



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**CITY OF MADEIRA
HAMILTON COUNTY**

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STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

250 West Court Street
Suite 150 E
Cincinnati, Ohio 45202
Telephone 513-361-8550
800-368-7419
Facsimile 513-361-8577
www.auditor.state.oh.us

**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL REQUIRED BY
GOVERNMENT AUDITING STANDARDS**

City of Madeira
Hamilton County
7141 Miami Avenue
Cincinnati, Ohio 45243

To the City Council:

We have audited the financial statements of the City of Madeira, Hamilton County, Ohio (the City), as of and for the year ended December 31, 2000, and have issued our report thereon dated June 27, 2001. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance that is required to be reported under *Government Auditing Standards* which is described in the accompanying schedule of findings as item 2000-20431-001. We also noted certain immaterial instances of noncompliance that we have reported to management of the City in a separate letter dated June 27, 2001.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the City in a separate letter dated June 27, 2001.

City of Madeira
Hamilton County
Report on Compliance and on Internal Control Required by
Government Auditing Standards
Page 2

This report is intended for the information and use of the Audit Committee, management, and City Council, and is not intended to be and should not be used by anyone other than these specified parties.

Jim Petro
Auditor of State

June 27, 2001

**CITY OF MADEIRA
HAMILTON COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2000**

**FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

FINDING NUMBER 2000-20431-001

Noncompliance Citation

Ohio Rev. Code, Section 5705.41 (D), requires that no subdivision or taxing unit shall make any contract or give any order involving the expenditure of money unless there is attached thereto a certificate of the fiscal officer of the subdivision that the amount required to meet the obligation has been lawfully appropriated for such purpose and is in the treasury or in the process of collection to the credit of an appropriate fund, free from any previous encumbrances. This certificate need be signed only by the subdivision's fiscal officer. Every contract made without such a certificate shall be void, and no warrant shall be issued in payment of any amount due thereon.

This Section also provides for two exceptions to the above requirements:

1. Then and Now Certificates - If no certificate is furnished as required, upon receipt of the fiscal officer's certificate that a sufficient sum was, both at the time of the contract or order and at the time of the certificate, appropriated and free of any previous encumbrances, the City Council may authorize the issuance of a warrant in payment of the amount due upon such contract or order by resolution within 30 days from the receipt of such certificate.
2. If the amount involved is less than \$1,000, the Treasurer may authorize payment through a Then and Now Certificate without affirmation of the City Council, if such expenditure is otherwise valid.

Contrary to the above requirements, the City failed to obtain the certification of the availability of funds from the Treasurer prior to the invoice date for twenty-three percent of the expenditures tested, and neither of the two exceptions provided above were applicable.

Also, the City did not prepare purchase orders for all expenditure transactions over \$1,000 or recurring transactions (i.e., utilities) as required. Thirteen percent of the purchase orders tested were not signed with the Treasurer's approval. The City should prepare purchase orders for all expenditures transactions to ensure that all purchases are properly encumbered. They should also, use "super blanket" purchase orders for recurring transactions as described in Auditor of State Bulletin 98-004. All purchase orders for disbursement transactions should be approved by the Treasurer before payment is made to the vendor.

THE COMPREHENSIVE ANNUAL FINANCIAL REPORT

OF THE

CITY OF MADEIRA

STATE OF OHIO

FOR THE YEAR ENDED DECEMBER 31, 2000



THE COMPREHENSIVE ANNUAL FINANCIAL REPORT

OF THE

CITY OF MADEIRA

STATE OF OHIO

FOR THE YEAR ENDED DECEMBER 31, 2000

**PREPARED BY THE TREASURER'S OFFICE
OF THE CITY OF MADEIRA**

THE COMPREHENSIVE ANNUAL FINANCIAL REPORT
OF THE
CITY OF MADEIRA
STATE OF OHIO
FOR THE YEAR ENDED DECEMBER 31, 2000

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INTRODUCTORY SECTION

June 27, 2001

TO THE CITIZENS OF THE CITY OF MADEIRA, OHIO:

The Comprehensive Annual Financial Report of the City of Madeira, Ohio, for the year ended December 31, 2000, is hereby submitted. While there is no legal requirement for the preparation of this report, it represents a commitment by the City of Madeira to conform to nationally recognized standards of excellence in financial reporting. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the City of Madeira. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

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

1. The Introductory Section includes this transmittal letter, which addresses the organization, accomplishments, and operational structure of the City, the City's organizational chart, and a list of principal officials.
2. The Financial Section begins with the Independent Accountants' Report and includes the General Purpose Financial Statements and Notes which provide an overview of the City's financial position and operating results, and the Financial Statements and Schedules of Individual Funds and Account Groups which provide detailed information relative to the General Purpose Financial Statements.
3. The Statistical Section presents social and economic data and financial trend information, and data relative to the fiscal capacity of the City.

REPORTING ENTITY

For financial purposes, the City includes in this report all funds and account groups of the government. Two other local government jurisdictions which overlap the City boundaries--Hamilton County and the Madeira Board of Education--are separate legal entities which do not meet the reporting entity criteria and therefore are not included in the City's financial report.

INTRODUCTION

Madeira was incorporated as a village in 1910 as a municipal form of government. In 1959 a charter form of government, adopting the council-manager plan, was approved and, after the 1960 census, Madeira officially became a city under Ohio Law.

In 1994 and then again in 2000, *Cincinnati Magazine* identified Madeira as one of the most livable communities in Southwestern Ohio. The City offers a broad range of housing, a vibrant business district, an excellent public and private school system, comprehensive public services and easy accessibility to the shopping, business and residential districts of the Greater Cincinnati area. Furthermore, its residents are dedicated to maintaining a safe, comfortable and welcoming community with high ideals. Hundreds of active volunteers dedicate thousands of hours each year in active support of community projects and goals.

The following pages further describe the structure of Madeira's government and some of the outstanding accomplishments made in the past year by its many dedicated employees, citizens, business people and especially volunteers. Without their commitment to excellence, we would not have our high quality of living standards in Madeira and for this commitment and participation we thank them.

MADEIRA CITY COUNCIL

Madeira's City Council is comprised of seven Madeira residents who are elected by their fellow residents to serve staggered four-year terms. All members of Council are elected at large from the City. The Madeira Home Rule Charter specifies term limits of three consecutive terms.

City Council positions are classified as part-time and council members receive nominal compensation for their community service. City Council's responsibilities include reviewing, deliberating and passing legislation as prescribed by the City Charter and the laws of the State of Ohio applicable to municipalities. Council also establishes long-range policies for our community.

The Madeira City Council elects a Mayor and Vice-Mayor from within its ranks. The Mayor and Vice-Mayor each serve a two-year term. The Mayor's primary duties include presiding over City Council meetings, performing ceremonial civic duties and overseeing the proceedings of Mayor's Court. The Vice-Mayor assumes the duties of the Mayor in his or her absence.

BOARDS AND COMMISSIONS

The City Council established various boards and commissions to help in its development and evaluation of the numerous projects carried out each year. The following is a brief description of the goals of those boards and commissions.

Madeira Planning Commission

Reviews zoning and building variance requests, subdivision plats and development plans. Also, submits an annual Capital Improvement Program to the City Council and advises City Council on all land use planning issues and proposed zoning code amendments. Membership includes eight volunteer residents

appointed by City Council to three-year staggered terms. The ninth member of the Commission is a City Council member appointed by the City Council. At December 31, 2000, those members were:

Council Member David Eberly
Chairman Jim Moore
Daniel Bascom
Rick Brasington
Sara Evans

Jeff Evans
Steve Karoly
Rich Harwood
Rob Steier

Recreation and Parks Board

Performs administrative functions on matters related to the City's parks and recreational facilities, programs and activities. Reviews proposals and makes recommendations to City Council. Membership includes eleven residents appointed by City Council to two-year staggered terms. The twelfth member is a City Council member appointed by the City Council. The City employs a part-time recreation director. At December 31, 2000, those members were:

Council Member David Sams
Recreation Director Richard Hartmann
Chairperson Julie Rule
James Erion
Chris Carr
Terrence Frank

Rick Little
Cathy Pohlman
Shirley Seeger
Jim Benjamin
Kathleen Kehling

Civil Service Commission

Conducts and reviews examinations for hiring and promotions within the classified service of the City. Also hears appeals filed by city employees and school employees regarding personnel decisions made by the administration dealing with the City's Personnel Policies and Procedures. Membership includes three residents of the City appointed by City Council for six-year overlapping terms. At December 31, 2000, those members were:

Timothy Quinn, Chair

Robert Gehring

Earle Maiman

Tax Board of Review

Hears and rules on appeals from any ruling or decision made by the City Tax Commissioner. Membership includes three residents appointed to two-year concurrent terms. At December 31, 2000, those members were:

Pamela Katz Kropveld

Mayor John P. Murray

Linda Simmons

Administration

The administration of the City of Madeira is carried out by several departments which have their offices in the Municipal Building located at the corner of Euclid and Miami Avenues.

The City Manager is the chief executive and administrative officer of the City and is charged with the responsibility for the proper administration of all municipal affairs and enforcement of its laws and ordinances as empowered by the City Charter. The City Manager is appointed by Council. The Chief of Police, the Tax Commissioner, Assistant to the City Manager, and Recreation Director report directly to the City Manager.

The Clerk of Council attends all meetings of Council and keeps its records. The Treasurer serves as fiscal and accounting officer of the City. These positions are part-time.

The Law Director is an attorney-at-law and is the legal advisor of and attorney and counsel for the City. The Law Director's time is billed at an hourly rate by the Law Director's legal firm.

Services Provided

The City provides many services to the community. Some of these services are:

Police Department

Preserve and Protect Madeira Property and Residents
Law Enforcement of City, State and Federal Laws
Training of Residents in Safety Procedures
Drug Education Program for Residents

Public Works

Street Cleaning
Snow Removal
Leaf and Limb Collection
Replacement of Street Signs
Storm Sewer Maintenance
Solid Waste Disposal and Recycling
Minor Road Repairs and Inspection of Right-of-way
Maintenance of the City Parks
Maintenance of Public Properties

Madeira/Indian Hill Joint Fire District

Fire Protection
Emergency Medical Services
Educational Programs Concerning Fire Prevention and Protection, and Medical Assistance

Recreation Department

Planning and Conducting Special Events
Coordination of Athletic Programs
Assistance to Public Works in the Park Maintenance
Street Lining

Earnings Tax

Administration and Enforcement of Earnings Tax Code for the City
Maintenance and Monitoring of 4,000 Individual and Business Tax Accounts for the City
Updating Property Plats for Changes in Property Ownership

Finance Department

Maintenance of All Accounting and Payroll Functions
Investment Management
Analysis and Proposals for Operating and Cost Efficiencies
Computer Hardware and Software Maintenance and Upgrades for All Departments Except Police

Planning, Zoning, Building and Development

Inspection of All Construction
Review of Property Boundary Changes
Zoning Enforcement
Sign Code Enforcement
All Code Variance Requests

FINANCIAL INFORMATION

The City's financial condition continued to improve as it has over the past several years. Expenditures have remained within budget, while revenue, as a result of a windfall in estate tax receipts, has increased significantly. In FY2000, a substantial excess revenue amount in the estate tax has allowed us to continue on an aggressive street repair program as well as funding other important capital improvements. Service levels provided by the individual departments have remained constant over this year; no cuts in services were made or are anticipated in the future. All remaining General Fund receipts and expenditures remained very stable through 2000. The City's Five Year Budget was updated in November and will continue to be used by Council and the Administration so that financial planning takes place at an optimum level.

Major Initiatives

A number of significant programs and projects were implemented in 2000:

1. The 2000 Street Repair Program included over \$500,000 in improvements including the north section of Miami Avenue (between Euclid and East Galbraith), Cherokee Drive, Arnett Street and Johnson Street. The Miami Avenue Project included significant improvements in drainage with the installation of curbs and gutters on the east side of the street. The pavement was

widened to improve safety for both vehicles and bicycles. As well, improved parking areas were included along the east side of the street. The City received \$250,000 in state and county funding for the Miami Avenue project. The City will continue to aggressively pursue outside funding for additional street repair work to supplement local tax revenue for this work.

2. Improvements to Sellman Park were completed in the spring of 2000. This \$280,000 project included the addition of one soccer field, expanded baseball facility, new basketball court, new playground equipment for both toddlers and elementary age children, a walking/jogging path, and expanded parking.
3. The Millennium 2000 Fountain Plaza Project was completed in the spring of 2000. This additional phase of the Miami Avenue Beautification Project was dedicated in June after it was completed at a cost of approximately \$150,000. The City received over \$50,000 in donations to purchase bricks, planters, benches and trees for the project. Former Mayor Dan McDonald contributed funds toward the purchase of the fountain. Future projects will be planned in 2001 including a plaza on the Railroad Depot property and new traffic signals on Miami Avenue.
4. Funding for several improvements to the service department compound were approved in 2000. A five bay storage facility is to be constructed to protect the city's fleet of trucks and construction equipment. Design work began on a 600 ton salt storage facility to replace the existing salt barn on Dawson Road. Both projects will be completed in 2001.

Internal Control

Management of the City is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure was designed to provide reasonable assurance that these objectives are met through evaluation of the following criteria:

- (a) the cost of a control should not exceed the benefits likely to be derived and
- (b) the valuation of costs and benefits required involves estimates and judgments made by management.

The City of Madeira receives state and county financial assistance for certain projects and is responsible for having an adequate internal control structure in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by the management of the City.

In addition to the above, the City maintains budgetary controls to ensure compliance with legal provisions embodied in the annual appropriation budget approved by the City Council. Activities of all funds are included in that annual appropriation budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the function level for all budgeted funds.

In 1994, City Council voted to change its budgeting method from the cash basis to the modified accrual/accrual basis of accounting. The purpose of this change was to make the statements more directly comparable inasmuch as reporting is done on the modified accrual basis for governmental funds

and the accrual basis for enterprise funds. This method of accounting is preferred under generally accepted accounting principles (GAAP).

The City also maintains an encumbrance accounting system as a technique of maintaining budgetary control. By City Charter, the City Manager must approve all expenditures and, in addition, the following controls must be followed:

1. All expenditures of \$10,000 or more are approved by Council. Ordinances are prepared and approved to authorize these expenditures.
2. Single expenditures of \$1,000 or more must have a purchase order prepared and certified by the City Treasurer that funds are available to cover those expenditures. All purchase orders are sent to the vendor as the vendor's authorization for the approved expenditure. Periodically, reminders are sent to vendors of the requirements to authorize the purchase of a product or service.

Through municipal fund accounting software, amounts approved by Ordinance or purchase order are encumbered in the designated fund; invoices entered for the approved product or service relieve the encumbrance and invoiced amounts exceeding the encumbrances evoke warning messages in the computer system. Encumbered amounts lapse at year end and are re-encumbered in the following year.

GENERAL GOVERNMENT FUNCTIONS

The following schedule compares revenues and expenditures for all governmental fund types (i.e., general, special revenues, debt service and capital projects) for 2000 with those of 1999.

Combined Statement of Revenues and Expenditures

All Governmental Fund Types

For the Year Ended December 31, 2000

	2000		1999		Inc/(Dec) 2000 vs. 1999	
	Amount	% of Total	Amount	% of Total	Amount	Percent
Revenues						
Taxes	\$2,876,356	52.3%	\$2,600,366	58.5%	\$275,900	10.6%
Licenses & Permits	42,141	.8%	81,162	1.8%	(39,021)	-48.1%
Intergovernmental Revenue	2,124,951	38.6%	1,374,370	31.1%	750,581	54.6%
Charges for Services	81,120	1.5%	79,461	1.8%	1,659	2.1%
Investment Earnings	146,716	2.7%	123,897	2.8%	22,819	18.4%
Fines & Forfeitures	59,140	1.1%	40,463	0.9%	18,677	46.2%
All Other Revenues	174,011	3.2%	122,220	2.8%	45,191	37.0%
TOTAL REVENUES	\$5,504,435	100.0%	\$4,421,939	100.0%	1,082,497	24.5%
Expenditures						
Security of Persons and Property	1,915,127	39.7%	1,780,028	38.4%	135,099	7.6%
Leisure Time Activity	267,643	5.5%	385,250	8.3%	(123,407)	-32.0%
Community Environment	140,401	2.9%	217,906	4.7%	(77,505)	-35.6%
Transportation	1,327,555	27.5%	1,394,773	30.1%	(67,218)	-4.8%
General Government	693,370	14.4%	632,188	13.6%	61,182	9.7%
Capital Outlay	188,500	3.9%	0	0.0%	188,500	100.0%
Debt Service						
Principal Retirement	185,000	3.8%	47,056	1.0%	137,944	293.1%
Interest and Fiscal Charges	108,535	2.3%	133,928	2.9%	(25,393)	-19.0%
Bond Issuance Costs	0	0.0%	40,543	0.9%	(40,543)	-100.0%
TOTAL EXPENDITURES	\$4,826,131	100.0%	\$4,631,672	100.0%	\$194,459	4.2%
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	\$678,304		(\$209,733)		\$888,037	

Revenues for general governmental functions, excluding interfund transfers, totaled \$5,504,435 in 2000 an increase of \$1,082,497 from 1999 or 24.5%. The primary increase in taxes was due to higher earnings tax collections and real estate tax collections. A decrease in permits was due to a slow down of new construction projects. The primary increase in intergovernmental revenues was due to a reimbursement of \$238,500 for a road project by the state and county, and an increase in estate tax collections of \$500,000.

