “internal balances.”

**CITY OF GROVE CITY, OHIO**

**Notes To The Basic Financial Statements**  
(Continued)

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

**ACCRUED LIABILITIES AND LONG-TERM OBLIGATIONS**

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

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

**UNAMORTIZED BOND COSTS**

Issuance costs incurred in a prior year bond refunding are deferred and amortized over the term of the bonds using the straight line method, since the results are not significantly different from the effective interest method. Issuance costs are recorded as deferred charges in the account Unamortized Bond Issuance Costs. Premiums and issuance costs on long-term notes issued during 2003 were immaterial.

**CONTRIBUTIONS OF CAPITAL**

Contributions of capital arise from outside contributions of fixed assets, tap-in fees to the extent they exceed the cost of the connection to the system, from grants or outside contributions of resources restricted to capital acquisition and construction or transfers of governmental capital assets.

**RESERVES OF FUND BALANCE**

Reserves of fund equity in governmental and proprietary funds indicate that a portion of fund balance/net assets is not available for expenditure or is legally segregated for a specific future use. Fund balances are reserved for encumbrances and debt service.

**INTERFUND TRANSACTIONS**

Transfers between governmental and business-type activities on the government-wide financial statements are reported in the same manner as general revenues.

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



**CITY OF GROVE CITY, OHIO**

**Notes To The Basic Financial Statements**  
(Continued)

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

**NET ASSETS**

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. A portion of certain governmental long-term liabilities is not related to governmental activities because part of the proceeds were used to purchase assets used in the business-type activities. The unrelated portion of these liabilities is included in the calculation of unrestricted net assets. Net assets are reported as restricted when there are limitations imposed on their use, either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net assets restricted for other purposes include funds for the operation of recreational activities, improving the living environment of the City, the operation of police programs, and the City's street repair/improvement programs.

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

The City's sewer and water enterprise funds have restricted net assets relative to those resources necessary to comply with various covenants of bond financing agreements.

**OPERATING REVENUES AND EXPENSES**

Operating revenues are those revenues that are generated directly from the primary activity of the enterprise funds. For the City, these revenues are charges for services for sewer and water utility services. Operating expenses are the necessary costs incurred to provide the service that is the primary activity of the fund. Revenues and expenses that do not meet these definitions are reported as nonoperating.

**ESTIMATES**

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

**CITY OF GROVE CITY, OHIO**

**Notes To The Basic Financial Statements**  
(Continued)

**NOTE 3 – RESTATEMENT OF PRIOR YEAR NET ASSETS**

During the year 2003, errors were discovered that related to the overstatement of intergovernmental payables and the understatement of capital assets in prior years. These errors resulted in the following restatements of net assets, change in net assets, fund balances, and changes in fund balance:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Net Assets, December 31, 2002	\$35,664,420	\$29,127,787	\$64,792,207
Restatement of Intergovernmental Payables	28,971	894	29,865
Restatement of Capital Assets	481,123	1,506,682	1,987,805
Net Assets, December 31, 2002 as Restated	<u>\$36,174,514</u>	<u>\$30,635,363</u>	<u>\$66,809,877</u>

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Change in Net Assets, For The Year Ended December 31, 2002	\$11,341,912	\$329,008	\$11,670,920
Restatement of Intergovernmental Payables	28,971	894	29,865
Change in Net Assets, For The Year Ended December 31, 2002 as Restated	<u>\$11,370,883</u>	<u>\$329,902</u>	<u>\$11,700,785</u>

	<u>General</u>	<u>Non-Major</u>
Fund Balance, December 31, 2002	\$17,685,536	\$3,238,637
Restatement of Intergovernmental Payables	24,536	4,435
Fund Balance, December 31, 2002, as Restated	<u>\$17,710,072</u>	<u>\$3,243,072</u>

	<u>General</u>	<u>Non-Major</u>
Change in Fund Balance For The Year Ended December 31, 2002	\$1,413,159	\$35,292
Restatement of Intergovernmental Payables	24,536	4,435
Change in Fund Balance For The Year Ended December 31, 2002, as Restated	<u>\$1,437,695</u>	<u>\$39,727</u>

**CITY OF GROVE CITY, OHIO**

**Notes To The Basic Financial Statements**  
(Continued)

**NOTE 4 – COMPLIANCE**

The following fund had final appropriations in excess of final estimated resources plus available balances for the year ended December 31, 2003.

<u>Fund</u>	<u>Estimated Resources</u>	<u>Appropriations</u>	<u>Excess</u>
Capital Project Fund:			
Road Improvement	\$15,183,812	\$15,525,224	(\$341,412)

The City will monitor budgetary control more closely to ensure that all adjustments are filed with the County Auditor.

**NOTE 5 - BUDGETARY BASIS OF ACCOUNTING**

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

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

- (a) Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
- (b) Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
- (c) Outstanding year-end encumbrances are treated as expenditures (budget basis) rather than as a reservation of fund balance.
- (d) The City does not budget for the activities of the trustees and fiscal agents who collect and hold the restricted assets used for the retirement of the certificates of participation, and certain projects under the control of a third party. However, the activities of the trustees and fiscal agents are included in the general fund for GAAP reporting purposes.
- (e) Unrecorded cash represents amounts received but not included as revenue on the budget basis operating statements. These amounts are included as revenue on the GAAP basis operating statements.

**CITY OF GROVE CITY, OHIO**

**Notes To The Basic Financial Statements**  
(Continued)

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**NOTE 5 - BUDGETARY BASIS OF ACCOUNTING (Continued)**

The adjustments necessary to convert the results of operations for the year on the GAAP basis to the budget basis for the General fund is as follows:

<i>Net Change In Fund Balance</i>	
GAAP Basis	\$553,373
<u>Increases (decreases) Due To:</u>	
Revenue Accruals	343,965
Expenditure Accruals	(830,796)
Encumbrances Outstanding	
At Year End (Budget Basis)	(4,418,404)
Unrecorded Cash	83,586
Transfers	(22,911)
Excess of Revenues Under	
Expenditures For Unbudgeted	
Funds Or Activity Of Trustee	<u>(128)</u>
Budget Basis	<u><u>(\$4,291,315)</u></u>

**NOTE 6 - DEPOSITS AND INVESTMENTS**

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

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

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

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

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

## **CITY OF GROVE CITY, OHIO**

### **Notes To The Basic Financial Statements**

*(Continued)*

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#### **NOTE 6 - DEPOSITS AND INVESTMENTS (Continued)**

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

1. United States treasury notes, bills, bonds, or any other obligation or security issued by the United States treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the federal national mortgage association, federal home loan bank, federal farm credit bank, federal home loan mortgage corporation, government national mortgage association, and student loan marketing association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above 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;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) 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
6. The State Treasurer's investment pool (STAR Ohio).

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

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

Investments in stripped principal or interest obligations, reverse repurchase agreements, and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage, and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the City, and must be purchased with the expectation that it will be held to maturity.

Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the Finance Director or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

At year-end, the carrying amount of the City's deposits was \$15,109,745, and the bank balance was \$15,370,975. Of the bank balance, \$227,891 was covered by federal depository insurance. The remaining amounts were uninsured and uncollateralized. Although the balance was collateralized by securities held by the financial institutions' trust departments in the financial institution's name and all State statutory requirements for the deposit of money had been followed, non compliance with federal requirements could potentially subject the City to a successful claim by the FDIC.

**CITY OF GROVE CITY, OHIO**

**Notes To The Basic Financial Statements**  
(Continued)

**NOTE 6 - DEPOSITS AND INVESTMENTS (Continued)**

*GASB Statement No. 3 "Deposits with Financial Institutions, Investments and Reverse Repurchase Agreements"* requires that local governments disclose the carrying amounts and fair value of investments, classified by risk. The City's investments are categorized as either (1) insured or registered or for which the securities are held by the City or its agent in the City's name, (2) uninsured and unregistered for which the securities are held by the counterparty's trust department or agent in the City's name or (3) uninsured and unregistered for which the securities are held by the counterparty, or by its trust department or agent but not in the City's name.

	Category 2	Category 3	Carrying Value
Repurchase Agreements	\$0	\$13,887,768	\$13,887,768
Federal Home Loan Mortgage Corporation Bonds	6,409,390	0	6,409,390
Federal Home Loan Bank Bonds	848,411	0	848,411
Total Investments	\$7,257,801	\$13,887,768	\$21,145,569

The classification of cash and cash equivalents, and investments on the financial statements is based on criteria set forth in *GASB Statement No. 9*. A reconciliation between classifications of cash and investments on the basic financial statements and the classifications according to *GASB Statement No. 3* is as follows:

	Cash and Cash Equivalents/Deposits	Investment
<i>GASB Statement No. 9</i>	\$36,255,314	\$0
Investment:		
Repurchase Agreements	(13,887,768)	13,887,768
Federal Home Loan Mortgage Corporation Bonds	(6,409,390)	6,409,390
Federal Home Loan Bank Bonds	(848,411)	848,411
<i>GASB Statement No. 3</i>	\$15,109,745	\$21,145,569

**NOTE 7 - MUNICIPAL INCOME TAX**

The City levies and collects an income tax of two percent on all income 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 percent of the tax paid to another municipality, not to exceed the amount owed. Employers within the City are required to withhold income tax on employee earnings and remit the tax to the City at least quarterly. Corporations and other individual taxpayers are also required to pay their estimated tax at least quarterly and file a final return annually.

The City of Columbus administers and collects income taxes for the City of Grove City. Payments, net of a two percent collection fee, are remitted monthly for tax revenues received by Columbus in the prior month. All proceeds go to the General Fund.

**CITY OF GROVE CITY, OHIO**

**Notes To The Basic Financial Statements**  
(Continued)

**NOTE 8 - PROPERTY TAX**

Property taxes include amounts levied against all real, public utility, and tangible personal property located in the City. Property tax revenue received during 2003 for real and public utility property taxes represents collections of 2002 taxes. Property tax payments received during 2003 for tangible personal property (other than public utility property) are for 2003 taxes.

2003 real property taxes are levied after October 1, 2003 on the assessed value as of January 1, 2003, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2003 real property taxes are collected in and intended to finance 2004.

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2003 public utility property taxes became a lien December 31, 2002, are levied after October 1, 2003, and are collected in 2004 with real property taxes.

2003 tangible personal property taxes are levied after October 1, 2002, on the value as of December 31, 2002. Collections are made in 2003. Tangible personal property assessments are 25 percent of true value for capital assets and 23 percent of true value for inventory.

The full tax rate for all City operations for the year ended December 31, 2003, was \$4.20 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2003 property tax receipts were based are as follows:

<u>Category</u>	<u>Assessed Value</u>
Real Estate	\$595,552,240
Public Utility Property	10,368,820
Tangible Personal	78,892,863
Total Property Taxes	<u>\$684,813,923</u>

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

Tangible personal property taxes paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable at September 20.

The County Treasurer collects property taxes on behalf of all taxing districts in the county, including the City of Grove City. The County Auditor periodically remits to the City its portion of the taxes. Property taxes receivable represent real and tangible personal property taxes, public utility taxes, and outstanding delinquencies which are measurable as of December 31, 2003, and for which there is an enforceable legal claim. Although total property tax collections for the next year are measurable, amounts to be received during the available period are not subject to reasonable estimation at December 31, nor are they intended to finance 2003 operations. The receivable is offset by deferred revenue. On a full accrual basis, collectible delinquent property taxes have been recorded as revenue while the remainder of the receivable is deferred.

**CITY OF GROVE CITY, OHIO**

**Notes To The Basic Financial Statements**  
(Continued)

**NOTE 9 - RECEIVABLES**

Receivables at December 31, 2003, consisted of taxes, interfund, intergovernmental receivables arising from grants, entitlements or shared revenues, special assessments, charges for services and interest on investments. All receivables are considered fully collectible, including water and sewer charges receivable which, if delinquent, may be certified and collected as a special assessment, subject to foreclosure for nonpayment. Special assessments expected to be collected in more than one year for the City amount to \$246,001. The City has \$4,810 delinquent special assessments at December 31, 2003.

A summary of the principal items of intergovernmental receivables follows:

	<u>Amount</u>
Governmental Activities	
Local Government	\$700,184
Local Government Revenue Assistance	62,312
Liquor Permits	25,284
Cigarette Tax	833
Franklin County Community Development	
Block Grant - Elm Street	34,396
COPS - In School	62,500
ODNR/SWACO Clean Community Grant	1,686
Village Of Urbancrest	860
Southwestern School - Board Of Education	1,022
Estate Taxes	140,276
Fines And Forfeitures	330
Personal Property Exemption	10,141
Homestead And Rollback	148,581
Pari-Mutuel Tax	15,084
Gasoline Tax	303,835
Motor Vehicle License Tax	188,635
Permissive Motor Vehicle License Taxes	127,821
Total Intergovernmental Receivable	<u><u>\$1,823,780</u></u>



**CITY OF GROVE CITY, OHIO**

**Notes To The Basic Financial Statements**

*(Continued)*

**NOTE 10 - CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2003, was as follows:

	Restated Balance At 12/31/2002	Additions	Deletions	Balance At 12/31/2003
Governmental Activities				
Capital Assets, Not Being Depreciated:				
Land	\$4,528,715	\$384,008	\$12,314	\$4,900,409
Construction in Progress	4,203,395	7,076,147	4,002,321	7,277,221
Total Capital Assets Not Being Depreciated	<u>8,732,110</u>	<u>7,460,155</u>	<u>4,014,635</u>	<u>12,177,630</u>
Depreciable Capital Assets:				
Buildings	5,085,578	313,919	57,653	5,341,844
Improvements Other Than Buildings	2,334,107	243,033	43,501	2,533,639
Machinery and Equipment	3,232,667	380,867	58,349	3,555,185
Furniture and Fixtures	616,541	46,719	2,600	660,660
Vehicles	1,478,928	386,850	85,279	1,780,499
Computer Equipment	1,708,895	277,288	399,711	1,586,472
Infrastructure	6,212,647	8,592,098	0	14,804,745
Total Depreciable Capital Assets	<u>20,669,363</u>	<u>10,240,774</u>	<u>647,093</u>	<u>30,263,044</u>
Total Capital Assets At Historical Cost	<u>29,401,473</u>	<u>17,700,929</u>	<u>4,661,728</u>	<u>42,440,674</u>
Less Accumulated Depreciation:				
Buildings	(2,825,172)	(58,371)	(57,653)	(2,825,890)
Improvements Other Than Buildings	(816,820)	(221,918)	(43,501)	(995,237)
Machinery and Equipment	(1,421,009)	(277,635)	(52,666)	(1,645,978)
Furniture and Fixtures	(110,130)	(32,893)	(2,600)	(140,423)
Vehicles	(634,110)	(166,892)	(58,730)	(742,272)
Computer Equipment	(449,299)	(244,025)	(135,446)	(557,878)
Infrastructure	(320,807)	(214,882)	0	(535,689)
Total Accumulated Depreciation	<u>(6,577,347)</u>	<u>(1,216,616)</u>	<u>(350,596)</u>	<u>(7,443,367)</u>
Depreciable Capital Assets, Net	<u>14,092,016</u>	<u>9,024,158</u>	<u>997,689</u>	<u>22,819,677</u>
Governmental Activities Capital Assets, Net	<u>\$22,824,126</u>	<u>\$16,484,313</u>	<u>\$5,012,324</u>	<u>\$34,997,307</u>

**CITY OF GROVE CITY, OHIO**

**Notes To The Basic Financial Statements**

*(Continued)*

**NOTE 10 - CAPITAL ASSETS (Continued)**

	Restated Balance At 12/31/2002	Additions	Deletions	Balance At 12/31/2003
Business-Type Activities				
Capital Assets Not Being Depreciated				
Land	\$122,312	\$0	\$0	\$122,312
Construction in Progress	1,046,138	224,357	515,798	754,697
Total Capital Assets, Not Being Depreciated	<u>1,168,450</u>	<u>224,357</u>	<u>515,798</u>	<u>877,009</u>
Depreciable Capital Assets:				
Buildings	66,125	25,000	0	91,125
Improvements Other Than Buildings	1,360,916	0	0	1,360,916
Machinery and Equipment	186,113	0	0	186,113
Vehicles	92,117	0	0	92,117
Computer Equipment	9,745	132	0	9,877
Infrastructure				
Water Lines	14,326,197	602,092	0	14,928,289
Sewer Lines	20,835,268	263,016	0	21,098,284
Total Depreciable Capital Assets	<u>36,876,481</u>	<u>890,240</u>	<u>0</u>	<u>37,766,721</u>
Total Capital Assets At Historical Cost	<u>38,044,931</u>	<u>1,114,597</u>	<u>515,798</u>	<u>38,643,730</u>
Less Accumulated Depreciation:				
Buildings	(44,536)	(918)	0	(45,454)
Improvements Other Than Buildings	(364,746)	(43,869)	0	(408,615)
Machinery and Equipment	(167,460)	(14,132)	0	(181,592)
Vehicles	(46,593)	(9,211)	0	(55,804)
Computer Equipment	(4,831)	(333)	0	(5,164)
Infrastructure				
Water Lines	(3,216,849)	(288,126)	0	(3,504,975)
Sewer Lines	(4,388,005)	(417,779)	0	(4,805,784)
Total Accumulated Depreciation	<u>(8,233,020)</u>	<u>(774,368)</u>	<u>0</u>	<u>(9,007,388)</u>
Depreciable Capital Assets, Net	<u>28,643,461</u>	<u>115,872</u>	<u>0</u>	<u>28,759,333</u>
Business-Type Activities Capital Assets, Net	<u>\$29,811,911</u>	<u>\$340,229</u>	<u>\$515,798</u>	<u>\$29,636,342</u>

**CITY OF GROVE CITY, OHIO**

**Notes To The Basic Financial Statements**  
(Continued)

**NOTE 10 - CAPITAL ASSETS (Continued)**

Depreciation expense was charged to governmental programs as follows:

Security of Person And Property	\$398,217
Leisure Time Activity	345,333
Community Development	21,432
Transportation	97,998
General Government	353,636
Total Depreciation Expense	<u>\$1,216,616</u>

**NOTE 11 - DEFINED BENEFIT PENSION PLANS**

**A. OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM**

Grove City participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20% per year). Under the member directed plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings. The combined plan is a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and a defined contribution plan. Under the combined plan, employer contributions are invested by the retirement system to provide a formula retirement benefit similar to the traditional plan benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the member directed plan.

