CITY OF HILLIARD, OHIO

FRANKLIN COUNTY

Comprehensive Annual Financial Report

For the Year Ended December 31, 2009

Prepared by:
Department of Finance

Michelle Kelly-Underwood
Director

David D. Delande
Deputy Director

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Don Schonhardt, Mayor

City of Hilliard

3800 Municipal Way • Hilliard, Ohio 43026-1696 • Municipal Offices (614) 876-7361

June 2, 2010

To The Council and The Citizens of the City of Hilliard, Ohio

We are pleased to submit to you the Comprehensive Annual Financial Report (CAFR) of the City of Hilliard (the City) for the year ended December 31, 2009. This CAFR is prepared in accordance with generally accepted accounting principles (GAAP) and in conformance with standards of financial reporting established by the Governmental Accounting Standards Board (GASB) using guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA).

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Clark, Schaefer, Hackett & Co. has issued an unqualified ("clean") opinion on the City's financial statements for the year ended December 31, 2009. The Independent Auditors' Report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the Independent Auditors' Report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complement this letter of transmittal and should be read in conjunction with it.

Profile of the Government

The City lies in the western half of Franklin County in portions of Norwich, Washington and Brown Townships and is located approximately ten miles northwest of downtown Columbus, the capital of the State of Ohio. The City encompasses an area of approximately 13 square miles. Rail service is provided by CSX and private air service is available five miles to the north and south by Don Scott Field and Bolton Field, respectively. The City is 20 miles from Port Columbus International Airport and offers immediate access to interstate highways I-70 and I-270 via three major interchanges. The City is situated 833 feet above sea level and experiences mean temperatures of 72 degrees during the summer and 30 degrees during the winter.

The Hilliard area was settled in the early 1800's and was incorporated as a village in 1869. The Village of Hilliard remained primarily agricultural in character until the 1950's when residential

growth boomed. By December 12, 1960 the population had reached 5,000 and the Village of Hilliard became a City. The Mid-Ohio Regional Planning Commission estimates the population for the City to be 28,927 for 2009.

The City is serviced by the Hilliard City School District, which is an independent political subdivision not under the control or supervision of the City in any respect. The geographic boundaries of the School District are much larger than the City, encompassing some 60 square miles, and portions of several other municipalities (including the City of Columbus) as well as unincorporated areas of Franklin County. The School District estimates that 39.35 percent of its students reside in the City.

The City operates under a Charter first adopted by the voters in 1963. Council appointed a Charter Review Commission in 2005 tasked with conducting a comprehensive review of the Charter. Several changes were recommended as a result of the review. The most notable changes eliminated term limits and provided for Council to utilize Executive Session to discuss employment issues, real estate purchases, pending court action, and employee contract negotiations. The Mayor-Council form of government was not changed. Voters approved all recommended changes at the November 3, 2009 general election. Changes to the Charter were effective January 1, 2010. The laws of the State of Ohio prevail when conflicts exist between Charter and State Constitution and in matters where the Charter is silent. The legislative body of the City consists of a seven-member Council, all elected at-large for four year overlapping terms. The Mayor is elected for a four-year term and serves as the Chief Executive Officer of the City. The Council fixes compensation levels of City officials and employees and enacts ordinances and resolutions relating to City services, tax levies, appropriations, indebtedness, licensing of regulated business and trades and other municipal purposes.

The Mayor serves full-time and appoints the following directors: Finance, Law, Public Safety, Economic Development, Public Service, Human Resources, Parks and Recreation and Public Lands and Buildings. The Directors serve as department heads and report directly to the Mayor. 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.

The reporting entity is comprised of the primary government. The primary government consists of all the funds and departments which provide various services including police, recreation and parks, engineering, water services, sewer services, street maintenance and repair, zoning, municipal court, income tax collection and support services (i.e. payroll processing and accounts payable). The Mayor has direct responsibility for these activities.

Component units are 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 organizations resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organization. Component units may also include organizations for which the City approves their budget, the issuance of their debt or the levying of their taxes. Currently, the City does not have any component units.

The City's charter requires the Mayor to submit to Council on or before December 15th of each year a budget for the following year. Council sets the date and place of a public hearing on the budget and gives notice of the meeting time and place in a newspaper of general circulation at least seven days prior to the hearing date. The budget is on file with the City Clerk and available for inspection prior to the hearing date. Council adopts the budget either as submitted or amended after the public hearing but no later than January 31. This budget serves as the appropriation ordinance and is filed with the Franklin County Auditor's office.

This annual budget serves as the foundation for the City of Hilliard's financial planning and control. The 2009 budget was prepared by fund and department and object level. Department heads may transfer resources within the object as they see fit. The budget was approved by Council as required by the City's charter.

Local Economy and Long-term Financial Planning

The City is included in the Columbus Metropolitan Statistical Area (MSA) which is ranked 32nd in the nation by population. This MSA had an unemployment rate at the end on 2009 of 8.4 percent while the State of Ohio was at 10.8 percent at the end of 2009. Our employment mix insulates us somewhat from what is happening elsewhere in the state. Our largest employer is the Hilliard City School District which is the eighth largest district in the state. The list of our ten largest employers can be found in our statistical section and includes telecommunications, financial services, technology, marketing, insurance and manufacturing businesses.

The City's ability to provide opportunities for expansion of its residential, commercial, and industrial tax base is greatly influenced by its aggressive development strategy, excellent school system, recreational programs, police department, city services, and probably, most importantly, the annual five year Capital Improvement Program. The Capital Improvement Program provides the City with the framework to upgrade the infrastructure to make it possible to handle a growing and prosperous city. The Capital Improvement Program is a comprehensive five-year plan that is updated every year to prioritize projects and provide improvements to everything from streets and sewer and waterlines to ball fields, traffic signals, and the municipal complex.

Relevant financial policies

Income tax remains the primary source of revenue for the City and supports the five-year Capital Improvement Program. Income tax revenue is divided among the General Fund, Street Improvement Municipal Tax Special Revenue Fund, and Capital Improvement Municipal Tax Capital Projects Fund. The Street Improvement Municipal Tax Special Revenue Fund and the Capital Improvement Municipal Tax Capital Projects Fund provide funding for the City's capital need by paying debt service or cash funding projects. The City issues debt for capital projects only.

The City uses historical revenue and expenditure trends in the budget process and provides monthly revenue and expenditure reports, income tax collections and projections reports and detailed quarterly reviews that include budget to actual year-to-date information to Council.

Council adopted a General Fund balance policy that targets the fund reserve to be twenty five percent of annual operating expenditures on a budget basis. In 2009 the City's General Fund cash balance was 14.9 percent of current year expenditures, up from 13.5 percent in 2008. The City continues to work toward the twenty five percent target.

The City adheres to the Uniform Depository Act of the State of Ohio to determine eligible investments for City funds. The City further limits investments to maturities of a maximum of two years. Cash flow forecasting and the use of short-term investments, such as repurchase agreements and the State Treasurer's Asset Reserve account (STAROhio), allow the City to earn interest on all funds.

Major initiatives

The City and Norwich Township built a Joint Safety Services building which houses the City's police, dispatching, and Mayor's Court offices and the Township's administrative offices and one of the fire stations. The Township financed the construction and the City entered into a long term lease with the Township. It is believed to be the first joint venture of its kind in the state. Both entities share operating costs. Construction was completed in December of 2008 and the building was occupied in January of 2009. The meeting rooms are available to city and township residents for community functions.

The City acquired temporary and permanent right-of-way for the Triangle Improvement Project in 2009. This project will improve the capacity, safety and traffic flow on two main arteries on the west side of town. We will be replacing traditional signalized four-way intersections with roundabouts. The City was awarded grants and loans from the Ohio Public Works Commission that will fund the construction portion of the project which is scheduled to begin in 2010.

Construction of the continuing care retirement community, Hickory Chase was stopped in July of 2009 when the developer, Erickson Retirement Communities filed for bankruptcy. The Hickory Chase Community District was created in 2007 under Chapter 349 of the Ohio Revised Code to issue debt for public infrastructure around the approximately 77 acre district. The public infrastructure was completed in 2009.

The district issued debt April 23, 2008 to fund public infrastructure improvements. The City has not and will not issue debt for this project and is not liable for debt service on bonds issued by the district. The City created a Tax Increment Financing district and will transfer payments in lieu of property taxes to the district to pay for the debt.

The City is still hopeful the development will be completed. The property is in receivership.

The City's development department continues to encourage elder care/"baby boomer" targeted businesses to locate in the area surrounding the district. The Tremont Club, an age restricted residential community is adjacent to the area along with a 90-bed nursing and physical rehabilitation facility and a 100-bed assisted living facility.

Awards and Acknowledgements

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 Hilliard, Ohio for its comprehensive annual financial report (CAFR) for the fiscal year ended December 31, 2008. This was the eighteenth consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, the City had to publish an easily readable and efficiently organized CAFR that satisfied both generally accepted accounting principles and applicable legal requirements.

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

We wish to convey our appreciation to the City Administration and to the City Council for their support and for providing the necessary funds to prepare and publish this report.

The entire Finance Department played a part in preparing this report; they worked with extreme dedication to the project. Special thanks to David D. Delande, Deputy Finance Director, for his special attention to the project.

Respectfully submitted,

Michelle Kelly-Underwood
Finance Director

Don Schonhardt
Mayor

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Hilliard
Ohio

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

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

President

Executive Director

City of Hilliard, Ohio
Principal Officials
December 31, 2009

Elected Officials

Name	Title	Term Expires	Service	Surety
Donald J. Schonhardt	Mayor	12/31/2011	8	A
Brett A. Sciotto	President of Council	12/31/2009	8	A
James O. Ashenhurst	Council	12/31/2009	5	A
J. William Uttley	Council	12/31/2009	8	A
Albert J. Iosue	Council	12/31/2011	2	A
Kelly McGivern	Council	12/31/2009	2	A
Daniel J. Nichter	Council	12/31/2011	2	A
Tim Roberts	Council	12/31/2011	6	A

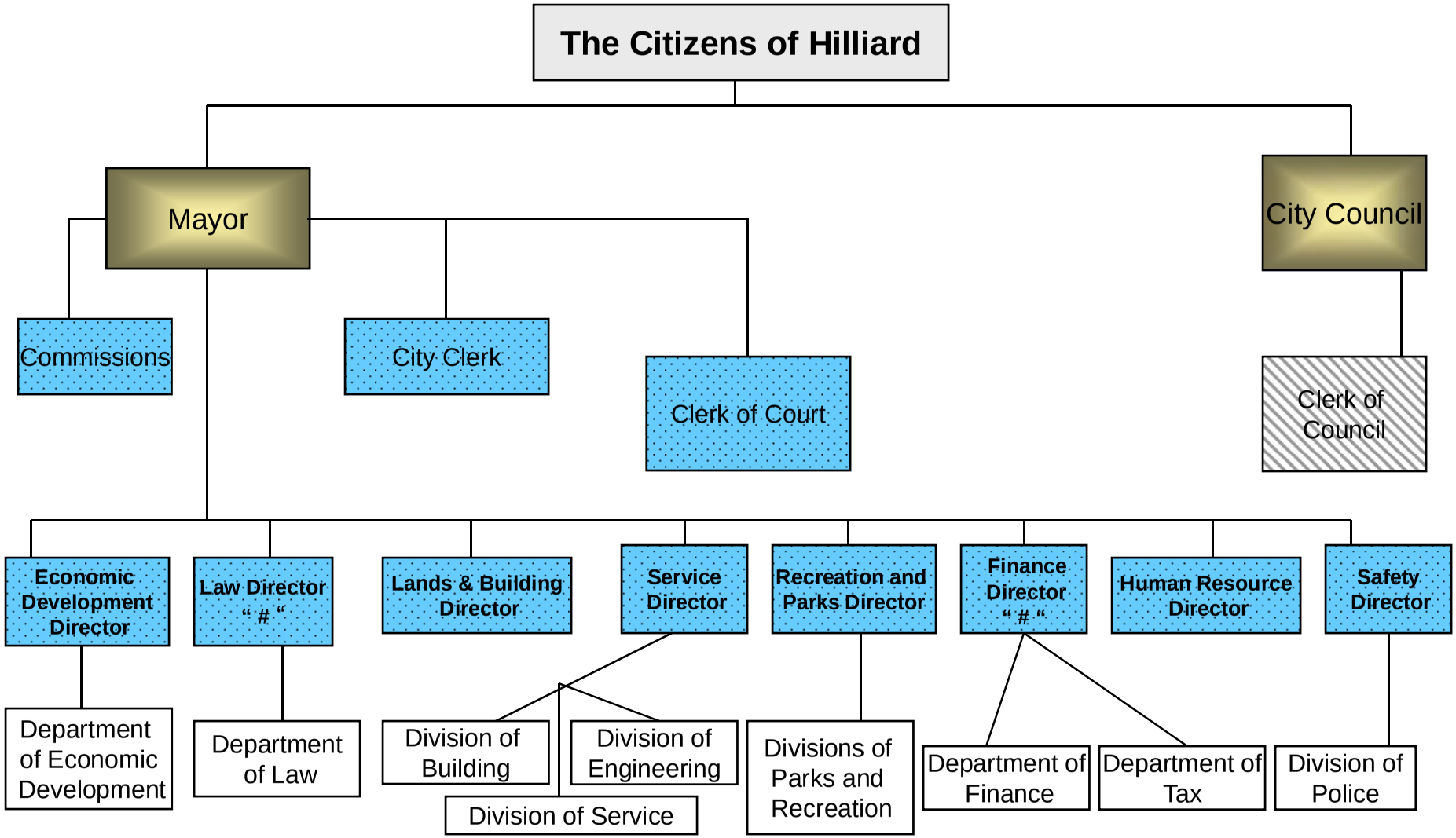
Appointed Officials

Name	Title	Term Expires	Service	Surety
Michelle Kelly-Underwood	Director of Finance	Indefinite	6	A & B
Pamela A. Fox	Director of Law	Indefinite	6	A
Pamela A. Fox	Director of Safety	Indefinite	6	A
Clyde R. Seidle	Director of Service	Indefinite	6	A
Steven B. Mazer	Director of Parks and Recreation	Indefinite	2	A
David Meeks	Director of Economic Development	Indefinite	7	A
Gerry Edwards	Director of Human Resource	Indefinite	5	A
John F. Hall, III	Director of Land & Bldgs.	Indefinite	5	A
J. Douglas Francis	Interim Chief of Police	Indefinite	1	A
Lynne M. Fasone	Clerk of Council	Indefinite	5	A

(A) National Casualty Insurance Company, $1,000,000/$1,000,000.
(B) US Fidelity Insurance Company, $1,000,000 Bond.

City Address:
City of Hilliard
3800 Municipal Way
Hilliard, OH 43026

The City of Hilliard, Ohio
Organizational Chart



Elected Officials
Appointed by the Mayor
Appointed by Council
" # "Consent by Council

Boards and Commissions

Parks and Recreation
Planning and Zoning Commission
Shade Tree Commission
Civil Service Commission
Board of Zoning Appeals
Tax Incentive Review Council
Board of Tax Appeals

INDEPENDENT AUDITORS' REPORT

To City Council
City of Hilliard, Ohio:

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

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City as of December 31, 2009, and the respective changes in financial position and cash flows, where applicable, and the respective budgetary comparisons for the General Fund, Street Maintenance and Repair Fund, Street Improvement Municipal Tax Fund, Water Revenue Fund and TIF 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 2, 2010, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis on pages 3 through 10 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. 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.

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Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Clark, Schaefer, Hackett & Co.

Cincinnati, Ohio
June 2, 2010

City of Hilliard, Ohio

Management's Discussion and Analysis
For The Year Ended December 31, 2009
Unaudited

MANAGEMENT'S DISCUSSION AND ANALYSIS

The City of Hilliard's discussion and analysis of the annual financial report provides an overview of the City's financial activities for the year ended December 31, 2009.

FINANCIAL HIGHLIGHTS

- The City's total net assets increased $9,762,204 during 2009.
- General revenues accounted for $21,452,803 or 44% of total revenue. Program specific revenues in the form of charges for services, grants, contributions, and interest accounted for $27,008,920 or 56% of total revenues of $48,461,723.
- The City had $38,699,519 in expenses related to governmental activities, while only $27,008,920 of these expenses were offset by program specific charges for services, grants, contributions, and interest. In 2009, contributions to the City included donated assets of $18,274,540 primarily related to the completed of the Hilliard-Rome Road and Britton Parkway projects.

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 Hilliard'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 Hilliard 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, which is 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. These changes inform 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.

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 the City 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 Hilliard's major funds are the General Fund, the Street Maintenance and Repair, Street Improvement Municipal Tax, Water Revenue, and TIF Special Revenue Funds, and the Capital Improvement Municipal Tax Capital Projects Fund.

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 basic financial statements.

Proprietary Fund – Proprietary funds use the same measurement focus and basis of accounting as the Government-Wide Financial Statements. The internal service fund is used to report activities that provide services to the City's other funds and departments; therefore it has been included in the governmental activities in the Government-Wide Financial Statements.

Fiduciary Funds – The City's fiduciary funds are agency funds. All of the City's fiduciary funds are reported in a separate Statement of Fiduciary Assets and Liabilities – Agency Funds. We exclude these activities from the City's other financial statements, because the City cannot use these assets to finance its own operations. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Fiduciary funds use the accrual basis of accounting.

THE CITY AS A WHOLE

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

Table 1
Net Assets
Governmental Activities

	2009	2008
Assets		
Current and Other Assets	$ 25,802,237	$ 27,354,120
Capital Assets	257,063,277	237,256,544
Total Assets	282,865,514	264,610,664
Liabilities		
Long-Term Liabilities	63,340,983	43,021,258
Other Liabilities	3,862,164	15,689,243
Total Liabilities	67,203,147	58,710,501
Net Assets		
Invested in Capital Assets, Net of Related Debt	197,699,834	196,643,631
Restricted for:		
Other Purposes	8,780,661	8,310,922
Debt Service	-	264
Capital Outlay	5,793,314	231,179
Unrestricted	3,388,558	714,167
Total Net Assets	$ 215,662,367	$ 205,900,163

Net assets of the City's governmental activities increased $9,762,204 during 2009. Capital Assets increased $19,806,733 primarily due to the completion of the Hilliard-Rome Road project, Britton Parkway project, and the capitalization of the Safety Services building. Long-term liabilities increased due to issuance of bonds of $15,540,000 and the inception of a $6,417,386 capital lease for the Safety Services building in 2009.

Table 2, on the following page, shows the highlights of the City's revenues and expenses. These two main components are subtracted to yield the change in net assets. This table uses the full accrual method of accounting.

Revenue is further divided into two major components: Program revenues and general revenues. Program revenues are defined as charges for services, grants, contributions, and interest restricted to be used for a specific program. General revenues include taxes, unrestricted grants, and unrestricted investment earnings.

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

Table 2
Change in Net Assets
Governmental Activities

	2009	2008
Revenues		
Program Revenues:		
Charges for Services	$ 4,620,121	$ 5,263,657
Operating Grants and Contributions	1,422,622	2,090,172
Capital Grants, Contributions, and Interest	20,966,177	2,586,835
Total Program Revenues	27,008,920	9,940,664
General Revenues:		
Property and Other Local Taxes	1,682,554	1,939,885
Municipal Income Taxes	16,291,193	17,293,435
Payments in Lieu of Taxes	1,846,750	1,375,625
Grant and Entitlements not Restricted to Specific Programs	1,099,064	1,209,800
Unrestricted Investment Earnings	156,648	355,084
Miscellaneous	376,594	186,099
Total General Revenues	21,452,803	22,359,928
Total Revenues	48,461,723	32,300,592
Program Expense		
General Government	4,346,672	4,778,348
Security of Persons and Property	8,483,744	8,131,423
Public Health	169,063	157,065
Leisure Time Activities	3,069,040	3,256,451
Community Environment	4,704,774	7,370,811
Basic Utility Services	6,812,986	5,990,167
Transportation	8,596,950	4,500,438
Interest and Fiscal Charges	2,516,290	1,966,780
Total Expenses	38,699,519	36,151,483
Change in Net Assets	9,762,204	(3,850,891)
Net Assets at Beginning of Year	205,900,163	209,751,054
Net Assets at End of Year	215,662,367	205,900,163

Governmental Activities

The 2.0 percent income tax is generally the largest source of revenue for the City of Hilliard. Employers within the City are required to withhold income tax on employee compensation and remit the tax to the City bimonthly, monthly, or quarterly. Corporations and other individual taxpayers are required to pay their estimated tax quarterly and file a declaration annually. The City allows a credit for income taxes paid to another municipality up to 100 percent of the City's current tax rate.