Expenditures for general governmental purposes totaled \$4,826,131, an increase of \$194,459 over 1999 or 4.2%. Costs for fire and EMS services increased by \$97,248 for 2000 as apportionment of costs changed to reflect Madeira residents' greater usage of service. The agreement signed in 1997 with the Madeira and Indian Hill Joint Fire District provided that the division of costs will transition from the 1995 levels of 35.25% Madeira/64.75% Indian Hill to 2000 levels of 50% Madeira/50% Indian Hill. The year 2000 was our first year of principal payments related to the bonds issued in April of 1999. The principal payments increased \$137,944. A decrease in leisure activities of (\$123,407) was due to the completion of park improvements. A decrease in community environment reflects the completion of business district improvements in 1999.

Fund Balances

The general fund balance increased by \$930,909; special revenue funds decreased by (\$77,377); the debt service fund decreased by (\$118,837); and the capital projects fund decreased by (\$56,391). The general fund balance increased due to higher estate tax collections and expenditures increasing with inflation. The special revenue and capital project fund balances decrease is due to capital projects being completed. Debt service reduction is due to payment of principal payments on new debt.

Proprietary Operations

The City's proprietary fund is an enterprise fund established to report on the activities of rental property owned by the City. This fund had a net income of \$4,680 in 2000, compared to a net loss of (\$8,823) in 1999. Rental income increased slightly, but there was a decrease in repairs and maintenance. On a cash basis (which excludes depreciation) the rental properties earned \$16,667 in 2000 and earned \$3,164 in 1999.

Fiduciary Functions

The City's fiduciary responsibilities are comprised of one fund: Mayor's Court. The Mayor's Court had collections in 2000 of \$85,002. A minimal balance is maintained in the Mayor's Court account; all other proceeds are distributed as required by law to either the City or the State.

Debt Administration

At December 31, 2000, the City had outstanding general obligation bonds in the amount of \$2,565,000. On April 1, 1999, the city issued bonds in the amount of \$2,750,000. Proceeds were used to pay off outstanding notes as they matured during 1999, as well as, bonds that were callable on December 1, 1999. The balance of the proceeds were used to fund improvements.

Cash Management

Cash temporarily idle during the year was invested in an interest-bearing demand deposit account or in the State Treasurer's investment pool--Star Ohio. Funds which were determined to be available for longer term investment (\$796,828 at December 31, 2000) were invested in Certificates of Deposit. The City's investment policy is to minimize credit and market risks while obtaining the highest yield possible on its investments. Accordingly, all depository funds are either insured by federal depository insurance or collateralized. All investments meet the State of Ohio's requirements on allowable investments.

Risk Management

The City of Madeira tries to minimize its exposure to risk through employee training and insurance protection plans. The City participated in an insurance pool operated by Miami Valley Risk Management Association for the purpose of obtaining lower insurance rates.

The Miami Valley Risk Management Association, Inc. (MVRMA) is a joint insurance pool for municipalities which has been operational since December 1, 1988 and was formed according to Section 2744 of the Ohio Revised Code. This pool covers all property, crime, liability, machinery and public official liability for the City.

Workers Compensation insurance is provided by the State of Ohio but rates are pooled with other members of the MVRMA to obtain a lower rate than the City would obtain on its own.

Independent Audit

The general purpose financial statements of the City of Madeira were audited by the Auditor of State of Ohio. The accountants' report on the general purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report.

ECONOMIC OUTLOOK

The City of Madeira continues to work aggressively to attract quality businesses to its business district. The Miami Avenue Beautification Project was offered for bids in 1997, after several years of planning, and was completed in 1999. By working closely with the Madeira Chamber of Commerce and by improving the appearance of the business district, City Council hopes to increase its business vitality. In this way, the entire community will experience economic growth and development and Madeira will become an even better place in which to live.

At the same time, many of the City's streets were repaved and, in some instances, new curbs were installed. The City's capital improvement programs continue to be handled in a systematic and cost-effective manner.

CERTIFICATE OF ACHIEVEMENT

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Madeira for its comprehensive annual financial report for the fiscal year ended December 31, 1999. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The City of Madeira has received a Certificate of Achievement for the last five consecutive years (fiscal years ended 1994-1999.) We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

ACKNOWLEDGMENTS

We would like to express our sincere appreciation for the support and assistance we have received in the preparation of the Comprehensive Annual Financial Report from City Council and, in particular, Council's Finance Committee. Special thanks also to the members of City Council and all City employees and volunteers in their support of our efforts to maintain sound fiscal practices.

Sincerely,

Thomas W. Moeller
City Manager

Steven A. Soper, C.P.A.
Treasurer

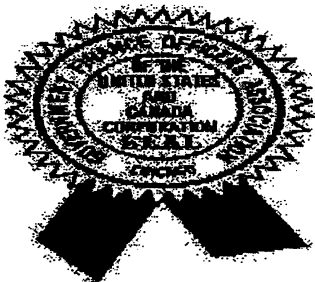
Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Madeira,
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 1999

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.



Anne Spray Kinney
President

Jeffrey L. Egan
Executive Director

City of Madeira, Ohio

LIST OF OFFICIALS

ELECTED OFFICIALS:

MAYOR, John P. Murray, C.P.A., Term on Council: 12/1/93-11/30/01

VICE MAYOR, Stephen Shaw, Term on Council: 12/1/93-11/30/01

MEMBERS OF COUNCIL:

David Eberly, Term on Council: 12/1/99-11/30/03

Sharon Mattes, Term on Council: 12/1/95-11/30/03

David Sams, Term on Council: 12/1/99-11/30/03

Michelle G. Schneider, Term on Council: 12/1/93-11/30/01

Richard L. Staubach, Term on Council: 12/1/89-11/30/01

APPOINTED OFFICIALS:

ARCHITECTURAL REVIEW OFFICER,

David H. Ballweg, Term of Office: 7/1/94-1/1/02

CITY MANAGER,

Thomas W. Moeller, M.P.A., Hired 3/6/89 for Indefinite Term

TREASURER,

Steven A. Soper, C.P.A., Term of Office: 12/1/97-11/30/02

PROSECUTOR,

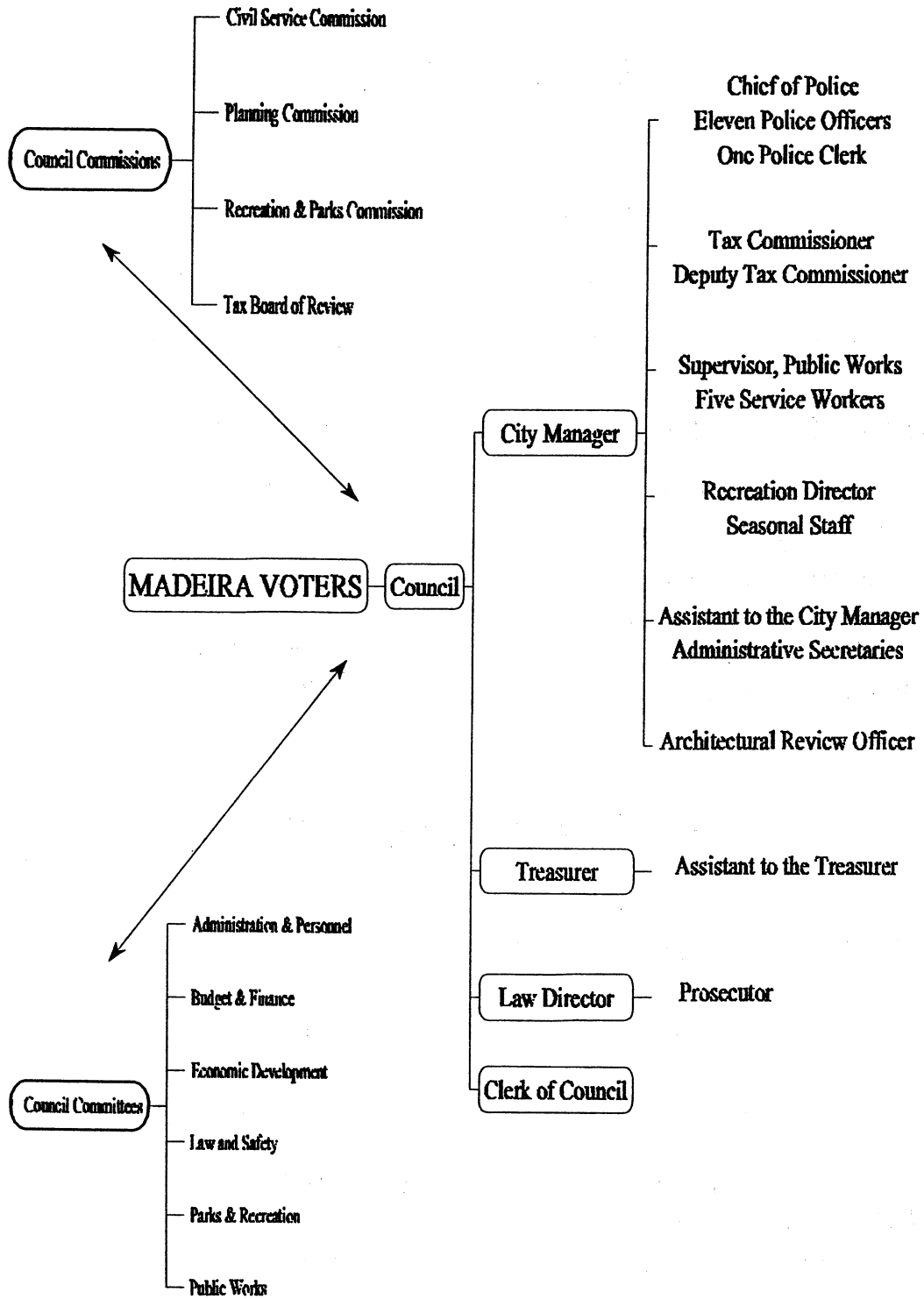
Bradley Greenberg, Term of Office: 3/1/98-11/30/02

LAW DIRECTOR,

Robert Malloy, L.L.P., Term of Office: 12/1/89-3/20/95, 12/1/95-11/30/02

City of Madeira

Organization Chart
December 31, 2000



FINANCIAL SECTION

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STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

250 West Court Street
Suite 150 E
Cincinnati, Ohio 45202
Telephone 513-361-8550
800-368-7419
Facsimile 513-361-8577
www.auditor.state.oh.us

INDEPENDENT ACCOUNTANTS' REPORT

City of Madeira
Hamilton County
7141 Miami Avenue
Cincinnati, Ohio 45243

To the City Council:

We have audited the accompanying general-purpose financial statements of the City of Madeira, Hamilton County, Ohio (the City), as of and for the year ended December 31, 2000, as listed in the table of contents. These general-purpose financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these general-purpose financial statements based on our audit.

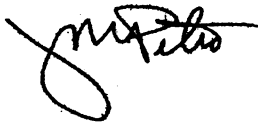
We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and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

In our opinion, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of the City of Madeira, Hamilton County, as of December 31, 2000, and the results of its operations and the cash flows of its proprietary fund type for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 27, 2001 on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

We performed our audit to form an opinion on the general-purpose financial statements of the City, taken as a whole. The combining and individual fund and account group financial statements and schedules listed in the table of contents are presented for additional analysis and are not a required part of the general-purpose financial statements. We subjected this information to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, is fairly presented, in all material respects, in relation to the general-purpose financial statements taken as a whole.

We did not audit the data included in the introductory and statistical sections of this report and therefore express no opinion thereon.

A handwritten signature in black ink, appearing to read "Jim Petro", written in a cursive style.

Jim Petro
Auditor of State

June 27, 2001

CITY OF MADEIRA, OHIO
 Combined Balance Sheet - All Fund Types and Account Groups
 December 31, 2000

	Governmental Fund Types				Proprietary Enterprise	Fiduciary Agency	Account Groups		Total 2000 (Memorandum Only)	Total 1999 (Memorandum Only)		
	General	Special Revenue	Debt Service	Capital Projects			General L-T Obligations	Fixed Assets			Total 2000 (Memorandum Only)	
ASSETS AND OTHER DEBITS												
ASSETS:												
Cash and Cash Equivalents	\$1,355,148	\$427,269	\$17,763	\$54,089	\$31,200	\$0	\$0	\$1,885,469	\$1,467,851			
Investments	796,828	0	0	0	0	0	0	796,828	507,743			
Cash with Fiscal Agent	0	0	0	0	0	10,215	0	10,215	5,195			
Receivables Net of Allowance for Uncollectible Accounts:												
Taxes Receivable	1,953,698	0	94,256	0	0	0	0	2,047,954	1,947,613			
Intergovernmental Receivable	212,075	24,434	0	77,707	0	0	0	314,216	85,828			
Accounts Receivables	31,414	102,100	0	0	0	0	0	133,514	29,075			
Inventory of Supplies	2,557	0	0	0	0	0	0	2,557	2,811			
Fixed Assets, Net of Depreciation	0	0	0	0	408,419	0	0	4,053,061	3,914,829			
OTHER DEBITS:												
Amount Available in Debt Service Fund	0	0	0	0	0	0	0	21,063	139,900			
Amount to be Provided for Retirement of General Long-Term Debt	0	0	0	0	0	0	0	2,698,770	2,788,792			
TOTAL ASSETS	\$4,351,720	\$553,803	\$112,019	\$131,796	\$439,619	\$10,215	\$0	\$2,719,833	\$3,644,642	\$11,963,647		
LIABILITIES, EQUITY AND OTHER CREDITS												
LIABILITIES:												
Accounts Payable	\$116,260	\$244,192	\$0	\$80,095	\$94	\$0	\$0	\$440,641	\$139,902			
Accrued Payroll	73,348	0	0	0	0	0	0	73,348	34,933			
Compensated Absences Payable	23,069	0	0	0	0	0	0	159,485	163,307			
Deferred Revenues	1,560,456	0	90,956	0	0	0	0	1,651,412	1,557,117			
Due to Other Governments	0	0	0	0	0	10,215	0	10,215	5,195			
General Obligation:												
Notes Payable	0	0	0	0	0	0	18,417	18,417	27,257			
Bonds Payable	0	0	0	0	0	0	2,565,000	2,565,000	2,750,000			
TOTAL LIABILITIES	1,773,133	244,192	90,956	80,095	94	10,215	0	4,918,518	4,677,711			
EQUITY AND OTHER CREDITS:												
Investment in Fixed Assets	0	0	0	0	0	0	0	3,644,642	3,494,423			
Contributed Capital	0	0	0	0	0	0	0	467,677	467,677			
Retained Earnings - Unreserved	0	0	0	0	0	0	0	(28,152)	(32,832)			
FUND BALANCE:												
Reserve-Inventory of Supplies	2,557	0	0	0	0	0	0	2,557	2,811			
Unreserved:												
Designated for Debt Service	0	0	21,063	0	0	0	0	21,063	139,900			
Undesignated	2,576,030	309,611	0	51,701	0	0	0	2,937,342	2,139,947			
TOTAL FUND EQUITY AND OTHER CREDITS	2,578,587	309,611	21,063	51,701	439,525	0	0	7,045,129	6,211,926			
TOTAL LIABILITIES, EQUITY AND OTHER CREDITS	\$4,351,720	\$553,803	\$112,019	\$131,796	\$439,619	\$10,215	\$0	\$2,719,833	\$3,644,642	\$11,963,647		

The Notes to the Financial Statements are an integral part of this statement.

