

THE CITY OF ROSSFORD, OHIO

WOOD COUNTY



COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2001



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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The Honorable Mayor
and Members of City Council
City of Rossford
133 Osborn Street
Rossford, Ohio 43460-1236

We have reviewed the Independent Auditor's Report of the City of Rossford, Wood County, prepared by Clark Johnson & Robson, for the audit period January 1, 2001 through December 31, 2001. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The City of Rossford is responsible for compliance with these laws and regulations.

A handwritten signature in black ink, appearing to read "Jim Petro".

JIM PETRO
Auditor of State

August 22, 2002

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WOOD COUNTY

COMPREHENSIVE ANNUAL
FINANCIAL REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2001

Prepared by:
Laurie Sabin
Director of Finance

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INTRODUCTORY SECTION



City of Rossford, Ohio

133 Osborn Street

Rossford, Ohio 43460-1236

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June 14, 2002

To the Mayor and Members of City Council and
All Citizens of the City of Rossford, Ohio:

We are pleased to present this Comprehensive Annual Financial Report for the City of Rossford, Ohio for the fiscal year ended December 31, 2001. The report has been prepared in conformity with generally accepted accounting principles (GAAP) and guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA).

INTRODUCTION

This report represents a commitment by the City of Rossford (the "City") to conform to nationally recognized standards of excellence in financial reporting. The City is responsible for both the accuracy of the presented data and the completeness of the presentation, including all disclosures. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and includes all disclosures necessary to illustrate the financial activity of the City in 2001.

This Comprehensive Annual Financial Report (CAFR) is designed to assist and guide the reader in understanding its contents. The report is comprised of the following three major sections:

1. *The Introductory Section* includes; this letter of transmittal, which presents the City's organization, operational structure and accomplishments; an organizational chart; and a list of principal officials.
2. *The Financial Section* contains the City's general purpose financial statements and explanatory notes thereto; the combining and individual fund and account group financial statements and schedules; and the Independent Auditors' Report.
3. *The Statistical Section* presents social, economic and historical data in a multi-year format which can be used to identify financial trends and data relative to the fiscal capacity of the City.

The Reporting Entity

The accompanying general purpose financial statements comply with the provisions of Governmental Accounting Standards Board (GASB) Statement No. 14, "*The Financial Reporting Entity*," in that the financial statements include all the organizations, activities, functions and component units for which the City (the reporting entity) is financially accountable. Financial accountability is defined as the appointment of a voting majority of the component unit's board, and either (1) the city's ability to impose its will over the component unit, or (2) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the City.

The reporting entity of the City includes all funds, account groups, agencies, boards and commissions that are part of the primary government. As authorized by its Charter, the City provides the following services: police and fire protection, parks and recreation, street maintenance, refuse pickup, curbside recycling, snow removal and other governmental services. The City owns the water distribution system, the wastewater collection system and a marina, all of which are reported as enterprise funds. Water and wastewater treatment services are purchased by the City on a contractual basis from the City of Toledo.

In June 1994, the Rossford Economic Growth Corporation, Inc. (the "REGC") was created in accordance with Chapter 1702 of the Ohio Revised Code. As a legally separate non-profit corporation, the REGC's purpose is to promote economic growth and development in the City of Rossford. With City Council's approval, the Mayor of the City appoints a majority of the members of the governing board, but the City's accountability for the REGC does not extend beyond making the appointments.

In May 1997, the Wood County Commissioners approved formation of the Rossford Transportation Improvement District (TID) as permitted under Chapter 5540 of the Ohio Revised Code. The TID is a component unit of Wood County and is governed by a board of trustees consisting of the following members: five members appointed by the board of county commissioners, one nonvoting member appointed by the speaker of the house of representatives of the general assembly and one nonvoting member appointed by the president of the senate of the general assembly. It is empowered to provide for the construction, improvement, alteration or repair of any road, highway, public place or other infrastructure within the limits of the City and to issue bonds. The debt service for the bonds is to be paid for by special assessments levied by the TID against the parcels of land and lots that are benefited by the project. The initial project, which began in June of 1998, is a four-lane parkway from State Route 795 to State Route 20. As of December 1998, two miles of the parkway from State Route 795 to Deimling Road were completed. The remaining one half mile section was completed in 1999. Water and sewer lines have been extended south along the Parkway. The TID also completed a project to install traffic lights at both ends of the parkway in 1999.

In December 1998, the Rossford/Perrysburg Township Joint Economic Development Authority/Port Authority (JEDA/Port Authority) was created jointly with Perrysburg Township, pursuant to Ohio Revised Code Sections 4582.21 to 4582.59. The JEDA/Port Authority was created for the benefit of the people of the State of Ohio. Its jurisdiction includes all of the area of the City of Rossford and all of the unincorporated area of Perrysburg Township. The JEDA/Port Authority has five directors, two appointed by the City of Rossford, two appointed by Perrysburg Township and one jointly appointed by the City of Rossford and Perrysburg Township. The directors appointed by the City are appointed by the mayor subject to the approval of the Council, but the City's accountability for the JEDA/Port Authority does not extend beyond making the appointments.

In February 1999, the Rossford Arena Amphitheater Authority (RAAA), a component unit of the City of Rossford, Ohio, was created in accordance with Chapter 1702 of the Ohio Revised Code. As a legally separate non-profit corporation, the RAAA's purpose is to further the growth and development at the property located at the intersection of I-75 and I-80/90, which will increase tourism and convention activities in the City and benefit all of Northwestern Ohio. Specifically, its purpose is to finance, construct, own, operate and maintain an arena and amphitheater facility and such other activities as permissible under Ohio law. The trustees and members of the RAAA were set by ordinance to be the Mayor of the City of Rossford, the President of Council of the City of Rossford, the Municipal Administrator of the City of Rossford and the Recreation Director of the City of Rossford. The City has no ongoing right to add or remove members or appoint other members. The City has indicated its willingness to participate in the arena/amphitheater project by devoting 100% of its admission tax revenues and 25% of its hotel/motel tax, subject to annual appropriation by City Council, to the project. The City has no legal obligation to finance the deficits of or provide support to the RAAA.

Historical Information

The City of Rossford, Wood County, Ohio was founded in 1898 by Edward Ford. Mr. Ford, founder of the Edward Ford Plate Glass Company, constructed his plant across the Maumee River from Toledo in what is today the City of Rossford. The Edward Ford Plate Glass Company, now Libbey-Owens-Ford Company, attracted workers to the area who established a community around the facility. Rossford was incorporated as a village in 1939 and became a city in 1971. The City, with a 2000 census population of 6,406, is a very ethnic community with a population mix consisting primarily of Middle Eastern European nationalities (i.e., Polish, Czechoslovakian, German, Ukrainian). Most of the early residents were employed at the glass plant and today, several generations later, many of the descendants of the original settlers continue to work for the company.

Location

Located on the banks of the Maumee River, Rossford abuts the southeast boundary of the City of Toledo and is in northern Wood County. North-south interstate highway I-75 and east-west interstate I-80/90, the longest interstate highway in the U.S., intersect within the City. Interstate highway I-75 has three interchanges within the City, and I-80/90 (the Ohio Turnpike) Gate 4A is located in an area known as the Crossroads, which was annexed to Rossford in 1994. The City is also served by State Highways 65 and 795. CSX rail lines are located within the City and the Toledo Area Regional Transit Authority provides local bus service. Toledo Express Airport, 15 miles west, Detroit Metro Airport, 60 miles north, and Metcalf Field, 5 miles east, all provide air transportation. Burlington Air Express located at Toledo Express Airport provides ready access to International Air Cargo service.

Form of Government

The City is a home-rule municipal corporation created under the laws of the State of Ohio. The City operates under its own Charter. The current Charter, which provides for a Council/Mayor form of government, was adopted in 1970, became effective in 1971 and was amended in 1991 and 1993.

Legislative authority is vested in a seven member City Council. All members are elected at-large to four-year terms. The Council sets compensation of City officials and employees and enacts ordinances and resolutions relating to City services, tax levies, appropriating and borrowing money, licensing and regulating businesses and trades, and other municipal purposes. The presiding officer is the Mayor who has no vote unless there is a tie vote of the members of City Council. The Charter establishes certain administrative departments and the City Council may establish divisions of those departments and/or additional departments.

The City's chief executive and administrative officer is the Mayor. The Mayor appoints, subject to the approval of City Council, the City Administrator and all the directors of the City's departments for a term of four years or for such lesser period of time as stated at the time of appointment. The City Administrator also serves as the City's chief fiscal officer, the Safety-Service Director and the Economic Development Director.

The Clerk of City Council is appointed by City Council. The City Treasurer is a part-time, four-year elected position.

Basis of Accounting

Except for that used for budgetary purposes, the basis of accounting utilized by the City is in conformity with generally accepted accounting principles (GAAP) applicable to governmental units and is consistent with GASB Codified Section 1600, "Basis of Accounting." All governmental funds are accounted for using a current financial resources (current assets and current liabilities) measurement focus. The modified accrual basis of accounting is utilized for the governmental and agency funds. Revenues are recognized when they are susceptible to accrual, both measurable and available. Expenditures are recognized when the related liability is incurred, except for interest on long-term debt which is recorded when due.

The measurement focus for the City's proprietary funds is on the flow of total economic resources (all assets and all liabilities). The accrual basis of accounting is utilized which recognizes revenues when earned and expenses when incurred.

The City's basis of accounting for budgetary purposes differs from generally accepted accounting principles in that revenues are recognized when received, rather than when susceptible to accrual (measurable and available) and encumbrances are recorded as expenditures rather than as reservation of fund balances. A reconciliation of the results of these two methods appears in Note 1. During 2001, all accounting policies were applied consistently with those of 2000. Accounting policies are further explained in Note 1.

Economic Outlook

The City of Rossford annexed 660 acres in August of 1994, 300 acres in May of 1997 and 192 acres in 2000 known locally as the "Crossroads of America." The annexed area is primarily farmland located at the intersection of Interstate I-80/90 and Interstate I-75. State Route 795 provides unlimited direct access to the area. As part of the annexation agreement, the City agreed to provide water and sanitary sewer services to the area. In order to accomplish this, the City entered into a Joint Economic Development Zone (JEDZ) agreement with the City of Toledo, whereby, in exchange for the City of Toledo's agreement to sell water to the area, the City of Rossford would share with the City of Toledo 0.615% of the 2.25% income tax revenue generated as a result of new businesses locating in the JEDZ. When the Crossroads of America area is fully developed, preliminary projections indicate over 1,400 jobs will be created with an estimated annual payroll of \$25 million. Annual tax revenues to cities, county, state and local schools are projected to exceed \$8 million.

The City of Rossford also entered into an agreement with Perrysburg Township, whereby, in exchange for the Township's approval of the annexation, the City of Rossford pays the Township (for a 15 year period) the unencumbered real estate taxes that the City receives on all annexed property. Similar reciprocal agreements were entered into with the City of Perrysburg and Wood County.

A combination of sports, leisure activities, entertainment and retail will be featured in the Crossroads of America. Construction was completed during 1997 on a Courtyard by Marriott motel, a BP Mini-mart service station in the Crossroads and a 24 acre private development site north of State Route 795. An arena with athletic event seating of 9,200 and concert seating of 12,000 and an amphitheater with 6,500 fixed seats and 7,500 lawn seats began construction in May 1999. When financing could not be secured, construction was halted in November 1999.

To encourage development in the Crossroads of America area, in April 2000 the City exempted improvements in the area from real property taxation for a period of thirty years and provided for payments in lieu of taxes to be made and deposited in a tax equivalent fund, pursuant to Sections 5709.40 and 5709.42 of the Ohio Revised Code. This is a financing technique known as tax increment financing. The Rossford Exempted Village Board of Education and the Penta County Joint Vocational School District are to receive payments in lieu of taxes in the amount that taxes would have been paid to the school district if the improvements had not been exempted from taxation. The balance of funds deposited in the tax equivalent fund shall be used to pay for improvements in the Crossroads area. Improvements are defined as “the construction and installation of infrastructure improvements in the Crossroads of America area of the City, including streets, curbs, gutters, sidewalks, walkways, trails, street lighting, traffic signals, signage, storm drainage, water and sanitary sewer improvements, parking facilities, and the construction of public service buildings necessary for purposes of delivering fire, emergency medical and police services within the Crossroads area and other improvements related thereto, directly benefit or once made will directly benefit properties in the Crossroads.”

In May 2000 the City entered into a tax increment financing agreement with Ramco-Gershenson, Inc., who proposed the development of a 78.7 acre parcel of property consisting of a commercial shopping center located at the northeast corner of US Route 20 and Parkway Boulevard. Stores in the center include Target, Home Depot, Giant Eagle, Linens ‘N Things, Michaels Arts & Crafts, Shoe Carnival, Payless Shoe Source, Bath & Body Works, The Dress Barn and Fashion Bug. Outlot stores include Pier 1 Imports, Pet Supply Plus and Mattress Firm. All of these stores were open by the fall of 2001. Thirteen outlot locations are still available. When all 78.7 acres are developed, Ramco-Gershenson projects 960 employees, with annual payrolls of \$18 million, annual retail sales of \$96 million and annual tax revenues to cities, county, state and local schools to exceed \$9 million. The service payments made by Ramco-Gershenson will be used to pay all costs of public road and storm drainage improvements including the principal and interest on the \$1,900,000 in notes the City borrowed to finance the improvements.

As demonstrated by the cooperative efforts noted herein, the City of Rossford is dedicated to the concept of collective economic development stressing regional cooperation for all of northwest Ohio. The cities of Rossford and Northwood, along with private property owners, the Wood County Economic Development Commission, the Toledo Area Growth Partnership and others have begun a cooperative development effort to market approximately 540 acres of property located adjacent to and near Interstate I-75. The project site, known as Access Pointe, offers opportunities for both light and heavy industrial and office park developments. Interstate Brands constructed a \$27 million Bakery on a 24 acre parcel within a JEDZ between the cities of Rossford and Northwood. The plant employs over 200 and the payroll tax revenue is shared by both cities. State grants were awarded to assist in necessary road improvements, water and sewer extensions to Wales Road and an access road to the site. The cost of these improvements were also shared.

The major employers presently located within the City are Libbey-Owens-Ford Company, Target Corporation, Tamarcken Company (Giant Eagle Grocery Stores), the Rossford Board of Education and Home Depot USA. Many residents are employed at the Chrysler Machining Plant and at several companies located in Ampoint Industrial Park, which is adjacent to the City. Ampoint employers include Crown Cork & Seal, Calphalon Corporation and Owens Community College.

Employee Relations

The City has 37 full-time and approximately 67 part-time employees. A statewide public employee collective bargaining law applies to public employee relations and collective bargaining.

Employees are represented by the following bargaining units:

<u>Bargaining Unit</u>	<u>Agreement Expiration Date</u>	<u>Number of Employees Covered</u>
AFSCME, Ohio Council 8 Local 2954	August 2003	9
MEBA, District 2A	March 2003	18
MEBA, District 2A-Fire (Volunteers)	December 2003	31
OPBA, Rossford, Ohio Unit: Patrol Officers and Command Officers	December 2003	18

Compensation for all other employees is governed by legislative action of City Council. Historically, negotiations and ongoing relations between the City and its employees have been amicable.

Unemployment Rates

According to the Ohio Bureau of Employment services, the 2001 annual average unemployment rate for Wood County was 3.52%, which was significantly below the state unemployment rate of 4.8% and the national unemployment rate of 4.8%.

MAJOR CITY INITIATIVES

Project Funding

During 2001, the City remained focused on improving the quality of life and employment opportunities for its residents and taxpayers. Where possible, the City continues to actively pursue and apply for possible assistance such as State Issue II funds and other federal, state and local grant funds. The City has been very successful in obtaining such funds as evidenced by the State Issue II Grants for Phases I, II, III and IV sewer replacement and the road and bridge widening of Buck Road and I-75. The City has also obtained the Ohio Department of Development Community Housing Improvement Program Grant, the Ohio Department of Public Safety Emergency Medical Services Grant and the COPS Fast Grant and the Ohio Department of Natural Resources, Division of Watercraft Waterways Safety Fund Grant and Clean Vessel Act Grant.

Continuing and Future Projects

In 1996, the City granted a 10 year 100% real estate and personal property tax abatement to Libbey-Owens-Ford Glass Company, the City's largest employer, for a glass furnace replacement project with an estimated cost of over \$80 million. While this project will not increase employment in the City, the company has agreed to retain an employment level of 300, with an annual payroll in excess of \$22 million.

In April 1998, implementing Sections 3735.65 through 3735.70 of the Ohio Revised Code, the City established a Community Reinvestment Area in which the maintenance of existing and construction of new structures will serve to encourage economic stability, maintain real property values and generate new employment opportunities. Exemptions will be granted for up to 100% of the increase in the assessed value for a time limit of up to 15 years for the remodeling of existing structures or construction of new structures. A Tax Review Council was established to review the compliance of all agreements and make written recommendations as to continuing, modifying or terminating said agreements based on the performance of the agreement.

