

The City of Monroe, Ohio



The City's newest retail development (Cincinnati Premium Outlets) opened in August 2009

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the year ended December 31, 2011



INTRODUCTORY SECTION



The Home Depot distribution building located in the business park



The City of Monroe, Ohio

COMPREHENSIVE ANNUAL
FINANCIAL REPORT

For The Year
Ended December 31, 2011

Prepared by:
Ms. Kacey Waggaman, Finance Director

City of Monroe, Ohio
Comprehensive Annual Financial Report
For the Year Ended December 31, 2011

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Robert E. Routson
Mayor

CITY OF MONROE

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Monroe, OH 45050
www.monroeohio.org

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Fax (513) 539-6460

William J. Brock
City Manager

June 27, 2012

Citizens of Monroe
Mayor and Members of City Council

We are pleased to submit the City of Monroe's Comprehensive Annual Financial Report for the fiscal year ended December 31, 2011. This report contains basic financial statements and other financial and statistical information – providing complete and full disclosure of all financial aspects of the City for 2011.

Management's discussion and analysis (MD&A) immediately follows the report of independent auditor 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.

This report is a culmination of the efforts of many people. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. We believe the data, as presented, is accurate in all material aspects, that it is presented in a manner designed to set forth fairly the financial position of the City's operations, and that all disclosures necessary to enable the reader to gain maximum understanding of the City's financial affairs have been included.

THE CITY OF MONROE

Monroe was settled in the early 1800s and named for President James Monroe who was in office at the time. The City is situated about 20 miles north of Cincinnati and 30 miles south of Dayton. It overlaps two counties—the northeast corner of Butler County and the western section of Warren County. In the early years, Monroe was mainly a farming community and a major stagecoach stop on the Miami Turnpike.

The City has experienced substantial changes during the past century. In ten years, from 1990-2000, the population grew from 4,372 to 7,133. It was in 1995 when Monroe's population first surpassed the 5,000 mark, enabling it to achieve City status. The City opted for a Council/Manager form of government with Council Members and the Mayor elected on a non-partisan basis.

Data from the 2010 Census indicates that the City continues to grow rapidly. The City's current population is 12,442, indicating that the City grew by 74% from 2000-2010.

Although once strictly a farming community, the City of Monroe now has a strong industrial base. Currently, the total percentage of land area in Monroe is significantly weighted towards light and heavy industrial acreage (51% industrial and commercial). The income tax generated \$6,427,981 (budgetary basis), a \$183,366 increase from 2010. The City offers excellent access to the flourishing Interstate 75 corridor and holds 2,600 acres of prime green field industrial parcels ready for development.

CITY ORGANIZATION AND REPORTING ENTITY

The reporting entity includes the primary government and component units and is organized to ensure the financial statements of the City are not misleading. The primary government is composed of departments and funds that are not legally separate from the City. The government includes departments in the following areas: police and fire fighting, street repair and maintenance, planning and zoning, parks and recreation, water and sewer and community development. The Council and City Manager have direct responsibilities for these departments and supervise the staff essential to maintaining these functions.

Component units are also part of the reporting entity. These 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 entitled to or can otherwise access the organization's resources. In this case, 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 in which City approves the budget, the issuance of debt or the levying of taxes. The City has no component units.

The City is associated with the following jointly governed organizations: The Center for Local Government and the Ohio-Kentucky-Indiana Regional Council of Governments, which are presented in Note 16 to the basic financial statements.

ECONOMIC CONDITION AND MAJOR INITIATIVES

The City of Monroe is currently the 5th fastest growing community in the region. According to the 2010 Census, Monroe's population is currently 12,442 people (74.4% above the 7,133 residents from the 2000 census) and its land area comprises approximately 15.5 square miles of territory. Approximately 51% of Monroe's total land area is zoned for industrial and commercial uses. Monroe is located midway between downtown Cincinnati and Dayton. Monroe is served by a full Single-Point-Urban-Interchange at Interstate 75 as well as two 4-lane state highways, SR 4 and SR 63. Monroe is also served by two major rail lines providing rail served industrial sites.

Economic development in the City of Monroe has continued to be strong in recent years, despite relatively poor economic conditions. Distribution and logistics-focused operations continue to be a substantial part of the City's growth. In 2009, Home Depot located a Rapid Deployment Center in the Corridor 75 Premier Logistics Park. The Home Depot RDC is a 657,000 SF facility that serves local and regional retail locations. In 2009, IDI built a 721,000 SF speculative building that was quickly filled with two distribution tenants – Hayneedle, Inc. and Appleton Papers. IDI is nearing completion of a 553,000 SF distribution facility behind the Hayneedle/Appleton building. This building will complete the existing phases of the Monroe Logistics Center industrial park. Additionally, a 650,000 SF speculative building in the Corridor 75 Premier Logistics Park remains available for future single-tenant or multi-tenant occupancy.

Although large-scale development has certainly been an important part of Monroe's growth, several smaller industrial company expansions and construction of amenities (a daycare center, bank) throughout 2010 and 2011 have contributed to the City's growth and improving quality of life.

For more information on the local economy please refer to the economic factors discussed in the MD&A.

MAJOR INITIATIVES

The City of Monroe has several large infrastructure capital improvement projects in varying stages of development. The goal of Monroe's proactive infrastructure development plan is to ensure that our roadway and utility infrastructure can maintain its high level of service amidst the heavy demand caused by our rapid commercial and industrial growth.

Roadway Improvements

Improvements to State Route 63 are continuing with an Ohio Department of Transportation sponsored project replacing the Interstate 75 bridge and making substantial improvements to the north and south bound ramps onto State Route 63. Construction on the bridge deck and ramps is completed. The City was awarded \$750,000 in grant funding from OKI for beautification improvements to the interchange to complete the overall transformation of the City's front door. Design work began in 2009 and improvements began in the summer of 2011.

The City has been awarded \$508,000 in stimulus funding for safety improvements at the intersections of SR 63 and Main St and SR 63 and Britton Lane. The safety improvements include the installation of left turn lanes and signals mounted on mast arms. These improvements were completed in the fall of 2011.

FINANCIAL INFORMATION

Accounting System and Budgetary Control

In developing and evaluating the City's accounting system, consideration was given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable assurance regarding:

1. The safeguarding of assets against loss from unauthorized use or disposition.
2. The reliability of financial records for preparing financial statements and maintaining accountability of assets.

The concept of reasonable assurance is based on the assumption that the cost of the internal accounting controls should not exceed the benefits expected to be derived from their implementation.

Budgetary control is maintained by the encumbrance of purchase amounts prior to the release of purchase orders to vendors. Purchase orders are not issued when insufficient appropriations preclude the encumbrance of the amount of the purchase. Each department head is furnished a monthly budget report showing the status of the budget accounts for which he or she is responsible. The budget report details monthly transactions and summarizes the balances available to be spent from the allocated appropriations.

To further define the City's budgetary process, the City implemented a detailed purchasing policy and procedures document. The document was adopted in 2007 by City Council as an official policy that is monitored and executed by the Finance Director.

FINANCIAL CONDITION

The City finance department implemented new financial software, MUNIS, in 2008 and began live operation of the system January 1, 2009. MUNIS is a customizable solution that will provide for better functionality and reporting capabilities, will give departments real-time access to their budget information and also allows for decentralized requisitions and online approval routing for purchasing. The City's account structure was also overhauled into more detailed account codes to make the coding of purchases easier and allow for better reporting and budget projections. The City decentralized purchasing and payroll entry to the departments in 2012.

The City's bond rating was increased by Moody's Investors Services ("Moody's) from an A3 rating to A2 on April 16, 2009. The City's moderately sized tax base, solid operating reserves with stabilized financial operations and moderate debt burden were noted as factors behind the upgrade. This was the second rating increase the City has earned since coming out of fiscal emergency on August 9, 2007.

The City's bond rating was recalibrated by Moody's to their global scale on April 26, 2010. The City's global scale rating is Aa3.

FINANCIAL POLICIES

The City has a solid policy related to development within the City by promoting economic development through the various TIF and RID programs in the City. The City has a solid working relationship with the School District and has committed to using that additional revenue to benefit the residents and businesses of the City.

OTHER INFORMATION

Independent Audit

This report includes an unqualified audit report regarding the City's financial statements. The State of Ohio Auditor's office conducted this year's audit. The Independent Accountants' Report on the basic financial statements and required supplementary information is included in the financial section of this report. The auditor's conclusions related specifically to internal controls and compliance with applicable laws and regulations are presented in a separate report, which may be obtained from the City of Monroe.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Monroe for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2010. In order to be awarded a Certificate of Achievement, the City must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. This is the eleventh consecutive year the City has received the award.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements and we are submitted it to the GFOA.

Acknowledgements

A note of sincere appreciation is extended to many hardworking and committed people who have contributed their time and effort to prepare this report. The staff would like to thank our current Council Members for supporting our work this year. A special thank you is also extended to Mr. Mark Hurst of Hurst, Kelly and Company for his assistance, efforts, and guidance in the preparation of this CAFR.

Respectfully submitted,


City Finance Director


City Manager

The City of Monroe, Ohio

List of Principal Officials

December 31, 2011

<u>OFFICE HELD</u>	<u>NAME OF OFFICIAL</u>
City Manager	William Brock
Finance Director	Kacey Waggaman
Law Director	K. Philip Callahan
Mayor	Robert Routson
Vice Mayor	Anna Hale
Mayor's Court Clerk	Rebecca Rosenbalm
Police Chief	Gregory Homer
Fire Chief	Mark Neu
Tax Commissioner	Tracy Vanderman
Public Works Director	Daniel Arthur
Director of Development	Kevin Chesar

CITY COUNCIL MEMBERS

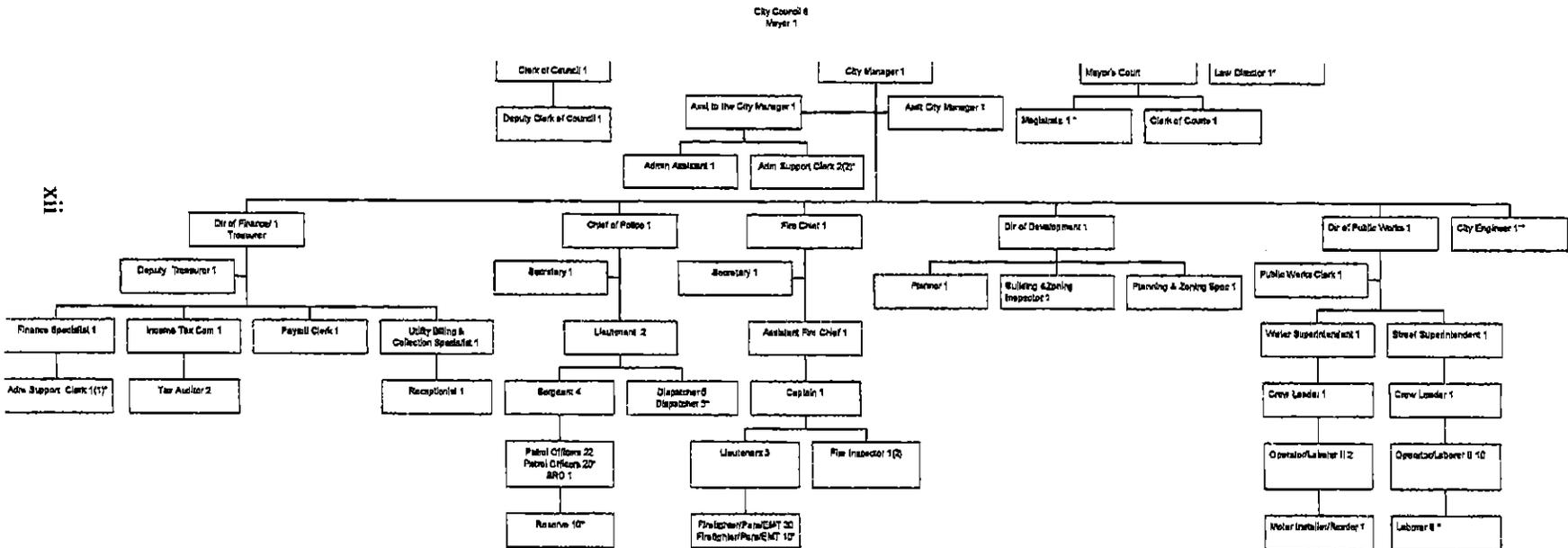
Steve Black
Robert Kelley
Suzi Rubin
Lora Stillman
Todd Hickman

City of Monroe

Authorized (Vacant)

*Part-time

**Duties Performed by City Manager



IX:

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Monroe
Ohio

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

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



Linda C. Danison

President

Jeffrey R. Enev

Executive Director

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FINANCIAL SECTION



TireDiscounters located off State Route 63 on the east side of Interstate 75

The City's first major car dealership located on the northeast corner of State Route 63 and Interstate 75







Dave Yost • Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

City of Monroe
Butler County
233 South Main Street
Monroe, Ohio 45050

To the City Council:

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

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Monroe, Butler County, Ohio, as of December 31, 2011, and the respective changes in financial position and where applicable, cash flows, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 19, during the year ended December 31, 2011, the City adopted Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 27, 2012, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

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

We conducted our audit to opine on the financial statements that collectively comprise the City's basic financial statements taken as a whole. The introductory section, the financial section's combining statements, individual fund statements and schedules, and the statistical section information provides additional analysis and are not a required part of the basic financial statements. The financial section's combining statements, individual fund statements and schedules are management's responsibility, and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. These statements and schedules were subject to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole. We did not subject the introductory section and statistical section information to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or any other assurance on them.

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

Dave Yost
Auditor of State

June 27, 2012

The City of Monroe, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2011
(Unaudited)

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

Financial Highlights

Key highlights for 2011 are as follows:

- ❑ The assets of the City exceeded its liabilities at the close of the year ended December 31, 2011, by \$76,548,256 (net assets). Of this amount, \$2,472,518 is classified as unrestricted in the business-type activities.
- ❑ The City's governmental net assets decreased by \$44,925 which represents a 0.06% decrease from 2010.
- ❑ At the end of the current fiscal year, the City's governmental funds reported a combined ending fund balance of \$8,578,654. Of this amount \$6,281,350 is available for spending (unassigned fund balance) on behalf of its citizens.
- ❑ At the end of the current fiscal year, unassigned fund balance for the general fund was \$6,646,925 or approximately 214% of total 2011 General Fund expenditures.
- ❑ The other major governmental funds: Fire 1989 Levy, Police Law Enforcement, 2004 TIFs and Bond Retirement funds had ending fund balances (deficits) of (\$154,528); (\$194,963); \$572,132 and \$18,379 respectively. The deficits in the Fire 1989 Levy and Police Law Enforcement Funds are due to outstanding payables at year end.

Using this Annual Financial Report

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the City of Monroe as a complete operating entity.

The Statement of Net Assets and Statement of Activities present both an aggregate view of the City's finances with a longer-term view. Fund financial statements provide the next level of detail. For governmental activities, these statements tell how services were financed in the short-term as well as what dollars remain for future spending. The fund financial statements also look at the City's most significant funds with all other nonmajor funds presented in total in one column.

Reporting City of Monroe as a Whole

Statement of Net Assets and the Statement of Activities

While this document contains information about the funds used by the City to provide services to our citizens, the view of the City as a whole looks at all financial transactions and asks the question, "How did we do financially during 2011?" The Statement of Net Assets and the Statement of Activities answers this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by private sector companies. This basis of accounting considers all of the current year's revenues and expenses regardless of when the cash is received or paid.

The City of Monroe, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2011
(Unaudited)

These two statements report the City's net assets and the change in those assets. This change in net assets is important because it tells the reader whether, for the City as a whole, the financial position of the City has improved or diminished. However, in evaluating the overall position of the City, nonfinancial information such as changes in the City's tax base and the condition of City capital assets will also need to be evaluated.

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

- **Government Activities** – Most of the City's services are reported here including police, social services programs, administration, and all departments with the exception of our Water, Sewer, Garbage, Stormwater Management and Cemetery funds.
- **Business-Type Activities** – These services have a charge based upon the amount of usage. The City charges fees to recoup the cost of the entire operation of our Water, Sewer, Garbage, Stormwater Management and Cemetery functions as well as all capital expenses associated with these facilities.
- **Component units** are legally separate entities that the City has voting control over or fiscal responsibility for the entity. The City has no component units.

Reporting City of Monroe's Most Significant Funds

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objects. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds. Fund financial reports provide detailed information about the City's major funds. Based on restrictions on the use of monies, the City has established many funds which account for the multitude of services provided to our residents.

However, these fund financial statements focus on the City's most significant funds. In the case of Monroe, our major funds are the General, Fire 1989 Levy, Police Law Enforcement, 2004 TIFs, Bond Retirement, Water and Sewer funds.

Governmental Funds: Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on current sources and uses of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City of Monroe, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2011
(Unaudited)

The City maintains a multitude of individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental statement of revenues, expenditures and changes in fund balances for the major funds, which were identified earlier. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

Proprietary Funds: The City maintains only one type of proprietary fund which is the enterprise type of fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its Water, Sewer, Garbage, Stormwater Management and Cemetery operations.

Fiduciary Funds: Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The City maintains two agency funds which have no measurement focus and use the accrual basis of accounting.

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

Required Supplementary Information: The City is required to report the budgetary schedules for the General Fund and major special revenue funds along with the applicable accounting policies to develop those schedules.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the City, assets exceeded liabilities by \$76,548,256 (\$71,370,349 in governmental activities and \$5,177,907 in business type activities) as of December 31, 2011. By far, the largest portion of the City's net assets (60%) reflects its investment in capital assets (e.g., land, buildings, machinery, equipment and streets), less any related debt used to acquire those assets that are still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be liquidated to retire such liabilities.

The City of Monroe, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2011
(Unaudited)

The following table provides a summary of the City's statement of net assets for 2011 compared to 2010.

	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
Current and Other Assets	\$ 32,363,070	\$ 33,902,258	\$ 6,186,661	\$ 5,869,408	\$ 38,549,731	\$ 39,771,666
Capital Assets	57,065,265	57,037,808	5,571,323	5,997,622	62,636,588	63,035,430
Total Assets	\$ 89,428,335	\$ 90,940,066	\$ 11,757,984	\$ 11,867,030	\$ 101,186,319	\$ 102,807,096
Current Liabilities	\$ 4,365,873	\$ 4,757,907	\$ 504,621	\$ 321,208	\$ 4,870,494	\$ 5,079,115
Long-term Liabilities	13,692,113	14,766,885	6,075,456	6,334,593	19,767,569	21,101,478
Total Liabilities	18,057,986	19,524,792	6,580,077	6,655,801	24,638,063	26,180,593
Nets Assets:						
Invested in Capital Assets,						
Net of Related Debt	43,525,991	43,867,043	2,705,389	2,873,285	46,231,380	46,740,328
Restricted	2,204,984	1,871,712	-	-	2,204,984	1,871,712
Unrestricted	25,639,374	25,676,519	2,472,518	2,337,944	28,111,892	28,014,463
Total Net Assets	\$ 71,370,349	\$ 71,415,274	\$ 5,177,907	\$ 5,211,229	\$ 76,548,256	\$ 76,626,503

An additional portion of the City's net assets represents resources that are subject to external restrictions on how they may be used. In the current fiscal year, this represented \$2,204,984 or 3.1% of net assets. The City's remaining unrestricted net assets were \$28,111,892 which increased by 0.3% from 2010. Overall, 2011 ending net assets for governmental activities and business-type activities were nearly the same as 2010 ending net assets.

During 2011, the City reduced its gross liabilities by making routine principal payments on outstanding obligations including bonds, notes and capital leases, without the need to issue any new debt.

The City of Monroe, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2011
(Unaudited)

A Summary of the statement of activities is as follows:

	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
Revenues						
Program Revenues:						
Charges for Services	\$ 1,803,081	\$ 2,059,779	\$ 4,516,588	\$ 4,206,776	\$ 6,319,669	\$ 6,266,555
Operating Grants	27,160	419,319	-	19,100	27,160	438,419
Capital Grants	66,330	566,228	-	-	66,330	566,228
General Revenues:					-	-
Income Tax	6,576,423	5,575,320	-	-	6,576,423	5,575,320
Property Tax	2,522,822	1,863,360	-	-	2,522,822	1,863,360
Other Taxes	1,049,360	960,077	-	-	1,049,360	960,077
Payments in Lieu of Taxes	2,910,801	2,415,620	-	-	2,910,801	2,415,620
Unrestricted Grants and Contributions	900,864	947,508	77,236	-	978,100	947,508
Investment earnings	260,634	137,047	-	21,884	260,634	158,931
Other Revenues		37,194	-	-	-	37,194
Transfers	(134,844)	-	134,844	-	-	-
Total Revenues	15,982,631	14,981,452	4,728,668	4,247,760	20,711,299	19,229,212
Program Expenses						
Security of Persons and Property	7,437,553	7,317,214	-	-	7,437,553	7,317,214
Public Health and Welfare	-	237,599	-	-	-	237,599
Leisure Time Activities	265,705	289,661	-	-	265,705	289,661
Transportation	2,839,671	3,221,985	-	-	2,839,671	3,221,985
General Government	4,936,519	4,258,487	-	-	4,936,519	4,258,487
Interest and Fiscal Charges	548,108	521,416	-	-	548,108	521,416
Water	-	-	2,625,712	2,492,173	2,625,712	2,492,173
Sewer	-	-	1,083,566	1,082,084	1,083,566	1,082,084
Stormwater Management	-	-	212,662	129,556	212,662	129,556
Garbage	-	-	769,260	621,710	769,260	621,710
Cemetery	-	-	70,790	48,435	70,790	48,435
Total Expenses	16,027,556	15,846,362	4,761,990	4,373,958	20,789,546	20,220,320
Change in Net Assets	(44,925)	(864,910)	(33,322)	(126,198)	(78,247)	(991,108)
Beginning Net Assets	71,415,274	72,280,184	5,211,229	5,337,427	76,626,503	77,617,611
Ending Net Assets	\$ 71,370,349	\$ 71,415,274	\$ 5,177,907	\$ 5,211,229	\$ 76,548,256	\$ 76,626,503

Governmental Activities

The primary focus of governmental activities is in the area of security of persons and property, which represents the police, fire and EMS services of the City. For 2011, security of persons and property expenses were approximately \$7.4 million, representing 46% of governmental activity spending.

The City of Monroe, Ohio
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For the Year Ended December 31, 2011
(Unaudited)

Program revenues of approximately \$1.9 million reduced the amount of general revenues needed to cover the balance of such security of persons and property program expenses. As such, for 2011, \$5.5 million of general revenues were used to cover the balance of security of persons and property program expenses.

In 2011, the City did not have any significant operating and capital grants.

Income tax and property tax revenue for 2011 increased \$1.0 million and \$.7 million, respectively, compared to 2010. These increases are the result of the City's continuing economic development efforts that have yielded increasing commercial property tax and wage bases.

Overall, the City saw total program expenses increase by approximately 1%. This increase is primarily related to the inflationary rise in the cost of purchased goods and services that are required to provide the services that the City offers.

Business-Type Activities

The City's business-type activities include the Water, Sewer, Stormwater Management, Garbage and Cemetery functions. The business-type activities as a whole reported a loss of \$33,322 for the year, which is essentially a point of breaking-even, which is the ultimate goal of the business-type activities the City provides.

Financial Analysis of the City's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds: The focus of these City funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the City's financing requirements as well as its ability to meet the needs of its citizens. In particular, unassigned fund balance may serve as a useful measure of the City's net resources available for spending at the end of the fiscal year.

As of the end of 2011, the City's governmental funds reported a combined ending fund balance of \$8.6 million. Approximately \$6.3 million of this balance is unassigned, which is available for spending for citizens. The remainder of the balance is classified as nonspendable, restricted, committed or assigned to indicate that a portion of the fund balance "has been spoken for already" and is not available except for the particular purpose for which the balance was classified.

The General Fund is the chief operating fund of the City. As of December 31, 2011, the unassigned General Fund balance was \$6.6 million with a total fund balance of \$7.0 million. As a measure of liquidity, it is often useful to compare these numbers to total General Fund expenditures.

During 2011, the City's General Fund increased by \$0.9 million with revenues exceeding expenditures by \$6.0 million. This is primarily due to the revenue generated by the income tax base for the City.

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(Unaudited)

The City's other major funds had ending funds balances or net assets of:

Fund	Ending Fund Balance/Net Assets	Dollar Change from Prior Year	Percentage Change from Prior Year
Fire 1989 Levy	\$ (154,528)	\$ (18,396)	-13.51%
Police Law Enforcement	(194,963)	(23,842)	-13.93%
2004 TIFs	572,132	81,633	16.64%
Bond Retirement	18,379	(12,075)	-39.65%
Water	3,881,763	(42,119)	-1.07%
Sewer	496,576	89,772	22.07%

The Fire 1989 Levy and Police Law Enforcement Funds saw their ending fund balance deficits remain near 2010 levels. The General Fund provides operating transfers to these funds as cash-basis expenditures exceed receipts. In 2011, the General Fund transferred \$2,453,000 to the Fire 1989 Levy Fund and \$2,250,000 to the Police Law Enforcement Fund.