CITY OF MADEIRA, OHIO

**Combined Statement of Revenues, Expenditures
and Changes in Fund Balances**

**All Governmental Fund Types
For the Year Ended December 31, 2000**

	General Fund	Special Revenue	Debt Service	Capital Projects	Totals (Memorandum Only)
REVENUES					
Taxes	\$2,787,080	\$0	\$89,276	\$0	\$2,876,356
Licenses & Permits	42,141	0	0	0	42,141
Intergovernmental Revenue	1,591,624	333,265	11,562	188,500	2,124,951
Charges for Services	46,395	34,725	0	0	81,120
Investment Earnings	122,535	21,928	0	2,253	146,716
Fines & Forfeitures	56,370	2,770	0	0	59,140
All Other Revenues	60,065	108,995	0	4,951	174,011
TOTAL REVENUES	4,706,210	501,683	100,838	195,704	5,504,435
EXPENDITURES					
Current					
Security of Persons and Property	1,913,927	1,200	0	0	1,915,127
Leisure Time Activity	98,731	168,912	0	0	267,643
Community Environment	16,806	0	0	123,595	140,401
Transportation	920,558	406,997	0	0	1,327,555
General Government	680,279	11,951	1,140	0	693,370
Capital Outlay	0	0	0	188,500	188,500
Debt Service					
Principal Retirement	0	0	185,000	0	185,000
Interest and Fiscal Charges	0	0	108,535	0	108,535
Bond Issuance Costs	0	0	0	0	0
TOTAL EXPENDITURES	3,630,301	589,060	294,675	312,095	4,826,131
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	1,075,909	(87,377)	(193,837)	(116,391)	678,304
OTHER FINANCING SOURCES/(USES)					
Proceeds from the Sale of Bonds	0	0	0	0	0
Payment to Refunded Debt Escrow Agent	0	0	0	0	0
Operating Transfers In	0	50,000	75,000	60,000	185,000
Operating Transfers Out	(145,000)	(40,000)	0	0	(185,000)
TOTAL OTHER FINANCING SOURCES/(USES)	(145,000)	10,000	75,000	60,000	0
Excess/(Deficiency) of Revenues and Financing Sources Over/(Under) Expenditures and Other Uses	930,909	(77,377)	(118,837)	(56,391)	678,304
Fund Balance - Beginning	1,647,678	386,988	139,900	108,092	2,282,658
Fund Balance - Ending	\$2,578,587	\$309,611	\$21,063	\$51,701	\$2,960,962

The Notes to the Financial Statements are an integral part of this statement.

Combined Statement of Revenues, Expenditures
and Changes in Fund Balances
Budget and Actual
General Fund
For the Year Ended December 31, 2000

	Budget	Actual	Variance Fav/(Unfav)
REVENUES			
Taxes	\$2,886,500	\$2,787,080	(\$99,420)
Licenses & Permits	42,800	42,141	(659)
Intergovernmental Revenue	1,303,580	1,591,624	288,044
Charges for Services	40,600	46,395	5,795
Investment Earnings	50,000	122,535	72,535
Fines & Forfeitures	26,000	56,370	30,370
All Other Revenues	49,000	60,065	11,065
TOTAL REVENUES	4,398,480	4,706,210	307,730
EXPENDITURES			
Current:			
Security of Persons and Property	1,945,000	1,913,927	31,073
Leisure Time Activity	106,100	98,731	7,369
Community Environment	16,000	16,806	(806)
Transportation	948,782	920,558	28,224
General Government	707,040	680,279	26,761
Debt Service			
Principal Retirement	0	0	0
Interest and Fiscal Charges	0	0	0
TOTAL EXPENDITURES	3,722,922	3,630,301	92,621
Excess of Revenues Over Expenditures	675,558	1,075,909	400,351
OTHER FINANCING SOURCES/(USES)			
Proceeds from the Sale of Bonds	0	0	0
Operating Transfers Out	(145,000)	(145,000)	0
TOTAL OTHER FINANCING SOURCES/(USES)	(145,000)	(145,000)	0
Excess/(Deficiency) of Revenues and Financing Sources Over/(Under) Expenditures and Other Uses	530,558	930,909	400,351
Fund Balance - Beginning	1,647,678	1,647,678	0
Fund Balance - Ending	\$2,178,236	\$2,578,587	\$400,351

Combined Statement of Revenues, Expenditures
and Changes in Fund Balances
Budget and Actual
Special Revenue Funds
For the Year Ended December 31, 2000

	Budget	Actual	Variance Fav/(Unfav)
REVENUES			
Intergovernmental Revenue	\$320,000	\$333,265	\$13,265
Charges for Services	36,500	34,725	(1,775)
Investment Earnings	30,000	21,928	(8,072)
Fines & Forfeitures	3,000	2,770	(230)
All Other Revenues	65,500	108,995	43,495
TOTAL REVENUES	455,000	501,683	46,683
EXPENDITURES			
Current			
Security of Persons and Property	3,200	1,200	2,000
Leisure Time Activity	166,100	168,912	(2,812)
Transportation	439,600	406,997	32,603
General Government	13,900	11,951	1,949
Debt Service			
Interest and Fiscal Charges	0	0	0
TOTAL EXPENDITURES	622,800	589,060	33,740
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(167,800)	(87,377)	80,423
OTHER FINANCING SOURCES/(USES)			
Proceeds from the Sale of Bonds	0	0	0
Operating Transfers In	50,000	50,000	0
Operating Transfers Out	(40,000)	(40,000)	0
TOTAL OTHER FINANCING SOURCES/(USES)	10,000	10,000	0
Excess/(Deficiency) of Revenues and Financing Sources Over/(Under) Expenditures and Other Uses	(157,800)	(77,377)	80,423
Fund Balance - Beginning	386,988	386,988	0
Fund Balance - Ending	\$229,188	\$309,611	\$80,423

Combined Statement of Revenues, Expenditures
and Changes in Fund Balances
Budget and Actual
Debt Service Fund
For the Year Ended December 31, 2000

	Budget	Actual	Variance Fav/(Unfav)
REVENUES			
Taxes	\$77,000	\$89,276	\$12,276
Intergovernmental Revenue	10,000	11,562	1,562
Investment Earnings	0	0	0
TOTAL REVENUES	87,000	100,838	13,838
EXPENDITURES			
Current:			
General Government	1,000	1,140	(140)
Debt Service			
Principal Retirement	185,000	185,000	0
Interest and			
Fiscal Charges	112,637	108,535	4,102
Bond Issuance Costs	0	0	0
TOTAL EXPENDITURES	298,637	294,675	3,962
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(211,637)	(193,837)	17,800
OTHER FINANCING SOURCES/(USES)			
Proceeds from the Sale of Bonds	0	0	0
Payment to Refunded Debt Escrow Agent	0	0	0
Operating Transfers In	100,000	75,000	(25,000)
TOTAL OTHER FINANCING SOURCES/(USES)	100,000	75,000	(25,000)
Excess/(Deficiency) of Revenues and Financing Sources Over Expenditures and Other Uses	(111,637)	(118,837)	(7,200)
Fund Balance - Beginning	139,900	139,900	0
Fund Balance - Ending	\$28,263	\$21,063	(\$7,200)

Combined Statement of Revenues, Expenditures
and Changes in Fund Balances
Budget and Actual
Capital Projects Funds
For the Year Ended December 31, 2000

	Budget	Actual	Variance Fav/(Unfav)
REVENUES			
Intergovernmental Revenue	\$188,500	\$188,500	\$0
Investment Earnings	2,300	2,253	(47)
All Other Revenues	10,000	4,951	(5,049)
TOTAL REVENUES	200,800	195,704	(5,096)
EXPENDITURES			
Current:			
Community Environment	95,000	123,595	(28,595)
Capital Improvements	188,500	188,500	0
Debt Service			
Interest and			
Fiscal Charges	0	0	0
TOTAL EXPENDITURES	283,500	312,095	(28,595)
Excess/(Deficiency) of Revenues			
Over/(Under) Expenditures	(82,700)	(116,391)	(33,691)
OTHER FINANCING SOURCES/(USES)			
Operating Transfers In	60,000	60,000	0
Operating Transfers Out	(40,000)	0	(40,000)
TOTAL OTHER FINANCING SOURCES	20,000	60,000	(40,000)
Excess/(Deficiency) of			
Revenues and Financing Sources			
Over/(Under) Expenditures and Other Uses	(62,700)	(56,391)	6,309
Fund Balance - Beginning	108,092	108,092	0
Fund Balance - Ending	\$45,392	\$51,701	\$6,309

Combined Statement of Revenues, Expenditures
and Changes in Fund Balances
Budget and Actual
Totals (Memorandum Only)
For the Year Ended December 31, 2000

	Budget	Actual	Variance Fav/(Unfav)
REVENUES			
Taxes	\$2,963,500	\$2,876,356	(\$87,144)
Licenses & Permits	42,800	42,141	(659)
Intergovernmental Revenue	1,822,080	2,124,951	302,871
Charges for Services	77,100	81,120	4,020
Investment Earnings	82,300	146,716	64,416
Fines & Forfeitures	29,000	59,140	30,140
All Other Revenues	124,500	174,011	49,511
TOTAL REVENUES	5,141,280	5,504,435	363,155
EXPENDITURES			
Current			
Security of Persons and Property	1,948,200	1,915,127	33,073
Leisure Time Activity	272,200	267,643	4,557
Community Environment	111,000	140,401	(29,401)
Transportation	1,388,382	1,327,555	60,827
General Government	721,940	693,370	28,570
Capital Outlay	188,500	188,500	0
Debt Service			
Principal Retirement	185,000	185,000	0
Interest and Fiscal Charges	112,637	108,535	4,102
Bond Issuance Costs	0	0	0
TOTAL EXPENDITURES	4,927,859	4,826,131	101,728
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	213,421	678,304	464,883
OTHER FINANCING SOURCES/(USES)			
Proceeds from the Sale of Bonds	0	0	0
Payment to Refunded Debt Escrow Agent	0	0	0
Operating Transfers In	210,000	185,000	25,000
Operating Transfers Out	(225,000)	(185,000)	(40,000)
TOTAL OTHER FINANCING SOURCES/(USES)	(15,000)	0	15,000
Excess/(Deficiency) of Revenues and Financing Sources Over/(Under) Expenditures and Other Uses	198,421	678,304	479,883
Fund Balance - Beginning	2,282,658	2,282,658	0
Fund Balance - Ending	\$2,481,079	\$2,960,962	\$479,883

The Notes to the Financial Statements are an integral part of this statement.

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CITY OF MADEIRA, OHIO

**Statement of Revenues, Expenses
and Changes in Retained Earnings**

Proprietary Fund

For the Year Ended December 31, 2000

	<u>Enterprise Fund</u>
OPERATING REVENUES:	
Rental Revenue	\$23,450
Total Operating Revenues	<u>\$23,450</u>
OPERATING EXPENSES:	
Advertising	0
Insurance	2,845
Professional Services	0
Repairs & Maintenance	1,936
Depreciation	11,987
Total Operating Expenses	<u>\$16,768</u>
Operating Income/(Loss)	\$6,682
NONOPERATING EXPENSES:	
Property Taxes	2,002
Total Nonoperating Expenses	<u>2,002</u>
NET INCOME/(LOSS)	\$4,680
Retained Earnings, Beginning of Year	<u>(32,832)</u>
Retained Earnings, End of Year	<u>(\$28,152)</u>

The Notes to the Financial Statements are an integral part of this statement.

CITY OF MADEIRA, OHIO

Statement of Cash Flows

Proprietary Fund

For the Year Ended December 31, 2000

	<u>Enterprise Fund</u>
Cash Flows from Operating Activities:	
Cash Received from Renters and Others	\$23,450
Cash Paid to Suppliers	<u>(4,687)</u>
Net cash provided/(used) by operating activities	<u>\$18,763</u>
Cash Flows from non capital financing activities:	
Property Taxes	<u>(2,002)</u>
Net cash (used) by non capital finance activities	<u>(\$2,002)</u>
Net Increase/Decrease in Cash and Cash Equivalents	\$16,761
Cash and Cash Equivalents, January 1	<u>14,439</u>
Cash and Cash Equivalents, December 31	<u>\$31,200</u>
Reconciliation of Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:	
Operating Income/(Loss)	\$6,682
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:	
Depreciation	11,987
Change in Assets and Liabilities:	
Increase/(Decrease) in Accounts Payable	<u>94</u>
Total Adjustments	<u>\$94</u>
Net Cash Provided/(Used) by Operating Activities	<u>\$18,763</u>

The Notes to the Financial Statements are an integral part of this statement.

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CITY OF MADEIRA, OHIO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000

NOTE 1. REPORTING ENTITY AND BASIS OF PRESENTATION

Reporting Entity

The City of Madeira is a home rule municipal corporation organized under the laws of the State of Ohio. The City operates under its own charter, which provides for a council/manager form of government and was adopted in 1959. The seven-member council is elected to four-year terms. Council selects every two years one of its members to serve as mayor and one of its members to serve as vice mayor. Council also appoints the city manager, treasurer, law director and clerk of council.

The City provides various services including police protection, parks and recreation, planning, street maintenance and repair, and community development. The City also provides refuse collection and fire protection through annual contracts with outside contractors.

For financial reporting purposes, the City's financial statements include all funds and account groups for which the City is financially accountable based upon criteria set forth in GASB Statement 14. The City reviewed certain legally separate organizations to determine if the elected officials of the City were financially accountable. No such organizations were identified.

Basis of Presentation

The financial statements of the City are prepared in accordance with standards promulgated by the Governmental Accounting Standards Board (GASB). These standards include the effective pronouncements of the National Council on Governmental Accounting (NCGA) and the American Institute of Certified Public Accountants which are considered to be generally accepted accounting principles for the state and local entities, until they are altered, amended, supplemented, revoked or superseded by a subsequent GASB pronouncement. The City applies all Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board of Opinions, and Accounting Research Bulletins issued on or before November 30, 1989 unless they conflict with GASB pronouncements.

The accounts of the City are organized on the basis of funds or account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures/expenses. The individual funds account for the governmental resources allocated to them for the purpose of carrying on specific activities in accordance with laws, regulations or other restrictions. The various funds are summarized by type in the combined financial statements. The following fund types and account groups are used by the City:

Governmental Fund Types

Governmental funds are those through which most governmental functions typically are financed. Governmental funds are segregations of financial resources where the measurement focus is upon determination of financial position and changes in that financial position. Annual appropriations are made by Council action. The City maintains records showing revenues, actual and accrued expenditures, and encumbrances to assure that budgetary authority is not exceeded.

General Fund. This fund is established to account for resources devoted to financing the general services that the City performs for its citizens. General tax revenues and other sources of revenue used to finance the fundamental operations of the City are included in this fund. The fund is charged with all costs of operating the government for which a separate fund has not been established.

Special Revenue Funds. Special revenue funds are used to account for proceeds of specific revenue sources other than amounts relating to special assessments or major capital projects that are legally restricted to disbursements for specified purposes.

Debt Service Fund. A debt service fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs. According to governmental accounting principles, the debt service fund accounts for the payment of long-term debt for governmental funds only. Under Ohio law, the debt service fund might also be used to account for the payment of the short-term debt of governmental funds.

Capital Projects Fund. The capital projects fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities.

Proprietary Fund Type

These funds account for operations that are organized to be self-supporting through user charges. The City's proprietary fund types consist of only one Enterprise Fund.

Enterprise Fund. An enterprise fund accounts for operations that are financed and operated in a manner similar to private business enterprises, i.e., where the intent of the governing body is that the costs of providing goods and services to the general public on a continuing basis should be recovered primarily through user charges, or in the alternative, where the governing body has decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

Fiduciary Fund Type

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

Account Groups

Account groups are used to establish accounting control and accountability for the City's general fixed assets and general long-term obligations. Because these assets and obligations are long-term, they are neither spendable resources nor require current appropriation.

General Long-Term Obligations Account Group. This account group accounts for long-term obligations of the City, except those accounted for in the proprietary fund types.

General Fixed Asset Account Group. This account group accounts for all fixed assets required for general City purposes, excluding fixed assets of the proprietary fund types.

Total Columns on Financial Statements

Total columns on the general purpose financial statements are captioned "memorandum only" to indicate that they are presented only to facilitate financial analysis and do not reflect consolidated financial information. Data in these columns do not present financial position, operating results, or cash flows in conformity with generally accepted accounting principles (GAAP). Interfund eliminations have not been made in the aggregation of this data.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting and Measurement Focus

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The measurement focus of governmental funds is based upon the flow of current financial resources. Governmental funds and agency funds are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become measurable and available. "Measurable" means that the amount of the transaction can be determined; "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The City uses 60 days after year-end to define its available period. Expenditures are recognized when the fund liability is incurred. However, long-term bonds and notes payable as well as the interest thereon are recognized when legally due rather than accrued at the end of each accounting period.

Revenues susceptible to accrual include property taxes, income taxes, special assessments, state-levied locally shared taxes and interest. Fines and forfeitures are not susceptible to accrual because generally they are not measurable until received.

The City reports deferred revenues on its combined balance sheet. Deferred revenues arise when a potential revenue does not meet both the measurable and available criteria for recognition in

the current period. In a subsequent period, when both revenue recognition criteria are met, the liability or deferred revenue is removed from the combined balance sheet and revenue is recognized. Current property taxes measurable as of the year-end, whose availability is indeterminate and which are not intended to finance current period obligations, have been recorded as a receivable and deferred revenue.