In September 1999, the City was awarded a 24 month \$645,000 Grant from the Ohio Department of Development for a Community Housing Improvement Program (CHIP). Program activities include full rehabilitation services to bring houses up to state residential rehab standards in the form of 0% deferred loans, home repair addressing one or two health or safety concerns in the house in the form of grants and home buyer assistance for down payment and closing costs in the form of 0% deferred loans. Program participants must meet certain low to moderate income limits and work is completed solely by program approved contractors. In 2000 five homes were rehabilitated at a cost of \$87,622, three households were assisted with down payments at a cost of \$15,100 and one home received emergency repairs totaling \$4,755. In 2001 eight homes were rehabilitated at a cost of \$142,775 and two home buyers were assisted with down payments totaling \$10,400.

In August 2000, the City entered into a 20 year road improvements lease-purchase agreement with the TID and issued a \$2,550,000 note to finance the first payment, pursuant to the provisions of Article XVII, Section 3 of the Ohio Constitution. Further lease payments are \$1 per year, ending December 1, 2020. The TID constructed a north-south collector boulevard from the intersection of State Route 795 and Simmons Road which extends south beginning at State Route 795 and ending at US 20 (The Parkway) and the east-west road know as Arena Drive. The cost of the roads are to be paid by the levy and collection of special assessments from the property owners who benefited by the improvements. In consideration of the agreement the TID has agreed to assign 35.84% of the assessments and other amounts connected therewith to the City. The City will use these proceeds to pay the interest and principal of the \$2,550,000 note.

In September 2000, the City entered into a 15 year water system improvements lease-purchase agreement and a 15 year sewer system improvements lease-purchase with the TID and issued two \$300,000 notes to finance the first payments, pursuant to the provisions of Article XVII, Section 3 of the Ohio Constitution. Further lease payments on each are \$1 per year, ending December 1, 2015. The TID acquired and installed approximately 11,653 feet of polyvinyl chloride water main along the west side of The Parkway and the south side of Arena Drive. The water main runs from US 20 to State Route 795 along The Parkway and along Arena Drive from its intersection with The Parkway to Lime City Road and is connected to the Wood County Regional Water and Sewer District and the City's water mains at US 20 and State Route 795, respectively, and dead ends at the Arena Drive/Lime City Road intersection. It also acquired and installed approximately 11,692 feet of polyvinyl and concrete sewer line. Along The Parkway there is approximately 280 feet of 15 inch pipe, 976 feet of 18 inch pipe, 4205 feet of 21 inch pipe and 3,084 feet of 24 inch pipe. Along Arena Drive there is approximately 3,136 feet of 12 inch pipe. The sewer line is connected to an existing City sewer on the north side and is conveying sewage from the south northward. The cost of the water and sewer improvements are to be paid by connection fees, tap-in fees, capacity fees, user fees and other similar fees paid by users of the improvements. In consideration of the agreement the TID has agreed to assign 31.8% of the water and sewer fees and other amounts connected therewith to the City. The City will use these proceeds to pay the interest and principal of the two \$300,000 notes.

FINANCIAL INFORMATION

Internal Control, Budgetary and the Accounting System

Development of the City's accounting system included substantial consideration of the adequacy of the internal accounting controls. Internal accounting controls are designed to provide reasonable but not absolute assurance that:

1. The City's assets are protected against loss, theft or unauthorized use or disposition; and
2. Adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles.

The concept of reasonable assurance states that internal controls should be evaluated applying the following criteria:

1. The expense associated with providing the internal controls should not exceed the benefits likely to be derived from their implementation; and
2. The evaluation of the offsetting costs and benefits involves estimates and judgment by the City administration and the Finance Director's Office.

All internal control evaluations occur within this framework. It is the belief of the administrative and financial management personnel that the City's financial controls adequately safeguard existing assets and provide reasonable assurance of the proper recording of financial transactions. The Finance Director is responsible for the auditing and analysis of all purchase orders and vouchers of the City. The Finance Director carefully reviews requisitions and purchases to ensure the availability of monies in the proper funds and accounts prior to the certification and payment of approved invoices. The City utilizes a fully automated accounting system as well as an automated system of controls for payroll. These systems coupled with the review and examination performed by the Finance Director ensure that the financial information generated is both accurate and reliable.

Budgetary control is maintained at the object level for each department within each fund by legislation approved by City Council. The various objects are:

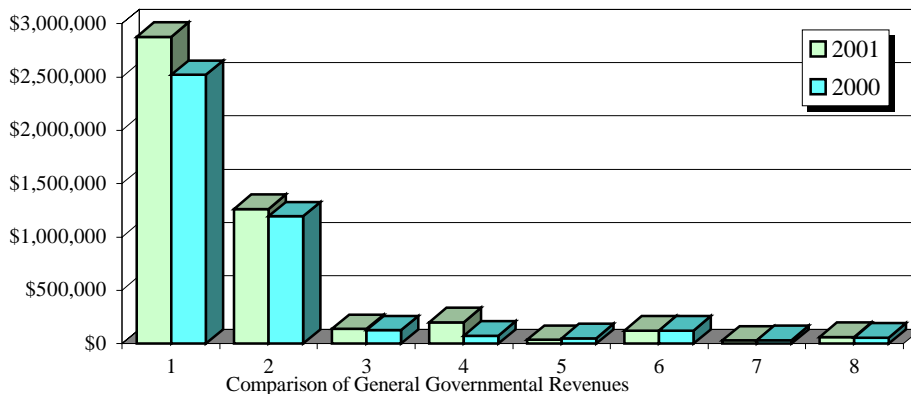
- Personal Services
- Contractual Services
- Other (Miscellaneous)
- Transfers
- Materials and Supplies
- Capital Outlay
- Debt Service:
 - Principal
 - Interest

Lower levels within each object are accounted for and reported internally for management control purposes. Such lower levels are referred to as line items of expenditure. Estimated amounts must be encumbered prior to final approval of purchase orders or other contracts to vendors. Encumbrances in excess of the available object level appropriations are not approved unless additional appropriations are authorized by City Council. Unencumbered appropriations return (lapse) to the unappropriated balances in the individual funds at the end of each fiscal year, which coincides with the calendar year. Appropriations, both original and supplemental, must be authorized by City Council.

General Government Functions

The following schedule presents a summary of general governmental revenues (including general, special revenue and debt service funds) for the years ended December 31, 2001 and 2000, the percentage of total revenues for each year and the amount and percentage of increase/(decrease) in relation to 2000 revenue.

Revenue Source	2001 Total	Percent of Total	2000 Total	Increase (Decrease) over 2000	Percent of Change
1. Taxes	\$2,876,327	60.74%	\$2,519,617	\$356,710	14.16%
2. Intergovernmental Revenues	1,265,406	26.72%	1,194,098	71,308	5.97%
3. Charges for Services	139,019	2.94%	126,297	12,722	10.07%
4. Licenses and Permits	201,775	4.26%	73,834	127,941	173.28%
5. Investment Earnings	36,700	0.78%	49,941	(13,241)	(26.51%)
6. Special Assessments	123,844	2.62%	125,604	(1,760)	(1.40%)
7. Fines and Forfeitures	30,495	0.64%	32,431	(1,936)	(5.97%)
8. All Other Revenues	61,521	1.30%	56,713	4,808	8.48%
Total	<u>\$4,735,087</u>	<u>100.00%</u>	<u>\$4,178,535</u>	<u>\$556,552</u>	



Revenue Narrative

The City's income tax continues to be its primary source of revenue. Ohio law authorizes a municipal income tax on both corporate profits and employee wages at a rate of up to 1.0% without voter authorization, and above 1.0% with voter authorization. In 1961, City Council imposed an income tax at the rate of 0.5%. Subsequent voter authorizations have increased the tax to 1.0% in 1968, 1.5% in 1976 and to the present rate of 2.25% in 1988. The tax is in effect for a continuing period of time. The tax could be reduced or terminated by action of the Council, or by vote of the electors initiated by petition of 10% of the number of electors in the City who voted for the Governor at the last preceding general election for the Office of Governor following initiated ordinance procedures, or 10% of the electors of the City following charter amendment procedures.

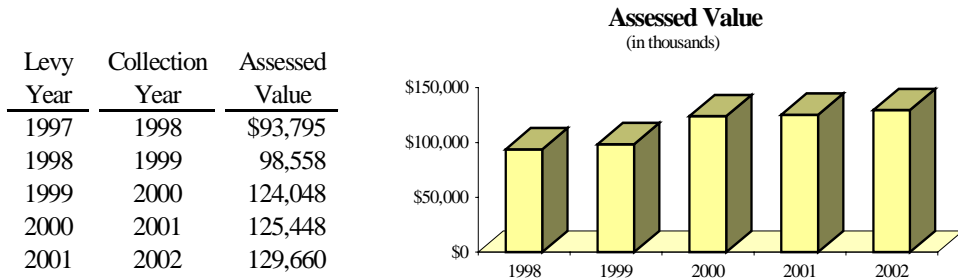
All income tax proceeds are allocated to the General Fund for the current year for general municipal operations and may be allocated to the Capital Improvement Fund or other funds by City Council. Approximately 80% of the City's income tax collected in 2001 was collected through employer withholdings from employee wages. Income tax collections increased 6.66% from 2000 to 2001.

Property taxes are levied and collected by the Wood County Treasurer and remitted periodically to the City by the County Auditor. Property tax rates for the City per \$1,000 of taxable valuation (assessed value of property located within the City, which is approximately 35% of true value) are as follows:

Not Voted:	General Fund Operations	1.80 mils
Voted:	Recreation	0.40
Voted:	Fire Capital Improvement	0.60
Voted:	Permanent Recreation Improvement	0.40

The voted levies were approved in 1999 for an additional five-year period and are subject to renewal in 2004.

Total assessed values in the City over the past five years are shown below:



Investment earnings as a source of revenue do not lend well to year to year comparisons. Percentage increases or decreases in comparison to previous years are not necessarily indicative of future year estimates. Investment earnings decreased by \$13,241 in 2001 primarily because interest rates dropped substantially during the year. The City's investment policies are discussed in more detail later in this letter under the topic "Cash Management."

Intergovernmental revenues include state levied shared taxes consisting primarily of local government assistance provided by the State of Ohio through reimbursement for real and personal property tax reductions, gasoline tax, state levied motor vehicle license tax, inheritance tax, permissive motor vehicle license tax, local government and revenue assistance allocations. These revenues are collected by the State or County and partially redistributed to the City or other political subdivisions. This revenue category also includes grant funds received from either county, state or federal sources. Intergovernmental revenues increased \$71,308 in comparison to 2000 primarily due to an increase in funds received for local government shared revenue in 2001 compared to 2000.

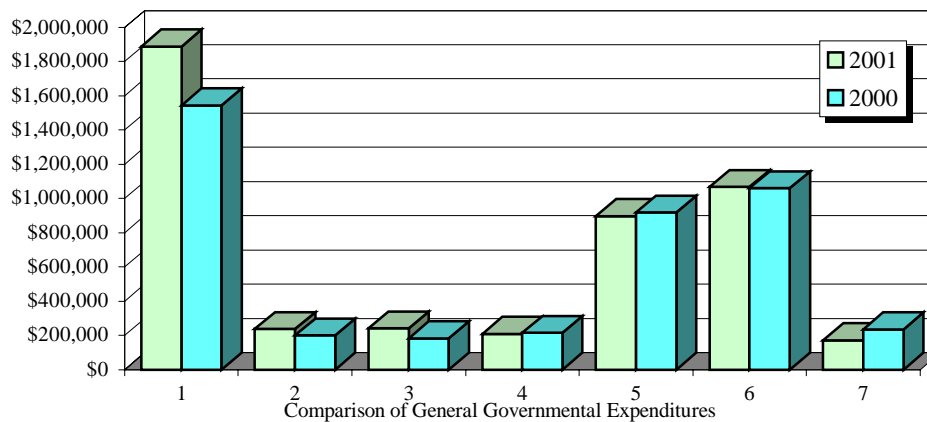
Charges for services include ambulance transports, emergency medical treatment, recreation center membership and program fees, civil service test fees and charges for photo copies. Ambulance fees are billed by an outside collection service and remitted directly to the City. The 2001 increase in charges for services is due to increased collection of ambulance billings.

Licenses and permits are fees received for franchise cablevision, building trade licenses, zoning permits and other fees for plan review, easements and parcel splits. License and permit fees increased \$127,941 from 2000 to 2001 due to easement fees received from the City of Perrysburg for permanent and temporary easements for a Perrysburg sewer line partially located in Rossford.

Expenditure Narrative

Expenditures for general government purposes (including general, special revenue and debt service funds) totaled \$4,709,717, an increase of \$356,332 over 2000. The following schedule presents a summary of general governmental expenditures for the years ended December 31, 2001 and 2000, the percentage of total expenditures for each year and the amount and percentage of increase/(decrease) in relation to 2000 expenditures.

Function	2001 Total	Percent of Total	2000 Total	Increase (Decrease) over 2000	Percent of Change
1. Security of Persons and Property	\$1,887,972	40.09%	\$1,544,121	\$343,851	22.27%
2. Leisure Time Activities	236,888	5.03%	199,381	37,507	18.81%
3. Community Environment	240,586	5.11%	181,898	58,688	32.26%
4. Basic Utility Services	208,181	4.42%	214,569	(6,388)	(2.98%)
5. Transportation	897,282	19.05%	918,062	(20,780)	(2.26%)
6. General Government	1,067,504	22.66%	1,059,887	7,617	0.72%
7. Debt Service	171,304	3.64%	235,467	(64,163)	(27.25%)
Total	<u>\$4,709,717</u>	<u>100.00%</u>	<u>\$4,353,385</u>	<u>\$356,332</u>	



Security of persons and property includes the cost of operations of the Police and Fire Divisions and the cost of street lighting. Leisure time activities include the cost of the Parks Division and the Recreation Center. Community environment is primarily the cost of the CHIP Grant program. Basic utility services include costs related to refuse collection and disposal. Transportation reflects the cost of the Street and Public Works Division.

The majority of the increase in security of persons and property results from the purchase of a new ambulance, the addition of a full time fire chief, police and fire wage increases and the repair of a power meter, generator and fuse box in the police/fire building. Leisure time activities expenses were higher in 2001 because of increases in expenditures for materials, supplies and equipment and the budgeting shift of charging the wages of all part-time employees to Parks and all full-time wages to Recreation. The increase in community environment expenditures is attributable to increased activity in the CHIP Grant Program from 2000 to 2001. The decrease in transportation expenditures is due to lower costs for vehicle purchases, i.e. 2001's flat bed truck versus 2000's dump truck. Increases in general government expenditures were mainly due to wage and fringe benefit increases and decreases in engineering and outside contractor expenses.

Proprietary Operations

Enterprise Funds

The City's enterprise operations include the City's water distribution and wastewater collection system and the marina fund. The City of Toledo provides water and wastewater treatment services. The City of Toledo also bills and collects from customers of the City of Rossford for a contractual fee. They remit the sewer surcharge to the City of Rossford on a quarterly basis. The revenue derived from the surcharge is used to fund maintenance and necessary repairs to the City's sanitary sewer lines.

The majority of the marina revenue is from seasonal dock space rental with the remainder from daily launches and other services.

Certain pertinent data relating to the enterprise operations of the City is presented below.

	Total Assets	Total Equity	Net Income (Loss)	Return on Assets	Return on Equity
Water	\$2,488,998	\$371,015	(\$61,525)	(2.47%)	(16.58%)
Sewer	5,208,740	1,549,526	(11,865)	(0.23%)	(0.77%)
Marina	129,984	127,720	25,016	19.25%	19.59%

Debt Administration

The debt service fund accumulates resources for the payment of principal and interest on the City's long-term debt. Resources are derived from the transfer of tax revenues from the City's General Fund. Prior to issuance of the Community Recreation Center Bond in 1993, the City had not had any outstanding long-term debt for more than a decade. In fact, the debt service fund was created in 1993 to facilitate the accounting for the accumulation of resources to retire the outstanding principal and interest on the Community Recreation Center Bond.

The City's general obligation bond is not rated. The total bonded debt of the City at December 31, 2001 was \$750,000 for the Community Recreation Center, \$1,800,740 for water lines, \$1,519,260 for sewer lines and \$2,000,000 for Capital Projects.

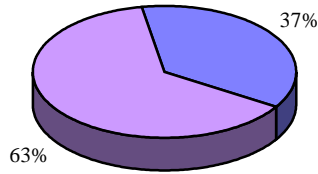
Cash Management

Cash management is a vital component of the City of Rossford's overall financial strategy. The primary objective of the City's investment activity is the preservation of capital and the protection of invested principal. The City pools its cash for maximum investment efficiency.

Public funds are invested to achieve maximum return without assuming unreasonable risk. Investments are diversified to avoid incurring unreasonable risk to a specific type of security or a particular individual financial institution. Portfolio investments remain sufficiently liquid to ensure that all operating requirements are satisfied on a timely basis.