The 2004 TIFs and Bond Retirement Fund saw their ending fund balances remain at near 2010 levels as 2011 revenues and other financing sources approximated 2011 expenditures and other financing uses.

The City's two major enterprise funds work hand and hand with each other. The water and sewer funds both generate the vast majority of their revenue from customers whether those are monthly users or new tenants tapping into the City's system. The City was able to generate a positive change in net assets of \$89,772 in the Sewer Fund for 2011 as operating revenues increased slightly over 2010 levels and expenses remained near flat. The Water Fund produced a negative change in net assets of \$42,119, which on 2011 operating revenues of \$2,371,513, is nearly break-even.

General Fund Budgetary Highlights

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

During the course of 2011, the City amended its total and General Fund budget several times. All recommendations for the budget came from the City Manager after consultation with individual directors and the Finance Department before submission to City Council. The City Council also approves small interdepartmental budget changes that modify line items within departments within the same fund. With the General Fund mainly supporting many of the activities of the City, the General Fund is monitored closely.

The City of Monroe, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2011
(Unaudited)

The City had various minor revisions to projected revenues and expenditures line items as detailed in the table below:

Description	Original Budget	Final Budget	Change
Revenues:			
Property and Other Taxes	\$ 600,000	\$ 200,000	\$ (400,000)
Income Taxes	6,370,390	6,270,390	(100,000)
Intergovernmental Revenue	325,941	274,372	(51,569)
Fees, Licenses and Permits	546,700	446,700	(100,000)
Other Revenues	409,734	209,734	(200,000)
Total Revenues	<u>8,252,765</u>	<u>7,401,196</u>	<u>(851,569)</u>
Expenditures:			
Security of Persons/Property	485,177	501,722	16,545
General Government	2,387,373	2,799,692	412,319
Other Expenditures	441,325	584,016	142,691
Total Expenditures	<u>\$ 3,313,875</u>	<u>\$ 3,885,430</u>	<u>\$ 571,555</u>

The City was able to keep the majority of its expenditure line items under the budgeted amounts. The majority of the budgeted savings was in the general government function. The following table summarizes the major variations in revenues and expenditures from final budget to the actual results for 2011:

Description	Final Budget	Actual	Variance
Revenues:			
Property and Other Taxes	\$ 200,000	\$ 747,093	\$ 547,093
Income Taxes	6,270,390	6,427,981	157,591
Intergovernmental Revenue	274,372	592,570	318,198
Fees, Licenses and Permits	446,700	541,475	94,775
Other Revenues	209,734	479,623	269,889
Total Revenues	<u>7,401,196</u>	<u>8,788,742</u>	<u>1,387,546</u>
Expenditures:			
Security of Persons/Property	501,722	455,181	46,541
General Government	2,799,692	2,531,332	268,360
Other Expenditures	584,016	532,205	51,811
Total Expenditures	<u>\$ 3,885,430</u>	<u>\$ 3,518,718</u>	<u>\$ 366,712</u>

The City saw the actual revenue results finish \$1.4 million more than the final certificate amount for estimated revenues. The City was being conservative in the projection of income taxes for the year. The final budgeted income tax amount was slightly lower than the initial budgeted amount as the unemployment rate remained relatively high in the greater Cincinnati area during the year. Accordingly, the City decided to use a reduced

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(Unaudited)

amount for such in the final budget. The intergovernmental revenue was higher than budgeted as estate tax revenues received exceeded anticipated amounts.

The City's final expenditures were very close to the final budgeted figures, other than the general government function was discussed previously in this analysis.

Capital Assets and Debt Administration

Capital Assets: The City's investment in capital assets for its governmental and business-type activities as of December 31, 2011, amounts to \$46.2 Million (net of accumulated depreciation and related debt). This investment in capital assets includes land, buildings and systems, improvements, equipment and machinery, and street infrastructure.

The City continued to increase funding for capital asset acquisition and construction during the current year. For 2011, 26% of the increase in City governmental capital assets was from local subdivision street infrastructure totaling \$0.7 million. For more information on the governmental and business-type capital assets see Note 8 in the notes to the financial statements.

Long-term Debt: At the end of 2011, the City had general obligation bonds outstanding of \$11.2 million in governmental activities. For more information on the City's debt, please see Note 14 in the notes to the basic financial statements.

Economic Factors affecting the City

The City of Monroe has become one of the fastest growing communities in southwest Ohio. Monroe's population is currently 12,442 in the 2010 census (above the 7,133 from the 2000 census) and its land area comprises approximately 16.1 square miles of territory. Monroe is located midway between downtown Cincinnati and Dayton. Monroe is served by a full interchange at Interstate 75 as well as two 4-lane state highways, SR 4 and SR 63. Monroe is also served by two major rail lines providing rail served industrial sites.

The City continued to see the development through building permits issued in 2011. Currently the City contains 18 approved residential subdivisions with many unbuilt dwelling units. Monroe also has 6 industrial subdivisions under development. Citywide, Monroe has approximately 3,300 acres of vacant industrial and commercially zoned land with direct access to all utilities and road frontage. Monroe recorded \$6.6 million in local income tax revenues based on an earnings tax rate of 1.5% in 2011.

Monroe aggressively attracts and retains business using several different development financing mechanisms. All industrially zoned property within the City has the Rural Enterprise Zone tax incentive program. Key large parcels are also eligible for real property tax abatements through the Community Reinvestment Area program. The City also utilizes Tax Increment Financing and special assessment financing to facilitate eligible industrial development.

Requests for Information

This financial report is designed to provide our citizens, taxpayers, creditors, investors and elected officials with a general overview of the City's finances and to show accountability for the money it receives. If you have any questions about this report or need additional information, contact the City of Monroe Finance Director, 233 Main Street, Monroe, Ohio 45050, (513) 539-7374 or visit the City website at www.Monroehio.org.

THE CITY OF MONROE
STATEMENT OF NET ASSETS
DECEMBER 31, 2011

	Governmental Activities	Business-Type Activities	Total
Assets:			
Equity in Pooled Cash, Cash Equivalents and Investments	\$ 8,358,583	\$ 5,108,440	\$ 13,467,023
Receivables (net of allowance for doubtful accounts):			
Taxes-Real & Personal Property	2,333,300	-	2,333,300
Taxes-Municipal Income	1,503,000	-	1,503,000
Accounts	115,883	429,700	545,583
Special Assessments	17,562,132	-	17,562,132
Payment in Lieu of Taxes	1,351,000	-	1,351,000
Due from Other Governments	902,159	-	902,159
Restricted Cash and Cash Equivalents	-	520,675	520,675
Bond Issuance Costs	237,013	127,846	364,859
Nondepreciable Capital Assets	1,979,548	563,741	2,543,289
Depreciable Capital Assets	55,085,717	5,007,582	60,093,299
Total Assets	\$ 89,428,335	\$ 11,757,984	\$ 101,186,319
Liabilities:			
Accounts Payable	\$ 344,497	\$ 165,362	\$ 509,859
Accrued Wages and Benefits	329,680	12,570	342,250
Due to Other Governments	313,049	281,965	595,014
Accrued Interest Payable	49,647	24,774	74,421
Deposits Payable	-	19,950	19,950
Unearned Revenue	3,329,000	-	3,329,000
Long-Term Liabilities due within 1 year	1,080,696	239,102	1,319,798
Long-Term Liabilities due over 1 year	12,611,417	5,836,354	18,447,771
Total Liabilities	18,057,986	6,580,077	24,638,063
Net Assets:			
Invested in Capital Assets, Net of Related Debt	43,525,991	2,705,389	46,231,380
Restricted:			
Transportation	745,739	-	745,739
Security of Persons and Property	56,230	-	56,230
Capital Improvements	589,446	-	589,446
Purposes Permitted by TIF/RID Agreements	693,676	-	693,676
Other	119,893	-	119,893
Unrestricted	25,639,374	2,472,518	28,111,892
Total Net Assets	71,370,349	5,177,907	76,548,256
Total Liabilities and Net Assets	\$ 89,428,335	\$ 11,757,984	\$ 101,186,319

See accompanying notes to the basic financial statements

THE CITY OF MONROE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2011

Function/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total
					Governmental Activities	Business-Type Activities	
Governmental Activities:							
Security of Persons and Property	\$ (7,437,553)	\$ 1,039,918	\$ 27,160	\$ -	\$ (6,370,475)	\$ -	\$ (6,370,475)
Leisure Time Activities	(265,705)	41,609	-	66,330	(157,766)	-	(157,766)
Transportation	(2,839,671)	197,629	-	-	(2,642,042)	-	(2,642,042)
General Government	(4,936,519)	523,925	-	-	(4,412,594)	-	(4,412,594)
Interest and Fiscal Charges	(548,108)	-	-	-	(548,108)	-	(548,108)
Total Governmental Activities	<u>(16,027,556)</u>	<u>1,803,081</u>	<u>27,160</u>	<u>66,330</u>	<u>(14,130,985)</u>	<u>-</u>	<u>(14,130,985)</u>
Business-Type Activities:							
Water	(2,625,712)	2,371,513	-	-	-	(254,199)	(254,199)
Sewer	(1,083,566)	1,173,338	-	-	-	89,772	89,772
Stormwater Management	(212,662)	244,383	-	-	-	31,721	31,721
Garbage	(769,260)	668,327	-	-	-	(100,933)	(100,933)
Cemetery	(70,790)	59,027	-	-	-	(11,763)	(11,763)
Total Business-Type Activities	<u>(4,761,990)</u>	<u>4,516,588</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(245,402)</u>	<u>(245,402)</u>
Total	<u>\$ (20,789,546)</u>	<u>\$ 6,319,669</u>	<u>\$ 27,160</u>	<u>\$ 66,330</u>	<u>\$ (14,130,985)</u>	<u>\$ (245,402)</u>	<u>\$ (14,376,387)</u>

General Revenues:

Income Taxes	\$ 6,576,423	\$ -	\$ 6,576,423
Property Taxes Levied For:			
General Purposes	816,508	-	816,508
Security of Persons and Property	1,706,314	-	1,706,314
Payment in Lieu of Taxes	2,910,801	-	2,910,801
Other Taxes	1,049,360	-	1,049,360
Grants and Contributions Not			
Restricted to Specific Programs	900,864	77,236	978,100
Unrestricted Investment Earnings	260,634	-	260,634
Transfers	(134,844)	134,844	-
Total General Revenues and Transfers	<u>14,086,060</u>	<u>212,080</u>	<u>14,298,140</u>
Changes in Net Assets	(44,925)	(33,322)	(78,247)
Net Assets, Beginning of Year	71,415,274	5,211,229	76,626,503
Net Assets, End of Year	<u>\$ 71,370,349</u>	<u>\$ 5,177,907</u>	<u>\$ 76,548,256</u>

See accompanying notes to the basic financial statements

**THE CITY OF MONROE
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2011**

	General	Fire 1989 Levy	Police Law Enforcement	2004 TIFS	Bond Retirement	Other Governmental Funds	Total Governmental Funds
Assets:							
Equity in Pooled Cash, Cash Equivalents and Investments	\$ 6,241,997	\$ 70,086	\$ 67,627	\$ 661,425	\$ 17,096	\$ 1,300,352	\$ 8,358,583
Receivables (Net of Allowance for Doubtful Accounts):							
Taxes-Real & Personal Property	694,900	511,700	511,700	-	-	615,000	2,333,300
Taxes-Municipal Income Accounts	1,503,000 45,855	- 67,000	- 252	- -	- -	- 2,776	1,503,000 115,883
Special Assessments	-	-	-	-	17,414,132	148,000	17,562,132
Payment in Lieu of Taxes	-	-	-	965,000	-	386,000	1,351,000
Due from Other Funds	35,000	-	-	-	-	-	35,000
Due from Other Governments	434,699	16,700	18,089	-	1,283	431,388	902,159
Total Assets	\$ 8,955,451	\$ 665,486	\$ 597,668	\$ 1,626,425	\$ 17,432,511	\$ 2,883,516	\$ 32,161,057
Liabilities:							
Accounts Payable	\$ 148,781	\$ 27,516	\$ 38,485	\$ 89,293	\$ -	\$ 40,422	\$ 344,497
Accrued Wages and Benefits	54,028	113,907	121,273	-	-	40,472	329,680
Due to Other Funds	-	-	-	-	-	35,000	35,000
Due to Other Governments	52,306	130,326	104,221	-	-	26,196	313,049
Deferred Revenue	1,669,492	548,265	528,652	965,000	17,414,132	1,434,636	22,560,177
Total Liabilities	1,924,607	820,014	792,631	1,054,293	17,414,132	1,576,726	23,582,403
Fund Balances:							
Nonspendable	35,000	-	-	-	-	-	35,000
Restricted	-	-	-	572,132	18,379	1,275,051	1,865,562
Committed	-	-	-	-	-	47,823	47,823
Assigned	348,919	-	-	-	-	-	348,919
Unassigned	6,646,925	(154,528)	(194,963)	-	-	(16,084)	6,281,350
Total Fund Balances (Deficit)	7,030,844	(154,528)	(194,963)	572,132	18,379	1,306,790	8,578,654
Total Liabilities and fund balances	\$ 8,955,451	\$ 665,486	\$ 597,668	\$ 1,626,425	\$ 17,432,511	\$ 2,883,516	\$ 32,161,057

See accompanying notes to the basic financial statements

THE CITY OF MONROE
RECONCILIATION OF TOTAL GOVERNMENTAL FUND
BALANCES TO NET ASSETS OF GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2011

Total governmental fund balances	\$	8,578,654
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Amounts reported for governmental activities in the statement of net assets are different due to the following:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		57,065,265
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Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:

Income taxes receivable		763,608
Delinquent property taxes receivable		355,300
Special assessments receivable		17,550,132
Intergovernmental and other receivables		562,137

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds:

General obligation bonds		(11,190,000)
Revenue bonds		(1,530,000)
Special assessment bonds		(521,800)
Capital lease obligations		(185,941)
Compensated absences		(152,839)
Accrued interest on long-term debt		(49,647)
Premium on bonds		(111,533)
Unamortized issuance costs		237,013

Net assets of governmental activities	\$	<u><u>71,370,349</u></u>
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THE CITY OF MONROE
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2011

	General	Fire 1989 Levy	Police Law Enforcement	2004 TIFS	Bond Retirement	Other Governmental Funds	Total Governmental Funds
Revenues:							
Income Taxes	\$ 6,600,141	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,600,141
Property and Other Taxes	749,873	495,792	495,792	-	-	659,030	2,400,487
Payment in Lieu of Taxes	-	-	-	1,907,058	-	1,003,743	2,910,801
Intergovernmental	763,222	91,094	97,672	-	16,673	788,659	1,757,320
Charges for Services	51,302	658,128	152,117	-	-	197,629	1,059,176
Licenses and Permits	542,932	-	-	-	-	38,801	581,733
Investment Earnings	253,387	-	-	-	-	7,247	260,634
Fines and Forfeitures	145,068	-	13,566	-	-	41,572	200,206
Special Assessments	1,750	-	-	-	739,835	121,971	863,556
Miscellaneous	25,962	1,000	2,654	-	1,402	2,563	33,581
Total Revenues	9,133,637	1,246,014	761,801	1,907,058	757,910	2,861,215	16,667,635
Expenditures:							
Current:							
Security of Persons and Property	413,790	3,620,528	3,035,643	-	-	50,108	7,120,069
Leisure Time Activities	224,446	-	-	-	-	243	224,689
Payment to Schools	-	-	-	719,678	-	639,320	1,358,998
Transportation	213,922	-	-	-	-	1,248,579	1,462,501
General Government	2,245,191	-	-	-	-	5,564	2,250,755
Miscellaneous	-	-	-	21,934	-	9,669	31,603
Intergovernmental	-	-	-	560,996	621,664	-	1,182,660
Capital Outlay	-	-	-	207,817	-	1,622,290	1,830,107
Debt Service:							
Principal Retirement	1,876	83,591	-	-	834,400	165,000	1,084,867
Interest and Fiscal Charges	2,671	13,591	-	-	510,831	4,961	532,054
Total Expenditures	3,101,896	3,717,710	3,035,643	1,510,425	1,966,895	3,745,734	17,078,303
Excess (Deficiency) of Revenues Over (Under) Expenditures	6,031,741	(2,471,696)	(2,273,842)	396,633	(1,208,985)	(884,519)	(410,668)
Other Financing Sources (Uses):							
Transfers - In	-	2,453,300	2,250,000	-	1,196,910	268,642	6,168,852
Transfers - Out	(5,083,852)	-	-	(315,000)	-	(904,844)	(6,303,696)
Total Other Financing Sources (Uses)	(5,083,852)	2,453,300	2,250,000	(315,000)	1,196,910	(636,202)	(134,844)
Net Change in Fund Balances	947,889	(18,396)	(23,842)	81,633	(12,075)	(1,520,721)	(545,512)
Fund Balances (Deficit) at Beginning of Year	6,082,955	(136,132)	(171,121)	490,499	30,454	2,827,511	9,124,166
Fund Balances (Deficit) at End of Year	\$ 7,030,844	\$ (154,528)	\$ (194,963)	\$ 572,132	\$ 18,379	\$ 1,306,790	\$ 8,578,654

See accompanying notes to the basic financial statements

THE CITY OF MONROE
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2011

Net change in fund balances - total governmental funds \$ (545,512)

Amounts reported for governmental activities in the statement of activities are different due to the following:

Governmental funds report capital outlays as expenditures.

However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expenses:

Capital asset acquisitions	1,917,114
Depreciation expense	(1,889,657)

Revenues in the statement of activities that do not provide current financial resources are deferred in the funds:

Income taxes receivable	(23,718)
Delinquent property taxes receivable	260,227
Special assessments receivable	(892,508)
Intergovernmental and other receivables	76,887

Governmental Funds report premiums, discounts, and bond issuance costs as expenditures, whereas these amounts are deferred and amortized in the statement of activities:

Amortization of bond issuance costs	(15,779)
Amortization of bond premiums	6,476

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds:

Bond principal retirement	999,400
Principal retirement on capital lease obligations	85,467

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

(6,751)

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

Compensated absences	(16,571)
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Change in net assets of governmental activities	\$ (44,925)
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THE CITY OF MONROE
STATEMENT OF NET ASSETS
ENTERPRISE FUNDS
DECEMBER 31, 2011

	BUSINESS-TYPE ACTIVITIES-ENTERPRISE FUNDS			
	Water	Sewer	Nonmajor Enterprise Funds	Totals
Assets:				
Current Assets:				
Equity in Pooled Cash and Cash Equivalents	\$ 3,819,769	\$ 621,667	\$ 667,004	\$ 5,108,440
Accounts Receivable (Net of Allowance for Doubtful Accounts)	262,300	136,300	31,100	429,700
Total Current Assets	4,082,069	757,967	698,104	5,538,140
Noncurrent Assets:				
Restricted Assets:				
Cash and Cash Equivalents	520,675	-	-	520,675
Bond Issuance Costs	127,846	-	-	127,846
Capital Assets:				
Nondepreciable Assets	563,741	-	-	563,741
Depreciable Assets	4,786,739	-	220,843	5,007,582
Total Capital Assets (Net of Accumulated Deprecation)	5,350,480	-	220,843	5,571,323
Total Noncurrent Assets	5,999,001	-	220,843	6,219,844
Total Assets	\$ 10,081,070	\$ 757,967	\$ 918,947	\$ 11,757,984
Liabilities:				
Current Liabilities:				
Accounts Payable	\$ 46,374	\$ 5,069	\$ 113,919	\$ 165,362
Accrued Wages and Benefits	12,570	-	-	12,570
Due to Other Governments	20,183	256,322	5,460	281,965
Accrued Interest Payable	24,774	-	-	24,774
Deposits Payable	19,950	-	-	19,950
Revenue Bonds Payable - Current	205,000	-	-	205,000
Loan Payable - Current	34,102	-	-	34,102
Total Current Liabilities	362,953	261,391	119,379	743,723
Noncurrent Liabilities:				
Compensated Absences Payable	13,522	-	-	13,522
Premium on Debt	35,367	-	-	35,367
Revenue Bonds Payable	5,420,000	-	-	5,420,000
Loans Payable	367,465	-	-	367,465
Total Noncurrent Liabilities	5,836,354	-	-	5,836,354
Total Liabilities	6,199,307	261,391	119,379	6,580,077
Net Assets:				
Invested in Capital Assets, Net of Related Debt	2,484,546	-	220,843	2,705,389
Unrestricted	1,397,217	496,576	578,725	2,472,518
Total Net Assets	3,881,763	496,576	799,568	5,177,907
Total Net Assets and Liabilities	\$ 10,081,070	\$ 757,967	\$ 918,947	\$ 11,757,984

See accompanying notes to the basic financial statements 18

THE CITY OF MONROE
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2011

	BUSINESS-TYPE ACTIVITIES-ENTERPRISE FUNDS			
	Water	Sewer	Nonmajor Enterprise Funds	Totals
Operating Revenues:				
Charges for Services	\$ 2,366,914	\$ 1,173,338	\$ 971,737	\$ 4,511,989
Special Assessments	4,599	-	-	4,599
Total Operating Revenues	2,371,513	1,173,338	971,737	4,516,588
Operating Expenses:				
Personal Services	565,412	44,711	177,953	788,076
Materials and Supplies	1,115,091	-	67,030	1,182,121
Contractual Services	225,391	1,038,855	782,639	2,046,885
Depreciation	410,692	-	23,700	434,392
Total Operating Expenses	2,316,586	1,083,566	1,051,322	4,451,474
Operating Income (Loss)	54,927	89,772	(79,585)	65,114
Non-Operating Income (Expense):				
Interest and Fiscal Charges	(309,126)	-	(1,390)	(310,516)
Other Intergovernmental Revenues	77,236	-	-	77,236
Total Non-Operating Income (Expense)	(231,890)	-	(1,390)	(233,280)
Income (Loss) Before Transfers	(176,963)	89,772	(80,975)	(168,166)
Transfers-In	134,844	-	-	134,844
Change in Net Assets	(42,119)	89,772	(80,975)	(33,322)
Total Net Assets - Beginning of Year	3,923,882	406,804	880,543	5,211,229
Total Net Assets - End of Year	<u>\$ 3,881,763</u>	<u>\$ 496,576</u>	<u>\$ 799,568</u>	<u>\$ 5,177,907</u>

See accompanying notes to the basic financial statements

THE CITY OF MONROE
STATEMENT OF CASH FLOWS
ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2011

	BUSINESS-TYPE ACTIVITIES-ENTERPRISE FUNDS			
	Water	Sewer	Nonmajor Enterprise Funds	Totals
Cash Flows from Operating Activities:				
Cash Received from Customers	\$ 2,299,442	\$ 1,144,755	\$ 1,027,212	\$ 4,471,409
Cash Paid for Employee Services and Benefits	(613,489)	(44,711)	(176,234)	(834,434)
Cash Paid to Suppliers for Goods and Services	(1,320,753)	(886,371)	(790,165)	(2,997,289)
Other Receipts	9,688	2,835	11,484	24,007
Net Cash Provided by Operating Activities	374,888	216,508	72,297	663,693
Cash Flows from Noncapital Financing Activities:				
Other Intergovernmental Receipts	77,236	-	-	77,236
Transfers-in from Other Funds	134,844	-	-	134,844
Net Cash Provided by Noncapital Financing Activities	212,080	-	-	212,080
Cash Flows from Capital and Related Financing Activities:				
Acquisition of Capital Assets	(8,093)	-	-	(8,093)
Principal Paid on Bonds	(200,000)	-	-	(200,000)
Principal Paid on Loans and Capital Leases	(32,453)	-	(28,088)	(60,541)
Interest and Fiscal Charges	(302,939)	-	(1,390)	(304,329)
Net Cash Provided by (Used in) Capital and Related Financing Activities	(543,485)	-	(29,478)	(572,963)
Net Increase in Cash and Cash Equivalents	43,483	216,508	42,819	302,810
Cash and Cash Equivalents at Beginning of Year	4,296,961	405,159	624,185	5,326,305
Cash and Cash Equivalents at End of Year	<u>\$ 4,340,444</u>	<u>\$ 621,667</u>	<u>\$ 667,004</u>	<u>\$ 5,629,115</u>

THE CITY OF MONROE
STATEMENT OF CASH FLOWS
ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2011

	BUSINESS-TYPE ACTIVITIES-ENTERPRISE FUNDS			
	Water	Sewer	Nonmajor Enterprise Funds	Totals
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities:				
Operating Income (Loss)	\$ 54,927	\$ 89,772	\$ (79,585)	\$ 65,114
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:				
Depreciation Expense	410,692	-	23,700	434,392
Change in Assets and Liabilities:				
(Increase) Decrease in Accounts Receivable	(67,472)	(28,583)	55,475	(40,580)
Decrease in Special Assessment Receivable	5,089	2,835	11,484	19,408
Increase (Decrease) in Accounts Payables	29,159	5,069	59,878	94,106
(Decrease) in Contracts Payables	(11,125)	-	-	(11,125)
Increase in Deposits Payable	1,695	-	-	1,695
(Decrease) in Accrued Wages and Benefits	(514)	-	-	(514)
Increase in Compensated Absences Payable	3,266	-	-	3,266
Increase (Decrease) in Due to Other Governments	(50,829)	147,415	1,345	97,931
Total Adjustments	319,961	126,736	151,882	598,579
Net Cash Provided by Operating Activities	\$ 374,888	\$ 216,508	\$ 72,297	\$ 663,693

See accompanying notes to the basic financial statements

THE CITY OF MONROE
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUND
DECEMBER 31, 2011

	Agency
Assets:	
Cash and Cash Equivalents in Segregated Accounts	\$ 15,819
Total Assets	\$ 15,819
 Liabilities:	
Due to Other Governments	\$ 15,799
Due to Others	20
Total Liabilities	\$ 15,819

See accompanying notes to the basic financial statements

Note I - Reporting Entity and Basis of Presentation

The City of Monroe 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 Council/Manager form of government, was adopted in 1984. The seven-member Council is elected to four-year terms. Annually, the Council selects one of its members to serve as Mayor. The Council appoints the City Manager, Finance Director and Law Director.