The proprietary fund type statements are prepared utilizing the flow of economic resources measurement focus and the accrual basis of accounting for revenues, which are recognized when they are earned, and for expenses, which are recognized when they are incurred.

Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

NOTE 3. BUDGETARY BASIS OF ACCOUNTING

In 1994 the City, being a home rule municipal corporation, adopted, through ordinance, GAAP (generally accepted accounting principals) as its budgetary basis. This change was thought necessary in order to provide more comparable budget and actual revenue and expenditure analysis. Therefore, the revenue and expenditure statements contained herein for comparative purposes are presented on the basis of generally accepted accounting principles. The City is reporting at the legal level of budgetary control which requires the governing body to approve any over expenditures of appropriations or transfers of appropriated amounts at the functional level.

Budgetary Process

Annual budgets are adopted for all governmental funds. The City adopts an annual budget for the Proprietary Fund; however, budgetary data is not presented for the Proprietary Fund due to the nature of the fund. There is no legal requirement to report on such budget. The budgetary process is prescribed by provisions of the Ohio Revised Code. The legal level of budgetary control under Ohio law is the level at which the appropriation measure is passed by the legislative authority of a local government. For the City, the legal level of control is the function level within each Fund. Budgetary modifications may only be made by resolution of the City council. The major documents prepared are:

Tax Budget. A tax budget of estimated cash revenues and expenditures for all budgeted funds, for the period January 1 to December 31 of the following year, is submitted to the County Auditor by July 20 of each year. 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 revenues 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 fiscal year will not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual 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 determines that the revenue collected is greater or less than the current estimates. Because the tax budget prepared for the County Auditor is on a cash basis, those numbers do not match the GAAP-basis budget shown in this report as required by ordinance.

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 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 appropriations may be modified during the year only by an ordinance of council. During the year, one supplemental appropriation measure was passed. The budget figures which appear in the statements of budgetary comparisons represent the final appropriation amounts, including all amendments and modifications.

Encumbrances. As part of formal budgetary control, purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance. Unencumbered and unexpended appropriations lapse at year end. Encumbrances are closed to unreserved fund balance/retained earnings at year end and are re-encumbered and re-appropriated at the start of the following year.

NOTE 4. DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS

The City follows the practice of pooling cash and investments with the Treasurer, except for the cash and cash equivalents in Fiduciary Funds. Each fund's portion of total cash and investments is summarized by fund type in the Combined Balance Sheet under "Cash and Cash Equivalents and Investments."

Investment and deposit procedures are restricted by the provisions of the Ohio Revised Code. In accordance with these provisions, only banks located in Ohio and domestic building and loan associations are eligible to hold public funds. Interest earned is recognized and recorded when earned.

The City has invested funds in the State Treasury Asset Reserve of Ohio (Star Ohio) during 2000. 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, 2000.

Protection of City cash and investments is provided by the Federal Deposit Insurance Corporation as well as qualified securities pledged by the institution holding the assets. By law, financial institutions may establish a collateral pool to cover all public deposits. The face value of the pooled collateral must equal at least 105 percent of public funds deposited. Collateral is held by trustees, including the Federal Reserve Bank and designated third party trustees of the financial institutions, but not in the name of the City.

For purposes of the statement of cash flows and for presentation on the combined balance sheet, investments with original maturities of three months or less are considered to be cash and cash equivalents. Investments with an initial maturity of more than three months are reported as investments.

GASB Statement No. 3 requires that the City's investments be classified in categories of credit risk. Category 1 includes investments that are insured or registered or securities held by the City or its agent in the City's name. Category 2 includes uninsured and unregistered investments with securities held by the counter party's trust department or agent in the City's name. Category 3 includes uninsured and unregistered investments with the securities held by the counter party's trust department or agent but not in the City's name.

Deposits. At year-end, the carrying amount of the City's deposits per the City's records was \$753,985, which (\$42,843) is the cash balance and \$796,828 is the certificates of deposit, and the bank balance was \$24,935. (The City also included \$300 in change funds and a petty cash fund in the balance sheet presentation.) The bank balance of \$24,935 was covered by the Federal Depository Insurance Corporation. All deposits in excess of Federal Depository Insurance limits would be covered by pooled collateral and considered uninsured and uncollateralized. Also at year-end, the City's fiduciary account for mayor's court had a book balance of \$10,215 and a bank balance of \$10,257 which is covered by the Federal Depository Insurance Corporation. The City had purchased Certificates of Deposit and at year-end, consisted of three outstanding certificates classified as follows:

	<u>Due</u>	<u>Rate</u>	<u>Category I</u>	<u>Carrying Amount</u>	<u>Fair Value</u>
Certificates of Deposit	3/06/01	6.59%	\$270,989	\$270,989	\$270,989
	6/08/01	6.72%	\$255,247	\$255,247	\$255,247
	9/07/01	6.72%	\$270,592	\$270,592	\$270,592

These funds are covered by the Federal Depository Insurance Corporation. All deposits in excess of Federal Depository Insurance limits would be covered by pooled collateral and considered uninsured and uncollateralized.

Investments. The State of Ohio statutes authorize the City to invest in obligations of the U.S. Treasury, agencies, instrumentalities and bonds of the State of Ohio and its political subdivisions. The City also may, but has not, entered into repurchase agreements. Investments in Star Ohio are not categorized since they are not evidenced by securities that exist in physical or book entry form.

	<u>Carrying Amount</u>	<u>Fair Value</u>
Star Ohio	\$1,928,013	\$1,928,013

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

	Cash and Cash <u>Equivalents</u>	<u>Investments</u>
GASB Statement 9	\$ 1,885,469	\$ 796,828
Investments:		
Certificates of Deposit	796,828	(796,828)
Star Ohio	<u>(1,928,013)</u>	<u>1,928,013</u>
GASB Statement 3	\$ 754,284	\$ 1,928,013

NOTE 5. INVENTORY OF SUPPLIES

Inventory of supplies consists of salt purchased for road use and is recorded at cost using the first-in-first-out (FIFO) method of identification. At December 31, 2000, the City had 74 tons of salt at a cost of \$2,557. The cost of governmental fund type inventories are recorded as expenditures when used rather than when purchased.

NOTE 6. ENCUMBRANCES

Encumbrance accounting is employed in all City funds during the normal course of operations for purchase orders and contract-related expenditures/expenses. Encumbrances outstanding at year end are closed to unreserved fund balance/retained earnings and are re-encumbered at the beginning of the succeeding year.

At December 31, 2000, encumbrances outstanding in Governmental funds which were re-appropriated in the 2001 budget were:

<u>Fund Type</u>	<u>Amount</u>
General Fund	\$ 32,298
Special Revenue Funds	12,349
Capital Projects Funds	4,511
Total	<u>\$ 49,158</u>

NOTE 7. RECEIVABLES

As reported earlier, revenues are recognized in the accounting period in which they become measurable and available. "Measurable" means that the amount of the transaction can be determined; "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The City uses 60 days after year-end to define its available period. Allowances for uncollectible amounts are based upon evaluating the actual aging of accounts receivable and determining those accounts which, due to collection efforts results, are likely to be uncollectible.

In the General Fund, franchise fees due of \$22,735 are from Warner Cable for the last six months of 2000. The sidewalk receivables account, in the amount of \$1,652 represents assessments for sidewalk repairs made in 1995. Other receivables due of \$7,027 are from

special assessments for Shawnee Hills Landscaping project and other miscellaneous amounts.

All receivables are considered collectible at December 31, 2000, and the allowance for uncollectible receivables is zero.

NOTE 8. FIXED ASSETS

Fixed assets include land, buildings, equipment and software owned by the City. Estimated useful lives of the various classes of fixed assets are 27 years for buildings and three to ten years for equipment. Software is estimated to have a life of three years. When purchased, fixed assets used in governmental fund type operations are recorded as expenditures in the Governmental Funds and accounted for in the General Fixed Assets Account Group. No depreciation is recorded for general fixed assets.

Infrastructure fixed assets such as streets, sidewalks, curbs and gutters and drainage systems are not capitalized along with other general fixed assets.

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are valued at their estimated fair market value on the date donated.

Changes in fixed assets in the General Fixed Asset Account Group during the year ended December 31, 2000 were as follows:

<u>Asset Category</u>	Balance at <u>12/31/99</u>	<u>Additions</u>	<u>Deletions</u>	Balance at <u>12/31/00</u>
Land	\$ 645,000	\$ -0-	\$ -0-	\$645,000
Bldg. & Land Improvements	2,250,560	95,783	-0-	2,346,343
Vehicles	359,676	47,272	2,500	404,448
Furniture, Equipment and Software	<u>239,187</u>	<u>9,664</u>	<u>-0-</u>	<u>248,851</u>
	<u>\$3,494,423</u>	<u>\$152,719</u>	<u>\$2,500</u>	<u>\$3,644,642</u>

Fixed assets used in Proprietary operations are recorded in the Proprietary Fund. Estimated useful lives of the various classes of fixed assets are 27 years for buildings and five years for land improvements. The straight-line method of calculating depreciation is used for depreciable assets. A summary of the Proprietary Fund fixed assets as of December 31, 2000 follows:

<u>Proprietary Fund</u>	Balance at <u>12/31/00</u>
Land	\$134,008
Land Improvements	41,510
Buildings	<u>307,724</u>
Subtotal	\$483,242
Less Accum. Depreciation	<u>(74,823)</u>
Net Fixed Assets	<u><u>\$408,419</u></u>

NOTE 9. COMPENSATED ABSENCES

The City's police officers and public works employees are employed under the terms of union contracts. Consequently, vacation, sick leave, holiday pay, overtime and personal time benefits are determined by the union contract in effect at the time.

In accordance with GASB Statement No. 16 which requires state and local governments to recognize the liabilities associated with employees' compensated absences, compensated absences are accrued as they are earned if the following conditions are met:

1. The employer's obligation relating to employees' rights to receive compensation for future absences is attributable to employees' services already rendered.
2. The obligation relates to rights that vest or accumulate.
3. Payment of the compensation is probable.
4. The amount can be reasonably estimated.

For Governmental Funds, the current portion of unpaid compensated absences is the amount expected to be paid using expendable available resources, i.e., within sixty days of the end of the year. This amount is recorded as a fund liability while the balance of the liability is recorded under general long-term obligations. (There are no compensated absences for the Proprietary Fund because there are no employees whose salaries are charged to this fund.)

City policy generally requires that vacation time not be accumulated for more than 2½ years (1½ years for Public Works employees). At separation from employment, employees are paid for the vacation they have accrued up to those limits. Sick time not taken may be accumulated until retirement up to 1440 hours (unlimited for Police officers). Employees eligible to retire under a City recognized retirement plan, with a minimum of ten years of service, or five years if retirement is due to disability, are paid 40% up to 480 hours (25% up to 360 hours for public works employees) of accumulated sick time upon retirement.

Changes in Long-Term Compensated Absences

Comp. Absences, 1/1/00	\$ 151,435
Decrease in Accrued Comp. Absences	<u>15,019</u>
Comp. Absences, 12/31/00	<u><u>\$136,416</u></u>

NOTE 10. DEFINED BENEFIT PENSION PLANS

Public Employees Retirement System

The City of Madeira contributes to the Public Employees Retirement System of Ohio (PERS), a cost-sharing multiple-employer defined benefit pension plan. PERS provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. Chapter 145 of the Ohio Revised Code provides the authority to establish and amend benefit provisions. PERS issues a publicly available stand-alone financial report that includes financial statements and required supplementary information for PERS. That report may be obtained by writing to PERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 466-2085.

The Ohio Revised Code provides statutory authority for employee and employer contributions. Plan members are required to contribute at an actuarially determined rate of 8.5% of covered salary. The Retirement Board instituted a temporary employer contribution rate rollback for calendar year 2000. The rate rollback was 20% for state and local government employer units, the rate was 10.84% of covered payroll. Contributions are authorized by state statute. The City's contributions to PERS for the years ending December 31, 2000, 1999 and 1998 were \$ 60,131, \$67,410, and \$66,456, respectively, equal to the required contributions each year.

Ohio Police and Fire Pension Fund

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

Plan members are required to contribute 10.0% of their annual covered salary, while employers are required to contribute 19.5% for police officers. Contributions are authorized by state statute. The City's contributions to OP&F for the years ended December 31, 2000, 1999 and 1998 were \$113,608, \$111,789, and \$107,849, respectively, equal to the required contributions for each year.

NOTE 11. POSTEMPLOYMENT BENEFITS

Public Employees Retirement System

The Public Employees Retirement System of Ohio provides postretirement health care coverage to age and service retirees with ten or more years of qualifying Ohio service credit. Health care coverage for disability recipients and primary survivor recipients is available. The health care coverage provided by the retirement system is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 12. A portion of each employer's contribution to the System is set aside for the funding of post retirement health care based on authority granted by State statute. The 2000 employer contribution rate for local government employer units was 10.84% of covered payroll; of that amount 4.3% was the portion that was used to fund health care for 2000.

Benefits are advance-funded using the entry age normal cost method. Significant actuarial assumptions, based on PERS's latest actuarial review performed as of December 31, 1999, include a rate of return on investments of 7.75%, an annual increase in active employee total payroll of 4.75% compounded annually (assuming no change in the number of active employees) and an additional increase in total payroll of between .54% and 5.1% based on additional annual pay increases. Health care premiums were assumed to increase 4.75% annually.

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

The number of active contributing participants was 401,339. The City's actual contributions for 2000 which were used to fund postemployment benefits were \$23,854. The actual contribution and the actuarially required contribution amounts are the same. PERS's net assets available for payment of benefits at December 31, 1999, (the latest information available) were \$10,805.5 million. The actuarially accrued liability and the unfunded actuarial accrued liability were \$12,473.6 million and \$1,668.1 million, respectively.

For 2000, PERS elected to return to an actuarially pre-funded type of disclosure because it is a better presentation of PERS's actual funding methodology. Since 1997, disclosures had been based on a pay-as-you-go funding basis.

Ohio Police and Fire Pension Fund

The Ohio Police and Fire Pension Fund (OP&F) provides post-retirement health care coverage to any person who received or is eligible to receive a monthly benefit check or is a spouse or eligible dependent child of such person. An eligible dependent child is any child under the age of 18 whether or not the child is attending school or under the age of 22 if attending school full-time or on a two-thirds basis.

The health care coverage provided by the retirement system is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 12. The Ohio Revised Code provides the authority allowing the Ohio Police and Fire Pension Fund's board of trustees

to provide health care coverage and states that health care costs paid from the Ohio Police and Fire Pension Fund shall be included in the employer's contribution rate. Health care funding and accounting is on a pay-as-you-go basis. The total police employer contribution rate is 19.5% of covered payroll, of which 7.25% of covered payroll was applied to the postemployment health care program during 2000. For 1999 the percent used to fund healthcare was 7%. In addition, since July 1, 1992, most retirees have been required to contribute a portion of the cost of health care coverage through a deduction from their monthly benefit payment

The City's actual contributions for 2000 that were used to fund postemployment benefits were \$42,262. The OP&F's total health care expenses for the year ended December 31, 1999, (the latest information available) were \$95,004,633, which was net of member contributions of \$5,518,098. The total number of participants eligible to receive health care benefits was 12,467 for police.

NOTE 12. LONG-TERM DEBT

Section 133.03, Revised Code, provides that the net debt of a municipal corporation, whether or not approved by the electors, shall not exceed 10.5% of the total value of all property in the municipal corporation as listed and assessed for taxation. In addition, the unvoted net debt of municipal corporations cannot exceed 5.5% of the total taxable value of property. The statutory limitations on debt are measured by a direct ratio of net debt to tax valuation and expressed in terms of percentage.

Overall Debt Limitation: 10.5% of Assessed Valuation	\$22,642,556
Net Debt Within Limitations	<u>2,565,000</u>
Legal Debt Margin Within 10.5% Limitation	<u>\$20,098,619</u>
	=====
 Un-voted Debt Limitation: 5.5% of Assessed Valuation	 \$11,860,386
Net Debt Within Limitations	<u>2,265,000</u>
Legal Debt Margin Within 5.5% Limitation	<u>\$ 9,316,449</u>
	=====

Description of Issues

Debt transactions for the year ended December 31, 2000 consisted of the following:

1. In April 1, 1999, the City issued bonds in the amount of \$2,750,000 with interest rates ranging from 3.5% to 4.5% and maturing April 1, 2000 through April 1, 2011. Proceeds were used to pay off \$625,000 of outstanding notes as they matured during 1999, as well as, \$1,500,000 of bonds that were callable on December 1, 1999. The balance of the proceeds were used to fund improvements throughout the City.