From 2000 to 2009, local income tax revenue has increased annually an average of 2.9 percent. During 2009, the City's vision continued to focus on economic development and chose capital projects based on their potential return on investment. Consequently, the City has a diverse tax base which is anchored by the Hilliard City School District, the City's largest employer which should allow us to weather the national economic downturn.

The Municipal Income Tax as reported in the Change in Net Assets decreased $1,002,242 from 2008. This decrease is due to an exceptionally large amount of refunds paid in 2009 and withholding for January 2010 coming in 15 percent under last January.

In 2009, the largest revenue source was capital grants, contributions and interest of $20,966,177 due to donated assets of $18,274,540.

Our Payments in Lieu of Taxes amount as reported in the Change in Net Assets increased by $471,125 from 2008. The increase is due to first time collections for the Tremont Club TIF.

Total General Revenues were down $907,125 from 2008 to 2009 but total Program Revenues were up $17,068,256 from 2008 to 2009 resulting in total revenues increasing 50 percent in 2009. This is primarily due to an increase in capital contributions of streets, water lines and sewer lines from developers from $61,946 in 2008 to $18,274,540 in 2009.

Governmental program expenses for 2009 were as follows:

General Government	11.23%
Security of Persons and Property	21.92%
Public Health	0.44%
Leisure Time Activities	7.93%
Community Environment	12.16%
Basic Utility Services	17.60%
Transportation	22.22%
Interest and Fiscal Charges	6.50%
	100.00%

Program expenses were up 7 percent from 2008 to 2009. The largest increase was in Transportation due to the completion of two major roadway improvements. Basic Utility Services increased because of the additional expense related to the new Safety Services building.

The Administration and City Council base spending decisions on how they will improve the quality of life for the citizens and business in Hilliard. The Administration and council committed to maintain and improve the City's investments by providing appropriations for capital assets, equipment and repairs. These assets include street resurfacing, sidewalk replacements, safety and street maintenance equipment and vehicles, as well as park and recreation equipment.

When looking at the sources of income to support governmental activities, it should be noted that charges for services are only 15.3 percent of total revenues when 2009 donated assets of $18,274,540 are excluded from total revenue of $48,461,723. Revenues provided by sources other than City residents in the form of operating and capital grants restricted to a certain program comprise another 4.7 percent of total revenues again excluding 2009 donated assets. 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.

THE CITY'S FUNDS

Information about the City's major governmental funds begins on page 16. These funds are reported using the modified accrual basis of accounting. All governmental funds had total revenues of $27,745,931 and expenditures of $43,177,792. As of the end of the current year, the City's governmental funds reported combined ending fund balances of $15,835,524, an increase of $7,374,579 in comparison with the prior year. At December 31, 2009, unreserved fund balance was $12,450,856. The remaining fund balance of $3,384,668 is reserved to indicate that it is not available for new spending because it has already been committed to liquidate contracts and purchase orders of the prior year. While the bulk of the governmental fund balances are not reserved in the governmental fund statements, they lead to restricted net assets on the Statement of Net Assets due to expenditure restrictions mandated by the source of the resource, such as the State or Federal government.

The General Fund balance of $3,213,378 continues to rely heavily on the City's income tax as its primary source of revenue for operations, which kept the balance and activity of the fund consistent to prior years. The fund balance decreased $87,028 in 2009.

The decrease of $380,722 in the Street Maintenance and Repair Special Revenue Fund was primarily due to an increase in expenditures for the year for mowing and contracted street maintenance.

The Street Improvement Municipal Tax Special Revenue Fund decreased by $114,219 due primarily to a decrease in municipal income tax revenues in 2009. The decrease is the result of a change in the allocation of income tax to this fund from 12.5 percent in 2008 to 5 percent in 2009.

The Water Revenue Special Revenue Fund increased by $117,775 due to depositing more of the surcharges into the fund in anticipation of increased expenses.

The Capital Improvement Municipal Tax Capital Projects Fund increased by $8,896,818 mainly due to the proceeds of bonds issued in 2009 of $15,540,000 to refund notes of $11,400,000 issued in 2008 and to fund various capital projects.

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 appropriations ordinance is Council's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by Council as provided for in the City's charter. The legal level of control has been established by Council at the object level.

During 2009, the total amount of the General Fund budget remained unchanged; however, appropriations were reallocated by ordinance among departments and objects.

General Fund original and final budgeted revenues were $18,590,128. Actual revenues were $17,632,488, a difference of $957,640 compared to final budget revenues.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets
(Net of Depreciation)
Governmental Activities

	2009	2008
Land	$ 4,047,464	$ 4,047,464
Road Right-of-Way	-	4,317,532
Construction in Progress	3,905,887	5,229,740
Buildings	8,752,442	2,559,486
Improvement Other Than Buildings	6,063,770	6,162,287
Machinery and Equipment	1,047,140	899,262
Furniture and Fixtures	375,412	338,399
Vehicles	1,416,633	1,405,839
Infrastructure	231,454,529	212,296,535
Totals	$ 257,063,277	$ 237,256,544

Capital Assets increased $19,806,733 primarily due to the completion of the Hilliard-Rome Road project, Britton Parkway project, and the capitalization of the Safety Services building. See Note 10 of the Notes to the Basic Financial Statements for more detailed information.

Debt

At December 31, 2009, the City of Hilliard had $61,507,792 in debt outstanding.

Outstanding Debt at Year End
Governmental Activities

	2009	2008
OWDA Loan Payable	$ 2,216,777	$ 2,216,777
General Obligation Bonds	51,115,263	37,463,333
Capital Leases	6,313,094	342,992
Premium on Bonds Issued	1,862,658	1,114,698
Totals	$ 61,507,792	$ 41,137,800

The increase in outstanding debt is due $15,540,000 bonds issued in 2009 and the inception of a capital lease in 2009 on a public safety building in the amount of $6,417,386. Generally, all general obligation bond issues and the notes payable will be paid through the Water Revenue, Street Improvement Municipal Tax, and TIF Special Revenue Funds, and the Capital Improvements Municipal Tax Capital Projects Fund.

The OWDA loans will be paid from the Capital Improvements Municipal Tax Capital Projects Fund.

The City's overall 10.5 percent legal debt margin was $68,219,951 as of December 31, 2009. The more restrictive unvoted legal debt margin within 5.5 percent was $23,890,094 as of the same date.

See Note 16 of the Notes to the Basic Financial Statements for more detailed information about the City's debt.

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 Michelle Kelly-Underwood, Director of Finance, City of Hilliard, 3800 Municipal Way, Hilliard, Ohio 43026.

BASIC FINANCIAL STATEMENTS

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

	Governmental Activities
Assets	
Equity in Pooled Cash and Cash Equivalents	$ 14,549,768
Cash and Cash Equivalents with Fiscal Agents	283,069
Accounts Receivable	157,051
Municipal Income Tax Receivable	3,906,928
Due from Other Governments	3,643,650
Payments in Lieu of Taxes Receivable	1,068,335
Prepaid Items	26,943
Property and Other Local Taxes Receivable	1,347,867
Deferred Charges	818,626
Nondepreciable Capital Assets	7,953,351
Depreciable Capital Assets	396,565,776
Accumulated Depreciation	(147,455,850)
Total Assets	282,865,514
Liabilities	
Accounts Payable	686,507
Accrued Wages Payable	317,736
Matured Compensated Absences	260,156
Due to Other Governments	584,734
Accrued Interest Payable	192,604
Claims Payable	111,000
Unearned Revenue	1,709,427
Long-Term Liabilities:	
Due Within One Year	3,474,889
Due in More Than One Year	59,866,094
Total Liabilities	67,203,147
Net Assets	
Invested in Capital Assets, Net of Related Debt	197,699,834
Restricted for:	
Streets and Transportation	4,352,561
Basic Utility Services	1,630,137
Other Purposes	2,797,963
Capital Outlay	5,793,314
Unrestricted	3,388,558
Total Net Assets	$ 215,662,367

The notes to the basic financial statements are an integral part of this statement.

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

		Program Revenues			Net (Expense) Revenue and Changes in Net Assets
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants, Contributions and Interest	Total Governmental Activities
Governmental Activities					
General Government	$ 4,346,672	$ 1,451,333	$ -	$ 92,195	$ (2,803,144)
Security of Persons and Property	8,483,744	620,598	-	-	(7,863,146)
Public Health	169,063	-	-	-	(169,063)
Leisure Time Activities	3,069,040	933,107	-	-	(2,135,933)
Community Environment	4,704,774	596,596	-	-	(4,108,178)
Basic Utility Services	6,812,986	1,018,487	-	7,614,838	1,820,339
Transportation	8,596,950	-	1,422,622	13,259,144	6,084,816
Interest and Fiscal Charges	2,516,290	-	-	-	(2,516,290)
Total Governmental Activities	$ 38,699,519	$ 4,620,121	$ 1,422,622	$ 20,966,177	(11,690,599)

General Revenues	
Property Taxes Levied for General Purposes	1,682,554
Municipal Income Taxes Levied for:	
General Purposes	11,470,507
Transportation	747,888
Capital Outlay	4,072,798
Payments in Lieu of Taxes	1,846,750
Grants and Entitlements not Restricted to Specific Purposes	1,099,064
Unrestricted Investment Earnings	156,648
Miscellaneous	376,594
Total General Revenues	21,452,803
Change in Net Assets	9,762,204
Net Assets at Beginning of Year	205,900,163
Net Assets at End of Year	$ 215,662,367

The notes to the basic financial statements are an integral part of this statement.

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

	General	Street Maintenance and Repair	Street Improvement Municipal Tax
Assets			
Equity in Pooled Cash and Cash Equivalents	$ 2,696,503	105,914	3,127,385
Cash and Cash Equivalents with Fiscal Agents	-	-	-
Receivables:			
Property and Other Local Taxes Receivable	1,347,867	-	-
Payments in Lieu of Taxes Receivable	-	-	-
Municipal Income Tax Receivable	2,734,849	-	195,347
Accounts	155,491	1,560	-
Due from Other Governments	608,874	633,966	415,403
Prepaid Items	26,943	-	-
Interfund Receivable	13,717	-	-
Total Assets	$ 7,584,244	741,440	3,738,135
Liabilities			
Accounts Payable	325,244	33,690	11,325
Due to Other Fund	52,794	694	-
Interfund Payable	-	-	-
Accrued Wages Payable	271,603	12,634	-
Matured Compensated Absences	245,809	10,553	-
Due to Other Governments	528,512	19,515	-
Deferred Revenue	2,946,904	434,832	477,062
Total Liabilities	4,370,866	511,918	488,387
Fund Balances			
Reserve for Encumbrances	139,582	39,866	455,756
Unreserved (Deficit), Reported in:			
General Fund	3,073,796	-	-
Special Revenue Funds	-	189,656	2,793,992
Debt Service Funds	-	-	-
Capital Project Funds	-	-	-
Total Fund Balance	3,213,378	229,522	3,249,748
Total Liabilities and Fund Balance	$ 7,584,244	741,440	3,738,135

See accompanying notes to the basic financial statements.

Water Revenue	TIF	Capital Improvement Municipal Tax	Nonmajor Funds	Total Governmental Funds
372,199	1,000,527	5,378,830	1,813,210	$ 14,494,568
-	-	-	283,069	283,069
-	-	-	-	1,347,867
-	1,068,335	-	-	1,068,335
-	-	976,732	-	3,906,928
-	-	-	-	157,051
-	25,342	1,856,267	103,798	3,643,650
-	-	-	-	26,943
-	-	-	-	13,717
372,199	2,094,204	8,211,829	2,200,077	$ 24,942,128
6,461	-	274,175	35,612	686,507
492	-	-	1,976	55,956
-	-	-	13,717	13,717
11,386	-	-	22,113	317,736
-	-	-	3,794	260,156
13,805	-	-	22,902	584,734
-	1,093,677	2,164,558	70,765	7,187,798
32,144	1,093,677	2,438,733	170,879	9,106,604
-	77,800	2,622,604	49,060	3,384,668
-	-	-	-	3,073,796
340,055	922,727	-	1,993,855	6,240,285
-	-	-	(13,717)	(13,717)
-	-	3,150,492	-	3,150,492
340,055	1,000,527	5,773,096	2,029,198	15,835,524
372,199	2,094,204	8,211,829	2,200,077	$ 24,942,128

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

Total Governmental Fund Balances		$ 15,835,524
Amount reported for governmental activities in the Statement of Net Assets are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. These assets consist of:		
Land	4,047,464	
Construction in Progress	3,905,887	
Buildings	11,500,688	
Improvements Other Than Buildings	7,780,538	
Machinery and Equipment	4,120,634	
Furniture and Fixtures	775,131	
Vehicles	3,216,351	
Infrastructure	369,172,434	
Accumulated Depreciation	(147,455,850)	
Total		257,063,277
Bond issuance costs, reported as an expenditure in governmental funds, are allocated as an expense over the life of the debt on the full accrual basis.		818,626
An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the Statement of Net Assets.		156
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:		
Property and Other Local Taxes	17,223	
Municipal Income Taxes	1,233,162	
Intergovernmental	3,159,651	
Payments in Lieu of Taxes	1,068,335	
Total		5,478,371
Some liabilities are not due and payable in the current period and therefore are not reported in the funds. Those liabilities consist of:		
Accrued Interest	(192,604)	
Premium on Debt Issued	(1,862,658)	
General Obligation Bonds	(51,115,263)	
OWDA Loans	(2,216,777)	
Capital Lease	(6,313,094)	
Compensated Absences	(1,833,191)	
Total		(63,533,587)
Net Assets of Governmental Activities		$ 215,662,367

See accompanying notes to the basic financial statements.

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

	General	Street Maintenance and Repair	Street Improvement Municipal Tax
Revenues			
Property and Other Local Taxes	$ 1,719,684	-	-
Municipal Income Taxes	11,423,417	-	510,997
Payments in Lieu of Taxes	-	-	-
Intergovernmental	972,379	1,276,251	667,285
Charges for Services	2,104,497	-	-
Licenses and Permits	798,759	-	-
Fines and Forfeitures	282,013	-	-
Investment Income	149,516	2,188	-
Special Assessments	-	-	-
Miscellaneous	71,974	2,862	194,631
Total Revenues	17,522,239	1,281,301	1,372,913
Expenditures			
Current:			
General Government	4,101,118	-	-
Security of Persons and Property	7,827,363	-	-
Public Health	169,063	-	-
Leisure Time Activities	2,704,252	-	-
Community Environment	2,807,471	-	-
Basic Utility Services	-	-	-
Transportation	-	1,662,023	1,353,329
Debt Service:			
Principal Retirement	-	-	117,700
Interest and Fiscal Charges	-	-	16,103
Total Expenditures	17,609,267	1,662,023	1,487,132
Other Financing Sources (Uses)			
Proceeds of General Obligation Bonds	-	-	-
Premium on Debt Issued	-	-	-
Capital Lease	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Net Changes in Fund Balances	(87,028)	(380,722)	(114,219)
Fund Balances at Beginning of Year	3,300,406	610,244	3,363,967
Fund Balances at End of Year	$ 3,213,378	229,522	3,249,748

See accompanying notes to the basic financial statements.

Water Revenue	TIF	Capital Improvement Municipal Tax	Nonmajor Funds	Total Governmental Funds
-	-	-	-	$ 1,719,684
-	-	3,978,136	-	15,912,550
-	1,529,580	-	-	1,529,580
-	-	-	348,194	3,264,109
425,803	-	-	936,622	3,466,922
-	-	136,500	33,652	968,911
-	-	-	38,775	320,788
-	-	94	4,850	156,648
-	-	-	28,981	28,981
-	-	60,356	47,935	377,758
425,803	1,529,580	4,175,086	1,439,009	27,745,931
-	-	249,023	25,715	4,375,856
-	-	7,232,203	47,643	15,107,209
-	-	-	-	169,063
-	-	251,267	148,195	3,103,714
-	-	2,629,893	396,391	5,833,755
308,028	-	1,450,803	785,875	2,544,706
-	899,452	2,519,831	311,638	6,746,273
	-			
-	700,700	1,493,884	45,000	2,357,284
-	664,562	2,257,804	1,463	2,939,932
308,028	2,264,714	18,084,708	1,761,920	43,177,792
-	-	15,540,000	-	15,540,000
-	-	849,054	-	849,054
-	-	6,417,386	-	6,417,386
-	-	22,806,440	-	22,806,440
117,775	(735,134)	8,896,818	(322,911)	7,374,579
222,280	1,735,661	(3,123,722)	2,352,109	8,460,945
340,055	1,000,527	5,773,096	2,029,198	$ 15,835,524

City of Hilliard, Ohio

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities

For the Year Ended December 31, 2009

Net Change in Fund Balances - Total Governmental Funds		$	7,374,579
Amount reported for governmental activities in the Statement of Activities are different because:			
Governmental Funds report capital outlay as expenditures. However, in the Statement of Activities, the cost of these assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:			
Capital Outlay	12,272,386		
Depreciation	(10,722,530)		
Excess of Depreciation Expense over Capital Outlay			1,549,856
Governmental funds do not report the revenue from the contribution of capital assets since they do not represent current financial resources. However, the revenue is reported in the Statement of Activities.			
Contributed Capital			18,274,540
In the Statement of Activities, only the gain on sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net assets differs from the change in fund balance by the book value of the capital assets sold.			(17,663)
The internal service fund used by management to charge the cost of insurance to individual funds is reported in the entity-wide Statement of Activities.			114,887
Repayment of long-term obligations is reported as an expenditure in governmental funds, but the repayment reduces long-term liabilities on the Statement of Net Assets. In the current year, these amounts consist of:			
General Obligation Bond Principal Payments	1,910,000		
Capital Lease Principal Payments	447,284		
			2,357,284
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:			
Property and Other Taxes	(37,130)		
Municipal Income Taxes	378,643		
Intergovernmental	2,099,739		
			2,441,252
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:			
General Obligation Bonds	(15,540,000)		
Premium on Debt Issued	(849,054)		
Capital Lease	(6,417,386)		
Current Year Bond Issuance Costs	339,035		
			(22,467,405)
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 bond issuance costs are recognized as expenditures when incurred, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as interest accrues, regardless of when it is due and bond issuance costs are deferred and amortized. The additional amount of interest and fiscal charges on the Statement of Activities is the result of the following:			
Increase in Accrued Interest	50,739		
Amortization of Loss on Refunding Bonds	(21,930)		
Amortization of Premium on General Obligation Bonds	101,094		
Amortization of Bond Issuance Costs (Deferred Charges)	(45,296)		
			84,607
Some items reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds. These activities consist of:			
Decrease in Compensated Absences			50,267
Changes in Net Assets of Governmental Activities		$	9,762,204

See accompanying notes to the basic financial statements.