The Reporting Entity

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the City consists of all funds and departments that are not legally separate from the City. Services provided by the City include police and fire protection, emergency medical services, street maintenance and repair, community development, planning and zoning, parks and recreation, water, storm water, sewer and garbage removal. The City's staff provides essential support (i.e., payroll processing, accounts payable, revenue collection) to deliver these services. The Council and the City Manager have direct responsibility for these services.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the City in that the City approves the organization's budget, the issuance of its debt or the levying of its taxes. The City had no reported component units at December 31, 2011.

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

The City is also associated with two jointly governed organizations, The Center for Local Governments and the Ohio-Kentucky-Indiana Regional Council of Government, which are presented in Note 16 to the Basic financial statements.

Basis of Presentation – Fund Accounting

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the non-fiduciary activities of the primary government. The effect of inter-fund activity has been removed from these statements except interfund services provided and used in the normal course of business. Taxes and intergovernmental revenues normally support governmental activities. *Business-type activities* are supported by charges for services.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Note 2 - Summary of Significant Accounting Policies

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

Measurement Focus Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the enterprise fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. Expenditures generally are recorded when a liability is expected to be liquidated with expendable, available resources. However, debt service expenditures, as well as compensated absences, are recorded only when payment is due.

Fund Accounting

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

Governmental Funds

Governmental funds are those through which most governmental functions typically are financed. The governmental funds reporting focus is 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 current financial resource approach of the governmental funds 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 financial statements and the statements for governmental funds.

Enterprise Funds

Enterprise funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with an enterprise fund's principal ongoing operations. The principal operating revenues of the City enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The City of Monroe
Notes to the Basic Financial Statements – December 31, 2011

The City reports the following major governmental funds:

General Fund

The General Fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Fire 1989 Levy Fund

The Fire 1989 Levy Fund accounts for property tax levied in 1989 for payment of a portion of general operating expenditures of the department and capital costs.

Police Law Enforcement

The Police Law Enforcement Fund accounts for property taxes, charges for services, and other revenues received to maintain the operational and capital needs of the City's police department.

2004 TIFs

The 2004 TIFs Fund accounts for payments in lieu of taxes received from commercial properties located in the City's TIF Districts.

Bond Retirement Fund

The Bond Retirement Fund is used to account for the revenues, expenditures and other financing sources and uses related to the retirement of specific long-term obligations of the City.

The City reports the following major enterprise funds:

Water Fund

To account for activities of the City's water system.

Sewer Fund

To account for activities of the City's wastewater system.

Fiduciary Funds

Fiduciary fund reporting focuses on net assets and changes in net assets using the economic resources measurement focus and accrual basis of accounting. The fiduciary fund category is split into four classifications: private purpose trust funds, pension trust funds, investment trust funds and agency funds. The City maintains a Mayor's Court agency fund, which accounts for funds that flow through the municipal court office. The City also maintains a Flexible Spending Account, which accounts for the payroll deductions and withdraws from the account. The City's agency fund is custodial in nature (assets equal liabilities) and does not involve the measurement of results of operations.

Pursuant to GASB Statement No, 20, *Accounting and Financial Reporting for Enterprise and Other Governmental Entities that Use Enterprise Fund Accounting*, the City has elected to follow FASB guidance issued prior to December 1, 1989, to the extent that guidance does not conflict with or contradict guidance of the Governmental Accounting Standards Board.

The City also has the option of following subsequent FASB guidance for their business-type and enterprise funds, subject to this same limitation. The City has elected not to apply FASB guidance issued after November 30, 1989, to its enterprise funds.

Cash and Cash Equivalents

To improve cash management, all cash received by the City is pooled. Monies for all funds, including enterprise funds, except cash held by a trustee or fiscal agent and specific fund investments, are maintained in this pool. Each fund's interest in the pool is presented as "Equity in pooled cash and cash equivalents" on the fund balance sheet and statement of net assets. Individual fund integrity is maintained through the City's records. The City maintains the remaining bond proceeds in trust accounts that can only be used for purposes described in the bond documents. These monies are reported as "Restricted Cash and Cash Equivalents" on the statement of net assets. The City's Mayor's Court has its own checking accounts for collection and distribution of court fines and forfeitures that are presented on the statement of fiduciary net assets as "Cash and cash equivalents in segregated accounts."

For purposes of the statement of cash flows and for presentation on the fund balance sheet and statement of net assets, investments with original maturities of three months or less and funds within the cash management pool are considered to be cash equivalents. Except for non-participating investment contracts, investments are reported at fair value, which is based on quoted market prices. Non-participating investment contracts, such as certificates of deposit, are reported at cost. During fiscal year 2011, investments were limited to U.S. Governmental agency notes, STAR Ohio, money market mutual funds and certificates of deposit.

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

Capital Assets and Depreciation

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$1,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost (or estimated historical cost if purchased or constructed). Donated capital assets are recorded at estimated fair market value on the date of donation. Intangible assets, such as easements, are reported at estimated cost and not depreciated.

Depreciation has been provided using the straight-line method over the following estimated useful lives:

	<u>Estimated Lives (Years)</u>
Buildings and Building Improvements	40
Infrastructure – Streets	50
Infrastructure – Water Lines	20
Machinery, Equipment and Vehicles	5 – 20

Interfund Transactions

During the course of normal operations, the City has numerous transactions between funds. Interfund transactions are generally classified as follows:

Transfers are reported as “Other Financing Sources and Uses” in the governmental funds, as “Transfers In” by the recipient fund and “Transfers Out” by the disbursing fund on the fund financial statements. These transfers are consolidated within the governmental activities columns.

Transactions that would be treated as revenues and expenditures if the transactions involved organizations external to the City are similarly treated when involving other funds of the City.

Pensions

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

Compensated Absences

The City follows the provisions of Governmental Accounting Standards Board Statement No. 16, “Accounting for 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 time when earned for all employees with more than one year of service. Sick leave benefits are accrued as a liability using the vesting method. The City records a liability for sick leave for employees with ten years of service. The employees are eligible to receive payment for one-quarter of the vested balance up to a maximum of 240 hours.

Matured leave payable in the fund financial statements represents the entire current portion. These amounts are reported in governmental funds only if they have matured, for example, as a result of employee resignations, retirements or contractual obligation. The City has no matured leave payable at December 31, 2011. The entire liability is reported on the government-wide statement of net assets. For enterprise funds, the entire liability is reflected in the fund statement of net assets.

Accrued Liabilities and Long-Term Obligations

In general, governmental fund payables and accrued liabilities are reported as obligations of the funds regardless of whether they will be liquidated with current resources. Bonds and capital leases are reported as a liability of the governmental activities on the statement of net assets.

Long-term debt and other obligations financed by enterprise funds are reported as liabilities in the appropriate enterprise funds and on the statement of net assets.

The City of Monroe
Notes to the Basic Financial Statements – December 31, 2011

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

Obligation	Fund
Compensated Absences	Will be paid by the fund from which the employee’s salary is paid.
General Obligation Bonds	Will be paid from the debt service fund.
Loans Payable	Will be paid from the water fund, which is utilizing the water tower associated with the loan.
Capital Leases Payable	Will be paid from the general, fire 1989 levy special revenue and stormwater management enterprise funds.
Special Assessment Bonds	Will be paid from the debt service fund.
Revenue Obligation Bonds	Will be paid through payments in lieu of taxes from the I-75 Corridor fund. Water revenue bonds will be repaid through the operated revenues of the Water Fund.

Classification of Fund Balance

In accordance with GASB Statement No. 54, “Fund Balance Reporting and Governmental Fund Type Definitions,” the City’s fund balance is divided into five classifications based primarily on the extent to which the City must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

Nonspendable - The City classifies assets as nonspendable when legally or contractually required to maintain the amounts intact.

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

Committed - The City’s Council can commit amounts via formal action (resolution). The City must adhere to these commitments unless the City’s Council amends the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

Assigned - Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as restricted or committed. Governmental funds other than the general fund report all fund balances as assigned unless they are restricted or committed. In the general fund, assigned amounts represent intended uses established by the City’s Council or by State Statute.

Unassigned - Unassigned fund balance is the residual classification for the general fund and includes amounts not included in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

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

Net Assets

Net assets represent the difference between assets and liabilities in the statement of net assets. Net assets invested in capital assets are calculated, net of accumulated depreciation and reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Unrestricted net assets are remaining assets less remaining liabilities that do not meet the definition of invested in capital asset, net of related debt or restricted net assets.

Unearned/Deferred Revenues

Unearned/deferred revenues arise when assets are recognized before revenue recognition criteria have been satisfied.

Property taxes and payments in lieu of taxes, for which there is an enforceable legal claim as of December 31, 2011, but which were levied to finance fiscal year 2012 operations, have been recorded as deferred revenues. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenues.

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

Exchange/Non-Exchange Transactions

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

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

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.

The City of Monroe
Notes to the Basic Financial Statements – December 31, 2011

Note 3 - Compliance and Accountability

Fund Deficits

The following funds had fund balance deficits at December 31, 2011:

	<u>Fund Deficit</u>
Major Funds:	
Governmental Funds:	
Fire 1989 Levy	\$ 154,528
Police Law Enforcement	194,963
Total Major Governmental Funds	<u>349,491</u>
Nonmajor Funds:	
Governmental Funds:	
Street Lighting	16,084
Total Nonmajor Governmental Funds	<u>16,084</u>
Total All Funds	<u><u>\$ 365,575</u></u>

The deficits were created by the application of generally accepted accounting principles. The General Fund provides transfers to cover deficit balances; however, this is done when cash is needed rather than when accruals occur.

Note 4 - Deposits and Investments

Policies and Procedures

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

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

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

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

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

The City of Monroe
Notes to the Basic Financial Statements – December 31, 2011

State statute permits interim monies to be deposited in the following securities:

1. United States Treasury notes, bills, bonds, or any other obligations or security issued by the United States treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bond, notes, debentures, or any other obligations or securities issued by the 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 section are made only through eligible institutions; and
6. The State Treasurer's investment pool (STAR Ohio); and
7. Certain bankers' acceptances and commercial paper notes for a period not to exceed one hundred and eighty days in an amount not to exceed twenty-five percent of the interim moneys available for investment at any one time.

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, city, township, or other political subdivision of this State, as to which there is no default of principal, interest or coupons; and
3. Obligations of the City.

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

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

The following information classifies deposits and investments by categories of risk as defined in GASB Statement No. 3 "Deposits with Financial Institutions, Investments and Reverse Repurchase Agreements" and GASB Statement No. 40, "Deposits and Investment Risk Disclosures."

The City of Monroe
Notes to the Basic Financial Statements – December 31, 2011

Deposits

At year-end, the carrying amount of the City's deposits was \$13,787,086 and the bank balance was \$14,009,704. \$1,019,988 of the City's deposits were insured by federal depository insurance. As of December 31, 2011, \$12,989,716 of the City's bank balance of \$14,009,704 was exposed to custodial credit risk because it was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the City's name.

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, 2011 the City had the following investments.

Categorized Investments	Fair Value and Maturity		Credit Rating
	Under One Year	One to Five Years	
Federal Home Loan Bank Notes	\$ -	\$ 100,212	S&P - AAA
Star Ohio	7,656	-	S&P - AAAM
Money Market Mutual Funds	108,563	-	S&P - AAAM
Total	\$ 116,219	\$ 100,212	

Interest Rate Risk - The City has no investment policy that addresses interest rate risk. State statute requires that an investment mature within five 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.

Credit Risk - The City is not subject to any credit risk as there are no investments subject to credit risk. The City has no investment policy that would further limit its investment choices.

Custodial Credit Risk - For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City has no investment policy dealing with investment custodial risk beyond the requirement in state statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the treasurer or qualified trustee.

Concentration of Credit Risk - The City places no limit on the amount it may invest in any one issuer. The City has 46% of its investments in Federal Home Loan Bank Notes and 50% of its investments in Money Market Mutual funds.

The City of Monroe
Notes to the Basic Financial Statements – December 31, 2011

Note 5 - Property Taxes

Property taxes include amounts levied against all real estate and public utility property located in the City. Real property taxes (other than public utility) collected during 2011 were levied after October 1, 2010, on assessed values as of January 1, 2010, the lien date. Assessed values were established by the County Auditor at 35% of appraised market value. All property is required to be revalued every six years. The last revaluation was completed for tax year 2009. Real property taxes are payable annually or semi-annually. If paid annually, payment is due January 31; if paid semi-annually, the first payment is due by February and the remainder payable in July. Under certain circumstances, state statute permits later payment dates to be established.

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31st of the second year preceding the tax collection year, the lien date. Certain public utility tangible personal property is currently assessed at 88% of its true value. Public utility property taxes are payable on the same dates as real property described previously.

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

Category	Assessed Value
Real Property Valuation	\$ 282,027,380
Public Utility Tangible Personal Property	79,977,540
Total	<u>\$ 362,004,920</u>

Note 6 - Income Tax

The City levies a municipal income tax of one and one-half percent on substantially all income earned within the City. In addition, the residents of the City are required to pay income tax on income earned outside of 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 to be used to pay the cost of administering the tax, general fund operations, capital improvements, debt service and other governmental functions when needed, as determined by Council.

Note 7 - Receivables

Receivables at December 31, 2011 consisted of property and other taxes, income taxes, utility accounts (shown net of an allowance for uncollectible accounts), special assessments, interest on investments, and intergovernmental receivables and shared revenues arising from entitlements.

The City of Monroe
Notes to the Basic Financial Statements – December 31, 2011

Note 8 - Capital Assets

A summary of the changes in capital assets during the year ended December 31, 2011, follows:

	12/31/2010	Increases	Decreases	12/31/2011
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Land and Easements	\$ 1,436,276	\$ -	\$ -	\$ 1,436,276
Construction in Progress	769,620	517,181	(743,529)	543,272
Total Capital Assets, Not Being Depreciated	2,205,896	517,181	(743,529)	1,979,548
Capital Assets, Being Depreciated:				
Buildings and Building Improvements	8,135,223	448,829	-	8,584,052
Machinery, Equipment and Vehicles	5,744,013	993,331	(66,640)	6,670,704
Infrastructure – Streets	64,372,522	701,302	-	65,073,824
Total Capital Assets, Being Depreciated	78,251,758	2,143,462	(66,640)	80,328,580
Accumulated Depreciation				
Buildings and Building Improvements	(2,294,218)	(214,371)	-	(2,508,589)
Machinery, Equipment and Vehicles	(3,199,290)	(484,438)	66,640	(3,617,088)
Infrastructure – Streets	(17,926,338)	(1,190,848)	-	(19,117,186)
Less Accumulated Depreciation	(23,419,846)	(1,889,657)	66,640	(25,242,863)
Total Capital Assets, Being Depreciated, Net	54,831,912	253,805	-	55,085,717
Governmental Activities Capital Assets, Net	\$ 57,037,808	\$ 770,986	\$ (743,529)	\$ 57,065,265
Business-Type Activities				
Capital Assets, Not Being Depreciated				
Land	\$ 563,741	\$ -	\$ -	\$ 563,741
Total Capital Assets, Not Being Depreciated	563,741	-	-	563,741
Capital Assets, Being Depreciated				
Buildings and Building Improvements	1,461,242	-	-	1,461,242
Machinery and Equipment	960,288	-	-	960,288
Infrastructure – Water Lines/Storm Sewers	6,789,353	8,093	-	6,797,446
Total Capital Assets, Being Depreciated	9,210,883	8,093	-	9,218,976
Accumulated Depreciation				
Buildings and Building Improvements	(775,525)	(32,548)	-	(808,073)
Machinery and Equipment	(462,146)	(77,955)	-	(540,101)
Infrastructure – Water Lines	(2,539,331)	(323,889)	-	(2,863,220)
Less Accumulated Depreciation	(3,777,002)	(434,392)	-	(4,211,394)
Total Capital Assets, Being Depreciated, Net	5,433,881	(426,299)	-	5,007,582
Business-Type Activities Capital Assets, Net	\$ 5,997,622	\$ (426,299)	\$ -	\$ 5,571,323

The City of Monroe
Notes to the Basic Financial Statements – December 31, 2011

Depreciation expense was charged to governmental functions as follows:

Governmental Activities:

Security of Persons and Property	\$ 381,803
Transportation, Including Depreciation of General Infrastructure Assets	1,352,020
Leisure Time Activities	41,016
General Government	114,818
Total Depreciation Expense - Governmental Activities	<u>\$ 1,889,657</u>

Business-Type Activities:

Water	\$ 410,692
Stormwater Management	23,700
Total Depreciation Expense – Business-Type Activities	<u>\$ 434,392</u>

Note 9 - Defined Benefit Pension Plans

Public Employees Retirement System

The City contributes to the Public Employees Retirement System of Ohio (OPERS), a cost-sharing multiple-employer public employee retirement system administered by the Public Employees Retirement Board. OPERS provides basic retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. Benefits are established by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that may be obtained by writing to the Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 222-5601 or 1-800-222- PERS (7377).

OPERS administers three separate pension plans as described below:

- The Traditional Pension Plan (TP) – a cost-sharing multiple-employer defined benefit pension plan
- The Member-Directed Plan (MD) – a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20% per year). Under the Member-Directed Plan members accumulate retirement assets equal to the value of member and (vested) employer contributions plus any investment earnings thereon.
- The Combined Plan (CO) – a cost-sharing multiple-employer defined benefit pension plan. Under the Combined Plan employer contributions are invested by the retirement system to provide a formula retirement benefit similar in nature to the Traditional Plan benefit. Member contributions, the investment of which is self-directed by the members, accumulate retirement assets in a manner similar to the Member-Directed Plan.

Plan members are required to contribute 10 percent of their annual covered salary to fund pension obligations. Contributions are authorized by State statute. The employer pension contribution rate for the City is 14% of covered payroll. The contribution rates are determined actuarially. The City’s required contributions to OPERS for the years ended December 31, 2011, 2010, and 2009, were \$315,610, \$206,888 and \$178,989, respectively. All required contributions have been made for 2011, 2010 and 2009.

Ohio Police and Fire Pension Fund

The City contributes to the Ohio Police and Fire Pension Fund (Fund), a cost-sharing multiple-employer defined benefit pension plan. The Fund 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 by Chapter 742 of the Ohio Revised Code. The Fund issues a publicly available financial report that includes financial statements and required supplementary information for the Fund. That report may be obtained by writing to the Police and Firemen's Disability and Pension Fund of Ohio, 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 and the City is required to contribute 19.5 and 24 percent, respectively, for police officers and firefighters. Contributions are authorized by State statute. The City's required contributions to the Fund for the years ended December 31, 2011, 2010, and 2009, were \$810,834, \$622,342, and \$460,971, respectively. The full amount has been contributed for 2011, 2010 and 2009.

Note 10 - Post Employment Benefits

Public Employees Retirement System (OPERS)

OPERS maintains a cost-sharing multiple employer benefit post-employment healthcare plan, which includes a medical plan, prescription drug program and Medicare Part B premium reimbursement, to qualifying members to both the Traditional Pension and the Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits, including post-employment health care coverage.

In order to qualify for post-employment health care coverage, age-and-service retirees under the Traditional Pension and Combined Plans must have 10 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 45.

The Ohio Revised Code permits, but does not mandate, OPERS to provide OPEB benefits to it eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

The Ohio Revised Code provides the statutory authority requiring public employers to fund post retirement health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside for the funding of post retirement health care benefits.

Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2011, state and local employers contributed at a rate 14.00% of covered payroll. The Ohio Revised Code currently limits the employer contribution rate to a rate not to exceed 14.00% of the covered payroll for state and local employer units. Active members do not make contributions to the OPEB plan.

OPERS's Post Employment Health Care Plan was established under, and is administered in accordance with, Internal Revenue Code 401(h). Each year, the OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for funding of post employment health care benefits. For 2011, the employer contribution allocated to the health care plan for members in the traditional plan was 4%. The portion of employer contributions allocated to health care for members in the Combined Plan was 6.05%. The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care coverage by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The City of Monroe
Notes to the Basic Financial Statements – December 31, 2011

The City's actual contributions that were used to fund post-employment benefits for 2011, 2010 and 2009 were \$90,174, \$138,763 and \$112,578, respectively. The full amount has been contributed for 2011, 2010 and 2009.

The Health Care Preservation Plan (HCPP) adopted by the OPERS Board of Trustees on September 9, 2004, was effective January 1, 2007. Member and employer contribution rates increased on January 1 of each year from 2006-2008. Rates for law and public safety employers increased over a six year period beginning on January 1, 2006, with a final increase in January 1, 2011. These rate increases allowed additional funds to be allocated to the health care plan.

OPERS issues a stand-alone financial report that may be obtained by writing to the Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 222-5601 or 1-800-222- PERS (7377).

Ohio Police and Fire Pension Fund

The City contributes to the Ohio Police and Fire Pension Fund (OP&F) sponsored health care program, a cost-sharing multiple-employer defined benefit postemployment health care plan administered by OP&F. OP&F provides healthcare benefits including coverage for medical, prescription drug, dental, vision, Medicare Part B Premium and long term care to retirees, qualifying benefit recipients and their eligible dependents.

OP&F provides access to post-retirement health care coverage for any person who receives or is eligible to receive a monthly service, disability, or survivor benefit check or is a spouse or eligible dependent child of such person. The health care coverage provided by OP&F meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 45.

The Ohio Revised Code allows, but does not mandate OP&F to provide OPEB benefits. Authority for the OP&F Board of Trustees to provide health care coverage to eligible participants and to establish and amend benefits is codified in Chapter 742 of the Ohio Revised Code.

OP&F maintains funds for health care in two separate accounts. One for health care benefits under IRS Code Section 115 trust and one for Medicare Part B reimbursements administered 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 contribution made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For the year ended December 31, 2011, the employer contribution allocated to the health care plan was 6.75% of covered amount. The amount of the employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provision of Section 115 and 401(h).

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

The City's contributions for the years ended December 31, 2011, 2010 and 2009 were \$249,089, \$286,029, and \$198,819, respectively. The full amount has been contributed for 2011, 2010 and 2009.

The Ohio Police and Fire Pension Fund issues a publicly available financial report that includes financial statements and required supplementary information for the Fund. That report may be obtained by writing to the Police and Firemen's Disability and Pension Fund of Ohio, 140 East Town Street, Columbus, Ohio 43215-5164.

Note 11 - Other Employee Benefits

Compensated Absences

Accumulated Unpaid Sick Leave

All non-contract employees earn ten hours of sick leave for each full month worked. City employees can receive payment of twenty-five percent of accrued sick leave up to 240 hours (maximum sixty hours) after ten years with the City.

Accumulated Unpaid Vacation

Non-union employees earn vacation leave at varying rates based on length of service. On January 1 following the date of hire, employees receive two weeks of vacation leave prorated by the portion of the previous calendar year worked. Employees earn two weeks up to the completion of five years of service, three weeks after five years, four weeks after ten years and five weeks after twenty years of service. All vacation time must be used within the calendar year earned or is forfeited unless the employee has received special permission from the City Manager. Upon departure from City employment, an employee (or his or her estate) will be paid for unused vacation leave. Union employees earn, use and accumulate vacation leave per the terms of their particular contract.

Health Care Benefits

The City provides life insurance and accidental death and dismemberment insurance to most employees through various life insurance companies. The City has elected to provide employee medical/surgical benefits through Anthem. Non-union employees pay 14 percent of the premium. The City Manager and Law Director pay twenty percent of the health and dental insurance premiums. For union employees, the premium varies with employee depending on the terms of the union contract. The City also provides a portion of the deductible: \$1,000 for employees on the single plan and \$2,000 for employees on the family plan. The City provides dental insurance to all employees through Dental Care Plus and vision insurance provided through VSP.