Changes in Long-Term Debt

Bonds, 1/1/00	\$2,750,000
Bonds Issued	0
Bonds Retired	<u>(185,000)</u>
Bonds, 12/31/00	<u>\$ 2,565,000</u>

Debt Service Requirements to Maturity

<u>Year End</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2001	190,000	101,633	291,633
2002	200,000	94,368	294,368
2003	205,000	86,671	291,671
2004	215,000	78,532	293,532
2005	220,000	69,940	289,940
2006-2011	<u>1,535,000</u>	<u>208,797</u>	<u>1,743,797</u>
Total	<u>\$2,565,000</u>	<u>\$639,941</u>	<u>\$3,204,941</u>

NOTE 13. COMPLIANCE

EXPENDITURES EXCEEDED APPROPRIATIONS

For year ended December 31, 2000, the City had expenditures in excess of amounts appropriated in the following funds:

<u>Fund</u>	<u>Amount</u>
General Fund	
Community Environment	\$ 806
Special Revenue	
Recreation & Parks	3,143
Debt Service	140
Capital Project Fund	
Stormwater	33,147

UNENCUMBERED EXPENDITURES

The Ohio Revised Code requires the City to reserve (encumber) appropriations when commitments are made. The City did not encumber all commitments required by Ohio law.

NOTE 14. EARNINGS TAX

The City levies a municipal income tax of 1% 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% 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. Actual collections in 2000 were \$1,459,911.

NOTE 15. PROPERTY TAX

Real property taxes are levied on assessed values which equal 35% of appraised value. The county auditor reappraises all real property every six years with a triennial update. The last update was completed for tax year 2000.

Real property taxes collected in any calendar year are generally levied on assessed values as of January 1 of the preceding year according to the following calendar:

Property Tax Calendar - 2000 Collections

Lien Date	January 1, 1999
Levy Date	October 31, 1999
First Installment Payment Due	January 31, 2000
Second Installment Payment Due	June 20, 2000

The full tax rate applied to real property for the fiscal year ended December 31, 2000, was \$7.50 per \$1,000 of assessed valuation. Real property owners' tax bills are further reduced by homestead and rollback deductions, when applicable. The amount of these homestead and rollback reductions is reimbursed to the City by the State of Ohio.

The Hamilton County Treasurer collects property tax on behalf of all taxing districts within the County. The Hamilton County Auditor periodically remits to the taxing districts their portions of the taxes collected. The assessed valuations for tax year 1999 collected in 2000, were:

Real Property	\$203,624,260
Tangible Personal Property	6,393,780
Public Utility Personal Property	<u>5,625,350</u>
	<u>\$215,643,390</u>

Tangible personal property used in business, other than public utilities, is currently assessed for ad valorem taxation purposes at 25% of its true value. Amounts paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semiannually. If paid annually, payment is due April 30; if paid semiannually, the first payment is due April 30 with the remainder payable by September 20.

Public utilities real and tangible personal property taxes collected in any calendar year are those levied on assessed values as of December 31 of the preceding year. Certain tangible personal property of public utilities is currently assessed at 100% of its true value. Real property of public utilities is currently assessed at 35% of true value. Property taxes on public utilities are subject to the same calendar as real property taxes, which is described above.

Property taxes that are measurable but not available at fiscal year end are recorded as a receivable with the corresponding revenue deferred until available. Delinquent property tax amounts, net of allowance for uncollectibles, are recorded if material in amount.

NOTE 16. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; error and omissions; injuries to employees and natural disasters. During 2000, the City contracted with Miami Valley Risk Management Association for vehicle, property and general liability insurance. The City provided medical insurance through Anthem Blue Cross & Blue Shield, dental insurance through Dental Care Plus and life insurance through Anthem Life Insurance Company.

Insurance Pool

Miami Valley Risk Management Association, Inc. (MVRMA, Inc.) is a consortium of municipalities located in southwest Ohio which, beginning in 1988, formed an Association under Section 2744.081 of the Ohio Revised Code (ORC) to act collectively in addressing its members' risk management and risk financing needs. At December 31, 2000, Madeira's participation was limited to coverage for all property, crime liability, boiler and machinery and public official liability up to the limits stated below. MVRMA provides broad-based coverage, through self-insurance and commercial reinsurance, up to the limits stated below, with increased emphasis on safety and loss prevention and to create an opportunity for other local governments to participate.

MVRMA, Inc. is a corporation governed by a board of trustees, consisting of a representative appointed by each of the member cities. The board of trustees elects the officers of the corporation, with each trustee having a single vote. The board is responsible for its own financial matters and the corporation maintains its own books of account. Budgeting and financing of MVRMA, Inc. is subject to the approval of the board. The City of Madeira does not hold an equity interest in MVRMA, Inc.

The following is a summary of insurance coverage at year end:

1. General Liability	\$10,500,000 per occurrence;
Automobile Liability	\$10,500,000 additional coverage
Public Officials Liability	each occurrence and aggregate
2. Boiler & Machinery	\$432,383,397 Blanket Limit
3. Property (excluding Flood and Earthquake)	\$432,383,397 Blanket Limit
4. Property - Flood and Earthquake	\$100,000,000 annual aggregate

The deductible per occurrence for all types is \$2,500. Pool coverage is \$2,501 - \$500,000 per occurrence for general liability, automobile liability, public officials liability and crime. Insurance coverage is \$2,501 - \$150,000 per occurrence for property losses. Boiler & Machinery has individual City deductible of \$2,500 and insurance coverage of \$5,000. The City also has umbrella excess insurance coverage through MVRMA, Inc. of \$10,000,000 each occurrence and aggregate. Settlements have not exceeded insurance coverage in any of the past three years.

MVRMA prepares annual financial statements. Additional information can be obtained from their Comprehensive Annual Financial Report for 2000 by writing MVRMA, 4625 Presidential Way, Kettering, OH 45429.

The City pays the State Worker's Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs. In order to lower rates charged to the City, the City has joined a group rating program through Ohio Municipal League.

NOTE 17. CONTINGENT LIABILITIES

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

NOTE 18. RENTER RELATIONSHIP

The City entered three rental agreements for properties owned: 7010 Miami Avenue (Muchmore House), 7014 Miami Avenue (Hosbrook House) and the railroad depot at 7701 Railroad Avenue. These rental agreements for Muchmore House and the railroad depot were for three-year terms. The Muchmore House lease expires May 31, 2003, and the railroad depot lease expires April 30, 2003. A rental agreement for 7014 Miami Avenue (Hosbrook House) was entered into for a one-year period commencing October 1, 2000. The rent received for 7010 Miami Avenue was \$10,150, for 7014 Miami Avenue was \$3,300 and the rent received for the railroad depot was \$10,000, all in 2000.

All three properties are accounted for in SR-70 Rental Properties, an enterprise fund.

NOTE 19. CONTRACTUAL COMMITMENTS

The City contracts with the Madeira/Indian Hill Joint Fire District for fire protection and emergency medical services. The contract fee for 2000 was \$905,423.

The City also contracts with Rumpke Waste Removal for solid waste collection. The contract fee for 2000 was \$371,758.

Health Department services are provided through Hamilton County. The cost of \$11,297 was deducted from property tax receipts collected by the County.

NOTE 20. RESOLUTION OF LEGAL CLAIM

In March 1992 one of the City's employees suffered a fatal accident while working on City business. In February 1993 City Council passed Resolution 10-93 which reached agreement concerning payment of claims related to this matter. The effect of this resolution was:

1. A lump sum payment of \$7,000 was made to the widow of the deceased immediately.
2. A monthly payment of \$736.67 will be made to the widow of the deceased by the 20th day of each month for a period of ten years certain, beginning February 1993.
3. Beginning February, 2003, the widow's benefit will be reduced to \$150 per week and is payable under the following conditions:
 - a. If the widow remarries before February 1, 2003, she will be entitled to the first ten years' payment, plus a two-year lump sum payment of \$15,600 on February 1, 2003.
 - b. If the widow remarries after February 1, 2003, she will be entitled to a two-year lump sum payment of \$15,600 at the time of her marriage.
 - c. If the widow dies before February 1, 2003, the guaranteed monthly payments will be made to her estate or her designated beneficiary for the guaranteed period. If she dies after February 1, 2003, the weekly benefit will terminate on the date of her death.

The total guaranteed dollar value of the amount to be paid by the City was separate from the settlement made by the insurance company for this claim. The guaranteed balance remaining at December 31, 2000 was \$18,417 is shown as a note payable in the long-term debt account group.

Changes in Note Payable for Legal Claim

Note Payable Balance, 1/1/00	\$27,257
Payments Made in 2000	<u>8,840</u>
Note Payable Balance, 12/31/00	<u>\$18,417</u>
	=====

NOTE 21. MAYOR'S COURT

The financial transactions of the City's Mayor's Court are included in the City's financial statements as an Agency Fund. The breakdown of collections, distributions, and undistributed collections of the Mayor's Court for 2000 is as follows:

Mayor's Court

Cash Balance 1/1/00		\$5,195
Collections:		
Fines & Forfeitures	\$58,365	
City Cost	1,050	
State Cost	25,090	
Seat Belt Enforcement	<u>497</u>	
		85,002
Disbursements:		
Paid to the City	\$56,318	
Paid to the State	<u>23,664</u>	
		<u>(79,982)</u>
Cash Balance 12/31/00		<u><u>\$10,215</u></u>

NOTE 22. CONTRIBUTED CAPITAL

Contributed capital represents assets provided to the Proprietary Fund from the General Fund and private sources which are not subject to repayment. These assets are recorded at their fair market value on the date contributed. Depreciation expense on the assets is closed against Retained Earnings.

The balance in the City's contributed capital account for its Enterprise Fund did not change in 2000. The amount of capital contributed by the City was \$397,677 and the amount from Hamilton County was \$70,000.

**COMBINING, INDIVIDUAL FUND AND ACCOUNT
GROUP STATEMENTS AND SCHEDULES**

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GENERAL FUND

Accounts for all City operations which are supported by taxes and fees that have unrestricted use and are not required to be accounted for in a separate fund.

CITY OF MADEIRA, OHIO

General Fund
Comparative Balance Sheet
December 31, 2000 and 1999

	<u>2000</u>	<u>1999</u>
ASSETS		
Cash and Cash Equivalents	\$1,355,148	\$832,631
Investments	796,828	507,743
Receivables Net of Allowance for Uncollectible Accounts:		
Taxes Receivable	1,953,698	1,848,463
Intergovernmental Receivable	212,075	61,675
Accounts Receivable	31,414	29,075
Inventory of Supplies	2,557	2,811
Prepaid Items	<u>0</u>	<u>0</u>
TOTAL ASSETS	<u>\$4,351,720</u>	<u>\$3,282,398</u>
LIABILITIES AND FUND BALANCE		
LIABILITIES:		
Accounts Payable	\$116,260	\$126,848
Accrued Payroll	73,348	34,933
Compensated Absences Payable	23,069	11,872
Deferred Revenues	1,560,456	1,461,067
TOTAL LIABILITIES	<u>1,773,133</u>	<u>1,634,720</u>
FUND BALANCE:		
Reserve for Prepaid Items	0	0
Reserve for Inventories	2,557	2,811
Reserve for Encumbrances	0	2,400
Unreserved and Undesignated	2,576,030	1,642,467
TOTAL FUND BALANCE	<u>2,578,587</u>	<u>1,647,678</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$4,351,720</u>	<u>\$3,282,398</u>

CITY OF MADEIRA, OHIO

Comparative Statement of Revenues, Expenditures
and Changes in Fund Balances
Budget and Actual
General Fund
For the Years Ended December 31, 2000 and 1999

	2000			1999		
	Budget	Actual	Variance Fav/(Unfav)	Budget	Actual	Variance Fav/(Unfav)
REVENUES						
Taxes	\$2,886,500	\$2,787,080	(\$99,420)	\$2,546,000	\$2,522,805	(\$23,195)
Licenses & Permits	42,800	42,141	(659)	46,800	81,162	34,362
Intergovernmental Revenue	1,303,580	1,591,624	288,044	608,300	1,039,830	431,530
Charges for Services	40,600	46,395	5,795	38,600	44,079	5,479
Investment Earnings	50,000	122,535	72,535	249,000	92,517	(156,483)
Fines & Forfeitures	26,000	56,370	30,370	28,000	38,921	10,921
All Other Revenues	49,000	60,065	11,065	53,000	76,678	23,678
TOTAL REVENUES	4,398,480	4,706,210	307,730	3,569,700	3,895,992	326,292
EXPENDITURES						
Current:						
Security of Persons and Property	1,945,000	1,913,927	31,073	1,813,400	1,779,869	33,531
Leisure Time Activity	106,100	98,731	7,369	84,900	78,125	6,775
Community Environment	16,000	16,806	(806)	11,300	9,970	1,330
Transportation	948,782	920,558	28,224	916,150	839,699	76,451
General Government	707,040	680,279	26,761	684,325	615,594	68,731
Debt Service						
Principal Retirement	0	0	0	0	37,056	(37,056)
Interest and Fiscal Charges	0	0	0	0	897	(897)
TOTAL EXPENDITURES	3,722,922	3,630,301	92,621	3,510,075	3,361,210	148,865
Excess of Revenues Over Expenditures	675,558	1,075,909	400,351	59,625	534,782	475,157
OTHER FINANCING SOURCES/(USES)						
Proceeds from the Sale of Bonds	0	0	0	250,000	676,950	426,950
Operating Transfers Out	(145,000)	(145,000)	0	(710,700)	(710,700)	0
TOTAL OTHER FINANCING SOURCES/(USES)	(145,000)	(145,000)	0	(460,700)	(33,750)	426,950
Excess/(Deficiency) of Revenues and Financing Sources Over/(Under) Expenditures and Other Uses	530,558	930,909	400,351	(401,075)	501,032	902,107
Fund Balance - Beginning	1,647,678	1,647,678	0	1,146,646	1,146,646	0
Fund Balance - Ending	\$2,178,236	\$2,578,587	\$400,351	\$745,571	\$1,647,678	\$902,107

CITY OF MADEIRA, OHIO

Schedule of Expenditures
by Department at Legal Level of Control
Budget and Actual
General Fund
For the Year Ended December 31, 2000

	Legislative	Treasurer	Clerk	Mayor's	Solicitor	Planning	Civil	Police	Fire	Public	Recreation	Building	Admin.	Tax	Total
BUDGETED EXPENDITURES:															
Security of Persons and Property															
Personal Service								\$866,000							\$866,000
All Other								166,000	\$913,000						1,079,000
Leisure Time Activity															
Personal Service										\$47,000					47,000
All Other										59,100					59,100
Community Environment															
All Other					\$16,000										16,000
Transportation															
Personal Service										\$271,200					271,200
All Other										677,582					677,582
General Government															
Personal Service	\$12,650	\$52,600	\$4,400	\$9,300	\$500								\$185,500	\$87,600	352,550
All Other	20,200	41,900	6,500	1,200	43,000		\$600				\$40,100		191,740	9,250	354,490
TOTAL EXPENDITURES	\$32,850	\$94,500	\$10,900	\$10,500	\$43,500	\$16,000	\$600	\$1,032,000	\$913,000	\$948,782	\$106,100	\$40,100	\$377,240	\$96,850	\$3,722,922
ACTUAL EXPENDITURES:															
Security of Persons and Property															
Personal Service								\$846,847							\$846,847
All Other								160,214	\$906,865						1,067,079
Leisure Time Activity															
Personal Service										\$45,448					45,448
All Other										53,283					53,283
Community Environment															
All Other						\$16,806									16,806
Transportation															
Personal Service										\$260,954					260,954
All Other										659,604					659,604
General Government															
Personal Service	\$10,951	\$50,139	\$4,267	\$8,184									\$178,075	\$83,823	335,439
All Other	19,408	39,951	5,992	574	\$46,808		\$0				\$38,626		189,305	4,177	344,841
TOTAL EXPENDITURES	\$30,359	\$90,090	\$10,259	\$8,758	\$46,808	\$16,806	\$0	\$1,007,061	\$906,865	\$920,558	\$98,731	\$38,626	\$367,380	\$88,000	\$3,630,301
Fav/(Unfav) Actual vs. Budget	\$2,491	\$4,410	\$641	\$1,742	(\$3,308)	(\$806)	\$600	\$24,939	\$6,135	\$28,224	\$7,369	\$1,474	\$9,860	\$8,850	\$92,621

SPECIAL REVENUE FUNDS

Street Repair Fund: Required by the Ohio Revised Code to account for that portion of the state gasoline tax and motor vehicle registration fees designated for maintenance of streets within the City.

Recycle Ohio Grant: Receives grant funds generated from the Recycle Ohio Grant program to account for the expenditure of the Saturday cardboard drop off program.

Recreation and Parks Fund: Accounts for the City's operation of recreation programs and improvements to the City's two parks, Sellman and McDonald Commons. Revenues are derived from recreation fees .