The City's cash resources were invested at December 31, 2001 as follows:

2001		
Cash Resources	2001	Percent
Cash	\$452,888	37%
STAR Ohio	779,314	63%
Total Resources	\$1,232,202	100%



The City earned general governmental interest of \$36,700 on investments for fiscal year 2001. Interest earned was allocated to the General Fund. An additional \$23,959 in interest was earned on capital improvement fund balances.

At December 31, 2001, the City had deposits of \$452,588. Federal depository insurance covered \$129,282 of the bank balance and the rest of the deposits were classified as Category 3. Ohio Law requires that deposits be placed in eligible banks or savings and loan associations located in Ohio. Any public depository in which the City places deposits must pledge as collateral eligible securities of aggregate market value equal to the excess of deposits not insured by the Federal Deposit Insurance Corporation (FDIC). The securities pledged as collateral are pledged to a pool for each individual financial institution in amounts equal to at least 105% of the carrying value of all public deposits held by each institution. Obligations that may be pledged as collateral are limited to obligations of the United States and its agencies and obligations of any state, county, municipal corporation or other legally constituted authority of any other state or any instrumentality of such county, municipal corporation or other authority. Based upon criteria described in GASB Statement No. 3, "*Deposits With Financial Institutions, Investments (including Repurchase Agreements) and Reverse Repurchase Agreements*," collateral held in single financial collateral pools with securities being held by the pledging financial institution's agent in the pool's name are classified as Category 3 (see Note 5 of the financial statements). All deposits are made under contracts with local banking institutions pursuant to statute.

Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. The proactive approach that the City employs in its ongoing operation is reflected in the composition of the City's insurance and favorable loss experience.

The City has contracted with Ohio Government Risk Management for all liability including bodily injury, personal injury, property damage, police and fire liability, boiler and machinery and public officials.

Deductible levels have been selected so as not to expose the City to excessive "first dollar" claims. Deductibles for property and coverage are:

	<u>Occurrence Limits</u>	<u>Aggregate Limit</u>	<u>Deductible</u>
Property	\$5,550,120	\$5,550,120	\$1,000
Liability	5,000,000	7,000,000	
Wrongful Acts	5,000,000	7,000,000	2,500
Law Enforcement	5,000,000	6,000,000	2,500
Automobile	5,000,000		100/1,000
Bond	100,000		
Crime	2,500		
Inland Marine	579,300		500
Fire Vehicle	1,202,000		100
Electronic Data Processing	101,521		500

OTHER INFORMATION

Independent Audit

The general purpose financial statements of the City of Rossford were audited by Clark Johnson & Robson, CPAs. The independent auditors' unqualified opinion has been included in this report.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Rossford, Ohio for its comprehensive annual financial report for the fiscal year ended December 31, 2000. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government finance 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 reports 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 Rossford has received a Certificate of Achievement for the fiscal years ended 1994 - 2000. We believe that this, our eighth Comprehensive Annual Financial Report, meets the high standards set by GFOA for a Certificate of Achievement for Excellence in Financial Reporting, and we are submitting it to GFOA.

Public Disclosure

The publication of this report represents an important achievement in the ability of the City of Rossford to provide significantly enhanced financial information and accountability to the citizens, its elected officials, City administration and investors. In addition to the citizens of Rossford, the recipients of this report will include city, state and federal officials, schools, libraries, newspapers, investment banking firms, banks and rating agencies. The report is made available to any person or organization requesting it. The extensive effort to prepare and distribute this report is indicative of the continued efforts of the City to improve its overall financial accounting, management and reporting capabilities.


Acknowledgments

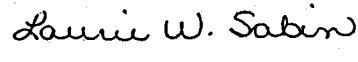
Sincere appreciation is extended to the individuals who have contributed their time and effort in gathering data for this report, particularly the staff of the Finance Department and the Office of the Auditor of Wood County.

Special acknowledgment is extended to the staff of Donald J. Schonhardt and Associates, Inc. for their continued guidance in the preparation of this report.

Finally, special thanks to Mayor Mark G. Zuchowski, the members of the Rossford City Council and the City Administration whose support is necessary for the City of Rossford to conform to reporting requirements established for municipal governments to maintain the financial position that the City has enjoyed for many years.

Respectfully,


Vincent H. Langevin
City Administrator


Laurie W. Sabin
Finance Director

THE CITY OF ROSSFORD, OHIO
LIST OF PRINCIPAL OFFICIALS
AS OF DECEMBER 31, 2001

SELECTED OFFICIAL

<u>NAME</u>	<u>OFFICE</u>	<u>TERM EXPIRES</u>	<u>YEARS IN OFFICE</u>	<u>SURETY</u>
Mark G. Zuchowski	Mayor	11/30/2003	8	A
William Verbosky	Council President	11/30/2005	2	A
Robert Watrol	Council Member	11/30/2003	13	A
Chuck Duricek	Council Member	11/30/2003	2	A
Molly Jakubec	Council Member	11/30/2005	15	A
James Richards	Council Member	11/30/2005	0	A
Gregory Marquette	Council Member	11/30/2003	2	A
Richard Kovach	Council Member	11/30/2005	4	A
Kenneth Hermes	Treasurer (appointed)	11/30/2005	3	A, B

ADMINISTRATIVE PERSONNEL

<u>NAME</u>	<u>OFFICE</u>	<u>TERM EXPIRES</u>	<u>YEARS OF SERVICE</u>	<u>SURETY</u>
Vincent H. Langevin	City Administrator	Indefinite	9	A, B
Laurie Sabin	Director of Finance	Indefinite	3	A, B
David Jones	Superintendent of Public Works	Indefinite	20	A
Patricia Sloan	Director of Recreation	Indefinite	20	A
Dennis Foy, Sr.	Police Chief	Indefinite	2	A
James Verbosky	Fire Chief	Indefinite	3	A
Keith Wilkowski	Director of Law	11/30/2003	4	A
Edward Tucholski	Clerk of Council	11/30/2003	24	A

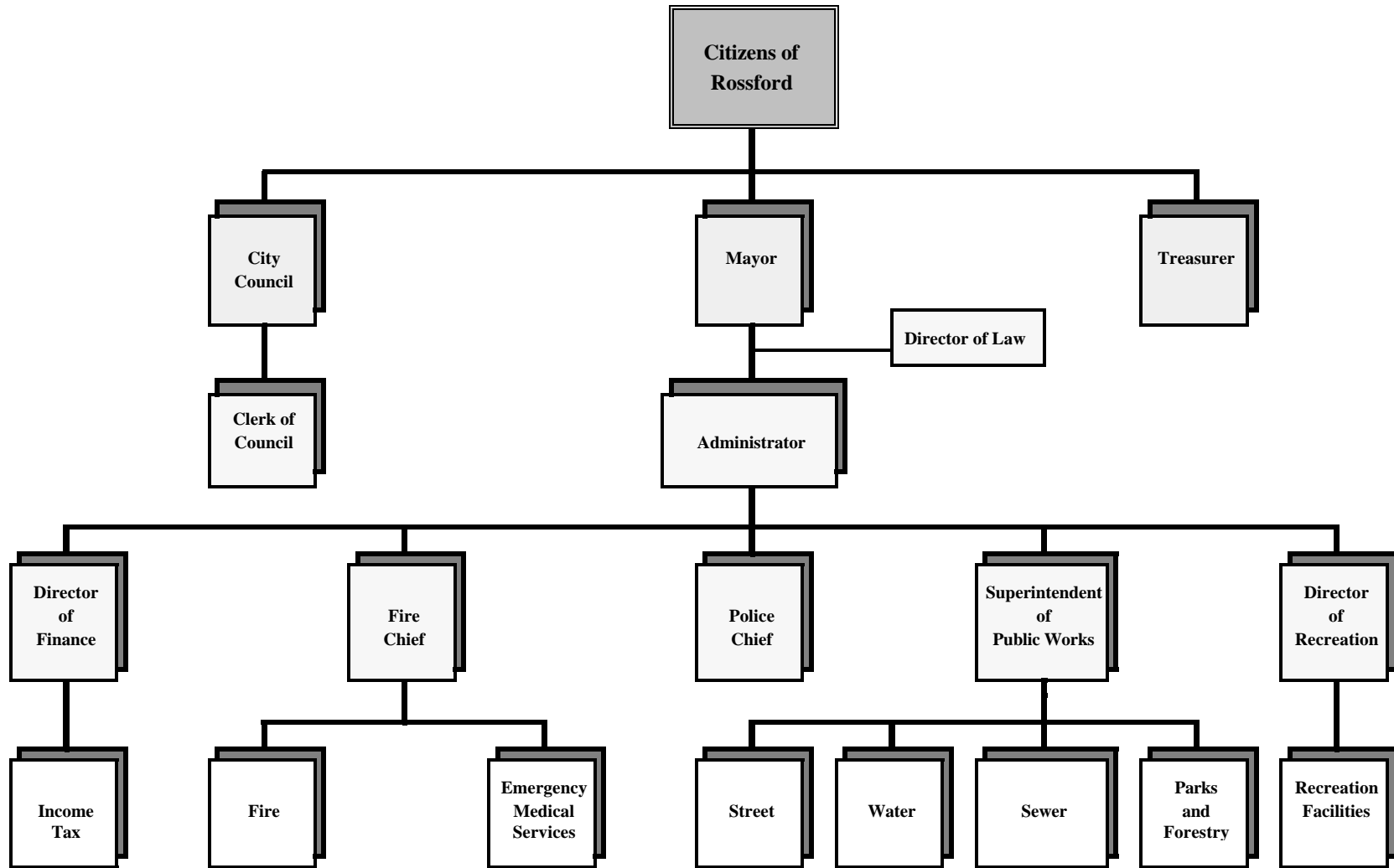
(A) Public Officials \$5 million per occurrence, \$6 million aggregate general liability.

(B) Public Official Bond - \$100,000.

Insurance term: September 5, 2001 through September 5, 2002

The City of Rossford, Ohio

Organizational Chart



Boards and Commissions

Board of Zoning Appeals
 Recreation Board
 Municipal Planning Commission

Civil Service Commission
 City Tree Commission
 Records Retention Commission

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Rossford,
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2000

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.



Thomas D. Erwin
President

Jeffrey L. Esler
Executive Director

FINANCIAL SECTION

CLARK JOHNSON & ROBSON

Certified Public Accountants
7854 West Central Avenue, Toledo, OH 43617

Independent Auditors' Report

The Honorable Mayor and
Members of Council
City of Rossford, Ohio

We have audited the accompanying general purpose financial statements of the City of Rossford, Wood County, as of and for the year ended December 31, 2001 as listed in the table of contents. These general purpose financial statements are the responsibility of the City of Rossford'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 general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

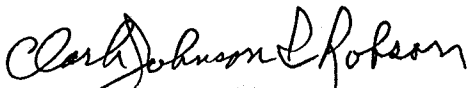
In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the City of Rossford, as of December 31, 2001, and the results of its operations and cash flows of its proprietary fund types for the year then ended in conformity with accounting principles generally accepted in the United States of America .

The accompanying financial statements have been prepared assuming the Rossford Arena Amphitheater Authority (a discretely presented component unit) will continue as a going concern. As discussed in Note 2, the Authority has been unable to pay debt obligations when due. Accordingly, there is substantial doubt about its ability to continue as a going concern. Management's plans in regards to these matters are also discussed in Note 2. The Rossford Arena Amphitheater Authority's financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining and individual fund and account financial statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the City of Rossford. Such information has been subjected 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.

In accordance with *Government Auditing Standards*, we have also issued reports dated June 14, 2002 on our consideration of the City of Rossford's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants. Those reports are 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 did not audit the introductory and statistical information as listed in the table of contents and therefore express no opinion on either.



Clark Johnson & Robson
June 14, 2002



GENERAL PURPOSE FINANCIAL STATEMENTS

THE FOLLOWING GENERAL PURPOSE FINANCIAL STATEMENTS, ALONG WITH THE NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS, PRESENT AN OVERVIEW OF THE CITY'S FINANCIAL POSITION AT DECEMBER 31, 2001 AND THE RESULTS OF OPERATIONS AND CASH FLOWS OF ITS PROPRIETARY FUNDS FOR THE YEAR THEN ENDED.

THE CITY OF ROSSFORD, OHIO
COMBINED BALANCE SHEET
ALL FUND TYPES AND ACCOUNT GROUPS
AND DISCRETELY PRESENTED COMPONENT UNIT
DECEMBER 31, 2001

	<u>Governmental Fund Types</u>			<u>Proprietary</u>	<u>Fiduciary</u>	<u>Account Groups</u>		<u>Component</u>	
	<u>General</u>	<u>Special</u>	<u>Capital</u>	<u>Fund Type</u>	<u>Fund Type</u>	<u>General</u>	<u>General</u>	Totals Primary	Rossford Arena
	<u>Fund</u>	<u>Revenue</u>	<u>Projects</u>	<u>Enterprise</u>	<u>Agency</u>	<u>Fixed</u>	<u>Long-Term</u>	Government	Amphitheater
		<u>Funds</u>	<u>Funds</u>	<u>Funds</u>	<u>Fund</u>	<u>Assets</u>	<u>Obligations</u>	(Memorandum	Authority
								Only)	
<u>Assets and Other Debits:</u>									
Assets:									
Cash and Cash Equivalents	\$127,848	\$88,215	\$604,439	\$411,216	\$0	\$0	\$0	\$1,231,718	\$5,898
Receivables (net of allowance for doubtful accounts):									
Taxes	839,619	45,627	114,068	0	0	0	0	999,314	0
Accounts	195,851	0	0	0	0	0	0	195,851	0
Special Assessments	139,594	326	2,973,048	0	0	0	0	3,112,968	0
Interfund Loan Receivable	0	0	0	80,000	0	0	0	80,000	0
Intergovernmental Receivables	494,377	110,045	5,230	345,288	0	0	0	954,940	0
Inventory of Supplies at Cost	0	18,868	0	0	0	0	0	18,868	0
Prepaid Items	57,628	0	0	0	0	0	0	57,628	0
Restricted Assets:									
Cash and Cash Equivalents	0	0	0	0	484	0	0	484	0
Fixed Assets (net of accumulated depreciation)	0	0	0	6,991,218	0	6,447,700	0	13,438,918	5,162,462
Construction in Progress	0	0	0	0	0	0	0	0	13,876,951
Other Debits:									
Amount to be Provided for General Long-Term Obligations	0	0	0	0	0	0	3,644,426	3,644,426	0
Total Assets and Other Debits	<u>\$1,854,917</u>	<u>\$263,081</u>	<u>\$3,696,785</u>	<u>\$7,827,722</u>	<u>\$484</u>	<u>\$6,447,700</u>	<u>\$3,644,426</u>	<u>\$23,735,115</u>	<u>\$19,045,311</u>

(Continued)

THE CITY OF ROSSFORD, OHIO
COMBINED BALANCE SHEET
ALL FUND TYPES AND ACCOUNT GROUPS
AND DISCRETELY PRESENTED COMPONENT UNIT
DECEMBER 31, 2001

	<u>Governmental Fund Types</u>			<u>Proprietary Fund Type</u>	<u>Fiduciary Fund Type</u>	<u>Account Groups</u>		<u>Component Unit</u>	
	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Capital Projects Funds</u>	<u>Enterprise Funds</u>	<u>Agency Fund</u>	<u>General Fixed Assets</u>	<u>General Long-Term Obligations</u>	<u>Totals Primary Government (Memorandum Only)</u>	<u>Rossford Arena Amphitheater Authority</u>
Liabilities, Equity and Other Credits:									
Liabilities:									
Accounts Payable	\$194,375	\$84,744	\$166,087	\$36,847	\$0	\$0	\$0	\$482,053	\$5,892,801
Retainage Payable	0	0	0	0	0	0	0	0	502,492
Accrued Wages and Benefits	210,782	23,737	0	7,106	0	0	0	241,625	0
Interfund Loan Payable	80,000	0	0	0	0	0	0	80,000	0
Due to Others	0	0	0	0	484	0	0	484	0
Accrued Interest Payable	0	0	116,268	33,087	0	0	0	149,355	1,427,629
Deferred Revenue	819,997	117,638	3,087,116	0	0	0	0	4,024,751	0
General Obligation Notes Payable	0	0	4,700,000	600,000	0	0	0	5,300,000	0
Compensated Absences Payable	0	0	0	0	0	0	195,377	195,377	0
Capital Leases Payable	0	0	0	0	0	0	268,640	268,640	0
Loans Payable	0	0	0	0	0	0	0	0	11,025,953
Landfill Postclosure Care	0	0	0	0	0	0	430,409	430,409	0
General Obligation Bonds Payable	0	0	0	3,320,000	0	0	2,750,000	6,070,000	0
Ohio Public Works Commission Loan	0	0	0	84,505	0	0	0	84,505	0
Ohio Water Development Authority Loan Payable	0	0	0	1,697,916	0	0	0	1,697,916	0
Total Liabilities	1,305,154	226,119	8,069,471	5,779,461	484	0	3,644,426	19,025,115	18,848,875
Equity and Other Credits:									
Investment in General Fixed Assets	0	0	0	0	0	6,447,700	0	6,447,700	0
Contributed Capital	0	0	0	3,527,558	0	0	0	3,527,558	0
Retained Earnings/Accumulated Deficit	0	0	0	(1,479,297)	0	0	0	(1,479,297)	196,436
Fund Balances:									
Reserved for Encumbrances	26,929	3,042	174,735	0	0	0	0	204,706	0
Reserved for Supplies Inventory	0	18,868	0	0	0	0	0	18,868	0
Reserved for Prepaid Items	57,628	0	0	0	0	0	0	57,628	0
Undesignated	465,206	15,052	(4,547,421)	0	0	0	0	(4,067,163)	0
Total Equity and Other Credits	549,763	36,962	(4,372,686)	2,048,261	0	6,447,700	0	4,710,000	196,436
Total Liabilities, Equity and Other Credits	\$1,854,917	\$263,081	\$3,696,785	\$7,827,722	\$484	\$6,447,700	\$3,644,426	\$23,735,115	\$19,045,311