Note 12 - Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and injuries to employees and natural disasters. During 2011, the City contracted with MacDonald Insurance Agency for vehicle, property, equipment and machinery, police and professional and general liability insurance.

Equipment and machinery losses are subject to a \$1,000 deductible. Vehicle deductible levels vary with vehicles while property and general liability deductibles range from \$1,000 to \$2,000. The City carries a \$10,000 deductible for both police and professional liability insurance.

The City of Monroe
Notes to the Basic Financial Statements – December 31, 2011

A summary of coverage amounts follows:

Public Official Liability	\$	1,000,000
Deductible		3,000
Automobile Liability		1,000,000
Deductible		1,000
Comprehensive General Liability, Each Occurrence		1,000,000
Comprehensive General Liability, Aggregate		2,000,000
Commercial Umbrella		2,000,000
Deductible		10,000
Employee Dishonesty		10,000
Theft		10,000

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

The City pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries.

Note 13 - Capital Leases

The City has entered into capitalized leases for various pieces of equipment. Each lease meets the criteria of a capital lease as defined by *Statement of Financial Accounting Standards No. 13, "Accounting for Leases,"* which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. Capital lease payments have been reclassified and are reflected as debt service expenditures on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds. These expenditures are reported as function expenditures/expenses on the budgetary statements.

Capital assets acquired under capital leases have been capitalized in the statement of net assets in the amount of \$779,890. This amount represents the present value of the minimum lease payments at the time of acquisition. A corresponding liability was also recorded. Principal payments in fiscal year 2011 totaled \$1,876 in the General Fund, \$83,591 in the Fire 1989 Levy Fund and \$28,088 in the Storm Water Management Fund.

The assets acquired through capital leases are as follows:

	Governmental Activities	Business-Type Activities
	<u> </u>	<u> </u>
Machinery, Equipment and Vehicles	\$ 645,761	\$ 134,129
Less: Accumulated Depreciation	(364,147)	(80,477)
Total	<u>\$ 281,614</u>	<u>\$ 53,652</u>

The City of Monroe
Notes to the Basic Financial Statements – December 31, 2011

The following is a schedule of the future long-term minimum lease payments required under the capital leases and the present value of the minimum lease payments as of December 31, 2011.

Fiscal Year Ending December 31	Governmental Activities
2012	\$ 101,728
2013	100,591
Total	<u>202,319</u>
Less: Amounts Representing Interest	(16,378)
Present Value of Net Minimum Lease Payments	<u><u>\$ 185,941</u></u>

The City of Monroe
Notes to the Basic Financial Statements – December 31, 2011

Note 14 –Long-Term Obligations

A summary of the changes in long-term obligations during the year ended December 31, 2011 follows:

	12/31/2010	Increase	Decrease	12/31/2011	Due Within One Year
Governmental Activities					
Special Assessment Bonds					
6.70% 1991 Waterline Extension I	\$ 45,000	\$ -	\$ (45,000)	\$ -	\$ -
6.61% 1998 Waterline Extension II	64,200	-	(9,400)	54,800	9,900
5.25% - 5.75% 1993 American Way	32,000	-	(10,000)	22,000	11,000
4.45% - 5.70% 2002 Limited Edition	485,000	-	(40,000)	445,000	40,000
Total - Special Assessment Bonds	626,200	-	(104,400)	521,800	60,900
Revenue Obligation Bonds					
1999 Adjustable Rate Tax Incremental	1,695,000	-	(165,000)	1,530,000	180,000
General Obligation Bonds (Unvoted)					
2.00% - 5.25% 2004 VP Bonds	5,075,000	-	(465,000)	4,610,000	480,000
Premium	26,853	-	(1,918)	24,935	-
6.15% 2010 Building America Bonds	715,000	-	-	715,000	-
2 - 4.25% 2010 VP Bonds	6,130,000	-	(265,000)	5,865,000	265,000
Premium	91,156	-	(4,558)	86,598	-
Total - General Obligation Bonds	12,038,009	-	(736,476)	11,301,533	745,000
Capital Leases Payable	271,408	-	(85,467)	185,941	90,664
Compensated Absences	136,268	24,009	(7,438)	152,839	4,132
Total - Governmental Activities	14,766,885	24,009	(1,098,781)	13,692,113	1,080,696
Business-Type Activities					
5.9-6.35% 2010 Series A Bonds	3,590,000	-	-	3,590,000	-
2-3.75% 2010 Series B Bonds	2,235,000	-	(200,000)	2,035,000	205,000
Premium	37,229	-	(1,862)	35,367	-
5.02% 2001 Loan Payable	434,020	-	(32,453)	401,567	34,102
Capital Leases Payable	28,088	-	(28,088)	-	-
Compensated Absences	10,256	3,443	(177)	13,522	-
Total - Business-Type Activities	6,334,593	3,443	(262,580)	6,075,456	239,102
Total - All Activities	\$ 21,101,478	\$ 27,452	\$ (1,361,361)	\$ 19,767,569	\$ 1,319,798

The Water Line Extension I special assessment bond was issued at an interest rate of 6.70 percent on October 1, 1991. The debt was issued for the purpose of constructing a water line extension, a sewer line extension, street improvements and a storm water control system in order to provide police and fire access and sanitary facilities.

The Water Line Extension II special assessment bond was issued at an interest rate of 6.61 percent on January 1, 1998. The debt was issued for the purpose of constructing a water line extension down three roads in the City.

The American Way special assessment bond was issued at varying interest rates from 5.25 to 5.75 percent. The debt was issued on September 3, 1993 for the purpose of constructing a road extension.

The City of Monroe
Notes to the Basic Financial Statements – December 31, 2011

The Limited Edition special assessment bond was issued at varying interest rates from 4.45 to 5.70 percent. The debt was issued on September 15, 2002 for the purpose of making improvements around the Mount Pleasant Retirement home area.

The special assessment bond issues are backed by the full faith and credit of the City. In the event that an assessed property owner fails to make payments, the City will be required to pay the related debt. The special assessment bonds will be paid from the debt service fund.

The adjustable rate tax incremental bonds were issued on March 1, 1999 at a 3.35 percent stated interest rate. The bonds were issued to finance the Interstate 75 Corridor project. The bonds will be repaid from service payments recorded in the Corridor 75 capital projects fund with a final maturity of December 1, 2018. The City has pledged 100 percent of all future revenues from the 75 Park Corridor tax increment financing district to repay the principal and interest obligations of the 1999 Adjustable Rate Revenue Bond set to mature on December 1, 2018. The original principal amount was \$2,000,000 and the City does not expect the future interest obligations to exceed \$650,000.

The various purpose general obligation bonds were issued at varying interest rates from 4.00 to 5.50 percent on December 1, 1999. The bonds were issued for numerous items in the City. The City refunded the bonds during 2004 with the issuance of various purpose general obligation bonds at varying interest rates from 2.00 to 5.25 percent. The 2004 Various Purpose Bonds are financed bond anticipation notes and repaid the outstanding balance on the capital leases in the special revenue funds.

In 2010, the City issued \$6,845,000 of various purpose bonds, including \$715,000 in Build America Bonds that carry an interest subsidy of thirty-five percent. The bonds were issued for several purposes including State Route 63 right of way, interchange improvements and work on State Route 63 and Toddhunter Road. The bonds also financed the acquisition of a fire truck and improvements to Gallaher Road. The bonds have a final maturity of December 1, 2030.

The unvoted general obligation bond issues will be paid from property taxes out of the special revenue funds and the capital projects funds.

The capital leases will be paid from the General and Fire 1989 Levy funds based on each fund's prorated share of the obligations.

The compensated absences will be paid from the fund from which the employees' salaries are paid, mainly the General fund as well as the Street, Fire Levy, Water, Sewer and Stormwater funds.

During 2010, the City issued \$5,825,000 in waterworks system improvements and refunding revenue bonds. The bonds were issued as two series. The 2010A series was for \$3,590,000 as Build America Bonds that carry a thirty-five percent interest subsidy. The 2010B series was for \$2,235,000. The bonds have a final maturity of December 1, 2030 and will be repaid from water operating revenues.

The Loan payable was issued at an interest of 5.02 percent in December 2001 for the purpose of the paying the City's portion of a water tower used with the City of Middletown. The loans will be paid from the water fund charges for services. The loan matures on June 1, 2021.

As of December 31, 2011, the City's legal debt margin (the ability to issue additional amounts of general obligation bonded debt) was approximately \$26.8 million for total debt and \$8.5 million for unvoted debt.

The City of Monroe
Notes to the Basic Financial Statements – December 31, 2011

Principal and interest requirements to retire the City's long-term obligations outstanding at December 31, 2011 are:

Governmental Activities

Year	2004 General Obligation Bonds			2010 General Obligation Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2012	\$ 480,000	\$ 211,642	\$ 691,642	\$ 265,000	\$ 244,723	\$ 509,723
2013	495,000	193,403	688,403	275,000	239,422	514,422
2014	510,000	173,602	683,602	275,000	233,923	508,923
2015	465,000	152,693	617,693	285,000	228,422	513,422
2016	485,000	133,162	618,162	285,000	221,298	506,298
2017-2021	1,800,000	306,650	2,106,650	1,560,000	978,736	2,538,736
2022-2026	375,000	38,000	413,000	1,810,000	673,876	2,483,876
2027-2031	-	-	-	1,825,000	239,776	2,064,776
Totals	<u>\$ 4,610,000</u>	<u>\$ 1,209,152</u>	<u>\$ 5,819,152</u>	<u>\$ 6,580,000</u>	<u>\$ 3,060,176</u>	<u>\$ 9,640,176</u>

Governmental Activities

Year	Special Assessment Bonds			Revenue Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2012	\$ 60,900	\$ 28,487	\$ 89,387	\$ 180,000	\$ 54,315	\$ 234,315
2013	61,400	25,275	86,675	190,000	47,925	237,925
2014	55,900	22,017	77,917	205,000	41,180	246,180
2015	56,500	19,060	75,560	215,000	33,903	248,903
2016	62,100	16,026	78,126	230,000	26,270	256,270
2017-2021	225,000	32,785	257,785	510,000	27,513	537,513
2022-2026	-	-	-	-	-	-
2027-2031	-	-	-	-	-	-
Totals	<u>\$ 521,800</u>	<u>\$ 143,650</u>	<u>\$ 665,450</u>	<u>\$ 1,530,000</u>	<u>\$ 231,106</u>	<u>\$ 1,761,106</u>

Business-Type Activities

Year	Loans Payable			2010 Revenue Improvement Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2012	\$ 34,102	\$ 19,839	\$ 53,941	\$ 205,000	\$ 277,450	\$ 482,450
2013	35,836	18,106	53,942	210,000	273,350	483,350
2014	37,657	16,285	53,942	215,000	269,150	484,150
2015	39,572	14,371	53,943	220,000	264,850	484,850
2016	41,583	12,359	53,942	225,000	259,350	484,350
2017-2021	212,817	27,858	240,675	1,260,000	1,188,775	2,448,775
2022-2026	-	-	-	1,680,000	824,010	2,504,010
2027-2031	-	-	-	1,610,000	260,349	1,870,349
Totals	<u>\$ 401,567</u>	<u>\$ 108,818</u>	<u>\$ 510,385</u>	<u>\$ 5,625,000</u>	<u>\$ 3,617,284</u>	<u>\$ 9,242,284</u>

The City of Monroe
Notes to the Basic Financial Statements – December 31, 2011

Note 15 - Interfund Transactions

Interfund transfers during 2011 were as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
Major Funds:		
Governmental Funds:		
General Fund	\$ -	\$ 5,083,852
Fire 1989 Levy	2,453,300	-
Police Law Enforcement	2,250,000	
Bond Retirement	1,196,910	
2004 TIFs	-	315,000
Total Major Governmental Funds	<u>5,900,210</u>	<u>5,398,852</u>
Business-Type Activities Funds:		
Water	<u>134,844</u>	-
Total Major Business-Type Activities Funds	<u>134,844</u>	-
Nonmajor Funds:		
Governmental Funds:		
Street	250,642	-
State Highway	2,000	-
2005 Fire Levy	-	730,000
Motor Vehicle License	8,000	-
2004 RIDs	-	40,000
CPO TIF	-	134,844
Street Lighting	<u>8,000</u>	-
Total Nonmajor Governmental Funds	<u>268,642</u>	<u>904,844</u>
Total All Funds	<u>\$ 6,303,696</u>	<u>\$ 6,303,696</u>

The transfer out of the 2005 fire levy was related to the fund's obligation on the long-term bond issue. The transfer out from the CPO TIF fund was to reimburse the Water Fund for the expenditures incurred on behalf of the CPO TIF Fund in a prior period. The Transfers out of the 2004 TIFs and 2004 RIDs Funds were for debt service. The other transfers are related to various items, including debt payments and the General Fund supplementing the respective operations.

Interfund loans at December 31, 2011 consisted of a \$35,000 balance owed to the General Fund from the Street Lighting Fund. The interfund loan was made to assist the Street Lighting Fund with short-term cash flow needs.

Note 16 - Jointly Governed Organizations

The Center for Local Government, a jointly governed organization, was established to improve public service delivery by the cities, townships and villages in the Greater Cincinnati metropolitan area, especially among its member jurisdictions, through improved information exchange, cost reductions, shared resources, interjurisdictional collaboration, and new approaches to capital equipment and skills acquisition. The Board of Trustees consists of eight members made up of elected representatives from the participating governments. The

The City of Monroe
Notes to the Basic Financial Statements – December 31, 2011

City does not have any financial interest in or responsibility for the Center. The City made no financial contribution during 2011. Information can be obtained from the Center by writing to Director of the Center for Local Government, 10979 Reed Hartman Highway, Suite 239, Cincinnati, Ohio 45242.

The Ohio-Kentucky-Indiana Regional Council of Governments (OKI), a jointly governed organization, was established to provide coordinated planning services to the appropriate federal, state and local governments, their political subdivisions, agencies, departments, instrumentalities, and special districts, in connection with the preparation and development of comprehensive and continuing regional transportation and development plans within the OKI Region. OKI members include Butler, Clermont and Warren Counties in Ohio, Boone, Campbell and Kenton Counties in Kentucky and Dearborn and Ohio Counties in Indiana. OKI also serves as an area wide review agency in conjunction with comprehensive planning within the OKI Region.

OKI contracts periodically for local funds and other support with the governing board of each of the governments who are members of OKI or with such other persons as may be appropriate to provide such funds and support. The support is based on the population of the area represented. A Board of Trustees was created for conducting the activities of the OKI. This Board consists of one elected official of each City and municipal corporation, one individual selected by each City planning agency or commission and one person selected by each planning agency or commission of each municipal corporation located in each member City. This Board of Trustees then selects not more than ten residents of the OKI Region. The total membership of the Board of Trustees shall not exceed 100. Any member of OKI may withdraw its membership upon written notice to OKI to be effective two years after receipt of the notice by OKI. The City made no financial contribution during 2011. To obtain financial information, write to Director of Finance and Administration of the Ohio-Kentucky-Indiana Regional Council of Governments at 920 Pete Rose Way Suite 420, Cincinnati, Ohio, 45202.

Note 17 - Contingent Liabilities

Litigation

From time to time, the City may be subject to various lawsuits and/or claims over which litigation has not yet commenced. Although the outcomes of any such matters are not presently determinable, in the opinion of management, the resolution of these matters will not have a materially adverse effect on the financial condition of the City.

Federal and State Grants

The City receives federal and state grants for specific purposes that are subject to review and audit by grantor agencies or their designee. 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.

Note 18 – Contractual Commitments

The City had several major outstanding contracts for services. The following amounts remain on these contracts as of December 31, 2011:

Contractor	Project	Amount
CDS Associates	SR 63 Corridor Signal Management Project	\$ 49,792
Quality Control Inspection, Inc.	SR 63 Corridor Signal Management Project	34,220
Kleingers and Associates	Mason & Butler-Warren Roads Extension Project	18,682
		\$ 102,694

The City of Monroe
Notes to the Basic Financial Statements – December 31, 2011

Note 19 – Adoption of New Accounting Pronouncement

In 2011, the City implemented GASB Statement No. 54 – “Fund Balance Reporting and Governmental Fund Type Definitions.” The implementation of this statement resulted in the City’s fund balance being divided into five classifications based primarily on the extent to which the City must observe constraints imposed upon the use of its governmental-fund resources.

Note 20 – Fund Balance

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

	General	Fire 1989 Levy	Police Law Enforcement	2004 TIFs	Bond Retirement	Non-major Governmental Funds	Total Governmental Funds
Nonspendable:							
Interfund Loans	\$ 35,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 35,000
Total Nonspendable	35,000	-	-	-	-	-	35,000
Restricted for:							
Public safety	-	-	-	-	-	134,004	134,004
Public Works	-	-	-	-	-	357,987	357,987
Capital Improvements	-	-	-	-	-	589,446	589,446
Debt Service	-	-	-	-	18,379	-	18,379
Purposes Permitted by TIF/RID Agreements	-	-	-	572,132	-	121,544	693,676
Public Health	-	-	-	-	-	69,829	69,829
Other Purposes	-	-	-	-	-	2,241	2,241
Total Restricted	-	-	-	572,132	18,379	1,275,051	1,865,562
Committed for:							
Parks and Recreation	-	-	-	-	-	47,823	47,823
Total Committed	-	-	-	-	-	47,823	47,823
Assigned:							
Other Purposes	348,919	-	-	-	-	-	348,919
Total Assigned	348,919	-	-	-	-	-	348,919
Unassigned (Deficit)	6,646,925	(154,528)	(194,963)	-	-	(16,084)	6,281,350
Total Fund Balances	\$ 7,030,844	\$ (154,528)	\$ (194,963)	\$ 572,132	\$ 18,379	\$ 1,306,790	\$ 8,578,654

**REQUIRED
SUPPLEMENTARY
INFORMATION**

City of Monroe, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budgetary Basis)
Major Governmental Fund
For the Year Ended December 31, 2011

	GENERAL FUND			
	Budget		Actual	Variance Positive (Negative)
	Original	Final		
Revenues:				
Property and Other Taxes	\$ 600,000	\$ 200,000	\$ 747,093	\$ 547,093
Special Assessments	-	-	1,750	1,750
Income Taxes	6,370,390	6,270,390	6,427,981	157,591
Charges for Services	46,200	46,200	51,302	5,102
Fees, Licenses, and Permits	546,700	446,700	541,475	94,775
Fines and Forfeitures	223,534	23,534	139,086	115,552
Intergovernmental	325,941	274,372	592,570	318,198
Interest	140,000	140,000	253,387	113,387
Other	-	-	34,098	34,098
Total Revenues	8,252,765	7,401,196	8,788,742	1,387,546
Expenditures:				
Current:				
General Government				
Council				
Personal Services	82,055	82,096	80,599	1,497
Other	278,750	292,265	317,138	(24,873)
Total Council	360,805	374,361	397,737	(23,376)
Mayor's Court				
Personal Services	58,729	58,762	60,717	(1,955)
Other	27,850	32,083	19,481	12,602
Total Mayor's Court	86,579	90,845	80,198	10,647
Human Resources				
Other	1,500	1,500	-	1,500
Total Human Resources	1,500	1,500	-	1,500
Development				
Personal Services	281,178	281,322	281,691	(369)
Other	668,945	891,643	646,442	245,201
Total Development	950,123	1,172,965	928,133	244,832
Finance				
Personal Services	290,478	290,668	291,154	(486)
Other	308,000	381,891	361,476	20,415
Total Finance	598,478	672,559	652,630	19,929
City Manager's Office				
Personal Services	215,088	217,552	211,258	6,294
Other	174,800	269,910	261,376	8,534
Total City Manager's Office	389,888	487,462	472,634	14,828
Total General Government	2,387,373	2,799,692	2,531,332	268,360

(continued)

City of Monroe, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budgetary Basis)
Major Governmental Fund
For the Year Ended December 31, 2011

	GENERAL FUND			Variance Positive (Negative)
	Budget		Actual	
	Original	Final		
Security of Persons and Property				
Police Law Enforcement				
Personal Services	398,037	398,231	359,499	38,732
Other	87,140	103,491	95,682	7,809
Total Police Law Enforcement	485,177	501,722	455,181	46,541
Public Health and Welfare				
Cemetery				
Personal Services	-	104	104	-
Total Public Health and Welfare	-	104	104	-
Public Works				
Service Buildings and Grounds				
Other	282,950	321,799	298,255	23,544
Total Service Buildings and Grounds	282,950	321,799	298,255	23,544
Leisure Time Activities				
Parks				
Personal Services	80,075	175,075	173,963	1,112
Other	78,300	87,038	59,883	27,155
Total Leisure Time Activities	158,375	262,113	233,846	28,267
Total Expenditures	3,313,875	3,885,430	3,518,718	366,712
Excess of Revenues Over Expenditures	4,938,890	3,515,766	5,270,024	1,754,258
Other Financing Sources (Uses):				
Transfers - Out	(5,828,855)	(5,828,855)	(5,118,852)	710,003
Total Other Financing Sources (Uses)	(5,828,855)	(5,828,855)	(5,118,852)	710,003
Net Change in Fund Balance	(889,965)	(2,313,089)	151,172	2,464,261
Fund Balance at Beginning of Year	5,017,573	5,017,573	5,017,573	-
Prior Year Encumbrances Appropriated	594,134	594,134	594,134	-
Fund Balance at End of Year	\$ 4,721,742	\$ 3,298,618	\$ 5,762,879	\$ 2,464,261

See accompanying notes to the required supplementary information

City of Monroe, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budgetary Basis)
Major Governmental Fund
For the Year Ended December 31, 2011

	FIRE 1989 LEVY FUND			
	Budget		Actual	Variance Positive (Negative)
	Original	Final		
Revenues:				
Property and Other Taxes	\$ 350,000	\$ 350,000	\$ 495,792	\$ 145,792
Charges for Services	678,375	678,375	657,828	(20,547)
Intergovernmental	187,930	187,930	91,094	(96,836)
Other	-	-	11,518	11,518
Total Revenues	1,216,305	1,216,305	1,256,232	39,927
Expenditures:				
Current:				
Security of Persons and Property				
Personal Services	3,208,104	3,070,302	3,214,787	(144,485)
Other	533,083	617,400	591,771	25,629
Total Security of Persons and Property	3,741,187	3,687,702	3,806,558	(118,856)
Deficiency of Revenues				
Under Expenditures	(2,524,882)	(2,471,397)	(2,550,326)	(78,929)
Other Financing Sources:				
Transfers In	2,521,898	4,013,494	2,453,300	(1,560,194)
Total Other Financing Sources	2,521,898	4,013,494	2,453,300	(1,560,194)
Net Change in Fund Balance	(2,984)	1,542,097	(97,026)	(1,639,123)
Fund Balance at Beginning of Year	8,020	8,020	8,020	-
Prior Year Encumbrances Appropriated	92,516	92,516	92,516	-
Fund Balance at End of Year	\$ 97,552	\$ 1,642,633	\$ 3,510	\$ (1,639,123)

See accompanying notes to the required supplementary information

City of Monroe, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budgetary Basis)
Major Governmental Fund
For the Year Ended December 31, 2011

	POLICE LAW ENFORCEMENT FUND			
	Budget		Actual	Variance Positive (Negative)
	Original	Final		
Revenues:				
Property and Other Taxes	\$ 350,000	\$ 404,365	\$ 495,792	\$ 91,427
Charges for Services	150,538	150,538	160,742	10,204
Fines and Forfeitures	-	-	13,566	13,566
Intergovernmental	118,638	119,557	96,283	(23,274)
Other	-	-	15,811	15,811
Total Revenues	619,176	674,460	782,194	107,734
Expenditures:				
Current:				
Security of Persons and Property				
Personal Services	2,690,579	2,521,906	2,606,960	(85,054)
Other	371,500	435,243	407,945	27,298
Total Security of Persons and Property	3,062,079	2,957,149	3,014,905	(57,756)
Capital Outlay	62,000	62,500	62,500	-
Total Expenditures	3,124,079	3,019,649	3,077,405	(57,756)
Deficiency of Revenues Under Expenditures	(2,504,903)	(2,345,189)	(2,295,211)	49,978
Other Financing Sources:				
Transfers - In	2,496,405	2,496,405	2,250,000	(246,405)
Total Other Financing Sources	2,496,405	2,496,405	2,250,000	(246,405)
Net Change in Fund Balance	(8,498)	151,216	(45,211)	(196,427)
Fund Balance at Beginning of Year	3,999	3,999	3,999	-
Prior Year Encumbrances Appropriated	64,597	64,597	64,597	-
Fund Balance at End of Year	\$ 60,098	\$ 219,812	\$ 23,385	\$ (196,427)

See accompanying notes to the required supplementary information

City of Monroe, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budgetary Basis)
Major Governmental Fund
For the Year Ended December 31, 2011

	2004 TIFs			Variance Positive (Negative)
	Budget		Actual	
	Original	Final		
Revenues:				
Payment in Lieu of Taxes	\$ 1,399,500	\$ 1,452,000	\$ 1,907,058	\$ 455,058
Total Revenues	<u>1,399,500</u>	<u>1,452,000</u>	<u>1,907,058</u>	<u>455,058</u>
Expenditures:				
Miscellaneous	18,400	18,400	17,414	986
Capital Outlay	110,000	368,400	283,049	85,351
Intergovernmental	1,167,000	1,202,000	1,199,869	2,131
Total Expenditures	<u>1,295,400</u>	<u>1,588,800</u>	<u>1,500,332</u>	<u>88,468</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	104,100	(136,800)	406,726	543,526
Other Financing Uses:				
Transfers - Out	-	(315,000)	(315,000)	-
Total Other Financing Uses	<u>-</u>	<u>(315,000)</u>	<u>(315,000)</u>	<u>-</u>
Change in Fund Balance	104,100	(451,800)	91,726	543,526
Fund Balance at Beginning of Year	327,706	327,706	327,706	-
Prior Year Encumbrances Appropriated	<u>169,193</u>	<u>169,193</u>	<u>169,193</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 600,999</u>	<u>\$ 45,099</u>	<u>\$ 588,625</u>	<u>\$ 543,526</u>

See accompanying notes to the required supplementary information

The City of Monroe
Notes to the Required Supplementary Information – December 31, 2011

Note I - Budgetary Process

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriation ordinance, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriation ordinance are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds, other than the Fire Escrow Deposit special revenue fund and agency funds, are legally required to be budgeted and appropriated. The primary level of budgetary control is at the object level (personal services and other expenditures) within each department. Budgetary modifications may only be made by ordinance of the City Council.