Street Dance Fund: Accounts for the annual Street Dance held in August by the Recreation and Parks Commission. Revenues are proceeds from the sale of beer at the function.

Police Trust Fund: Receives proceeds from the sale of confiscated properties (vehicles, weapons, etc.) other than from drug cases. Disbursements may be made from the fund only to pay the costs of investigations, technical training, matching funds for federal grants or other appropriate law enforcement purposes.

Police Forfeitures Fund: Receives proceeds from the sale of confiscated properties and equipment from drug related cases. Expenditures may only be made for drug enforcement programs.

DUI Fund: Receives fines imposed upon DUI offenders. Under state law, disbursements may be made from this fund for law enforcement purposes related to informing the public of laws governing the operation of a motor vehicle while under the influence of alcohol, and other information relating to the operation of a motor vehicle and the consumption of alcoholic beverages.

CITY OF MADEIRA, OHIO

Special Revenues Funds
 Combining Balance Sheet
 December 31, 2000
 (with comparative totals for December 31, 1999)

	Street Repair	Recycle Ohio	Recreation and Parks				Police Trust	Police Forfeitures	DUI	Total 2000	Total 1999
			Street Dance	Street Dance	Street Dance	Street Dance					
Cash and Cash Equivalent	\$403,212	\$6,810	\$4,988	\$813	\$2,161	\$2,589	\$6,696	\$427,269	\$364,255		
Receivables Net of Allowance for Uncollectible Accounts:											
Taxes Receivable	0	0	0	0	0	0	0	0	0	0	
Intergovernmental Receivable	24,434	0	0	0	0	0	0	24,434	24,153		
Accounts Receivable	100,000	0	2,100	0	0	0	0	102,100	0		
TOTAL ASSETS	\$527,646	\$6,810	\$7,088	\$813	\$2,161	\$2,589	\$6,696	\$553,803	\$388,408		

LIABILITIES AND FUND BALANCE:

LIABILITIES:										
Accounts Payable	\$235,643	\$2,749	\$5,800	\$0	\$0	\$0	\$0	\$244,192	\$1,420	
Note Payable	0	0	0	0	0	0	0	0	0	
Note Interest Payable	0	0	0	0	0	0	0	0	0	
TOTAL LIABILITIES	235,643	2,749	5,800	0	0	0	0	244,192	1,420	
FUND BALANCE:										
Reserve for Encumbrances	0	0	0	0	0	0	0	0	0	
Unreserved and Undesignated	292,003	4,061	1,288	813	2,161	2,589	6,696	309,611	386,988	
TOTAL FUND BALANCE	292,003	4,061	1,288	813	2,161	2,589	6,696	309,611	386,988	
TOTAL LIABILITIES AND FUND BALANCE	\$527,646	\$6,810	\$7,088	\$813	\$2,161	\$2,589	\$6,696	\$553,803	\$388,408	

CITY OF MADEIRA, OHIO

Comparative Combining Statement of Revenues,
and Changes in Fund Balances
Budget and Actual
Special Revenue Funds
For the Year Ended December 31, 2000

	2000 Street Repair			1999 Street Repair			2000 Recycle Ohio			1999 Recycle Ohio		
	Budget	Actual	Variance Fav/(Unfav)	Budget	Actual	Variance Fav/(Unfav)	Budget	Actual	Variance Fav/(Unfav)	Budget	Actual	Variance Fav/(Unfav)
REVENUES												
Intergovernmental Revenue	\$320,000	\$333,265	\$13,265	\$310,000	\$324,744	\$14,744	\$0	\$0	\$0	\$0	\$0	\$0
Charges for Services	0	0	0	0	0	0	0	0	0	0	0	0
Investment Earnings	30,000	21,928	(8,072)	10,000	18,153	8,153	0	0	0	0	0	0
Fines & Forfeitures	0	0	0	0	0	0	0	0	0	0	0	0
All Other Revenues	57,500	100,000	42,500	0	0	0	8,000	7,495	(505)	8,000	8,184	184
TOTAL REVENUES	407,500	455,193	47,693	320,000	342,897	22,897	8,000	7,495	(505)	8,000	8,184	184
EXPENDITURES												
Current												
Security of Persons and Property	0	0	0	0	0	0	0	0	0	0	0	0
Leisure Time Activity	0	0	0	0	0	0	0	0	0	0	0	0
Transportation	439,600	406,997	32,603	545,100	555,074	(9,974)	0	0	0	0	0	0
General Government	0	0	0	0	0	0	13,900	11,951	1,949	14,000	15,593	(1,593)
Debt Service	0	0	0	0	0	0	0	0	0	0	0	0
Interest and Fiscal Charges	0	0	0	0	2,966	(2,966)	0	0	0	0	0	0
TOTAL EXPENDITURES	439,600	406,997	32,603	545,100	558,040	(12,940)	13,900	11,951	1,949	14,000	15,593	0
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(32,100)	48,196	80,296	(225,100)	(215,143)	9,957	(5,900)	(4,456)	1,444	(6,000)	(7,409)	(1,409)
OTHER FINANCING SOURCES/(USES)												
Proceeds from the Sale of Bonds	0	0	0	0	256,496	256,496	0	0	0	0	0	0
Operating Transfers In	0	0	0	0	0	0	7,000	7,000	0	8,500	8,500	0
Operating Transfers Out	(15,000)	(15,000)	0	(37,700)	0	37,700	0	0	0	0	0	0
TOTAL OTHER FINANCING SOURCES/(USES)	(15,000)	(15,000)	0	(37,700)	256,496	294,196	7,000	7,000	0	8,500	8,500	0
Excess/(Deficiency) of Revenues and Financing Sources Over/(Under) Expenditures and Other Uses	(47,100)	33,196	80,296	(262,800)	41,353	304,153	1,100	2,544	1,444	2,500	1,091	(1,409)
Fund Balance - Beginning	258,807	258,807	0	217,454	217,454	0	1,517	1,517	0	426	426	0
Fund Balance - Ending	\$211,707	\$292,003	\$80,296	(\$45,346)	\$258,807	\$304,153	\$2,617	\$4,061	\$1,444	\$2,926	\$1,517	(\$1,409)

Comparative Combining Statement of Revenues,
and Changes in Fund Balances
Budget and Actual
Special Revenue Funds
For the Year Ended December 31, 2000

	2000 Recreation and Parks			1999 Recreation and Parks			2000 Street Dance			1999 Street Dance		
	Budget	Actual	Variance Fav/(Unfav)	Budget	Actual	Variance Fav/(Unfav)	Budget	Actual	Variance Fav/(Unfav)	Budget	Actual	Variance Fav/(Unfav)
REVENUES												
Intergovernmental Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Charges for Services	34,000	31,659	(2,341)	37,000	32,539	(4,461)	2,500	3,066	566	2,000	2,843	843
Investment Earnings	0	0	0	100	0	(100)	0	0	0	0	0	0
Fines & Forfeitures	0	0	0	0	0	0	0	0	0	0	0	0
All Other Revenues	0	1,500	1,500	0	0	0	0	0	0	0	0	0
TOTAL REVENUES	34,000	33,159	(841)	37,100	32,539	(4,561)	2,500	3,066	566	2,000	2,843	843
EXPENDITURES												
Current												
Security of Persons and Property	0	0	0	0	0	0	0	0	0	0	0	0
Leisure Time Activity	159,100	162,243	(3,143)	220,000	300,125	(80,125)	7,000	6,669	331	7,000	7,000	0
Transportation	0	0	0	0	0	0	0	0	0	0	0	0
General Government	0	0	0	0	0	0	0	0	0	0	0	0
Debt Service	0	0	0	0	0	0	0	0	0	0	0	0
Interest and Fiscal Charges	0	0	0	0	2,440	(2,440)	0	0	0	0	0	0
TOTAL EXPENDITURES	159,100	162,243	(3,143)	220,000	302,565	(82,565)	7,000	6,669	331	7,000	7,000	0
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(125,100)	(129,084)	(3,984)	(182,900)	(270,026)	(87,126)	(4,500)	(3,603)	897	(5,000)	(4,157)	843
OTHER FINANCING SOURCES/(USES)												
Proceeds from the Sale of Bonds	0	0	0	0	205,954	205,954	0	0	0	0	0	0
Operating Transfers In	40,000	40,000	0	335,000	335,000	0	3,000	3,000	0	3,000	3,000	0
Operating Transfers Out	(25,000)	(25,000)	0	0	0	0	0	0	0	0	0	0
TOTAL OTHER FINANCING SOURCES/(USES)	15,000	15,000	0	335,000	540,954	205,954	3,000	3,000	0	3,000	3,000	0
Excess/(Deficiency) of Revenues and Financing Sources Over/(Under) Expenditures and Other Uses	(110,100)	(114,084)	(3,984)	152,100	270,928	118,828	(1,500)	(603)	897	(2,000)	(1,157)	843
Fund Balance - Beginning	115,372	115,372	0	(155,556)	(155,556)	0	1,416	1,416	0	2,573	2,573	0
Fund Balance - Ending	\$5,272	\$1,288	(\$3,984)	(\$3,456)	\$115,372	\$118,828	(\$84)	\$813	\$897	\$573	\$1,416	\$843

CITY OF MADEIRA, OHIO

Comparative Combining Statement of Revenues,
and Changes in Fund Balances
Budget and Actual
Special Revenue Funds
For the Year Ended December 31, 2000

	2000 Police Trust Fund			1999 Police Trust Fund			2000 Police Forfeitures			1999 Police Forfeitures		
	Budget	Actual	Variance Fav/(Unfav)	Budget	Actual	Variance Fav/(Unfav)	Budget	Actual	Variance Fav/(Unfav)	Budget	Actual	Variance Fav/(Unfav)
REVENUES												
Intergovernmental Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Charges for Services	0	0	0	0	0	0	0	0	0	0	0	0
Investment Earnings	0	0	0	0	0	0	0	0	0	0	0	0
Fines & Forfeitures	1,000	300	(700)	2,000	0	(2,000)	1,000	1,031	31	2,000	563	(1,437)
All Other Revenues	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL REVENUES	1,000	300	(700)	2,000	0	(2,000)	1,000	1,031	31	2,000	563	(1,437)
EXPENDITURES												
Current												
Security of Persons and Property	1,000	0	1,000	2,000	0	2,000	1,200	1,105	95	4,000	0	4,000
Leisure Time Activity	0	0	0	0	0	0	0	0	0	0	0	0
Transportation	0	0	0	0	0	0	0	0	0	0	0	0
General Government	0	0	0	0	0	0	0	0	0	0	0	0
Debt Service	0	0	0	0	0	0	0	0	0	0	0	0
Interest and Fiscal Charges	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL EXPENDITURES	1,000	0	1,000	2,000	0	2,000	1,200	1,105	95	4,000	0	4,000
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	0	300	300	0	0	0	(200)	(74)	126	(2,000)	563	2,563
OTHER FINANCING SOURCES/(USES)												
Proceeds from the Sale of Bonds	0	0	0	0	0	0	0	0	0	0	0	0
Operating Transfers In	0	0	0	0	0	0	0	0	0	0	0	0
Operating Transfers Out	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL OTHER FINANCING SOURCES/(USES)	0	0	0	0	0	0	0	0	0	0	0	0
Excess/(Deficiency) of Revenues and Financing Sources Over/(Under) Expenditures and Other Uses	0	300	300	0	0	0	(200)	(74)	126	(2,000)	563	2,563
Fund Balance - Beginning	1,861	1,861	0	1,861	1,861	0	2,663	2,663	0	2,100	2,100	0
Fund Balance - Ending	\$1,861	\$2,161	\$300	\$1,861	\$1,861	\$0	\$2,463	\$2,589	\$126	\$100	\$2,663	\$2,563

CITY OF MADEIRA, OHIO

Comparative Combining Statement of Revenues,
and Changes in Fund Balances
Budget and Actual
Special Revenue Funds
For the Year Ended December 31, 2000

	2000 DUI			1999 DUI			2000 Total Special Revenue			1999 Total Special Revenue		
	Budget	Actual	Variance Fav/(Unfav)	Budget	Actual	Variance Fav/(Unfav)	Budget	Actual	Variance Fav/(Unfav)	Budget	Actual	Variance Fav/(Unfav)
REVENUES												
Intergovernmental Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$320,000	\$333,265	\$13,265	\$310,000	\$324,744	\$14,744
Charges for Services	0	0	0	0	0	0	36,500	34,725	(1,775)	39,000	35,382	(3,618)
Investment Earnings	0	0	0	0	0	0	30,000	21,928	(8,072)	10,100	18,153	8,053
Fines & Forfeitures	1,000	1,439	439	1,000	979	(21)	3,000	2,770	(230)	5,000	1,542	(3,458)
All Other Revenues	0	0	0	0	0	0	65,500	108,995	43,495	8,000	8,184	184
TOTAL REVENUES	1,000	1,439	439	1,000	979	(21)	455,000	501,683	46,683	372,100	388,005	15,905
EXPENDITURES												
Current												
Security of Persons and Property	1,000	95	905	1,000	159	841	3,200	1,200	2,000	7,000	159	6,841
Leisure Time Activity	0	0	0	0	0	0	166,100	168,912	(2,812)	227,000	307,125	(80,125)
Transportation	0	0	0	0	0	0	439,600	406,997	32,603	545,100	555,074	(9,974)
General Government	0	0	0	0	0	0	13,900	11,951	1,949	14,000	15,593	(1,593)
Debt Service	0	0	0	0	0	0	0	0	0	0	0	0
Interest and Fiscal Charges	0	0	0	0	0	0	0	0	0	0	5,406	(5,406)
TOTAL EXPENDITURES	1,000	95	905	1,000	159	841	622,800	589,060	33,740	793,100	883,257	(90,257)
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	0	1,344	1,344	0	820	820	(167,800)	(87,377)	80,423	(421,000)	(495,352)	(74,352)
OTHER FINANCING SOURCES/(USES)												
Proceeds from the Sale of Bonds	0	0	0	0	0	0	0	0	0	0	462,450	462,450
Operating Transfers In	0	0	0	0	0	0	50,000	50,000	0	346,500	346,500	0
Operating Transfers Out	0	0	0	0	0	0	(40,000)	(40,000)	0	(37,700)	0	37,700
TOTAL OTHER FINANCING SOURCES/(USES)	0	0	0	0	0	0	10,000	10,000	0	308,800	808,950	500,150
Excess/(Deficiency) of Revenues and Financing Sources Over/(Under) Expenditures and Other Uses	0	1,344	1,344	0	820	820	(157,800)	(77,377)	80,423	(112,200)	313,598	425,798
Fund Balance - Beginning	5,352	5,352	0	4,532	4,532	0	386,988	386,988	0	73,390	73,390	0
Fund Balance - Ending	\$5,352	\$6,696	\$1,344	\$4,532	\$5,352	\$820	\$229,188	\$309,611	\$80,423	(\$38,810)	\$386,988	\$425,798

DEBT SERVICE FUND

General Obligation Bond Retirement Fund: Accounts for payments of principal and interest on the City's general obligation bonds which are recorded in the general long-term debt account group.

CITY OF MADEIRA, OHIO

**Debt Service Fund
Comparative Balance Sheet
December 31, 2000**

	<u>2000</u>	<u>1999</u>
ASSETS:		
Cash and Cash Equivalent	\$17,763	\$136,800
Receivables Net of Allowance for Uncollectible Accounts:		
Taxes Receivable	<u>94,256</u>	<u>99,150</u>
TOTAL ASSETS	<u>\$112,019</u>	<u>\$235,950</u>
 LIABILITIES AND FUND BALANCE		
LIABILITIES:		
Deferred Revenues	<u>\$90,956</u>	<u>\$96,050</u>
TOTAL LIABILITIES	90,956	96,050
FUND BALANCE:		
Designated for Debt Service	<u>21,063</u>	<u>139,900</u>
TOTAL FUND BALANCE	<u>21,063</u>	<u>139,900</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$112,019</u>	<u>\$235,950</u>

CITY OF MADEIRA, OHIO

Comparative Statement of Revenues, Expenditures
and Changes in Fund Balances
Budget and Actual
Debt Service Fund
For the Years Ended December 31, 2000 and 1999

	2000			1999		
	Budget	Actual	Variance Fav/(Unfav)	Budget	Actual	Variance Fav/(Unfav)
REVENUES						
Taxes	\$77,000	\$89,276	\$12,276	\$75,000	\$77,561	\$2,561
Intergovernmental Revenue	10,000	11,562	1,562	10,000	9,796	(204)
Investment Earnings	0	0	0	0	8,062	8,062
TOTAL REVENUES	87,000	100,838	13,838	85,000	95,419	10,419
EXPENDITURES						
Current:						
General Government	1,000	1,140	(140)	2,000	1,001	999
Debt Service						
Principal Retirement	185,000	185,000	0	195,000	10,000	185,000
Interest and						
Fiscal Charges	112,637	108,535	4,102	98,800	125,857	(27,057)
Bond Issuance Costs	0	0	0	0	40,543	(40,543)
TOTAL EXPENDITURES	298,637	294,675	3,962	295,800	177,401	118,399
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(211,637)	(193,837)	17,800	(210,800)	(81,982)	128,818
OTHER FINANCING SOURCES/(USES)						
Proceeds from the Sale of Bonds	0	0	0	0	1,610,600	1,610,600
Payment to Refunded Debt Escrow Agent	0	0	0	0	(1,500,000)	(1,500,000)
Operating Transfers In	100,000	75,000	(25,000)	210,700	98,000	(112,700)
TOTAL OTHER FINANCING SOURCES/(USES)	100,000	75,000	(25,000)	210,700	208,600	(2,100)
Excess/(Deficiency) of Revenues and Financing Sources Over Expenditures and Other Uses	(111,637)	(118,837)	(7,200)	(100)	126,618	126,718
Fund Balance - Beginning	139,900	139,900	0	13,282	13,282	0
Fund Balance - Ending	\$28,263	\$21,063	(\$7,200)	\$13,182	\$139,900	\$126,718

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CAPITAL PROJECTS FUNDS

OPWC: Accounts for expenditures for road improvements reimbursed by the State of Ohio.