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



THE CITY OF ROSSFORD, OHIO
COMBINED STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUND TYPES
YEAR ENDED DECEMBER 31, 2001

	<i>Governmental Fund Types</i>				Totals (Memorandum Only)
	General	Special	Debt	Capital	
	Fund	Revenue Funds	Service Fund	Projects Funds	
Revenues:					
Taxes	\$2,840,583	\$35,744	\$0	\$89,360	\$2,965,687
Intergovernmental Revenues	790,061	475,345	0	10,369	1,275,775
Charges for Services	56,213	82,806	0	0	139,019
Licenses and Permits	201,775	0	0	0	201,775
Investment Earnings	36,700	0	0	23,959	60,659
Special Assessments	119,405	4,439	0	149,879	273,723
Fines and Forfeitures	29,405	1,090	0	0	30,495
All Other Revenues	23,322	38,199	0	9,399	70,920
Total Revenues	4,097,464	637,623	0	282,966	5,018,053
Expenditures:					
Current:					
Security of Persons and Property	1,884,504	3,468	0	0	1,887,972
Leisure Time Activities	40,342	196,546	0	0	236,888
Community Environment	0	240,586	0	0	240,586
Basic Utility Services	208,181	0	0	0	208,181
Transportation	521,583	375,699	0	0	897,282
General Government	1,067,504	0	0	0	1,067,504
Capital Outlay	0	0	0	1,360,741	1,360,741
Debt Service:					
Principal Retirement	25,545	9,009	90,000	0	124,554
Interest and Fiscal Charges	5,014	131	41,605	444,241	490,991
Total Expenditures	3,752,673	825,439	131,605	1,804,982	6,514,699
Excess (Deficiency) of Revenues Over (Under) Expenditures	344,791	(187,816)	(131,605)	(1,522,016)	(1,496,646)
Other Financing Sources (Uses):					
Proceeds from General Obligation Bonds	0	0	0	2,000,000	2,000,000
Operating Transfers In	52,953	169,532	131,605	152,212	506,302
Operating Transfers Out	(455,586)	(4,439)	0	(48,514)	(508,539)
Other Financing Sources - Capital Leases	150,000	0	0	0	150,000
Total Other Financing Sources (Uses)	(252,633)	165,093	131,605	2,103,698	2,147,763
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	92,158	(22,723)	0	581,682	651,117
Restated Fund Balance (Deficit) Beginning of Year	457,605	46,376	0	(4,954,368)	(4,450,387)
Increase in Inventory Reserve	0	13,309	0	0	13,309
Fund Balance (Deficit) End of Year	\$549,763	\$36,962	\$0	(\$4,372,686)	(\$3,785,961)

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

THE CITY OF ROSSFORD, OHIO
COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2001

	<u>General Fund</u>			<u>Special Revenue Funds</u>		
	Revised Budget	Actual	Variance: Favorable (Unfavorable)	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:						
Taxes	\$3,685,138	\$2,720,640	(\$964,498)	\$45,557	\$35,744	(\$9,813)
Intergovernmental Revenues	842,898	790,887	(52,011)	773,331	483,804	(289,527)
Charges for Services	35,400	61,388	25,988	74,000	82,806	8,806
Licenses and Permits	51,000	73,435	22,435	0	0	0
Investment Earnings	50,000	37,800	(12,200)	0	0	0
Special Assessments	120,000	119,405	(595)	0	4,439	4,439
Fines and Forfeitures	28,100	29,405	1,305	1,500	1,090	(410)
All Other Revenues	11,500	23,322	11,822	48,120	38,199	(9,921)
Total Revenues	<u>4,824,036</u>	<u>3,856,282</u>	<u>(967,754)</u>	<u>942,508</u>	<u>646,082</u>	<u>(296,426)</u>
Expenditures:						
Current:						
Security of Persons and Property	1,991,685	1,842,289	149,396	5,000	3,468	1,532
Leisure Time Activities	54,146	43,783	10,363	223,293	193,455	29,838
Community Environment	0	0	0	470,883	229,239	241,644
Basic Utility Services	227,000	208,181	18,819	0	0	0
Transportation	535,722	511,266	24,456	463,535	389,765	73,770
General Government	1,192,415	1,055,981	136,434	0	0	0
Capital Outlay	0	0	0	0	0	0
Debt Service:						
Principal Retirement	25,545	25,545	0	9,009	9,009	0
Interest and Fiscal Charges	5,014	5,014	0	131	131	0
Total Expenditures	<u>4,031,527</u>	<u>3,692,059</u>	<u>339,468</u>	<u>1,171,851</u>	<u>825,067</u>	<u>346,784</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	792,509	164,223	(628,286)	(229,343)	(178,985)	50,358
Other Financing Sources (Uses):						
Proceeds from General Obligation Notes	0	0	0	0	0	0
Proceeds from General Obligation Bonds	0	0	0	0	0	0
Operating Transfers In	63,448	52,953	(10,495)	269,696	169,532	(100,164)
Operating Transfers Out	(834,635)	(455,586)	379,049	(4,439)	(4,439)	0
Advances In	67,545	30,000	(37,545)	0	0	0
Other Financing Sources - Capital Leases	150,000	150,000	0	0	0	0
Total Other Financing Sources (Uses)	<u>(553,642)</u>	<u>(222,633)</u>	<u>331,009</u>	<u>265,257</u>	<u>165,093</u>	<u>(100,164)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	238,867	(58,410)	(297,277)	35,914	(13,892)	(49,806)
Fund Balance at Beginning of Year	27,807	27,807	0	34,595	34,595	0
Prior Year Encumbrances	65,979	65,979	0	28,118	28,118	0
Fund Balance at End of Year	<u>\$332,653</u>	<u>\$35,376</u>	<u>(\$297,277)</u>	<u>\$98,627</u>	<u>\$48,821</u>	<u>(\$49,806)</u>

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

THE CITY OF ROSSFORD, OHIO
COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2001

<i>Debt Service Fund</i>			<i>Capital Projects Funds</i>			<i>Totals</i> <i>(Memorandum Only)</i>		
Revised Budget	Actual	Variance: Favorable (Unfavorable)	Revised Budget	Actual	Variance: Favorable (Unfavorable)	Revised Budget	Actual	Variance: Favorable (Unfavorable)
\$0	\$0	\$0	\$113,643	\$89,360	(\$24,283)	\$3,844,338	\$2,845,744	(\$998,594)
0	0	0	5,000	10,268	5,268	1,621,229	1,284,959	(336,270)
0	0	0	70,332	0	(70,332)	179,732	144,194	(35,538)
0	0	0	0	0	0	51,000	73,435	22,435
0	0	0	207,400	23,959	(183,441)	257,400	61,759	(195,641)
0	0	0	241,911	149,879	(92,032)	361,911	273,723	(88,188)
0	0	0	0	0	0	29,600	30,495	895
0	0	0	0	9,399	9,399	59,620	70,920	11,300
0	0	0	638,286	282,865	(355,421)	6,404,830	4,785,229	(1,619,601)
0	0	0	0	0	0	1,996,685	1,845,757	150,928
0	0	0	0	0	0	277,439	237,238	40,201
0	0	0	0	0	0	470,883	229,239	241,644
0	0	0	0	0	0	227,000	208,181	18,819
0	0	0	0	0	0	999,257	901,031	98,226
0	0	0	0	0	0	1,192,415	1,055,981	136,434
0	0	0	2,273,817	1,841,617	432,200	2,273,817	1,841,617	432,200
90,000	90,000	0	6,616,500	6,616,500	0	6,741,054	6,741,054	0
41,605	41,605	0	382,525	374,825	7,700	429,275	421,575	7,700
131,605	131,605	0	9,272,842	8,832,942	439,900	14,607,825	13,481,673	1,126,152
(131,605)	(131,605)	0	(8,634,556)	(8,550,077)	84,479	(8,202,995)	(8,696,444)	(493,449)
0	0	0	4,435,000	5,632,000	1,197,000	4,435,000	5,632,000	1,197,000
0	0	0	931,000	1,916,500	985,500	931,000	1,916,500	985,500
131,605	131,605	0	203,566	152,212	(51,354)	668,315	506,302	(162,013)
0	0	0	(59,009)	(48,514)	10,495	(898,083)	(508,539)	389,544
0	0	0	0	0	0	67,545	30,000	(37,545)
0	0	0	0	0	0	150,000	150,000	0
131,605	131,605	0	5,510,557	7,652,198	2,141,641	5,353,777	7,726,263	2,372,486
0	0	0	(3,123,999)	(897,879)	2,226,120	(2,849,218)	(970,181)	1,879,037
0	0	0	378,695	378,695	0	441,097	441,097	0
0	0	0	858,830	858,830	0	952,927	952,927	0
\$0	\$0	\$0	(\$1,886,474)	\$339,646	\$2,226,120	(\$1,455,194)	\$423,843	\$1,879,037

THE CITY OF ROSSFORD, OHIO
COMBINED STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN RETAINED EARNINGS/ACCUMULATED DEFICIT
PROPRIETARY FUND TYPE AND DISCRETELY PRESENTED COMPONENT UNIT
FOR THE YEAR ENDED DECEMBER 31, 2001

	<u>Proprietary Fund Type</u>	<u>Component Unit</u>
	<u>Enterprise Funds</u>	<u>Rossford Arena Amphitheater Authority</u>
<u>Operating Revenues:</u>		
Charges for Services	\$852,363	\$4,800
Other Operating Revenues	11,672	0
Total Operating Revenues	<u>864,035</u>	<u>4,800</u>
<u>Operating Expenses:</u>		
Personal Services	102,361	0
Materials and Supplies	53,025	215
Contractual Services	193,844	44,100
Depreciation	183,715	0
Other Operating Expenses	1,056	6,957
Total Operating Expenses	<u>534,001</u>	<u>51,272</u>
Operating Income (Loss)	330,034	(46,472)
<u>Nonoperating Revenues (Expenses):</u>		
Investment Earnings	0	45
Interest and Fiscal Charges	(380,645)	0
Total Nonoperating Revenues (Expenses)	<u>(380,645)</u>	<u>45</u>
Loss Before Operating Transfers	(50,611)	(46,427)
<u>Operating Transfers:</u>		
Operating Transfers In	2,237	0
Total Operating Transfers	<u>2,237</u>	<u>0</u>
Net Loss	(48,374)	(46,427)
Retained Earnings/		
Accumulated Deficit at Beginning of Year	(1,430,923)	242,863
Retained Earnings/Accumulated Deficit at End of Year	<u>(\$1,479,297)</u>	<u>\$196,436</u>

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

THE CITY OF ROSSFORD, OHIO
COMBINED STATEMENT OF CASH FLOWS
PROPRIETARY FUND TYPE AND DISCRETELY PRESENTED COMPONENT UNIT
FOR THE YEAR ENDED DECEMBER 31, 2001

	<i>Proprietary Fund Type</i>	<i>Component Unit</i>
	Enterprise Funds	Rossford Arena Amphitheater Authority
<u>Cash Flows from Operating Activities:</u>		
Cash Received from Customers	\$701,171	\$4,800
Cash Payments for Goods and Services	(224,329)	(521)
Cash Payments to Employees	(98,653)	0
Net Cash Provided by Operating Activities	378,189	4,279
<u>Cash Flows from Noncapital Financing Activities:</u>		
Transfers In from Other Funds	2,237	0
Advances Out to Other Funds	(30,000)	0
Net Cash Used by Noncapital Financing Activities	(27,763)	0
<u>Cash Flows from Capital and Related Financing Activities:</u>		
Proceeds from the General Obligation Notes	600,000	0
Proceeds from General Obligation Bonds	3,320,000	0
Principal Paid on General Obligation Notes	(3,798,500)	0
Principal Paid on Ohio Water Development Authority Loans	(78,007)	0
Principal Paid on Ohio Public Works Commission Loan	(9,390)	0
Interest Paid on All Debt	(378,178)	0
Acquisition and Construction of Assets	(8,879)	0
Net Cash Used by Capital and Related Financing Activities	(352,954)	0
<u>Cash Flows from Investing Activities:</u>		
Receipts of Interest	0	45
Sale of Investments	42,861	0
Net Cash Provided by Investing Activities	42,861	45
Net Increase in Cash and Cash Equivalents	40,333	4,324
Cash and Cash Equivalents at Beginning of Year	370,883	1,574
Cash and Cash Equivalents at End of Year	\$411,216	\$5,898
<u>Reconciliation of Operating Income (Loss) to Net Cash</u>		
<u>Provided by Operating Activities:</u>		
Operating Income (Loss)	\$330,034	(\$46,472)
Adjustments to Reconcile Operating Income (Loss) to		
Net Cash Provided by Operating Activities:		
Depreciation Expense	183,715	0
Changes in Assets and Liabilities:		
Increase in Intergovernmental Receivables	(162,864)	0
Increase in Accounts Payable	27,350	50,751
Decrease in Intergovernmental Payables	(3,769)	0
Increase in Accrued Wages and Benefits	3,723	0
Total Adjustments	48,155	50,751
Net Cash Provided by Operating Activities	\$378,189	\$4,279

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

THE CITY OF ROSSFORD, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
DECEMBER 31, 2001

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Rossford, Ohio (the "City") is a home-rule municipal corporation created under the laws of the State of Ohio. The City operates under its own Charter. The current Charter, which provides for a Mayor/Administrator form of government, was adopted in 1970 and became effective in 1971.

The accompanying general purpose financial statements of the City present the financial position of the various fund types and account groups, the results of operations of the various fund types and the cash flows of the proprietary funds. The financial statements are presented as of December 31, 2001 and for the year then ended and have been prepared in conformity with generally accepted accounting principles (GAAP) applicable to local governments. The Governmental Accounting Standards Board (the "GASB") is the standard-setting body for establishing governmental accounting and financial reporting principles, which are primarily set forth in the GASB's Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification).

A. Reporting Entity

The accompanying general purpose financial statements comply with the provisions of GASB Statement No. 14, "*The Financial Reporting Entity*," in that the financial statements include all organizations, activities, functions and component units for which the City (the primary government) is financially accountable. Financial accountability is defined as the appointment of a voting majority of a legally separate organization's governing body and either (1) the City's ability to impose its will over the organization, or (2) the potential that the organization will provide a financial benefit to or impose a financial burden on the City.

Based on the foregoing, the City's financial reporting includes all funds, account groups, agencies, boards and commissions that are part of the primary government, which include the following services: police and fire protection, recreation, street maintenance and general administrative services. The City also operates a water distribution, wastewater collection system and a marina as enterprise funds. Water and wastewater treatment services are provided by the City of Toledo.

Joint Venture without Equity Interest

Rossford Transportation Improvement District:

In May 1997, the Wood County Commissioners approved formation of the Rossford Transportation Improvement District (TID) as permitted under Chapter 5540 of the Ohio Revised Code. The TID is a component unit of Wood County and is governed by a board of trustees consisting of the following members: five members appointed by the board of county commissioners, one nonvoting member appointed by the speaker of the house of representatives of the general assembly and one nonvoting member appointed by the president of the senate of the general assembly. It is empowered to provide for the construction, improvement, alteration or repair of any road, highway, public place or other infrastructure within the limits of the City and to issue bonds. See Note 22 "Joint Venture."

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. Reporting Entity (Continued)

Jointly Governed Organization

Rossford/Perrysburg Township Joint Economic Development Authority/Port Authority: In December 1998, the Rossford/Perrysburg Township Joint Economic Development Authority/Port Authority (JEDA/Port Authority) was created jointly with Perrysburg Township, pursuant to Ohio Revised Code Sections 4582.21 to 4582.59. The JEDA/Port Authority was created for the benefit of the people of the State of Ohio. Its jurisdiction includes all of the area of the City of Rossford and all of the unincorporated area of Perrysburg Township. The JEDA/Port Authority has five directors, two appointed by the City of Rossford, two appointed by Perrysburg Township and one jointly appointed by the City of Rossford and Perrysburg Township. The directors appointed by the City are appointed by the mayor subject to the approval of the Council, but the City's accountability for the JEDA/Port Authority does not extend beyond making the appointments.