City of Hilliard, Ohio
Statement of Revenues, Expenditures and Changes
In Fund Balances - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2009

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Property and Other Local Taxes	$ 1,606,500	$ 1,606,500	$ 1,726,973	$ 120,473
Municipal Income Taxes	12,178,223	12,178,223	11,496,626	(681,597)
Intergovernmental	1,117,422	1,117,422	984,744	(132,678)
Charges for Services	2,111,100	2,114,100	2,209,867	95,767
Licenses and Permits	624,300	621,300	708,418	87,118
Fines and Forfeitures	350,000	350,000	284,383	(65,617)
Investment Income	477,083	477,083	149,516	(327,567)
Miscellaneous	125,500	125,500	71,961	(53,539)
Total Revenues	18,590,128	18,590,128	17,632,488	(957,640)
Expenditures				
Current:				
General Government	4,764,151	4,749,151	4,220,609	528,542
Security of Persons and Property	8,088,257	8,103,257	8,043,005	60,252
Public Health	169,058	169,068	169,063	5
Leisure Time Activities	2,758,758	2,758,748	2,728,176	30,572
Community Environment	3,066,934	3,066,934	2,902,105	164,829
Total Expenditures	18,847,158	18,847,158	18,062,958	784,200
Excess of Revenues Over (Under) Expenditures	(257,030)	(257,030)	(430,470)	(173,440)
Net Change in Fund Balance	(257,030)	(257,030)	(430,470)	(173,440)
Fund Balance at Beginning of Year	2,373,330	2,373,330	2,373,330	-
Prior Year Encumbrances Appropriated	259,066	259,066	259,066	-
Fund Balance at End of Year	$ 2,375,366	$ 2,375,366	$ 2,201,926	$ (173,440)

The notes to the basic financial statements are an integral part of this statement.

City of Hilliard, Ohio
Statement of Revenues, Expenditures and Changes
In Fund Balances - Budget (Non-GAAP Basis) and Actual
Street Maintenance and Repair Fund
For the Year Ended December 31, 2009

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Intergovernmental	$ 1,285,000	$ 1,285,000	$ 1,282,127	$ (2,873)
Investment Income	10,000	10,000	2,188	(7,812)
Miscellaneous	130,000	130,000	4,618	(125,382)
Total Revenues	1,425,000	1,425,000	1,288,933	(136,067)
Expenditures				
Current:				
Transportation	2,115,814	2,115,814	1,711,731	404,083
Total Expenditures	2,115,814	2,115,814	1,711,731	404,083
Excess of Revenues Over (Under) Expenditures	(690,814)	(690,814)	(422,798)	268,016
Other Financing Sources (Uses)				
Transfers - In	339,377	339,377	-	(339,377)
Total Other Financing Sources (Uses)	339,377	339,377	-	(339,377)
Net Change in Fund Balance	(351,437)	(351,437)	(422,798)	(71,361)
Fund Balance at Beginning of Year	405,959	405,959	405,959	-
Prior Year Encumbrances Appropriated	49,197	49,197	49,197	-
Fund Balance at End of Year	$ 103,719	$ 103,719	$ 32,358	$ (71,361)

The notes to the basic financial statements are an integral part of this statement.

City of Hilliard, Ohio
Statement of Revenues, Expenditures and Changes
In Fund Balances - Budget (Non-GAAP Basis) and Actual
Street Improvement Municipal Tax Fund
For the Year Ended December 31, 2009

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Municipal Income Taxes	$ 858,400	$ 858,400	$ 753,112	$ (105,288)
Intergovernmental	-	-	690,589	690,589
Other	-	-	194,631	194,631
Total Revenues	858,400	858,400	1,638,332	779,932
Expenditures				
Current:				
Transportation	1,269,657	1,939,657	1,832,622	107,035
Debt Service:				
Principal Retirement	117,700	117,700	117,700	-
Interest and Fiscal Charges	112,300	42,300	16,103	26,197
Total Expenditures	1,499,657	2,099,657	1,966,425	133,232
Net Change in Fund Balance	(641,257)	(1,241,257)	(328,093)	913,164
Fund Balance (Deficit) at Beginning of Year	2,264,917	2,264,917	2,264,917	-
Prior Year Encumbrances Appropriated	719,657	719,657	719,657	-
Fund Balance at End of Year	$ 2,343,317	$ 1,743,317	$ 2,656,481	$ 913,164

The notes to the basic financial statements are an integral part of this statement.

City of Hilliard, Ohio
Statement of Revenues, Expenditures and Changes
In Fund Balances - Budget (Non-GAAP Basis) and Actual
Water Revenue Fund
For the Year Ended December 31, 2009

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Charges for Services	$ 350,000	$ 350,000	$ 425,803	$ 75,803
Total Revenues	350,000	350,000	425,803	75,803
Expenditures				
Current:				
Basic Utility Services	476,830	476,830	296,481	180,349
Total Expenditures	476,830	476,830	296,481	180,349
Net Change in Fund Balance	(126,830)	(126,830)	129,322	256,152
Fund Balance (Deficit) at Beginning of Year	236,817	236,817	236,817	-
Prior Year Encumbrances Appropriated	98	98	98	-
Fund Balance at End of Year	$ 110,085	$ 110,085	$ 366,237	$ 256,152

The notes to the basic financial statements are an integral part of this statement.

City of Hilliard, Ohio
Statement of Revenues, Expenditures and Changes
In Fund Balances - Budget (Non-GAAP Basis) and Actual
TIF Fund
For the Year Ended December 31, 2009

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Payment in Lieu of Taxes	$ 850,000	$ 934,000	$ 1,529,580	$ 595,580
Total Revenues	850,000	934,000	1,529,580	595,580
Expenditures				
Current:				
Transportation	-	1,063,700	1,056,594	7,106
Debt Service:				
Principal Retirement	-	700,700	700,700	-
Interest and Fiscal Charges	-	665,300	664,562	738
Total Expenditures	-	2,429,700	2,421,856	7,844
Net Change in Fund Balance	850,000	(1,495,700)	(892,276)	603,424
Fund Balance (Deficit) at Beginning of Year	1,815,003	1,815,003	1,815,003	-
Fund Balance at End of Year	$ 2,665,003	$ 319,303	$ 922,727	$ 603,424

The notes to the basic financial statements are an integral part of this statement.

City of Hilliard, Ohio
Statement of Fund Net Assets
Internal Service Fund
December 31, 2009

	Insurance Trust
Assets	
Current Assets:	
Equity in Pooled Cash and Cash Equivalents	$ 55,200
Due from Other Funds	55,956
Total Assets	$ 111,156
Liabilities	
Current Liabilities:	
Claims Payable	$ 111,000
Total Liabilities	111,000
Net Assets	
Unrestricted Net Assets	$ 156

See accompanying notes to the basic financial statements.

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

	Insurance Trust
Operating Revenues	
Charges for Services	$ 1,946,767
Operating Expenses	
Contractual Services	198,765
Claims	1,633,115
Total Operating Expenses	1,831,880
Change in Net Assets	114,887
Net Assets (Deficit) at Beginning of Year	(114,731)
Net Assets at End of Year	$ 156

See accompanying notes to the basic financial statements.

City of Hilliard, Ohio
Statement of Cash Flows
Internal Service Fund
For the Year Ended December 31, 2009

	Insurance Trust
Increase (Decrease) in Cash and Cash Equivalents:	
Cash Flows from Operating Activities	
Cash Received from Customers	$ 2,031,544
Cash Payments for Services	(198,765)
Cash Payments for Claims	(1,789,115)
Net Cash Provided by Operating Activities	43,664
Cash and Cash Equivalents Beginning of Year	11,536
Cash and Cash Equivalents End of Year	$ 55,200
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:	
Operating Income	$ 114,887
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:	
Decrease in Due from Other Funds	84,777
Decrease in Claims Payable	(156,000)
Net Cash Provided by Operating Activities	$ 43,664

See accompanying notes to the basic financial statements.

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

Assets		
Equity in Pooled Cash and Cash Equivalents	$	399,925
Cash and Cash Equivalents in Segregated Accounts		29,369
Accounts Receivable		2,469
Total Assets	$	431,763
Liabilities		
Due to Other Governments	$	219,642
Deposits Held and Due to Others		212,121
Total Liabilities	$	431,763

See accompanying notes to the basic financial statements.

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NOTE 1 – DESCRIPTION OF THE CITY AND REPORTING ENTITY

The City of Hilliard (the "City") is a home rule municipal corporation organized under the laws of the State of Ohio. The City operates under its own Charter. The current Charter, which provides for a Mayor-Council form of government, was adopted January 1, 1963, and was most recently amended November 3, 2009, effective January 1, 2010.

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 and departments which comprise the legal entity of the City. The City provides various services including police protection, parks and recreation, planning, zoning, engineering, street maintenance, snow removal, refuse collection, and other governmental services. Water and sewer services are provided by the City of Columbus, although the City of Hilliard maintains the water and sewer lines. Norwich Township provides fire protection.

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 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 levying of its taxes or the issuance of its debt. The City has no component units.

The City of Hilliard Mayor's Court has been included in the City's financial statements as an agency fund. The Mayor is an elected City official who has a fiduciary responsibility for the collection and distribution of court fees and fines.

The City is associated with the Hilliard Arts Council Corporation which is defined as a related organization. In addition, in 2007 the City entered into agreement with Norwich Township, a legally separate organization, to construct and operate a facility to house the police protection services of the City and the fire protection services of Norwich Township. Information about the related organization and the joint venture is presented in Note 20 to the basic financial statements.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Hilliard have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to 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) guidance issued on or before November 30, 1989, to its governmental activities and to its proprietary fund provided they do not conflict with or contradict GASB pronouncements. 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 activity of the internal service fund is eliminated to avoid "doubling up" revenues and expenses. Interfund services provided and used are not eliminated in the process of consolidation. The statements usually distinguish between those activities of the City that are governmental in nature and those that are considered business-type activities; however, the City has no activities which are reported as business-type.

The Statement of Net Assets presents the financial condition of the governmental 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. Direct expenses are those that are specifically associated with a service, program or department and therefore are clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational 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 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 fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. The internal service fund is presented on the face of the proprietary fund statements. Fiduciary funds are reported by type.

Fund Accounting

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

Governmental Funds
Governmental funds are those through which most governmental functions of the City typically 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's 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.

Street Maintenance and Repair Fund – This fund is used to account for that portion of the state gasoline tax and motor vehicle registration fees restricted for maintenance and repair of streets within the City.

Street Improvement Municipal Tax Fund – This fund is used to account for a portion of the City's income tax collections to be used for repair and improvement of streets and highways. In 2009 5% of income tax collections were deposited into the fund.

Water Revenue Fund – This fund is used to account for water tap fees and water surcharge revenues collected by the City of Columbus for the City of Hilliard. These revenues are used for upgrading and making minor repairs to waterlines.

Tax Increment Financing (TIF) Fund – This fund is used to account for real estate taxes received from various business owners to be used for City-owned infrastructure improvements that will benefit the business owners' property.

Capital Improvement Municipal Tax Fund – This fund is used to account for 25 percent of the City's income tax collections and impact fees which are used for various capital improvements.

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

Proprietary Fund
Proprietary fund reporting focuses on the determination of operating income, changes in net assets, financial position and cash flows. The City's proprietary fund is an internal service fund.

Internal Service Fund – The internal service fund accounts for the financing of services provided by one department or agency to other departments or agencies of the City on a cost reimbursement basis. The City's internal service fund accounts for the payment of all City employees' medical, dental, and vision claims.

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 City's only fiduciary funds are agency funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The City has two agency funds which are used to account for the collection and distribution of court fines and forfeitures and for the collection and distribution of charges for inspections provided by other governments and entities along with capacity charges for another city.

Measurement Focus

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

Fund Financial Statements
All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the Balance Sheet. The Statement of Revenues, Expenditures and Changes in Fund Balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. 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, the proprietary fund type is accounted for using a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of this fund are included on the Statement of Fund Net Assets. The Statement of Revenues, Expenses, and Changes in Fund Net Assets presents increases (e.g., revenues) and decreases (e.g., expenses) in total net assets. The Statement of Cash Flows provides information about how the City finances and meets the cash flow needs of its proprietary activity.

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 and the financial statements of the internal service and agency funds are prepared using 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 Transactions
Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available. “Measurable” means the amount of the transaction can be determined and “Available” means 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 sixty days of year-end.

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include property taxes, municipal income taxes, payments in lieu of taxes, grants, entitlements, shared revenues, and donations. On the accrual basis, revenue from property taxes/payments in lieu of taxes is recognized in the year for which the taxes are levied (See Note 7). Revenue from municipal income taxes is recognized in the year in which the income is earned. Revenue from grants, entitlements, shared revenues, 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 the 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: municipal income taxes, charges for services, interest on investments, intergovernmental revenues (including motor vehicle license tax, gasoline tax, and local government assistance), and grants.

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

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

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

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

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

Cash and Cash Equivalents

To improve cash management, cash received by the City, except cash held by a fiscal or escrow agent and cash held in a segregated account, is pooled. Individual fund integrity is maintained through City records. Interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents" on the financial statements. Monies held by the Franklin County Engineer are presented in the financial statements as "Cash and Cash Equivalents with Fiscal Agent". Cash and cash equivalents that are held separately for Mayor's Court and not held in the City treasury are recorded on the financial statements as "Cash and Cash Equivalents in Segregated Accounts."

During 2009, the City invested in Federal Home Loan Mortgage Company Notes, Federal National Mortgage Association Notes, Federal Home Loan Bank Bonds, negotiable certificates of deposit, repurchase agreements, and STAROhio. All of the City's negotiable certificates of deposit matured during 2009. STAROhio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAROhio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAROhio are valued at STAROhio's share price,

which is the price the investment could be sold for on December 31, 2009. Investments are reported at fair value which is based on quoted market prices. 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 2009 amounted to $149,516, which includes $119,598 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 on the financial statements as cash equivalents.

Prepaid Items

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

Bond Premium/Unamortized Bond Issuance Costs/Loss

Bond premiums and issuance costs are deferred and amortized over the term of the bonds using the straight-line method since the results are not significantly different from the effective interest method. Bond premiums are presented as an addition of the face amount of the bonds payable whereas issuance costs are recorded as deferred charges.

The accounting loss on refunded bonds (difference between the reacquisition price and the net carrying amount of the old debt) is amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter.

Capital Assets

The City's only capital assets are general capital assets and contributions of capital assets from developers. General capital assets usually 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.

All capital assets are capitalized at cost (or estimated historical cost, which is determined by indexing the current replacement cost back to the year of acquisition) and updated for additions and deletions during the year. Donated capital assets are recorded at their fair market values on the date received. The City maintains a capitalization threshold of one thousand dollars, except for infrastructure which has a threshold of five 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 expensed.

All capital assets except for land, road right of way, 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:

Description	Estimated Lives
Buildings	20-40 years
Improvements Other Than Buildings	15-30 years
Machinery and Equipment	5-20 years
Furniture and Fixtures	7-20 years
Vehicles	5-20 years
Infrastructure	10-50 years

The City's infrastructure consists of curbs, streets, bridges, traffic signals, sidewalks, water lines, sewer lines, storm sewers, and street lights.

Compensated Absences

Vacation and compensatory time 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 accumulated unused vacation and compensatory time 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 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 entire compensated absences liability is reported on the government-wide financial statements. On governmental fund financial statements, compensated absences are reported as liabilities and expenditures to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account "Matured Compensated Absences Payable" in the funds from which the employees will be paid.

Accrued Liabilities And Long-Term Obligations

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

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

Reservations Of Fund Balance

The City reserves those portions of fund balance which are legally segregated for a specific future use or which do not represent expendable resources and therefore are not available for appropriation or expenditure. As a result, encumbrances are recorded as a reservation of fund balance.

Contributions of Capital

Contributions of capital arise from outside contributions of capital assets, grants or outside contributions of resources restricted to capital acquisitions and construction.

Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use 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, and the operation of police programs.

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

The government-wide Statement of Net Assets reports $14,573,975 of restricted net assets, of which $59,421 is restricted by enabling legislation.

Interfund Transaction

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 the proprietary fund. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the internal service fund. For the City, these revenues are charges for services for employees' health claims. 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.

Accounting 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.

Budgetary Process

All funds, other than agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations 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 ordinance is Council's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by Council. The legal level of control has been established by Council at the object level.

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 budgetary statements and schedules as final budgeted amounts represent estimates from the amended certificate in force at the time final appropriations were passed by Council.

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

NOTE 3 – SUBSEQUENT EVENT

On May 11, 2010, the City issued bond anticipation notes in the amount of $5,300,000 for street improvement projects, equipment replacement and park improvements. The notes will mature on May 10, 2011. The interest rate on the notes is 1.55%, with a true interest cost of 1.07%.

NOTE 4 – COMPLIANCE AND ACCOUNTABILITY

Accountability

At December 31, 2009, the Special Assessment Bond Retirement Debt Service Fund had deficit fund balance of $13,717. The General Fund is liable for any deficits and will provide operating transfers when cash is required, not when accruals occur.

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 Statements of Revenues, Expenditures and Changes in Fund Balances - Budget (Non-GAAP Basis) and Actual, are presented for the General Fund and the Street Maintenance and Repair, Street Improvement Municipal Tax, Water Revenue, and TIF Special Revenue Funds to provide a meaningful comparison of actual results with the budget.

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

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).

2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures (budget basis) rather than as a reservation of fund balance (GAAP basis).
4. Advances-In and Advances-Out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis).

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

	General	Street Maintenance and Repair	Street Improvement Municipal Tax	Water Revenue	TIF
GAAP Basis	$ (87,028)	$ (380,722)	$ (114,219)	$ 117,775	$ (735,134)
Revenue Accruals	110,248	7,632	265,419	-	-
Expenditure Accruals	11,136	23,849	(12,211)	17,509	(79,342)
Encumbrances	(464,826)	(73,557)	(467,082)	(5,962)	(77,800)
Budget Basis	$ (430,470)	$ (422,798)	$ (328,093)	$ 129,322	$ (892,276)

NOTE 6 - DEPOSITS AND INVESTMENTS

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.

Interim monies are permitted to 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 (STAROhio).

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

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

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

Deposits

Custodial credit risk for deposits is the risk that in the event of bank failure; the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. At year-end, $685,419 of the City's bank balance of $6,587,545 was exposed to custodial credit risk because it was uninsured, and collateralized with securities held by the pledging financial institution.

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

Investments

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

		Investment Maturities (in Years)	
	Fair Value	0 to 6 months	7 to 12 months
FHLB Bonds	$ 510,940	$ -	$ 510,940
Repurchase Agreement	1,523,558	1,523,558	-
5/3rd Government Money Market	709,165	709,165	-
STAROhio	6,214,320	6,214,320	-
Totals	$ 8,957,983	$ 8,447,043	$ 510,940

Interest Rate Risk – The City's investment policy requires that an investment mature within two years from the date of purchase, unless matched to a specific obligation or debt of the City, and that an investment must be purchased with the expectation that it will be held to maturity. The City's policy states that all investments should be sufficiently liquid to meet all operating requirements that can be reasonably anticipated.

Credit Risk – Federal Home Loan Bank Bonds and the underlying securities of the repurchase agreement carry a rating of Aaa by Moody's. STAROhio carries a rating of AAAm by Standard and Poor's. Ohio law requires that STAROhio maintain the highest rating provided by at least one nationally recognized standard rating service. Under normal circumstances, the 5/3rd Government Money Market Fund invests at least 80 percent of its assets in U.S. Government securities, repurchase agreements collateralized by these securities, and shares of money market investment companies that invest exclusively in these securities. The City's investment policy limits investments to those authorized by State statute.

Concentration of Credit Risk – The City places no limit on the amount it may invest in any one issuer; however, investments are limited to low risk securities with the expectation of earning market rate of return. The City's investments in Federal Home Loan Bank Bonds, repurchase agreements, and 5/3rd Government Money Market represent 5.7 percent, 17 percent, and 7.9 percent, respectively, of the City's total investments.

NOTE 7 - PROPERTY TAXES

Property taxes include amounts levied against all real, public utility and tangible personal property located in the City. Property tax revenue received during 2009 for real and public utility property taxes represents collections of 2008 taxes.