Stormwater Fund: Accounts for expenditures made to repair and replace parts of the City's stormwater system.

Central Business District Fund: Accounts for expenditures made for the repair and improvement of Madeira's central business district.

CITY OF MADEIRA, OHIO

Capital Projects Funds
 Combining Balance Sheet
 December 31, 2000

(with comparative totals for December 31, 1999)

	OPWC	Stormwater	Central Business District	Total 2000	Total 1999
ASSETS:					
Cash and Cash Equivalents	\$0	\$7,153	\$46,936	\$54,089	\$119,726
Intergovernmental Receivable	77,707	0	0	77,707	0
TOTAL ASSETS	\$77,707	\$7,153	\$46,936	\$131,796	\$119,726
LIABILITIES AND FUND BALANCE					
LIABILITIES:					
Accounts Payable	\$77,707	\$0	\$2,388	\$80,095	\$11,634
TOTAL LIABILITIES	77,707	0	2,388	80,095	11,634
FUND BALANCE:					
Reserve for Encumbrances	0	0	0	0	799
Unreserved and Undesignated	0	7,153	44,548	51,701	107,293
TOTAL FUND BALANCE	0	7,153	44,548	51,701	108,092
TOTAL LIABILITIES AND FUND BALANCE	\$77,707	\$7,153	\$46,936	\$131,796	\$119,726

CITY OF MADEIRA, OHIO

Comparative Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Budget and Actual
Capital Projects Funds
For the Years Ended December 31, 2000 and 1999

	2000 OPWC			1999 OPWC			2000 Stormwater			1999 Stormwater		
	Budget	Actual	Variance Fav/(Unfav)	Budget	Actual	Variance Fav/(Unfav)	Budget	Actual	Variance Fav/(Unfav)	Budget	Actual	Variance Fav/(Unfav)
REVENUES												
Intergovernmental Revenue	\$188,500	\$188,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Investment Earnings	0	0	0	0	0	0	2,300	2,253	(47)	10,000	5,165	(4,835)
All Other Revenues	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL REVENUES	188,500	188,500	0	0	0	0	2,300	2,253	(47)	10,000	5,165	(4,835)
EXPENDITURES												
Current:												
Community Environment	0	0	0	0	0	0	36,000	69,147	(33,147)	21,000	23,834	(2,834)
Capital Improvements	188,500	188,500	0	0	0	0	0	0	0	0	0	0
Debt Service	0	0	0	0	0	0	0	0	0	0	0	0
Interest and Fiscal Charges	0	0	0	0	0	0	0	0	0	10,125	1,768	8,357
TOTAL EXPENDITURES	188,500	188,500	0	0	0	0	36,000	69,147	(33,147)	31,125	25,602	5,523
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	0	0	0	0	0	0	(33,700)	(66,894)	(33,194)	(21,125)	(20,437)	688
OTHER FINANCING SOURCES/(USES)												
Operating Transfers In	0	0	0	0	0	0	10,000	10,000	0	21,200	21,200	0
Operating Transfers Out	0	0	0	0	0	0	(40,000)	0	(40,000)	0	0	0
TOTAL OTHER FINANCING SOURCES	0	0	0	0	0	0	(30,000)	10,000	(40,000)	21,200	21,200	0
Excess/(Deficiency) of Revenues and Financing Sources Over/(Under) Expenditures and Other Uses	0	0	0	0	0	0	(61,400)	(56,894)	4,506	10,075	763	(9,312)
Fund Balance - Beginning	0	0	0	0	0	0	64,047	64,047	0	63,284	63,284	0
Fund Balance - Ending	\$0	\$0	\$0	\$0	\$0	\$0	\$2,647	\$7,153	\$4,506	\$73,359	\$64,047	(\$9,312)

CITY OF MADEIRA, OHIO

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

Budget and Actual

Capital Projects Funds

For the Years Ended December 31, 2000 and 1999

	2000 Central Business District			1999 Central Business District			2000 Total Capital Projects			1999 Total Capital Projects		
	Budget	Actual	Variance Fav/(Unfav)	Budget	Actual	Variance Fav/(Unfav)	Budget	Actual	Variance Fav/(Unfav)	Budget	Actual	Variance Fav/(Unfav)
REVENUES												
Intergovernmental Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$188,500	\$188,500	\$0	\$0	\$0	\$0
Investment Earnings	0	0	0	1,000	0	(1,000)	2,300	2,253	(47)	11,000	5,165	(5,835)
All Other Revenues	10,000	4,951	(5,049)	15,000	37,358	22,358	10,000	4,951	(5,049)	15,000	37,358	22,358
TOTAL REVENUES	10,000	4,951	(5,049)	16,000	37,358	21,358	200,800	195,704	(5,096)	26,000	42,523	16,523
EXPENDITURES												
Current:												
Community Environment	59,000	54,448	4,552	189,000	184,102	4,898	95,000	123,595	(28,595)	210,000	207,936	2,064
Capital Improvements	0	0	0	0	0	0	188,500	188,500	0	0	0	0
Debt Service	0	0	0	0	0	0	0	0	0	0	0	0
Interest and	0	0	0	0	0	0	0	0	0	0	0	0
Fiscal Charges	0	0	0	0	0	0	0	0	0	10,125	1,768	8,357
TOTAL EXPENDITURES	59,000	54,448	4,552	189,000	184,102	4,898	283,500	312,095	(28,595)	220,125	209,704	10,421
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(49,000)	(49,497)	(497)	(173,000)	(146,744)	26,256	(82,700)	(116,391)	(33,691)	(194,125)	(167,181)	26,944
OTHER FINANCING SOURCES/(USES)												
Operating Transfers In	50,000	50,000	0	245,000	245,000	0	60,000	60,000	0	266,200	266,200	0
Operating Transfers Out	0	0	0	0	0	0	(40,000)	0	(40,000)	0	0	0
TOTAL OTHER FINANCING SOURCES	50,000	50,000	0	245,000	245,000	0	20,000	60,000	(40,000)	266,200	266,200	0
Excess/(Deficiency) of Revenues and Financing Sources Over/(Under) Expenditures and Other Uses	1,000	503	(497)	72,000	98,256	26,256	(62,700)	(56,391)	6,309	72,075	99,019	26,944
Fund Balance - Beginning	44,045	44,045	0	(54,211)	(54,211)	0	108,092	108,092	0	9,073	9,073	0
Fund Balance - Ending	\$45,045	\$44,548	(\$497)	\$17,789	\$44,045	\$26,256	\$45,392	\$51,701	\$6,309	\$81,148	\$108,092	\$26,944

ENTERPRISE FUND

Enterprise Fund accounts for the activities of the rental properties owned by Madeira in the central business district. The properties are located at 7701 Railroad Avenue, 7010 Miami Avenue and 7014 Miami Avenue. They are maintained for historical purposes and are rented to businesses.

CITY OF MADEIRA, OHIO

Enterprise Fund
Comparative Balance Sheet
December 31, 2000

	<u>2000 Rental Property</u>	<u>1999 Rental Property</u>
ASSETS:		
Cash and Cash Equivalents	\$31,200	\$14,439
Receivables Net of Allowance for Uncollectible Accounts:		
Accounts Receivable	0	0
Fixed Assets (Net of Depreciation)	<u>408,419</u>	<u>420,406</u>
TOTAL ASSETS	<u>\$439,619</u>	<u>\$434,845</u>
 Liabilities and Equity		
Current Liabilities:		
Accounts Payable	<u>\$94</u>	<u>\$0</u>
Total Current Liabilities	<u>94</u>	<u>0</u>
Equity:		
Contributed Capital	467,677	467,677
Retained Earnings - Unreserved	<u>(28,152)</u>	<u>(32,832)</u>
Total Equity	<u>439,525</u>	<u>434,845</u>
TOTAL LIABILITIES AND EQUITY	<u>\$439,619</u>	<u>\$434,845</u>

The Notes to the Financial Statements are an integral part of this statement.

CITY OF MADEIRA, OHIO

**Comparative Statement of Revenues, Expenses
and Changes in Retained Earnings**

Enterprise Fund

For the Years Ended December 31, 2000 and 1999

	<u>2000 Rental Property</u>	<u>1999 Rental Property</u>
OPERATING REVENUES:		
Rental Revenue	\$23,450	\$21,810
Total Operating Revenues	<u>\$23,450</u>	<u>\$21,810</u>
OPERATING EXPENSES:		
Advertising	0	23
Insurance	2,845	3,523
Professional Services	0	70
Repairs & Maintenance	1,936	13,576
Depreciation	11,987	11,987
Total Operating Expenses	<u>\$16,768</u>	<u>\$29,179</u>
Operating Income/(Loss)	\$6,682	(\$7,369)
NONOPERATING EXPENSES:		
Property Taxes	2,002	1,454
Total Nonoperating Expenses	<u>2,002</u>	<u>1,454</u>
NET INCOME/(LOSS)	\$4,680	(\$8,823)
Retained Earnings, Beginning of Year	<u>(32,832)</u>	<u>(24,009)</u>
Retained Earnings, End of Year	<u>(\$28,152)</u>	<u>(\$32,832)</u>

The Notes to the Financial Statements are an integral part of this statement.

CITY OF MADEIRA, OHIO

Comparative Statement of Cash Flows

Enterprise Fund

For the Years Ended December 31, 2000 and 1999

	2000 Rental Property	1999 Rental Property
	<u> </u>	<u> </u>
Cash Flows from Operating Activities:		
Cash Received from Renters and Others	\$23,450	\$21,810
Cash Paid to Suppliers	<u>(4,687)</u>	<u>(18,926)</u>
Net cash provided/(used) by operating activities	<u>\$18,763</u>	<u>\$2,884</u>
Cash Flows from non capital financing activities:		
Property Taxes	<u>(2,002)</u>	<u>(1,454)</u>
Net cash (used) by non capital finance activities	<u>(\$2,002)</u>	<u>(\$1,454)</u>
Net Increase/Decrease in Cash and Cash Equivalents	\$16,761	\$1,430
Cash and Cash Equivalents, January 1	<u>14,439</u>	<u>13,009</u>
Cash and Cash Equivalents, December 31	<u>\$31,200</u>	<u>\$14,439</u>
Reconciliation of Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:		
Operating Income/(Loss)	\$6,682	(\$7,369)
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:		
Depreciation	11,987	11,987
Change in Assets and Liabilities:		
Increase/(Decrease) in Accounts Payable	<u>94</u>	<u>(1,734)</u>
Total Adjustments	<u>\$94</u>	<u>(\$1,734)</u>
Net Cash Provided/(Used) by Operating Activities	<u>\$18,763</u>	<u>\$2,884</u>

The Notes to the Financial Statements are an integral part of this statement.

AGENCY FUNDS

Mayor's Court Agency Fund: To account for funds that flow through the mayor's court office.

CITY OF MADEIRA, OHIO

Agency Fund
Comparative Balance Sheet
December 31, 2000 and 1999

	<u>Mayor's Court</u>	
	<u>2000</u>	<u>1999</u>
ASSETS:		
Cash with Fiscal Agent	<u>\$10,215</u>	<u>\$5,195</u>
TOTAL ASSETS	<u>\$10,215</u>	<u>\$5,195</u>
LIABILITIES:		
Due to Other Governments	<u>10,215</u>	<u>5,195</u>
TOTAL LIABILITIES	<u>\$10,215</u>	<u>\$5,195</u>

CITY OF MADEIRA, OHIO

**Agency Fund
Statement of Changes in Assets and Liabilities
For the Fiscal Year Ended December 31, 2000**

	<u>Balance 12/31/99</u>	<u>Increase</u>	<u>Decrease</u>	<u>Balance 12/31/00</u>
Mayor's Court				
ASSETS:				
Cash with Fiscal Agent	<u>\$5,195</u>	<u>\$85,002</u>	<u>(\$79,982)</u>	<u>\$10,215</u>
TOTAL ASSETS	<u>\$5,195</u>	<u>\$85,002</u>	<u>(\$79,982)</u>	<u>\$10,215</u>
LIABILITIES:				
Due to Other Governments	<u>\$5,195</u>	<u>\$85,002</u>	<u>(\$79,982)</u>	<u>\$10,215</u>
TOTAL LIABILITIES	<u>\$5,195</u>	<u>\$85,002</u>	<u>(\$79,982)</u>	<u>\$10,215</u>
Totals				
ASSETS:				
Cash with Fiscal Agent	<u>\$5,195</u>	<u>\$85,002</u>	<u>(\$79,982)</u>	<u>\$10,215</u>
TOTAL ASSETS	<u>\$5,195</u>	<u>\$85,002</u>	<u>(\$79,982)</u>	<u>\$10,215</u>
LIABILITIES:				
Due to Other Governments	<u>\$5,195</u>	<u>\$85,002</u>	<u>(\$79,982)</u>	<u>\$10,215</u>
TOTAL LIABILITIES	<u>\$5,195</u>	<u>\$85,002</u>	<u>(\$79,982)</u>	<u>\$10,215</u>

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ACCOUNT GROUPS

General Fixed Assets Account Group: The general fixed assets account group accounts for all general fixed assets of the City with a cost or estimated value of \$1,000 or more.

General Long-term Debt Account Group: The General Long-Term Debt Account Group accounts for all long-term bond and note debt which the City has, as well as the long-term portion of capital leases and the value of compensated absences which is estimated to be taken after March 1st.

CITY OF MADEIRA, OHIO

**Schedule of General Fixed Assets
by Function and Source
December 31, 2000**

<u>By Function:</u>	<u>Land</u>	<u>Building & Land Improvements</u>	<u>Furniture</u>	<u>Equipment</u>	<u>Software</u>	<u>Vehicles</u>	<u>Total</u>
Security of Persons and Property	\$0	\$0	\$5,418	\$61,364	\$0	\$154,011	\$220,793
Community Environment	0	55,000	0	63,350	0	250,437	368,787
Leisure Time Activity	460,000	885,904	3,564	50,065	0	0	1,399,533
General Government	185,000	1,405,439	5,610	47,190	12,290	0	1,655,529
Total General Fixed Assets	\$645,000	\$2,346,343	\$14,592	\$221,969	\$12,290	\$404,448	\$3,644,642

Investments in General Fixed Assets

<u>By Source:</u>	
General Fund	\$645,000
	<u>\$2,346,343</u>
	<u>\$14,592</u>
	<u>\$221,969</u>
	<u>\$12,290</u>
	<u>\$404,448</u>
	<u>\$3,644,642</u>

CITY OF MADEIRA, OHIO

**Schedule of Changes of General Fixed Assets
For the Year Ended December 31, 2000**

<u>Function</u>	<u>Assets as of 12/31/99</u>	<u>Additions</u>	<u>Transfers</u>	<u>Deletions</u>	<u>Assets as of 12/31/00</u>
Security of Persons and Property	\$188,268	\$32,525			\$220,793
Community Environment	361,537	9,750		(2,500)	368,787
Leisure Time Activity	1,300,232	99,301			1,399,533
General Government	1,644,386	11,143			1,655,529
Total Governmental Funds	\$3,494,423	\$152,719	\$0	(\$2,500)	\$3,644,642

CITY OF MADEIRA, OHIO

Account Groups
 Comparative Schedule of Asset, Liabilities
 and Fund Balance
 December 31, 2000 and 1999

	<u>General Long-Term Obligations</u>		<u>General Fixed Assets</u>	
	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>
ASSETS:				
Fixed Assets, Net of Depreciation	\$0	\$0	\$3,644,642	\$3,494,423
Amount Available in Debt Service	21,063	139,900	0	0
Amount to be Provided for Retirement of General Long-Term Debt	<u>2,698,770</u>	<u>2,788,792</u>	<u>0</u>	<u>0</u>
TOTAL ASSETS	<u>\$2,719,833</u>	<u>\$2,928,692</u>	<u>\$3,644,642</u>	<u>\$3,494,423</u>
LIABILITIES AND EQUITY				
LIABILITIES:				
Compensated Absences Payable	\$136,416	\$151,435	\$0	\$0
Notes Payable	18,417	27,257	0	0
Bonds Payable	<u>2,565,000</u>	<u>2,750,000</u>	<u>0</u>	<u>0</u>
TOTAL LIABILITIES	<u>2,719,833</u>	<u>2,928,692</u>	<u>0</u>	<u>0</u>
EQUITY:				
Investment in Fixed Assets	<u>0</u>	<u>0</u>	<u>3,644,642</u>	<u>3,494,423</u>
TOTAL EQUITY	<u>0</u>	<u>0</u>	<u>3,644,642</u>	<u>3,494,423</u>
TOTAL LIABILITIES AND EQUITY	<u>\$2,719,833</u>	<u>\$2,928,692</u>	<u>\$3,644,642</u>	<u>\$3,494,423</u>

STATISTICAL SECTION

The following unaudited statistical tables reflect social and economic data, financial trends and fiscal capacity of the City.