OPERS provides retirement, disability, survivor and death benefits and annual cost of living adjustments to members of the traditional and combined plans. Members of the member directed plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that may be obtained by writing to OPERS, 277 E. Town St., Columbus, OH 43215-4642 or by calling (614) 222-6705.

For the year ended December 31, 2003, the members of all three plans, except those in law enforcement or public safety participating in the traditional plan, were required to contribute 8.5 percent of their annual covered salaries. Members participating in the traditional plan who were in law enforcement contributed 10.1 percent of their annual covered salary; members in public safety contributed 9 percent. Grove City's contribution rate for pension benefits for 2003 was 8.55 percent, except for those plan members in law enforcement or public safety. For those classifications, Grove City's pension contributions were 11.7 percent of covered payroll. The Ohio Revised Code provides statutory authority for member and employer contributions.

Grove City's required contributions for pension obligations to the traditional and combined plans for the years ended December 31, 2003, 2002, and 2001 were \$ 327,147, \$ 328,374, and \$ 379,216 respectively; 86.92 percent has been contributed for 2003 and 100 percent for 2002 and 2001. Contributions to the member-directed plan for 2003 were \$7,268 made by Grove City and \$4,559 made by the plan members.

**CITY OF GROVE CITY, OHIO**

**Notes To The Basic Financial Statements**  
(Continued)

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**NOTE 11 - DEFINED BENEFIT PENSION PLANS (Continued)**

**B. OHIO POLICE AND FIRE PENSION FUND**

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

Plan members are required to contribute 10 percent of their annual covered salary to fund pension obligations while Grove City is required to contribute 11.75 percent for police officers. Contributions are authorized by State statute. Grove City's contributions to the Fund for the years ended December 31, 2003, 2002, and 2001 were \$399,856, \$313,179, and \$364,560 respectively, equal to the required contributions for each year. The full amount has been contributed for 2002 and 2001. 78.07 percent has been contributed for 2003 with the remainder being reported as a liability.

**NOTE 12 - POSTEMPLOYMENT BENEFITS**

**A. OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM**

The Ohio Public Employees Retirement System (OPERS) provides postretirement health care coverage to age and service retirees with ten or more years of qualifying Ohio service credit with either the traditional or combined plans. Health care coverage for disability recipients and primary survivor recipients is available. Members of the member-directed plan do not qualify for postretirement health care coverage. The health care coverage provided by the retirement system is considered an Other Postemployment Benefit as described in *GASB Statement No. 12*. A portion of each employer's contribution to the traditional or combined plans is set aside for the funding of postretirement health care based on authority granted by State statute. The 2003 local government employer contribution rate was 13.55 percent of covered payroll (16.7 percent for public safety and law enforcement); 5.00 percent of covered payroll was the portion that was used to fund health care.

Benefits are advance-funded using the entry age normal actuarial cost method. Significant actuarial assumptions, based on OPERS's latest actuarial review performed as of December 31, 2002, include a rate of return on investments of 8.00 percent, an annual increase in active employee total payroll of 4.00 percent compounded annually (assuming no change in the number of active employees) and an additional increase in total payroll of between .50 percent and 6.3 percent based on additional annual pay increases. Health care premiums were assumed to increase 4.00 percent annually.

All investments are carried at market. For actuarial valuation purposes, a smoothed market approach is used. Assets are adjusted to reflect 25 percent of unrealized market appreciation or depreciation on investment assets annually.

**CITY OF GROVE CITY, OHIO**

**Notes To The Basic Financial Statements**  
(Continued)

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**NOTE 12 - POSTEMPLOYMENT BENEFITS (Continued)**

The number of active contributing participants in the traditional and combined plans was 364,881. Actual employer contributions for 2003 which were used to fund postemployment benefits were \$191,314. The actual contribution and the actuarially required contribution amounts are the same. OPERS's net assets available for payment of benefits at December 31, 2002, (the latest information available) were \$10.0 billion. The actuarially accrued liability and the unfunded actuarial accrued liability were \$18.7 billion and \$8.7 billion, respectively.

In December 2001, the Board adopted the Health Care "Choices" Plan. The Choices Plan will be offered to all persons newly hired in an OPERS covered position after January 1, 2003, with no prior service credit accumulated toward health care coverage. Choices will incorporate a cafeteria approach, offering a broader range of health care options. The Plan uses a graded scale from ten to thirty years to calculate a monthly health care benefit. This is in contrast to the ten-year "cliff" eligibility standard for the present Plan.

The benefit recipient will be free to select the option that best meets their needs. Recipients will fund health care costs in excess of their monthly health care benefit. The Plan will also offer a spending account feature, enabling the benefit recipient to apply their allowance toward specific medical expenses, much like a Medical Spending Account.

**B. OHIO POLICE AND FIRE PENSION FUND**

The Ohio Police and Fire Pension Fund (OP&F) provides postretirement health care coverage to 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. An eligible dependent child is any child under the age of 18 whether or not the child is attending school, or under the age of 22 if attending school full-time or on a 2/3 basis.

The health care coverage provided by the retirement system is considered an Other Postemployment Benefit (OPEB) as described in *GASB Statement No. 12*. The Ohio Revised Code provides the authority allowing the Ohio Police and Fire Pension Fund's board of trustees to provide health care coverage and states that health care costs paid from the funds of OP&F shall be included in the employer's contribution rate. Health care funding and accounting is on a pay-as-you-go basis. The total police employer contribution rate is 19.5 percent of covered payroll and the total firefighter employer contribution rate is 24 percent of covered payroll, of which 7.75 percent of covered payroll was applied to the postemployment health care program during 2003. In addition, since July 1, 1992, most retirees have been required to contribute a portion of the cost of their health care coverage through a deduction from their monthly benefit payment. Beginning in 2001, all retirees and survivors have monthly health care contributions.

Grove City's actual contributions for 2003 that were used to fund postemployment benefits were \$263,735 for police. The OP&F's total health care expense for the year ended December 31, 2002, (the latest information available) was \$141,028,006, which was net of member contributions of \$12,623,875. The number of OP&F participants eligible to receive health care benefits as of December 31, 2002, was 13,527 for police and 10,396 for firefighters.

**CITY OF GROVE CITY, OHIO**

**Notes To The Basic Financial Statements**  
(Continued)

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**NOTE 13 - EMPLOYEE BENEFITS**

**A. COMPENSATED ABSENCES**

Vacation leave is earned at rates which vary depending upon length of service and standard work week. Current policy credits vacation leave on the employee's anniversary date and allows the unused balance to be accrued at levels which depend upon years of service. City employees are paid for earned, unused vacation leave at the time of termination of employment.

Sick leave is earned at the rate of four and six-tenths hours for every eighty hours worked and can be accumulated without limit. Each employee with the City is paid at one-half of the portion that exceeds forty five days of the employee's earned unused sick leave upon termination from the City or the full balance may be transferred to another governmental agency. In the event that an employee dies as the result of injuries sustained on the job, his or her estate will be paid the total allowable amount of all earned unused sick leave.

**B. HEALTH CARE BENEFITS**

On January 1, 1992, the City joined the Central Ohio Health Care Consortium, a risk-sharing pool, which provides employee health care benefits for all full-time employees who wish to participate in the plan. The pool consists of twelve political subdivisions who pool risk for basic hospital, surgical, and prescription drug coverage. The City pays monthly contributions to the Consortium, which are used to cover claims and administrative costs, and to purchase excess loss insurance for the plan. The Consortium has entered into an agreement for individual and aggregate excess loss coverage with a commercial insurance carrier. The individual excess loss coverage has been structured to indemnify the Plan for medical claims paid for an individual in excess of \$150,000 per claim per year, with an individual lifetime maximum of \$2,000,000. The aggregate excess loss coverage has been structured to indemnify the Plan for aggregate claims paid in excess of \$10,220,020 to a maximum of \$1,000,000 annually. In the event that the losses of the Consortium in any year exceeds amounts paid to the Consortium, together with all stop-loss, reinsurance, and other coverage then in effect, then the payment of all uncovered losses shall revert to and be the sole obligation of the political subdivision against which the claim was made.

**C. DEFERRED COMPENSATION**

City employees may participate in the Ohio Public Employees Deferred Compensation Plan. This plan was created in accordance with Internal Revenue Code Section 457. Participation is on a voluntary payroll deduction basis. The plan permits deferral of compensation until future years. According to the plan, the deferred compensation is not available until termination, retirement, death, or an unforeseeable emergency.

**CITY OF GROVE CITY, OHIO**

**Notes To The Basic Financial Statements**  
(Continued)

**NOTE 14 - CAPITAL LEASES - LESSEE DISCLOSURE**

During 2003 and in prior years, the City has entered into capitalized leases for copiers. The leases meet the criteria of a capital lease as defined by *Statement of Financial Accounting Standards No. 13, "Accounting for Leases"*, which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. Capital lease payments have been reclassified and are reflected as a debt service expenditure in the basic financial statements for the governmental funds. These expenditures are reported as function expenditures on the budgetary statements.

General capital assets consisting of equipment have been capitalized in the amount of \$23,080. This amount represents the present value of the minimum lease payments at the time of acquisition. Principal payments in 2003 totaled \$4,376 in the governmental funds.

The assets acquired through capital leases as of December 31, 2003, are as follows:

	Asset Value	Accumulated Depreciation	Net Book Value
Copier Equipment	\$23,080	\$12,200	\$10,880

The following is a schedule of the future long-term minimum lease payments required under the capital leases and the present value of the minimum lease payments as of December 31, 2003:

Year Ending December 31,	Payments
2004	\$5,382
2005	3,084
2006	3,084
2007	1,542
Total	13,092
Less: Amount representing Interest	(1,856)
Present Value of Minimum Lease Payment	<u>\$11,236</u>

**CITY OF GROVE CITY, OHIO**

**Notes To The Basic Financial Statements**  
(Continued)

**NOTE 15 - OUTSTANDING DEBT AND OTHER LONG-TERM OBLIGATIONS**

**A. BONDED DEBT AND OTHER LONG-TERM OBLIGATIONS**

Bonded debt and other long-term obligations payable activity for the year ended December 31, 2003, were as follows:

<i>Types / Issues</i>	<i>Balance 12/31/02</i>	<i>Issued</i>	<i>Retired</i>	<i>Balance 12/31/03</i>	<i>Due Within One Year</i>
<b><u>Business-Type Activities</u></b>					
<b><u>Mortgage Revenue Bonds</u></b>					
1992 - 3.5%-6.6% Waterworks System First Mortgage Revenue Refunding Bonds \$1,510,000	\$710,000	\$0	\$160,000	\$550,000	\$170,000
<b><u>Ohio Public Works Commission (OPWC) Loans</u></b>					
1993 - 0.00% Park Street Improvements Improvements \$86,907	45,190	0	6,953	38,237	6,953
1994 - 3.50% Columbus Street Reconstruction \$128,422	94,157	0	6,437	87,720	6,664
1995 - 3.00% Kingston Avenue Reconstruction \$200,624	150,769	0	9,210	141,559	9,488
1995 - 3.50% Grant Run Interceptor Phase II \$537,324	407,423	0	24,076	383,347	24,926
1999 - 3.00% Marsh Run Gravity Sewer \$703,276	677,163	0	26,902	650,261	27,716
<b>Total OPWC Loans</b>	<b>1,374,702</b>	<b>0</b>	<b>73,578</b>	<b>1,301,124</b>	<b>75,747</b>
<b>Compensated Absences</b>	<b>37,943</b>	<b>4,167</b>	<b>17,250</b>	<b>24,860</b>	<b>8,918</b>
<b>Total Business-Type Activities</b>	<b>\$2,122,645</b>	<b>\$4,167</b>	<b>\$250,828</b>	<b>\$1,875,984</b>	<b>\$254,665</b>



**CITY OF GROVE CITY, OHIO**

**Notes To The Basic Financial Statements**  
(Continued)

**NOTE 15 - OUTSTANDING DEBT AND OTHER LONG-TERM OBLIGATIONS (Continued)**

<i>Types / Issues</i>	<i>Balance 12/31/02</i>	<i>Issued</i>	<i>Retired</i>	<i>Balance 12/31/03</i>	<i>Due Within One Year</i>
<u>Governmental Activities</u>					
<u>General Obligation Bonds</u>					
1991 - 6.65% Various Purpose Street Improvement Bonds \$1,220,000	\$870,000	\$0	\$70,000	\$800,000	\$80,000
1993 - 2.85%-5.25% General Obligation Refunding Bonds \$2,815,000	1,695,000	0	215,000	1,480,000	220,000
1993 - 4.30%-5.65% Various Purpose Street Improvement/Senior Center Addition Bonds \$2,085,000	1,535,000	0	110,000	1,425,000	110,000
2001 - 4.51% Various Purpose Improvement Bonds \$1,840,000	1,800,000	0	45,000	1,755,000	45,000
Total General Obligation Bonds	<u>5,900,000</u>	<u>0</u>	<u>440,000</u>	<u>5,460,000</u>	<u>455,000</u>
<u>Special Assessment Bonds</u>					
1988 - 7.5% Sewer Construction And Installation \$60,000	30,000	0	5,000	25,000	5,000
1990 - 7.5% Home Road Construction \$112,415	77,563	0	7,425	70,138	7,982
1998 - 6.0% Seeds Road Improvement \$200,000	120,000	0	20,000	100,000	20,000
Total Special Assessment Bonds	<u>\$227,563</u>	<u>\$0</u>	<u>\$32,425</u>	<u>\$195,138</u>	<u>\$32,982</u>

**CITY OF GROVE CITY, OHIO**

**Notes To The Basic Financial Statements**  
(Continued)

**NOTE 15 - OUTSTANDING DEBT AND OTHER LONG-TERM OBLIGATIONS (Continued)**

<i>Types / Issues</i>	<i>Balance 12/31/02</i>	<i>Issued</i>	<i>Retired</i>	<i>Balance 12/31/03</i>	<i>Due Within One Year</i>
<u>Ohio Public Works Commission</u>					
<u>(OPWC) Loans</u>					
1993 - 0.00% Park Street Improvements \$292,009	\$180,771	\$0	\$27,810	\$152,961	\$27,810
1998 - 0.00% Haughn Road Widening \$446,773	355,129	0	22,911	332,218	22,911
1997 - 0.00% Hoover Road/ SR 665 Realignment \$351,546	277,537	0	18,503	259,034	18,502
1999 - 0.00% Broadway \$409,887	358,652	0	20,494	338,158	20,494
1999 - 0.00% Hoover Road/ Buckeye Ranch/ Orders Road \$518,378	440,621	0	25,919	414,702	25,919
2000 - 0.00% Hoover Road/ Old Stringtown To Sonora Drive \$745,578	689,660	0	37,279	652,381	37,279
2001 - 0.00% Broadway \$456,181	456,181	94,868	18,368	532,681	36,737
Total OPWC Loans	<u>2,758,551</u>	<u>94,868</u>	<u>171,284</u>	<u>2,682,135</u>	<u>189,652</u>
Other Long-Term Obligations					
2002 - 2.35% Street And Infrastructure Construction Notes \$6,000,000	6,000,000	0	6,000,000	0	0
2003 - 1.50% Street and Infrastructure Construction Notes \$6,700,000	0	6,700,000	0	6,700,000	0
Capital Leases	5,127	10,485	4,376	11,236	4,303
1993 - 3.0% - 5.0% Certificates Of Participation \$2,800,000	800,000	0	390,000	410,000	410,000
Compensated Absences	805,756	427,750	407,144	826,362	387,755
Total Governmental Activities	<u>\$16,496,997</u>	<u>\$7,233,103</u>	<u>\$7,445,229</u>	<u>\$16,284,871</u>	<u>\$1,479,692</u>

The City's overall legal debt margin was \$53,768,890, with an unvoted debt margin of \$19,528,194 at December 31, 2003.

**CITY OF GROVE CITY, OHIO**

**Notes To The Basic Financial Statements**  
(Continued)

**NOTE 15 - OUTSTANDING DEBT AND OTHER LONG-TERM OBLIGATIONS (Continued)**

Annual debt service requirements to maturity for governmental long-term obligations are:

Year	Governmental Activities					
	General Obligation Bonds		Special Assessment Bonds		OPWC Loans	
	Principal	Interest	Principal	Interest	Principal	Interest
2004	\$455,000	\$286,658	\$32,982	\$12,735	\$189,653	\$0
2005	485,000	264,038	33,580	10,642	189,653	0
2006	500,000	239,496	34,224	8,503	189,653	0
2007	530,000	213,571	34,916	6,316	189,653	0
2008	560,000	185,743	35,659	4,078	189,653	0
2009-2013	1,730,000	545,756	23,777	2,707	823,118	0
2014-2018	375,000	272,615	0	0	760,895	0
2019-2023	475,000	173,990	0	0	149,857	0
2024-2027	350,000	39,325	0	0	0	0
Totals	<u>\$5,460,000</u>	<u>\$2,221,192</u>	<u>\$195,138</u>	<u>\$44,981</u>	<u>\$2,682,135</u>	<u>\$0</u>

Year	Bond Anticipation Notes		Certificates of Participation	
	Principal	Interest	Principal	Interest
2004	<u>\$6,700,000</u>	<u>\$51,764</u>	<u>\$410,000</u>	<u>\$10,250</u>

Annual debt service requirements to maturity for revenue bonds and OPWC loans for business-type activities are:

Year	Business-Type Activities					
	Water Revenue Bonds		Water OPWC Loans		Sewer OPWC Loans	
	Principal	Interest	Principal	Interest	Principal	Interest
2004	\$170,000	\$36,038	\$23,105	\$7,189	\$52,642	\$32,502
2005	185,000	24,988	23,627	6,666	54,359	30,785
2006	195,000	12,870	24,166	6,127	56,134	29,010
2007	0	0	24,723	5,571	57,966	27,178
2008	0	0	25,297	4,996	59,859	25,286
2009-2013	0	0	104,496	15,685	329,931	95,790
2014-2018	0	0	42,102	1,733	288,783	41,619
2019-2023	0	0	0	0	133,934	7,119
Totals	<u>\$550,000</u>	<u>\$73,896</u>	<u>\$267,516</u>	<u>\$47,967</u>	<u>\$1,033,608</u>	<u>\$289,289</u>

**CITY OF GROVE CITY, OHIO**

**Notes To The Basic Financial Statements**  
(Continued)

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**NOTE 15 - OUTSTANDING DEBT AND OTHER LONG-TERM OBLIGATIONS (Continued)**

**B. FIRST MORTGAGE REVENUE REFUNDING BONDS**

The 1992 First Mortgage Refunding Revenue Bonds were issued for the purpose of advance refunding the 1985 Waterworks System First Mortgage Refunding Revenue Bonds. The bond indenture requires certain resources to be set aside for future debt payments and asset replacement and improvement. The revenue bond future debt service account is used to report resources set aside to offset future deficiencies in the refunding bond account. The revenue bond replacement and improvement account is used to accumulate resources for replacement of obsolete or worn-out equipment or improvements and extension of the system. The refunded bond issue is now fully paid.