2009 real property taxes are levied after October 1, 2009, on the assessed value as of January 1, 2009, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2009 real property taxes are collected in and intended to finance 2010.

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

2009 tangible personal property taxes are levied after October 1, 2008, on the value as of December 31, 2008. Collections are made in 2009. As prescribed by Ohio House Bill 66, tax on tangible personal property tax was phased out through a reduction in the assessed value subject to tax and was completely phased out by 2009.

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

The County Treasurer collects property taxes on behalf of all taxing districts within the County, including the City of Hilliard. The County Auditor periodically remits to the City its portion of the taxes. Property taxes receivable represents real and tangible personal property taxes, public utility taxes, and outstanding delinquencies which are measurable as of December 31, 2009, and for which there is an enforceable legal claim. In the governmental funds, the entire receivable has been offset by unearned revenue since the current taxes were not levied to finance 2009 operations, and the collections of delinquent taxes during the available period is not subject to reasonable estimation. On a full accrual basis, collectible delinquent property taxes have been recorded as revenue while the remainder of the receivable is unearned.

The full tax rate for all City operations for the year ended December 31, 2009, was $1.60 per $1,000 of assessed value. The assessed values of real and tangible personal property upon which 2009 property tax receipts were based are as follows:

Category	Assessed Value
Real Property	$ 874,856,810
Tangible Personal Property	1,345,983
Public Utility Property	10,394,370
Totals	$ 886,597,163

Public Utility Property consists of both real property and tangible personal property.

NOTE 8 – MUNICIPAL INCOME TAX

The City levies a municipal income tax of 2.0 percent on all salaries, wages, commissions, other compensation and on net profits earned within the City as well as on incomes of residents earned outside the City. However, the City allows a credit for income taxes paid to another municipality up to 100 percent of the City's current tax rate.

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

Income tax proceeds are distributed to the General Fund, Street Improvement Municipal Tax Special Revenue Fund, and the Capital Improvements Municipal Tax Capital Projects Fund as required by City Administrative Code.

NOTE 9 - RECEIVABLES

Receivables at December 31, 2009, consisted of property and other local taxes, payments in lieu of taxes, municipal income taxes, accounts, special assessments, accrued interest, intergovernmental receivables arising from grants, entitlements and shared revenues, and interfund receivables. All receivables are considered fully collectible.

A summary of intergovernmental receivables follows:

Governmental Activities	Amounts
Local Government	$ 428,243
Estate Tax	95,290
Homestead, Rollback and Exemption	99,384
Gas Tax	486,545
Motor Vehicle Tax	250,752
City of Columbus	415,403
OPWC Grant	1,856,267
Other	11,766
Total Intergovernmental Receivables	$ 3,643,650

NOTE 10 – CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2009, was as follows:

	Balance at 1/1/2009	Additions	Deletions	Balance at 12/31/2009
Governmental Activities				
Capital Assets, not being depreciated:				
Land	$ 4,047,464	-	-	4,047,464
Road Right-of-Way	4,317,532	153,827	(4,471,359)	-
Construction in Progress	5,229,740	2,004,259	(3,328,112)	3,905,887
Total Capital Assets, not being depreciated	13,594,736	2,158,086	(7,799,471)	7,953,351
Depreciable Capital Assets:				
Buildings	5,056,068	6,444,620	-	11,500,688
Improvements Other Than Buildings	7,590,526	190,012	-	7,780,538
Machinery and Equipment	3,729,234	478,794	(87,394)	4,120,634
Furniture and Fixtures	697,608	78,639	(1,116)	775,131
Vehicle	3,233,970	321,405	(339,024)	3,216,351
Infrastructure	340,986,178	28,674,841	(488,585)	369,172,434
Total Depreciable Capital Assets	361,293,584	36,188,311	(916,119)	396,565,776
Less Accumulated Depreciation:				
Buildings	(2,496,582)	(251,664)	-	(2,748,246)
Improvements Other Than Buildings	(1,428,239)	(288,529)	-	(1,716,768)
Machinery and Equipment	(2,829,972)	(318,086)	74,564	(3,073,494)
Furniture and Fixtures	(359,209)	(41,626)	1,116	(399,719)
Vehicle	(1,828,131)	(305,778)	334,191	(1,799,718)
Infrastructure	(128,689,643)	(9,516,847)	488,585	(137,717,905)
Total Accumulated Depreciation	(137,631,776)	(10,722,530)	898,456	(147,455,850)
Depreciable Capital Assets, Net	223,661,808	25,465,781	(17,663)	249,109,926
Governmental Activities Capital Assets, Net	$ 237,256,544	27,623,867	(7,817,134)	257,063,277

For the year ended December 31, 2009, the value of the assets donated to the City was $18,274,540.

Depreciation expense was charged to the governmental programs as follows:

General Government	$ 130,295
Security of Persons and Property	410,035
Leisure Time Activities	367,681
Community Environment	59,709
Basic Utility Services	5,208,865
Transportation	4,545,945
Total Depreciation Expense	$ 10,722,530

NOTE 11 - DEFINED BENEFIT PENSION PLANS

Ohio Public Employees Retirement System

The 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 percent per year). Under the member-directed plan, members accumulate retirement assets equal to the value of the member and vested employer contributions, plus any investment earnings. The combined plan is a cost-sharing, multiple-employer defined benefit pension plan 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 East Town Street, Columbus, OH 43215-4642 or by calling (614) 222-6701 or (800) 222-7377.

For the year ended December 31, 2009, the members of all three plans, except those in law enforcement or public safety participating in the traditional plan, were required to contribute 10.0 percent of their annual covered salaries. The City required employees to contribute 1.5 percent, and the City paid the remaining 8.5 percent of participants' gross salaries, along with the required employer portion. Members participating in the traditional plan who were in law enforcement and public safety contributed 10.1 percent of their annual covered salary. The employer contribution rate for pension benefits for 2009 was 14 percent, except for those plan members in law enforcement or public safety. For those classifications, the employer's pension contributions were 17.63 percent of covered payroll. The Ohio Revised Code provides statutory authority for member and employer contributions.

The City's required contributions for pension obligations to the traditional and combined plans for the years ended December 31, 2009, 2008, and 2007 were $819,552, $636,947, and $558,983, respectively; 100 percent has been contributed for 2009, 2008 and 2007. Contributions to the member-directed plan for 2009 were $30,332 made by the City and $21,666 made by the plan members.

Ohio Police and Fire Pension Fund

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

Plan members are required to contribute 10 percent of their annual covered salary to fund pension obligations while the City is required to contribute 19.5 percent for police officers. The City required

employees to contribute .5 percent, and the City paid the remaining 9.5 percent of participants' gross salaries, along with the required employer portion. The City has no firefighters. Contributions are authorized by State statute. The City's required contributions to the OP&F for the years ended December 31, 2009, 2008, and 2007 were $766,793, $567,704, and $583,874, respectively. The full amount has been contributed for 2009, 2008, and 2007.

NOTE 12 - POSTEMPLOYMENT BENEFITS

Ohio Public Employees Retirement System

The Ohio Public Employees Retirement System (OPERS) provides postemployment healthcare coverage to age and service retirees with ten or more years of qualifying Ohio service credit with either the traditional or combined plans. Healthcare coverage for disability benefit recipients and qualified survivor benefit recipients is available. The cost-sharing multiple employer defined benefit postemployment healthcare plan includes a medical plan, prescription drug program and Medicare Part B premium reimbursement to qualifying members. Members of the member-directed plan do not qualify for postemployment healthcare coverage. The healthcare coverage provided by the retirement system meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB *Statement No. 45*.

A portion of each employer's contribution to the traditional or combined plans is set aside for the funding of postemployment healthcare based on authority granted by State statute. OPERS Post Employment Healthcare plan was established under, and is administrated in accordance with, Internal Revenue Code 401(h). Each year, the OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for funding of postemployment healthcare benefits. The 2009 local government employer contribution rate was 14 percent of covered payroll (17.63 percent for public safety and law enforcement). Active members do not make contributions to the OPEB Plan. The portion of employer contributions allocated to healthcare was 7.0% from January 1 through March 31, 2009 and 5.5% from April 1 through December 31, 2009. The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the healthcare benefits provide, by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected. Actual City contributions for 2009, 2008, and 2007 which were used to fund postemployment benefits were $298,764, $318,474, and $219,979, respectively.

Ohio Police and Fire Pension Fund

The Ohio Police and Fire Pension Fund (OP&F) provides postemployment healthcare 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. The healthcare coverage provided by OP&F meets the definition of an Other Postemployment Benefit (OPEB) as described in *GASB Statement No.45*.

The Ohio Revised Code allows, but does not mandate OP&F to provided OPEB benefits. Authority for the OP&F board of trustees to provide healthcare coverage to eligible participants and to establish and amend benefits are codified in Chapter 742 of the Ohio Revised Code. The Ohio Revised Code provides for contributions requirements of the participating employers and of plan members to the OP&F (defined benefit pension plan). Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan member, currently, 19.5 percent of covered payroll for police. The Ohio Revised Code states that the employer contributions may not exceed 19.5 percent of covered payroll for police employer units. Active members do not make contributions to the OPEB plan.

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

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

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

The City's actual contributions for 2009, 2008 and 2007 that were allocated to fund the healthcare plan for police were $258,409, $257,992, and $261,067, respectively.

NOTE 13 - OTHER EMPLOYEE BENEFITS

Compensated Absences

Accumulated Unpaid Vacation
City employees earn vacation leave at varying rates based upon length of service. Vacation can accumulate to a maximum of 400 hours. When an employee terminates employment, he/she is paid for 100 percent of their unused vacation leave. City employees can also earn compensatory time. Compensatory time is paid at one and one-half times an employee's regular rate. Employees with time remaining upon termination of their employment will be paid for any unused compensatory time.

Accumulated Unpaid Sick Leave
City employees earn sick leave at the rate of four and six tenths hours per eighty hours of service. Sick leave is cumulative without limit. In the case of death or retirement, an employee (or his/her estate) is paid 50 percent of accumulated sick leave up to a maximum payment of 500 hours.

Deferred Compensation

City employees may participate in Mass Mutual, ING or Ohio Public Employees Deferred Compensation Plans. These plans were created in accordance with Internal Revenue Code Section 457. Participation is on a voluntary payroll deduction basis. The plans permit deferral of compensation until future years. According to the plans, the deferred compensation is not available until termination, retirement, death, or an unforeseeable emergency.

NOTE 14 - CAPITAL LEASES - LESSEE DISCLOSURE

The City has leases for a building, vehicles and equipment. The building lease meets the criteria of a capital lease as defined by *Statement of Financial Accounting Standards No. 13, "Accounting for Leases"*, as the present value of the minimum lease payments at the beginning of the lease equals the fair value of the leased property. While the vehicle and equipment leases meet the criteria 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 debt service expenditures in the Basic Financial Statements for the governmental funds. These expenditures are reflected as program/function expenditures on a budgetary basis

On June 25, 2007, the City entered into an agreement with Norwich Township (the "Township"), a separate legal entity, for the joint construction and management of a public safety building. The building was constructed and is owned managed by the Township. Initially the Township paid the entire cost of the building construction. The City entered into a 30 year lease agreement with the Township under which the City will pay its allocated portion of the construction cost which totaled $6,417,386. The lease agreement began upon completion of the building and the first lease payment was made on June 1, 2009. The present value of the minimum lease payments equals the cost of construction allocated to the City and has been included as a capital asset and a long term liability in the Statement of Net Assets.

The future minimum lease obligations and the net present value of these minimum lease payments as of December 31, 2009 were as follows:

Year ending December 31,	Safety Building Lease
2010	$ 391,914
2011	391,914
2012	391,914
2013	391,914
2014	391,914
2015-2019	1,959,570
2020-2024	1,959,570
2025-2029	1,959,570
2030-2034	1,959,570
2035-2038	1,567,654
Total minimum lease payments	11,365,504
Less: amount representing interest	(5,052,410)
	$ 6,313,094

In a prior period, the City entered into a lease agreement for the purchase of a copier. During 2005 and 2006, the City entered into lease agreements for the purchase of vehicles and equipment. Capital assets acquired by lease have been capitalized in the Statement of Net Assets for governmental activities in the amount of $1,481,371, which is equal to the present value of the future minimum lease payments at the time of acquisition. Principal payments in 2009 totaled $342,992. This capital lease was paid off on February 7, 2009.

The assets acquired through the capital leases are as follows:

	Governmental Activities
Buildings	$ 6,452,952
Machinery and Equipment	551,701
Vehicles	894,104
Less: Accumulated Depreciation	(700,266)
Total	$ 7,198,491

NOTE 15 - RISK MANAGEMENT

Property and Liability Insurance

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During 2009, the City contracted with several different insurance providers for property, liability, and automobile insurance.

Settled claims have not exceeded this commercial coverage in any of the past three years. There was no significant reduction in the level of coverage from the prior year.

Workers' Compensation

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 cost.

Health Insurance

The City maintains a self-funded health insurance program with claims processed by Central Benefits on behalf of the City. The Insurance Trust Fund (an internal service fund) was created in 1989 to account for and finance the health insurance program. As an integral part of the health insurance program, stop loss coverage has been purchased covering claims in excess of $75,000 per individual and $1,000,000 per occurrence.

All funds of the City from which employee salaries are paid participate in the health insurance programs and make payments to the Insurance Trust Fund based on the amounts needed to make claim payments. Total contributions to the program during 2009 were $1,946,767. The claims liability of $111,000 reported in the Insurance Trust Fund at December 31, 2009, is based on the requirements of *GASB Statement No. 10, "Accounting and Financial Reporting for Risk Financing and Related Insurance Issues,"* as amended by *GASB Statement No. 30 "Risk Management Omnibus,"* which requires that a liability for claims be reported if information prior to issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Estimates were calculated by using actual claims reports for several months following the balance sheet date. This estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses.

Changes in the Insurance Trust Fund's claims liability amount for 2007, 2008 and 2009 were:

Year	Balance at Beginning of Year	Current Year Claims	Claims Payments	Balance at End of Year
2007	$ 383,300	$ 1,665,827	$ (1,895,127)	$ 154,000
2008	154,000	1,737,048	(1,624,048)	267,000
2009	267,000	1,633,115	(1,789,115)	111,000

NOTE 16 - LONG -TERM OBLIGATIONS

Changes in long-term obligations during 2009 were as follows:

Types/Issues	Balance at 1/1/2009	Issued	Retired	Balance at 12/31/2009	Due Within One Year
Loans Payable:					
2005 OWDA Loan 3% $2,472,265	2,216,777	-	-	2,216,777	-
Unvoted General Obligation Bonds:					
1999 Various Purpose Improvement					
5.1 - 5.15% $1,500,000	185,000	-	185,000	-	-
2002 Various Purpose Improvement					
3.0 - 5.375% $4,950,000	595,000	-	140,000	455,000	145,000
2003 Various Purpose Improvement					
3.0 - 4.25% $5,280,000	4,310,000	-	210,000	4,100,000	220,000
2005 Various Purpose and Refunding					
3.0 - 5.0% $20,175,000	17,595,000	-	820,000	16,775,000	805,000
Unamortized Loss	(416,667)	-	(21,930)	(394,737)	-
2005 Trueman Boulevard Project					
3.0 - 5.0% $8,285,000	7,635,000	-	295,000	7,340,000	310,000
2007 Various Purpose & Refunding					
4.0 - 5.0% $7,975,000	7,560,000	-	260,000	7,300,000	275,000
2009 Various Purpose					
2.25 - 5.0% $15,540,000	-	15,540,000	-	15,540,000	730,000
Total General Obligation Bonds	37,463,333	15,540,000	1,888,070	51,115,263	2,485,000
Other Long-Term Obligations:					
Compensated Absences	1,883,458	870,744	921,011	1,833,191	880,851
Premium General Obligation Bonds Issued	1,114,698	849,054	101,094	1,862,658	-
Capital Leases	342,992	6,417,386	447,284	6,313,094	109,038
Total Other Long-Term Obligations	3,341,148	8,137,184	1,469,389	10,008,943	989,889
Total General Long-Term Obligations	$ 43,021,258	$ 23,677,184	$ 3,357,459	$ 63,340,983	$ 3,474,889

On June 2, 2009, the City issued $15,540,000 Various Purpose Bonds, Series 2009 General Obligation Limited Tax to fund various capital improvements and refund bond anticipation notes issued on August 28, 2008. The issue generated $849,054 in premium. Issuance costs totaled $339,035.

The OWDA loans will be paid from the Capital Improvements Municipal Tax Capital Projects Fund.

Generally, all voted and unvoted general obligation bond issues and notes payable will be paid through the Street Improvement Municipal Tax and Tax Increment Financing Special Revenue Funds, the Capital Improvements Municipal Tax Capital Projects Fund, and the Special Assessment Bond Retirement Debt Service Fund.

Capital leases were paid from the Capital Improvement Municipal Tax Capital Projects Fund.

Compensated absences will be paid from the General Fund, the Street Maintenance and Repair, and Construction Inspection Special Revenue Funds.

As of December 31, 2009, the City's overall legal debt margin (the ability to issue additional amounts of general obligation bonded debt) was $68,219,952 with an unvoted debt margin of $23,890,094.

Principal and interest requirements to retire the City's long-term obligations outstanding at December 31, 2009, are:

	OWDA Loans		General Obligation Bonds	
Year	Principal	Interest	Principal	Interest
2010	$ -	$ 74,437	$ 2,485,000	$ 2,236,805
2011	216,215	72,827	2,570,000	2,152,930
2012	222,750	66,292	2,680,000	2,067,068
2013	229,483	59,560	2,765,000	1,969,137
2014	236,418	52,624	2,865,000	1,874,975
2015-2019	1,293,699	151,513	14,130,000	7,657,675
2020-2024	18,212	6,376	16,630,000	4,210,212
2025-2029	-	-	7,385,000	888,344
Totals	$ 2,216,777	$ 483,629	$ 51,510,000	$ 23,057,146

NOTE 17 – SHORT-TERM BOND ANTICIPATION NOTES

On August 28, 2008 the City issued series 2008 Bond Anticipation Notes in the amount of $11,390,000. The proceeds were used for various City improvements and to pay the 2007 Bond Anticipation Notes. The premium on the notes issued was $55,811 and the underwriter's discount and cost of issuance totaled $54,079. The coupon rate was 2.25%. The notes matured on August 27, 2009 and were paid with proceeds of the 2009 Various Purpose Bonds issued on June 2, 2009.

Issuances and maturities of short-term notes during 2009 were as follows:

Types/Issues	Balance at 1/1/2009	Issued	Retired	Balance at 12/31/2009
2008 Bond Anticipation Notes	11,390,000	-	11,390,000	-
Total	11,390,000	-	11,390,000	-

NOTE 18 – CONDUIT DEBT OBLIGATIONS

From time to time, the City has issued industrial revenue development bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from the payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity. Neither the City, the State, nor any political subdivision thereof is obligated in any manner for the repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of December 31, 2009, there were four series of industrial revenue development bonds outstanding with an aggregate principal amount payable of $7,370,000.