Tax Budget

A tax budget of estimated revenues and expenditures for all funds is submitted to the County Auditor, as Secretary of the County Budget Commission, by July 20 of each year, for the period January 1 to December 31 of the following year.

Estimated Resources

The County Budget Commission determines if the budget substantiates a need to levy all or part of previously authorized taxes and reviews estimated revenue. The Commission certifies its actions to the City by October 1. As part of this certification, the City receives the official certificate of estimated resources, which states the projected revenue of each fund. Prior to December 31, the City must revise its budget so that the total contemplated expenditures from any fund during the ensuing year will not exceed the amount stated in the certificate of estimated resources. The revised budget then serves as the basis for the appropriation ordinance. On or about January 1, the certificate of estimated resources is amended to include unencumbered fund balances at December 31 of the preceding year. The certificate may be further amended during the year if the fiscal officer and the Budget Commission agree that the estimate needs to be increased or decreased. The amounts reported on the budgetary statements reflect the amounts in the final amended official certificate of estimated resources issued during 2011, while the original budget column reflects amounts in the original official certificate of estimated resources.

Appropriations

A temporary appropriation measure to control expenditures may be passed on or about January 1 of each year for the period from January 1 to March 31. The annual appropriation ordinance must be passed by April 1 of each year for the period January 1 to December 31. The appropriation ordinance fixes spending authority at the fund, department and object level. The appropriation ordinance may be amended during the year, as new information becomes available, provided that total fund appropriations do not exceed current estimated resources, as certified. The allocation of appropriations among departments and objects within a fund may be modified during the year by ordinance of City Council. During the year several supplemental appropriation measures were passed; however, none of them were significant. The budget figures that appear in the statements of budgetary comparisons represent the final appropriation amounts, including all amendments and modifications.

The City of Monroe

Notes to the Required Supplementary Information – December 31, 2011

Administrative control is maintained through the establishment of more detailed line-item budgets. The budgetary figures which appear in the “Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual (Budgetary Basis) – General Fund and major Special Revenue Funds are provided on the budgetary basis to provide a comparison of actual results with the final budget, including all amendments and modifications. Budget figures appearing in the statement of budgetary comparisons are based upon the following:

Initial Budget is the legally adopted amount of appropriation originally passed by City Council through the original appropriation ordinance.

Final Budget represents the final appropriation amounts, including all amendments and modifications.

Encumbrances

As part of the formal budgetary control, purchase orders, contracts and other commitments for expenditures are encumbered and recorded as the equivalent of expenditures (budget basis) in order to reserve that portion of the applicable appropriation. However, on the GAAP basis of accounting, encumbrances do not constitute expenditures or liabilities for governmental funds in the basic financial statements.

Lapsing of Appropriations

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

Note 2 - Budget to GAAP Reconciliation

Budgetary Basis of Accounting

While reporting financial position, results of operations, and changes in fund balance on the basis of 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 Schedules of Revenues, Expenditures, and Changes in Fund Balances — Budget and Actual (Budget Basis) — Major Funds are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget.

The City of Monroe
Notes to the Required Supplementary Information – December 31, 2011

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. The retirement of short-term debt is recorded when paid in cash (budget basis) as opposed to reducing the liability (GAAP basis).
3. Expenditures/expenses are recorded when paid in cash (budget basis) as opposed to when a liability is incurred (GAAP basis).
4. Outstanding year-end encumbrances are treated as expenditures on the budget basis.

The adjustments necessary to convert the results of operations for the year ended December 31, 2011, on the GAAP basis to the budget basis for the General Fund and Major Special Revenue Funds are as follows:

	General	Fire 1989 Levy	Police Law Enforcement	2004 TIFs
GAAP Basis	\$ 947,889	\$ (18,396)	\$ (23,842)	\$ 81,633
Adjustments:				
Revenue Accruals	(344,895)	(300)	11,364	
Expenditure Accruals	62,296	(11,754)	11,509	82,893
Advances	(35,000)	-	-	-
Encumbrances	(479,118)	(66,576)	(44,242)	(72,800)
Budget Basis	<u>\$ 151,172</u>	<u>\$ (97,026)</u>	<u>\$ (45,211)</u>	<u>\$ 91,726</u>

**CITY OF MONROE, OHIO
NONMAJOR FUND DESCRIPTIONS
DECEMBER 31, 2011**

GOVERNMENTAL FUNDS

Special Revenue Funds

Street

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

State Highway

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

Motor Vehicle License

To account for additional motor vehicle license taxes levied for routine street maintenance and repairs.

DARE Grant

To account for grant money related to the cost associated with administrating the DARE officer and other resources.

Enforcement and Education

To account for a portion of fines collected in DUI cases used to enforce DUI laws and teach the public about the dangers of driving under the influence.

2005 Fire Levy

To account for the property tax levied in 2005 for operating purposes.

2004 RIDs

To account for the payments in lieu of taxes on all the residential incentive districts within the City limits.

Street Lighting

To account for an assessment received by the City to pay for street lighting.

Cemetery Trust Fund

To account for monies that were donated for the purposes of maintenance and cemetery improvements.

Longstreet Trust Fund

To account for monies that were donated for purposes of using the donation to repair and maintain the Long Street area.

Law Enforcement

To account for monies received from the sale of forfeited goods and property that is spent on law enforcement.

Fire Escrow Deposit

To account for monies that are recovered from insurance proceeds related to City fire damage and controlled disbursements to applicable residents.

**CITY OF MONROE, OHIO
NONMAJOR FUND DESCRIPTIONS
DECEMBER 31, 2011**

Fire Historical Preservation Fund

To account for monies that are recovered from insurance proceeds related to City fire damage and controlled disbursements to applicable residents.

Debt Service Funds

Corridor I-75

To account for monies received primarily from a special taxing district in the City's attempt to create a business district along the Interstate 75 corridor of State Route 63 and used strictly for the retirement of special obligations bonds.

Capital Project Funds

Park Improvement

To account for user fees related to use of the City's various parks. Expenditures relate to the upkeep and maintenance of the parks.

Capital Improvement

To account for short term bond anticipation note proceeds in connection with the State Route 63 widening. This fund has been used by the City in past for minor infrastructure improvement projects through General fund transfers.

Court Technology Improvement

To account for collection of certain fines that will enable the City to update certain technology within the court system.

CPO TIF

To account for monies received from tax incremental financing in the Cincinnati Premium Outlets development that will be used to fund infrastructure improvements in and around the development.

Enterprise Funds

Storm Water Management

To account for the collection of user charges and maintain the City's storm water system.

Garbage

To account for the provision of trash collection services to the residents and commercial users in the City.

Cemetery

To account for the provision of cemetery plats and burials to the residents in the City.

**THE CITY OF MONROE
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2011**

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets:				
Equity in Pooled Cash and Investments	\$ 610,291	\$ -	\$ 690,061	\$ 1,300,352
Receivables (Net of Allowance for Doubtful Accounts):				
Taxes-Real & Personal Property	615,000	-	-	615,000
Accounts	2,083	-	693	2,776
Special Assessments	136,000	-	12,000	148,000
Payments in Lieu of Taxes	219,000	167,000	-	386,000
Due from Other Governments	431,388	-	-	431,388
Total Assets	\$ 2,013,762	\$ 167,000	\$ 702,754	\$ 2,883,516
Liabilities:				
Accounts Payable	\$ 38,839	\$ -	\$ 1,583	\$ 40,422
Accrued Wages and Benefits	40,472	-	-	40,472
Due to Other Funds	35,000	-	-	35,000
Due to Other Governments	26,196	-	-	26,196
Deferred Revenue	1,267,636	167,000	-	1,434,636
Total Liabilities	1,408,143	167,000	1,583	1,576,726
Fund Balances:				
Restricted	621,703	-	653,348	1,275,051
Committed	-	-	47,823	47,823
Unassigned	(16,084)	-	-	(16,084)
Total Fund Balances	605,619	-	701,171	1,306,790
Total Liabilities and Fund Balances	\$ 2,013,762	\$ 167,000	\$ 702,754	\$ 2,883,516

THE CITY OF MONROE
COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2011

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:				
Property and Other Taxes	\$ 659,030	\$ -	\$ -	\$ 659,030
Payment in Lieu of Taxes	838,048	165,695	-	1,003,743
Intergovernmental	788,659	-	-	788,659
Charges for Services	197,629	-	-	197,629
Licenses and Permits	-	-	38,801	38,801
Investment Earnings	7,247	-	-	7,247
Fines and Forfeitures	24,801	-	16,771	41,572
Special Assessments	100,007	-	21,964	121,971
Miscellaneous	2,563	-	-	2,563
Total Revenues	2,617,984	165,695	77,536	2,861,215
Expenditures:				
Current:				
Security of Persons and Property	50,108	-	-	50,108
Leisure Time Activities	-	-	243	243
Payment to Schools	639,320	-	-	639,320
Transportation	1,248,579	-	-	1,248,579
General Government	-	-	5,564	5,564
Miscellaneous	9,669	-	-	9,669
Capital Outlay	331,616	-	1,290,674	1,622,290
Debt Service:				
Principal Retirement	-	165,000	-	165,000
Interest and Fiscal Charges	-	4,961	-	4,961
Total Expenditures	2,279,292	169,961	1,296,481	3,745,734
Excess (Deficiency) of Revenues Over (Under) Expenditures	338,692	(4,266)	(1,218,945)	(884,519)
Other Financing Sources (Uses):				
Transfers - In	268,642	-	-	268,642
Transfers - Out	(770,000)	-	(134,844)	(904,844)
Total Other Financing Sources (Uses)	(501,358)	-	(134,844)	(636,202)
Net Change in Fund Balances	(162,666)	(4,266)	(1,353,789)	(1,520,721)
Fund Balances at Beginning of Year	768,285	4,266	2,054,960	2,827,511
Fund Balances at End of Year	\$ 605,619	\$ -	\$ 701,171	\$ 1,306,790

THE CITY OF MONROE
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2011

	Street	State Highway	Motor Vehicle License	Dare Grant	Enforcement and Education	2005 Fire Levy
Assets:						
Equity in Pooled Cash and Investments	\$ 133,453	\$ 63,796	\$ 119,765	\$ 19,818	\$ 5,969	\$ 3,088
Receivables (Net of Allowance for Doubtful Accounts):						
Taxes-Real & Personal Property	-	-	-	-	-	615,000
Accounts	1,858	-	-	200	25	-
Special Assessments	-	-	-	-	-	-
Payment in Lieu of Taxes	-	-	-	-	-	-
Due from Other Governments	320,051	25,950	55,587	-	-	29,800
Total Assets	\$ 455,362	\$ 89,746	\$ 175,352	\$ 20,018	\$ 5,994	\$ 647,888
Liabilities:						
Accounts Payable	\$ 27,441	\$ 141	\$ 387	\$ 1,062	\$ -	\$ -
Accrued Wages and Benefits	40,472	-	-	-	-	-
Due to Other Funds	-	-	-	-	-	-
Due to Other Governments	26,196	-	-	-	-	-
Deferred Revenue	213,477	17,301	37,058	-	-	644,800
Total Liabilities	307,586	17,442	37,445	1,062	-	644,800
Fund Balances:						
Restricted	147,776	72,304	137,907	18,956	5,994	3,088
Unassigned	-	-	-	-	-	-
Total Fund Balances	147,776	72,304	137,907	18,956	5,994	3,088
Total Liabilities and Fund Balances	\$ 455,362	\$ 89,746	\$ 175,352	\$ 20,018	\$ 5,994	\$ 647,888

THE CITY OF MONROE
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2011

2004 RIDs	Street Lighting	Cemetery Trust	Longstreet Trust	Law Enforcement	Fire Escrow Deposit	Fire Historical Preservation	Total
\$ 104,623	\$ 19,744	\$ 69,829	\$ 2,241	\$ 53,754	\$ -	\$ 14,211	\$ 610,291
-	-	-	-	-	-	-	615,000
-	-	-	-	-	-	-	2,083
-	136,000	-	-	-	-	-	136,000
219,000	-	-	-	-	-	-	219,000
-	-	-	-	-	-	-	431,388
<u>\$ 323,623</u>	<u>\$ 155,744</u>	<u>\$ 69,829</u>	<u>\$ 2,241</u>	<u>\$ 53,754</u>	<u>\$ -</u>	<u>\$ 14,211</u>	<u>\$ 2,013,762</u>
\$ 7,959	\$ 828	\$ -	\$ -	\$ 1,021	\$ -	\$ -	\$ 38,839
-	-	-	-	-	-	-	40,472
-	35,000	-	-	-	-	-	35,000
-	-	-	-	-	-	-	26,196
219,000	136,000	-	-	-	-	-	1,267,636
<u>226,959</u>	<u>171,828</u>	<u>-</u>	<u>-</u>	<u>1,021</u>	<u>-</u>	<u>-</u>	<u>1,408,143</u>
96,664	-	69,829	2,241	52,733	-	14,211	621,703
-	(16,084)	-	-	-	-	-	(16,084)
<u>96,664</u>	<u>(16,084)</u>	<u>69,829</u>	<u>2,241</u>	<u>52,733</u>	<u>-</u>	<u>14,211</u>	<u>605,619</u>
<u>\$ 323,623</u>	<u>\$ 155,744</u>	<u>\$ 69,829</u>	<u>\$ 2,241</u>	<u>\$ 53,754</u>	<u>\$ -</u>	<u>\$ 14,211</u>	<u>\$ 2,013,762</u>

THE CITY OF MONROE
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2011

	Street	State Highway	Motor Vehicle License	DARE Grant	Enforcement and Education	2005 Fire Levy
Revenues:						
Property and Other Taxes	\$ -	\$ -	\$ 65,947	\$ -	\$ -	\$ 593,083
Payment in Lieu of Taxes	-	-	-	-	-	-
Intergovernmental	611,002	33,923	35,167	12,077	-	96,490
Charges for Services	197,629	-	-	-	-	-
Investment Earnings	2,180	1,139	2,289	-	-	-
Fines and Forfeitures	-	-	-	-	1,093	-
Special Assessments	759	-	-	-	-	-
Miscellaneous	2,313	-	-	240	-	-
Total Revenues	813,883	35,062	103,403	12,317	1,093	689,573
Expenditures:						
Current:						
Security of Persons and Property	-	-	-	11,230	9,931	7,979
Payment to Schools	-	-	-	-	-	-
Transportation	1,010,443	18,709	96,615	-	-	-
Miscellaneous	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
Total Expenditures	1,010,443	18,709	96,615	11,230	9,931	7,979
Excess (Deficiency) of Revenues Over (Under) Expenditures	(196,560)	16,353	6,788	1,087	(8,838)	681,594
Other Financing Sources (Uses):						
Transfers - In	250,642	2,000	8,000	-	-	-
Transfers - Out	-	-	-	-	-	(730,000)
Total Other Financing Sources (Uses)	250,642	2,000	8,000	-	-	(730,000)
Net Change in Fund Balances	54,082	18,353	14,788	1,087	(8,838)	(48,406)
Fund Balances at Beginning of Year	93,694	53,951	123,119	17,869	14,832	51,494
Fund Balances at End of Year	\$ 147,776	\$ 72,304	\$ 137,907	\$ 18,956	\$ 5,994	\$ 3,088

THE CITY OF MONROE
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2011

2004 RIDs	Street Lighting	Cemetery Trust	Longstreet Trust	Law Enforcement	Fire Escrow Deposit	Fire Historical Preservation	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 659,030
838,048	-	-	-	-	-	-	838,048
-	-	-	-	-	-	-	788,659
-	-	-	-	-	-	-	197,629
-	-	993	646	-	-	-	7,247
-	-	-	-	23,708	-	-	24,801
-	99,248	-	-	-	-	-	100,007
-	-	-	-	-	-	10	2,563
<u>838,048</u>	<u>99,248</u>	<u>993</u>	<u>646</u>	<u>23,708</u>	<u>-</u>	<u>10</u>	<u>2,617,984</u>
-	-	-	-	3,548	17,420	-	50,108
639,320	-	-	-	-	-	-	639,320
-	122,812	-	-	-	-	-	1,248,579
9,669	-	-	-	-	-	-	9,669
331,616	-	-	-	-	-	-	331,616
<u>980,605</u>	<u>122,812</u>	<u>-</u>	<u>-</u>	<u>3,548</u>	<u>17,420</u>	<u>-</u>	<u>2,279,292</u>
(142,557)	(23,564)	993	646	20,160	(17,420)	10	338,692
-	8,000	-	-	-	-	-	268,642
(40,000)	-	-	-	-	-	-	(770,000)
<u>(40,000)</u>	<u>8,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(501,358)</u>
(182,557)	(15,564)	993	646	20,160	(17,420)	10	(162,666)
279,221	(520)	68,836	1,595	32,573	17,420	14,201	768,285
<u>\$ 96,664</u>	<u>\$ (16,084)</u>	<u>\$ 69,829</u>	<u>\$ 2,241</u>	<u>\$ 52,733</u>	<u>\$ -</u>	<u>\$ 14,211</u>	<u>\$ 605,619</u>

City of Monroe, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budgetary Basis)
Nonmajor Governmental Funds
For the Year Ended December 31, 2011

	STREET FUND			
	Budget		Actual	Variance Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 497,000	\$ 511,931	\$ 579,235	\$ 67,304
Interest	5,000	5,000	2,180	(2,820)
Special Assessment	-	-	759	759
Charges for Services	184,005	184,005	197,629	13,624
Other	-	-	565	565
Total Revenues	<u>686,005</u>	<u>700,936</u>	<u>780,368</u>	<u>79,432</u>
Expenditures:				
Current:				
Transportation				
Street Maintenance and Repair				
Personal Services	846,147	735,479	716,552	18,927
Other	350,000	395,435	349,334	46,101
Total Transportation	<u>1,196,147</u>	<u>1,130,914</u>	<u>1,065,886</u>	<u>65,028</u>
Capital Outlay	<u>-</u>	<u>2,518</u>	<u>2,518</u>	<u>-</u>
Total Expenditures	<u>1,196,147</u>	<u>1,133,432</u>	<u>1,068,404</u>	<u>65,028</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(510,142)	(432,496)	(288,036)	144,460
Other Financing Sources:				
Transfers - In	510,642	510,642	250,642	(260,000)
Total Other Financing Sources	<u>510,642</u>	<u>510,642</u>	<u>250,642</u>	<u>(260,000)</u>
Net Change in Fund Balance	500	78,146	(37,394)	(115,540)
Fund Balance at Beginning of Year	48,062	48,062	48,062	-
Prior Year Encumbrances Appropriated	<u>73,526</u>	<u>73,526</u>	<u>73,526</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 122,088</u>	<u>\$ 199,734</u>	<u>\$ 84,194</u>	<u>\$ (115,540)</u>

City of Monroe, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budgetary Basis)
Nonmajor Governmental Funds
For the Year Ended December 31, 2011

	STATE HIGHWAY FUND			
	Budget		Actual	Variance Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 40,500	\$ 44,500	\$ 46,965	\$ 2,465
Interest	500	500	1,139	639
Total Revenues	<u>41,000</u>	<u>45,000</u>	<u>48,104</u>	<u>3,104</u>
Expenditures:				
Current:				
Transportation				
State Highway Maintenance				
Other	<u>40,000</u>	<u>74,040</u>	<u>49,496</u>	<u>24,544</u>
Total State Highway Maintenance	<u>40,000</u>	<u>74,040</u>	<u>49,496</u>	<u>24,544</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,000	(29,040)	(1,392)	27,648
Other Financing Sources:				
Operating Transfers - In	<u>-</u>	<u>-</u>	<u>2,000</u>	<u>2,000</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>2,000</u>	<u>2,000</u>
Net Change in Fund Balance	1,000	(29,040)	608	29,648
Fund Balance at Beginning of Year	28,031	28,031	28,031	-
Prior Year Encumbrances Appropriated	<u>4,605</u>	<u>4,605</u>	<u>4,605</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 33,636</u>	<u>\$ 3,596</u>	<u>\$ 33,244</u>	<u>\$ 29,648</u>

City of Monroe, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budgetary Basis)
Nonmajor Governmental Funds
For the Year Ended December 31, 2011

	MOTOR VEHICLE LICENSE FUND			
	Budget		Actual	Variance Positive (Negative)
	Original	Final		
Revenues:				
Other Taxes	\$ 64,000	\$ 64,000	\$ 65,947	\$ 1,947
Intergovernmental	36,000	36,000	32,973	(3,027)
Interest	-	-	2,289	2,289
Miscellaneous	-	-	1,495	1,495
Total Revenues	100,000	100,000	102,704	2,704
Expenditures:				
Current:				
Transportation				
State Highway Maintenance				
Other	100,000	208,811	190,320	18,491
Total State Highway Maintenance	100,000	208,811	190,320	18,491
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(108,811)	(87,616)	21,195
Other Financing Sources:				
Operating Transfers - In	-	-	8,000	8,000
Total Other Financing Sources (Uses)	-	-	8,000	8,000
Net Change in Fund Balance	-	(108,811)	(79,616)	29,195
Fund Balance at Beginning of Year	111,522	111,522	111,522	-
Prior Year Encumbrances Appropriated	20,113	20,113	20,113	-
Fund Balance at End of Year	\$ 131,635	\$ 22,824	\$ 52,019	\$ 29,195

City of Monroe, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budgetary Basis)
Nonmajor Governmental Funds
For the Year Ended December 31, 2011

	DARE GRANT FUND			Variance Positive (Negative)
	Budget		Actual	
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ 18,000	\$ 12,077	\$ (5,923)
Other	-	-	283	283
Total Revenues	-	18,000	12,360	(5,640)
Expenditures:				
Current:				
Security of Persons and Property				
Personal Services	-	6,000	4,560	1,440
Other	13,570	21,140	7,665	13,475
Total Expenditures	13,570	27,140	12,225	14,915
Net Change in Fund Balance	(13,570)	(9,140)	135	9,275
Fund Balance at Beginning of Year	17,869	17,869	17,869	-
Fund Balance at End of Year	<u>\$ 4,299</u>	<u>\$ 8,729</u>	<u>\$ 18,004</u>	<u>\$ 9,275</u>

City of Monroe, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budgetary Basis)
Nonmajor Governmental Funds
For the Year Ended December 31, 2011

	ENFORCEMENT AND EDUCATION FUND			Variance Positive (Negative)
	Budget		Actual	
	Original	Final		
Revenues:				
Fines and Forfeitures	\$ -	\$ -	\$ 1,155	\$ 1,155
Total Revenues	-	-	1,155	1,155
Expenditures:				
Current:				
Security of Persons and Property				
Other	10,000	10,000	9,931	69
Total Expenditures	10,000	10,000	9,931	69
Net Change in Fund Balance	(10,000)	(10,000)	(8,776)	1,224
Fund Balance at Beginning of Year	14,745	14,745	14,745	-
Fund Balance at End of Year	\$ 4,745	\$ 4,745	\$ 5,969	\$ 1,224

City of Monroe, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budgetary Basis)
Nonmajor Governmental Funds
For the Year Ended December 31, 2011