**C. OHIO PUBLIC WORKS COMMISSION (OPWC) LOANS**

The OPWC loans consist of money owed to the Ohio Public Works Commission for various construction projects within the City. These consist of 15 or 20 year loans payable from gross revenues of the Water and Sewer Enterprise Funds and the General Fund. The liability for the Water and Sewer Funds is recorded on the fund and government-wide financial statements. The liabilities for the General Fund is not recorded on the fund financial statements, but are recorded on the government-wide financial statements.

**D. COMPENSATED ABSENCES/CAPITAL LEASES**

Compensated absences will be paid from the General Fund, Street Maintenance Fund, General Recreation Fund, Water Fund, and Sewer Fund. Capital leases will be paid from the General Fund.

**E. GENERAL OBLIGATION BONDS**

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities and refinancing of bond anticipation notes. General obligation bonds are direct obligations and pledge the full faith and credit of the City for repayment. These bonds are generally issued as 20 year serial bonds with equal amounts of principal maturing each year and are paid with property taxes from the Debt Service Fund.

**F. SPECIAL ASSESSMENT BONDS**

Special assessment bonds are payable from the proceeds of assessments levied against the specific property owners who primarily benefited from the project. Special assessment monies will be received in and the debt will be retired from the Debt Service Fund. In the event that property owners fail to make their special assessment payments, the City is responsible for providing the resources to meet the annual principal and interest payments.

**G. STREET AND INFRASTRUCTURE CONSTRUCTION NOTES**

On June 26, 2003, the City issued 1.50 percent Street and Infrastructure Bond Anticipation Notes, Series 2003, in the amount of \$6,700,000. The notes will mature on June 25, 2004. A portion of these notes was used to repay the Street and Infrastructure Notes that were issued on June 26, 2002 and matured on June 25, 2003. The remaining balance will be used for street and infrastructure construction.

## **CITY OF GROVE CITY, OHIO**

### **Notes To The Basic Financial Statements**

*(Continued)*

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#### **NOTE 15 - OUTSTANDING DEBT AND OTHER LONG-TERM OBLIGATIONS (Continued)**

##### **H. CERTIFICATES OF PARTICIPATION**

In 1988, the City entered a lease agreement with the Grove City Area Community Improvement Corporation (CIC) for new municipal facilities. The CIC entered an agreement with a trustee through which it assigned and transferred its rights, title, and interest under the lease to National City Bank as Trustee. The Trustee issued Certificates of Participation in the lease agreement enabling holders of the Certificates to receive a portion of the semiannual lease payments. Proceeds from the issuance of the Certificates were used to construct the new facilities.

In 1993, the City defeased the Certificates of Participation, 1988 Series by placing the proceeds of the Certificates of Participation, 1993 Series in an irrevocable trust with an escrow agent to provide for all future debt service payments on the 1988 Series Certificates. Accordingly, the trust account assets and the liability for the defeased certificates are not included in the City's financial statements. During 1996, the City authorized the escrow agent to pay the remaining principal of \$2,810,000 with monies held in the trust.

Terms of the 1993 Series trust indenture require a portion of the proceeds to be set aside for current and future certificate payments. The current certificate payment account is used to account for resources accumulated for payment over the next twelve months. The reserve account is used solely to make rent payments if a deficiency exists in the current certificate payment account and, if all payments are current, to make payment of the last certificate payments.

The obligation of the City under the lease and any subsequent lease renewal is subject to the annual appropriation of the rental payments. Legal title to the facilities remains with the CIC until all payments required under the lease have been made. At that time, title will be transferred to the City. In the event the City defaults on the lease, after thirty days the lessor may lease the facilities to a new tenant. Under terms of the lease agreement, the City may not lease, acquire, or allocate funds to acquire functionally similar facilities for thirty days after default.

The liability for the 1993 Series Certificates are payable from the General Fund. The Certificates of Participation are not a general obligation of the City but are payable only from appropriations by the City for annual lease payments.

##### **I. INDUSTRIAL REVENUE BOND/MULTIFAMILY HOUSING MORTGAGE REVENUE BONDS**

The City has one outstanding issue of industrial development revenue bonds in the aggregate principal amount of \$650,000, and one outstanding issue of multifamily housing revenue bonds in the aggregate principal amount of \$13,500,000 at December 31, 2003 for facilities used by private corporations or other entities. The City is not obligated in any way to pay debt charges on the bonds from any of its funds, and therefore they have been excluded entirely from the City's debt presentation. There has not been, and currently is not any condition of default under the bonds or the related financing documents.

**CITY OF GROVE CITY, OHIO**

**Notes To The Basic Financial Statements**  
(Continued)

**NOTE 16 – SHORT-TERM OBLIGATIONS**

A summary of the short-term note transactions for the year ended December 31, 2003 follows:

<u>Types / Issues</u>	<u>Balance 12/31/02</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance 12/31/03</u>
2003 - 1.75% Buckeye Parkway Construction and Improvement Notes \$7,396,000	\$0	\$7,396,000	\$0	\$7,396,000

On December 8, 2003, the City issued 1.75 percent Buckeye Parkway Construction and Improvement Bond Anticipation Notes, Series 2003, in the amount of \$7,396,000. The notes will mature on December 8, 2004 and will be retired from the Road Improvement Capital Projects Fund from additional note proceeds. At year-end the City had spent \$18,175 of the note proceeds.

**NOTE 17 - CONSTRUCTION COMMITMENTS**

The City has entered into various contracts for the construction and acquisition of capital assets. At December 31, 2003, the significant outstanding construction commitments are:

<u>Project</u>	<u>Contract Amount</u>	<u>Amount Expended</u>	<u>Balance At 12/31/03</u>
Bike Paths-Gantz, Holton And Southwest Improvement To Streets - 2003	\$89,427	\$28,259	\$61,168
Broadway Street Lighting, Cleveland To Cedar Grove	1,220,195	1,063,101	157,094
State Route 665 Water Main Improvements	106,396	31,610	74,786
State Route 665 Water Booster Station	879,870	291,507	588,363
State Route 665 Water Booster Station	770,946	374,475	396,471
Hoover Road - Milligan To Dartmoor	2,554,634	778,270	1,776,364
Sanitary Sewer Rehabilitation	128,333	116,503	11,830
Stringtown Road And White Road Reconstrucion	3,680,911	3,148,025	532,886
1-270/1-71 Corridor Site	261,188	97,674	163,514
Salt Storage Facility	140,295	115,900	24,395
Grant Run Sanitary Sewer	530,339	509,125	21,214
Totals	<u>\$10,362,534</u>	<u>\$6,554,449</u>	<u>\$3,808,085</u>

**NOTE 18 - RISK MANAGEMENT**

The City maintains comprehensive insurance coverage with private carriers for real property, building contents, vehicles, general liability, and police professional liability. The City also carries Public Officials liability insurance. Settlements have not exceeded coverage in any of the last three years. There has not been a significant reduction in coverage from the prior year.

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

**CITY OF GROVE CITY, OHIO**

**Notes To The Basic Financial Statements**  
(Continued)

**NOTE 19 - INTERFUND ACTIVITY**

Interfund balances at December 31, 2003, consist of the following individual fund receivables and payables:

	<b>Payable</b>
	Debt
	Service
<b>Receivables</b>	<u>\$45,559</u>
Road Improvement	

The amount due to the Road Improvement Fund from the Debt Service Fund resulted from posting the premium from sale of notes into the incorrect fund.

Transfers made during the year ended December 31, 2003 were as follows:

		<b>Transfers To</b>				
		General	Water	Sewer	All Other Nonmajor Funds	Total
<b>Transfers From</b>	General	<u>\$0</u>	<u>\$181,221</u>	<u>\$40,322</u>	<u>\$50,000</u>	<u>\$271,543</u>
	Water	<u>22,911</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>22,911</u>
	<b>Total</b>	<u><u>\$22,911</u></u>	<u><u>\$181,221</u></u>	<u><u>\$40,322</u></u>	<u><u>\$50,000</u></u>	<u><u>\$294,454</u></u>

Transfers were made to move unrestricted balances to support programs and projects accounted for in other funds. The transfer from the Water Fund to the General Fund was made on a GAAP basis for principal payments related to governmental activities. The transfers from the General Fund to the Water and Sewer Funds were made on a GAAP basis and were related to the purchase of enterprise capital assets by the General Fund.

**NOTE 20 - CONTINGENT LIABILITIES**

**A. LITIGATION**

The City is party to legal proceedings. The City is of the opinion that ultimate disposition of claims will not have a material effect, if any, on the financial condition of the City.

**B. FEDERAL AND STATE GRANTS**

For the period January 1, 2003, to December 31, 2003, the City received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their designees. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, the City believes such disallowance, if any, would be immaterial.

**CITY OF GROVE CITY, OHIO**

**Notes To The Basic Financial Statements**  
*(Continued)*

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**NOTE 21 - SUBSEQUENT EVENT**

On June 23, 2004, the City issued 3.0 percent Street and Infrastructure Notes, Series 2004, in the amount of \$7,925,000. The notes will mature on June 23, 2005. A portion of these notes was used to repay the Street and Infrastructure Notes that were issued on June 26, 2003 and matured on June 25, 2004. The remaining balance will be used for street and infrastructure construction.



## **Combining Financial Statements**

## ***CITY OF GROVE CITY, OHIO***

### ***Nonmajor Fund Descriptions***

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#### ***SPECIAL REVENUE FUNDS***

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

#### ***Nonmajor Special Revenue Funds***

##### **Street Maintenance Fund**

The Street Maintenance Fund accounts for ninety-two and one-half percent (92.5%) of the state gasoline tax and motor vehicle registration fees designated for street maintenance and repair.

##### **State Highway Fund**

The State Highway Fund accounts for seven and one-half percent (7.5%) of the state gasoline tax and motor vehicle registration fees designated for maintenance and repair of State highways within the City.

##### **Police Pension Fund**

The Police Pension Fund accounts for the accumulation of property taxes levied for the payment of current employer's pension contributions.

##### **General Recreation Fund**

The General Recreation Fund accounts for operations of City sponsored recreation programs funded by participation fees and facility rentals.

##### **City Permissive MVL Fund**

The City Permissive MVL Fund accounts for additional motor vehicle registration fees designated for maintenance and repair of streets within the City that were levied under State law by the City.

##### **County Permissive MVL Fund**

The County Permissive MVL Fund accounts for additional motor vehicle registration fees designated for maintenance and repair of specific streets within the City that were levied under State law by Franklin County.

##### **Senior Nutrition Fund**

The Senior Nutrition Fund accounts for revenues from fees and donations designated for a senior nutrition program sponsored by City Council.

##### **Drug Law Enforcement Fund**

The Drug Law Enforcement Fund accounts for confiscated monies related to criminal offenses and designated, by State statute, for expenditures that would enhance the police department.

##### **DARE Program Fund**

The DARE Program Fund accounts for revenues from donations designated for the drug abuse resistance education program, which is sponsored by City Council.

(continued)

**CITY OF GROVE CITY, OHIO**

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

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***Nonmajor Special Revenue Funds***

**Community Development Fund**

The Community Development Fund accounts for a portion of hotel/motel taxes, grant monies for tree planting, and donations that are restricted to community development expenditures.

**Community Environment Fund**

The Community Environment Fund accounts for donations and grant monies received from the Franklin County Auditor for the purpose of operating a community recycling program and for the Keep America Beautiful program.

**Enforcement And Education Fund**

The Enforcement And Education Fund accounts for fines imposed by the courts which are used for programs aimed at further education and enforcement of D.W.I. laws.

**U. S. Department Of Justice Fund**

The U. S. Department Of Justice Fund accounts for federal grant monies used for the purpose of expanding policing programs within the City.

**Mayor's Court Computer Fund**

The Mayor's Court Computer Fund accounts for court costs collected for the acquisition and maintenance of computer equipment used in the operations of the mayor's court, pursuant to State law.

**Big Splash Fund**

The Big Splash Fund accounts for monies received from grants and a donation from Jackson Township to be used for the purpose of developing and maintaining the Big Splash recreational water facility at Evans Park.

**Community Improvement Corporation Fund**

The Community Improvement Corporation Fund accounts for financial activity of the blended component unit whose purpose is to provide financing services to the City. This blended component unit has no budget presented.

**Senior Stage**

The Senior Stage Fund was established, via contributions, for the construction and maintenance of the stage at the newly constructed addition at the Grove City and Jackson Township Senior Center.

(continued)

**CITY OF GROVE CITY, OHIO**

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

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***CAPITAL PROJECTS FUNDS***

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

***Nonmajor Capital Projects Funds***

***City Improvement Fund***

The City Improvement Fund accounts for various capital projects of the City, some of which were financed by the proceeds of general obligation bonds.

***Recreation Development Fund***

The Recreation Development Fund accounts for fees assessed on all new construction within the City. The expenditure of such fees is limited to the construction and improvement of park facilities.

***Building Construction Fund***

The Building Construction Fund accounts for the construction of municipal facilities financed by the proceeds from the sale of certificates of participation. The activity of this fund is handled through a trustee, for which the City does not budget. A separate budgetary comparison schedule is therefore not presented.

**CITY OF GROVE CITY, OHIO**

**Combining Balance Sheet  
Nonmajor Governmental Funds**

**December 31, 2003**

	<b><i>Nonmajor Special Revenue Funds</i></b>	<b><i>Nonmajor Capital Projects Funds</i></b>	<b><i>Total Nonmajor Governmental Funds</i></b>
<b><u>Assets:</u></b>			
Equity In Pooled Cash And Cash Equivalents	\$3,308,337	\$244,939	\$3,553,276
Cash And Cash Equivalents With Fiscal Agents	16,806	0	16,806
Receivables:			
Property And Other Local Taxes	716,596	0	716,596
Due From Other Governments	727,185	0	727,185
Materials And Supplies Inventory	56,658	0	56,658
<b><i>Total Assets</i></b>	<b><u>\$4,825,582</u></b>	<b><u>\$244,939</u></b>	<b><u>\$5,070,521</u></b>
<b><u>Liabilities and Fund Balances</u></b>			
<b><u>Liabilities:</u></b>			
Accounts Payable	\$64,735	\$8,089	\$72,824
Contracts Payable	238,662	800	239,462
Accrued Wages	5,273	0	5,273
Due To Other Governments	8,449	0	8,449
Deferred Revenue	1,335,423	0	1,335,423
<b><i>Total Liabilities</i></b>	<b><u>1,652,542</u></b>	<b><u>8,889</u></b>	<b><u>1,661,431</u></b>
<b><u>Fund Balances:</u></b>			
Reserved For Encumbrances	921,936	10,619	932,555
Unreserved:			
Undesignated, Reported In:			
Special Revenue Funds	2,251,104	0	2,251,104
Capital Projects Funds	0	225,431	225,431
<b><i>Total Fund Balances</i></b>	<b><u>3,173,040</u></b>	<b><u>236,050</u></b>	<b><u>3,409,090</u></b>
<b><i>Total Liabilities And Fund Balances</i></b>	<b><u>\$4,825,582</u></b>	<b><u>\$244,939</u></b>	<b><u>\$5,070,521</u></b>

**CITY OF GROVE CITY, OHIO**

**Combining Balance Sheet  
Nonmajor Special Revenue Funds**

**December 31, 2003**

	<u>Street Maintenance</u>	<u>State Highway</u>	<u>Police Pension</u>	<u>General Recreation</u>
<b><u>Assets:</u></b>				
Equity In Pooled Cash And Cash Equivalents	\$606,006	\$138,663	\$536,945	\$565,331
Cash And Cash Equivalents				
With Fiscal Agents	0	0	0	0
Receivables:				
Property And Other Local Taxes	0	0	707,524	0
Due From Other Governments	455,535	38,817	40,801	0
Materials And Supplies Inventory	1,206	55,452	0	0
<b>Total Assets</b>	<b>\$1,062,747</b>	<b>\$232,932</b>	<b>\$1,285,270</b>	<b>\$565,331</b>
<b><u>Liabilities And Fund Balances</u></b>				
<b><u>Liabilities:</u></b>				
Accounts Payable	\$3,524	\$55	\$0	\$5,001
Contracts Payable	90,500	0	0	0
Accrued Wages	3,359	0	0	1,795
Due To Other Governments	3,001	0	0	3,274
Deferred Revenue	384,432	31,170	746,438	0
<b>Total Liabilities</b>	<b>484,816</b>	<b>31,225</b>	<b>746,438</b>	<b>10,070</b>
<b><u>Fund Balances:</u></b>				
Reserved For Encumbrances	107,346	640	76,601	86,863
Unreserved,				
Undesignated	470,585	201,067	462,231	468,398
<b>Total Fund Balances</b>	<b>577,931</b>	<b>201,707</b>	<b>538,832</b>	<b>555,261</b>
<b>Total Liabilities And Fund Balances</b>	<b>\$1,062,747</b>	<b>\$232,932</b>	<b>\$1,285,270</b>	<b>\$565,331</b>

*continued*

<b><i>City Permissive MVL</i></b>	<b><i>County Permissive MVL</i></b>	<b><i>Senior Nutrition</i></b>	<b><i>Drug Law Enforcement</i></b>	<b><i>DARE Program</i></b>
\$33,373	\$960,820	\$5,935	\$9,208	\$4,333
0	16,806	0	0	0
0	0	0	0	0
85,806	42,015	0	0	0
0	0	0	0	0
<u>\$119,179</u>	<u>\$1,019,641</u>	<u>\$5,935</u>	<u>\$9,208</u>	<u>\$4,333</u>
\$1,355	\$0	\$0	\$0	\$0
0	148,162	0	0	0
0	0	0	0	0
400	0	0	0	0
73,304	35,893	0	0	0
<u>75,059</u>	<u>184,055</u>	<u>0</u>	<u>0</u>	<u>0</u>
6,979	606,778	0	0	0
37,141	228,808	5,935	9,208	4,333
<u>44,120</u>	<u>835,586</u>	<u>5,935</u>	<u>9,208</u>	<u>4,333</u>
<u>\$119,179</u>	<u>\$1,019,641</u>	<u>\$5,935</u>	<u>\$9,208</u>	<u>\$4,333</u>

