

# **REQUIRED SUPPLEMENTARY INFORMATION**

# City of Columbus, Ohio

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**City of Columbus, Ohio**  
**Budgetary Comparison Schedule**  
**General Fund**  
**For the Year Ended December 31, 2002**  
**(amounts expressed in thousands)**

Exhibit 9

General Fund				
	Budgeted Amounts		Actual	Variance— Positive (negative)
	Original	Final		
<b>Revenues:</b>				
Income taxes	\$ 337,000	\$ 329,200	\$ 328,205	\$ (995)
Property taxes	40,000	41,450	41,362	(88)
Investment income	20,000	19,200	20,259	1,059
Licenses and permits	1,705	1,410	1,321	(89)
Shared revenues	60,751	56,646	56,679	33
Charges for services	26,025	29,112	29,556	444
Fines and forfeits	13,100	14,582	15,522	940
Miscellaneous	3,940	7,998	8,416	418
Total revenues	502,521	499,598	501,320	1,722
<b>Expenditures:</b>				
Current:				
General government	68,454	71,421	70,862	560
Public service	40,051	37,592	37,082	509
Public safety	340,559	345,625	344,886	739
Development	18,571	18,736	18,571	165
Expenditures paid through county auditor	600	920	929	(9)
Total expenditures	468,235	474,294	472,330	1,964
Excess (deficiency) of revenues over expenditures	34,286	25,304	28,990	3,686
<b>Other financing sources (uses):</b>				
Transfers in	—	100	3,995	3,895
Transfers out	(66,222)	(54,115)	(51,391)	2,724
Total other financing sources (uses)	(66,222)	(54,015)	(47,396)	6,619
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	(31,936)	(28,711)	(18,406)	10,305
<b>Fund balances at beginning of year</b>	67,216	67,216	67,216	—
<b>Lapsed encumbrances</b>	555	1,558	1,558	—
<b>Fund balances (deficit) at end of year</b>	\$ 35,835	\$ 40,063	\$ 50,368	\$ 10,305

Adjustments necessary to convert the results of operations at end of year on the budget basis to the modified accrual basis (GAAP) are as follows:

<b>Deficiency of revenues and other financing sources over expenditures and other uses per the Budgetary Comparison Schedule</b>	(18,406)
<b>(Increases) decreases from revenues:</b>	
Received in cash during year but already accrued as receivables (GAAP) at December 31, 2001	(145,115)
Accrued as receivables at December 31, 2002 but not recognized in budget	137,544
Deferred at December 31, 2001 but not recognized in budget	114,033
Deferred at December 31, 2002 but recognized in budget	(114,607)
<b>(Increases) decreases from encumbrances:</b>	
Expenditures of amounts encumbered during the year ended December 31, 2001	(21,363)
Recognized as expenditures in the budget	16,615
<b>(Increases) decreases from expenditures:</b>	
Accrued as liabilities at December 31, 2001 recognized as expenditures (GAAP) but not in budget	31,248
Accrued as liabilities at December 31, 2002	(36,456)
<b>Net change in fund balance per the Statement of Revenues, Expenditures, and Changes in Fund Balance (Exhibit 4)</b>	<b>\$ (36,507)</b>

See notes to required supplementary information.

**CITY OF COLUMBUS, OHIO**

Notes to the Required Supplementary Information

December 31, 2002

**NOTE A—BUDGETARY DATA**

City Council follows the procedures outlined below in establishing expenditure budget data.

- (1) Prior to November 15, the Mayor submits to City Council an estimate of the expenditures necessary to conduct the affairs of the City for the fiscal year commencing the following January 1.
- (2) Budget estimates are distributed throughout the City (including newspapers and libraries) and public hearings are held to obtain taxpayers' comments.
- (3) Subsequent to January 1, and after publication of the proposed budget ordinances, the budget is legally enacted through passage of the ordinances. The budget specifies expenditure amounts by Object Level One for each division within each fund. The objects are (1) personal services, (2) materials and supplies, (3) contractual services, (4) debt principal payments, (5) other, (6) capital outlay, (7) interest on debt, and (10) transfers.
- (4) Transfers of appropriations of less than \$25,000 can be made between budget Object Level One within a division and fund without additional City Council action, but with responsible management approval. Transfers in excess of this amount require the approval of both City Council and the Mayor. Supplemental appropriations must be approved by City Council. During 2002, all appropriations were approved as required. Appropriations for general funds expenditures and transfers out, were as follows:

	(in thousands)		
	Original budget	Revisions	Final budget
General	\$ 534,457	(6,048)	528,409

- (5) The City maintains budgetary controls by not permitting expenditures to exceed appropriations at the Object Level One level for each division within each fund.
- (6) Unencumbered appropriations lapse at year-end.

All General fund expenditures, except for expenditures paid through the county auditor, have annual expenditures budgeted by City Council. Revenues and expenditures paid through the county auditor are estimated by the City Auditor in conjunction with the annual budgeting process. However, this estimate is not included or required in the budget ordinance.

Revenues for the General fund are estimated by the City Auditor in conjunction with the annual budgeting process. However, this estimate is not included or required in the budget ordinance.

## **Notes to the Required Supplementary Information (continued)**

The City's budgetary process is based upon accounting for certain transactions on a basis other than GAAP. The major differences are:

- (1) Revenues are recorded when received in cash (budget), as opposed to when susceptible to accrual (modified accrual).
- (2) Expenditures are recorded when encumbered or paid in cash (budget), as opposed to when the liability is incurred (modified accrual).
- (3) Encumbrances are recorded as the equivalent of expenditures (budget), as opposed to a reservation of fund balances (modified accrual).

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