	2005 FIRE LEVY FUND			Variance Positive (Negative)
	Budget		Actual	
	Original	Final		
Revenues:				
Property and Other Taxes	\$ 450,000	\$ 571,623	\$ 593,083	\$ 21,460
Intergovernmental	117,646	117,646	96,490	(21,156)
Total Revenues	<u>567,646</u>	<u>689,269</u>	<u>689,573</u>	<u>304</u>
Expenditures:				
Current:				
Security of Persons and Property				
Other	7,500	8,000	7,978	22
Total Expenditures	<u>7,500</u>	<u>8,000</u>	<u>7,978</u>	<u>22</u>
Excess of Revenues Over Expenditures	560,146	681,269	681,595	326
Other Financing (Uses:)				
Transfers - Out	(560,000)	(560,000)	(730,000)	(170,000)
Total Other Financing (Uses)	<u>(560,000)</u>	<u>(560,000)</u>	<u>(730,000)</u>	<u>(170,000)</u>
Net Change in Fund Balance	146	121,269	(48,405)	(169,674)
Fund Balance at Beginning of Year	<u>51,493</u>	<u>51,493</u>	<u>51,493</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 51,639</u>	<u>\$ 172,762</u>	<u>\$ 3,088</u>	<u>\$ (169,674)</u>

City of Monroe, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budgetary Basis)
Nonmajor Governmental Funds
For the Year Ended December 31, 2011

	2004 RIDs			Variance Positive (Negative)
	Budget		Actual	
	Original	Final		
Revenues:				
Payment in Lieu of Taxes	\$ 655,000	\$ 836,000	\$ 838,048	\$ 2,048
Total Revenues	<u>655,000</u>	<u>836,000</u>	<u>838,048</u>	<u>2,048</u>
Expenditures:				
Current:				
Payments to Schools	740,600	650,600	639,320	11,280
Other	9,300	90,120	99,154	(9,034)
Total Security of Persons and Property	<u>749,900</u>	<u>740,720</u>	<u>738,474</u>	<u>2,246</u>
Capital Outlay	<u>-</u>	<u>309,500</u>	<u>300,113</u>	<u>9,387</u>
Total Expenditures	<u>749,900</u>	<u>1,050,220</u>	<u>1,038,587</u>	<u>11,633</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(94,900)	(214,220)	(200,539)	13,681
Other Financing Uses:				
Transfers - Out	<u>-</u>	<u>(40,000)</u>	<u>(40,000)</u>	<u>-</u>
Total Other Financing Sources	<u>-</u>	<u>(40,000)</u>	<u>(40,000)</u>	<u>-</u>
Net Change in Fund Balance	(94,900)	(254,220)	(240,539)	13,681
Fund Balance at Beginning of Year	215,290	215,290	215,290	-
Prior Year Encumbrances Appropriated	<u>79,364</u>	<u>79,364</u>	<u>79,364</u>	<u>-</u>
Fund Balance at End of Year	<u><u>\$ 199,754</u></u>	<u><u>\$ 40,434</u></u>	<u><u>\$ 54,115</u></u>	<u><u>\$ 13,681</u></u>

City of Monroe, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budgetary Basis)
Nonmajor Governmental Funds
For the Year Ended December 31, 2011

	STREET LIGHTING FUND			Variance Variance Positive (Negative)
	Budget		Actual	
	Original	Final		
Revenues:				
Special Assessments	\$ 100,000	\$ 100,000	\$ 99,248	\$ (752)
Total Revenues	100,000	100,000	99,248	(752)
Expenditures:				
Current:				
Security of Persons and Property				
Other	108,000	118,000	122,879	(4,879)
Total Expenditures	108,000	118,000	122,879	(4,879)
Deficiency of Revenues Under Expenditures	(8,000)	(18,000)	(23,631)	(5,631)
Other Financing Sources (Uses):				
Transfers - In	8,000	18,000	43,000	25,000
Total Other Financing Sources:	8,000	18,000	43,000	25,000
Net Change in Fund Balance	-	-	19,369	19,369
Fund Balance at Beginning of Year	158	158	158	-
Fund Balance at End of Year	\$ 158	\$ 158	\$ 19,527	\$ 19,369

City of Monroe, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budgetary Basis)
Nonmajor Governmental Funds
For the Year Ended December 31, 2011

	CEMETERY TRUST FUND			
	Budget		Actual	Variance Positive (Negative)
	Original	Final		
Revenues:				
Interest	\$ -	\$ -	\$ 993	\$ 993
Total Revenues	-	-	993	993
Total Expenditures	-	-	-	-
Net Change in Fund Balance	-	-	993	993
Fund Balance at Beginning of Year	68,836	68,836	68,836	-
Fund Balance at End of Year	<u>\$ 68,836</u>	<u>\$ 68,836</u>	<u>\$ 69,829</u>	<u>\$ 993</u>

City of Monroe, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budgetary Basis)
Nonmajor Governmental Funds
For the Year Ended December 31, 2011

	LONGSTREET TRUST FUND			Variance Positive (Negative)
	Budget		Actual	
	Original	Final		
Revenues:				
Interest	\$ -	\$ -	\$ 646	\$ 646
Total Revenues	-	-	646	646
Total Expenditures	-	-	-	-
Net Change in Fund Balance	-	-	646	646
Fund Balance at Beginning of Year	1,595	1,595	1,595	-
Fund Balance at End of Year	\$ 1,595	\$ 1,595	\$ 2,241	\$ 646

City of Monroe, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budgetary Basis)
Nonmajor Governmental Funds
For the Year Ended December 31, 2011

	LAW ENFORCEMENT FUND			Variance Positive (Negative)
	Budget		Actual	
	Original	Final		
Revenues:				
Fines, licenses, and permits	\$ 6,700	\$ -	\$ 23,708	\$ 23,708
Total Revenues	6,700	-	23,708	23,708
Expenditures:				
Current:				
Security of Persons and Property				
Other	20,000	20,000	2,525	17,475
Total Security of Persons and Property	20,000	20,000	2,525	17,475
Capital Outlay	10,000	10,000	-	10,000
Total Expenditures	30,000	30,000	2,525	27,475
Net Change in Fund Balance	(23,300)	(30,000)	21,183	51,183
Fund Balance at Beginning of Year	32,571	32,571	32,571	-
Fund Balance at End of Year	\$ 9,271	\$ 2,571	\$ 53,754	\$ -

City of Monroe, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budgetary Basis)
Nonmajor Governmental Funds
For the Year Ended December 31, 2011

	FIRE HISTORICAL PRESERVATION FUND			
	Budget		Actual	Variance Positive (Negative)
	Original	Final		
Revenues:				
Other	\$ -	\$ -	\$ 10	\$ 10
Total Revenues	-	-	10	10
Total Expenditures	-	-	-	-
Net Change in Fund Balance	-	-	10	10
Fund Balance at Beginning of Year	14,201	14,201	14,201	-
Fund Balance at End of Year	<u>\$ 14,201</u>	<u>\$ 14,201</u>	<u>\$ 14,211</u>	<u>\$ 10</u>

**THE CITY OF MONROE
COMBINING BALANCE SHEET
NONMAJOR DEBT SERVICE FUND
DECEMBER 31, 2011**

	Corridor I - 75	Total
	<u> </u>	<u> </u>
Assets:		
Equity in Pooled Cash and Investments	\$ -	\$ -
Receivables (net of allowance for doubtful accounts):		
Payments in Lieu of Taxes	<u> 167,000</u>	<u> 167,000</u>
 Total Assets	 <u><u>\$ 167,000</u></u>	 <u><u>\$ 167,000</u></u>
 Liabilities:		
Deferred Revenue	<u> \$ 167,000</u>	<u> \$ 167,000</u>
 Total Liabilities	 <u> 167,000</u>	 <u> 167,000</u>
 Fund Balances:		
Restricted	<u> -</u>	<u> -</u>
 Total Fund Balances	 <u> -</u>	 <u> -</u>
 Total Liabilities and Fund Balances	 <u><u> \$ 167,000</u></u>	 <u><u> \$ 167,000</u></u>

**THE CITY OF MONROE
 COMBINING STATEMENT OF REVENUES,
 EXPENDITURES AND CHANGES IN FUND BALANCE
 NONMAJOR DEBT SERVICE FUND
 FOR THE YEAR ENDED DECEMBER 31, 2011**

	Corridor I - 75	Total
	<u> </u>	<u> </u>
Revenues:		
Payment in Lieu of Taxes	\$ 165,695	\$ 165,695
	<u> </u>	<u> </u>
Total Revenues	<u>165,695</u>	<u>165,695</u>
Expenditures:		
Principal Retirement	165,000	165,000
Interest and Fiscal Charges	4,961	4,961
	<u> </u>	<u> </u>
Total Expenditures	<u>169,961</u>	<u>169,961</u>
Change in Net Assets	(4,266)	(4,266)
Fund Balances at Beginning of Year	<u>4,266</u>	<u>4,266</u>
Fund Balances at End of Year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

City of Monroe, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budgetary Basis)
Major Governmental Fund
For the Year Ended December 31, 2011

	BOND RETIREMENT FUND			Variance Positive (Negative)
	Budget		Actual	
	Original	Final		
Revenues:				
Special Assessments	\$ 761,664	\$ 761,664	\$ 753,552	\$ (8,112)
Intergovernmental	366,961	363,090	15,390	(347,700)
Other	-	-	1,402	1,402
Total Revenues	<u>1,128,625</u>	<u>1,124,754</u>	<u>770,344</u>	<u>(354,410)</u>
Expenditures:				
Current				
Intergovernmental	621,664	621,664	621,664	-
Debt Service:				
Principal Retirement	834,400	834,400	834,400	-
Interest and Fiscal Charges	515,396	515,396	515,393	3
Total Expenditures	<u>1,971,460</u>	<u>1,971,460</u>	<u>1,971,457</u>	<u>3</u>
Deficiency of Revenues				
Under Expenditures	(842,835)	(846,706)	(1,201,113)	(354,407)
Other Financing Sources:				
Transfers - In	851,910	846,910	1,196,910	350,000
Total Other Financing Sources	<u>851,910</u>	<u>846,910</u>	<u>1,196,910</u>	<u>350,000</u>
Net Change in Fund Balance	9,075	204	(4,203)	(4,407)
Fund Balances at Beginning of Year	<u>21,299</u>	<u>21,299</u>	<u>21,299</u>	<u>-</u>
Fund Balances at End of Year	<u>\$ 30,374</u>	<u>\$ 21,503</u>	<u>\$ 17,096</u>	<u>\$ (4,407)</u>

City of Monroe, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budgetary Basis)
Nonmajor Governmental Funds
For the Year Ended December 31, 2011

	CORRIDOR I-75 FUND			Variance Positive (Negative)
	Budget Original	Final	Actual	
Revenues:				
Payment in Lieu of Taxes	\$ 175,000	\$ 167,961	\$ 165,695	\$ (2,266)
Total Revenues	175,000	167,961	165,695	(2,266)
Expenditures:				
Debt Service:				
Principal Retirement	165,000	165,000	165,000	-
Interest and Fiscal Charges	10,000	4,961	4,961	-
Total Expenditures	175,000	169,961	169,961	-
Net Change in Fund Balance	-	(2,000)	(4,266)	(2,266)
Fund Balance at Beginning of Year	4,266	4,266	4,266	-
Fund Balance at End of Year	\$ 4,266	\$ 2,266	\$ -	\$ (2,266)

THE CITY OF MONROE
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
DECEMBER 31, 2011

	Park Improvement	Court Technology Improvement	Capital Improvement	CPO TIF	Total
Assets:					
Equity in Pooled Cash and Investments	\$ 47,823	\$ 39,563	\$ 577,795	\$ 24,880	\$ 690,061
Accounts Receivable (Net of Allowance for Doubtful Accounts)	-	693	-	-	693
Special Assessments	-	-	12,000	-	12,000
Total Assets	\$ 47,823	\$ 40,256	\$ 589,795	\$ 24,880	\$ 702,754
Liabilities:					
Accounts Payable	-	1,234	349	-	1,583
Total Liabilities	-	1,234	349	-	1,583
Fund Balances:					
Restricted	-	39,022	589,446	24,880	653,348
Committed	47,823	-	-	-	47,823
Total Fund Balances	47,823	39,022	589,446	24,880	701,171
Total Liabilities and Fund Balances	\$ 47,823	\$ 40,256	\$ 589,795	\$ 24,880	\$ 702,754

THE CITY OF MONROE
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2011

	Park Improvement	Court Technology Improvement	Capital Improvement	CPO TIF	Total
Revenues:					
Licenses and Permits	\$ 38,801	\$ -	\$ -	\$ -	\$ 38,801
Fines and Forfeitures	-	16,771	-	-	16,771
Special Assessments	-	-	21,964	-	21,964
Total Revenues	38,801	16,771	21,964	-	77,536
Expenditures:					
Current:					
Leisure Time Activities	243	-	-	-	243
General Government	-	5,564	-	-	5,564
Capital Outlay	45,405	-	1,234,034	11,235	1,290,674
Total Expenditures	45,648	5,564	1,234,034	11,235	1,296,481
Excess (Deficiency) of Revenues Over (Under) Expenditures	(6,847)	11,207	(1,212,070)	(11,235)	(1,218,945)
Other Financing Sources:					
Transfers - Out	-	-	-	(134,844)	(134,844)
Total Other Financing Sources	-	-	-	(134,844)	(134,844)
Change in Fund Balance	(6,847)	11,207	(1,212,070)	(146,079)	(1,353,789)
Fund Balances at Beginning of Year	54,670	27,815	1,801,516	170,959	2,054,960
Fund Balances at End of Year	\$ 47,823	\$ 39,022	\$ 589,446	\$ 24,880	\$ 701,171

City of Monroe, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budgetary Basis)
Nonmajor Governmental Funds
For the Year Ended December 31, 2011

	PARK IMPROVEMENT FUND			
	Budget		Actual	Variance Positive (Negative)
	Original	Final		
Revenues:				
Fees, Licenses, and Permits	\$ 50,000	\$ 75,000	\$ 38,801	\$ (36,199)
Total Revenues	<u>50,000</u>	<u>75,000</u>	<u>38,801</u>	<u>(36,199)</u>
Expenditures:				
Current:				
Leisure Time Activities				
Other	-	1,220	1,463	(243)
Capital Outlay	<u>45,000</u>	<u>50,774</u>	<u>51,055</u>	<u>(281)</u>
Total Expenditures	<u>45,000</u>	<u>51,994</u>	<u>52,518</u>	<u>(524)</u>
Net Change in Fund Balance	5,000	23,006	(13,717)	(36,723)
Fund Balance at Beginning of Year	50,581	50,581	47,676	2,905
Prior Year Encumbrances Appropriated	<u>6,994</u>	<u>6,994</u>	<u>6,994</u>	<u>-</u>
Fund Balance at End of Year	<u><u>\$ 62,575</u></u>	<u><u>\$ 80,581</u></u>	<u><u>\$ 40,953</u></u>	<u><u>\$ 2,905</u></u>

City of Monroe, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budgetary Basis)
Nonmajor Governmental Funds
For the Year Ended December 31, 2011

	CAPITAL IMPROVEMENT FUND			
	Budget		Actual	Variance Positive (Negative)
	Original	Final		
Revenues:				
Special Assessments	\$ -	\$ -	\$ 9,964	\$ 9,964
Total Revenues	-	-	9,964	9,964
Expenditures:				
Capital Outlay	3,000	1,297,350	1,292,966	4,384
Total Expenditures	3,000	1,297,350	1,292,966	4,384
Net Change in Fund Balance	(3,000)	(1,297,350)	(1,283,002)	5,580
Fund Balance at Beginning of Year	786,903	786,903	786,903	-
Prior Year Encumbrances Appropriated	1,016,391	1,016,391	1,016,391	-
Fund Balance at End of Year	<u>\$ 1,800,294</u>	<u>\$ 505,944</u>	<u>\$ 520,292</u>	<u>\$ 5,580</u>

City of Monroe, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budgetary Basis)
Nonmajor Governmental Funds
For the Year Ended December 31, 2011

	COURT TECHNOLOGY IMPROVEMENT FUND			
	Budget		Actual	Variance Positive (Negative)
	Original	Final		
Revenues:				
Fines and Forfeitures	\$ 25,000	\$ 25,000	\$ 16,078	\$ (8,922)
Total Revenues	25,000	25,000	16,078	(8,922)
Expenditures:				
Current:				
General Government				
Other	7,700	7,940	5,594	2,346
Total Expenditures	7,700	7,940	5,594	2,346
Net Change in Fund Balance	17,300	17,060	10,484	(6,576)
Fund Balance at Beginning of Year	27,192	27,192	27,192	-
Prior Year Encumbrances Appropriated	623	623	623	-
Fund Balance at End of Year	\$ 45,115	\$ 44,875	\$ 38,299	\$ -

City of Monroe, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budgetary Basis)
Nonmajor Governmental Funds
For the Year Ended December 31, 2011

	CPO TIF Capital Projects			Variance Positive (Negative)
	Budget Original	Final	Actual	
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Capital Outlay	160,000	11,572	1,572	10,000
Total Expenditures	160,000	11,572	1,572	10,000
Deficiency of Revenues Under Expenditures	(160,000)	(11,572)	(1,572)	10,000
Other Financing Sources:				
Premium on Sale of Bonds	-	11,828	-	(11,828)
Transfers - Out	(147,896)	(147,896)	(134,844)	13,052
Total Other Financing Sources	(147,896)	(136,068)	(134,844)	1,224
Net Change in Fund Balance	(307,896)	(147,640)	(136,416)	11,224
Fund Balance at Beginning of Year	159,724	159,724	159,724	-
Prior Year Encumbrances Appropriated	1,572	1,572	1,572	-
Fund Balance at End of Year	<u>\$ (146,600)</u>	<u>\$ 13,656</u>	<u>\$ 24,880</u>	<u>\$ 11,224</u>

THE CITY OF MONROE
COMBINING STATEMENT OF NET ASSETS
NONMAJOR ENTERPRISE FUNDS
DECEMBER 31, 2011

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS			
	Stormwater Management	Garbage	Cemetery	Totals
Assets:				
Current Assets:				
Equity in Pooled Cash and Cash Equivalents	\$ 319,572	\$ 283,277	\$ 64,155	\$ 667,004
Accounts Receivable (Net of Allowance for Doubtful Accounts)	7,800	23,300	-	31,100
Total Current Assets	327,372	306,577	64,155	698,104
Capital Assets:				
Depreciable Assets	220,843	-	-	220,843
Total Assets	\$ 548,215	\$ 306,577	\$ 64,155	\$ 918,947
Liabilities				
Current Liabilities:				
Accounts Payable	\$ 1,410	\$ 112,306	\$ 203	\$ 113,919
Due to Other Governments	3,206	1,115	1,139	5,460
Total Current Liabilities	4,616	113,421	1,342	119,379
Total Liabilities	4,616	113,421	1,342	119,379
Net Assets				
Invested in Capital Assets, Net of Related Debt	220,843	-	-	220,843
Unrestricted	322,756	193,156	62,813	578,725
Total Net Assets	543,599	193,156	62,813	799,568
Total Net Assets and Liabilities	\$ 548,215	\$ 306,577	\$ 64,155	\$ 918,947

See accompanying notes to the basic financial statements

THE CITY OF MONROE
COMBINING STATEMENT OF REVENUES,
EXPENSES AND CHANGES IN FUND NET ASSETS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2011

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS			
	Stormwater Management	Garbage	Cemetery	Totals
Operating Revenues:				
Charges for Services	\$ 244,383	\$ 668,327	\$ 59,027	\$ 971,737
Total Operating Revenues	244,383	668,327	59,027	971,737
Operating Expenses:				
Personal Services	106,503	37,581	33,869	177,953
Materials and Supplies	60,543	-	6,487	67,030
Contractual Services	20,526	731,679	30,434	782,639
Depreciation	23,700	-	-	23,700
Total Operating Expenses	211,272	769,260	70,790	1,051,322
Operating Income	33,111	(100,933)	(11,763)	(79,585)
Non-Operating Expenses:				
Interest and Fiscal Charges	1,390	-	-	1,390
Total Non-Operating Expenses	1,390	-	-	1,390
Change in Net Assets	31,721	(100,933)	(11,763)	(80,975)
Total Net Assets - Beginning of Year	511,878	294,089	74,576	880,543
Total Net Assets - End of Year	\$ 543,599	\$ 193,156	\$ 62,813	\$ 799,568

THE CITY OF MONROE
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2011

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS			
	Stormwater Management	Garbage	Cemetery	Totals
Cash Flows from Operating Activities:				
Cash Received from Customers	\$ 260,938	\$ 707,247	\$ 59,027	\$ 1,027,212
Cash Paid for Employee Services and Benefits	(105,046)	(37,522)	(33,666)	(176,234)
Cash Paid to Suppliers for Goods and Services	(80,102)	(672,971)	(37,092)	(790,165)
Other Receipts	9,190	2,294	-	11,484
Net Cash Provided by Operating Activities	<u>84,980</u>	<u>(952)</u>	<u>(11,731)</u>	<u>72,297</u>
Cash Flows from Capital and Related Financing Activities:				
Principal Paid on Capital Leases	(28,088)	-	-	(28,088)
Interest Paid on All Debt	(1,390)	-	-	(1,390)
Net Cash Used for Capital and Related Financing Activities	<u>(29,478)</u>	<u>-</u>	<u>-</u>	<u>(29,478)</u>
Net Increase in Cash and Cash Equivalents	55,502	(952)	(11,731)	42,819
Cash and Cash Equivalents at Beginning of Year	<u>264,070</u>	<u>284,229</u>	<u>75,886</u>	<u>624,185</u>
Cash and Cash Equivalents at End of Year	<u>\$ 319,572</u>	<u>\$ 283,277</u>	<u>\$ 64,155</u>	<u>\$ 667,004</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:				
Operating Income (Loss)	\$ 33,111	\$ (100,933)	\$ (11,763)	\$ (79,585)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:				
Depreciation Expense	23,700	-	-	23,700
Change in Assets and Liabilities:				
Decrease in Accounts Receivable	16,555	38,920	-	55,475
Decrease in Special Assessment Receivables	9,190	2,294	-	11,484
Increase in Accounts Payables	967	58,708	203	59,878
Increase (Decrease) in Due to Other Governments	1,457	59	(171)	1,345
Total Adjustments	<u>51,869</u>	<u>99,981</u>	<u>32</u>	<u>151,882</u>
Net Cash Provided by Operating Activities	<u>\$ 84,980</u>	<u>\$ (952)</u>	<u>\$ (11,731)</u>	<u>\$ 72,297</u>

City of Monroe, Ohio
Schedule of Revenues, Expenses and Changes
In Fund Equity - Budget and Actual (Budgetary Basis)
Water Fund
For the Year Ended December 31, 2011

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
Revenues:				
Charges for Services	\$ 2,077,250	\$ 2,200,000	\$ 2,323,034	\$ 123,034
Special Assessment	-	-	4,599	4,599
Intergovernmental	77,236	77,236	77,236	-
Other Operating Revenues	-	-	19,837	19,837
Total Revenues	2,154,486	2,277,236	2,424,706	147,470
Expenses:				
Personal Services	620,234	620,836	606,369	14,467
Materials and Supplies	1,071,000	1,117,965	1,149,306	(31,341)
Contractual Services	3,434,540	3,490,857	352,976	3,137,881
Debt Service:				
Principal Retirement	232,453	229,877	232,453	(2,576)
Interest and Fiscal Charges	302,939	304,778	302,939	1,839
Total Expenses	5,661,166	5,764,313	2,644,043	3,120,270
Income (Loss) before Transfers	(3,506,680)	(3,487,077)	(219,337)	3,267,740
Transfers - In	-	-	134,844	134,844
Total Transfers	-	-	134,844	134,844
Change in Fund Equity	(3,506,680)	(3,487,077)	(84,493)	3,402,584
Fund Equity at Beginning of Year	4,121,157	4,121,157	4,121,157	-
Prior Year Encumbrances Appropriated	175,804	175,804	175,804	-
Fund Equity at End of Year	\$ 790,281	\$ 809,884	\$ 4,212,468	\$ 3,402,584

City of Monroe, Ohio
Schedule of Revenues, Expenses and Changes
In Fund Equity - Budget and Actual (Budgetary Basis)
Sewer Fund
For the Year Ended December 31, 2011

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
Revenues:				
Charges for Services	\$ 1,039,000	\$ 1,200,000	\$ 1,147,590	\$ (52,410)
Miscellaneous	-	-	3,819	3,819
Total Revenues	<u>1,039,000</u>	<u>1,200,000</u>	<u>1,151,409</u>	<u>(48,591)</u>
Expenses:				
Personal Services	45,028	45,059	44,890	169
Contractual Services	1,200,100	1,200,800	899,311	301,489
Total Expenses	<u>1,245,128</u>	<u>1,245,859</u>	<u>944,201</u>	<u>301,658</u>
Change in Fund Equity	(206,128)	(45,859)	207,208	253,067
Fund Equity at Beginning of Year	397,329	397,329	397,329	-
Prior Year Encumbrances Appropriated	7,830	7,830	7,830	-
Fund Equity at End of Year	<u>\$ 199,031</u>	<u>\$ 359,300</u>	<u>\$ 612,367</u>	<u>\$ 253,067</u>