**CITY OF GROVE CITY, OHIO**

**Combining Balance Sheet  
Nonmajor Special Revenue Funds  
(Continued)  
December 31, 2003**

	<b>Community Development</b>	<b>Community Environment</b>	<b>Enforcement And Education</b>	<b>U. S. Department Of Justice</b>
<b><u>Assets:</u></b>				
Equity In Pooled Cash And Cash Equivalents	\$81,686	\$276,056	\$11,049	\$6,268
Cash And Cash Equivalents				
With Fiscal Agents	0	0	0	0
Receivables:				
Property And Other Local Taxes	9,072	0	0	0
Due From Other Governments	0	1,686	25	62,500
Materials And Supplies Inventory	0	0	0	0
<b>Total Assets</b>	<b>\$90,758</b>	<b>\$277,742</b>	<b>\$11,074</b>	<b>\$68,768</b>
<b><u>Liabilities And Fund Balances</u></b>				
<b><u>Liabilities:</u></b>				
Accounts Payable	\$3,340	\$49,713	\$0	\$0
Contracts Payable	0	0	0	0
Accrued Wages	119	0	0	0
Due To Other Governments	463	0	0	0
Deferred Revenue	0	1,686	0	62,500
<b>Total Liabilities</b>	<b>3,922</b>	<b>51,399</b>	<b>0</b>	<b>62,500</b>
<b><u>Fund Balances:</u></b>				
Reserved For Encumbrances	30,099	348	0	6,268
Unreserved, Undesignated	56,737	225,995	11,074	0
<b>Total Fund Balances</b>	<b>86,836</b>	<b>226,343</b>	<b>11,074</b>	<b>6,268</b>
<b>Total Liabilities And Fund Balances</b>	<b>\$90,758</b>	<b>\$277,742</b>	<b>\$11,074</b>	<b>\$68,768</b>



<i>Mayor's Court Computer</i>	<i>Big Splash</i>	<i>Community Improvement Corporation</i>	<i>Senior Stage</i>	<i>Total</i>
\$21,503	\$28,041	\$19,792	\$3,328	\$3,308,337
0	0	0	0	16,806
0	0	0	0	716,596
0	0	0	0	727,185
0	0	0	0	56,658
<u>\$21,503</u>	<u>\$28,041</u>	<u>\$19,792</u>	<u>\$3,328</u>	<u>\$4,825,582</u>
\$0	\$1,747	\$0	\$0	\$64,735
0	0	0	0	238,662
0	0	0	0	5,273
0	1,311	0	0	8,449
0	0	0	0	1,335,423
<u>0</u>	<u>3,058</u>	<u>0</u>	<u>0</u>	<u>1,652,542</u>
0	14	0	0	921,936
<u>21,503</u>	<u>24,969</u>	<u>19,792</u>	<u>3,328</u>	<u>2,251,104</u>
<u>21,503</u>	<u>24,983</u>	<u>19,792</u>	<u>3,328</u>	<u>3,173,040</u>
<u>\$21,503</u>	<u>\$28,041</u>	<u>\$19,792</u>	<u>\$3,328</u>	<u>\$4,825,582</u>

**CITY OF GROVE CITY, OHIO**

**Combining Balance Sheet  
Nonmajor Capital Projects Funds**

**December 31, 2003**

	<u>Recreation Development</u>	<u>Building Construction</u>	<u>Total</u>
<b><u>Assets:</u></b>			
Equity In Pooled Cash And Cash Equivalents	\$206,110	\$38,829	\$244,939
<b><u>Liabilities And Fund Balances</u></b>			
<b><u>Liabilities:</u></b>			
Accounts Payable	\$8,089	\$0	\$8,089
Contracts Payable	800	0	800
<i>Total Liabilities</i>	8,889	0	8,889
<b><u>Fund Balances:</u></b>			
Reserved For Encumbrances	10,619	0	10,619
Unreserved, Undesignated	186,602	38,829	225,431
<i>Total Fund Balances</i>	197,221	38,829	236,050
<i>Total Liabilities And Fund Balances</i>	\$206,110	\$38,829	\$244,939

**CITY OF GROVE CITY, OHIO**

**Combining Statement Of Revenues, Expenditures  
And Changes In Fund Balances  
Nonmajor Governmental Funds**

**For The Year Ended December 31, 2003**

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Capital Projects Funds</b>	<b>Total Nonmajor Governmental Funds</b>
<b><u>Revenues:</u></b>			
Property Taxes	\$643,311	\$0	\$643,311
Other Local Taxes	154,732	0	154,732
Intergovernmental	1,697,484	0	1,697,484
Charges For Services	1,239,644	0	1,239,644
Licenses And Permits	114,367	147,078	261,445
Fines And Forfeitures	25,805	0	25,805
Interest	141	200	341
Miscellaneous	75,743	4,167	79,910
<b>Total Revenues</b>	<b>3,951,227</b>	<b>151,445</b>	<b>4,102,672</b>
<b><u>Expenditures:</u></b>			
Current Operations And Maintenance:			
Security Of Persons And Property	719,361	0	719,361
Public Health	12,574	0	12,574
Leisure Time Activities	1,168,848	0	1,168,848
Community Development	284,633	70	284,703
Transportation	1,045,232	0	1,045,232
Capital Outlay	683,839	71,903	755,742
Debt Service:			
Interest And Fiscal Charges	0	194	194
<b>Total Expenditures</b>	<b>3,914,487</b>	<b>72,167</b>	<b>3,986,654</b>
Excess Of Revenues Over Expenditures	36,740	79,278	116,018
<b><u>Other Financing Sources:</u></b>			
Transfers - In	50,000	0	50,000
Net Change In Fund Balance	86,740	79,278	166,018
Fund Balances At Beginning Of Year	3,086,300	156,772	3,243,072
Fund Balances At End Of Year	<b>\$3,173,040</b>	<b>\$236,050</b>	<b>\$3,409,090</b>

**CITY OF GROVE CITY, OHIO**

**Combining Statement Of Revenues, Expenditures And Changes In Fund Balances  
Nonmajor Special Revenue Funds**

**For The Year Ended December 31, 2003**

	<u>Street Maintenance</u>	<u>State Highway</u>	<u>Police Pension</u>	<u>General Recreation</u>
<b><u>Revenues:</u></b>				
Property Taxes	\$0	\$0	\$643,311	\$0
Other Local Taxes	0	0	0	0
Intergovernmental	904,347	92,695	80,181	10,000
Charges For Services	0	0	0	1,014,528
Licenses And Permits	0	0	0	0
Fines And Forfeitures	0	0	0	0
Interest	0	0	0	0
Miscellaneous	928	3,457	13,734	21,349
<b>Total Revenues</b>	<b>905,275</b>	<b>96,152</b>	<b>737,226</b>	<b>1,045,877</b>
<b><u>Expenditures:</u></b>				
Current Operations And Maintenance:				
Security Of Persons And Property	0	0	620,194	0
Public Health	0	0	0	0
Leisure Time Activities	0	0	0	903,911
Community Development	0	0	0	0
Transportation	719,207	53,186	0	0
Capital Outlay	363,175	0	0	0
<b>Total Expenditures</b>	<b>1,082,382</b>	<b>53,186</b>	<b>620,194</b>	<b>903,911</b>
Excess Of Revenues Over (Under) Expenditures	(177,107)	42,966	117,032	141,966
<b><u>Other Financing Sources:</u></b>				
Transfers - In	0	0	0	0
Net Change In Fund Balance	(177,107)	42,966	117,032	141,966
Fund Balances At Beginning Of Year	755,038	158,741	421,800	413,295
<b>Fund Balances At End Of Year</b>	<b>\$577,931</b>	<b>\$201,707</b>	<b>\$538,832</b>	<b>\$555,261</b>

*continued*

<i>City Permissive MVL</i>	<i>County Permissive MVL</i>	<i>Senior Nutrition</i>	<i>Drug Law Enforcement</i>	<i>DARE Program</i>
\$0	\$0	\$0	\$0	\$0
0	0	0	0	0
189,353	243,206	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	7,677	0
0	0	0	0	0
5,783	0	13,498	0	10,100
<u>195,136</u>	<u>243,206</u>	<u>13,498</u>	<u>7,677</u>	<u>10,100</u>
0	0	0	2,533	6,155
0	0	12,574	0	0
0	0	0	0	0
0	0	0	0	0
183,631	89,208	0	0	0
26,001	146,962	0	0	0
<u>209,632</u>	<u>236,170</u>	<u>12,574</u>	<u>2,533</u>	<u>6,155</u>
(14,496)	7,036	924	5,144	3,945
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
(14,496)	7,036	924	5,144	3,945
<u>58,616</u>	<u>828,550</u>	<u>5,011</u>	<u>4,064</u>	<u>388</u>
<u>\$44,120</u>	<u>\$835,586</u>	<u>\$5,935</u>	<u>\$9,208</u>	<u>\$4,333</u>

**CITY OF GROVE CITY, OHIO**

**Combining Statement Of Revenues, Expenditures, And Changes In Fund Balances  
Nonmajor Special Revenue Funds  
(Continued)**

**For The Year Ended December 31, 2003**

	<b>Community Development</b>	<b>Community Environment</b>	<b>Enforcement And Education</b>	<b>U. S. Department Of Justice</b>
<b><u>Revenues:</u></b>				
Property Taxes	\$0	\$0	\$0	\$0
Other Local Taxes	154,732	0	0	0
Intergovernmental	0	23,606	0	154,096
Charges For Services	0	430	0	0
Licenses And Permits	0	114,367	0	0
Fines And Forfeitures	0	0	1,996	0
Interest	0	0	0	0
Miscellaneous	1,414	64	0	0
<b>Total Revenues</b>	<b>156,146</b>	<b>138,467</b>	<b>1,996</b>	<b>154,096</b>
<b><u>Expenditures:</u></b>				
Current Operations And Maintenance:				
Security Of Persons And Property	0	0	0	78,498
Public Health	0	0	0	0
Leisure Time Activities	0	0	0	0
Community Development	171,664	90,237	0	0
Transportation	0	0	0	0
Capital Outlay	0	0	0	147,701
<b>Total Expenditures</b>	<b>171,664</b>	<b>90,237</b>	<b>0</b>	<b>226,199</b>
Excess Of Revenues Over (Under) Expenditures	(15,518)	48,230	1,996	(72,103)
<b><u>Other Financing Sources:</u></b>				
Transfers - In	0	0	0	0
Net Change In Fund Balance	(15,518)	48,230	1,996	(72,103)
Fund Balances At Beginning Of Year	102,354	178,113	9,078	78,371
<b>Fund Balances At End Of Year</b>	<b>\$86,836</b>	<b>\$226,343</b>	<b>\$11,074</b>	<b>\$6,268</b>

<i>Mayor's Court Computer</i>	<i>Big Splash</i>	<i>Community Improvement Corporation</i>	<i>Senior Stage</i>	<i>Total</i>
\$0	\$0	\$0	\$0	\$643,311
0	0	0	0	154,732
0	0	0	0	1,697,484
0	201,658	23,028	0	1,239,644
0	0	0	0	114,367
16,132	0	0	0	25,805
0	0	141	0	141
0	4,731	60	625	75,743
<u>16,132</u>	<u>206,389</u>	<u>23,229</u>	<u>625</u>	<u>3,951,227</u>
11,981	0	0	0	719,361
0	0	0	0	12,574
0	264,937	0	0	1,168,848
0	0	22,732	0	284,633
0	0	0	0	1,045,232
0	0	0	0	683,839
<u>11,981</u>	<u>264,937</u>	<u>22,732</u>	<u>0</u>	<u>3,914,487</u>
4,151	(58,548)	497	625	36,740
0	50,000	0	0	50,000
4,151	(8,548)	497	625	86,740
<u>17,352</u>	<u>33,531</u>	<u>19,295</u>	<u>2,703</u>	<u>3,086,300</u>
<u>\$21,503</u>	<u>\$24,983</u>	<u>\$19,792</u>	<u>\$3,328</u>	<u>\$3,173,040</u>

**CITY OF GROVE CITY, OHIO**

**Combining Statement Of Revenues, Expenditures And Changes In Fund Balances  
Nonmajor Capital Projects Funds**

**For The Year Ended December 31, 2003**

	<u>Recreation Development</u>	<u>Building Construction</u>	<u>Total</u>
<b><u>Revenues:</u></b>			
Licenses And Permits	\$147,078	\$0	\$147,078
Interest	0	200	200
Miscellaneous	4,167	0	4,167
<b>Total Revenues</b>	<b>151,245</b>	<b>200</b>	<b>151,445</b>
<b><u>Expenditures:</u></b>			
Current Operations And Maintenance:			
Community Development	70	0	70
Capital Outlay	71,903	0	71,903
Debt Service:			
Interest And Fiscal Charges	0	194	194
<b>Total Expenditures</b>	<b>71,973</b>	<b>194</b>	<b>72,167</b>
Net Change In Fund Balance	79,272	6	79,278
Fund Balances At Beginning Of Year	117,949	38,823	156,772
<b>Fund Balances At End Of Year</b>	<b>\$197,221</b>	<b>\$38,829</b>	<b>\$236,050</b>



## **CITY OF GROVE CITY, OHIO**

### ***Agency Fund Descriptions***

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Agency Funds are used to account for assets held by the City as an agent for individuals, private organizations, other governmental units, and /or other funds.

#### **Section 125 Cafeteria Plan Fund**

The Section 125 Cafeteria Plan Fund accounts for deposits made by the City employees through payroll deductions who elect to use the plan as a medical spending account or for dependent child care. Employees have until the end of March of the following year to spend the monies in their account. Any monies not spent become the property of the City. The City has determined it to be the best practice to retain the unspent monies from prior years within this fund, to continue to finance the plan and to properly account for its intended use.

#### **Deposit Trust Fund**

The Deposit Trust Fund accounts for deposits from contractors, held by the City, to insure compliance with various City ordinances regarding development within the City.

#### **Mayor's Court Fund**

The Mayor's Court Fund accounts for the collection and distribution of court fines and forfeitures to other governments.

#### **Convention Bureau Fund**

The Convention Bureau Fund accounts for the portion of hotel/motel tax collections that are paid to the Grove City Area Convention and Visitor's Bureau, who uses the funds to promote the City for the purpose of attracting business and industry to the community.

**CITY OF GROVE CITY, OHIO**

**Combining Balance Sheet  
Agency Funds**

**December 31, 2003**

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	<u>Section 125 Cafeteria Plan</u>	<u>Deposit Trust</u>
<b><u>Assets:</u></b>		
Equity In Pooled Cash And Cash Equivalents	\$1,372	\$752,496
Receivables:		
Other Local Taxes	<u>0</u>	<u>0</u>
<i>Total Assets</i>	<u><u>\$1,372</u></u>	<u><u>\$752,496</u></u>
<b><u>Liabilities:</u></b>		
Undistributed Assets	\$0	\$0
Deposits Held And Due To Others	<u>1,372</u>	<u>752,496</u>
<i>Total Liabilities</i>	<u><u>\$1,372</u></u>	<u><u>\$752,496</u></u>

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<i>Convention Bureau</i>	<i>Total</i>
\$11,004	\$764,872
<u>9,072</u>	<u>9,072</u>
<u><u>\$20,076</u></u>	<u><u>\$773,944</u></u>
\$20,076	\$20,076
<u>0</u>	<u>753,868</u>
<u><u>\$20,076</u></u>	<u><u>\$773,944</u></u>

**CITY OF GROVE CITY, OHIO**

**Combining Statement Of Changes In Assets And Liabilities  
Agency Funds**

**For The Year Ended December 31, 2003**

	<u>Balance January 1, 2003</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance December 31, 2003</u>
<b><u>SECTION 125 CAFETERIA PLAN</u></b>				
<b><u>Assets:</u></b>				
Equity In Pooled Cash And Cash Equivalents	<u>\$1,503</u>	<u>\$6,674</u>	<u>\$6,805</u>	<u>\$1,372</u>
<b><u>Liabilities:</u></b>				
Deposits Held And Due To Others	<u>\$1,503</u>	<u>\$6,674</u>	<u>\$6,805</u>	<u>\$1,372</u>
 <b><u>DEPOSIT TRUST</u></b>				
<b><u>Assets:</u></b>				
Equity In Pooled Cash And Cash Equivalents	<u>\$690,760</u>	<u>\$1,105,690</u>	<u>\$1,043,954</u>	<u>\$752,496</u>
<b><u>Liabilities:</u></b>				
Deposits Held And Due To Others	<u>\$690,760</u>	<u>\$1,105,690</u>	<u>\$1,043,954</u>	<u>\$752,496</u>
 <b><u>MAYOR'S COURT</u></b>				
<b><u>Assets:</u></b>				
Equity In Pooled Cash And Cash Equivalents	<u>\$0</u>	<u>\$37,898</u>	<u>\$37,898</u>	<u>\$0</u>
<b><u>Liabilities:</u></b>				
Deposits Held And Due To Others	<u>\$0</u>	<u>\$37,898</u>	<u>\$37,898</u>	<u>\$0</u>

*continued*

**CITY OF GROVE CITY, OHIO**

**Combining Statement Of Changes In Assets And Liabilities  
Agency Funds  
(Continued)  
For The Year Ended December 31, 2003**