NOTE 19 - CONTRACTUAL COMMITMENTS

As of December 31, 2009, the City had contractual purchase commitments as follows:

Vendor	Contract Amount	Amount Expended	Balance 12/31/2009
Burgess & Niple	$ 100,000	$ 66,666	$ 33,334
Cols Ashphalt Paving	1,245,362	902,126	343,236
EMHT	95,000	57,123	37,877
Environmental. Mgt, Inc.	67,328	56,219	11,109
Flowline	200,000	191,947	8,053
M-E companies	30,000	25,300	4,700
Reynolds Inliner	339,545	303,491	36,054
Site Maintenance	24,000	19,280	4,720
Stantec Consulting Svcs	710,000	398,992	311,008
URS Corporation	735,739	235,739	500,000
W.E. STILSON Cons. Grp.	19,720	14,828	4,892
Totals	$ 3,566,694	$ 2,271,711	$ 1,294,983

NOTE 20 – RELATED ORGANIZATION AND JOINT VENTURE

Hilliard Arts Council Corporation

The Hilliard Arts Council Corporation is statutorily created as a separate and distinct political subdivision of the State. The authority is governed by an eleven member Board of Trustees appointed as follows: four members appointed by the Hilliard City Council, one member appointed by the Hilliard Area Chamber of Commerce, one member appointed by the Hilliard Recreation and Parks Director, one member appointed by the Hilliard City School District, and four members appointed by the Mayor of the City of Hilliard. The Trustees adopt their own appropriations, hire and fire their own staff, authorize expenditures, and do not rely on the City to finance deficits. The City cannot influence the Corporation's operations, nor does the Corporation represent a potential financial benefit or burden to the City.

The City and Norwich Township entered into a Joint Construction and Management Agreement which provides for the renovation, construction, management and use of a combined fire and police facility.

Renovation was completed in December of 2008 and the City moved to the new facility in early 2009. The facility houses Township administration offices, City of Hilliard Mayor's Court, City of Hilliard Police Department, City of Hilliard Communications and Norwich Township Fire Department. In addition to the joint agreement, the City provides police services to the unincorporated areas of the Township through a separate agreement and dispatching services for the fire department under a separate agreement. The Township provides fire protection and emergency medical services to the incorporated and unincorporated areas of the Township.

NOTE 21 - CONTINGENT LIABILITIES

Federal and State Grants

For the period January 1, 2009, to December 31, 2009, the City received federal and state grants for specific purposes that are subject to review and audit by 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.

Special Revenue Funds

Special revenue funds are used to account for the proceeds of specific revenue sources (other than trusts for individuals, private organization, or other governments, or major capital projects) that are legally restricted to expenditures for specified purposes.

County Municipal Motor Vehicle Tax Fund
To account for funds received from the City's permissive motor vehicle license tax and from the County's permissive motor vehicle license tax restricted for use of maintaining certain roadways within the City.

Fleet Fund
To account for charges for services provided and used for expenditures related to gasoline, repair and maintenance of vehicles and fleet equipment.

Community Development Block Grant Fund (CDBG)
To account for federal grant monies to be used for storm sewer improvements.

Park Maintenance Fund
To account for public use fees collected on all lots developed in the City and the expenditures for all park maintenance, repair, and upkeep.

Police Fund
To account for financial resources used to educate and treat persons with alcohol related problems, to enhance law enforcement activities as a deterrent to the operation of motor vehicles while under the influence of alcohol, to account for mandatory drug fines, and to account for proceeds received from the sale of property received as a result of the Safety Department's participation in drug investigations or confiscated during drug related arrests.

Mayor's Court Computer Fund
To account for court fees to be used to maintain and upgrade the computer system in the Mayor's court.

General Government Grants
To account for revenue and expenditures related to grants received from various sources.

Sewer Revenue Fund
To account for sewer surcharge revenues collected by the City of Columbus for Hilliard and 20 percent of sewer tap fees which are to be used for upgrading and repairing sewer lines.

Sewer Capacity and Benefit Fund
To account for system capacity charges and 80 percent of sewer tap fees which are to be used to maintain sewer lift stations.

(continued)

Construction Inspection Fund
To account for the construction inspection fees and landscape deposits made by developers. Expenditures are payments to the inspectors and refunds of landscape deposits.

Debt Service Funds

Debt service funds are used to account for the accumulation of resources and payment of general obligation bond principal and interest from governmental resources and special assessment levies when the government is obligated in some manner for the payment.

Special Assessment Bond Retirement Fund
To account for resources that are used for payment of principal, interest and fiscal charges on special assessment debt.

Capital Projects Funds

Capital projects funds are used to account for the financial resources to be used for the acquisition or construction of major capital facilities.

Britton Road Improvement Fund
To account for debt proceeds used to finance major repairs to Britton Road.

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

	County Municipal Motor Vehicle Tax	Fleet	CDBG	Park Maintenance
Assets				
Equity in Pooled Cash and Cash Equivalents	$ 192,879	-	-	93,300
Cash and Cash Equivalents with Fiscal Agents	283,069	-	-	-
Due from Other Governments	103,331	-	-	-
Total Assets	$ 579,279	-	-	93,300
Liabilities				
Accounts Payable	1,275	-	-	11,086
Due to Other Fund	-	-	-	-
Interfund Payable	-	-	-	-
Accrued Wages Payable	-	-	-	-
Matured Compensated Absences	-	-	-	-
Due to Other Governments	-	-	-	-
Deferred Revenue	70,765	-	-	-
Total Liabilities	72,040	-	-	11,086
Fund Balances				
Reserve for Encumbrances	-	-	-	8,601
Unreserved, Reported in:				
Special Revenue Funds	507,239	-	-	73,613
Debt Service Funds	-	-	-	-
Total Fund Balance	507,239	-	-	82,214
Total Liabilities and Fund Balance	$ 579,279	-	-	93,300

Special Revenue						Total Nonmajor Special Revenue Funds
Police	Mayor's Court Computer	General Government Grants	Sewer Revenue	Sewer Capacity and Benefit	Construction Inspection	
55,084	75,792	-	739,946	598,204	58,005	1,813,210
-	-	-	-	-	-	283,069
-	-	-	-	-	467	103,798
55,084	75,792	-	739,946	598,204	58,472	2,200,077
419	-	-	19,818	-	3,014	35,612
-	-	-	275	-	1,701	1,976
-	-	-	-	-	-	-
-	-	-	13,616	-	8,497	22,113
-	-	-	-	-	3,794	3,794
-	-	-	14,359	-	8,543	22,902
-	-	-	-	-	-	70,765
419	-	-	48,068	-	25,549	157,162
3,806	6,829	-	11,742	-	18,082	49,060
50,859	68,963	-	680,136	598,204	14,841	1,993,855
-	-	-	-	-	-	-
54,665	75,792	-	691,878	598,204	32,923	2,042,915
55,084	75,792	-	739,946	598,204	58,472	2,200,077

(continued)

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

	Debt Service Special Assessment Bond Retirement	***Capital Projects*** Britton Road Improvement Fund	***Total Nonmajor Governmental Funds***
Assets			
Equity in Pooled Cash and Cash Equivalents	$ -	-	1,813,210
Cash and Cash Equivalents with Fiscal Agents	-	-	283,069
Due from Other Governments	-	-	103,798
Total Assets	$ -	-	2,200,077
Liabilities			
Accounts Payable	-	-	35,612
Due to Other Fund	-	-	1,976
Interfund Payable	13,717	-	13,717
Accrued Wages Payable	-	-	22,113
Matured Compensated Absences	-	-	3,794
Due to Other Governments	-	-	22,902
Deferred Revenue	-	-	70,765
Total Liabilities	13,717	-	170,879
Fund Balances			
Reserve for Encumbrances	-	-	49,060
Unreserved, Reported in:			
Special Revenue Funds	-	-	1,993,855
Debt Service Funds	(13,717)	-	(13,717)
Total Fund Balance	(13,717)	-	2,029,198
Total Liabilities and Fund Balance	$ -	-	2,200,077

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

	County Municipal Motor Vehicle Tax	Fleet	CDBG	Park Maintenance
Revenues				
Intergovernmental	321,009	-	-	-
Charges for Services	-	-	-	48,735
Licenses and Permits	-	-	-	33,652
Fines and Forfeitures	-	-	-	-
Investment Income	1,349	-	-	-
Special Assessments	-	-	-	-
Miscellaneous	-	-	-	8,950
Total Revenues	322,358	-	-	91,337
Expenditures				
Current:				
General Government	-	-	-	-
Security of Persons and Property	-	-	-	-
Leisure Time Activities	-	-	-	148,195
Community Environment	-	6,171	-	-
Basic Utility Services	-	2,968	335,877	-
Transportation	215,517	1,188	-	-
Debt Service:				
Principal Retirement	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Total Expenditures	215,517	10,327	335,877	148,195
Net Changes in Fund Balances	106,841	(10,327)	(335,877)	(56,858)
Fund Balances at Beginning of Year	400,398	10,327	335,877	139,072
Fund Balances at End of Year	$ 507,239	$ -	$ -	$ 82,214

Special Revenue						Total Nonmajor Special Revenue Funds
Police	Mayor's Court Computer	General Government Grants	Sewer Revenue	Sewer Capacity and Benefit	Construction Inspection	
-	-	27,185	-	-	-	348,194
10,325	-	-	541,009	51,675	284,878	936,622
-	-	-	-	-	-	33,652
21,890	16,885	-	-	-	-	38,775
-	-	-	-	-	-	1,349
-	-	-	-	-	-	-
29,779	-	-	-	4,398	4,808	47,935
61,994	16,885	27,185	541,009	56,073	289,686	1,406,527
-	25,715	-	-	-	-	25,715
47,643	-	-	-	-	-	47,643
-	-	-	-	-	-	148,195
-	-	-	-	-	390,220	396,391
-	-	-	447,030	-	-	785,875
-	-	27,185	-	-	-	243,890
-	-	-	-	-	-	-
-	-	-	-	-	-	-
47,643	25,715	27,185	447,030	-	390,220	1,647,709
14,351	(8,830)	-	93,979	56,073	(100,534)	(241,182)
40,314	84,622	-	597,899	542,131	133,457	2,284,097
$ 54,665	$ 75,792	$ -	$ 691,878	$ 598,204	$ 32,923	$ 2,042,915

(continued)

City of Hilliard, Ohio

Combining Statement of Revenues, Expenditures and Changes in Fund Balances, continued

Nonmajor Governmental Funds

For the Year Ended December 31, 2009

	Debt Service Special Assessment Bond Retirement	***Capital Projects*** Britton Road Improvement Fund	***Total Nonmajor Governmental Funds***
Revenues			
Intergovernmental	-	-	348,194
Charges for Services	-	-	936,622
Licenses and Permits	-	-	33,652
Fines and Forfeitures	-	-	38,775
Investment Income	3,501	-	4,850
Special Assessments	28,981	-	28,981
Miscellaneous	-	-	47,935
Total Revenues	32,482	-	1,439,009
Expenditures			
Current:			
General Government	-	-	25,715
Security of Persons and Property	-	-	47,643
Leisure Time Activities	-	-	148,195
Community Environment	-	-	396,391
Basic Utility Services	-	-	785,875
Transportation	-	67,748	311,638
Debt Service:			
Principal Retirement	45,000	-	45,000
Interest and Fiscal Charges	1,463	-	1,463
Total Expenditures	46,463	67,748	1,761,920
Net Changes in Fund Balances	(13,981)	(67,748)	(322,911)
Fund Balances at Beginning of Year	264	67,748	2,352,109
Fund Balances at End of Year	$ (13,717)	$ -	$ 2,029,198

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

Mayor's Court Fund
To account for the collection and distribution of court fines and forfeitures.

Escrow Fund
To account for the collection and distribution of charges for plumbing and electrical inspections provided by the City of Columbus, Franklin County Board of Health, and electrical contractors. This fund also accounts for the collection and remittance of sewer capacity charges and public service department deposits.

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

	Mayor's Court	Escrow	Total
Assets			
Equity in Pooled Cash and Cash Equivalents	$ -	$ 399,925	$ 399,925
Cash and Cash Equivalents in Segregated Accounts	29,369	-	29,369
Accounts Receivable	-	2,469	2,469
Total Assets	$ 29,369	$ 402,394	$ 431,763
Liabilities			
Due to Other Governments	$ -	$ 219,642	$ 219,642
Deposits Held and Due to Others	29,369	182,752	212,121
Total Liabilities	$ 29,369	$ 402,394	$ 431,763

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

	Balance January 1, 2009	Additions	Deductions	Balance December 31, 2009
Mayor's Court				
Assets				
Cash and Cash Equivalents in Segregated Accounts	$ 25,715	$ 391,497	$ 387,843	$ 29,369
Liabilities				
Deposits Held and Due to Others	$ 25,715	$ 391,497	$ 387,843	$ 29,369
Escrow				
Assets				
Equity in Pooled Cash and Cash Equivalents	$ 160,716	$ 412,852	$ 173,643	$ 399,925
Accounts Receivable	-	2,469	-	2,469
Total Assets	$ 160,716	$ 415,321	$ 173,643	$ 402,394
Liabilities				
Due to Other Governments	$ 160,716	$ 232,569	$ 173,643	$ 219,642
Deposits Held and Due to Others	-	182,752	-	182,752
Total Assets	$ 160,716	$ 415,321	$ 173,643	$ 402,394
Total - All Agency Funds				
Assets				
Equity in Pooled Cash and Cash Equivalents	$ 160,716	$ 412,852	$ 173,643	$ 399,925
Cash and Cash Equivalents in Segregated Accounts	25,715	391,497	387,843	29,369
Accounts Receivable	-	2,469	-	2,469
	$ 186,431	$ 806,818	$ 561,486	$ 431,763
Liabilities				
Due to Other Governments	$ 160,716	$ 232,569	$ 173,643	$ 219,642
Deposits Held and Due to Others	25,715	574,249	387,843	212,121
	$ 186,431	$ 806,818	$ 561,486	$ 431,763

City of Hilliard, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balances - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2009

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Property and Other Local Taxes	$ 1,606,500	$ 1,606,500	$ 1,726,973	$ 120,473
Municipal Income Taxes	12,178,223	12,178,223	11,496,626	(681,597)
Intergovernmental	1,117,422	1,117,422	984,744	(132,678)
Charges for Services	2,111,100	2,114,100	2,209,867	95,767
Licenses and Permits	624,300	621,300	708,418	87,118
Fines and Forfeitures	350,000	350,000	284,383	(65,617)
Investment Income	477,083	477,083	149,516	(327,567)
Miscellaneous	125,500	125,500	71,961	(53,539)
	18,590,128	18,590,128	17,632,488	(957,640)
Expenditures				
Current:				
General Government				
Mayor				
Personal Services	158,839	158,839	143,524	15,315
Contractual Services	12,500	12,500	10,300	2,200
Materials and Supplies	5,025	5,025	3,070	1,955
Total Mayor	176,364	176,364	156,894	19,470
City Council				
Personal Services	202,967	202,967	184,295	18,672
Contractual Services	82,000	82,000	36,480	45,520
Materials and Supplies	49,479	49,479	49,294	185
Total City Council	334,446	334,446	270,069	64,377
Clerk of Courts				
Personal Services	146,522	153,522	145,610	7,912
Contractual Services	91,908	86,408	83,996	2,412
Materials and Supplies	11,800	10,300	9,507	793
Total Clerk of Courts	250,230	250,230	239,113	11,117
Law				
Personal Services	223,148	223,148	217,228	5,920
Contractual Services	74,405	74,405	33,970	40,435
Materials and Supplies	7,000	7,000	5,007	1,993
Total Law	304,553	304,553	256,205	48,348

(continued)

City of Hilliard, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balances - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2009
(continued)

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Finance				
Personal Services	638,528	663,528	648,125	15,403
Contractual Services	107,768	107,768	101,862	5,906
Materials and Supplies	49,693	49,693	37,687	12,006
Other	61,499	36,499	29,238	7,261
Total Finance	857,488	857,488	816,912	40,576
Economic Development				
Personal Services	219,243	219,243	205,543	13,700
Contractual Services	9,405	9,405	-	9,405
Materials and Supplies	13,550	13,550	8,687	4,863
Total Economic Development	242,198	242,198	214,230	27,968
City Clerk				
Personal Services	59,412	64,412	61,917	2,495
Contractual Services	2,500	500	-	500
Materials and Supplies	18,120	15,120	13,800	1,320
Total City Clerk	80,032	80,032	75,717	4,315
Human Resources				
Personal Services	183,345	199,345	193,486	5,859
Contractual Services	46,527	36,527	22,575	13,952
Materials and Supplies	13,300	7,300	3,584	3,716
Total Human Resources	243,172	243,172	219,645	23,527
Public Building and Land				
Personal Services	328,141	328,141	266,235	61,906
Contractual Services	105,701	105,701	93,888	11,813
Materials and Supplies	53,750	53,750	52,126	1,624
Utilities	458,741	458,741	455,007	3,734
Total Public Building and Land	946,333	946,333	867,256	79,077
Information Technology				
Personal Services	86,987	101,987	95,905	6,082
Contractual Services	123,291	123,291	120,153	3,138
Materials and Supplies	20,000	5,000	3,302	1,698
Total Information Technology	230,278	230,278	219,360	10,918
Civil Service Commission				
Personal Services	6,494	6,494	6,480	14
Contractual Services	12,000	12,000	12,000	-
Materials and Supplies	9,500	9,500	2,191	7,309
Total Civil Service Commission	27,994	27,994	20,671	7,323

(continued)

City of Hilliard, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balances - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2009
(continued)

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Boards and Commissions				
Personal Services	61,881	61,881	61,829	52
Materials and Supplies	1,500	1,500	339	1,161
Total Boards and Commissions	63,381	63,381	62,168	1,213
General Administrative				
Personal Services	111,896	136,896	125,187	11,709
Contractual Services	299,405	319,405	310,045	9,360
Materials and Supplies	146,381	46,381	26,626	19,755
Other	450,000	490,000	340,511	149,489
Total General Administrative	1,007,682	992,682	802,369	190,313
Total General Government	4,764,151	4,749,151	4,220,609	528,542
Security of Persons and Property				
Police				
Personal Services	7,693,464	7,718,964	7,666,545	52,419
Contractual Services	243,315	240,315	235,609	4,706
Materials and Supplies	151,059	143,559	140,551	3,008
Other	419	419	300	119
Total Police	8,088,257	8,103,257	8,043,005	60,252
Total Security of Persons and Property	8,088,257	8,103,257	8,043,005	60,252
Public Health				
County Health District				
Contractual Services	169,058	169,068	169,063	5
Total County Health District	169,058	169,068	169,063	5
Total Public Health	169,058	169,068	169,063	5
Leisure Time Activities				
Recreation				
Personal Services	1,972,722	1,987,722	1,969,790	17,932
Contractual Services	217,241	212,241	206,156	6,085
Materials and Supplies	329,750	319,740	314,516	5,224
Utilities	202,383	202,383	202,283	100
Other	36,662	36,662	35,431	1,231
Total Recreation	2,758,758	2,758,748	2,728,176	30,572
Total Leisure Time Activities	2,758,758	2,758,748	2,728,176	30,572

(continued)

City of Hilliard, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balances - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2009
(continued)

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Community Environment				
Service/Engineer				
Personal Services	695,707	685,707	661,481	24,226
Contractual Services	1,581,720	1,557,720	1,542,711	15,009
Materials and Supplies	35,735	31,735	24,704	7,031
Other	5,000	5,000	5,000	-
Total Service/Engineer	2,318,162	2,280,162	2,233,896	46,266
Building Inspection				
Personal Services	510,328	548,328	510,448	37,880
Contractual Services	213,944	213,944	138,001	75,943
Materials and Supplies	17,500	17,500	13,448	4,052
Other	7,000	7,000	6,312	688
Total Building Inspection	748,772	786,772	668,209	118,563
Total Community Environment	3,066,934	3,066,934	2,902,105	164,829
Total Expenditures	18,847,158	18,847,158	18,062,958	784,200
Excess of Revenues Over (Under) Expenditures	(257,030)	(257,030)	(430,470)	(173,440)
Net Change in Fund Balance	(257,030)	(257,030)	(430,470)	(173,440)
Fund Balance at Beginning of Year	2,373,330	2,373,330	2,373,330	-
Prior Year Encumbrances Appropriated	259,066	259,066	259,066	-
Fund Balance at End of Year	$ 2,375,366	$ 2,375,366	$ 2,201,926	$ (173,440)

City of Hilliard, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balances - Budget (Non-GAAP Basis) and Actual
Street Maintenance and Repair Fund
For the Year Ended December 31, 2009