City of Monroe, Ohio
Schedule of Revenues, Expenses and Changes
In Fund Equity - Budget and Actual (Budgetary Basis)
Stormwater Management Fund
For the Year Ended December 31, 2011

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
Revenues:				
Charges for Services	\$ 275,000	\$ 276,000	\$ 272,678	\$ (3,322)
Miscellaneous	-	-	7,955	7,955
Total Revenues	<u>275,000</u>	<u>276,000</u>	<u>280,633</u>	<u>4,633</u>
Expenses:				
Personal Services	99,483	99,544	115,551	(16,007)
Materials and Supplies	59,500	60,864	70,446	(9,582)
Contractual Services	90,500	132,143	88,651	43,492
Total Expenses	<u>249,483</u>	<u>292,551</u>	<u>274,648</u>	<u>17,903</u>
Change in Fund Equity	25,517	(16,551)	5,985	22,536
Fund Equity at Beginning of Year	206,720	206,720	206,720	-
Prior Year Encumbrances Appropriated	57,350	57,350	57,350	-
Fund Equity at End of Year	<u>\$ 289,587</u>	<u>\$ 247,519</u>	<u>\$ 270,055</u>	<u>\$ 22,536</u>

City of Monroe, Ohio
Schedule of Revenues, Expenses and Changes
In Fund Equity - Budget and Actual (Budgetary Basis)
Garbage Fund
For the Year Ended December 31, 2011

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
Revenues:				
Charges for Services	\$ 520,000	\$ 700,000	\$ 708,999	\$ 8,999
Miscellaneous	-	-	2,095	2,095
Total Revenues	520,000	700,000	711,094	11,094
Expenses:				
Personal Services	39,412	39,440	39,075	365
Contractual Services	600,000	675,000	672,971	2,029
Total Expenses	639,412	714,440	712,046	2,394
Change in Fund Equity	(119,412)	(14,440)	(952)	13,488
Fund Equity at Beginning of Year	284,202	284,202	284,202	-
Prior Year Encumbrances Appropriated	27	27	27	-
Fund Equity at End of Year	\$ 164,817	\$ 269,789	\$ 283,277	\$ 13,488

City of Monroe, Ohio
Schedule of Revenues, Expenses and Changes
In Fund Equity - Budget and Actual (Budgetary Basis)
Cemetery Fund
For the Year Ended December 31, 2011

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
Revenues:				
Charges for Services	\$ 50,000	\$ 80,000	\$ 59,027	\$ (20,973)
Miscellaneous	-	-	8,461	8,461
Total Revenues	50,000	80,000	67,488	(12,512)
Expenses:				
Personal Services	5,760	50,760	42,501	8,259
Materials and Supplies	12,600	17,001	8,481	8,520
Contractual Services	72,585	76,664	33,665	42,999
Total Expenses	90,945	144,425	84,647	59,778
Change in Fund Equity	(40,945)	(64,425)	(17,159)	47,266
Fund Equity at Beginning of Year	66,690	66,690	66,690	-
Prior Year Encumbrances Appropriated	9,196	9,196	9,196	-
Fund Equity at End of Year	\$ 34,941	\$ 11,461	\$ 58,727	\$ 47,266

THE CITY OF MONROE
COMBINING STATEMENT OF CHANGES IN FIDUCIARY
ASSETS AND LIABILITIES
FOR THE YEAR ENDED DECEMBER 31, 2011

	Balance December 31, 2010	Additions	Deletions	Balance December 31, 2011
Mayor's Court				
Assets:				
Cash and Cash Equivalents in Segregated Accounts	\$ 22,021	\$ 199,164	\$ 205,366	\$ 15,819
Total Assets	\$ 22,021	\$ 199,164	\$ 205,366	\$ 15,819
Liabilities:				
Due to Other Governments	\$ 7,729	\$ 199,164	\$ 191,094	\$ 15,799
Due to Others	14,292	-	14,272	20
Total Liabilities	\$ 22,021	\$ 199,164	\$ 205,366	\$ 15,819
Flexible Spending				
Assets:				
Cash and Cash Equivalents in Segregated Accounts	\$ 4,756	\$ -	\$ 4,756	\$ -
Total Assets	\$ 4,756	\$ -	\$ 4,756	\$ -
Liabilities:				
Due to Others	\$ 4,756	\$ -	\$ 4,756	\$ -
Total Liabilities	\$ 4,756	\$ -	\$ 4,756	\$ -
Total Agency Funds				
Assets:				
Cash and Cash Equivalents in Segregated Accounts	\$ 26,777	\$ 199,164	\$ 210,122	\$ 15,819
Total Assets	\$ 26,777	\$ 199,164	\$ 210,122	\$ 15,819
Liabilities:				
Due to Other Governments	\$ 7,729	\$ 199,164	\$ 191,094	\$ 15,799
Due to Others	19,048	-	19,028	20
Total Liabilities	\$ 26,777	\$ 199,164	\$ 210,122	\$ 15,819

STATISTICAL SECTION



Several businesses within the city that have previously received grant funding to help improve their properties



The City of Monroe, Ohio
Statistical Section Descriptions
December 31, 2011

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

<u>Contents</u>	<u>Pages</u>
Financial Trends	
These schedules contain trend information to help the reader assess how the City's financial performance and situation have changed over time.	96-101
Revenue Capacity	
These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax and income tax.	102-106
Debt Capacity	
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.	107-109
Demographic and Economic Information	
These schedules offer demographic and economic indicators to help the reader understand the environment within in which the City's financial activities takes place.	110-111
Operating Information	
These schedules contain operational 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.	112-114

CITY OF MONROE, OHIO

Net Assets by Component

Last Eight Years

(accrual basis of accounting)

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
Governmental Activities								
Invested in Capital Assets, Net of Related Debt	\$43,525,991	\$43,867,043	\$43,279,636	\$39,910,704	\$35,459,009	\$34,500,283	\$36,129,538	\$31,947,148
Restricted	2,204,984	1,871,712	1,285,278	1,146,508	2,123,343	3,042,662	2,691,443	1,826,135
Unrestricted (Deficit)	<u>25,639,374</u>	<u>25,676,519</u>	<u>27,715,270</u>	<u>27,299,158</u>	<u>9,111,985</u>	<u>6,824,463</u>	<u>(1,013,088)</u>	<u>(3,292,253)</u>
<i>Total Governmental Activities Net Assets</i>	<u>71,370,349</u>	<u>71,415,274</u>	<u>72,280,184</u>	<u>68,356,370</u>	<u>46,694,337</u>	<u>44,367,408</u>	<u>37,807,893</u>	<u>30,481,030</u>
Business-Type Activities								
Invested in Capital Assets, Net of Related Debt	2,705,389	2,873,285	2,670,120	2,499,198	1,479,725	314,256	(587,825)	(812,502)
Unrestricted	<u>2,472,518</u>	<u>2,337,944</u>	<u>2,667,307</u>	<u>2,459,723</u>	<u>4,143,064</u>	<u>5,009,927</u>	<u>5,122,206</u>	<u>3,734,030</u>
<i>Total Business-Type Activities Net Assets</i>	<u>5,177,907</u>	<u>5,211,229</u>	<u>5,337,427</u>	<u>4,958,921</u>	<u>5,622,789</u>	<u>5,324,183</u>	<u>4,534,381</u>	<u>2,921,528</u>
Primary government								
Invested in Capital Assets, Net of Related Debt	46,231,380	46,740,328	45,949,756	42,409,902	36,938,734	34,814,539	35,100,684	31,134,646
Restricted	2,204,984	1,871,712	1,285,278	1,146,508	2,123,343	3,042,662	2,691,443	1,826,135
Unrestricted	<u>28,111,892</u>	<u>28,014,463</u>	<u>30,382,577</u>	<u>29,758,881</u>	<u>13,255,049</u>	<u>11,834,390</u>	<u>1,469,125</u>	<u>441,777</u>
<i>Total Primary Government Net Assets</i>	<u>\$76,548,256</u>	<u>\$76,626,503</u>	<u>\$77,617,611</u>	<u>\$73,315,291</u>	<u>\$52,317,126</u>	<u>\$49,691,591</u>	<u>\$39,261,252</u>	<u>\$33,402,558</u>

Source: City financial records

* The City converted to GASB 34 for the 2004 fiscal year. Information prior to 2004 is not reported since it was not calculated

CITY OF MONROE, OHIO

Changes in Net Assets

Last Eight Years

(accrual basis of accounting)

	2011	2010	2009	2008	2007	2006	2005	2004
Program Revenues								
Governmental Activities:								
Charges for Services:								
Security of Persons and Property	\$ 1,039,918	\$ 1,133,396	\$ 1,156,739	\$ 1,060,474	\$ 931,465	\$ 868,901	\$ 639,503	\$ 750,807
Leisure Time Activities	41,609	90,189	56,783	71,332	63,956	151,261	180,810	220,320
Transportation	197,629	282,924	231,488	182,140	100,000	-	-	-
General Government	523,925	422,062	685,142	628,566	402,862	744,910	726,831	444,834
Interest and Fiscal Charges	-	131,208	187,301	162,073	-	-	-	-
Operating Grants and Contributions	27,160	419,319	684,139	18,002,888	752,164	869,476	564,110	609,432
Capital Grants and Contributions*	66,330	566,228	3,675,130	4,392,382	805,223	2,802,248	7,069,000	5,268,350
<i>Total Governmental Activities Program Revenues</i>	<u>1,896,571</u>	<u>3,045,326</u>	<u>6,676,722</u>	<u>24,499,855</u>	<u>3,055,670</u>	<u>5,436,796</u>	<u>9,180,254</u>	<u>7,293,743</u>
Business-Type Activities:								
Charges for Services:								
Water	2,371,513	2,168,447	2,719,318	2,044,718	2,214,942	2,379,490	2,478,159	2,125,254
Sewer	1,173,338	1,112,527	1,087,705	1,166,762	1,218,250	1,153,178	1,162,147	1,087,713
Stormwater Management	244,383	253,350	263,985	240,753	255,560	236,089	151,470	171,658
Garbage	668,327	622,427	679,783	618,244	665,607	626,929	415,125	378,350
Cemetery	59,027	50,025	66,343	50,740	58,269	28,572	44,682	42,609
Operating Grants and Contributions	-	19,100	2,995	-	16	3,331	115,056	241,365
Capital Grants and Contributions	-	-	-	-	-	-	-	749,045
<i>Total Business-Type Activities Program Revenues</i>	<u>4,516,588</u>	<u>4,225,876</u>	<u>4,820,129</u>	<u>4,121,217</u>	<u>4,412,644</u>	<u>4,427,589</u>	<u>4,366,639</u>	<u>4,795,994</u>
<i>Total Primary Government Program Revenues</i>	<u>6,413,159</u>	<u>7,271,202</u>	<u>11,496,851</u>	<u>28,621,072</u>	<u>7,468,314</u>	<u>9,864,385</u>	<u>13,546,893</u>	<u>12,089,737</u>
Expenses								
Governmental Activities:								
Security of Persons and Property	7,437,553	7,317,214	6,657,452	7,126,129	5,969,482	4,398,101	4,540,694	4,486,282
Public Health Services	-	237,599	57,690	104,640	157,668	165,722	108,616	53,679
Leisure Time Activities	265,705	289,661	243,408	36,273	6,766	607	7,560	10,968
Transportation	2,839,671	3,221,985	2,120,330	2,650,250	2,208,735	1,854,390	1,759,235	1,522,048
General Government	4,936,519	4,258,487	3,594,174	3,327,306	1,904,304	1,616,468	1,806,973	1,358,457
Interest and Fiscal Charges	548,108	521,416	710,498	556,550	1,003,232	479,432	375,973	384,403
<i>Total Governmental Activities Expenses</i>	<u>\$ 16,027,556</u>	<u>\$ 15,846,362</u>	<u>\$ 13,383,552</u>	<u>\$ 13,801,148</u>	<u>\$ 11,250,187</u>	<u>\$ 8,514,720</u>	<u>\$ 8,599,051</u>	<u>\$ 7,815,837</u>

CITY OF MONROE, OHIO

Changes in Net Assets

Last Eight Years

(accrual basis of accounting)

	2011	2010	2009	2008	2007	2006	2005	2004
Business-Type Activities:								
Water	\$ 2,625,712	\$ 2,492,173	\$ 2,693,114	\$ 2,726,916	\$ 2,231,916	\$ 2,020,068	\$ 1,674,742	\$ 1,372,394
Sewer	1,083,566	1,082,084	1,090,190	1,098,769	1,168,884	1,112,972	1,073,010	1,190,572
Stormwater Management	212,662	129,556	109,953	303,105	142,651	139,484	46,082	89,250
Garbage	769,260	621,710	646,917	618,169	530,864	565,819	398,179	341,895
Cemetery	70,790	48,435	57,453	20,603	17,223	12,931	31,255	110,633
<i>Total Business-Type Activities Expenses</i>	<u>4,761,990</u>	<u>4,373,958</u>	<u>4,597,627</u>	<u>4,767,562</u>	<u>4,091,538</u>	<u>3,851,274</u>	<u>3,223,268</u>	<u>3,104,744</u>
<i>Total Primary Government Expenses</i>	<u>20,789,546</u>	<u>20,220,320</u>	<u>17,981,179</u>	<u>18,568,710</u>	<u>15,341,725</u>	<u>12,365,994</u>	<u>11,822,319</u>	<u>10,920,581</u>
Net (Expense)/Revenue								
Governmental Activities	(14,130,985)	(12,801,036)	(6,706,830)	10,698,707	(8,194,517)	(3,077,924)	581,203	(522,094)
Business-Type Activities	(245,402)	(148,082)	222,502	(646,345)	321,106	576,315	1,143,371	1,691,250
<i>Total Primary Government Net Expense</i>	<u>(14,376,387)</u>	<u>(12,949,118)</u>	<u>(6,484,328)</u>	<u>10,052,362</u>	<u>(7,873,411)</u>	<u>(2,501,609)</u>	<u>1,724,574</u>	<u>1,169,156</u>
General Revenues and Other Changes in Net Assets								
Governmental Activities:								
Taxes:								
Income Taxes	6,576,423	5,575,320	5,809,473	5,427,919	5,602,563	3,892,969	3,345,238	2,791,808
Property Taxes	2,522,822	1,863,360	1,146,468	2,036,484	2,185,091	2,544,831	2,361,985	2,661,305
Payment in Lieu of Taxes	2,910,801	2,415,620	2,005,204	844,205	416,537	70,878	65,573	66,472
Other Taxes	1,049,360	960,077	442,340	683,268	690,187	542,064	507,560	297,539
Grants and Entitlements not Restricted to Specific Programs	900,864	947,508	956,818	1,462,682	829,847	820,158	536,684	592,552
Investment Earnings	260,634	137,047	209,864	365,994	674,503	396,848	180,184	38,624
Miscellaneous	-	37,194	60,477	120,274	100,218	128,832	216,968	51,899
Transfers	(134,844)	-	-	22,500	22,500	22,500	(468,532)	363,844
<i>Total Governmental Activities</i>	<u>\$ 14,086,060</u>	<u>\$ 11,936,126</u>	<u>\$ 10,630,644</u>	<u>\$ 10,963,326</u>	<u>\$ 10,521,446</u>	<u>\$ 8,419,080</u>	<u>\$ 6,745,660</u>	<u>\$ 6,864,043</u>

CITY OF MONROE, OHIO

Changes in Net Assets

Last Eight Years

(accrual basis of accounting)

	2011	2010	2009	2008	2007	2006	2005	2004
Business-Type Activities:								
Investment Earnings	\$ -	\$ 21,884	\$ -	\$ 4,977	\$ -	\$ 987	\$ 950	\$ -
Grants and Entitlements not Restricted to Specific Programs	77,236	-	-	-	-	-	-	-
Transfers	134,844	-	-	(22,500)	(22,500)	(22,500)	468,532	(363,844)
<i>Total Business-Type Activities</i>	<u>212,080</u>	<u>21,884</u>	<u>-</u>	<u>(17,523)</u>	<u>(22,500)</u>	<u>(21,513)</u>	<u>469,482</u>	<u>(363,844)</u>
<i>Total Primary Government</i>	<u>14,298,140</u>	<u>11,958,010</u>	<u>10,630,644</u>	<u>10,945,803</u>	<u>10,498,946</u>	<u>8,397,567</u>	<u>7,215,142</u>	<u>6,500,199</u>
Change in Net Assets								
Governmental Activities	(44,925)	(864,910)	3,923,814	21,662,033	2,326,929	5,341,156	7,326,863	6,341,949
Business-Type Activities	(33,322)	(126,198)	222,502	(663,868)	298,606	554,802	1,612,853	1,327,406
<i>Total Primary Government Change in Net Assets</i>	<u>\$ (78,247)</u>	<u>\$ (991,108)</u>	<u>\$ 4,146,316</u>	<u>\$ 20,998,165</u>	<u>\$ 2,625,535</u>	<u>\$ 5,895,958</u>	<u>\$ 8,939,716</u>	<u>\$ 7,669,355</u>

* In 2004, the City received \$5,112,900 in donated infrastructure.
 In 2005, the City received \$7,069,000 in donated infrastructure.
 In 2006, the City received \$2,945,025 in donated infrastructure.
 In 2007, the City received \$481,500 in donated infrastructure.
 In 2008, the City received \$3,833,859 in donated infrastructure.
 Source: City financial records

* The City converted to GASB 34 for the 2004 fiscal year. Information prior to 2004 is not reported since it was not calculated

CITY OF MONROE, OHIO
Fund Balances, Governmental Funds
Last Ten Years
(modified accrual basis of accounting)

	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
General Fund										
Reserved	\$ -	\$ 482,044	\$ 501,908	\$ 545,390	\$ 264,594	\$ 51,762	\$ 4,800	\$ 6,583	\$ -	\$ -
Unreserved	-	5,600,911	5,658,337	5,128,686	4,021,327	1,930,344	1,146,500	1,405,223	1,341,495	1,607,403
Nonspendable	35,000	-	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	348,919	-	-	-	-	-	-	-	-	-
Unassigned	6,646,925	-	-	-	-	-	-	-	-	-
<i>Total General Fund</i>	<u>7,030,844</u>	<u>6,082,955</u>	<u>6,160,245</u>	<u>5,674,076</u>	<u>4,285,921</u>	<u>1,982,106</u>	<u>1,151,300</u>	<u>1,411,806</u>	<u>1,341,495</u>	<u>1,607,403</u>
All Other Governmental Funds										
Reserved	-	1,479,927	882,226	297,624	716,157	762,925	1,961	21,713	-	-
Undesignated, Reported in:										
Special Revenue funds	-	495,407	(321,103)	275,254	1,095,589	1,336,376	1,582,971	29,242	(1,560,947)	(3,415,678)
Debt Service funds	-	34,720	15,789	232,959	146,072	7,563	(1,375,241)	(831,250)	(1,089,058)	(661,327)
Capital Projects funds	-	1,031,157	(4,117,594)	(2,993,639)	(2,632,732)	(823,597)	629,222	529,165	253,789	72,980
Nonspendable	-	-	-	-	-	-	-	-	-	-
Restricted	1,865,562	-	-	-	-	-	-	-	-	-
Committed	47,823	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	(365,575)	-	-	-	-	-	-	-	-	-
<i>Total All Other Governmental Funds</i>	<u>1,547,810</u>	<u>3,041,211</u>	<u>(3,540,682)</u>	<u>(2,187,802)</u>	<u>(674,914)</u>	<u>1,283,267</u>	<u>838,913</u>	<u>(251,130)</u>	<u>(2,396,216)</u>	<u>(4,004,025)</u>
<i>Total Governmental Funds</i>	<u>\$8,578,654</u>	<u>\$9,124,166</u>	<u>\$2,619,563</u>	<u>\$3,486,274</u>	<u>\$3,611,007</u>	<u>\$3,265,373</u>	<u>\$1,990,213</u>	<u>\$1,160,676</u>	<u>(\$1,054,721)</u>	<u>(\$2,396,622)</u>

* The City converted to GASB 34 for the 2004 fiscal year. Information prior to 2004 is reported under the old method.

** The City implemented the reporting requirements of GASB Statement No. 54 in 2011.

Source: City financial records

CITY OF MONROE, OHIO
Changes in Fund Balances, Governmental Funds
Last Ten Years
(modified accrual basis of accounting)

	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Revenues										
Income Taxes	\$6,600,141	\$5,951,344	\$5,784,713	\$5,352,927	\$5,238,256	\$3,909,004	\$3,345,238	\$2,791,808	\$2,891,413	\$2,341,842
Property and Other Taxes	2,400,487	1,885,387	2,041,637	1,971,017	2,131,720	2,197,086	2,425,332	2,793,454	1,098,020	1,301,347
Payment in Lieu of Taxes	2,910,801	2,415,620	2,005,203	844,205	416,537	70,878	-	-	-	-
Intergovernmental	1,757,320	2,797,302	5,716,065	2,813,759	1,885,762	1,702,514	1,139,297	1,281,053	1,690,446	1,639,891
Charges for Services	1,059,176	1,165,741	1,251,564	1,084,965	1,184,918	1,081,891	706,307	683,024	429,184	345,398
Licenses and Permits	581,733	446,880	585,034	1,062,746	347,224	718,573	798,943	616,013	852,123	819,011
Investment Earnings	260,634	137,047	208,864	365,994	674,503	396,848	180,184	38,657	8,732	13,160
Fines and Forfeitures	200,206	258,349	221,530	220,440	139,590	112,789	71,580	62,073	0	0
Special Assessments	863,556	327,428	301,213	302,789	72,463	210,722	197,673	203,396	244,479	195,976
Miscellaneous	33,581	199,582	226,261	166,658	439,270	125,345	241,688	75,900	127,709	537,484
Total Revenues	16,667,635	15,584,680	18,342,084	14,185,500	12,530,243	10,525,650	9,106,242	8,545,378	7,342,106	7,194,109
Expenditures										
Current:										
Security of Persons and Property	7,120,069	6,881,493	6,506,911	5,896,151	5,708,624	4,366,684	4,415,942	4,279,918	3,690,212	3,988,629
Public Health and Welfare	-	237,599	83,191	104,640	148,323	165,722	108,616	53,679	196,073	52,541
Transportation	1,462,501	1,525,763	1,722,489	1,196,834	1,047,776	608,078	597,737	595,673	696,325	629,758
General Government	2,250,755	1,964,892	2,229,646	2,342,991	1,511,020	1,503,590	1,614,230	1,315,218	1,308,932	1,902,881
Leisure Time Activities	224,689	261,285	236,052	27,074	2,005	607	-	-	2,936	91,163
Payments to Schools	1,358,998	-	-	-	-	-	-	-	-	-
Basic Utility Services	-	-	-	-	-	-	-	-	-	15,302
Miscellaneous	31,603	-	-	-	-	-	-	-	-	-
Intergovernmental	1,182,660	1,835,317	1,256,721	539,714	228,317	22,721	17,876	10,811	-	-
Capital Outlay	1,830,107	1,928,489	5,716,840	3,069,094	1,977,412	1,945,597	273,949	108,156	676,750	983,672
Debt service:										
Principal Retirement	1,084,867	786,979	756,775	613,681	593,242	518,412	485,148	83,700	5,004,913 (a)	370,490
Interest and Fiscal Charges	532,054	598,974	700,170	546,635	990,390	483,450	371,295	457,722	997,457	819,483
Total Expenditures	17,078,303	16,020,791	19,208,795	14,336,814	12,207,109	9,614,861	7,884,793	6,904,877	12,573,598	8,853,919
Excess of Revenues Over (Under) Expenditures	(410,668)	(436,111)	(866,711)	(151,314)	323,134	910,789	1,221,449	1,640,501	(5,231,492)	(1,659,810)
Other Financing Sources (Uses)										
Sale of Capital Assets	-	-	-	2,143	-	17,584	-	211,052	-	12,384
Proceeds from Lease Purchase	-	-	-	1,938	-	559,287	76,620	-	-	-
Agreement/Inception of Capital Lease	-	-	-	-	-	-	-	-	-	-
Face Value from the Sale of Bonds	-	6,845,000	-	-	-	-	-	-	7,565,000	-
Premium from the Sale of Bonds	-	95,714	-	-	-	-	-	-	-	-
Transfers In	6,168,852	6,595,376	5,468,000	5,409,771	4,659,641	4,719,513	2,772,370	1,640,614	2,532,932	4,268,105
Transfers Out	(6,303,696)	(6,595,376)	(5,468,000)	(5,387,271)	(4,637,141)	(4,697,013)	(3,240,902)	(1,276,770)	(2,546,932)	(3,598,788)
Total Other Financing Sources (Uses)	(134,844)	6,940,714	-	26,581	22,500	599,371	(391,912)	574,896	7,551,000	681,701
Net Change in Fund Balances	(\$545,512)	\$6,504,603	(\$866,711)	(\$124,733)	\$345,634	\$1,510,160	\$829,537	\$2,215,397	\$2,319,508	(\$978,109)
Debt Service as a Percentage of Noncapital Expenditures	10.7%	10.0%	11.9%	12.9%	15.2%	12.9%	11.3%	8.0%	50.5%	15.1%

* The City converted to GASB 34 for the 2004 fiscal year. Information prior to 2004 is reported under the old method.