	<u>Balance January 1, 2003</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance December 31, 2003</u>
<b><u>CONVENTION BUREAU</u></b>				
<b><u>Assets:</u></b>				
Equity In Pooled Cash And Cash Equivalents	\$11,012	\$154,412	\$154,420	\$11,004
Receivables:				
Other Local Taxes	8,752	9,072	8,752	9,072
<b>Total Assets</b>	<u>\$19,764</u>	<u>\$163,484</u>	<u>\$163,172</u>	<u>\$20,076</u>
<b><u>Liabilities:</u></b>				
Undistributed Assets	<u>\$19,764</u>	<u>\$163,484</u>	<u>\$163,172</u>	<u>\$20,076</u>
 <b><u>TOTAL - ALL AGENCY FUNDS</u></b>				
<b><u>Assets:</u></b>				
Equity In Pooled Cash And Cash Equivalents	\$703,275	\$1,304,674	\$1,243,077	\$764,872
Receivables:				
Other Local Taxes	8,752	9,072	8,752	9,072
<b>Total Assets</b>	<u>\$712,027</u>	<u>\$1,313,746</u>	<u>\$1,251,829</u>	<u>\$773,944</u>
<b><u>Liabilities:</u></b>				
Undistributed Assets	\$19,764	\$163,484	\$163,172	\$20,076
Deposits Held And Due To Others	692,263	1,150,262	1,088,657	753,868
<b>Total Liabilities</b>	<u>\$712,027</u>	<u>\$1,313,746</u>	<u>\$1,251,829</u>	<u>\$773,944</u>

**CITY OF GROVE CITY, OHIO**

**General Fund**

**Schedule Of Revenues, Expenditures And Changes In Fund Balance - Budget And Actual**  
(Non-GAAP Budgetary Basis)

For The Year Ended December 31, 2003

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Budgetary Actual</u>	<u>Variance Positive (Negative)</u>
<b>Revenues:</b>				
Property Taxes	\$1,129,904	\$1,129,904	\$1,209,365	\$79,461
Municipal Income Taxes	12,986,611	14,384,873	14,587,524	202,651
Other Local Taxes	505,920	560,392	568,287	7,895
Intergovernmental	1,675,569	1,858,935	1,885,081	26,146
Charges For Services	114,695	412,377	414,167	1,790
Licenses And Permits	637,045	726,543	736,484	9,941
Fines And Forfeitures	141,246	157,504	159,708	2,204
Special Assessments	24,028	26,615	26,990	375
Interest	239,012	264,746	273,317	8,571
Rent	0	21,722	21,722	0
Miscellaneous	930,666	698,899	713,422	14,523
<b>Total Revenues</b>	<b>18,384,696</b>	<b>20,242,510</b>	<b>20,596,067</b>	<b>353,557</b>
<b>Expenditures:</b>				
Current Operations And Maintenance:				
Security Of Persons And Property				
Police Department				
Personal Services	5,192,903	5,380,486	5,192,008	188,478
Materials And Supplies	189,043	178,784	177,239	1,545
Contractual Services	304,646	302,751	294,634	8,117
Other Operating Charges	5,100	5,100	0	5,100
<b>Total Police Department</b>	<b>5,691,692</b>	<b>5,867,121</b>	<b>5,663,881</b>	<b>203,240</b>
Garage				
Personal Services	70,120	72,044	70,954	1,090
Materials And Supplies	125,773	129,585	118,624	10,961
Contractual Services	2,000	2,000	49	1,951
<b>Total Garage</b>	<b>197,893</b>	<b>203,629</b>	<b>189,627</b>	<b>14,002</b>
Safety Administration				
Personal Services	22,000	22,802	20,847	1,955
<b>Total Security Of Persons And Property</b>	<b>5,911,585</b>	<b>6,093,552</b>	<b>5,874,355</b>	<b>219,197</b>
Public Health				
Health Department				
Contractual Services	\$214,456	\$323,305	\$270,292	\$53,013

*continued*

**CITY OF GROVE CITY, OHIO**

**General Fund**

**Schedule Of Revenues, Expenditures And Changes In Fund Balance - Budget And Actual**

*(Non-GAAP Budgetary Basis)*

*(Continued)*

*For The Year Ended December 31, 2003*

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Budgetary Actual</u>	<u>Variance Positive (Negative)</u>
Leisure Time Activities				
Parks				
Personal Services	\$421,101	\$433,512	\$424,697	\$8,815
Materials And Supplies	31,167	31,167	19,038	12,129
Contractual Services	<u>130,148</u>	<u>130,148</u>	<u>101,577</u>	<u>28,571</u>
Total Leisure Time Activities	<u>582,416</u>	<u>594,827</u>	<u>545,312</u>	<u>49,515</u>
Community Development				
Development				
Personal Services	146,279	153,264	147,690	5,574
Materials And Supplies	7,200	7,200	5,414	1,786
Contractual Services	<u>111,442</u>	<u>124,001</u>	<u>113,995</u>	<u>10,006</u>
Total Development	<u>264,921</u>	<u>284,465</u>	<u>267,099</u>	<u>17,366</u>
Building Department				
Personal Services	584,479	598,753	513,096	85,657
Materials And Supplies	91,559	90,521	60,617	29,904
Contractual Services	<u>25,671</u>	<u>25,671</u>	<u>20,382</u>	<u>5,289</u>
Total Building Department	<u>701,709</u>	<u>714,945</u>	<u>594,095</u>	<u>120,850</u>
Total Community Development	<u>966,630</u>	<u>999,410</u>	<u>861,194</u>	<u>138,216</u>
General Government				
City Council				
Personal Services	88,670	93,979	92,063	1,916
Materials And Supplies	5,087	5,087	4,746	341
Contractual Services	<u>29,287</u>	<u>28,234</u>	<u>15,122</u>	<u>13,112</u>
Total City Council	<u>123,044</u>	<u>127,300</u>	<u>111,931</u>	<u>15,369</u>
Administration				
Personal Services	464,500	457,493	457,493	0
Materials And Supplies	34,110	26,102	25,173	929
Contractual Services	<u>125,821</u>	<u>154,624</u>	<u>143,587</u>	<u>11,037</u>
Total Administration	<u>\$624,431</u>	<u>\$638,219</u>	<u>\$626,253</u>	<u>\$11,966</u>

*continued*

**CITY OF GROVE CITY, OHIO**

**General Fund**

**Schedule Of Revenues, Expenditures And Changes In Fund Balance - Budget And Actual**

*(Non-GAAP Budgetary Basis)*

*(Continued)*

*For The Year Ended December 31, 2003*

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Budgetary Actual</u>	<u>Variance Positive (Negative)</u>
Finance				
Personal Services	\$276,222	\$284,151	\$279,469	\$4,682
Materials And Supplies	14,359	14,719	14,173	546
Contractual Services	<u>556,579</u>	<u>556,219</u>	<u>549,357</u>	<u>6,862</u>
Total Finance	<u>847,160</u>	<u>855,089</u>	<u>842,999</u>	<u>12,090</u>
Law				
Personal Services	90,200	92,336	77,455	14,881
Materials And Supplies	4,474	4,474	3,924	550
Contractual Services	<u>245,305</u>	<u>277,910</u>	<u>277,910</u>	<u>0</u>
Total Law	<u>339,979</u>	<u>374,720</u>	<u>359,289</u>	<u>15,431</u>
Lands And Buildings				
Personal Services	367,316	379,424	340,312	39,112
Materials And Supplies	128,481	128,481	87,134	41,347
Contractual Services	<u>494,187</u>	<u>482,309</u>	<u>448,093</u>	<u>34,216</u>
Total Lands And Buildings	<u>989,984</u>	<u>990,214</u>	<u>875,539</u>	<u>114,675</u>
General Miscellaneous				
Personal Services	783,238	783,237	679,009	104,228
Materials And Supplies	19,477	19,477	10,351	9,126
Contractual Services	785,829	793,890	688,715	105,175
Other Operating Charges	<u>306,500</u>	<u>384,598</u>	<u>347,336</u>	<u>37,262</u>
Total General Miscellaneous	<u>1,895,044</u>	<u>1,981,202</u>	<u>1,725,411</u>	<u>255,791</u>
Engineering				
Contractual Services	<u>113,823</u>	<u>323,924</u>	<u>288,924</u>	<u>35,000</u>
Planning Commission				
Contractual Services	<u>12,100</u>	<u>12,100</u>	<u>12,100</u>	<u>0</u>
Civil Service				
Materials And Supplies	200	0	0	0
Contractual Services	<u>32,051</u>	<u>46,263</u>	<u>46,263</u>	<u>0</u>
Total Civil Service	<u>32,251</u>	<u>46,263</u>	<u>46,263</u>	<u>0</u>
History				
Materials And Supplies	500	500	0	500
Contractual Services	<u>5,000</u>	<u>5,000</u>	<u>1,122</u>	<u>3,878</u>
Total History	<u>5,500</u>	<u>5,500</u>	<u>1,122</u>	<u>4,378</u>
Total General Government	<u>\$4,983,316</u>	<u>\$5,354,531</u>	<u>\$4,889,831</u>	<u>\$464,700</u>

*continued*



**CITY OF GROVE CITY, OHIO**

**General Fund**

**Schedule Of Revenues, Expenditures And Changes In Fund Balance - Budget And Actual**

*(Non-GAAP Budgetary Basis)*

*(Continued)*

*For The Year Ended December 31, 2003*

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Budgetary Actual</u>	<u>Variance Positive (Negative)</u>
Capital Outlay:				
Police Department	\$775,112	\$781,782	\$772,337	\$9,445
Building	24,877	25,916	21,218	4,698
Parks	1,995,484	1,892,875	923,285	969,590
Lands And Buildings	585,826	756,548	465,220	291,328
General Miscellaneous	730,925	544,938	542,051	2,887
Engineering	<u>11,590,662</u>	<u>11,387,015</u>	<u>9,104,397</u>	<u>2,282,618</u>
Total Capital Outlay	<u>15,702,886</u>	<u>15,389,074</u>	<u>11,828,508</u>	<u>3,560,566</u>
Debt Service:				
Principal Retirement	589,100	538,856	538,373	483
Interest And Fiscal Charges	<u>0</u>	<u>29,517</u>	<u>29,517</u>	<u>0</u>
<b>Total Expenditures</b>	<u>28,950,389</u>	<u>29,323,072</u>	<u>24,837,382</u>	<u>4,485,690</u>
Excess Of Revenues Over (Under) Expenditures	(10,565,693)	(9,080,562)	(4,241,315)	4,839,247
<b><u>Other Financing Uses:</u></b>				
Transfers - Out	<u>(50,000)</u>	<u>(50,000)</u>	<u>(50,000)</u>	<u>0</u>
Net Change In Fund Balance	(10,615,693)	(9,130,562)	(4,291,315)	4,839,247
Fund Balance At Beginning Of Year	10,377,457	10,377,457	10,377,457	0
Prior Year Encumbrances	<u>6,408,625</u>	<u>6,408,625</u>	<u>6,408,625</u>	<u>0</u>
Fund Balance At End Of Year	<u><u>\$6,170,389</u></u>	<u><u>\$7,655,520</u></u>	<u><u>\$12,494,767</u></u>	<u><u>\$4,839,247</u></u>

**CITY OF GROVE CITY, OHIO**

**Road Improvement Capital Projects Fund**  
**Schedule Of Revenues, Expenditures And Changes In Fund Balance - Budget And Actual**  
 (Non-GAAP Budgetary Basis)

For The Year Ended December 31, 2003

	<i>Original Budget</i>	<i>Revised Budget</i>	<i>Budgetary Actual</i>	<i>Variance Positive (Negative)</i>
<b><u>Revenues:</u></b>				
Intergovernmental	\$0	\$1,482,470	\$830,608	(\$651,862)
Interest	0	98,943	58,053	(40,890)
Miscellaneous	0	2,553	1,498	(1,055)
<b>Total Revenues</b>	<b>0</b>	<b>1,583,966</b>	<b>890,159</b>	<b>(693,807)</b>
<b><u>Expenditures:</u></b>				
Capital Outlay:				
Infrastructure	4,644,980	15,525,224	7,444,346	8,080,878
Excess Of Revenues Over (Under) Expenditures	(4,644,980)	(13,941,258)	(6,554,187)	7,387,071
<b><u>Other Financing Sources:</u></b>				
Proceeds Of OPWC Loan	0	94,868	94,868	0
Proceeds Of Notes	0	7,990,165	7,990,165	0
Total Other Financing Sources	0	8,085,033	8,085,033	0
Net Change In Fund Balance	(4,644,980)	(5,856,225)	1,530,846	7,387,071
Fund Balance At Beginning Of Year	869,833	869,833	869,833	0
Prior Year Encumbrances	4,644,980	4,644,980	4,644,980	0
Fund Balance (Deficit) At End Of Year	<u>\$869,833</u>	<u>(\$341,412)</u>	<u>\$7,045,659</u>	<u>\$7,387,071</u>

**CITY OF GROVE CITY, OHIO**

**Debt Service Fund**

**Schedule Of Revenues, Expenditures And Changes In Fund Balance - Budget And Actual**  
**(Non-GAAP Budgetary Basis)**

**For The Year Ended December 31, 2003**

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Budgetary Actual</u>	<u>Variance Positive (Negative)</u>
<b><u>Revenues:</u></b>				
Property Taxes	\$772,175	\$772,175	\$775,181	\$3,006
Intergovernmental	70,050	106,912	96,624	(10,288)
Special Assessments	39,021	56,635	53,824	(2,811)
Interest	37,639	35,400	6,358	(29,042)
Miscellaneous	25,209	4,287	0	(4,287)
<b>Total Revenues</b>	<u>944,094</u>	<u>975,409</u>	<u>931,987</u>	<u>(43,422)</u>
<b><u>Expenditures:</u></b>				
Debt Service:				
Principal Retirement	802,000	6,478,950	6,472,425	6,525
Interest And Fiscal Charges	10,200	473,858	473,001	857
<b>Total Expenditures</b>	<u>812,200</u>	<u>6,952,808</u>	<u>6,945,426</u>	<u>7,382</u>
Excess Of Revenues Over (Under) Expenditures	<u>131,894</u>	<u>(5,977,399)</u>	<u>(6,013,439)</u>	<u>(36,040)</u>
<b><u>Other Financing Sources:</u></b>				
Proceeds Of Notes	0	6,105,835	6,105,835	0
Premium On Notes	0	0	80,332	80,332
Total Other Financing Sources	<u>0</u>	<u>6,105,835</u>	<u>6,186,167</u>	<u>80,332</u>
Net Change In Fund Balance	131,894	128,436	172,728	44,292
Fund Balance At Beginning Of Year	<u>1,289,665</u>	<u>1,289,665</u>	<u>1,289,665</u>	<u>0</u>
Fund Balance At End Of Year	<u><u>\$1,421,559</u></u>	<u><u>\$1,418,101</u></u>	<u><u>\$1,462,393</u></u>	<u><u>\$44,292</u></u>

**CITY OF GROVE CITY, OHIO**

**Water Enterprise Fund**  
**Schedule Of Revenues, Expenses And Changes In Fund Equity - Budget And Actual**  
**(Non-GAAP Budgetary Basis)**

*For The Year Ended December 31, 2003*

	<i>Revised Budget</i>	<i>Revised Budget</i>	<i>Budgetary Actual</i>	<i>Variance Positive (Negative)</i>
<b><u>Revenues:</u></b>				
Charges For Services	\$500,000	\$500,000	\$467,841	(\$32,159)
Tap-In Fees	40,000	40,000	64,791	24,791
Interest	20,000	20,000	17,405	(2,595)
Miscellaneous	0	0	10	10
<b>Total Revenues</b>	<b>560,000</b>	<b>560,000</b>	<b>550,047</b>	<b>(9,953)</b>
<b><u>Expenses:</u></b>				
Personal Services	79,897	81,213	63,226	17,987
Contractual Services	11,664	11,665	2,017	9,648
Supplies And Materials	19,429	19,429	1,196	18,233
Capital Outlay	502,748	523,748	484,599	39,149
Debt Service:				
Principal Retirement	294,177	240,430	205,511	34,919
Interest And Fiscal Charges	0	53,747	53,747	0
<b>Total Expenses</b>	<b>907,915</b>	<b>930,232</b>	<b>810,296</b>	<b>119,936</b>
Net Change In Fund Equity	(347,915)	(370,232)	(260,249)	109,983
Fund Equity At Beginning Of Year	1,207,192	1,207,192	1,207,192	0
Prior Year Encumbrances	53,286	53,286	53,286	0
Fund Equity At End Of Year	<u>\$912,563</u>	<u>\$890,246</u>	<u>\$1,000,229</u>	<u>\$109,983</u>

**CITY OF GROVE CITY, OHIO**

**Sewer Enterprise Fund  
Schedule Of Revenues, Expenses And Changes In Fund Equity - Budget And Actual  
(Non-GAAP Budgetary Basis)**

*For The Year Ended December 31, 2003*

	<u>Revised Budget</u>	<u>Revised Budget</u>	<u>Budgetary Actual</u>	<u>Variance Positive (Negative)</u>
<b><u>Revenues:</u></b>				
Charges For Services	\$210,000	\$367,787	\$370,769	\$2,982
Tap-In Fees	400,000	783,524	789,875	6,351
Miscellaneous	4,000	5,237	5,279	42
<b>Total Revenues</b>	<u>614,000</u>	<u>1,156,548</u>	<u>1,165,923</u>	<u>9,375</u>
<b><u>Expenses:</u></b>				
Personal Services	371,678	323,067	323,067	0
Contractual Services	80,096	80,096	54,169	25,927
Supplies And Materials	69,727	57,606	48,133	9,473
Other Operating Charges	100,000	305,823	305,823	0
Capital Outlay	101,875	101,874	71,305	30,569
Debt Service:				
Principal Retirement	88,000	53,834	50,978	2,856
Interest And Fiscal Charges	0	34,166	34,166	0
<b>Total Expenses</b>	<u>811,376</u>	<u>956,466</u>	<u>887,641</u>	<u>68,825</u>
Net Change In Fund Equity	(197,376)	200,082	278,282	78,200
Fund Equity At Beginning Of Year	1,168,768	1,168,768	1,168,768	0
Prior Year Encumbrances	120,890	120,890	120,890	0
Fund Equity At End Of Year	<u>\$1,092,282</u>	<u>\$1,489,740</u>	<u>\$1,567,940</u>	<u>\$78,200</u>

**CITY OF GROVE CITY, OHIO**

**Street Maintenance Special Revenue Fund**  
**Schedule Of Revenues, Expenditures And Changes In Fund Balance - Budget And Actual**  
*(Non-GAAP Budgetary Basis)*