The accounting policies and financial reporting practices of the City conform to generally accepted accounting principles as applicable to governmental units. The following is a summary of its significant accounting policies:

B. Basis of Presentation - Fund Accounting

The accounting system is organized and operated on the basis of funds and 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 various funds are summarized by type in the general purpose financial statements. The following fund types and account groups are used by the City:

Governmental Funds - The funds through which most governmental functions are typically financed are the governmental funds. The acquisition, use and balances of the City's expendable financial resources and the related current liabilities (except those accounted for in the proprietary funds) are accounted for through governmental funds. The measurement focus is upon determination of "financial flow" (sources, uses and balances of financial resources). The following are the City's governmental fund types:

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

Special Revenue Funds - These funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditure for specified purposes.

Debt Service Fund - This fund is used for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation - Fund Accounting (Continued)

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

Proprietary Funds

Enterprise Funds - These funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, whereby the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The proprietary funds are accounted for on an "economic resources" measurement focus. This measurement focus provides that all assets and liabilities associated with the operation of the proprietary funds are included on the balance sheet. Fund equity (i.e., net assets) is segregated into contributed capital and retained earnings components. The proprietary fund operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net total assets.

Fiduciary Fund

Agency Fund - This fund is used to account for assets held by a government unit as an agent for individuals, private organizations, other governmental units and/or other funds. The City maintains one agency fund. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Account Groups

To make a clear distinction between fixed assets related to specific funds and those of general government and between long-term liabilities related to specific funds and those of a general nature, the following account groups are used:

General Fixed Assets Account Group - This account group is established to account for fixed assets of the City other than those accounted for in the proprietary funds.

General Long-Term Obligations Account Group - This account group is established to account for all long-term debt and other long-term liabilities of the City except those accounted for in the proprietary funds.

C. Basis of Accounting

Basis of accounting represents the methodology utilized in the recognition of revenues and expenditures or expenses reported in the financial statements. The accounting and reporting treatment applied to a fund is determined by its measurement focus.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Accounting (Continued)

The modified accrual basis of accounting is followed by the governmental funds and the agency fund. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. The term "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, which for the City is 60 days after year end. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt which is recognized when due.

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

Revenues considered susceptible to accrual at year end include income taxes withheld by employers, interest on investments, and state levied locally shared taxes (including motor vehicle license fees, and local government assistance). Other revenues, including licenses, permits, certain charges for services, income taxes other than those withheld by employers and miscellaneous revenues, are recorded as revenue when received in cash because generally these revenues are not measurable until received.

Special assessment installments which are measurable, but not available at December 31, are recorded as deferred revenue. Property taxes measurable as of December 31, 2001 but which are not intended to finance 2001 operations and delinquent property taxes, whose availability is indeterminate, are recorded as deferred revenue as further described in Note 6, "Taxes."

The accrual basis of accounting is utilized for reporting purposes by the proprietary funds. Revenues are recognized when they are earned and expenses when incurred.

Pursuant to GASB Statement No. 20, "*Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that use Proprietary Fund Accounting*," the City follows GASB guidance as applicable to proprietary funds and FASB Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins issued on or before November 30, 1989 that do not conflict with or contradict GASB pronouncements.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Budgetary Process

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources and the appropriations ordinance, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriations resolution are subject to amendment throughout the year.

All funds other than agency funds are legally required to be budgeted and appropriated; however, only governmental funds are required to be reported. The legal level of budgetary control is by fund at the major object level (personal services, materials and supplies, contractual services, capital outlay and transfers) by department. Budgetary control is maintained by not permitting expenditures to exceed appropriations at the major object level for each department within each fund without the approval of City Council. Administrative control is maintained through the establishment of more detailed line-item budgets. Budgetary modifications may only be made by ordinance of the City Council. During 2001, all appropriations were approved as required and all funds and departments completed the year within the legally authorized appropriations.

1. Estimated Revenues

The County Budget Commission reviews estimated revenue and determines if the budget substantiates a need to levy all or part of previously authorized taxes. The Budget Commission then certifies its actions to the City by September 1 of each year. As part of the certification process, the City receives an official certificate of estimated resources stating the projected receipts by 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 do not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriations measure. On or about January 1, the certificate of estimated resources is amended to include any unencumbered fund balances from the preceding year. The certificate may be further amended during the year if a new source of revenue is identified or actual receipts exceed current estimates. The amounts reported on the budgetary statement reflect the amounts in the final amended official certificate of estimated resources issued during 2001.

2. Appropriations

A temporary appropriation ordinance to control expenditures may be passed on or about January 1 of each year for the period January 1 through March 31. An annual appropriation ordinance must be passed by April 1 of each year for the period January 1 through December 31. The appropriation ordinance establishes spending controls at the fund, department and object level, and may be modified during the year by Ordinance of the City Council. Total fund appropriations may not exceed the current estimated resources as certified by the County Budget Commission. Expenditures may not legally exceed budgeted appropriations at the object level. During the year, appropriation adjustments were necessary to budget for the widening of Buck Road and the I-75 bridge at the Buck Road exit. The supplemental appropriations increased year end appropriations by 12.37% over the appropriation ordinance approved in December, 2000.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Budgetary Process (Continued)

2. Appropriations (Continued)

Administrative control is maintained through the establishment of more detailed line-item budgets. The budgetary figures which appear in the Combined Statement of Revenues, Expenditures, and Changes in Fund Balances--Budget and Actual--All Governmental Fund Types are provided on the budgetary basis to provide a comparison of actual results with the final budget, including all amendments and modifications.

3. Encumbrances

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

4. Lapsing of Appropriations

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

5. Budgetary Basis of Accounting

The City's budgetary process accounts for certain transactions on a basis other than generally accepted accounting principles (GAAP). The major differences between the budgetary basis and the GAAP basis lie in the manner in which revenues and expenditures are recorded. Under the budgetary basis, revenues and expenditures are recognized on a cash basis. Utilizing the cash basis, revenues are recorded when received in cash and expenditures when paid. Under the GAAP basis, revenues and expenditures are recorded on the modified accrual basis of accounting.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Budgetary Process (Continued)5. Budgetary Basis of Accounting (Continued)

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the governmental funds:

	Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses			
	General Fund	Special Revenue Funds	Debt Service Fund	Capital Projects Funds
GAAP Basis (as reported)	\$92,158	(\$22,723)	\$0	\$581,682
Increase (Decrease):				
Accrued Revenues at December 31, 2001 received during 2002	(849,444)	(38,360)	0	(5,230)
Accrued Revenues at December 31, 2000 received during 2001	608,262	46,819	0	5,129
Accrued Expenditures at December 31, 2001 paid during 2002	485,157	108,481	0	282,355
Accrued Expenditures at December 31, 2000 paid during 2001	(288,568)	(68,715)	0	(512,522)
2000 Prepays for 2001	44,125	0	0	0
2001 Prepays for 2002	(57,628)	0	0	0
Fund Debt:				
Note Proceeds	0	0	0	5,632,000
Note Retirement	0	0	0	(6,616,500)
Outstanding Encumbrances	(92,472)	(39,394)	0	(264,793)
Budget Basis	<u>(\$58,410)</u>	<u>(\$13,892)</u>	<u>\$0</u>	<u>(\$897,879)</u>

E. Cash and Cash Equivalents

Cash and cash equivalents include amounts in demand deposits, certificates of deposit with original maturities of three months or less and the State Treasury Asset Reserve (STAR Ohio). The STAR Ohio is considered an investment for purposes of GASB Statement No. 3, but it is reported as a cash equivalent in the general purpose financial statements because it is a highly liquid instrument which is readily convertible to cash.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Cash and Cash Equivalents (Continued)

The City pools its cash for investment and resource management purposes. Each fund's equity in pooled cash and investments represents the balance on hand as if each fund maintained its own cash and investment account. For purposes of the statement of cash flows, the proprietary funds' shares of equity in pooled certificates of deposit are considered to be cash equivalents. See Note 5, "Cash, Cash Equivalents and Investments."

F. Investments

Investment procedures and interest allocations are restricted by provisions of the Ohio Constitution and the Ohio Revised Code. In accordance with GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools", the City records all its investments at fair value except for nonparticipating investment contracts which are reported at cost, which approximates fair value. All investment income, including changes in the fair value of investments, are recognized as revenue in the operating statements. Fair value is determined by quoted market prices. The City deposits interest earned on investments directly into the General Fund. See Note 5, "Cash, Cash Equivalents and Investments."

The City has invested funds in the STAR Ohio during 2001. 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, 2001.

G. Inventory

Inventory is stated at cost (first-in, first-out) in the governmental funds and at the lower of cost or market in the proprietary funds. The costs of inventory items are recorded as expenditures in the governmental funds when purchased.

H. Fixed Assets and Depreciation

The accounting and reporting treatment applied to fixed assets is determined by the ultimate use:

1. Property, Plant and Equipment - General Governmental Purposes

Fixed assets acquired or constructed for general governmental purposes are recorded as expenditures in the governmental funds and are capitalized at cost (or estimated historical cost for assets not purchased in recent years) in the General Fixed Assets Account Group. Contributed fixed assets are recorded at fair market value at the date received.

Fixed assets consisting of certain improvements other than buildings, including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems, have not been capitalized. Such assets normally are immovable and of value only to the City; therefore, the purpose of stewardship for capital expenditures can be satisfied without recording these assets.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. Fixed Assets and Depreciation (Continued)

1. Property, Plant and Equipment - General Governmental Purposes (Continued)

General fixed asset values were initially determined at December 31, 1992 by American Appraisal Associates of Milwaukee, Wisconsin at estimated historical cost. For certain fixed assets (land, water and sewer infrastructure), the estimates were arrived at by indexing estimated current costs back to the estimated year of acquisition.

The City has elected not to record depreciation in the General Fixed Assets Account Group.

2. Property, Plant and Equipment - Proprietary Funds

Property, plant and equipment acquired by the proprietary funds are stated at cost (or estimated historical cost), including interest capitalized during construction and architectural and engineering fees when applicable. Contributed fixed assets are recorded at fair market value at the date received.

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

<u>Description</u>	<u>Estimated Lives (Years)</u>
Buildings	25 - 45
Infrastructure	50
Machinery, Equipment, Furniture and Fixtures	5 - 15

I. Long-Term Obligations

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

<u>Obligation</u>	<u>Fund</u>
Compensated Absences	General Fund Street Construction, Maintenance and Repair Fund Recreation Fund
Capital Leases	General Fund Street Construction, Maintenance and Repair Fund
General Obligation Bonds	General Obligation Debt Service Fund Water Fund Sewer Fund
OWDA Loan	Sewer Fund
OPWC Loan	Sewer Fund
Landfill Postclosure Care Liability	Landfill Closure Fund

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Compensated Absences

Employees of the City earn vacation leave at various rates within limits specified under collective bargaining agreements or under statute. Vacation earned in a calendar year must be used during the current year. Vacation time cannot carry over into the subsequent year. Therefore, no long-term liability for vacation time is accrued in the General Long-Term Obligations Account Group. At termination or retirement, employees are paid at their full rate for 100% of their unused vacation leave.

Sick leave is accrued by all employees at the rate of 1.25 work days per completed month of service for a total of fifteen days of accrued sick leave per year. Any sick leave accrued but not used in any year is accumulated in succeeding years with no maximum of such accumulation. Employees who retire with five or more years of service may convert 25% of their accrued sick leave into cash at the employee's rate of pay at the time of retirement. Employees who retire with ten or more years of service may convert 50% of their total accrued sick leave into cash at the employee's rate of pay at the time of retirement.

In accordance with GASB Statement No. 16, "*Accounting for Compensated Absences*," the City records a liability for vacation time and sick leave when the obligation is attributable to services previously rendered or to rights that vest or accumulate, and when payment of the obligation is probable and can be reasonably determined. For governmental funds, the portion of unpaid compensated absences expected to be paid using expendable, available resources is reported as an expenditure in the fund from which the individual earning the leave is paid, and a corresponding liability is reflected as "Compensated Absences Payable." The remaining portion of the liability is reported in the General Long-Term Obligations Account Group.

Compensated absences are expensed in the Sewer and Marina Enterprise Funds when earned, and the related liability is reported within the fund.

K. Pensions

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

L. Interfund Transactions

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

- Operating transfers are reported as "Other Financing Sources and Uses" in the governmental funds, as "Operating Transfers In" by the recipient fund, and "Operating Transfers Out" by the disbursing fund.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. Interfund Transactions (Continued)

- Residual Equity Transfers are nonroutine or nonrecurring transfers between funds and are reported as additions to or deductions from the fund equity balance. There were no residual equity transfers during 2001.

Transactions that would be treated as revenues and expenditures if the transactions involved organizations external to the City are similarly treated when involving other funds of the City. The City also advances cash from one fund to another as necessary to meet current obligations.

M. Reservations of Fund Balance

Reserves indicate that a portion of fund balance is not available for expenditure or is legally segregated for a specific future use. Fund balances are reserved for inventories of supplies, prepaid items, debt service and encumbered amounts not accrued at year end.

N. Contributed Capital

Proprietary fund type contributed capital is recorded at the fair market value of the related assets at the date received. Depreciation on contributed fixed assets resulting from grants, entitlements and shared revenues is recorded as an operating expense and closed along with other operating expenses directly to retained earnings. Capital contributions received after December 31, 2000 are recorded as revenue in the proprietary funds.

O. Total Columns on Combined Financial Statements - Overview

Total columns on the "Combined Financial Statements - Overview" are captioned "Memorandum Only" to indicate they are presented only to facilitate financial analysis. Data in these columns does not present financial position, results of operations or cash flows in conformity with generally accepted accounting principles, nor is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

NOTE 2 – DISCRETELY PRESENTED COMPONENT UNIT

Organization (Rossford Arena Amphitheater Authority)

The Rossford Arena Amphitheater Authority, a component unit of the City of Rossford, Ohio, is a not-for-profit Ohio corporation incorporated in February 1999 to develop, finance, construct and operate an arena and amphitheater in Rossford, Ohio. The Authority was created under an ordinance passed by the City's Council to further the growth and development of the City and surrounding areas. The ordinance specified that the Trustees of the Authority are to be the City's Mayor, President of Council, City Administrator and the Director of Parks and Recreation. Construction of the facilities was started in May 1999. The Authority also has acquired land, contiguous to the Arena Amphitheater project property, intended to be sold for commercial development. Complete financial statements for RAAA may be obtained at the City of Rossford's administrative offices at 133 Osborn Street, Rossford, Ohio 43460.

NOTE 2 – DISCRETELY PRESENTED COMPONENT UNIT (Continued)

A. Basis of Accounting

Following the governmental financial model, the Authority operates one enterprise fund within the proprietary fund type. Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, in which the intent is that the costs and expenses (including depreciation) of providing services to the public, be financed or recovered primarily through user charges. Accordingly, the Authority prepares its financial statements on the accrual basis of accounting using generally accepted accounting principles in all material respects. The Authority applies Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board opinions issued on or before November 30, 1989 unless those pronouncements conflict with Governmental Accounting Standards Board (GASB) pronouncements, in which case GASB prevails.

B. Revenue Sources

The Authority has agreements with the City of Rossford and Perrysburg Township under which the City will contribute 25% of its Hotel/Motel tax revenues and all of its admission tax revenues. The Township will contribute 50% of its Hotel/Motel tax revenues. The agreements are subject to annual appropriations by the City and Township governing bodies. In 2000, Perrysburg Township discontinued the contributions pending the continuation of the project. In 2000, the City of Rossford also discontinued its contributions.

C. Going Concern

The Authority's financial statements are presented on the basis that the Authority is a going concern. Going concern contemplates the realization of assets and the satisfaction of liabilities in the normal course of business over a reasonable length of time. As more fully described in paragraphs F and H, the Authority's loan agreements require periodic interest payments with principal to be paid from the proceeds of an anticipated debt issue. Through June 14, 2002, management has been unable to obtain the financing on terms sufficiently favorable to help insure the financial success of the project. As a result, construction of the facilities was stopped in November 1999 and the Authority has been unable to make its semiannual interest payments of \$200,000 on its loan payable to Perrysburg Township. In 2001, the Township trustees passed a motion calling the loan and accrued interest and filed a lawsuit against the authority and the City of Rossford. In February 2002, the lawsuit was dismissed and the township is appealing. In May 2002, the parties agreed to engage in mediation. In March 2000, the Authority was unable to pay off its loan from the Rossford, Ohio Transportation Improvement District and its terms were extended indefinitely. In May 2000, the Authority was unable to commence monthly interest payments on the debt described in paragraph F.

Management is continuing efforts to obtain the additional financing to complete the project and pay off the loans. The project has been redefined to include only the amphitheater at this time. Alternatives, including the possible sale of the project, are also being considered. An agreement among the Authority's creditors has been proposed under which the creditors would be repaid from the proceeds of the property to be sold for commercial development.

NOTE 2 – DISCRETELY PRESENTED COMPONENT UNIT (Continued)

D. Cash

At year end, the carrying amount of the Authority's deposits was \$5,898 and the bank balance was \$5,898. Federal depository insurance covered \$5,898 of the bank balance.