(a) In 2003, the City refunded general obligation bonds and retired general obligations notes related to the City Building and Firehouse, respectively.

CITY OF MONROE, OHIO
 Assessed Value and Actual Value of Taxable Property
 Last Ten Years

YEAR	REAL PROPERTY		PERSONAL PROPERTY		PUBLIC UTILITY PERSONAL		TOTAL		TOTAL DIRECT RATE APPLIED	PERCENTAGE OF ASSESSED VALUE TO ESTIMATED ACTUAL VALUE
	ASSESSED VALUE	ESTIMATED ACTUAL VALUE	ASSESSED VALUE	ESTIMATED ACTUAL VALUE	ASSESSED VALUE	ESTIMATED ACTUAL VALUE	ASSESSED VALUE	ESTIMATED ACTUAL VALUE		
2002	197,975,700	565,644,857	42,906,468	171,625,872	17,056,970	19,382,920	257,939,138	756,653,649	\$ 11.17	34.09%
2003	208,560,150	595,886,143	39,576,788	158,307,152	16,634,540	18,902,886	264,771,478	773,096,181	\$ 11.17	34.25%
2004	203,857,670	582,450,485	39,277,088	157,108,352	16,612,830	18,878,215	259,747,588	758,437,052	\$ 11.17	34.25%
2005	205,833,010	588,094,314	34,843,584	139,374,336	16,172,430	18,377,761	256,849,024	745,846,411	\$ 11.17	34.44%
2006	232,771,170	665,060,486	37,698,431	150,793,724	16,295,740	18,517,886	286,765,341	834,372,096	\$ 11.17	34.37%
2007	267,694,640	764,841,829	38,248,035	152,992,140	17,060,460	19,386,886	323,003,135	937,220,855	\$ 9.32	34.46%
2008	275,519,850	787,199,571	23,163,041	37,060,866	17,441,240	19,819,591	316,124,131	844,080,028	\$ 9.32	37.45%
2009	302,282,910	863,665,457	16,039,580	160,395,800	16,946,160	19,257,000	335,268,650	1,043,318,257	\$ 9.32	32.13%
2010	289,085,520	825,958,629	194,860	3,897,200	17,502,820	19,889,568	306,783,200	849,745,397	\$ 9.32	36.10%
2011	282,027,380	805,792,514	-	-	79,977,540	90,883,568	362,004,920	896,676,082	\$ 9.32	40.37%

SOURCE: Butler County Auditor's Office

Note: Includes Butler and Warren County Information

CITY OF MONROE, OHIO
 Direct and Overlapping Property Tax Rates
 Last Ten Years

COLLECTION YEAR	CITY OF MONROE OPERATING	BUTLER COUNTY OPERATING	SCHOOL DISTRICT OPERATING	OTHER (1) OPERATING
2002	11.17	8.75	41.88	1.93
2003	11.17	8.75	40.68	1.93
2004	11.17	8.74	40.68	1.93
2005	11.17	8.74	40.68	1.93
2006	11.17	9.44	40.32	2.53
2007	9.32	10.95	44.87	2.53
2008	9.32	10.45	44.28	2.53
2009	9.32	9.745	41.038	2.53
2010	9.32	9.745	41.038	2.53
2011	9.32	9.72	39.579	3.78

SOURCE: City of Monroe's Operating Budget

SOURCE: Butler County Auditor's Office

(1) Other includes Butler County Technology and Career Development School (JVS) and Township

CITY OF MONROE, OHIO
Top Ten Principal Taxpayers
Real and Personal Property
Current Year and Ten Years Ago

Name of Taxpayer	2011		
	Assessed Valuation	Rank	% of Total Assessed Valuation
Rockies Express Pipeline LLC	\$ 17,782,240	1	4.91%
Duke Energy Ohio Inc. (1)	11,360,190	2	3.14%
Ohio Presbyterian Retirement	5,166,890	3	1.43%
Worthington Steel	5,051,200	4	1.40%
EPHS Investments LLC	3,419,500	5	0.94%
K.P. Properties of Ohio LLC	3,057,450	6	0.84%
Summit Properties Partnership	2,744,910	7	0.76%
Garver Road Investments LLC	1,820,000	8	0.50%
Crystal Partners LLC	1,726,530	9	0.48%
ECP Monroe LLC	1,531,000	10	0.42%
Total	\$ 53,659,910		14.82%

Total Assessed Valuation \$ 362,004,920

Name of Taxpayer	2001		
	Assessed Valuation	Rank	% of Total Assessed Valuation
Duke Energy Ohio Inc. (1)	\$ 22,748,690	1	10.96%
Worthington Steel	15,732,300	2	7.58%
Dayton Technologies	8,205,270	3	3.95%
EPHS Investments LLC	3,419,420	3	1.65%
Ohio Presbyterian Retirement	2,535,350	4	1.22%
Duke Realty Ohio	2,512,740	6	1.21%
Xerox Corporation	2,304,900	7	1.11%
Mount Pleasant Retirement Homes	2,097,160	8	1.01%
Sulzer Escher Wyess Incorporated	2,049,760	9	0.99%
Dayton Power and Light	1,719,690	10	0.83%
Total	\$ 63,325,280		30.51%

Total Assessed Valuation \$ 207,545,278

Source: Butler County Auditor's Office
(1) Cincinnati Gas and Electric in 2001

CITY OF MONROE, OHIO
Property Tax Levies and Collections
Last Ten Years

COLLECTION YEAR	TOTAL TAX LEVY	CURRENT TAX COLLECTIONS	DELINQUENT TAX COLLECTIONS	TOTAL TAX COLLECTIONS	PERCENTAGE OF TOTAL TAX COLLECTIONS TO TAX LEVY	ACCUMULATED OUTSTANDING DELINQUENT TAXES	PERCENTAGE OF ACCUMULATED DELINQUENT TAXES TO TOTAL TAX LEVY
2002	2,052,600	1,973,120	32,054	1,985,374	97.29%	175,657	8.61%
2003	2,172,608	1,830,899	68,594	1,950,276	89.77%	475,777	21.90%
2004	2,043,265	1,944,437	69,575	2,014,012	98.57%	505,030	24.72%
2005	2,183,502	2,075,690	143,904	2,014,012	92.24%	468,939	21.48%
2006	2,424,899	2,236,846	138,056	2,374,902	97.94%	518,936	21.40%
2007	2,162,034	1,844,390	39,791	1,884,181	87.15%	796,789	36.85%
2008	2,264,322	2,024,667	139,646	2,164,313	95.58%	896,798	39.61%
2009	2,769,439	2,291,505	61,167	2,352,672	84.95%	582,617	21.04%
2010	2,198,324	1,829,927	18,960	1,848,887	84.10%	463,420	21.08%
2011	2,181,406	2,001,723	76,618	2,078,341	95.28%	268,300	12.30%

SOURCE: Butler County Auditor's Office

Note: Includes only Butler County Information

CITY OF MONROE, OHIO
Income Tax Statistics - Last Four Available Calendar Years

	2010		2009		2008		2007	
	<u>Individuals</u>	<u>Net Profit</u>						
Total number of final returns filed	5,425	2,514	5,885	1,313	5,484	1,594	5,031	1,232
Total number of returns not filed	840	129	253	124	359	151	284	112
Total tax dollars paid prior to filing	\$ 1,189,177	\$ 484,630	\$ 1,180,560	\$ 720,123	\$ 1,228,814	\$ 861,157	\$ 1,379,277	\$ 1,343,569
Total tax dollars paid with filing	\$ 179,408	\$ 59,946	\$ 101,680	\$ 29,575	\$ 49,338	\$ 963	\$ 297,296	\$ 83,148
Total tax dollars paid after filing	\$ 132,037	\$ 7,920	\$ 127,762	\$ 18,303	\$ 163,139	\$ 85,972	\$ 140,123	\$ 46,725
Total penalty and interest paid	\$ 28,675	\$ 3,748	\$ 29,375	\$ 2,381	\$ 24,259	\$ 3,137	\$ 23,254	\$ 5,417
	<u>Withholding</u>		<u>Withholding</u>		<u>Withholding</u>		<u>Withholding</u>	
Total number of reconciliations filed	969		1,090		951		889	
Total number of reconciliations not filed	47		15		32		28	
Total tax dollars paid with reconciliations	\$ 4,278,592		\$ 4,010,045		\$ 3,927,695		\$ 3,714,769	

Source: City financial records

* The City converted tax software during 2007. Information prior to the conversion is not reported since it cannot be retrieved. 2007 is the latest information available. The City's records for calendar year 2011 are not finalized.

CITY OF MONROE, OHIO
Ratios of General Bonded Debt Outstanding and Legal Debt Margin
Last Ten Years

	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
General Bonded Debt Outstanding:										
General Obligation Notes/Bonds	\$11,190,000	\$11,920,000	\$11,515,000	\$9,440,000	\$9,855,000	\$6,765,000	\$7,170,000	\$7,565,000	\$7,565,000	\$6,275,000
Special Assessment Bonds	521,800	626,200	724,200	816,800	928,900	1,029,600	1,130,000	1,302,700	1,302,700	1,380,100
Enterprise Loans/Notes/Bonds Payable	6,026,567	6,259,020	3,264,903	3,496,356	3,702,259	3,928,543	4,891,323	5,282,195	5,282,195	5,520,131
Capital Leases Payable	185,941	299,496	420,238	534,914	643,855	755,876	75,472	0	0	0
Revenue Obligation Bonds	1,530,000	1,695,000	1,850,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Total	19,454,308	20,799,716	17,774,341	16,288,070	17,130,014	14,479,019	15,266,795	16,149,895	16,149,895	15,175,231
Percentage of Estimated Actual										
Property Value	2.17%	2.45%	1.70%	1.93%	1.83%	1.74%	2.05%	2.13%	2.09%	2.01%
Assessed Property Value	362,004,920	306,783,200	335,268,650	316,124,131	323,003,135	286,765,341	256,849,024	259,747,588	264,771,478	257,939,138
Actual Property Value	896,676,082	849,745,397	1,043,318,257	844,080,028	937,220,855	834,372,096	745,846,411	758,437,052	773,096,181	756,653,649
Total Debt Per Capita	1,564	1,672	2,492	2,283	2,402	2,030	2,140	2,264	2,264	2,127
Total Debt as a Percentage of Personal Income	Not Available	7.29%	7.77%	6.22%	8.77%	6.59%	7.54%	8.81%	9.82%	10.17%
Population	12,442	12,442	7,133							
Less:										
Special Assessment Bonds	(521,800)	(626,200)	(724,200)	(816,800)	(928,900)	(1,029,600)	(1,130,000)	(1,302,700)	(1,302,700)	(1,380,100)
Enterprise Loans/Notes/Bonds Payable	(6,026,567)	(6,259,020)	(3,264,903)	(3,496,356)	(3,702,259)	(3,928,543)	(4,891,323)	(5,282,195)	(5,282,195)	(5,520,131)
Capital Leases Payable	(185,941)	(299,496)	(420,238)	(534,914)	(643,855)	(755,876)	(75,472)	0	0	0
Revenue Obligation Bonds	(1,530,000)	(1,695,000)	(1,850,000)	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)
Total Net Debt Applicable to Debt Limit	11,190,000	11,920,000	11,515,000	9,440,000	9,855,000	6,765,000	7,170,000	7,565,000	7,565,000	6,275,000
Overall Legal Debt Limit										
10 1/2% of Assessed Valuation	38,010,517	32,212,236	35,203,208	33,193,034	33,915,329	30,110,361	26,969,148	27,273,497	27,801,005	27,083,609
Legal Debt Margin Within 10 1/2% Limitations	\$26,820,517	\$20,292,236	\$23,688,208	\$23,753,034	\$24,060,329	\$23,345,361	\$19,799,148	\$19,708,497	\$20,236,005	\$20,808,609
Legal Debt Margin as a Percentage of the Debt Limit	70.56%	63.00%	67.29%	71.56%	70.94%	77.53%	73.41%	72.26%	72.79%	76.83%
Unvoted Debt Limitation										
5 1/2% of Assessed Valuation	\$19,910,271	\$16,873,076	\$18,439,776	\$17,386,827	\$17,765,172	\$15,772,094	\$14,126,696	\$14,286,117	\$14,562,431	\$14,186,653
Total Debt Approved by Council	19,454,308	20,799,716	17,774,341	16,288,070	17,130,014	14,479,019	15,266,795	16,149,895	16,149,895	15,175,231
Less:										
Special Assessment Bonds	(521,800)	(626,200)	(724,200)	(816,800)	(928,900)	(1,029,600)	(1,130,000)	(1,302,700)	(1,302,700)	(1,380,100)
Enterprise Loans/Notes/Bonds Payable	(6,026,567)	(6,259,020)	(3,264,903)	(3,496,356)	(3,702,259)	(3,928,543)	(4,891,323)	(5,282,195)	(5,282,195)	(5,520,131)
Revenue Obligation Bonds	(1,530,000)	(1,695,000)	(1,850,000)	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)
Net Debt Within 5 1/2% Limitations	11,375,941	12,219,496	11,935,238	9,974,914	10,498,855	7,520,876	7,245,472	7,565,000	7,565,000	6,275,000
Unvoted Legal Debt Margin Within 5 1/2% Limitations	\$8,534,330	\$4,653,580	\$6,504,538	\$7,411,913	\$7,266,317	\$8,251,218	\$6,881,224	\$6,721,117	\$6,997,431	\$7,911,653
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limitation	42.86%	27.58%	35.27%	42.63%	40.90%	52.32%	48.71%	47.05%	48.05%	55.77%

Source: City Financial Records

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

CITY OF MONROE, OHIO
 Computation of Direct and Overlapping Debt
 December 31, 2011

JURISDICTION	NET DEBT OUTSTANDING (1)	PERCENTAGE APPLICABLE TO CITY OF MONROE (2)	AMOUNT APPLICABLE TO CITY OF MONROE
City of Monroe	\$ 19,614,730	100.00%	\$ 19,614,730
Butler County	<u>66,870,000</u>	3.42%	<u>2,286,954</u>
	<u>\$ 86,484,730</u>		<u>\$ 21,901,684</u>

The percentage of gross indebtedness of the City's overlapping political subdivisions was determined by dividing each overlapping subdivision's assessed valuation within the City by the subdivision's total assessed valuation.

(1) Includes only general obligation bonded debt payable from property taxes less Debt Service balance.

(2) The City is 16.1 square miles of Butler County's 470.20 square miles reported in the 2000 census.

SOURCE: Butler County Auditor's Office
 United States Census Bureau

CITY OF MONROE, OHIO
Ratio of Net General Obligation Debt
to Assessed Valuation and Net Bonded Debt per Capita
Last Ten Years

YEAR	POPULATION	ASSESSED VALUE	PERSONAL INCOME (1)	GROSS BONDED DEBT (2)	DEBT SERVICE BALANCE	DEBT PAYABLE FROM ENTERPRISE REVENUES	NET BONDED DEBT	RATIO OF NET BONDED DEBT TO ASSESSED VALUATION	NET BONDED DEBT PER CAPITA
2002	7,133	257,939,138	149,221,383	4,575,000	N/A	1,595,131	6,170,131	2.39%	865
2003	7,133	264,771,478	164,412,661	7,565,000	N/A	622,195	8,187,195	3.09%	1,148
2004	7,133	259,747,588	183,353,605	7,565,000	N/A	599,259	8,164,259	3.14%	1,145
2005	7,133	256,849,024	202,404,969	7,170,000	N/A	575,157	7,745,157	3.02%	1,086
2006	7,133	286,765,341	219,634,615	6,765,000	7,563	548,543	7,313,543	2.55%	1,025
2007	7,133	323,003,135	195,371,841	6,355,000	146,072	522,259	6,877,259	2.13%	964
2008	7,133	316,124,131	261,846,333	5,940,000	232,959	508,449	6,448,449	2.04%	904
2009	7,133	335,268,650	228,749,977	5,515,000	15,789	464,903	5,979,903	1.78%	838
2010	12,442	306,783,200	285,239,467	5,075,000	30,454	434,020	5,509,020	1.80%	443
2011	12,442	362,004,920	Not available	4,610,000	18,379	401,567	5,011,567	1.38%	403

SOURCE: Population figures are taken from the 2000/2010 Census.

(1) From the City's tax department for taxable income. Information for the City is not available before 2002
Information for 2008 is estimated using the total withholdings and applying a 1.5% tax rate to that figure.
Information for 2011 is not available as the City's reconciliation process for 2011 was not complete at the time of report issuance.

(2) Includes only General Obligation Bonds payable from Property Taxes

N/A means not applicable as the City had no bonded debt or a negative debt service balance.

CITY OF MONROE, OHIO

Principal Employers
Prior Year and Nine Years Ago

2010

<u>Employer</u>	<u>Employees</u>	<u>Percentage of Total City Employment</u>
CBS Personell Service, LLC	2,768	12.64 %
Kohl's Department Stores	2,505	11.44
Elite Labor Weekly, LTD	1,093	4.99
CM Temporary Services	888	4.05
DYTR Staffing and Management	688	3.14
Ohio Presbyterian Retirement	471	2.15
Monroe Local School	416	1.90
Home Depot	364	1.66
Crown Services	357	1.63
Deceuninck North America	<u>328</u>	<u>1.50</u>
Total	<u>9,878</u>	<u>45.09 %</u>
Total City Employees	<u>21,906</u>	

2002

<u>Employer</u>	<u>Employees</u>	<u>Percentage of Total City Employment</u>
Precision Packaging	468	3.94%
Ohio Presbyterian Retirement	388	3.27%
Kohl's Department Stores	357	3.00%
Deceuninck North America LLC*	353	2.97%
Monroe Local Schools	315	2.65%
Xerox Corporation	255	2.15%
Worthington Industries	217	1.83%
West Chester Holdings	146	1.23%
Clark Cincinnati	139	1.17%
Baker Concrete Construction	<u>95</u>	<u>0.80%</u>
Total	<u>2,733</u>	<u>23.00%</u>
Total City Employees	<u>11,883</u>	

Source: Department of Income Tax

Note: The information for 2011 was not available at the time of report issuance. Additionally, historical information is only available back to 2002.

* Was Dayton Technologies Inc. in 2002

CITY OF MONROE, OHIO

Demographic Statistics

Last Ten Years

YEAR	POPULATION (1)	SCHOOL ENROLLMENT (2)	UNEMPLOYMENT RATE BUTLER COUNTY (3)	COUNTY BANK DEPOSITS	PER CAPITA PERSONAL INCOME
2002	7,133	1,381	3.7	1,257,078,000	\$ 20,919.86
2003	7,133	1,245	4.0	1,355,739,000	23,049.58
2004	7,133	1,506	4.9	1,466,791,000	25,704.98
2005	7,133	1,685	5.0	3,053,270,000	28,375.85
2006	7,133	1,855	4.8	2,920,714,000	30,791.34
2007	7,133	2,022	4.9	3,017,034,000	27,389.86
2008	7,133	2,332	6.2	2,978,691,000	36,709.15
2009	7,133	2,307	9.9	5,548,981,000	32,069.25
2010	12,442	2,314	9.2	5,393,455,000	22,925.53
2011	12,442	2,473	8.6	Not Available	Not Available

(1) SOURCE: U.S. Census, Census of population - 2000/2010 Federal Census

(2) SOURCE: Monroe Board of Education

(3) SOURCE: Ohio Bureau Employment Services - research and statistics

Note: Certain information for 2011 was not available at time of report issuance.

CITY OF MONROE, OHIO
 Capital Asset Statistics by Function
 Last Eight Years

	2011	2010 (1)	2009	2008	2007	2006	2005	2004
CAPITAL ASSETS DEPRECIATION								
Governmental Activities:								
Security of Persons and Property	\$ 381,803	\$ 682,438	\$ 331,752	\$ 263,393	\$ 130,550	\$ 139,050	\$ 134,523	\$ 204,604
Leisure Time Activities	41,016	28,376	9,199	9,199	7,560	-	7,560	10,968
Transportation	1,352,020	1,695,270	105,101	87,731	90,951	57,439	64,629	926,375
General Government	114,818	457,631	106,317	107,272	108,952	105,866	125,361	138,616
Total Governmental Activities	<u>1,889,657</u>	<u>2,863,715</u>	<u>552,369</u>	<u>467,595</u>	<u>338,013</u>	<u>302,355</u>	<u>332,073</u>	<u>1,280,563</u>
Business-Type Activities:								
Water	410,692	365,948	463,316	429,801	226,799	241,086	229,797	232,066
Stormwater Management	23,700	50,435	18,070	13,413	13,413	-	-	-
Total Business-Type Activities	<u>434,392</u>	<u>416,383</u>	<u>481,386</u>	<u>443,214</u>	<u>240,212</u>	<u>241,086</u>	<u>229,797</u>	<u>232,066</u>
Total	<u>\$ 2,324,049</u>	<u>\$ 3,280,098</u>	<u>\$ 1,033,755</u>	<u>\$ 910,809</u>	<u>\$ 578,225</u>	<u>\$ 543,441</u>	<u>\$ 561,870</u>	<u>\$ 1,512,629</u>

Source: City of Monroe, Finance Department

* The City converted to GASB 34 for the 2004 fiscal year.
 Information prior to 2004 is not reported since it was not calculated

CITY OF MONROE, OHIO
 Operating Indicators by Function/Program
 Last Five Fiscal Years

Function/program	2011	2010	2009	2008	2007
General Government					
Construction Permits Issued	295	377	582	345	356
Estimated Value of Construction	\$24,155,582	\$21,554,765	\$31,432,126	\$126,439,882	\$48,200,000
Zoning Certificates Approved	37	35	112	30	16
Property Maintenance Complaints	180	136	162	120	10
Utility Bills mailed	57,018	59,748	59,018	57,954	54,388
Purchase Orders Issued	344	636	846	Not Available	Not Available
Police					
Total Incidents	20,143	24,310	19,000	18,010	14,825
Number of Citations issued	3,264	5,356	4,941	4,005	2,204
Misdemeanor & Felony Arrests	1,632	2,236	1,794	1,477	1,536
DUI Arrests	101	145	179	150	73
Alcohol Compliance Checks	2	2	2	1	2
Detective Investigated Cases	367	294	249	113	207
Calls for Service	10,332	10,715	10,150	9,307	14,825
Fire					
Emergency responses	574	595	594	635	550
Fire hydrant inspections	800	999	823	754	668
Training Hours	6,002	5,473	4,063	5,248	3,252
Number of times dispatched	2,376	2,492	2,470	2,448	2,219
Community Training Programs (number of attendees)	1,300	1,109	938	528	138
Public Service					
Snow removal (man hours)	676	2,475	1,430	1,275	1,366
Leaf pick-up (man hours)	643	800	850	800	960
Curbs replaced (linear feet)	0	0	0	2,000	2,000
Drive aprons replaced (square yards)	0	0	0	600	600
Truckloads of leaves picked-up	81	102	164	180	200
Tons of snow melting salt used	1,087	2,133	1,300	1,800	1,856
Number of snow events	9	15	13	14	11
Cemetery burials	37	34	\$34	42	48
Water meter installations	230	161	160	154	160

CITY OF MONROE, OHIO
 Full-Time Equivalent City Government Employees by Function/Program
 Last Ten Years

<u>Function/program</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
General Government:										
Council	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Mayor	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Finance	2.0	2.0	2.0	2.0	2.0	2.0	2.0	1.5	1.5	2.0
Law	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Purchasing/Adm. Services	9.2	9.2	9.2	8.2	7.5	6.5	5.0	5.0	4.5	5.0
Planning	4.0	4.0	4.0	4.0	2.0	2.0	2.0	0.5	1.5	2.0
Police	36.0	37.0	36.0	30.5	30.0	29.0	29.0	29.5	31.0	29.0
Fire	34.0	36.0	36.0	33.0	32.0	30.0	32.5	31.5	32.5	31.5
Engineering	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.0
Utilities:										
Administration	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Service	4.5	4.0	5.0	5.0	4.0	4.0	4.0	4.0	4.0	5.0
Service:										
Administration	4.5	3.5	3.5	3.0	3.0	2.0	0.0	0.0	0.0	0.0
Street Maintenance	10.0	10.0	9.0	9.0	9.0	9.0	8.0	7.0	7.0	8.0
Cemetery	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	2.0
Clerk of Courts	0.8	0.8	0.8	0.8	0.5	0.5	0.5	0.5	1.0	1.0
Totals:	<u>115.0</u>	<u>116.5</u>	<u>115.5</u>	<u>105.5</u>	<u>100.0</u>	<u>95.0</u>	<u>93.0</u>	<u>89.5</u>	<u>93.0</u>	<u>95.5</u>

Source: City of Monroe, Finance Department

Method: Using 1.0 for each full-time employee, and 0.50 for each part-time and seasonal employee