*For The Year Ended December 31, 2003*

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Budgetary Actual</u>	<u>Variance Positive (Negative)</u>
<b><u>Revenues:</u></b>				
Intergovernmental	\$804,000	\$883,679	\$883,679	\$0
Miscellaneous	6,000	13,518	13,518	0
<b>Total Revenues</b>	<b>810,000</b>	<b>897,197</b>	<b>897,197</b>	<b>0</b>
<b><u>Expenditures:</u></b>				
Current Operations And Maintenance:				
Transportation				
Street Maintenance				
Personal Services	691,418	713,772	651,872	61,900
Materials And Supplies	148,827	148,828	128,966	19,862
Contractual Services	116,762	116,762	96,232	20,530
Other Operating Charges	11,250	11,250	4,019	7,231
Total Transportation	968,257	990,612	881,089	109,523
Capital Outlay:				
Engineering	471,603	471,603	423,547	48,056
<b>Total Expenditures</b>	<b>1,439,860</b>	<b>1,462,215</b>	<b>1,304,636</b>	<b>157,579</b>
Net Change In Fund Balance	(629,860)	(565,018)	(407,439)	157,579
Fund Balance At Beginning Of Year	481,808	481,808	481,808	0
Prior Year Encumbrances	315,527	315,527	315,527	0
Fund Balance At End Of Year	<b>\$167,475</b>	<b>\$232,317</b>	<b>\$389,896</b>	<b>\$157,579</b>

**CITY OF GROVE CITY, OHIO**

**State Highway Special Revenue Fund**  
**Schedule Of Revenues, Expenditures And Changes In Fund Balance - Budget And Actual**  
 (Non-GAAP Budgetary Basis)

For The Year Ended December 31, 2003

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Budgetary Actual</u>	<u>Variance Positive (Negative)</u>
<b><u>Revenues:</u></b>				
Intergovernmental	\$70,000	\$91,019	\$91,019	\$0
Miscellaneous	0	1,575	1,575	0
<b>Total Revenues</b>	<u>70,000</u>	<u>92,594</u>	<u>92,594</u>	<u>0</u>
<b><u>Expenditures:</u></b>				
Current Operations And Maintenance:				
Transportation				
Street Maintenance				
Materials And Supplies	70,389	90,196	87,612	2,584
Contractual Services	10,000	10,000	5,799	4,201
<b>Total Expenditures</b>	<u>80,389</u>	<u>100,196</u>	<u>93,411</u>	<u>6,785</u>
Net Change In Fund Balance	(10,389)	(7,602)	(817)	6,785
Fund Balance At Beginning Of Year	125,857	125,857	125,857	0
Prior Year Encumbrances	12,929	12,929	12,929	0
Fund Balance At End Of Year	<u><u>\$128,397</u></u>	<u><u>\$131,184</u></u>	<u><u>\$137,969</u></u>	<u><u>\$6,785</u></u>

**CITY OF GROVE CITY, OHIO**

**Police Pension Special Revenue Fund**  
**Schedule Of Revenues, Expenditures And Changes In Fund Balance - Budget And Actual**  
 (Non-GAAP Budgetary Basis)

*For The Year Ended December 31, 2003*

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Budgetary Actual</u>	<u>Variance Positive (Negative)</u>
<b><u>Revenues:</u></b>				
Property Taxes	\$652,959	\$652,959	\$643,311	(\$9,648)
Intergovernmental	77,600	124,473	80,385	(44,088)
Miscellaneous	<u>0</u>	<u>18,118</u>	<u>13,734</u>	<u>(4,384)</u>
<b>Total Revenues</b>	730,559	795,550	737,430	(58,120)
<b><u>Expenditures:</u></b>				
Current Operations And Maintenance:				
Security Of Persons And Property				
Police Department				
Personal Services	<u>696,794</u>	<u>696,794</u>	<u>696,794</u>	<u>0</u>
Net Change In Fund Balance	33,765	98,756	40,636	(58,120)
Fund Balance At Beginning Of Year	386,455	386,455	386,455	0
Prior Year Encumbrances	<u>33,256</u>	<u>33,256</u>	<u>33,256</u>	<u>0</u>
Fund Balance At End Of Year	<u><u>\$453,476</u></u>	<u><u>\$518,467</u></u>	<u><u>\$460,347</u></u>	<u><u>(\$58,120)</u></u>



**CITY OF GROVE CITY, OHIO**

**General Recreation Special Revenue Fund**  
**Schedule Of Revenues, Expenditures And Changes In Fund Balance - Budget And Actual**  
 (Non-GAAP Budgetary Basis)

For The Year Ended December 31, 2003

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Budgetary Actual</u>	<u>Variance Positive (Negative)</u>
<b><u>Revenues:</u></b>				
Intergovernmental	\$10,000	\$10,000	\$10,000	\$0
Charges For Services	910,000	1,004,195	1,014,528	10,333
Miscellaneous	21,500	22,400	22,630	230
<b>Total Revenues</b>	<u>941,500</u>	<u>1,036,595</u>	<u>1,047,158</u>	<u>10,563</u>
<b><u>Expenditures:</u></b>				
Current Operations And Maintenance:				
Leisure Time Activities				
Recreation				
Personal Services	651,994	659,509	609,624	49,885
Materials And Supplies	247,427	264,751	243,940	20,811
Contractual Services	202,231	203,134	197,012	6,122
<b>Total Expenditures</b>	<u>1,101,652</u>	<u>1,127,394</u>	<u>1,050,576</u>	<u>76,818</u>
Net Change In Fund Balance	(160,152)	(90,799)	(3,418)	87,381
Fund Balance At Beginning Of Year	342,230	342,230	342,230	0
Prior Year Encumbrances	126,280	126,280	126,280	0
Fund Balance At End Of Year	<u><u>\$308,358</u></u>	<u><u>\$377,711</u></u>	<u><u>\$465,092</u></u>	<u><u>\$87,381</u></u>

**CITY OF GROVE CITY, OHIO**

**City Permissive MVL Special Revenue Fund**  
**Schedule Of Revenues, Expenditures And Changes In Fund Balance - Budget And Actual**  
 (Non-GAAP Budgetary Basis)

For The Year Ended December 31, 2003

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Budgetary Actual</u>	<u>Variance Positive (Negative)</u>
<b><u>Revenues:</u></b>				
Intergovernmental	\$182,000	\$186,364	\$186,364	\$0
Miscellaneous	0	6,313	6,313	0
<b>Total Revenues</b>	<b>182,000</b>	<b>192,677</b>	<b>192,677</b>	<b>0</b>
<b><u>Expenditures:</u></b>				
Current Operations And Maintenance:				
Transportation				
Street Maintenance				
Personal Services	87,290	92,061	83,107	8,954
Materials And Supplies	80,731	91,155	83,856	7,299
Contractual Services	25,000	25,000	24,952	48
Total Transportation	193,021	208,216	191,915	16,301
Capital Outlay:				
Engineering	30,000	30,000	26,001	3,999
<b>Total Expenditures</b>	<b>223,021</b>	<b>238,216</b>	<b>217,916</b>	<b>20,300</b>
Net Change In Fund Balance	(41,021)	(45,539)	(25,239)	20,300
Fund Balance At Beginning Of Year	38,745	38,745	38,745	0
Prior Year Encumbrances	10,577	10,577	10,577	0
Fund Balance At End Of Year	<b>\$8,301</b>	<b>\$3,783</b>	<b>\$24,083</b>	<b>\$20,300</b>

**CITY OF GROVE CITY, OHIO**

**County Permissive MVL Special Revenue Fund**  
**Schedule Of Revenues, Expenditures And Changes In Fund Balance - Budget And Actual**  
*(Non-GAAP Budgetary Basis)*

*For The Year Ended December 31, 2003*

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Budgetary Actual</u>	<u>Variance Positive (Negative)</u>
<b><u>Revenues:</u></b>				
Intergovernmental	80,000	837,714	837,714	\$0
<b><u>Expenditures:</u></b>				
Current Operations And Maintenance:				
Transportation				
Street Maintenance				
Materials And Supplies	59,625	84,625	78,220	6,405
Contractual Services	12,000	12,000	11,950	50
Total Transportation	71,625	96,625	90,170	6,455
Capital Outlay:				
Engineering	0	752,778	752,778	0
<b>Total Expenditures</b>	<b>71,625</b>	<b>849,403</b>	<b>842,948</b>	<b>6,455</b>
Net Change In Fund Balance	8,375	(11,689)	(5,234)	6,455
Fund Balance At Beginning Of Year	199,489	199,489	199,489	0
Prior Year Encumbrances	11,625	11,625	11,625	0
Fund Balance At End Of Year	<u>\$219,489</u>	<u>\$199,425</u>	<u>\$205,880</u>	<u>\$6,455</u>

**CITY OF GROVE CITY, OHIO**

**Senior Nutrition Special Revenue Fund**  
**Schedule Of Revenues, Expenditures And Changes In Fund Balance - Budget And Actual**  
*(Non-GAAP Budgetary Basis)*

*For The Year Ended December 31, 2003*

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Budgetary Actual</u>	<u>Variance Positive (Negative)</u>
<b><u>Revenues:</u></b>				
Miscellaneous	\$5,000	\$13,498	\$13,498	\$0
<b><u>Expenditures:</u></b>				
Current Operations And Maintenance:				
Public Health				
Other Public Health Services				
Other Operating Charges	<u>5,000</u>	<u>13,275</u>	<u>12,574</u>	<u>701</u>
Net Change In Fund Balance	0	223	924	701
Fund Balance At Beginning Of Year	<u>5,011</u>	<u>5,011</u>	<u>5,011</u>	<u>0</u>
Fund Balance At End Of Year	<u><u>\$5,011</u></u>	<u><u>\$5,234</u></u>	<u><u>\$5,935</u></u>	<u><u>\$701</u></u>

**CITY OF GROVE CITY, OHIO**

**Drug Law Enforcement Special Revenue Fund**  
**Schedule Of Revenues, Expenditures And Changes In Fund Balance - Budget And Actual**  
 (Non-GAAP Budgetary Basis)

For The Year Ended December 31, 2003

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Budgetary Actual</u>	<u>Variance Positive (Negative)</u>
<b><u>Revenues:</u></b>				
Fines And Forfeitures	\$0	\$5,177	\$7,677	\$2,500
<b><u>Expenditures:</u></b>				
Current Operations And Maintenance:				
Security Of Persons And Property				
Police Department				
Materials And Supplies	<u>0</u>	<u>7,909</u>	<u>2,533</u>	<u>5,376</u>
Net Change In Fund Balance	0	(2,732)	5,144	7,876
Fund Balance At Beginning Of Year	<u>4,064</u>	<u>4,064</u>	<u>4,064</u>	<u>0</u>
Fund Balance At End Of Year	<u><u>\$4,064</u></u>	<u><u>\$1,332</u></u>	<u><u>\$9,208</u></u>	<u><u>\$7,876</u></u>

**CITY OF GROVE CITY, OHIO**

**DARE Program Special Revenue Fund**  
**Schedule Of Revenues, Expenditures And Changes In Fund Balance - Budget And Actual**  
*(Non-GAAP Budgetary Basis)*

*For The Year Ended December 31, 2003*

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Budgetary Actual</u>	<u>Variance Positive (Negative)</u>
<b><u>Revenues:</u></b>				
Miscellaneous	\$7,500	\$10,100	\$10,100	\$0
<b><u>Expenditures:</u></b>				
Current Operations And Maintenance:				
Security Of Persons And Property				
Police Department				
Materials And Supplies	<u>200</u>	<u>10,711</u>	<u>6,404</u>	<u>4,307</u>
Net Change In Fund Balance	7,300	(611)	3,696	4,307
Fund Balance At Beginning Of Year	436	436	436	0
Prior Year Encumbrances	<u>200</u>	<u>200</u>	<u>200</u>	<u>0</u>
Fund Balance At End Of Year	<u><u>\$7,936</u></u>	<u><u>\$25</u></u>	<u><u>\$4,332</u></u>	<u><u>\$4,307</u></u>

**CITY OF GROVE CITY, OHIO**

**Community Development Special Revenue Fund**  
**Schedule Of Revenues, Expenditures And Changes In Fund Balance - Budget And Actual**  
 (Non-GAAP Budgetary Basis)

For The Year Ended December 31, 2003

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Budgetary Actual</u>	<u>Variance Positive (Negative)</u>
<b><u>Revenues:</u></b>				
Other Local Taxes	\$150,000	\$154,412	\$154,412	\$0
Miscellaneous	0	3,152	3,152	0
<b>Total Revenues</b>	<u>150,000</u>	<u>157,564</u>	<u>157,564</u>	<u>0</u>
<b><u>Expenditures:</u></b>				
Current Operations And Maintenance:				
Community Development				
Community Development				
Personal Services	97,365	99,156	81,408	17,748
Materials And Supplies	1,000	1,000	889	111
Contractual Services	1,000	1,000	0	1,000
Other Operating Charges	128,040	129,540	125,347	4,193
<b>Total Expenditures</b>	<u>227,405</u>	<u>230,696</u>	<u>207,644</u>	<u>23,052</u>
Net Change In Fund Balance	(77,405)	(73,132)	(50,080)	23,052
Fund Balance At Beginning Of Year	71,874	71,874	71,874	0
Prior Year Encumbrances	<u>25,908</u>	<u>25,908</u>	<u>25,908</u>	<u>0</u>
Fund Balance At End Of Year	<u><u>\$20,377</u></u>	<u><u>\$24,650</u></u>	<u><u>\$47,702</u></u>	<u><u>\$23,052</u></u>

**CITY OF GROVE CITY, OHIO**

**Community Environment Special Revenue Fund**  
**Schedule Of Revenues, Expenditures And Changes In Fund Balance - Budget And Actual**  
 (Non-GAAP Budgetary Basis)

For The Year Ended December 31, 2003

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Budgetary Actual</u>	<u>Variance Positive (Negative)</u>
<b><u>Revenues:</u></b>				
Intergovernmental	\$7,000	\$24,412	\$24,839	\$427
Charges For Services	0	423	430	7
Licenses And Permits	0	112,465	114,367	1,902
Miscellaneous	0	0	64	64
<b>Total Revenues</b>	<u>7,000</u>	<u>137,300</u>	<u>139,700</u>	<u>2,400</u>
<b><u>Expenditures:</u></b>				
Current Operations And Maintenance:				
Community Development				
Community Development				
Materials And Supplies	6,000	6,000	5,933	67
Contractual Services	45,630	135,970	130,282	5,688
<b>Total Expenditures</b>	<u>51,630</u>	<u>141,970</u>	<u>136,215</u>	<u>5,755</u>
Net Change In Fund Balance	(44,630)	(4,670)	3,485	8,155
Fund Balance At Beginning Of Year	176,880	176,880	176,880	0
Prior Year Encumbrances	45,630	45,630	45,630	0
Fund Balance At End Of Year	<u><u>\$177,880</u></u>	<u><u>\$217,840</u></u>	<u><u>\$225,995</u></u>	<u><u>\$8,155</u></u>



**CITY OF GROVE CITY, OHIO**

**Enforcement And Education Special Revenue Fund**  
**Schedule Of Revenues, Expenditures And Changes In Fund Balance - Budget And Actual**  
*(Non-GAAP Budgetary Basis)*

*For The Year Ended December 31, 2003*

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Budgetary Actual</u>	<u>Variance Positive (Negative)</u>
<b><u>Revenues:</u></b>				
Fines And Forfeitures	\$3,000	\$3,000	\$2,002	(\$998)
<b><u>Expenditures:</u></b>				
Current Operations And Maintenance:				
Security Of Persons And Property				
Police Department				
Contractual Services	<u>0</u>	<u>9,079</u>	<u>0</u>	<u>9,079</u>
Net Change In Fund Balance	3,000	(6,079)	2,002	8,081
Fund Balance At Beginning Of Year	<u>9,027</u>	<u>9,027</u>	<u>9,027</u>	<u>0</u>
Fund Balance At End Of Year	<u><u>\$12,027</u></u>	<u><u>\$2,948</u></u>	<u><u>\$11,029</u></u>	<u><u>\$8,081</u></u>

**CITY OF GROVE CITY, OHIO**

**U. S. Department Of Justice Special Revenue Fund**  
**Schedule Of Revenues, Expenditures And Changes In Fund Balance - Budget And Actual**  
*(Non-GAAP Budgetary Basis)*

*For The Year Ended December 31, 2003*

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Budgetary Actual</u>	<u>Variance Positive (Negative)</u>
<b><u>Revenues:</u></b>				
Intergovernmental	150,231	337,198	337,198	\$0
<b><u>Expenditures:</u></b>				
Current Operations And Maintenance:				
Security Of Persons And Property				
Police Department				
Personal Services	0	78,498	78,498	0
Capital Outlay:				
Security Of Person And Property	40,665	153,969	153,969	0
<b><u>Total Expenditures</u></b>	<u>40,665</u>	<u>232,467</u>	<u>232,467</u>	<u>0</u>
Net Change In Fund Balance	109,566	104,731	104,731	0
Fund Balance (Deficit) At Beginning Of Year	(145,396)	(145,396)	(145,396)	0
Prior Year Encumbrances	40,665	40,665	40,665	0
Fund Balance At End Of Year	<u><u>\$4,835</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

**CITY OF GROVE CITY, OHIO**

**Mayor's Court Computer Special Revenue Fund**  
**Schedule Of Revenues, Expenditures And Changes In Fund Balance - Budget And Actual**  
*(Non-GAAP Budgetary Basis)*

*For The Year Ended December 31, 2003*

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Budgetary Actual</u>	<u>Variance Positive (Negative)</u>
<b><u>Revenues:</u></b>				
Fines And Forfeitures	\$15,000	\$15,841	\$15,841	\$0
<b><u>Expenditures:</u></b>				
Current Operations And Maintenance:				
Security Of Persons And Property				
Police Department				
Contractual Services	<u>14,500</u>	<u>14,500</u>	<u>11,981</u>	<u>2,519</u>
Net Change In Fund Balance	500	1,341	3,860	2,519
Fund Balance At Beginning Of Year	<u>16,392</u>	<u>16,392</u>	<u>16,392</u>	<u>0</u>
Fund Balance At End Of Year	<u><u>\$16,892</u></u>	<u><u>\$17,733</u></u>	<u><u>\$20,252</u></u>	<u><u>\$2,519</u></u>