CITY OF MADEIRA, OHIO

Table 1

General Fund Revenues by Source
(Last Ten Fiscal Years)

Year	Taxes	Licenses and Permits	Inter-Governmental Revenues	Charges for Services	Investment Earnings	Fines and Forfeitures	Other Revenues	Total
1991	\$2,762,294	\$28,503	\$121,456	\$12,297	\$81,054	\$40,230	\$12,144	\$3,057,978
1992	2,186,028	65,998	116,909	2,171	31,268	35,110	15,485	2,452,969
1993	2,336,737	92,210	137,063	2,947	23,768	33,118	69,375	2,695,218
1994	3,020,341	71,983	147,060	3,675	29,506	24,590	60,040	3,357,195
1995	2,602,630	58,233	182,523	26,927	51,615	26,796	55,138	3,003,862
1996	2,955,502	46,223	173,317	35,092	66,709	30,401	57,622	3,364,866
1997	3,143,389	63,713	207,681	45,112	30,285	32,245	74,119	3,596,544
1998	3,482,731	96,778	215,890	41,706	38,891	36,255	105,321	4,017,572
1999	3,343,069	91,100	209,628	44,079	92,517	38,921	76,678	3,895,992
2000	2,787,080	42,141	1,591,624	46,395	122,535	56,370	60,065	4,706,210

NA: Not available

Restatement of Taxes and Intergovernmental Revenues for 1995 due to changes in reporting requirements by State Auditor.

Source: Treasurer's Office, City of Madeira, Ohio

CITY OF MADEIRA, OHIO

Table 2

General Fund Expenditures by Source
(Last Ten Fiscal Years)

Year	Security of	Leisure	Community	Transportation	General	Debt	Interest &	Total
	Persons and Property	Time Activities						
1991	\$1,082,485	\$83,689	\$510,954	\$0	\$517,138	\$0	\$0	\$2,194,266
1992	756,692	83,633	581,609	0	967,492	0	0	2,389,426
1993	1,263,883	70,104	2,681	522,588	517,879	0	0	2,377,135
1994	1,273,527	73,313	8,673	570,544	590,038	8,712	1,591	2,526,398
1995	1,374,660	84,788	8,526	751,187	548,249	26,409	4,395	2,798,214
1996	1,437,220	95,639	19,181	770,620	576,983	55,350	8,751	2,963,744
1997	1,585,175	92,492	17,154	720,105	654,628	58,145	6,502	3,134,201
1998	1,636,990	140,229	19,661	738,078	649,021	52,813	3,464	3,240,256
1999	1,779,869	98,731	16,806	839,699	615,594	37,056	897	3,388,652
2000	1,913,927	98,731	16,806	920,558	680,279	0	0	3,630,301

NA: Not available

Source: Treasurer's Office, City of Madeira, Ohio

CITY OF MADEIRA, OHIO

Table 3

**Assessed and Estimated Actual Value of Real Property
(Last Ten Fiscal Years)**

<u>Tax Year/ Collection Year</u>	<u>Real Property</u>		<u>Personal Property Assessed Value</u>	<u>Public Utilities Assessed Value</u>	<u>Total Assessed Value</u>
	<u>Assessed Value</u>	<u>Estimated Actual Value (a)</u>			
1990/1991	\$121,510,710	\$347,173,457	\$5,615,080	\$4,535,070	\$131,660,860
1991/1992	123,386,510	352,532,886	3,983,230	4,941,540	132,311,280
1992/1993	125,810,690	359,459,114	3,534,040	5,445,410	134,790,140
1993/1994	147,871,640	422,490,400	3,529,530	5,677,570	157,078,740
1994/1995	148,722,350	424,921,000	3,752,180	5,846,060	158,320,590
1995/1996	150,604,480	430,299,000	4,366,080	5,790,480	160,761,040
1996/1997	170,437,910	486,965,000	4,696,210	5,854,900	180,989,020
1997/1998	170,491,690	487,119,114	4,809,140	5,564,880	180,865,710
1998/1999	171,589,780	490,526,510	5,588,720	5,581,030	182,759,530
1999/2000	203,624,260	581,783,600	6,393,780	5,625,350	215,643,390

(a) Estimated actual value based on assessment level of 35%.

Source: Hamilton County Auditor

CITY OF MADEIRA, OHIO

Table 4

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
 (Per \$1,000 of Assessed Valuation)
 (Last Ten Fiscal Years)

Tax Year/ Collection Year	City of Madeira	Madeira City School District	Hamilton County	Cincinnati City School District	Great Oaks Joint Vocational School District	Indian Hill City School District
1990/1991	7.50	61.98	16.88	40.44	2.70	43.12
1991/1992	7.50	61.86	17.50	50.04	2.70	42.92
1992/1993	7.50	61.28	18.56	49.94	2.70	42.92
1993/1994	7.50	68.97	18.33	48.75	2.70	44.69
1994/1995	7.50	68.97	18.30	48.58	2.70	44.63
1995/1996	7.50	68.97	18.30	53.52	2.70	44.58
1996/1997	7.50	72.13	19.44	53.19	2.70	44.48
1997/1998	7.50	72.13	19.01	53.13	2.70	44.51
1998/1999	7.50	72.13	19.54	53.13	2.70	42.92
1999/2000	7.50	71.71	20.83	51.94	2.70	42.92

Source: Hamilton County Auditor

CITY OF MADEIRA, OHIO

Table 5

**Property Tax Levies and Collection
Real and Public Utility
(Last Ten Fiscal Years)**

<u>Tax Year/ Collection Year</u>	<u>Current Levy</u>	<u>Collection Including Delinquencies</u>	<u>Total Collections As Percent of Current Year</u>	<u>Accumulated Delinquency</u>
1990/1991	\$942,867	\$938,431	99.53%	\$4,707
1991/1992	960,062	953,297	99.30%	8,514
1992/1993	983,215	985,463	100.23%	13,201
1993/1994	1,150,569	1,152,334	100.15%	11,413
1994/1995	1,157,232	1,160,360	100.27%	34,340 (a)
1995/1996	1,173,097	1,169,884	99.73%	39,707
1996/1997	1,318,765	1,318,439	99.98%	37,914
1997/1998	1,324,589	1,316,182	99.37%	48,769
1998/1999	1,327,229	1,330,445	100.24%	50,487
1999/2000	1,562,538	1,557,263	99.66%	64,440

(a) In 1995 the Hamilton County Auditor revised its method of calculating delinquencies.

Source: Hamilton County Auditor
Hamilton County is responsible for billing and collecting
property taxes under Ohio law.

CITY OF MADEIRA, OHIO

Table 6

**Computation of Legal Debt Margin
December 31, 2000**

	<u>Debt Outstanding</u>	<u>10.5% of Assessed Valuation</u>	<u>5.5% of Assessed Valuation</u>
Overall Debt Limitations		\$22,642,556	\$11,860,386
Gross Indebtedness	\$2,565,000		
Less: Debt Outside Limitations	0		
Less: Bond Retirement Fund Balance	<u>(21,063)</u>		
Net Debt Within Limitations		<u>2,543,937</u>	<u>2,543,937</u>
Legal Debt Margin Within Limitations		<u>\$20,098,619</u>	<u>\$9,316,449</u>

Source: Treasurer's Office, City of Madeira, Ohio

CITY OF MADEIRA, OHIO

Table 7

**Computation of Direct and Overlapping Debt
December 31, 2000**

	<u>Debt Outstanding</u>	<u>Percentage Applicable to City of Madeira</u>	<u>Amount Applicable to City of Madeira</u>
City of Madeira	\$2,565,000	100.00%	\$2,565,000
Hamilton County	130,065,000	1.24%	1,612,806
Madeira City School District	5,594,749	97.78%	5,470,546
Cincinnati City School District	52,295,000	0.00%	0

Source: Ohio Municipal Advisory Council

Ratio of Annual Debt Service Expenditures for General
Bonded Debt to Total General Fund Expenditures
(Last Ten Fiscal Years)

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>	<u>General Fund Expenditures</u>	<u>Ratio of Debt Service to General Fund Expenditures</u>
1990	\$15,000	\$270,814	\$285,814	\$2,182,491	0.1310
1991	135,000	223,231	358,231	2,194,266	0.1633
1992	140,000	197,016	337,016	2,389,426	0.1410
1993	135,000	164,719	299,719	2,379,068	0.1260
1994	135,000	155,225	290,225	2,526,398	0.1149
1995	135,000	145,731	280,731	2,798,214	0.1003
1996	140,000	136,238	276,238	2,963,744	0.0932
1997	135,000	126,450	261,450	3,134,201	0.0834
1998	135,000	116,956	251,956	3,240,256	0.0778
1999	10,000	125,407	135,407	3,361,210	0.0403
2000	185,000	108,385	293,385	3,630,301	0.0808

NA: Not available

Source: Treasurer's Office, City of Madeira, Ohio

CITY OF MADEIRA, OHIO

Table 9

Ratio of Net General Bonded Debt to Assessed
Valuation and Net Bonded Debt Per Capita
(Last Ten Fiscal Years)

Year	Population (a)	Assessed Value (b)	Gross General Bonded Debt (c)	Less		Ratio of Net Bonded Debt To Assessed Value	Net Bonded Debt Per Capita
				Balance In General Obligation Bond Retirement Fund (c)(d)	Net General Bonded Debt (c)		
1991	9,141	\$121,510,710	\$2,465,000	\$387,141	\$2,077,859	0.0171	\$227.31
1992	9,141	123,386,510	2,325,000	134,184	2,190,816	0.0178	239.67
1993	9,141	125,810,690	2,190,000	162,773	2,027,227	0.0161	221.77
1994	9,141	147,871,640	2,055,000	118,627	1,936,373	0.0131	211.83
1995	9,141	148,722,350	1,920,000	90,412	1,829,588	0.0123	200.15
1996	9,141	150,604,480	1,780,000	(3,113)	1,783,113	0.0118	195.07
1997	9141	170,437,910	1,645,000	8,829	1,636,171	0.0096	178.99
1998	9141	170,491,690	1,510,000	13,282	1,496,718	0.0088	163.74
1999	9141	171,589,780	2,750,000	139,900	2,610,100	0.0152	285.54
2000	8923	203,624,260	2,565,000	21,063	2,543,937	0.0125	285.10

(a) Source: Federal Census

(b) Source: Hamilton County Auditor

(c) Source: Treasurer's Office, City of Madeira, Ohio

CITY OF MADEIRA, OHIO

Table 10

2000 U.S. Census
Demographic Statistics

Population (2000)	8,923	
Per Capita Income (1989)	\$18,095	
Median Household Income (1989)	\$41,833	<u>Age Distribution (2000):</u>
Median Family Income (1989)	\$48,614	Under 5 Years 542
Number of Housing Units (2000)	3,484	5 to 14 Years 1,379
Persons Per Household (2000)	3	15 to 19 Years 622
Land Area (1990)	3.4 Sq. Miles	20 to 24 Years 226
Persons Per Square Mile (2000)	2,624	25 to 44 Years 2,230
Family Income Distribution (1990):		45 to 54 Years 1,392
Less than \$50,000	85	55 to 59 Years 431
\$50,000-\$99,999	1,351	60 to 64 Years 372
\$100,000-\$149,999	873	65 to 74 Years 772
\$150,000-\$199,999	290	75 to 84 Years 707
\$200,000-\$299,999	140	85 Years and Over 250
\$300,000 or More	39	Median Age 41.6

Source: U.S. Census of Population and Housing

CITY OF MADEIRA, OHIO

Table 11

**Construction in Madeira
(Last Ten Fiscal Years)**

<u>Year</u>	<u>Residential Construction</u>		<u>Commercial Construction</u>	
	<u>Number of Permits</u>	<u>Value</u>	<u>Number of Permits</u>	<u>Value</u>
1991	335	\$4,277,252	NA	NA
1992	322	5,300,966	NA	NA
1993	300	3,758,847	NA	NA
1994	334	4,000,715	32	\$2,490,019
1995	411	4,546,372	47	1,659,726
1996	272	2,617,317	36	1,442,354
1997	274	3,271,230	38	2,784,255
1998	303	8,696,187	40	5,706,873
1999	271	7,058,757	57	7,636,090
2000	250	3,631,317	47	1,612,650

NA: Not available

Source: Treasurer's Office, Madeira, Ohio

CITY OF MADEIRA, OHIO

Table 12

Principal Real Estate Taxpayers

<u>Real Estate Taxpayer</u>	<u>2000 Assessed Valuation (a)</u>	<u>% of Total</u>
Kenwood Country Club	\$3,430,050	1.7%
Kenwood Galleria Corp.	3,059,950	1.5%
Edgewood Investment	1,438,220	0.7%
Burnett Square	1,204,110	0.6%
Steigler Realty	1,151,260	0.6%
Americana Health Care	1,145,940	0.6%
Camargo Manor Realty Co.	796,050	0.4%
Al Neyer, Inc.	777,400	0.4%
Lucero Cortez Properties	562,180	0.3%
Camargo Racquet Club, Inc.	507,710	0.2%
Total	<u>\$14,072,870</u>	6.9%
All Other Assessed Properties	<u>189,551,390</u>	93.1%
Total Assessed Value as of 12/31/00	<u>\$203,624,260</u>	100.0%

(a) Property is assessed 35 percent of estimated actual value.

Source: Hamilton County Auditor
as of 6/01

CITY OF MADEIRA, OHIO

Table 13

2000 Real Estate Tax Valuations by Class	Classification	Land	Improvements	Total	Assessed	Class	% of Total Assessed
Total Agricultural		\$0	\$0	\$0	\$0	100-199	0.0%
Total Industrial		846,914	4,139,629	4,986,543	1,745,290	300-399	0.9%
Total Commercial		28,155,000	42,111,829	70,266,829	24,593,390	400-499	12.1%
Total Residential		129,409,428	376,837,429	506,246,857	177,186,400	500-599	87.0%
Total Public		60,571	222,800	283,371	99,180	600-699	0.0%
Total Abated for Improvement and Renewal		0	121,200	121,200	42,420	700-799	0.0%
Total All Valued Property		\$158,471,913	\$423,432,887	\$581,904,800	\$203,666,680		100.0%

* Non-taxpaying property owners

Source: Hamilton County Auditor
as of 6/01

CITY OF MADEIRA, OHIO

Table 14

General Information

Year of Incorporation	1910
Adopted Charter Form of Government	1959
Year Achieved City Status	1960

Form of Government	Council/Manager
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Area	3.4 Square Miles
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Miles of Streets	47
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City Parks	Sellman and McDonald Commons
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Residential Property Values	\$54,200 to \$900,000
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Percent of Land Zoned for Business	15%
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Full-Time Employees	24
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Services Provided by Other Organizations/Agencies:

Fire	Madeira/Indian Hill Joint Fire District
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Library	Hamilton County Public Library
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Recreational Facilities	Madeira Swim and Tennis Kenwood Hills Swim Club Kenwood Country Club
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Sewer	Metropolitan Sewer District
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Schools:	Madeira Public Schools St. Gertrude Elementary School
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Water	Indian Hill Cincinnati
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STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

88 East Broad Street
P.O. Box 1140
Columbus, Ohio 43216-1140
Telephone 614-466-4514
800-282-0370
Facsimile 614-466-4490

CITY OF MADEIRA

HAMILTON COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
AUGUST 7, 2001**