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Intergovernmental	$ 1,285,000	$ 1,285,000	$ 1,282,127	$ (2,873)
Investment Income	10,000	10,000	2,188	(7,812)
Miscellaneous	130,000	130,000	4,618	(125,382)
Total Revenues	1,425,000	1,425,000	1,288,933	(136,067)
Expenditures				
Current:				
Transportation				
Personal Services	868,623	868,623	740,551	128,072
Contractual Services	585,998	585,998	474,138	111,860
Materials and Supplies	661,193	661,193	497,042	164,151
Total Transportation	2,115,814	2,115,814	1,711,731	404,083
Total Expenditures	2,115,814	2,115,814	1,711,731	404,083
Excess of Revenues Over (Under) Expenditures	(690,814)	(690,814)	(422,798)	268,016
Other Financing Sources (Uses)				
Transfers - In	339,377	339,377	-	(339,377)
Total Other Financing Sources (Uses)	339,377	339,377	-	(339,377)
Net Change in Fund Balance	(351,437)	(351,437)	(422,798)	(71,361)
Fund Balance at Beginning of Year	405,959	405,959	405,959	-
Prior Year Encumbrances Appropriated	49,197	49,197	49,197	-
Fund Balance at End of Year	$ 103,719	$ 103,719	$ 32,358	$ (71,361)

City of Hilliard, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balances - Budget (Non-GAAP Basis) and Actual
Street Improvement Municipal Tax Fund
For the Year Ended December 31, 2009

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Municipal Income Taxes	$ 858,400	$ 858,400	$ 753,112	$ (105,288)
Intergovernmental	-	-	690,589	690,589
Other	-	-	194,631	194,631
Total Revenues	858,400	858,400	1,638,332	779,932
Expenditures				
Current:				
Transportation				
Contractual Services	125,285	141,285	122,169	19,116
Capital Outlay	1,144,372	1,728,372	1,663,369	65,003
Other	-	70,000	47,084	22,916
Total Transportation	1,269,657	1,939,657	1,832,622	107,035
Debt Service				
Principal Retirement	117,700	117,700	117,700	-
Interest and Fiscal Charges	112,300	42,300	16,103	26,197
Total Debt Service	230,000	160,000	133,803	26,197
Total Expenditures	1,499,657	2,099,657	1,966,425	133,232
Net Change in Fund Balance	(641,257)	(1,241,257)	(328,093)	913,164
Fund Balance (Deficit) at Beginning of Year	2,264,917	2,264,917	2,264,917	-
Prior Year Encumbrances Appropriated	719,657	719,657	719,657	-
Fund Balance at End of Year	$ 2,343,317	$ 1,743,317	$ 2,656,481	$ 913,164

City of Hilliard, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balances - Budget (Non-GAAP Basis) and Actual
Water Revenue Fund
For the Year Ended December 31, 2009

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Charges for Services	$ 350,000	$ 350,000	$ 425,803	$ 75,803
Total Revenues	350,000	350,000	425,803	75,803
Expenditures				
Current:				
Basic Utility Services				
Personal Services	432,830	455,830	276,310	179,520
Contractual Services	17,500	8,500	8,380	120
Materials and Supplies	26,500	12,500	11,791	709
Total Basic Utility Services	476,830	476,830	296,481	180,349
Total Expenditures	476,830	476,830	296,481	180,349
Net Change in Fund Balance	(126,830)	(126,830)	129,322	256,152
Fund Balance (Deficit) at Beginning of Year	236,817	236,817	236,817	-
Prior Year Encumbrances Appropriated	98	98	98	-
Fund Balance at End of Year	$ 110,085	$ 110,085	$ 366,237	$ 256,152

City of Hilliard, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balances - Budget (Non-GAAP Basis) and Actual
TIF Fund
For the Year Ended December 31, 2009

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Payment in Lieu of Taxes	$ 850,000	$ 934,000	$ 1,529,580	$ 595,580
Total Revenues	850,000	934,000	1,529,580	595,580
Expenditures				
Current:				
Transportation				
Other	-	1,063,700	1,056,594	7,106
Total Transportation	-	1,063,700	1,056,594	7,106
Debt Service				
Principal Retirement	-	700,700	700,700	-
Interest and Fiscal Charges	-	665,300	664,562	738
Total Debt Service	-	1,366,000	1,365,262	738
Total Expenditures	-	2,429,700	2,421,856	7,844
Net Change in Fund Balance	850,000	(1,495,700)	(892,276)	603,424
Fund Balance at Beginning of Year	1,815,003	1,815,003	1,815,003	-
Fund Balance at End of Year	$ 2,665,003	$ 319,303	$ 922,727	$ 603,424

City of Hilliard, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balances - Budget (Non-GAAP Basis) and Actual
Capital Improvement Municipal Tax Fund
For the Year Ended December 31, 2009

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Municipal Income Taxes	$ 4,442,000	$ 4,330,000	$ 4,083,246	$ (246,754)
Intergovernmental	-	-	53,614	53,614
Licenses and Permits	200,000	200,000	136,500	(63,500)
Miscellaneous	-	-	59,341	59,341
Total Revenues	4,642,000	4,530,000	4,332,701	(197,299)
Expenditures				
Current:				
General Government				
Contractual Services	112,923	127,923	126,394	1,529
Capital Outlay	196,990	780,844	420,660	360,184
Total General Government	309,913	908,767	547,054	361,713
Security of Persons and Property				
Contractual Services	981,924	924,924	783,158	141,766
Materials and Supplies	53	5,053	4,775	278
Capital Outlay	483,808	641,568	631,680	9,888
Total Security of Persons and Property	1,465,785	1,571,545	1,419,613	151,932
Leisure Time Activities				
Capital Outlay	312,363	312,363	312,363	-
Total Leisure Time Activities	312,363	312,363	312,363	-
Community Environment				
Contractual Services	894,636	1,709,636	1,432,935	276,701
Capital Outlay	1,945,902	2,274,902	1,956,393	318,509
Other	400,000	399,000	310,168	88,832
Total Community Environment	3,240,538	4,383,538	3,699,496	684,042
Basic Utility Services				
Contractual Services	-	826,650	822,850	3,800
Capital Outlay	715,208	1,067,000	1,061,353	5,647
Total Basic Utility Services	715,208	1,893,650	1,884,203	9,447
Transportation				
Contractual Services	127,350	473,350	472,971	379
Materials and Supplies	14,873	41,873	41,783	90
Capital Outlay	449,593	3,714,293	3,423,781	290,512
Total Transportation	591,816	4,229,516	3,938,535	290,981
Debt Service				
Principal Retirement	1,160,000	1,160,000	1,389,592	(229,592)
Interest and Fiscal Charges	1,215,000	2,064,054	1,970,182	93,872
Total Debt Service	2,375,000	3,224,054	3,359,774	(135,720)
Total Expenditures	9,010,623	16,523,433	15,161,038	1,362,395
Excess of Revenues Over (Under) Expenditures	(4,368,623)	(11,993,433)	(10,828,337)	1,165,096
Other Financing Sources (Uses)				
Proceeds from Bond Sale	-	15,540,000	15,540,000	-
Premium on Bonds Issued	-	849,054	849,054	-
Sale of City Assets	-	-	14,457	14,457
Paying off Bond Anticipation Note	-	(11,390,000)	(11,390,000)	-
Total Other Financing Sources (Uses)	-	4,999,054	5,013,511	14,457
Net Change in Fund Balance	(4,368,623)	(6,994,379)	(5,814,826)	1,179,553
Fund Balance at Beginning of Year	3,248,032	3,248,032	3,248,032	-
Prior Year Encumbrances Appropriated	5,041,199	5,041,199	5,041,199	-
Fund Balance at End of Year	$ 3,920,608	$ 1,294,852	$ 2,474,405	$ 1,179,553

City of Hilliard, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balances - Budget (Non-GAAP Basis) and Actual
Insurance Trust Fund
For the Year Ended December 31, 2009

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Charges for Services	2,220,000	2,220,000	2,031,544	(188,456)
Total Revenues	2,220,000	2,220,000	2,031,544	(188,456)
Expenditures				
Contractual Services	2,100,314	2,100,314	1,988,864	111,450
Total Expenditures	2,100,314	2,100,314	1,988,864	111,450
Net Change in Fund Balance	119,686	119,686	42,680	(77,006)
Fund Balance at Beginning of Year	11,222	11,222	11,222	-
Prior Year Encumbrances Appropriated	314	314	314	-
Fund Balance at End of Year	$ 131,222	$ 131,222	$ 54,216	$ (77,006)

City of Hilliard, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balances - Budget (Non-GAAP Basis) and Actual
County Municipal Motor Vehicle Tax Fund
For the Year Ended December 31, 2009

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Intergovernmental	$ 225,000	$ 225,000	$ 320,629	$ 95,629
Investment Income	35,000	35,000	1,349	(33,651)
Total Revenues	260,000	260,000	321,978	61,978
Expenditures				
Current:				
Transportation				
Contractual Services	215,581	215,581	215,000	581
Materials and Supplies	5,930	5,930	3,342	2,588
Total Expenditures	221,511	221,511	218,342	3,169
Net Change in Fund Balance	38,489	38,489	103,636	65,147
Fund Balance at Beginning of Year	365,800	365,800	365,800	-
Prior Year Encumbrances Appropriated	6,511	6,511	6,511	-
Fund Balance at End of Year	$ 410,800	$ 410,800	$ 475,947	$ 65,147

City of Hilliard, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balances - Budget (Non-GAAP Basis) and Actual
Fleet Fund
For the Year Ended December 31, 2009

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Charges for Services	$ -	$ -	$ -	$ -
Miscellaneous	-	-	-	-
Total Revenues	-	-	-	-
Expenditures				
Current:				
Community Environment				
Personal Services	-	6,171	6,171	-
Total Community Environment	-	6,171	6,171	-
Basic Utility Services				
Personal Services	-	2,968	2,968	-
Total Basic Utility Services	-	2,968	2,968	-
Transportation				
Materials and Supplies	-	1,188	1,188	-
Total Transportation	-	1,188	1,188	-
Total Expenditures	-	10,327	10,327	-
Net Change in Fund Balance	-	(10,327)	(10,327)	-
Fund Balance at Beginning of Year	10,327	10,327	10,327	-
Prior Year Encumbrances Appropriated	-	-	-	-
Fund Balance at End of Year	$ 10,327	$ -	$ -	$ -

City of Hilliard, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balances - Budget (Non-GAAP Basis) and Actual
CDBG Fund
For the Year Ended December 31, 2009

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Intergovernmental	$ -	$ -	$ -	$ -
Total Revenues	-	-	-	-
Expenditures				
Current:				
Basic Utility Services				
Personal Services	-	335,877	335,877	-
Total Basic Utility Services	-	335,877	335,877	-
Total Expenditures	-	335,877	335,877	-
Net Change in Fund Balance	-	(335,877)	(335,877)	-
Fund Balance at Beginning of Year	335,877	335,877	335,877	-
Fund Balance at End of Year	$ 335,877	$ -	$ -	$ -

City of Hilliard, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balances - Budget (Non-GAAP Basis) and Actual
Park Maintenance Fund
For the Year Ended December 31, 2009

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Charges for Services	$ 35,000	$ 35,000	$ 48,735	$ 13,735
Licenses and Permits	50,000	50,000	33,652	(16,348)
Donations	-	-	8,950	8,950
Total Revenues	85,000	85,000	91,337	6,337
Expenditures				
Current:				
Leisure Time Activities				
Contractual Services	17,713	41,213	41,190	23
Materials and Supplies	1,452	1,952	1,777	175
Capital Outlay	2,855	115,355	115,281	74
Total Expenditures	22,020	158,520	158,248	272
Net Change in Fund Balance	62,980	(73,520)	(66,911)	6,609
Fund Balance at Beginning of Year	118,504	118,504	118,504	-
Prior Year Encumbrances Appropriated	22,020	22,020	22,020	-
Fund Balance at End of Year	$ 203,504	$ 67,004	$ 73,613	$ 6,609

City of Hilliard, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balances - Budget (Non-GAAP Basis) and Actual
Police Fund
For the Year Ended December 31, 2009

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Charges for Services	$ -	$ -	$ 10,325	$ 10,325
Fines and Forfeitures	-	21,715	21,865	150
Contributions and Donations	-	-	23,722	23,722
Other	-	-	6,057	6,057
Total Revenues	-	21,715	61,969	40,254
Expenditures				
Current:				
Security of Persons and Property				
Contractual Services	-	10,000	5,000	5,000
Materials and Supplies	-	22,500	16,064	6,436
Other	2,836	27,377	30,384	(3,007)
Total Expenditures	2,836	59,877	51,448	8,429
Net Change in Fund Balance	(2,836)	(38,162)	10,521	48,683
Fund Balance at Beginning of Year	37,377	37,377	37,377	-
Prior Year Encumbrances Appropriated	2,836	2,836	2,836	-
Fund Balance at End of Year	$ 37,377	$ 2,051	$ 50,734	$ 48,683

City of Hilliard, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balances - Budget (Non-GAAP Basis) and Actual
Mayor's Court Computer Fund
For the Year Ended December 31, 2009

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Fines and Forfeitures	$ 25,000	$ 25,000	$ 15,795	$ (9,205)
Total Revenues	25,000	25,000	15,795	(9,205)
Expenditures				
Current:				
General Government				
Contractual Services	-	15,000	15,000	-
Materials and Supplies	34,362	17,862	16,212	1,650
Capital Outlay	-	1,500	1,333	167
Total Expenditures	34,362	34,362	32,545	1,817
Net Change in Fund Balance	(9,362)	(9,362)	(16,750)	(7,388)
Fund Balance at Beginning of Year	80,260	80,260	80,260	-
Prior Year Encumbrances Appropriated	4,362	4,362	4,362	-
Fund Balance at End of Year	$ 75,260	$ 75,260	$ 67,872	$ (7,388)

City of Hilliard, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balances - Budget (Non-GAAP Basis) and Actual
General Government Grant Fund
For the Year Ended December 31, 2009

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Intergovernmental	$ -	$ -	$ 231,998	231,998
Total Revenues	-	-	231,998	231,998
Expenditures				
Current:				
Transportation				
Personal Services	-	4,341	4,341	-
Contractual Services	-	4,313	4,313	-
Materials and Supplies	-	18,531	18,531	-
Total Transportation	-	27,185	27,185	-
Total Expenditures	-	27,185	27,185	-
Net Change in Fund Balance	-	(27,185)	204,813	231,998
Fund Balance at Beginning of Year	(204,813)	(204,813)	(204,813)	-
Prior Year Encumbrances Appropriated	-	-	-	-
Fund Balance at End of Year	$ (204,813)	$ (231,998)	$ -	$ 231,998

City of Hilliard, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balances - Budget (Non-GAAP Basis) and Actual
Sewer Revenue Fund
For the Year Ended December 31, 2009

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Charges for Services	$ 350,000	$ 350,000	$ 541,009	$ 191,009
Total Revenues	350,000	350,000	541,009	191,009
Expenditures				
Current:				
Basic Utility Services				
Personal Services	431,591	451,591	280,398	171,193
Contractual Services	125,000	105,000	96,826	8,174
Materials and Supplies	21,200	21,200	9,126	12,074
Utilities	63,390	63,390	63,163	227
Total Basic Utility Services	641,181	641,181	449,513	191,668
Total Expenditures	641,181	641,181	449,513	191,668
Net Change in Fund Balance	(291,181)	(291,181)	91,496	382,677
Fund Balance at Beginning of Year	615,202	615,202	615,202	-
Prior Year Encumbrances Appropriated	1,688	1,688	1,688	-
Fund Balance at End of Year	$ 325,709	$ 325,709	$ 708,386	$ 382,677

City of Hilliard, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balances - Budget (Non-GAAP Basis) and Actual
Sewer Capacity and Benefit Fund
For the Year Ended December 31, 2009

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Charges for Services	$ 220,000	$ 220,000	$ 51,675	$ (168,325)
Other	-	-	4,398	4,398
Total Revenues	220,000	220,000	56,073	(163,927)
Expenditures				
Total Expenditures	-	-	-	-
Net Change in Fund Balance	220,000	220,000	56,073	(163,927)
Fund Balance at Beginning of Year	542,131	542,131	542,131	-
Prior Year Encumbrances Appropriated	-	-	-	-
Fund Balance at End of Year	$ 762,131	$ 762,131	$ 598,204	$ (163,927)

City of Hilliard, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balances - Budget (Non-GAAP Basis) and Actual
Construction Inspection Fund
For the Year Ended December 31, 2009

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Charges for Services	$ 700,000	$ 700,000	$ 286,810	$ (413,190)
Other	-	-	4,808	4,808
Total Revenues	700,000	700,000	291,618	(408,382)
Expenditures				
Current:				
Community Environment				
Personal Services	374,543	374,543	354,713	19,830
Contractual Services	264,329	264,329	59,330	204,999
Materials and Supplies	53,000	53,000	3,947	49,053
Other	102,000	102,000	2,000	100,000
Total Expenditures	793,872	793,872	419,990	373,882
Net Change in Fund Balance	(93,872)	(93,872)	(128,372)	(34,500)
Fund Balance at Beginning of Year	105,837	105,837	105,837	-
Prior Year Encumbrances Appropriated	59,444	59,444	59,444	-
Fund Balance at End of Year	$ 71,409	$ 71,409	$ 36,909	$ (34,500)

City of Hilliard, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balances - Budget (Non-GAAP Basis) and Actual
Special Assessment Bond Retirement Fund
For the Year Ended December 31, 2009

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Special Assessments	$ 110,000	$ 110,000	$ 32,482	$ (77,518)
Total Revenues	110,000	110,000	32,482	(77,518)
Expenditures				
Current:				
Debt Service				
Principal Retirement	45,000	45,000	45,000	-
Interest and Fiscal Charges	2,000	2,000	1,463	537
Total Debt Service	47,000	47,000	46,463	537
Total Expenditures	47,000	47,000	46,463	537
Net Change in Fund Balance	63,000	63,000	(13,981)	(76,981)
Fund Balance at Beginning of Year	264	264	264	-
Fund Balance at End of Year	$ 63,264	$ 63,264	$ (13,717)	$ (76,981)

City of Hilliard, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balances - Budget (Non-GAAP Basis) and Actual
Britton Road Improvement Fund
For the Year Ended December 31, 2009

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Total Revenues	$ -	$ -	$ -	$ -
Expenditures				
Current:				
Transportation				
Capital Outlay	-	67,748	67,748	-
Total Expenditures	-	67,748	67,748	-
Net Change in Fund Balance	-	(67,748)	(67,748)	-
Fund Balance at Beginning of Year	67,748	67,748	67,748	-
Fund Balance at End of Year	$ 67,748	$ -	$ -	$ -

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STATISTICAL TABLES

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

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Financial Trends 94-101

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Revenue Capacity 102-108

These schedules contain information to help the reader assess the City's most significant local revenue sources.

Debt Capacity 109-113

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Demographic and Economic Information 114-115

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Operating information 116-121

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The City implemented *GASB Statement No. 34* in fiscal year 2003.