E. Fixed Assets

Summary by Category at December 31, 2001:

		<u>Component Unit</u>
		Rossford Arena Amphitheater Authority
		<u> </u>
Land		\$5,162,462
	Subtotal	<u>5,162,462</u>
Accumulated Depreciation		<u>0</u>
Net Proprietary Fund Fixed Assets		5,162,462
Construction in Progress		<u>13,876,951</u>
	Total	<u><u>\$19,039,413</u></u>

Included in fixed assets are capitalized interest charges of \$1,848,961, architectural fees of \$2,775,749 and facility manager fees of \$90,000.

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NOTE 2 – DISCRETELY PRESENTED COMPONENT UNIT (Continued)

F. Loans Payable

Loans payable consist of amounts borrowed temporarily to purchase land and fund construction project costs. The loans were intended to be repaid from the proceeds of a \$48 million bond issue. At December 31, 2001, the loans payable comprised the following:

Rossford, Ohio Transportation Improvement District promissory note dated December 1999, originally due March 1, 2000 (extended by the holder), with interest at 6% per annum, secured by a second mortgage on approximately 19 acres of land.	\$250,000
FirstEnergy Corp. promissory note due July 1, 2004 or before based on the sale of property purchased in 2000 (see paragraph H) noninterest bearing, secured by a mortgage, dated in 2000, on approximately 73 acres of land.	550,000
Perrysburg, Ohio Township loan, payable through the Rossford/Perrysburg Township Joint Economic Development Authority/Port Authority, dated June 1999, originally due June 2001 or when proceeds of bond issue are received, with interest at 8% per annum, payable semiannually, starting in December 1999.	5,000,000
Northwest Ohio District Council of Carpenters Pension Fund promissory note (administered by the Leader Mortgage Company) dated March 1999, originally due February 2001, with interest at 7% per annum payable quarterly starting in July 1999, secured by a mortgage on approximately 60 acres of land and buildings and improvements thereon.	2,400,000
Brimacombe Family promissory note, dated September 1999. \$566,000 due when proceeds of bond issue are received and \$471,040 due July 2002, with interest at 7% per annum, payable quarterly starting in October 1999, secured by a mortgage on approximately 48 acres of land.	1,037,040
Carpenter Success promissory note, dated March 2000. Principal payable upon demand, with interest at prime plus one percent, payable monthly, starting May 2000, secured by a mortgage on approximately 55 acres of land.	1,704,000
Advances from the REGC (\$5,000) and the City of Rossford (\$79,913), payable upon securing financing.	84,913
Total loans payable	<u><u>\$11,025,953</u></u>

NOTE 2 – DISCRETELY PRESENTED COMPONENT UNIT (Continued)

F. Loans Payable (Continued)

In October 1999, the Authority agreed to grant a junior mortgage in favor of the prime contractor on the project. The \$4,000,000 mortgage is secured by approximately 90 acres of project property and improvements and structures thereon.

G. Risk Management

The Authority maintains commercial insurance coverage against most normal hazards. There have been no claims against that coverage.

The Authority has no employees at this point, so there is no health care workers compensation coverage.

H. Commercial Development Property

In March, 2000, the Authority purchased approximately 55 acres of land contiguous to the project property for \$1,704,636. The land is intended to be sold for commercial development. The purchase was financed with the proceeds of a loan from a Michigan entity, Carpenters Success, L.L.C. The loan is evidenced by a promissory note payable on demand with interest at the prime rate (determined by National City Bank of Cleveland, Ohio) plus 1%, scheduled to start May 1, 2000 and continuing monthly thereafter. Interest payments have not been made and Carpenters Success is a party to the proposed creditor agreement referred to in paragraph C. The loan is secured by a first mortgage on approximately 55 acres of land and a junior mortgage on approximately 19 acres of land.

NOTE 3 – CHANGES IN ACCOUNTING PRINCIPLES AND RESTATEMENT OF FUND BALANCES

For fiscal year 2001, the City has implemented GASB Statement No. 33 “*Accounting and Financial Reporting for Nonexchange Transactions*” and GASB Statement No. 36 “*Recipient Reporting for Certain Shared Nonexchange Revenues*”. At December 31, 2000, The implementation of GASB Statement No. 33 had the following effect on fund balances:

Fund Name	Fund Balance as Reported 12/31/00	GASB 33 & 36 Implementation	Fund Balance as Restated 12/31/00
General Fund	\$287,700	\$169,905	\$457,605
Special Revenue Funds	23,151	23,225	46,376
Capital Projects Funds	(4,959,497)	5,129	(4,954,368)

NOTE 3 – CHANGES IN ACCOUNTING PRINCIPLES AND RESTATEMENT OF FUND BALANCES (Continued)

In addition to the above noted change to fund balance the restatement of fund balances had the following effect on prior year excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses:

Fund Name	Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses as Reported 12/31/00	GASB 33 & 36 Implementation	Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses as Restated 12/31/00
General Fund	(\$153,531)	\$169,905	\$16,374
Special Revenue Funds	(94,969)	23,225	(71,744)
Capital Projects Funds	(4,368,245)	5,129	(4,363,116)

NOTE 4 - COMPLIANCE AND ACCOUNTABILITY

A. Fund/Retained Earnings Deficits

The fund deficits at December 31, 2001 of \$8,668 in the Recreation Fund (special revenue fund) and \$4,576 in the Landfill Closure Fund (capital projects fund) were created by the recognition of expenditures on the modified accrual basis which are greater than expenditures on a budgetary basis. The fund deficits of \$233,151 in the Electrical Industrial Court Fund, \$1,604,844 in the TIF Ramco, Gershenson Fund and \$2,693,394 in the TID Road Acquisition Fund (capital projects funds) were created by the recognition of notes payable within the funds and expenditures on the modified accrual basis which are greater than expenditures on a budgetary basis. Deficits do not exist under the budgetary basis of accounting. The retained earnings deficits at December 31, 2001 of \$1,301,253 in the Water Fund and \$305,764 in the Sewer Fund (enterprise funds) were created by the recognition of notes payable and the recognition of expenses on the accrual basis which are greater than expenses on a cash basis. Deficits do not exist under the cash basis of accounting. The General Fund provides operating transfers when cash is required, not when accruals occur.

B. Excess of Appropriations Over Estimated Resources

For the year ended December 31, 2001 appropriations exceeded estimated resources in the Street Construction, Maintenance and Repair Fund, Downtown Streetscape Fund and the Capital Improvement Fund.

NOTE 5 - CASH, CASH EQUIVALENTS AND INVESTMENTS

Cash resources of several individual funds are combined to form a pool of cash, cash equivalents and investments. Statutes require the classification of funds held by the City into three categories:

Category 1 consists of "active" funds - those funds required to be kept in "cash" or "near cash" status for immediate use by the City. Such funds must be maintained either as cash in the City Treasury or in depository accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts.

Category 2 consists of "inactive" funds - those funds not required for use within the current five year period of designation of depositories. Inactive funds may be deposited or invested only as certificates of deposit maturing no later than the end of the current period of designation of depositories.

Category 3 consists of "interim" funds - those funds not needed for immediate use but needed before the end of the current period of designation of depositories. Interim funds may be invested or deposited in the following securities:

- United States treasury notes, bills, bonds, or any other obligation or security issued by the United States treasury or any other obligation guaranteed as to principal and interest by the United States;
- Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the federal national mortgage association, federal home loan bank, federal farm credit bank, federal home loan mortgage corporation, government national mortgage association, and student loan marketing association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
- Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
- Interim deposits in eligible institutions applying for interim funds;
- Bonds and other obligations of the State of Ohio;
- No-load money market mutual funds consisting exclusively of obligations described in the first two bullets of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions, and
- The State Treasury Asset Reserve of Ohio (STAR Ohio).

NOTE 5 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

Ohio Law requires that deposits be placed in eligible banks or savings and loan associations located in Ohio. Any public depository in which the City places deposits must pledge as collateral eligible securities of aggregate market value equal to the excess of deposits not insured by the Federal Deposit Insurance Corporation (FDIC). The securities pledged as collateral are pledged to a pool for each individual financial institution in amounts equal to at least 105% of the carrying value of all public deposits held by each institution. Obligations that may be pledged as collateral are limited to obligations of the United States and its agencies and obligations of any state, county, municipal corporation or other legally constituted authority of any other state, or any instrumentality of such county, municipal corporation or other authority. Based upon criteria described in GASB Statement No. 3, "*Deposits With Financial Institutions, Investments (including Repurchase Agreements) and Reverse Repurchase Agreements,*" collateral held in single financial institution collateral pools with securities being held by the pledging financial institution's agent in the pool's name are classified as Category 3.

The GASB has established risk categories for deposits and investments as follows:

Deposits:

- Category 1 Insured or collateralized with securities held by the City or by its agent in the City's name.
- Category 2 Collateralized with securities held by the pledging financial institution's trust department or agent in the City's name.
- Category 3 Collateralized with securities held by the pledging financial institution's trust department or agent but not in the City's name.

Investments:

- Category 1 Insured or registered, with securities held by the City or its agent in the City's name.
- Category 2 Uninsured and unregistered, with securities held by the counterparty's trust department or agent in the City's name.
- Category 3 Uninsured and unregistered, with securities held by the counterparty or by its trust department or agent but not in the City's name.

A. Deposits

At year end the carrying amount of the City's deposits was \$452,588 and the bank balance was \$494,093. The Federal Deposit Insurance Corporation (FDIC) covered \$129,282 of the bank balance. All remaining deposits were classified as Category 3. In addition, the City had \$300 petty cash on hand.

Investment earnings of \$32,891 earned by other funds were credited to the General Fund as required by state statute.

NOTE 5 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

B. Investments

The City's investments at December 31, 2001 are summarized below:

<u>Non-Categorized Investments</u>	<u>Carrying Amount</u>	<u>Fair Value</u>
STAR Ohio	\$779,314	\$779,314
Total Investments	<u>\$779,314</u>	<u>\$779,314</u>

C. Reconciliation of Cash, Cash Equivalents and Investments

The classification of cash, cash equivalents and investments on the combined financial statements is based on criteria set forth in GASB Statement No. 9. STAR Ohio and certificates of deposit with an original maturity of three months or less are treated as cash equivalents. The classification of cash and cash equivalents (deposits) for purposes of this note are based on criteria set forth in GASB Statement No. 3.

	<u>Cash and Cash Equivalents *</u>	<u>Investments</u>
Per Combined Balance Sheet	\$1,232,202	\$0
Investments:		
STAR Ohio	(779,314)	779,314
Per GASB Statement No. 3	<u>\$452,888</u>	<u>\$779,314</u>

* Includes Petty Cash

NOTE 6 - TAXES

A. Property Taxes

Property taxes include amounts levied against all real estate and public utility property, and tangible personal property used in business and located in the City. Real property taxes (other than public utility) collected during 2001 were levied after October 1, 2000 on assessed values as of January 1, 2000, the lien date. Assessed values were established by the County Auditor at 35 percent of appraised market value. All property is required to be revalued every six years and equalization adjustments made in the third year following reappraisal. The last revaluation was completed in 2001 and the last equalization adjustment was completed in 1996. Real property taxes are payable annually or semi-annually. The first payment is due January 20; the remainder is payable by June 20.

NOTE 6 – TAXES (Continued)

A. Property Taxes (Continued)

Taxes collected from tangible personal property (other than public utility) in one calendar year are levied in the prior calendar year on assessed values during and at the close of the most recent fiscal year of the taxpayer that ended on or before March 31 of that calendar year, and at the tax rates determined in the preceding year. Tangible personal property used in business (except for public utilities) is currently assessed for ad valorem taxation purposes at 25 percent of its true value. Amounts paid by multi-county taxpayers are due September 20 of the year assessed. Single county taxpayers may pay annually or semi-annually: the first payment is due April 30; the remainder payable by September 20.

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

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

The full property tax rate for all City operations for the year ended December 31, 2001 was \$3.20 per \$1,000 of assessed value. The assessed value upon which the 2001 tax receipts were based was \$125,448,411. This amount constitutes \$108,311,790 in real property assessed value, \$4,461,040 in public utility assessed value and \$12,675,581 in tangible personal property assessed value.

Ohio law prohibits taxation of property from all taxing authorities in excess of 1% of assessed value without a vote of the people. Under current procedures, the City's share is .32% (3.2 mills) of assessed value.

B. Income Tax

The City levies a tax of 2.25% on all salaries, wages, commissions and other compensation and on net profits earned within the City as well as on incomes of residents earned outside the City. In the latter case, the City allows a credit of 100% of the tax paid to another municipality to a maximum of the total amount assessed. Employers within the City are required to withhold income tax on employee compensation and remit the tax to the City monthly or quarterly, as required. Corporations and other individual taxpayers are required to pay their estimated tax quarterly and file a declaration annually.

NOTE 7 - RECEIVABLES

Receivables at December 31, 2001 consisted of taxes, interest, special assessments, accounts receivable and intergovernmental receivables.

NOTE 8 - INTERFUND BALANCES

The following is a summary of interfund receivables and payables for all funds for 2001:

Fund	Interfund Loan Receivable	Interfund Loan Payable
General Fund	\$0	\$80,000
Enterprise Fund:		
Water Fund	80,000	0
Totals	\$80,000	\$80,000

NOTE 9 - FIXED ASSETS

A. General Fixed Assets

Summary by category of changes in general fixed assets:

Category	December 31, 2000	Additions	Deletions	December 31, 2001
Land	\$324,152	\$0	\$0	\$324,152
Buildings	3,124,088	63,626	0	3,187,714
Improvements Other than Buildings	148,970	0	0	148,970
Machinery and Equipment	2,639,627	201,743	(54,506)	2,786,864
Totals	\$6,236,837	\$265,369	(\$54,506)	\$6,447,700

Schedule of General Fixed Assets at December 31, 2001:

General Fixed Assets		Investment in General Fixed Assets	
Land	\$324,152	Acquired Prior to 1994	\$4,617,579
Buildings	3,187,714	General Fund	607,721
Improvements Other than Buildings	148,970	Special Revenue Funds	290,729
Machinery and Equipment	2,786,864	Capital Projects Funds	920,171
		Donated	11,500
Total	\$6,447,700	Total	\$6,447,700

B. Proprietary Fixed Assets

Summary by Category at December 31, 2001:

Category	Historic Cost	Accumulated Depreciation	Book Value
Land	\$6,261	\$0	\$6,261
Buildings	297,324	(114,551)	182,773
Infrastructure	9,067,507	(2,288,939)	6,778,568
Machinery and Equipment	218,019	(194,403)	23,616
Property, Plant and Equipment	\$9,589,111	(\$2,597,893)	\$6,991,218

NOTE 10 – DEFINED BENEFIT PENSION PLANS

All of the City’s full-time employees participate in one of two separate retirement systems which are cost-sharing multiple employer defined benefit pension plans.

A. Public Employees Retirement System (the “PERS of Ohio”)

The following information was provided by the PERS of Ohio to assist the City in complying with GASB Statement No. 27, *“Accounting for Pensions by State and Local Government Employers.”*

All employees of the City, except full-time uniformed police officers, participate in the PERS of Ohio, a cost-sharing multiple employer defined benefit pension plan. The PERS of Ohio 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 statutory authority to establish and amend benefits. The Public Employees Retirement System of Ohio issues a stand-alone financial report that includes financial statements and required supplementary information for the PERS of Ohio. Interested parties may obtain a copy by making a written request to 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 466-2085 or 1-800-222-7377.

The Ohio Revised Code provides statutory authority for employee and employer contributions. The employee contribution rate is 8.5%. The 2001 employer contribution rate for local government employer units was 13.55%, of covered payroll, 9.25% to fund the pension and 4.3% to fund health care. The contribution requirements of plan members and the City are established and may be amended by the Public Employees Retirement Board. The City's contributions to the PERS of Ohio for the years ending December 31, 2001, 2000 and 1999 were \$81,693, \$88,037 and \$108,698, respectively, which were equal to the required contributions for each year.

The PERS of Ohio provides postemployment health care benefits to age and service retirants with ten or more years of qualifying Ohio service credit and to primary survivor recipients of such retirants. Health care coverage for disability recipients is also available. The health care coverage provided by the PERS of Ohio is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 12. A portion of each employer's contribution to the PERS of Ohio is set aside for the funding of post retirement health care. The Ohio Revised Code provides statutory authority requiring public employers to fund postemployment health care through their contributions to the PERS of Ohio. The portion of the 2001 employer contribution rate (identified above) that was used to fund health care for the year 2001 was 4.3% of covered payroll which amounted to \$25,925.

The significant actuarial assumptions and calculations relating to postemployment health care benefits were based on the PERS of Ohio’s latest actuarial review performed as of December 31, 2000. An entry age normal actuarial cost method of valuation is used in determining the present value of OPEB. The difference between assumed and actual experience (actuarial gains and losses) becomes part of unfunded actuarial accrued liability. All investments are carried at market value. For actuarial valuation purposes, a smoothed market approach is used. Under this approach assets are adjusted annually to reflect 25% of unrealized market appreciation or depreciation on investment assets. The investment assumption rate for 2000 was 7.75%. An annual increase of 4.75% compounded annually, is the base portion of the individual pay

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

A. Public Employees Retirement System (the “PERS of Ohio”) (Continued)

increase assumption. This assumes no change in the number of active employees. Additionally, annual pay increases, over and above the 4.75% base increase, were assumed to range from 0.54% to 5.1%. Health care costs were assumed to increase 4.75% annually. Benefits are advanced-funded on an actuarially determined basis. The number of active contributing participants was 411,076. The actuarial value of the PERS of Ohio net assets available for OPEB at December 31, 2000 is \$11,735.9 million. The actuarially accrued liability and the unfunded actuarial accrued liability, based on the actuarial cost method used, were \$14,364.6 million and \$2,628.7 million, respectively.