**CITY OF GROVE CITY, OHIO**

**Big Splash Special Revenue Fund**

**Schedule Of Revenues, Expenditures And Changes In Fund Balance - Budget And Actual**  
*(Non-GAAP Budgetary Basis)*

*For The Year Ended December 31, 2003*

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Budgetary Actual</u>	<u>Variance Positive (Negative)</u>
<b><u>Revenues:</u></b>				
Charges For Services	\$205,650	\$255,650	\$201,658	(\$53,992)
Miscellaneous	0	0	4,731	4,731
<b>Total Revenues</b>	<u>205,650</u>	<u>255,650</u>	<u>206,389</u>	<u>(49,261)</u>
<b><u>Expenditures:</u></b>				
Current Operations And Maintenance:				
Leisure Time Activities				
Recreation				
Personal Services	190,933	204,705	204,705	0
Materials And Supplies	19,975	16,841	16,841	0
Contractual Services	38,000	35,438	35,438	0
Other Operating Charges	7,960	7,481	7,481	0
<b>Total Expenditures</b>	<u>256,868</u>	<u>264,465</u>	<u>264,465</u>	<u>0</u>
Excess Of Revenues Under Expenditures	(51,218)	(8,815)	(58,076)	(49,261)
<b><u>Other Financing Sources:</u></b>				
Transfers - In	50,000	50,000	50,000	0
Net Change In Fund Balance	(1,218)	41,185	(8,076)	(49,261)
Fund Balance At Beginning Of Year	33,933	33,933	33,933	0
Prior Year Encumbrances	481	481	481	0
Fund Balance At End Of Year	<u>\$33,196</u>	<u>\$75,599</u>	<u>\$26,338</u>	<u>(\$49,261)</u>

**CITY OF GROVE CITY, OHIO**

**Senior Stage Special Revenue Fund**  
**Schedule Of Revenues, Expenditures And Changes In Fund Balance - Budget And Actual**  
 (Non-GAAP Budgetary Basis)

*For The Year Ended December 31, 2003*

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Budgetary Actual</u>	<u>Variance Positive (Negative)</u>
<b><u>Revenues:</u></b>				
Miscellaneous	\$0	\$625	\$625	\$0
<b><u>Expenditures:</u></b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change In Fund Balance	0	625	625	0
Fund Balance At Beginning Of Year	<u>2,703</u>	<u>2,703</u>	<u>2,703</u>	<u>0</u>
Fund Balance At End Of Year	<u><u>\$2,703</u></u>	<u><u>\$3,328</u></u>	<u><u>\$3,328</u></u>	<u><u>\$0</u></u>

**CITY OF GROVE CITY, OHIO**

**City Improvement Capital Projects Fund**  
**Schedule Of Revenues, Expenditures And Changes In Fund Balance - Budget And Actual**  
 (Non-GAAP Budgetary Basis)

*For The Year Ended December 31, 2003*

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Budgetary Actual</u>	<u>Variance Positive (Negative)</u>
<b><u>Revenues:</u></b>	\$0	\$0	\$0	\$0
<b><u>Expenditures:</u></b>				
Capital Outlay:				
Buildings	<u>326</u>	<u>326</u>	<u>326</u>	<u>0</u>
Net Change In Fund Balance	(326)	(326)	(326)	0
Fund Balance At Beginning Of Year	0	0	0	0
Prior Year Encumbrances	<u>326</u>	<u>326</u>	<u>326</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>	<u><u>\$0</u></u>

**CITY OF GROVE CITY, OHIO**

**Recreation Development Capital Projects Fund**  
**Schedule Of Revenues, Expenditures And Changes In Fund Balance - Budget And Actual**  
*(Non-GAAP Budgetary Basis)*

*For The Year Ended December 31, 2003*

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Budgetary Actual</u>	<u>Variance Positive (Negative)</u>
<b><u>Revenues:</u></b>				
Licenses And Permits	\$50,000	\$146,000	\$147,078	\$1,078
Miscellaneous	0	3,845	4,167	322
<b>Total Revenues</b>	50,000	149,845	151,245	1,400
<b><u>Expenditures:</u></b>				
Capital Outlay:				
Parks And Recreation	83,471	83,471	82,592	879
Net Change In Fund Balance	(33,471)	66,374	68,653	2,279
Fund Balance At Beginning Of Year	117,079	117,079	117,079	0
Prior Year Encumbrances	871	871	871	0
Fund Balance At End Of Year	<u>\$84,479</u>	<u>\$184,324</u>	<u>\$186,603</u>	<u>\$2,279</u>





# City of Grove City, Ohio

## STATISTICAL SECTION

### Grove City Continues To Grow.

#### *Building Statistics*

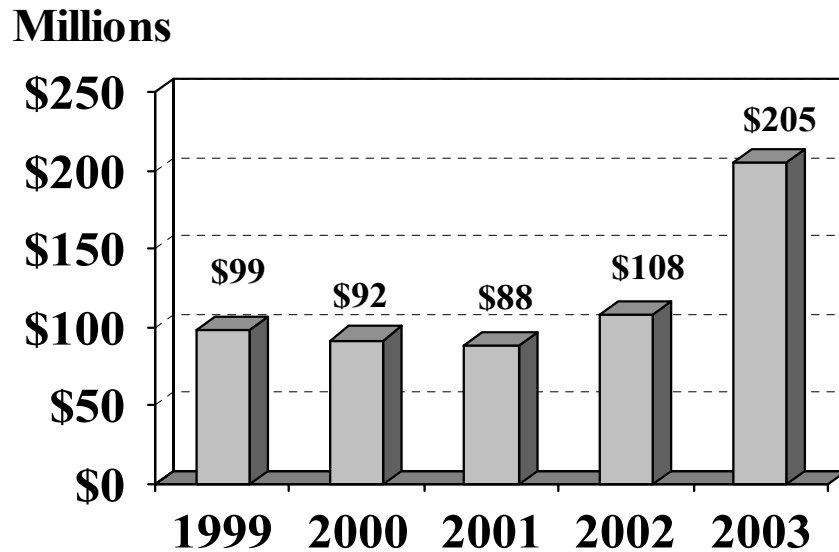
*290 new single-family homes (221 homes in 2002)*

*2003 valuation of new residential: \$62.5 million*

*2003 valuation of new commercial/industrial: \$129.4 million*

*Average cost of new single-family home: \$209,325*

*Total valuation of all 2003 construction permits issued: \$205.3 million*





**CITY OF GROVE CITY, OHIO**

**General Government Expenditures (1) By Function  
Last Ten Years  
TABLE 1**

<u>Year</u>	<u>Security Of Persons And Property</u>	<u>Public Health</u>	<u>Leisure Time Activities</u>	<u>Community Development</u>
1994	\$3,071,602	\$132,287	\$1,188,399	\$578,092
1995	3,361,076	134,155	1,240,012	538,154
1996	3,465,289	132,575	1,307,813	625,553
1997	3,738,520	147,277	1,344,080	589,431
1998	4,001,393	160,275	2,191,902	659,990
1999	4,497,899	176,003	1,404,377	654,022
2000	4,767,693	269,098	1,589,606	822,290
2001	5,191,487	325,658	1,824,651	844,130
2002	5,630,838	317,182	2,068,798	869,367
2003	6,042,973	276,176	1,639,443	1,053,869

Source: City Financial Records - GAAP basis financial data

(1) Includes all governmental funds.

<u><i>Transportation</i></u>	<u><i>General Government</i></u>	<u><i>Capital Outlay</i></u>	<u><i>Debt Service</i></u>	<u><i>Total</i></u>
\$651,762	\$1,522,658	\$5,809,561	\$1,120,810	\$14,075,171
805,662	1,773,677	4,538,129	1,298,848	13,689,713
641,280	1,908,756	3,883,851	1,298,169	13,263,286
747,959	2,128,362	4,326,016	1,344,871	14,366,516
885,314	2,618,287	6,046,940	1,289,754	17,853,855
847,889	3,239,772	8,109,098	1,329,127	20,258,187
975,507	2,335,244	7,869,269	1,464,272	20,092,979
886,156	3,216,062	6,967,423	1,424,801	20,680,368
1,043,677	3,329,204	12,430,636	1,387,741	27,077,443
1,045,232	3,730,631	13,258,603	7,564,429	34,611,356

**CITY OF GROVE CITY, OHIO**

**General Government Revenues (1) By Source  
Last Ten Years  
TABLE 2**

<i>Year</i>	<i>Property Taxes</i>	<i>Municipal Income Taxes</i>	<i>Other Local Taxes</i>	<i>Inter-Governmental</i>	<i>Charges For Services</i>	<i>Licenses And Permits</i>
1994	\$1,415,937	\$5,868,160	\$393,045	\$3,525,107	\$826,882	\$359,250
1995	1,608,600	6,426,759	456,513	3,170,350	880,285	484,257
1996	1,572,562	7,241,879	518,698	2,503,068	853,948	435,970
1997	1,811,197	7,870,588	546,205	3,802,296	901,731	448,184
1998	1,868,314	9,224,779	576,837	4,040,704	1,015,984	510,155
1999	1,863,136	10,698,896	619,640	4,529,523	1,107,631	753,284
2000	2,168,790	12,001,602	713,219	4,253,894	1,182,128	737,471
2001	2,269,870	13,347,610	697,804	3,334,238	1,215,388	595,803
2002	2,430,982	15,248,743	750,185	5,594,874	1,332,815	542,107
2003	2,627,857	14,458,885	723,303	4,481,523	1,653,811	997,929

Source: City Financial Records - GAAP basis financial data

(1) Includes all governmental funds.

<i>Fines And Forfeitures</i>	<i>Special Assessments</i>	<i>Interest</i>	<i>Rent</i>	<i>Miscellaneous</i>	<i>Total</i>
\$132,533	\$354,922	\$308,138	\$0	\$119,343	\$13,303,317
147,407	103,851	438,285	0	181,496	13,897,803
203,809	96,151	505,755	0	330,005	14,261,845
158,830	109,671	583,917	0	333,773	16,566,392
152,302	112,900	692,330	0	389,931	18,584,236
149,261	135,143	692,905	0	369,654	20,919,073
185,957	249,172	1,142,395	0	196,175	22,830,803
200,183	155,408	857,554	0	325,670	22,999,528
188,333	68,030	492,714	0	333,507	26,982,290
187,276	80,814	335,697	21,722	515,356	26,084,173

**CITY OF GROVE CITY, OHIO**

***Government-wide Expenses By Program - Governmental Activities  
Last Two Years  
TABLE 3***

<b><i>Year(1)</i></b>	<b><i>Security Of Persons And Property</i></b>	<b><i>Public Health</i></b>	<b><i>Leisure Time Activities</i></b>	<b><i>Community Development</i></b>
2002	\$6,213,923	\$316,933	\$2,468,187	\$917,167
2003	6,620,720	276,176	1,895,869	1,061,094

Source: City Financial Records - GAAP basis financial data

(1) 2002 is the first year reported according to *GASB Statement No. 34*.

<u><i>Transportation</i></u>	<u><i>General Government</i></u>	<u><i>Interest And Fiscal Charges</i></u>	<u><i>Total</i></u>
\$1,014,035	\$4,363,435	\$477,561	\$15,771,241
1,091,121	3,660,892	579,482	15,185,354



**CITY OF GROVE CITY, OHIO**

**Government-wide Revenues By Source - Governmental Activities  
Last Two Years  
TABLE 4**

<b>Year (1)</b>	<b>Program Revenues</b>			<b>Property And Other Local Taxes</b>
	<b>Charges For Services</b>	<b>Operating Grants, Contributions, And Interest</b>	<b>Capital Grants And Contributions</b>	
2002	\$2,063,255	\$1,601,207	\$2,193,223	\$3,226,778
2003	2,839,016	1,662,922	794,556	3,324,130

Source: City Financial Records - GAAP basis financial data

(1) Year 2002 is the first year reported according to *GASB Statement No. 34*.

**General Revenues**

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<b><i>Municipal Income Taxes</i></b>	<b><i>Intergovernmental</i></b>	<b><i>Rent</i></b>	<b><i>Unrestricted Investment Earnings</i></b>	<b><i>Other</i></b>	<b><i>Total</i></b>
\$15,372,667	\$2,031,459	\$0	\$459,190	\$333,507	\$27,281,286
14,859,483	2,011,979	21,722	271,514	515,356	26,300,678

**CITY OF GROVE CITY, OHIO**

**Real Property Tax Levies And Collections  
Last Ten Years  
Table 5**

<b>Collection Year</b>	<b>Current Tax (1) Levy</b>	<b>Delinquent Tax (2) Levy</b>	<b>Total Tax Levy</b>	<b>Current Tax (1) Collections</b>	<b>Percentage Of Current Collections To Current Levy</b>
1994	\$1,363,069	\$45,846	\$1,408,915	\$1,338,614	98.21%
1995	1,413,672	44,503	1,458,175	1,387,603	98.16
1996	1,488,325	39,803	1,528,128	1,460,238	98.11
1997	1,676,494	53,122	1,729,616	1,661,423	99.10
1998	1,728,167	51,611	1,779,778	1,691,705	97.89
1999	1,779,726	47,092	1,826,818	1,743,985	97.99
2000	2,222,416	55,468	2,277,884	2,180,387	98.11
2001	2,170,833	63,011	2,233,844	2,112,533	97.31
2002	2,226,609	86,618	2,313,227	2,173,362	97.61
2003	2,514,749	91,014	2,605,763	2,452,720	97.53

Source: Franklin County Auditor

(1) State reimbursement of rollback and homestead exemptions are included.

(2) Amounts listed include penalties and interest.

<i><b>Delinquent Tax Collections</b></i>	<i><b>Total Tax Collections</b></i>	<i><b>Percentage Of Total Collections To Total Tax Levy</b></i>	<i><b>Outstanding Delinquent Taxes (2)</b></i>	<i><b>Percentage Of Outstanding Delinquent Taxes To Total Tax Levy</b></i>
\$30,158	\$1,368,772	97.15%	\$40,143	2.85%
31,792	1,419,395	97.34	38,780	2.66
25,397	1,485,635	97.22	42,493	2.78
34,465	1,695,888	98.05	33,728	1.95
35,761	1,727,466	97.06	52,312	2.94
35,485	1,779,470	97.41	47,348	2.59
42,110	2,222,497	97.57	55,387	2.43
42,788	2,155,321	96.48	78,523	3.52
54,159	2,227,521	96.29	85,706	3.71
60,336	2,513,056	96.44	92,707	3.56

**CITY OF GROVE CITY, OHIO**  
**Tangible Personal Property Tax Levies And Collections**  
**Last Ten Years**  
**TABLE 6**

<u>Collection Year</u>	<u>Current Tax Levy</u>	<u>Delinquent Tax Levy</u>	<u>Total Tax Levy</u>	<u>Current Tax Collection</u>
1994	\$198,375	\$26,741	\$225,116	\$186,903
1995	225,982	151,049	377,031	214,380
1996	252,862	27,718	280,580	228,158
1997	288,201	56,976	345,177	265,203
1998	323,916	45,362	369,278	312,080
1999	275,964	38,229	314,193	272,607
2000	322,574	35,331	357,905	304,911
2001	352,265	83,540	435,805	327,850
2002	371,169	209,283	580,452	366,137
2003	350,292	156,071	506,363	342,026

Source: Franklin County Auditor

<i><b>Percentage Of Current Collection To Current Levy</b></i>	<i><b>Delinquent Tax Collection</b></i>	<i><b>Total Tax Collection</b></i>	<i><b>Percentage Of Total Collection To Total Tax Levy</b></i>	<i><b>Outstanding Delinquent Taxes</b></i>	<i><b>Percentage Of Outstanding Delinquent Taxes To Total Tax Levy</b></i>
94.22%	\$13,712	\$200,615	89.12%	\$24,501	10.88%
94.87	136,654	351,034	93.10	25,997	6.90
90.23	17,644	245,802	87.60	34,778	12.40
92.02	45,196	310,399	89.92	34,778	10.08
96.35	15,689	327,769	88.76	41,509	11.24
98.78	16,851	289,458	92.13	24,735	7.87
94.52	18,586	323,497	90.39	34,408	9.61
93.07	38,829	366,679	84.14	69,126	15.86
98.64	106,770	472,907	81.47	107,545	18.53
97.64	90,816	432,842	85.48	73,521	14.52

**CITY OF GROVE CITY, OHIO**  
**Assessed And Estimated Actual Value Of Taxable Property**  
**Last Ten Years**  
**TABLE 7**

<b>Collection Year</b>	<b>Real Property</b>		<b>Public Utility Property</b>	
	<b>Assessed Value</b>	<b>Est. Actual Value</b>	<b>Assessed Value</b>	<b>Est. Actual Value</b>
1994	\$252,926,580	\$722,647,371	\$15,056,390	\$17,109,534
1995	270,520,020	772,914,343	16,158,500	18,361,932
1996	287,455,570	821,301,629	16,525,360	18,778,818
1997	329,135,000	940,385,714	16,603,670	18,867,807
1998	361,205,530	1,032,015,800	16,873,820	19,174,795
1999	442,468,070	1,264,194,486	17,511,040	19,898,909
2000	462,637,930	1,321,822,657	16,202,580	18,412,023
2001	491,667,450	1,404,764,143	13,362,700	15,184,886
2002	570,587,460	1,630,249,886	10,036,670	11,405,307
2003	595,552,240	1,701,577,829	10,368,820	11,782,750

Source: Franklin County Auditor

<i>Tangible Personal Property</i>		<i>Total</i>		<i>Percentage Of Total Assessed Value To Total Est. Actual Value</i>
<i>Assessed Value</i>	<i>Est. Actual Value</i>	<i>Assessed Value</i>	<i>Est. Actual Value</i>	
\$38,778,032	\$155,112,128	\$306,761,002	\$894,869,034	34.28%
44,505,400	178,021,600	331,183,920	969,297,875	34.17
51,593,239	209,372,956	355,574,169	1,049,453,403	33.88
58,410,921	233,643,684	404,149,591	1,192,897,205	33.88
67,327,217	269,308,868	445,406,567	1,320,499,463	33.73
57,083,355	228,333,420	517,062,465	1,512,426,815	34.19
68,407,781	273,631,124	547,248,291	1,613,865,804	33.91
83,722,702	334,890,808	588,752,852	1,754,839,837	33.55
84,348,339	337,393,356	664,972,469	1,979,048,549	33.60
78,892,863	315,571,452	684,813,923	2,028,932,031	33.75



**CITY OF GOVE CITY, OHIO**  
**Property Tax Rates - Direct And Overlapping Governments**  
**Per \$1,000 Of Assessed Valuation**  
**Last Ten Years**  
**TABLE 8**

<u>Collection Year</u>	<u>City Of Grove City</u>				<u>Southwestern City School District</u>	<u>Franklin County Commissioners</u>	<u>Jackson Township</u>	<u>Total Tax Levy</u>
	<u>General Fund</u>	<u>Special Funds(1)</u>	<u>Debt Service</u>	<u>Total Levy</u>				
1994	\$1.95	\$1.05	\$2.10	\$5.10	\$43.80	\$14.57	\$20.20	\$83.67
1995	1.90	1.10	2.00	5.00	52.56	14.57	20.20	92.42
1996	1.90	1.10	1.90	4.90	52.48	14.82	20.20	92.40
1997	1.90	1.10	1.90	4.90	52.30	15.22	20.20	92.62
1998	1.90	1.10	1.80	4.80	57.18	17.54	20.20	99.72
1999	1.90	1.10	1.70	4.70	57.18	17.54	20.20	99.62
2000	1.90	1.10	1.50	4.50	56.97	17.64	20.20	99.31
2001	1.90	1.10	1.40	4.40	56.61	17.64	20.20	98.85
2002	1.90	1.10	1.30	4.30	56.44	17.64	20.20	98.58
2003	1.90	1.10	1.20	4.20	56.43	17.64	20.20	98.47

Source: Franklin County Auditor

(1) Police Pension Fund

**CITY OF GROVE CITY, OHIO**  
**Special Assessment Billings**  
**And Collections**  
**Last Ten Years**  
**TABLE 9**

<u>Collection Year</u>	<u>Special Assessment Billings(1)</u>	<u>Total Assessments Collected(2)</u>	<u>Amount Delinquent</u>	<u>Percentage Of Collection To Amount Billed</u>
1994	\$100,251	\$90,233	\$10,018	90.01%
1995	105,054	103,851	1,203	98.85
1996	116,289	96,151	20,138	82.68
1997	120,609	110,090	10,519	91.28
1998	141,300	112,900	28,400	79.90
1999	137,730	135,143	2,587	98.12
2000	259,126	249,172	9,954	96.16
2001	155,408	155,408	0	100.00
2002	83,968	68,030	15,938	81.02
2003	81,912	80,814	1,098	98.66

Source: Franklin County Auditor

(1) Only governmental fund type County assessments are included in this table.