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

	2003	2004	2005	2006	2007	2008	2009
Governmental Activities:							
Invested in Capital Assets, Net of Related Debt	$ 199,152	$ 2,607,404	$ 191,791,297	$ 194,266,629	$ 194,544,533	$ 196,643,631	$ 197,699,834
Restricted	7,793,770	7,951,025	7,644,212	10,403,551	11,216,411	8,542,365	14,573,975
Unrestricted	2,868,518	2,477,454	2,978,034	3,576,842	3,990,110	714,167	3,388,558
Total Governmental Activities Net Assets	$ 10,861,440	$ 13,035,883	$ 202,413,543	$ 208,247,022	$ 209,751,054	$ 205,900,163	$ 215,662,367

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

	2003	2004	2005	2006	2007	2008	2009
Program Revenues:							
Governmental Activities:							
Charges for Services:							
General Government	$ 446,690	$ 292,407	$ 283,480	$ 373,983	$ 634,187	$ 1,375,717	$ 1,451,333
Security of Persons and Property	369,528	21,355	485,887	329,690	548,501	475,615	620,598
Public Health	7,549	-	-	-	-	-	-
Leisure Time Activities	311,797	1,073,092	762,776	807,415	947,124	912,731	933,107
Community Environment	697,261	861,651	984,579	1,581,760	1,651,109	1,008,345	596,596
Basic Utility Services	2,066,611	1,600,842	2,260,677	1,089,731	627,636	1,491,249	1,018,487
Transportation	400	243	522,999	641,549	565,459	-	-
Operating Grants, Contributions, and Interest	1,671,998	1,628,828	2,791,933	1,361,193	1,444,572	2,090,172	1,422,622
Capital Grants, Contributions and Interest	42,085	64,173	1,089,917	10,203,671	6,141,117	2,586,835	20,966,177
Total Governmental Activities Program Revenues	5,613,919	5,542,591	9,182,248	16,388,992	12,559,705	9,940,664	27,008,920
Expenses:							
Governmental Activities:							
Current:							
General Government	3,294,036	3,412,918	3,984,242	4,210,860	4,217,469	4,778,348	4,346,672
Security of Persons and Property	5,466,993	7,028,605	6,783,077	7,212,982	7,625,286	8,131,423	8,483,744
Public Health	119,086	119,086	121,642	139,691	146,530	157,065	169,063
Leisure Time Activities	2,853,827	2,714,029	2,589,446	2,539,900	2,700,744	3,256,451	3,069,040
Community Environment	1,699,270	1,403,235	2,861,784	2,552,865	4,800,863	7,370,811	4,704,774
Basic Utility Services	2,866,382	2,105,383	2,590,791	5,999,457	6,487,321	5,990,167	6,812,986
Transportation	871,604	2,552,428	2,295,447	5,305,089	4,650,580	4,500,438	8,596,950
Interest and Fiscal Charges	799,779	817,887	1,265,446	1,798,693	1,808,435	1,966,780	2,516,290
Total Governmental Activities Expenses	$ 17,970,977	$ 20,153,571	$ 22,491,875	$ 29,759,537	$ 32,437,228	$ 36,151,483	$ 38,699,519
Net Expenses	$(12,357,058)	$(14,610,980)	$(13,309,627)	$(13,370,545)	$(19,877,523)	$(26,210,819)	$(11,690,599)

(continued)

City of Hilliard, Ohio

Changes in Net Assets (Continued)

Last Seven Years

(accrual basis of accounting)

	2003	2004	2005	2006	2007	2008	2009
General Revenues:							
Governmental Activities:							
Property Taxes Levied for General Purposes	$ 1,350,028	$ 1,371,968	$ 1,569,065	$ 1,732,640	$ 1,902,363	1,939,885	1,682,554
Other Local Taxes	188,743	208,544	151,566	15,127	-	-	-
Municipal Income Tax Levied for General Purposes	7,919,613	8,500,614	9,047,632	9,353,451	8,720,561	10,808,397	11,470,507
Municipal Income Tax Levied for Transportation	1,587,233	1,700,792	1,739,073	1,821,584	1,744,110	2,161,680	747,888
Municipal Income Tax Levied for Capital Outlay	3,164,966	3,404,679	3,562,629	3,389,484	3,488,226	4,323,358	4,072,798
Payments in Lieu of Taxes	128,918	101,508	372,122	173,881	2,769,280	1,375,625	1,846,750
Grants and Entitlements not Restricted to Specific Programs	1,823,489	1,220,891	1,168,131	1,463,590	1,413,857	1,209,800	1,099,064
Unrestricted Contributions	-	-	1,500	-	-	-	-
Unrestricted Investment Earnings	108,125	100,411	572,014	773,438	820,603	355,084	156,648
Miscellaneous	163,714	176,016	179,397	480,829	522,555	186,099	376,594
Total Governmental Activities	$ 16,434,829	$ 16,785,423	$ 18,363,129	$ 19,204,024	$ 21,381,555	$ 22,359,928	$ 21,452,803
Change in Net Assets	$ 4,077,771	$ 2,174,443	$ 5,053,502	$ 5,833,479	$ 1,504,032	$ (3,850,891)	$ 9,762,204

City of Hilliard, Ohio

Program Revenues by Function/Program

Last Seven Years

(accrual basis of accounting)

	2003	2004	2005	2006	2007	2008	2009
Function / Program:							
Governmental Activities							
General Government	$ 488,775	$ 356,580	$ 308,753	$ 373,983	$ 634,187	$ 1,376,705	$ 1,543,528
Security of Persons and Property	414,850	275,581	675,137	455,519	600,843	588,599	620,598
Public Health	7,549	1,073,092	-	-	-	-	-
Leisure Time Activities	311,797	-	762,776	807,415	947,124	913,231	933,107
Community Environment	924,675	1,142,997	1,205,739	1,581,760	1,651,109	1,327,813	596,596
Basic Utility Services	2,066,611	1,600,842	2,260,677	7,279,672	774,748	1,870,366	8,633,325
Transportation	1,399,662	1,093,499	3,969,166	5,890,643	7,951,694	3,863,950	14,681,766
Total Governmental Activities Program Revenues	$ 5,613,919	$ 5,542,591	$ 9,182,248	$ 16,388,992	$ 12,559,705	$ 9,940,664	$ 27,008,920

City of Hilliard, Ohio

Fund Balances - Governmental Funds

Last Ten Years

(modified accrual basis of accounting)

	2000	2001	2002	2003	2004	2005
General Fund						
Reserved	$ 442,849	$ 282,109	$ 128,159	$ 85,739	$ 295,376	$ 2,755,118
Unreserved	2,644,057	2,459,691	3,383,257	2,880,514	2,454,282	192,489
Total General Fund	3,086,906	2,741,800	3,511,416	2,966,253	2,749,658	2,947,607
All Other Governmental Funds						
Reserved	6,049,060	2,511,091	2,638,898	1,189,946	3,047,955	8,249,125
Unreserved, Reported in:						
Special Revenue Funds	2,278,017	4,016,547	5,048,777	4,769,321	3,188,558	2,073,997
Debt Service Funds	247,012	65,144	70,044	95,211	115,574	23,993
Capital Projects Funds	(6,190,574)	(7,224,981)	1,074,214	538,776	1,656,802	3,105,646
Total All Other Governmental Funds	2,383,515	(632,199)	8,831,933	6,593,254	8,008,889	13,452,761
Total Governmental Funds	$ 5,470,421	$ 2,109,601	$ 12,343,349	$ 9,559,507	$ 10,758,547	$ 16,400,368

2006	2007	2008	2009
$ 580,680	$ 239,375	$ 116,547	$ 139,582
2,605,051	3,521,255	3,183,859	3,073,796
3,185,731	3,760,630	3,300,406	3,213,378
5,294,723	4,502,398	5,032,205	3,245,086
1,769,638	5,518,127	7,388,881	6,240,285
9,854	264	264	(13,717)
3,179,637	856,293	(7,260,811)	3,150,492
10,253,852	10,877,082	5,160,539	12,622,146
$ 13,439,583	$ 14,637,712	$ 8,460,945	$ 15,835,524

City of Hilliard, Ohio

Changes in Fund Balances - Governmental Funds

Last Ten Years

(modified accrual basis of accounting)

	2000	2001	2002	2003	2004	2005
Revenues:						
Property and Other Local Taxes	$ 15,468,124	$ 14,391,477	$ 1,399,359	$ 1,526,743	$ 1,665,011	$ 1,713,495
Municipal Income Taxes	-	-	12,730,316	12,661,195	13,247,597	13,936,390
Payment in Lieu of Taxes	-	-	-	128,918	101,508	372,122
Intergovernmental	2,414,608	2,388,382	3,385,935	3,243,655	2,827,540	5,179,408
Charges for Services	2,130,192	2,923,646	3,403,048	3,058,344	3,042,601	4,152,126
Licenses and Permits	312,497	532,984	408,948	546,158	474,459	800,580
Fines and Forfeitures	232,035	188,598	251,060	251,034	296,966	310,490
Contributions and Donations	52,678	45,155	43,318	45,147	53,377	53,282
Investment Income	827,150	804,385	139,298	166,204	164,584	585,975
Special Assessments	158,117	124,586	167,246	83,025	79,579	22,755
Rent	-	-	47,197	44,300	35,564	37,202
Other	101,306	588,720	193,247	163,714	176,016	179,397
Total Revenues	21,696,707	21,987,933	22,168,972	21,918,437	22,164,802	27,343,222
Expenditures:						
Current:						
General Government	4,665,711	4,188,601	3,363,543	3,545,179	3,303,940	3,987,625
Security of Persons and Property	5,253,978	4,984,686	5,119,813	6,234,905	6,623,283	6,496,423
Public Health	86,423	102,506	116,275	119,086	119,086	121,642
Leisure Time Activities	2,468,887	2,457,256	2,394,556	2,800,886	2,528,337	2,417,118
Community Environment	1,293,415	1,310,297	1,377,966	1,640,914	1,285,139	5,861,294
Basic Utility Services	1,385,469	1,611,830	1,639,017	3,419,312	2,618,772	2,582,123
Transportation	2,225,509	2,517,213	2,359,052	4,668,718	4,700,834	22,013,004
Capital Outlay	3,848,416	6,108,413	5,029,990	-	-	-
Debt Service:						
Principal Retirement	927,000	937,000	800,000	9,185,000	1,215,608	1,661,573
Interest and Fiscal Charges	912,958	1,130,951	660,269	989,671	799,579	1,581,315
Total Expenditures	23,067,766	25,348,753	22,860,481	32,603,671	23,194,578	46,722,117
Excess of Revenues Over (Under) Expenditures	(1,371,059)	(3,360,820)	(691,509)	(10,685,234)	(1,029,776)	(19,378,895)
Other Financing Sources (Uses):						
Proceeds from Sale of Fixed Assets	-	-	257,705	-	-	-
General Obligation Bonds Issued	-	-	4,950,000	5,280,000	-	21,997,543
Bond Anticipation Notes Issued	-	-	-	-	2,227,000	-
OWDA Loans Issued	-	-	-	-	-	1,893,334
Premium on Debt	-	-	17,552	121,392	-	727,207
Refunding Bonds Issued	-	-	-	-	-	6,462,457
Payment to Refunded Bond Escrow	-	-	-	-	-	(6,462,457)
Notes Issued	4,275	-	5,700,000	2,500,000	-	-
Inception of Capital Lease	-	-	-	-	1,816	402,632
Transfers - In	2,003,942	2,037,569	2,904,195	2,829,026	1,884,495	37,871
Transfers - Out	(2,003,942)	(2,037,569)	(2,904,195)	(2,829,026)	(1,884,495)	(37,871)
Total Other Financing Sources (Uses)	4,275	-	10,925,257	7,901,392	2,228,816	25,020,716
Net Change in Fund Balances	$ (1,366,784)	$ (3,360,820)	$ 10,233,748	$ (2,783,842)	$ 1,199,040	$ 5,641,821
Debt Service as a Percentage of Noncapital Expenditures	9.6%	10.7%	8.2%	37.7%	10.0%	14.0%

2006	2007	2008	2009
$ 1,733,726	$ 1,905,010	$ 1,938,359	$ 1,719,684
14,356,448	15,780,108	16,639,707	15,912,550
173,881	2,769,280	599,118	1,529,580
3,636,055	3,189,358	6,242,515	3,264,109
3,658,956	3,610,180	4,387,135	3,466,922
1,138,388	1,011,571	871,346	968,911
307,939	286,805	367,636	320,788
-	-	-	-
810,003	841,297	381,963	156,648
85,288	91,765	98,734	28,981
-	-	-	-
151,529	590,831	124,153	377,758
26,052,213	30,076,205	31,650,666	27,745,931
4,315,806	4,105,156	5,092,918	4,375,856
7,111,652	7,507,956	8,152,818	15,107,209
139,691	146,530	157,065	169,063
3,509,050	4,855,085	4,656,844	3,103,714
6,248,593	5,565,363	9,413,956	5,833,755
1,277,178	1,599,361	1,195,029	2,544,706
6,325,373	5,389,484	4,852,648	6,746,273
-	-	-	-
1,935,962	2,471,327	2,398,986	2,357,284
1,692,436	2,062,148	1,907,169	2,939,932
32,555,741	33,702,410	37,827,433	43,177,792
(6,503,528)	(3,626,205)	(6,176,767)	(15,431,861)
329,300	343,739	-	-
-	7,975,000	-	15,540,000
1,900,000	-	-	-
323,443	-	-	-
-	475,595	-	849,054
-	-	-	-
-	(3,970,000)	-	-
-	-	-	-
990,000	-	-	6,417,386
-	-	-	-
-	-	-	-
3,542,743	4,824,334	-	22,806,440
$ (2,960,785)	$ 1,198,129	$ (6,176,767)	$ 7,374,579
15.9%	17.5%	14.9%	16.4%

City of Hilliard, Ohio

Income Tax Revenue by Payer Type (1)

Last Ten Years

(cash basis of accounting)

	Individual						Business Accounts		
Year	Withholding	Percentage of Total	Non-withholding	Percentage of Total	Total Individual	Percentage of Total	Business Accounts	Percentage of Total	Total
2000	10,930,764	80%	1,311,397	10%	12,242,161	90%	1,429,268	10%	13,671,429
2001	10,999,661	81%	1,402,541	10%	12,402,201	92%	1,130,850	8%	13,533,051
2002	10,549,918	80%	1,414,197	11%	11,964,115	91%	1,143,743	9%	13,107,857
2003	10,429,573	80%	1,408,464	11%	11,838,038	91%	1,198,322	9%	13,036,360
2004	10,373,704	76%	1,520,520	11%	11,894,224	88%	1,684,780	12%	13,579,004
2005	10,567,780	75%	1,463,816	10%	12,031,596	86%	2,025,941	14%	14,057,537
2006	11,093,880	75%	1,603,193	11%	12,697,073	86%	2,046,361	14%	14,743,434
2007	10,939,771	73%	1,879,695	13%	12,819,466	86%	2,070,616	14%	14,890,082
2008	13,152,852	78%	2,071,126	12%	15,223,978	90%	1,649,651	10%	16,873,629
2009	13,448,644	78%	1,959,748	11%	15,408,392	90%	1,771,029	10%	17,179,421

Source: City Income Tax Division

(1) Amounts are reported gross and do not take into account tax refunds. The City levies a municipal income tax of 2.0 percent. This rate has been the same for all ten years presented.

City of Hilliard, Ohio

Income Tax Revenue Fund Distribution (1)

Last Ten Years

(cash basis of accounting)

Year	General Fund	Capital Improvement Municipal Tax Fund	Street Improvement Municipal Tax Fund	Total	Percentage Increase/ (Decrease)
2000	8,247,479	3,298,992	1,649,496	13,195,967	6.56%
2001	8,088,592	3,235,437	1,617,718	12,941,747	-1.93%
2002	7,839,814	3,135,925	1,567,963	12,543,702	-3.08%
2003	7,900,013	3,150,135	1,579,817	12,629,965	0.69%
2004	8,261,454	3,316,006	1,656,457	13,233,917	4.78%
2005	8,574,750	3,514,384	1,714,950	13,804,084	4.31%
2006	9,176,483	3,318,697	1,786,190	14,281,370	3.46%
2007	9,092,540	3,637,017	1,818,507	14,548,064	1.87%
2008	10,204,465	4,081,786	2,040,893	16,327,144	12.23%
2009	11,496,626	4,083,246	753,112	16,332,984	0.04%

Source: City Income Tax Department

(1) Net of refunds. The City levies a municipal income tax of 2.0 percent. This rate has been the same for all ten years presented.

City of Hilliard, Ohio

Principal Income Taxpayers - Withholding Accounts

2009 and 2000

	2009		2000	
Range of Withholding Amount	Number of Withholding Accounts	Percentage of Total Withholding Revenue	Number of Withholding Accounts	Percentage of Total Withholding Revenue
$500,001 and higher	3	23.36%	2	22.98%
$300,001 - 500,000	2	5.72%	2	8.24%
$100,001 - 300,000	8	9.20%	8	11.30%
$55,001 - 100,000	17	8.98%	14	9.29%
Total		47.26%		51.81%
All Others		52.74%		48.19%
Total Withholding Accounts		100.00%		100.00%

Source: City Income Tax Department

City of Hilliard, Ohio

Assessed Value and Estimated Actual Value of Taxable Property

Last Ten Years

Tax Year	Real Property (1)						Personal Property (2)			Total		Estimated Actual Value of Taxable Property	Total Direct Tax Rate
	Residential	Agricultural	Commercial	Industrial	Public Utility	Total	Public Utility	General	Total	Valuation	% Growth		
2000	393,648,240	1,669,110	88,096,320	37,196,450	96,300	520,706,420	19,792,520	76,476,995	96,269,515	616,975,935	6.08%	1,872,810,689	1.60
2001	409,871,750	1,581,760	91,896,500	38,612,920	47,340	542,010,270	15,138,450	68,687,135	83,825,585	625,835,855	1.44%	1,883,903,111	1.60
2002	477,491,550	753,640	103,148,400	43,682,320	43,450	625,119,360	19,971,850	73,219,911	93,191,761	718,311,121	14.78%	2,158,822,358	1.60
2003	505,573,330	627,670	105,337,610	43,824,420	46,960	655,409,990	17,714,230	57,686,187	75,400,417	730,810,407	1.74%	2,174,201,639	1.60
2004	538,044,700	553,600	108,180,720	44,851,070	46,870	691,676,960	17,401,820	49,482,834	66,884,654	758,561,614	3.80%	2,243,758,502	1.60
2005	640,343,800	974,340	113,505,210	47,059,140	46,920	801,929,410	17,946,440	28,462,274	46,408,714	848,338,124	11.84%	2,476,861,742	1.60
2006	662,229,120	1,064,560	120,462,930	48,742,120	64,150	832,562,880	16,471,610	22,239,765	38,711,375	871,274,255	2.70%	2,533,596,586	1.60
2007	672,823,870	1,312,410	106,999,610	46,780,960	89,200	828,006,050	9,627,660	13,930,309	23,557,969	851,564,019	-2.26%	2,459,963,447	1.60
2008	686,405,600	1,426,860	113,450,470	50,466,490	80,650	851,830,070	10,072,070	2,691,967	12,764,037	864,594,107	1.53%	2,484,856,348	1.60
2009	684,289,450	1,460,720	138,984,940	50,031,110	90,590	874,856,810	10,394,370	1,345,983	11,740,353	886,597,163	2.54%	2,546,552,298	1.60

Source: Franklin County Auditor

(1) Assessed valuation for real property is based upon 35 percent of estimated true value set by county appraisal.

(2) Prior to 2006, the assessed valuation for personal property was based on varying percentages of true value (25 percent was used in the assessed values above). House Bill 66 (the State's biennial budget for fiscal years 2006-2007) phased out the tax on the tangible personal property of general businesses, telephone and telecommunications, and railroads. The tax on general business and railroad property (which is public utility property) bill be eliminated in 2009, and the tax on telephone and telecommunications property will be eliminated by 2011. The tax is phased out by reducing the assessment rate on the property each year. At the same time, the bill replaces the revenue lost due to phasing out the tax. In the first five years, local governments are reimbursed fully for the lost revenue (based on 2004 values); in the following seven years, the reimbursements are phased out.