B. Ohio Police and Fire Pension Fund (the “OP&F Fund”)

All City full-time police officers participate in the OP&F Fund, a cost-sharing multiple-employer defined benefit pension plan. The OP&F Fund provides retirement and disability benefits, annual cost of living adjustments and death benefits to plan members and beneficiaries. Contribution requirements and benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. The Ohio Police and Fire Pension Fund issues a stand-alone financial report that includes financial statements and required supplementary information for the OP&F Fund. Interested parties may obtain a copy by making a written request to 140 East Town Street, Columbus, Ohio 43215-5164 or by calling (614) 228-2975.

Plan members are required to contribute 10.0% of their annual covered salary, while employers are required to contribute 19.5%. The City's contributions to the OP&F Fund for the years ending December 31, 2001, 2000 and 1999 were \$145,299, \$147,837 and \$138,045, which were equal to the required contributions for each year.

The OP&F Fund provides postemployment 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 on a full-time or two-thirds basis. The Ohio Revised Code provides that health care costs paid from the funds of the OP&F Fund shall be included in the employer's contribution rate. The Ohio Revised Code also provides statutory authority allowing the Fund's Board of Trustees to provide postemployment health care coverage to all eligible individuals from the employer's contributions to the OP&F Fund.

The portion of the 2001 covered payroll that was used to fund postemployment health care benefits was \$55,884 representing 7.5% of covered payroll. Health care funding and accounting was on a pay-as-you-go basis. In addition, since July 1, 1992 most retirees have been required to contribute a portion of the cost of their health care coverage through a deduction from their monthly benefit payment. As of December 31, 2000, the date of the last actuarial evaluation available, the number of participants eligible to receive health care benefits was 12,853 for police. The OP&F Fund does not provide separate data on the funded status and funding progress of postemployment health care benefits. The Fund's total health care expenses for the year ended December 31, 2000 were \$106,160,431, which was net of member contributions of \$5,657,431.

NOTE 11 - COMPENSATED ABSENCES

The City provides a liability for accumulated unpaid sick leave benefits when earned by employees. Accrued employee benefits for governmental funds not currently due and payable at year end are recorded in the General Long-Term Obligations Account Group. The liability decreased \$22,767 from the beginning of the year balance of \$218,144 to a year end balance of \$195,377.

At December 31, 2001, the total accumulated unpaid sick leave time recorded in the General Long-Term Obligations Account Group was as follows:

	<u>Hours</u>	<u>Amount</u>
Sick Leave	<u>10,124</u>	<u>\$195,377</u>
Total	<u><u>10,124</u></u>	<u><u>\$195,377</u></u>

There was no liability for accumulated unpaid sick leave benefits attributable to the enterprise funds.

NOTE 12 - OPERATING TRANSFERS

Following is a summary of operating transfers in and out for all funds for 2001:

<u>Fund</u>	<u>Transfer In</u>	<u>Transfer Out</u>
General Fund	\$52,953	\$455,586
Special Revenue Funds:		
State Highway Fund	7,206	0
Street Construction, Maintenance and Repair Fund	128,133	0
Recreation Fund	34,193	0
Downtown Streetscape Fund	<u>0</u>	<u>4,439</u>
Total Special Revenue Funds	169,532	4,439
Debt Service Fund:		
General Obligation Debt Service Fund	131,605	0
Capital Projects Funds:		
Landfill Closure Fund	74,024	0
Capital Improvement Fund	0	48,514
TID-Road Acquisition Fund	<u>78,188</u>	<u>0</u>
Total Capital Projects Funds	152,212	48,514
Enterprise Fund:		
Marina Fund	<u>2,237</u>	<u>0</u>
Total All Funds	<u><u>\$508,539</u></u>	<u><u>\$508,539</u></u>

NOTE 13 - NOTES PAYABLE

The Ohio Revised Code provides that notes including renewal notes issued in anticipation of the issuance of general obligation bonds may be issued and outstanding from time to time up to a maximum period of 20 years from the date of issuance of the original notes. The maximum maturity for notes anticipating general obligation bonds payable from special assessments is five years. Any period in excess of five years must be deducted from the permitted maximum maturity of the bonds anticipated, and portions of the principal amount of notes outstanding for more than five years must be retired in amounts at least equal to, and payable no later than, those principal maturities required if the bonds had been issued at the expiration of the initial five year period. The following general obligation notes were payable at December 31, 2001:

	Issue Date	Balance January 1, 2001	Issued (Retired)	Balance December 31, 2001
Capital Projects Notes Payable:				
5.20% Landfill Improvement	10/19/00	\$260,000	(\$260,000)	\$0
5.20% Lewis Street Improvement	10/19/00	78,000	(78,000)	0
5.20% Buck Road Improvement	10/19/00	228,500	(228,500)	0
5.20% Rinker Point Improvement	10/19/00	168,000	(168,000)	0
5.20% Public Works Building	10/19/00	150,000	(150,000)	0
5.20% Arena Drainage Ditch	10/19/00	100,000	(100,000)	0
5.96% Electrical Industry Improvements	08/01/00	250,000	(250,000)	0
5.20% Crossroads Improvements	06/29/00	1,900,000	(1,900,000)	0
5.96% T.I.D. Road Acquisition	08/01/00	2,550,000	(2,550,000)	0
4.90% Buck Road Improvement	05/30/01	0	932,000	0
			(932,000)	0
7.00% Electrical Industry Improvements	07/30/01	0	250,000	250,000
3.70% Crossroads Improvements	06/27/01	0	1,900,000	1,900,000
5.90% T.I.D. Road Acquisition	07/30/01	0	2,550,000	2,550,000
Total Capital Projects Notes Payable		5,684,500	(984,500)	4,700,000
Enterprise Notes Payable:				
5.20% Wales Road Water	10/19/00	153,000	(153,000)	0
5.20% Water System Improvement	12/14/00	1,368,000	(1,368,000)	0
5.20% Bakery Water Improvement	10/19/00	214,500	(214,500)	0
5.96% T.I.D. Water System	08/01/00	300,000	(300,000)	0
7.00% T.I.D. Water System	07/30/01	0	300,000	300,000
Total Water Fund Notes Payable		2,035,500	(1,735,500)	300,000
5.20% Wales Road Sewer	10/19/00	177,000	(177,000)	0
5.20% Sewer Improvement	12/14/00	830,000	(830,000)	0
5.20% Crossroads Sewer	10/19/00	156,000	(156,000)	0
5.20% Sewer Phase III	10/19/00	300,000	(300,000)	0
5.96% T.I.D. Sewer System	08/01/00	300,000	(300,000)	0
7.00% T.I.D. Sewer System	07/30/01	0	300,000	300,000
Total Sewer Fund Notes Payable		1,763,000	(1,463,000)	300,000
Total Enterprise Notes Payable		3,798,500	(3,198,500)	600,000
Total Notes Payable		\$9,483,000	(\$4,183,000)	\$5,300,000

NOTE 14 - LONG-TERM DEBT OBLIGATIONS

Long-term debt and other long-term obligations of the City at December 31, 2001 were as follows:

	Balance January 1, 2001	Issued (Retired)	Balance December 31, 2001
Enterprise Funds:			
General Obligation Bonds:			
4.85% SR 795 to Perrysburg Waterline	\$0	\$1,417,500	\$1,417,500
4.63% Interstate Brands Waterline	0	223,686	223,686
4.62% Wales/Fairfield Water	0	159,554	159,554
4.85% Crossroads Sewerline	0	860,000	860,000
4.63% Interstate Brands Sewerline	0	162,680	162,680
4.62% Wales/Fairfield Sewer	0	184,580	184,580
4.84% Glenwood Road Sewer Phase III	0	312,000	312,000
Total General Obligation Bonds	0	3,320,000	3,320,000
4.12% Ohio Water Development Authority Loan	1,775,923	(78,007)	1,697,916
0.00% Ohio Public Works Commission Loan	93,895	(9,390)	84,505
Total Enterprise Long-Term Debt	<u>\$1,869,818</u>	<u>\$3,232,603</u>	<u>\$5,102,421</u>
General Long-Term Debt:			
General Obligation Bonds:			
4.83% Community Center Construction	\$840,000	(\$90,000)	\$750,000
4.54% Landfill Improvement	0	272,000	272,000
4.30% Lewis Street Repaving	0	82,000	82,000
4.61% Buck Road Widening	0	238,000	238,000
4.62% Buck Road Improvements	0	971,000	971,000
4.60% Public Works Building	0	157,000	157,000
4.62% Rinker Point Court	0	175,000	175,000
4.54% Arena Drainage Ditch	0	105,000	105,000
Total General Obligation Bonds	840,000	1,910,000	2,750,000
Other Long-Term Obligations:			
Landfill Postclosure Care Liability	490,782	(60,373)	430,409
Compensated Absences Payable	218,144	(22,767)	195,377
Capital Leases Payable	178,995	150,000	
		(60,355)	268,640
Total Other Long-Term Obligations	<u>887,921</u>	<u>6,505</u>	<u>894,426</u>
Total General Long-Term Debt and Other Long-Term Obligations	<u>\$1,727,921</u>	<u>\$1,916,505</u>	<u>\$3,644,426</u>

NOTE 14 - LONG-TERM DEBT OBLIGATIONS (Continued)

During 1996 the Ohio Water Development Authority (OWDA) approved a loan to the City to finance a portion of Phases I and IA of the Sanitary Sewer Improvements Project. The OWDA committed up to \$2,048,160 at a 4.12% interest rate for twenty years. As of December 31, 2001, the City had received \$2,025,175 against this commitment.

The final payment schedule will be determined when the total loan is disbursed or the project is completed, whichever is earlier. The preliminary semi-annual payment amount assuming full disbursement of the loan commitment is \$75,663, due July 1 and January 1. The City made two payments during 2001 totaling \$78,007 towards the principal and \$73,320 in interest expense.

A Principal and Interest Requirements

A summary of the City's future long-term debt funding requirements including principal and interest payments as of December 31, 2001 follows:

Years	General Obligation Bonds		Capital Leases Payable	
	Principal	Interest	Principal	Interest
2002	\$95,000	\$306,781	\$74,594	\$14,404
2003	160,000	271,802	79,150	9,848
2004	185,000	265,553	83,984	5,014
2005	205,000	258,272	30,912	932
2006	275,000	249,973	0	0
2007-2011	1,255,000	1,077,842	0	0
2012-2016	1,250,000	831,687	0	0
2017-2027	2,645,000	713,874	0	0
Totals	<u>\$6,070,000</u>	<u>\$3,975,784</u>	<u>\$268,640</u>	<u>\$30,198</u>

Years	OWDA Loan Payable		OPWC Loan Payable	
	Principal	Interest	Principal	Interest
2002	\$81,258	\$70,071	\$4,694	\$0
2003	84,637	66,689	4,694	0
2004	88,160	63,166	4,694	0
2005	91,830	59,497	4,694	0
2006	95,652	55,674	4,695	0
2007-2011	541,401	215,229	23,475	0
2012-2018	714,978	94,366	37,559	0
Totals	<u>\$1,697,916</u>	<u>\$624,692</u>	<u>\$84,505</u>	<u>\$0</u>

NOTE 15 - CAPITALIZED LEASES

The City leases computer equipment and police and street equipment under capital leases. The original cost of the equipment, amounting to \$630,849, is included in the General Fixed Assets Account Group and the related liability is reported in the General Long-Term Obligations Account Group.

The following is a schedule of future minimum lease payments under the capital leases together with the present value of the net minimum lease payments as of December 31, 2001:

<u>Year Ending December 31,</u>	<u>Capital Leases</u>
2002	\$88,998
2003	88,998
2004	88,998
2005	31,844
Minimum Lease Payments	298,838
Less amount representing interest at the City's incremental borrowing rate of interest	(30,198)
Present value of minimum lease payments	<u>\$268,640</u>

NOTE 16 - SEGMENT INFORMATION FOR ENTERPRISE FUNDS

Included in the services provided by the City financed primarily by user charges are water treatment and distribution, sewer collection and treatment and the marina. The key financial information for the year ended December 31, 2001 for these enterprise activities is as follows:

	<u>Water</u>	<u>Sewer</u>	<u>Marina</u>	<u>Total</u>
Operating Revenues	\$208,326	\$557,720	\$97,989	\$864,035
Depreciation	60,143	119,531	4,041	183,715
Operating Income	103,667	203,588	22,779	330,034
Net Income (Loss)	(61,525)	(11,865)	25,016	(48,374)
Property, Plant and Equipment:				
Additions	0	648	8,231	8,879
Total Assets	2,488,998	5,208,740	129,984	7,827,722
Net Working Capital	(12,080)	118,222	53,322	159,464
Notes, Bonds and Loans Payable	2,100,740	3,601,681	0	5,702,421
Total Equity	371,015	1,549,526	127,720	2,048,261

NOTE 17 - CONTRIBUTED CAPITAL

During 2001, there were no changes to contributed capital reported by the City:

	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Total</u>
Balance December 31, 2001	\$1,672,268	\$1,855,290	\$3,527,558

NOTE 18 - INSURANCE AND RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. In 1990, the City joined the Ohio Government Risk Management Plan (the "OGRMP"), a public entity risk plan formed under Section 2744.081 of the Ohio Revised Code that operates as a common risk management and insurance program for 585 member political subdivisions. The City pays an annual premium to the OGRMP for its general insurance coverage. The agreement for formation of the OGRMP provides that the organization will be self-sustaining through member premiums and will reinsure all covered claims in excess of a member's deductible through commercial insurance and reinsurance companies.

Workers' Compensations claims are covered through the City's participation in the State of Ohio's program. The City pays the State Workers' Compensation System a premium based upon a rate per \$100 of payroll plus administrative costs. The rate is determined based upon the accident history of the Ohio Rural Water Association, of which the City is a member.

The City also purchases insurance coverage to provide employee health benefits and pays unemployment claims to the State of Ohio as incurred. There has been no significant reduction in insurance coverages from coverages in the prior year. In addition, settled claims resulting from the above noted risks have not exceeded commercial insurance coverages during the past three fiscal years.

NOTE 19 - SOLID WASTE LANDFILL POSTCLOSURE CARE COSTS

The City owns a former landfill site known as the Wales Road Landfill. The facility's operation predates most modern regulatory and recordkeeping requirements. The exact date for commencement of waste placement activities is unknown, but in the mid 1960's waste placement activities were modified to follow the layered approach to sanitary landfill operations. The landfill reached its capacity and ceased accepting waste at the 19.71 acre facility in 1990. The Ohio Environmental Protection Agency acting in accordance with applicable state and federal laws required the City to complete final closure of the site during 1994. The approximate total cost of closure was \$482,456. State and federal laws require that the City monitor and maintain the site for thirty years after closure. The City estimates that the total postclosure liability associated with monitoring and maintaining the landfill site for the next twenty-three years is \$430,409. The estimated costs of postclosure care are subject to changes corresponding to the effects of inflation, revision of laws and other variables. A portion of postclosure care costs are to be paid from an annual county grant specifically designated for said purpose. The balance of any postclosure care costs not covered by the county grant will be paid from the general tax revenues of the City.

NOTE 20 - CONTINGENCIES

The City is a party to various legal proceedings which seek damages or injunctive relief generally incidental to its operations and pending projects. The City's management is of the opinion that the ultimate disposition of various claims and legal proceedings will not have a material effect, if any, on the financial condition of the City.

NOTE 21 - SIGNIFICANT TAXPAYER

Libbey-Owens-Ford Company provided approximately \$400,500 of the City's income tax withholdings, \$26,000 of the City's personal property taxes and \$8,000 of the City's real property taxes in 2001.

NOTE 22 - JOINT VENTURE

In May 1997, the Wood County Commissioners approved formation of the Rossford Transportation Improvement District (TID) as permitted under Chapter 5540 of the Ohio Revised Code. The TID is a component unit of Wood County and is governed by a board of trustees consisting of the following members: five members appointed by the board of county commissioners, one nonvoting member appointed by the speaker of the house of representatives of the general assembly and one nonvoting member appointed by the president of the senate of the general assembly. It is empowered to provide for the construction, improvement, alteration or repair of any road, highway, public place or other infrastructure within the limits of the City and to issue bonds. Per the provisions of GASB Statement No. 14, *The Financial Reporting Entity*, "a participating government has an ongoing financial responsibility for a joint venture, if it is obligated in some manner for the debts of the joint venture." During 2000, the City of Rossford issued \$3,150,000 of special assessment notes on behalf of the TID. These notes were retired and reissued during 2001. The debt service for the notes is to be paid for by special assessments levied by the TID against the parcels of land and lots that are benefited by the project. In the event that the TID is unable to make payments on the principal and interest associated with these notes, the City of Rossford is responsible for making these payments. Complete financial statements for the Rossford Transportation Improvement District can be obtained from the City's Finance Director.