County assessments include service assessments and debt service assessments. The debt service assessments include interest.

(2) Prepayments of future assessments are not included.

**CITY OF GROVE CITY, OHIO**

**Principal Property Taxpayers**

**December 31, 2003**

**TABLE 10**

<b><i>Taxpayer</i></b>	<b><i>Type of Business</i></b>	<b><i>Real/Public Utility Property Assessed Valuation</i></b>
Wal-Mart Stores, Inc	Retail Warehouse	\$3,074,750
Tosoh SMD Inc	Manufacturing	680,580
DDR Continental LP	Shopping Center	4,531,470
Columbus Southern Power	Utility	4,347,490
Buckeye Grove Shopping	Shopping Center	3,114,150
Gateway Lakes	Residential Housing	4,246,630
GAP, Inc	Distribution	1,872,500
Banner Property Management	Residential Housing	3,526,390
Tigerpoly Manufacturing, Inc	Manufacturing	402,255
Groves at 665 Ltd	Residential Housing	3,311,010
Heritage Glen	Residential Housing	3,272,540
FedEx Ground Package Systems	Freight Distribution	943,930
Beulah Park Limited Partnership	Thoroughbred Race Track	2,871,050
Ikon Office Solutions	Distribution	417,321
McGraw Hill Companies	Distribution	411,565
Grove City Plaza	Retail	2,322,160
Ashland Oil Inc	Distribution	1,335,960
T Marzetti Company	Distribution	479,855
U.S. Industrial Reit	Distribution	2,104,180
Ohio Bell Telephone	Utility	2,252,460
McKesson HBOC	Production Distribution	881,910
MacIntish	Nursing Home	2,009,460
Manheim Services Corp	Vehicle Auction	1,669,500
Sterling Park Inc	Residential Housing	1,828,780
Wallace Computer Services Inc	Distribution	1,031,800
Total Principal Taxpayers		52,939,696
Total City		\$605,921,060

Source: Franklin County Auditor

Note: (1)Taxpayers required to file a personal property tax return do so based on their fiscal year.

<i>Tangible Personal Property Assessed Valuation (1)</i>	<i>Total Assessed Valuation</i>	<i>% Of Total City Assessed Valuation (2003 Collection Year)</i>
\$17,957,500	\$21,032,250	3.07%
6,412,160	7,092,740	1.04
394,460	4,925,930	0.72
0	4,347,490	0.63
1,136,360	4,250,510	0.62
0	4,246,630	0.62
1,907,400	3,779,900	0.55
146,975	3,673,365	0.54
3,114,750	3,517,005	0.51
34,500	3,345,510	0.49
41,538	3,314,078	0.48
2,115,730	3,059,660	0.45
167,210	3,038,260	0.44
2,471,750	2,889,071	0.42
2,456,440	2,868,005	0.42
520,140	2,842,300	0.42
1,303,110	2,639,070	0.39
2,157,980	2,637,835	0.39
485,120	2,589,300	0.38
0	2,252,460	0.33
1,243,190	2,125,100	0.31
61,540	2,071,000	0.30
379,740	2,049,240	0.30
0	1,828,780	0.27
699,990	1,731,790	0.25
45,207,583	98,147,279	14.34%
<u>\$78,892,863</u>	<u>\$684,813,923</u>	

**CITY OF GROVE CITY, OHIO**  
**Legal Debt Margin**  
**December 31, 2003**  
**TABLE 11**

Total assessed valuation		\$684,813,923
Overall debt limitation - 10.5% of assessed valuation		71,905,462
Gross indebtedness authorized by council	\$24,694,397	
Less debt outside limitation:	<u>(5,138,397)</u>	
Debt within 10.5% limitation	19,556,000	
Less amount available in debt service fund	<u>(1,419,428)</u>	
Net debt within 10.5% limitation		<u>18,136,572</u>
Legal debt margin within 10.5% limitation		<u><u>\$53,768,890</u></u>
<hr/> <hr/>		
Unvoted debt limitation - 5.5% of assessed valuation		\$37,664,766
Gross indebtedness authorized by council	\$24,694,397	
Less debt outside limitation:	<u>(5,138,397)</u>	
Debt within 5.5% limitation	19,556,000	
Less: amount available in debt service fund	<u>(1,419,428)</u>	
Net debt within 5.5% limitation		<u>18,136,572</u>
Legal debt margin within 5.5% limitation		<u><u>\$19,528,194</u></u>

**CITY OF GROVE CITY, OHIO**  
**Ratio Of Net General Obligation Bonded Debt**  
**To Assessed Value And Net General**  
**Obligation Bonded Debt Per Capita**  
**Last Ten Years**  
**TABLE 12**

<b>Year</b>	<b>Net General Bonded Debt (1)</b>	<b>Assessed Value (2)</b>	<b>Population (3)</b>	<b>Percentage Of Net Bonded Debt To Assessed Value</b>	<b>Net Bonded Debt Per Capita</b>
1994	\$5,965,162	\$306,761	22,612	1.94%	\$263.81
1995	5,528,221	331,184	22,970	1.67	240.67
1996	5,173,950	355,574	23,446	1.46	220.68
1997	4,926,689	404,150	24,683	1.22	199.60
1998	4,736,934	445,429	25,821	1.06	183.45
1999	4,553,415	517,062	26,717	0.88	170.43
2000	3,871,475	547,248	27,856	0.71	138.98
2001	5,118,215	588,752	29,178	0.87	175.41
2002	4,602,408	664,972	30,679	0.69	150.02
2003	4,040,572	684,814	31,511	0.59	128.23

(1) Net general bonded debt equals the amount of general obligation bonds outstanding minus the debt service fund balance available to pay general obligation debt.

(2) Shown in thousands of dollars

(3) Source: "Population Estimates and Projections", published by the U.S. Department of Commerce, Bureau of the Census

**CITY OF GROVE CITY, OHIO**  
**Ratio Of Annual Debt Service Expenditures For**  
**General Bonded Debt To Total General Government Expenditures**  
**Last Ten Years**  
**TABLE 13**

<u>Year</u>	<u>Principal (1)</u>	<u>Interest And Fiscal Charges</u>	<u>Debt Service On General Obligation Bonded Debt</u>	<u>General Government Expenditures</u>	<u>Ratio</u>
1994	\$323,604	\$398,001	\$721,605	\$7,908,033	9.12%
1995	333,604	376,222	709,826	9,685,247	7.33
1996	348,604	360,050	708,654	9,079,482	7.81
1997	363,604	342,780	706,384	10,133,558	6.97
1998	373,604	324,393	697,997	12,144,381	5.75
1999	393,604	305,200	698,804	14,424,672	4.84
2000	408,604	285,461	694,065	12,583,728	5.52
2001	423,604	264,958	688,562	15,641,299	4.40
2002	415,000	334,135	749,135	27,077,443	2.77
2003	440,000	307,661	747,661	34,611,356	2.16

(1) Includes only General Obligation Debt payable from property taxes

**CITY OF GROVE CITY, OHIO**  
**Computation Of Direct And Overlapping**  
**General Obligation Bonded Debt**  
**December 31, 2003**  
**TABLE 14**

<u>Jurisdiction</u>	<u>Net Debt Outstanding (1)</u>	<u>Percentage Applicable To City Of Grove City (2)</u>	<u>Amount Applicable To City Of Grove City</u>
Direct:			
City of Grove City	\$4,040,572	100.00%	\$4,040,572
Overlapping:			
South-Western City School District	142,195,175	28.26	40,184,356
Franklin County	147,435,000	2.68	3,951,258
Jackson Township	0	82.84	0
Total Overlapping	<u>289,630,175</u>		<u>44,135,614</u>
Total Direct And Overlapping Debt	<u><u>\$293,670,747</u></u>		<u><u>\$48,176,186</u></u>

Source: Franklin County Auditor

- (1) Net debt outstanding equals the amount of general obligation bonds and notes outstanding minus the debt service fund balance available to pay non-special assessment general obligation debt.
- (2) Percentages determined by dividing each overlapping subdivision's assessed valuation within the City by the subdivision's total assessed valuation.



**CITY OF GROVE CITY, OHIO**  
**Revenue Bond Coverage**  
**Enterprise Funds**  
**Last Ten Years**  
**TABLE 15**

<b><u>Water Enterprise Fund</u></b>			
<b><u>Year</u></b>	<b><u>Gross Revenues (1)</u></b>	<b><u>Operating Expenses (2)</u></b>	<b><u>Net Revenue Available For Debt Service</u></b>
1994	\$376,739	\$67,905	\$308,834
1995	390,512	153,607	236,905
1996	430,063	81,465	348,598
1997	356,796	58,698	298,098
1998	428,029	40,958	387,071
1999	447,054	38,541	408,513
2000	537,108	90,643	446,465
2001	441,885	141,836	300,049
2002	426,150	152,622	273,528
2003	504,943	45,527	459,416
<b><u>Sewer Enterprise Fund</u></b>			
1994	\$310,040	\$284,444	\$25,596
1995	328,616	433,382	(104,766)
1996	391,341	416,633	(25,292)
1997	300,748	271,453	29,295
1998	354,769	324,987	29,782
1999	355,684	391,100	(35,416)
2000	421,911	399,564	22,347
2001	695,529	897,954	(202,425)
2002	491,823	439,199	52,624
2003	346,284	536,639	(190,355)

(1) Total revenues exclusive of interest income and capital contribution.

(2) Total operating expenses exclusive of depreciation.

<i>Debt Service Requirements</i>			<i>Coverage</i>
<i>Principal</i>	<i>Interest</i>	<i>Total</i>	
\$100,000	\$107,735	\$207,735	1.49
105,000	91,748	196,748	1.20
110,000	88,671	198,671	1.75
125,000	83,192	208,192	1.43
115,000	104,219	219,219	1.77
135,000	79,860	214,860	1.90
135,000	60,542	195,542	2.28
135,000	57,371	192,371	1.56
155,000	54,121	209,121	1.31
160,000	46,278	206,278	2.23
\$47,723	\$12,117	\$59,840	0.43
14,000	5,120	19,120	(5.48)
33,114	9,406	42,520	(0.59)
32,122	6,959	39,081	0.75
35,160	2,969	38,129	0.78
0	0	0	0.00
0	0	0	0.00
0	0	0	0.00
0	0	0	0.00
0	0	0	0.00



**CITY OF GROVE CITY, OHIO**  
**Demographic Statistics**  
**Last Ten Years**  
**TABLE 16**

<u>Year</u>	<u>Population (1)</u>	<u>Per Capita Income (1)</u>	<u>School Enrollment (2)</u>	<u>Franklin County Unemployment Rate (3)</u>
1994	22,612	\$16,154	5,905	3.2%
1995	22,970	16,800	6,097	3.1
1996	23,446	17,388	6,301	2.9
1997	24,683	17,909	6,343	2.7
1998	25,821	18,482	6,402	2.4
1999	26,717	19,168	6,472	2.5
2000	27,856	19,881	6,421	2.7
2001	29,178	20,875	6,930	2.9
2002	30,679	21,543	6,685	3.7
2003	31,511	22,189	7,754	4.6

Source:

- (1) "Population Estimates and Projections", published by the Department of Commerce, Bureau of the Census, when available  
When unavailable, estimates are interpolated based on increases in construction of single and double family homes.
- (2) Southwestern City School District - number of students residing within the City limits
- (3) Ohio Bureau of Employment Services,  
Division of Labor Force Research and Statistics

**CITY OF GROVE CITY, OHIO**  
**Property Value, Construction**  
**And Bank Deposits**  
**Last Ten Years**  
**TABLE 17**

<b>Year</b>	<b>Real Property Value</b>		
	<b>Agricultural/ Residential Value (1)</b>	<b>Commercial/ Industrial Value (1)</b>	<b>Total Value</b>
1994	\$184,626,740	\$68,299,840	\$252,926,580
1995	198,197,320	72,322,700	270,520,020
1996	217,974,780	69,480,790	287,455,570
1997	249,488,520	79,646,480	329,135,000
1998	275,305,530	85,900,000	361,205,530
1999	338,540,410	103,927,660	442,468,070
2000	357,716,980	104,920,950	462,637,930
2001	377,615,340	114,052,110	491,667,450
2002	438,600,610	131,986,850	570,587,460
2003	460,857,000	134,695,220	595,552,220

Source:

(1) Franklin County Auditor

(2) City of Grove City Building Department

(3) Federal Reserve Bank of Cleveland shown in thousands of dollars for Franklin County

<i>Residential</i>		<i>Commercial</i>		<i>Industrial</i>		<i>Domestic</i>
<i>Number</i>	<i>Construction</i>	<i>Number</i>	<i>Construction</i>	<i>Number</i>	<i>Construction</i>	<i>Bank</i>
<i>Of</i>	<i>Value (2)</i>	<i>Of</i>	<i>Value (2)</i>	<i>Of</i>	<i>Value (2)</i>	<i>Deposits In</i>
<i>Units</i>		<i>Units</i>		<i>Units</i>		<i>County (3)</i>
263	\$39,635,740	53	\$5,572,000	4	\$15,936,000	\$17,360,855
275	40,228,407	21	8,271,265	11	39,564,000	19,120,842
223	33,453,776	23	6,501,185	9	30,265,944	20,786,114
224	33,736,162	80	17,657,766	5	13,014,000	40,835,093
280	45,736,466	12	10,862,743	2	11,400,000	39,976,199
242	41,656,313	15	11,350,000	4	6,825,000	40,785,421
272	50,525,247	267	19,295,900	8	2,065,967	36,305,554
231	45,958,993	136	11,181,515	5	1,545,995	38,669,548
221	45,213,074	69	27,491,148	6	2,923,917	35,950,798
350	61,659,994	157	17,335,956	4	113,500,000	37,969,996

**CITY OF GROVE CITY, OHIO**

***Miscellaneous Statistics***

***December 31, 2003***

**TABLE 18**

Date of Incorporation:	1852
Effective Date of Charter:	July 1, 1959
Form of Government:	Mayor-Council-Administrator
Area:	14.52
Miles of Streets:	161.4
Number of Street Lights:	2,807
Number of Traffic Signs:	2,801
Number of Traffic Lights:	36
Miles of Sanitary Sewers:	85.6
Miles of Storm Sewers:	31.3
Miles of Water Distribution:	94.9
Fire Protection:	Jackson Township (1)
Number of Stations	3
Number of Firemen and Officers (FT)	79
Number of Firemen (PT)	26
Number of Certified EMT - Basic	34
Number of Certified EMT - Intermediate	6
Number of Certified EMT - Paramedics	64
Number of Nurses	1
Police Protection:	Grove City Police
Number of Stations	1
Number of Policemen and Officers	54
City Employees:	
Number of Full Time Employees	169
Number of Part Time Employees	47
Municipal Water Department:	Served by City of Columbus

Sources: (1) Jackson Township

(2) South-Western City Schools - Within Corporate Boundaries

(continued)

**CITY OF GROVE CITY, OHIO**

***Miscellaneous Statistics***

***December 31, 2003***

**TABLE 18**

***(Continued)***

Education (2):	
Elementary Schools	7
Secondary Schools	4
Number of Teachers	
Elementary Instructors	229
Secondary Instructors	292
Total Teachers	521
2002/2003 Student Enrollment	
Elementary Enrollment	3,800
Secondary Enrollment	3,954
Total Enrollment	7,754
Recreation and Culture:	
Number of Parks	7
Number of Playgrounds	7
Number of Swimming Pools	1
Number of Tennis Courts	6
Number of Community Centers	3
Acreage of Parks	289
Public Libraries	1
Public Transportation:	Central Ohio Transit Authority









**Auditor of State  
Betty Montgomery**

88 East Broad Street  
P.O. Box 1140  
Columbus, Ohio 43216-1140

Telephone 614-466-4514  
800-282-0370

Facsimile 614-466-4490

**CITY OF GROVE CITY**

**FRANKLIN COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
SEPTEMBER 30, 2004**