City of Hilliard, Ohio

Direct and Overlapping Property Tax Rates

Last Ten Years

(Per $1,000 of Assessed Valuation)

Tax Year	City of Hilliard General Fund	Hilliard City School District	Franklin County	Metropolitan Library	Norwich Township	Vocational School	Total
2000	1.60	65.61	17.64	2.20	17.50	1.10	105.65
2001	1.60	65.61	17.64	2.20	17.50	1.10	105.65
2002	1.60	64.44	17.64	2.20	17.50	0.50	103.88
2003	1.60	64.44	17.64	2.20	17.50	0.50	103.88
2004	1.60	74.40	18.44	2.20	17.50	0.50	114.64
2005	1.60	73.14	18.44	2.20	17.50	0.50	113.38
2006	1.60	75.89	18.44	2.20	17.50	1.30	116.93
2007	1.60	75.89	18.49	2.20	17.50	1.30	116.98
2008	1.60	82.79	18.02	2.20	17.50	1.30	123.41
2009	1.60	82.85	18.07	2.20	17.50	1.30	123.52

Source: Franklin County Auditor

City of Hilliard, Ohio

Principal Property Tax Payers - Real Property

2009 and 2000

	2009			2000		
Taxpayer	Total Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Total Assessed Valuation	Rank	Percentage of Total Assessed Valuation
G&I VI Heritage Green LLC	7,234,150	1	0.83			
Columbus Campus LLC	6,923,150	2	0.79			
Ansmil LLC	4,810,940	3	0.55			
Trueman LP	4,151,560	4	0.47			
Talcott III Mill Run LLC	3,964,780	5	0.45			
CSE Hilliard LLC	3,436,090	6	0.39			
Crystal Lake Apartments	3,160,620	7	0.36			
Cadlerocks Hilliard	2,975,000	8	0.34			
First Industrial LP	2,529,180	9	0.29	4,341,760	3	0.83
MCI International	2,202,420	10	0.25			
United Dominion Realty LP				6,300,000	2	1.21
Armstrong World Industries, Inc.				1,981,000	10	0.38
Garden Ridge Hilliard				2,607,500	6	0.50
One Mill LLC				6,650,010	1	1.28
Heritage Golf Club, LP				2,123,890	8	0.41
Real Estate Finance Trust 1995-K-4				2,800,010	5	0.54
TR Properties, Inc. & TR Development V Inc.				2,966,110	4	0.57
Red Roof Inns, Inc.				2,211,190	7	0.42
Nationwide Health Insurance				2,100,010	9	0.40
Total Top 10 Real Property	41,387,890		4.72	34,081,480		6.54
All Others	833,468,920		95.28	486,624,940		93.46
Total Real Property Assessed Valuation	874,856,810		100.00%	520,706,420		100.00%

Source: Franklin County Auditor

City of Hilliard, Ohio

Property Tax Levies and Collections (1) (2)

Last Ten Years

Collection Year	Total Tax Levy (1) (2)	Current Tax Collections (1)	Percent of Current Levy Collected	Delinquent Tax Collections	Total Tax Collections	Percent of Total Tax Collections to Tax Levy
2000	951,953	927,709	97.45	19,405	947,114	99.49
2001	983,178	962,455	97.89	27,112	989,567	100.65
2002	1,008,998	951,977	94.35	59,665	1,011,642	100.26
2003	1,131,059	1,159,650	102.53	29,381	1,189,031	105.13
2004	1,167,957	1,223,735	104.78	102,181	1,325,916	113.52
2005	1,211,106	1,187,941	98.09	19,395	1,207,336	99.69
2006	1,379,069	1,336,249	96.90	34,813	1,371,062	99.42
2007	1,416,496	1,362,616	96.20	30,971	1,393,587	98.38
2008	1,458,263	1,307,442	89.66	98,396	1,405,838	96.40
2009	1,431,361	1,366,336	95.46	65,436	1,431,772	100.03

Source: Franklin County Auditor

(1) State reimbursement of rollback and homestead exemptions are included
(2) Amounts listed include penalties and interest

City of Hilliard, Ohio

Computation of All Direct and Overlapping Governmental Debt

December 31, 2009

Jurisdiction	Debt Outstanding	Percentage Applicable to the City of Hilliard (1)	Amount Applicable to the City of Hilliard
Direct			
City of Hilliard			
Notes Payable	$ -		$ -
Loans Payable	2,216,777		2,216,777
General Obligation Bonds	51,510,000		51,510,000
Special Assessment Bonds	-		-
Capital Leases	6,313,094		6,313,094
	60,039,871	100.00%	60,039,871
Overlapping Subdivisions			
Hilliard City School District	161,232,290	36.9844171	59,630,823
Franklin County	249,014,940	3.0878385	7,689,179
Washington Township	2,049,999	0.0575100	1,179
Tolles Career & Technical Center	6,055,000	13.0638490	791,016
Solid Waste Authority of Central Ohio	87,170,000	2.9007140	2,528,552
Total Overlapping Debt	505,522,229		70,640,749
Grand Total	$565,562,100		130,680,620

Source: Franklin County Auditor and Fiscal Officers of Subdivision

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

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

City of Hilliard, Ohio

Ratio of Net General Obligation Bonded Debt to Estimated Actual Value and General Obligation Bonded Debt Per Capita

Last Ten Years

Collection Year	Net Bonded Debt (3)	Estimated Actual Value of Taxable Property (2)	Population (1)	Ratio of Net Bonded Debt to Estimated Actual Value	Net Bonded Debt Per Capita
2000	8,089,966	1,872,810,689	24,230	0.43	333.88
2001	7,389,856	1,883,903,111	24,969	0.39	295.96
2002	11,585,172	2,158,822,358	25,555	0.54	453.34
2003	15,862,129	2,174,201,639	25,996	0.73	610.18
2004	16,874,129	2,243,758,502	26,844	0.75	628.60
2005	35,575,000	2,476,861,742	28,158	1.44	1,263.41
2006	33,855,000	2,533,596,586	28,557	1.34	1,185.52
2007	39,810,000	2,459,963,447	28,730	1.62	1,385.66
2008	37,880,000	2,484,856,348	28,850	1.52	1,313.00
2009	51,510,000	2,546,552,298	28,927	2.02	1,780.69

(1) Source: "Population Estimates," published by the Mid Ohio Regional Planning Commission
(2) Source: Franklin County Auditor (shown in thousands)
(3) Includes all general obligation debt financed with general governmental resources less balance available in General Obligation Bond Retirement Fund

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

City of Hilliard, Ohio

Ratios of Outstanding Debt by Type

Governmental Activities

Last Ten Years

Year	Notes Payable	Loans Payable	General Obligation Bonds	Special Assessment Bonds	Capital Leases	Total Outstanding Debt	Population(1)	Personal Income(2)	Debt Per Capita	Percentage of Personal Income
2000	8,750,000	-	7,660,000	732,000	-	17,142,000	24,230	744,903	707	2.30
2001	8,250,000	-	6,795,000	660,000	-	15,705,000	24,969	784,826	629	2.00
2002	5,700,000	-	11,015,000	590,000	-	17,305,000	25,555	824,864	677	2.10
2003	-	-	15,385,000	515,000	-	15,900,000	25,996	852,513	612	1.87
2004	2,227,000	-	14,255,000	430,000	1,208	16,913,208	26,844	916,132	630	1.85
2005	2,156,000	1,893,334	35,380,000	195,000	403,267	40,027,601	28,158	991,894	1,422	4.04
2006	3,970,000	2,216,777	33,720,000	135,000	1,263,305	41,305,082	28,557	1,037,619	1,446	3.98
2007	2,300,000	2,216,777	39,740,000	70,000	811,978	45,138,755	28,730	1,082,087	1,571	4.17
2008	11,390,000	2,216,777	37,880,000	-	342,992	51,829,769	28,850	1,100,022	1,797	4.71
2009	-	2,216,777	51,510,000	-	6,313,094	60,039,871	28,927	N/A	2,076	N/A

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

(2) Computation of per capita personal income multiplied by population (in thousands)

N/A - Information not available

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

	2009	2008	2007	2006	2005	2004
Total Assessed Valuation	886,597,163	864,594,107	851,564,019	871,274,255	848,338,124	758,561,614
Overall debt limitation - 10.5% of assessed valuation	93,092,702	90,782,381	89,414,222	91,483,797	89,075,503	79,648,969
Total Indebtedness as of 12/31	51,510,000	49,270,000	42,110,000	37,825,000	37,731,000	16,912,000
Less Exempt Debt:						
Self Supporting						
Special Assessment	-	-	70,000	135,000	195,000	430,000
1999 Cemetery Road Refunding-Voted	-	-	-	-	195,000	535,000
1982 Water	-	-	20,000	45,000	65,000	90,000
1999A Various Purpose-Water portion(28%)	-	51,800	100,800	148,400	193,200	235,200
2002 Various Purpose-Water portion(39%)	177,450	232,050	284,700	335,400	386,100	1,838,850
2005 Various Purpose-Water portion(39%)	6,542,250	6,862,050	7,174,050	7,478,250	7,731,750	-
Total Self Supporting	6,719,700	7,145,900	7,649,550	8,142,050	8,766,050	3,129,050
Income Tax Supported						
1975 Grade Separation	-	-	-	-	-	-
1991 Various Purpose	-	-	-	-	-	-
1992 Various Purpose	-	-	-	215,000	420,000	615,000
1995 Various Purpose	-	-	-	-	-	2,360,000
1999 Various Purpose(72%)	-	133,200	259,200	381,600	496,800	604,800
2002 Various Purpose(61%)	277,550	362,950	445,300	524,600	603,900	2,876,150
2003 Various Purpose	4,100,000	4,310,000	4,510,000	4,710,000	4,910,000	5,100,000
2009 Various Purpose	15,540,000	-	-	-	-	-
Notes	-	11,390,000	2,300,000	3,970,000	2,156,000	2,227,000
Total Income Tax Supported	19,917,550	16,196,150	7,514,500	9,801,200	8,586,700	13,782,950
Amount available in the debt service fund	-	-	-	-	-	37,871
Total Exempt Debt	26,637,250	23,342,050	15,164,050	17,943,250	17,352,750	16,949,871
Net Debt Subject to Limitation	24,872,750	25,927,950	26,945,950	19,881,750	20,378,250	(37,871)
Legal debt margin within 10.5% limitation	68,219,952	64,854,431	62,468,272	71,602,047	68,697,253	79,686,840
Percentage of Net Debt to Assessed Value	2.81%	3.00%	3.16%	2.28%	2.40%	0.00%
Percentage of Legal Debt Limit	10.50%	10.50%	10.50%	10.50%	10.50%	10.50%
Percentage of Legal Debt Margin	7.69%	7.50%	7.34%	8.22%	8.10%	10.50%

Unvoted debt limitation 5.5% of assessed valuation	48,762,844	47,552,676	46,836,021	47,920,084	46,658,597	41,720,889
Total Indebtedness as of 12/31	51,510,000	49,270,000	42,110,000	37,825,000	37,731,000	16,912,000
Less Total Exempt Debt	26,637,250	23,342,050	15,164,050	17,943,250	17,352,750	16,949,871
Net Debt Subject to Limitation	24,872,750	25,927,950	26,945,950	19,881,750	20,378,250	(37,871)
Legal debt margin within 5.5% limitation	23,890,094	21,624,726	19,890,071	28,038,334	26,280,347	41,758,760
Percentage of Net Debt to Assessed Value	2.81%	3.00%	3.16%	2.28%	2.40%	0.00%
Percentage of Legal Debt Limit	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%
Percentage of Legal Debt Margin	2.69%	2.50%	2.34%	3.22%	3.10%	5.50%

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

2003	2002	2001	2000
730,810,407	718,311,121	625,835,855	616,975,935
76,735,093	75,422,668	65,712,765	64,782,473
15,900,000	17,305,000	15,705,000	17,142,000
515,000	590,000	660,000	732,000
860,000	1,300,000	1,575,000	1,835,000
110,000	135,000	155,000	180,000
275,800	278,600	315,000	350,000
1,885,650	1,930,500	-	-
-	-	-	-
3,646,450	4,234,100	2,705,000	3,097,000
-	-	-	10,000
-	-	-	160,000
800,000	975,000	1,140,000	1,295,000
2,515,000	2,660,000	2,800,000	2,930,000
709,200	716,400	810,000	900,000
2,949,350	3,019,500	-	-
5,280,000	-	-	-
-	-	-	-
-	5,700,000	8,250,000	8,750,000
12,253,550	13,070,900	13,000,000	14,045,000
37,871	19,828	65,144	302,034
15,937,871	17,324,828	15,770,144	17,444,034
(37,871)	(19,828)	(65,144)	(302,034)
76,772,964	75,442,496	65,777,909	65,084,507
-0.01%	0.00%	-0.01%	-0.05%
10.50%	10.50%	10.50%	10.50%
10.51%	10.50%	10.51%	10.55%
40,194,572	39,507,112	34,420,972	33,933,676
15,900,000	17,305,000	15,705,000	17,142,000
15,937,871	17,324,828	15,770,144	17,444,034
(37,871)	(19,828)	(65,144)	(302,034)
40,232,443	39,526,940	34,486,116	34,235,710
-0.01%	0.00%	-0.01%	-0.05%
5.50%	5.50%	5.50%	5.50%
5.51%	5.50%	5.51%	5.55%

City of Hilliard, Ohio

Demographic and Economic Statistics

Last Ten Years

Year	Population (1)	Total Personal Income (2)	Per Capita Income (5)	School Enrollment (6)	Unemployemnt Rate Franklin County Area (3)	Total Assessed Property Value (4)
2000	24,230	744,903	30,743	12,873	2.4%	616,975,935
2001	24,969	784,826	31,432	13,252	2.8%	625,835,855
2002	25,555	824,864	32,278	13,674	4.4%	718,311,121
2003	25,996	852,513	32,794	14,220	4.9%	730,810,407
2004	26,844	916,132	34,128	14,529	5.4%	758,561,614
2005	28,158	991,894	35,226	14,760	5.2%	848,338,124
2006	28,557	1,037,619	36,335	14,949	4.5%	871,274,255
2007	28,730	1,082,087	37,664	15,173	4.7%	851,564,019
2008	28,850	1,100,022	38,129	15,136	6.1%	864,594,107
2009	28,927	N/A	N/A	15,523	8.8%	886,597,163

Source: (1) "Population Estimates," published by the Mid Ohio Regional Planning Commission
(2) Computation of per capita personal income multiplied by population(in thousands)
(3) Ohio Labor Market Information
(4) Franklin County Auditor
(5) U.S. Department of Commerce, Bureau of Economic Analysis, Columbus MSA
(6) Hilliard City School District

City of Hilliard, Ohio
Principal Employers
2009 and 2000

	2009			2000		
Employer	Number of Employees	Rank	Percentage of Total Employment	Number of Employees	Rank	Percentage of Total Employment
Hilliard City Schools	1,823	1	10.05%	2,199	2	12.39%
BMW Financial Services	489	2	2.70%			
Verizon Business Network Service	417	3	2.30%	1,603	1	9.03%
Micro Center Inc.	336	4	1.85%	353	4	1.99%
Echosphere LLC	565	5	3.12%			
Advanced Drainage Systems	262	6	1.44%			
R. E. Rich Family Holding Corp.	262	7	1.44%			
TALX UCM Services	215	8	1.19%			
Baesman Group Inc.	107	9	0.59%	158	8	0.89%
Armstrong World Industry	130	10	0.72%			
Gates McDonald & Co.				666	3	3.75%
Dana Corp.				164	5	0.92%
Discover Financial Services				440	6	2.48%
Arctic Express				277	9	1.56%
Gates McDonald Health Plus Inc.				229	10	1.29%
City of Hilliard				350	7	1.97%
Total Employees	4,606		25.39%	6,439		36.27%
All Other Employers	13,532		74.61%	11,316		63.73%
Total Employment within the City	18,138		100.00%	17,755		100.00%

Source: City Income Tax Department

City of Hilliard, Ohio

City Government Employees by Function/Program

Last Ten Years

	2000		2001		2002		2003		2004	
Function/Program	Full-Time	All	Full-Time	All	Full-Time	All	Full-Time	All	Full-Time	All
General Government	54	61	60	66	62	67	35	35	48	48
Security of Persons and Property	44	44	46	46	45	45	50	50	50	50
Leisure Time Activities	19	32	21	34	19	33	23	35	20	32
Basic Utility Services	10	11	9	9	11	11	14	14	4	4
Transportation	22	22	20	20	19	19	21	21	21	21
Total Number of Employees	149	170	156	175	156	175	143	155	143	155

Source: City Payroll Records

2005		2006		2007		2008		2009	
Full-Time	All	Full-Time	All	Full-Time	All	Full-Time	All	Full-Time	All
49	49	47	47	48	48	49	49	47	47
50	50	49	49	50	50	49	50	49	49
22	32	23	35	23	35	23	35	21	32
1	1	1	1	1	1	1	1	1	1
21	21	21	21	21	21	21	21	21	21
143	153	141	153	143	155	143	156	139	150

City of Hilliard, Ohio

Capital Assets Statistics by Function/Program

Last Ten Years

Function/Program	2000	2001	2002	2003	2004
General Government					
Government Center	1	1	1	1	1
Security of Persons and Property:					
Number of Police Stations	1	1	1	1	1
Number of Fire/EMS Stations (1)	2	2	2	3	3
Leisure Time Activities:					
Number of Parks	18	18	18	18	21
Park Area (acres)	239.9	239.9	239.9	256.9	285.0
Number of Playgrounds	11	11	11	11	11
Number of Swimming Pools	2	2	2	2	2
Number of Community Centers	1	1	1	1	1
Number of Senior Centers	1	1	1	1	1
Basic Utility Services:					
Miles of Water Mains	97	105	105	126	114
Miles of Sanitary Sewers	118	120	120	151	130
Miles of Storm Sewers	85	96	96	141	108
Transportation					
Miles of Streets	N/A	N/A	N/A	N/A	N/A
Number of Street Lights	419	480	480	1,636	1,405
Number of Traffic Signal Systems	N/A	N/A	N/A	N/A	N/A

(1) Fire Protection provided by Norwich Township

N/A - Information not available

Source: City capital asset records

2005	2006	2007	2008	2009
1	1	1	1	1
1	1	1	1	1
3	3	3	3	3
21	21	21	21	21
285.0	285.0	285.0	285.0	285
11	11	11	11	11
2	2	2	2	2
1	1	1	1	1
1	1	1	1	1
113	127	128	128	129.3
117	135	140	140	142
122	107	118	118	122.4
102	103	107	107	110.3
1,445	1,458	1,536	1,536	1,705
N/A	31	34	35	41

City of Hilliard, Ohio

Operating Indicators by Function/Program

Last Ten Years

	2000	2001	2002	2003	2004	2005
General Government:						
Active Income Tax Accounts						
Individual	8,932	9,200	9,360	9,253	9,368	10,007
Business	2,390	2,100	2,296	2,303	2,378	2,457
Withholding	2,630	3,024	3,075	3,290	3,152	3,097
Clerk of Courts:						
Traffic Court Cases	2,322	2,405	2,865	2,469	2,754	2,922
Security of Persons and Property:						
Police Calls	42,926	42,370	48,807	48,001	56,286	57,170
Physical Arrests	1,957	1,760	1,853	1,805	2,061	1,771
Citations	3,282	3,202	3,966	3,686	4,470	4,699
Parking Violations	74	78	74	80	80	93
Leisure Time Activities:						
Swimming Pool Revenue	428,918	458,228	479,925	471,468	401,414	388,633
Community Center Revenue	217,005	233,949	254,261	273,369	225,431	207,862
Senior Center Revenue	54,471	94,933	106,500	89,219	86,209	87,730

Source: Department annual reports

2006	2007	2008	2009
10,343	11,841	14,765	15,536
2,539	2,766	2,829	1,389
3,243	2,883	3,050	1,662
2,177	2,085	3,114	2,018
55,017	55,204	54,606	47,473
1,782	1,938	1,901	932
3,579	3,660	4,649	3,446
91	108	51	20
328,198	423,731	512,572	548,545
230,356	227,528	206,194	209,620
88,115	81,938	93,851	92,555

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