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

THE FOLLOWING COMBINING STATEMENTS AND SCHEDULES INCLUDE THE GENERAL FUND, SPECIAL REVENUE FUNDS, CAPITAL PROJECTS FUNDS, ENTERPRISE FUNDS, FIDUCIARY FUND AND THE GENERAL FIXED ASSETS ACCOUNT GROUP.

GENERAL FUND

The General Fund is used to account for government resources not accounted for in any other fund. The General Fund balance is available to the City for any purpose provided it is expended or transferred according to the Charter and/or the general laws of Ohio.

THE CITY OF ROSSFORD, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2001

GENERAL FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Taxes	\$3,685,138	\$2,720,640	(\$964,498)
Intergovernmental Revenues	842,898	790,887	(52,011)
Charges for Services	35,400	61,388	25,988
Licenses and Permits	51,000	73,435	22,435
Investment Earnings	50,000	37,800	(12,200)
Special Assessments	120,000	119,405	(595)
Fines and Forfeitures	28,100	29,405	1,305
All Other Revenues	11,500	23,322	11,822
	<hr/>	<hr/>	<hr/>
Total Revenues	4,824,036	3,856,282	(967,754)
<u>Expenditures:</u>			
Security of Persons and Property:			
Police:			
Personal Services	1,234,754	1,130,479	104,275
Contractual Services	82,002	63,185	18,817
Materials and Supplies	34,627	29,977	4,650
Other Operating Expenses	22,892	20,892	2,000
Capital Outlay	7,359	4,063	3,296
	<hr/>	<hr/>	<hr/>
Total Police	1,381,634	1,248,596	133,038
Fire:			
Personal Services	261,836	255,754	6,082
Contractual Services	75,278	69,957	5,321
Materials and Supplies	20,029	15,414	4,615
Capital Outlay	113,943	113,942	1
	<hr/>	<hr/>	<hr/>
Total Fire	471,086	455,067	16,019
Civil Defense:			
Contractual Services	3,000	2,662	338
	<hr/>	<hr/>	<hr/>
Total Civil Defense	3,000	2,662	338
Street Lighting:			
Contractual Services	135,965	135,964	1
	<hr/>	<hr/>	<hr/>
Total Street Lighting	135,965	135,964	1
	<hr/>	<hr/>	<hr/>
Total Security of Persons and Property	1,991,685	1,842,289	149,396

(Continued)

THE CITY OF ROSSFORD, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2001

GENERAL FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Leisure Time Activities:			
Parks:			
Personal Services	27,013	25,112	1,901
Contractual Services	12,113	7,589	4,524
Materials and Supplies	6,490	4,808	1,682
Capital Outlay	8,530	6,274	2,256
Total Parks	<u>54,146</u>	<u>43,783</u>	<u>10,363</u>
Total Leisure Time Activities	<u>54,146</u>	<u>43,783</u>	<u>10,363</u>
Basic Utility Services:			
Refuse Pick-up/Curbside Recycling:			
Contractual Services	227,000	208,181	18,819
Total Basic Utility Services	<u>227,000</u>	<u>208,181</u>	<u>18,819</u>
Transportation:			
Public Works:			
Personal Services	384,581	376,852	7,729
Contractual Services	73,549	72,874	675
Materials and Supplies	16,929	12,961	3,968
Capital Outlay	60,663	48,579	12,084
Total Public Works	<u>535,722</u>	<u>511,266</u>	<u>24,456</u>
Total Transportation	<u>535,722</u>	<u>511,266</u>	<u>24,456</u>
General Government:			
City Council:			
Personal Services	28,945	28,354	591
Contractual Services	275	275	0
Total City Council	<u>29,220</u>	<u>28,629</u>	<u>591</u>
Mayor:			
Personal Services	52,075	50,153	1,922
Contractual Services	1,000	309	691
Capital Outlay	1,500	0	1,500
Total Mayor	<u>54,575</u>	<u>50,462</u>	<u>4,113</u>
Administrator:			
Personal Services	132,705	116,234	16,471
Contractual Services	2,000	684	1,316
Capital Outlay	1,000	0	1,000
Total Administrator	<u>135,705</u>	<u>116,918</u>	<u>18,787</u>

(Continued)

THE CITY OF ROSSFORD, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2001

GENERAL FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
General Government:			
Personal Services	15,750	15,210	540
Contractual Services	359,692	315,019	44,673
Materials and Supplies	14,614	10,952	3,662
Other Expenses	9,700	1,592	8,108
Capital Outlay	2,500	0	2,500
Total General Government	402,256	342,773	59,483
Building and Occupancy:			
Personal Services	8,705	8,557	148
Contractual Services	248,412	224,929	23,483
Materials and Supplies	13,222	6,948	6,274
Total Building and Occupancy	270,339	240,434	29,905
Finance/Tax:			
Personal Services	89,955	84,832	5,123
Contractual Services	3,000	206	2,794
Materials and Supplies	5,984	3,894	2,090
Other Expenses	10,000	0	10,000
Capital Outlay	2,500	0	2,500
Total Finance/Tax	111,439	88,932	22,507
Treasurer:			
Personal Services	1,195	1,143	52
Total Treasurer	1,195	1,143	52
Law:			
Contractual Services	187,686	186,690	996
Total Law	187,686	186,690	996
Total General Government	1,192,415	1,055,981	136,434
Debt Service:			
Principal Retirement	25,545	25,545	0
Interest and Fiscal Charges	5,014	5,014	0
Total Debt Service	30,559	30,559	0
Total Expenditures	4,031,527	3,692,059	339,468

(Continued)

THE CITY OF ROSSFORD, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2001

GENERAL FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
	<u> </u>	<u> </u>	<u> </u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	792,509	164,223	(628,286)
<u>Other Financing Sources (Uses):</u>			
Operating Transfers In	63,448	52,953	(10,495)
Operating Transfers Out	(834,635)	(455,586)	379,049
Advance In	67,545	30,000	(37,545)
Other Financing Sources - Capital Leases	<u>150,000</u>	<u>150,000</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>(553,642)</u>	<u>(222,633)</u>	<u>331,009</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	238,867	(58,410)	(297,277)
Fund Balance at Beginning of Year	27,807	27,807	0
Prior Year Encumbrances	<u>65,979</u>	<u>65,979</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$332,653</u></u>	<u><u>\$35,376</u></u>	<u><u>(\$297,277)</u></u>

SPECIAL REVENUE FUNDS

Special Revenue funds are used to account for the proceeds of specific revenue sources (other than amounts relating to expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

State Highway Fund

To account for revenues distributed by the State from the motor vehicle taxes, permissive fees and gasoline taxes. Expenditures may only be used for street and state highway improvements and maintenance.

Street Construction, Maintenance and Repair Fund

To account for revenues distributed by the State from the motor vehicle and gasoline taxes. Expenditures may only be used for street construction, maintenance and repair.

Drug Fine Fund

To account for funds received by the police department for mandatory fines for drug related offenses.

Enforcement and Education Fund

To account for financial resources used to educate and treat persons with alcohol related problems and to enhance law enforcement activities as a deterrent to the operation of motor vehicles while under the influence of alcohol.

Law Enforcement Trust Fund

To account for funds received by the police department for contraband per state statute.

Community Oriented Policing Services (COPS) Fast Grant Fund

To account for federal grant monies designated for the cost of additional police officers.

Recreation Fund

To account for the revenues from taxes, concession operations and fees. Expenditures may only be used for recreation purposes.

(Continued)

SPECIAL REVENUE FUNDS

Free Community Entertainment Fund

To account for donations intended to provide special summer programs such as fireworks and music in the park.

Block Grant Fund

To account for Federal grants administered through the State designated for community and environmental improvements.

Downtown Streetscape Fund

To account for the revenues from Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA) grants and assessments. Expenditures are to be used for Downtown Streetscape projects.

THE CITY OF ROSSFORD, OHIO
COMBINING BALANCE SHEET
SPECIAL REVENUE FUNDS
DECEMBER 31, 2001

	State Highway	Street Construction, Maintenance and Repair	Drug Fine	Enforcement and Education
<u>Assets:</u>				
Cash and Cash Equivalents	\$0	\$1,134	\$4,898	\$1,870
Receivables (net of allowances for doubtful accounts):				
Taxes	0	0	0	0
Special Assessments	0	0	0	0
Intergovernmental Receivables	8,064	99,464	0	0
Inventory of Supplies at Cost	0	18,868	0	0
	<u>0</u>	<u>18,868</u>	<u>0</u>	<u>0</u>
Total Assets	<u>\$8,064</u>	<u>\$119,466</u>	<u>\$4,898</u>	<u>\$1,870</u>
<u>Liabilities and Fund Equity:</u>				
Liabilities:				
Accounts Payable	\$114	\$18,823	\$0	\$0
Accrued Wages and Benefits	0	12,966	0	0
Deferred Revenue	5,376	66,309	0	0
	<u>5,490</u>	<u>98,098</u>	<u>0</u>	<u>0</u>
Fund Equity:				
Reserved for Encumbrances	0	837	0	0
Reserved for Supplies Inventory	0	18,868	0	0
Unreserved	2,574	1,663	4,898	1,870
	<u>2,574</u>	<u>21,368</u>	<u>4,898</u>	<u>1,870</u>
Total Fund Equity	<u>2,574</u>	<u>21,368</u>	<u>4,898</u>	<u>1,870</u>
Total Liabilities and Fund Equity	<u>\$8,064</u>	<u>\$119,466</u>	<u>\$4,898</u>	<u>\$1,870</u>

THE CITY OF ROSSFORD, OHIO
COMBINING BALANCE SHEET
SPECIAL REVENUE FUNDS
DECEMBER 31, 2001

Law Enforcement Trust	COPS Fast Grant	Recreation	Free Community Entertainment	Block Grant	Downtown Streetscape	Totals
\$6,948	\$7	\$1,613	\$3,766	\$67,979	\$0	\$88,215
0	0	45,627	0	0	0	45,627
0	0	0	0	0	326	326
0	0	2,092	0	425	0	110,045
0	0	0	0	0	0	18,868
<u>\$6,948</u>	<u>\$7</u>	<u>\$49,332</u>	<u>\$3,766</u>	<u>\$68,404</u>	<u>\$326</u>	<u>\$263,081</u>
\$0	\$0	\$1,602	\$25	\$64,180	\$0	\$84,744
0	0	10,771	0	0	0	23,737
0	0	45,627	0	0	326	117,638
0	0	58,000	25	64,180	326	226,119
0	0	980	0	1,225	0	3,042
0	0	0	0	0	0	18,868
6,948	7	(9,648)	3,741	2,999	0	15,052
<u>6,948</u>	<u>7</u>	<u>(8,668)</u>	<u>3,741</u>	<u>4,224</u>	<u>0</u>	<u>36,962</u>
<u>\$6,948</u>	<u>\$7</u>	<u>\$49,332</u>	<u>\$3,766</u>	<u>\$68,404</u>	<u>\$326</u>	<u>\$263,081</u>

THE CITY OF ROSSFORD, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2001

	State Highway	Street Construction, Maintenance and Repair	Drug Fine	Enforcement and Education
Revenues:				
Taxes	\$0	\$0	\$0	\$0
Intergovernmental Revenues	20,753	213,300	0	0
Charges for Services	0	0	0	0
Special Assessments	0	0	0	0
Fines and Forfeitures	0	0	675	415
All Other Revenues	0	1,727	0	0
Total Revenues	20,753	215,027	675	415
Expenditures:				
Current:				
Security of Persons and Property	0	0	0	3,468
Leisure Time Activities	0	0	0	0
Community Environment	0	0	0	0
Transportation	35,697	340,002	0	0
Debt Service:				
Principal Retirement	0	9,009	0	0
Interest and Fiscal Charges	0	131	0	0
Total Expenditures	35,697	349,142	0	3,468
Excess (Deficiency) of Revenues Over (Under) Expenditures	(14,944)	(134,115)	675	(3,053)
Other Financing Sources (Uses):				
Operating Transfers In	7,206	128,133	0	0
Operating Transfers Out	0	0	0	0
Total Other Financing Sources (Uses)	7,206	128,133	0	0
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(7,738)	(5,982)	675	(3,053)
Restated Fund Balance (Deficit) at Beginning of Year	10,312	14,041	4,223	4,923
Increase in Inventory Reserve	0	13,309	0	0
Fund Balance (Deficit) at End of Year	\$2,574	\$21,368	\$4,898	\$1,870

THE CITY OF ROSSFORD, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2001

Law Enforcement Trust	COPS Fast Grant	Recreation	Free Community Entertainment	Block Grant	Downtown Streetscape	Totals
\$0	\$0	\$35,744	\$0	\$0	\$0	\$35,744
0	0	4,147	0	237,145	0	475,345
0	0	82,806	0	0	0	82,806
0	0	0	0	0	4,439	4,439
0	0	0	0	0	0	1,090
1,950	0	26,956	7,566	0	0	38,199
<u>1,950</u>	<u>0</u>	<u>149,653</u>	<u>7,566</u>	<u>237,145</u>	<u>4,439</u>	<u>637,623</u>
0	0	0	0	0	0	3,468
0	0	191,464	5,082	0	0	196,546
0	0	0	0	240,586	0	240,586
0	0	0	0	0	0	375,699
0	0	0	0	0	0	9,009
0	0	0	0	0	0	131
<u>0</u>	<u>0</u>	<u>191,464</u>	<u>5,082</u>	<u>240,586</u>	<u>0</u>	<u>825,439</u>
1,950	0	(41,811)	2,484	(3,441)	4,439	(187,816)
0	0	34,193	0	0	0	169,532
0	0	0	0	0	(4,439)	(4,439)
<u>0</u>	<u>0</u>	<u>34,193</u>	<u>0</u>	<u>0</u>	<u>(4,439)</u>	<u>165,093</u>
1,950	0	(7,618)	2,484	(3,441)	0	(22,723)
4,998	7	(1,050)	1,257	7,665	0	46,376
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>13,309</u>
<u>\$6,948</u>	<u>\$7</u>	<u>(\$8,668)</u>	<u>\$3,741</u>	<u>\$4,224</u>	<u>\$0</u>	<u>\$36,962</u>

THE CITY OF ROSSFORD, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2001

STATE HIGHWAY FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental Revenues	\$19,500	\$20,753	\$1,253
Total Revenues	19,500	20,753	1,253
<u>Expenditures:</u>			
Transportation:			
Materials and Supplies	37,579	35,583	1,996
Total Expenditures	37,579	35,583	1,996
Excess (Deficiency) of Revenues Over (Under) Expenditures	(18,079)	(14,830)	3,249
<u>Other Financing Sources (Uses):</u>			
Operating Transfers In	19,080	7,206	(11,874)
Total Other Financing Sources (Uses)	19,080	7,206	(11,874)
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	1,001	(7,624)	(8,625)
Fund Balance at Beginning of Year	7,595	7,595	0
Prior Year Encumbrances	29	29	0
Fund Balance at End of Year	\$8,625	\$0	(\$8,625)

THE CITY OF ROSSFORD, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2001

STREET CONSTRUCTION, MAINTENANCE AND REPAIR FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental Revenues	\$196,000	\$213,292	\$17,292
All Other Revenues	0	1,727	1,727
Total Revenues	<u>196,000</u>	<u>215,019</u>	<u>19,019</u>
<u>Expenditures:</u>			
Transportation:			
Personal Services	141,143	118,364	22,779
Contractual Services	80,221	59,037	21,184
Materials and Supplies	121,702	109,204	12,498
Capital Outlay	82,890	67,577	15,313
Total Transportation	<u>425,956</u>	<u>354,182</u>	<u>71,774</u>
Debt Service:			
Principal Retirement	9,009	9,009	0
Interest and Fiscal Charges	131	131	0
Total Debt Service	<u>9,140</u>	<u>9,140</u>	<u>0</u>
Total Expenditures	<u>435,096</u>	<u>363,322</u>	<u>71,774</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(239,096)	(148,303)	90,793
<u>Other Financing Sources (Uses):</u>			
Operating Transfers In	201,667	128,133	(73,534)
Total Other Financing Sources (Uses)	<u>201,667</u>	<u>128,133</u>	<u>(73,534)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(37,429)	(20,170)	17,259
Fund Balance at Beginning of Year	0	0	0
Prior Year Encumbrances	20,172	20,172	0
Fund Balance at End of Year	<u>(\$17,257)</u>	<u>\$2</u>	<u>\$17,259</u>

THE CITY OF ROSSFORD, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2001

DRUG FINE FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Fines and Forfeitures	\$0	\$675	\$675
Total Revenues	0	675	675
<u>Expenditures:</u>			
Total Expenditures	0	0	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	675	675
Fund Balance at Beginning of Year	4,223	4,223	0
Fund Balance at End of Year	\$4,223	\$4,898	\$675

THE CITY OF ROSSFORD, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2001

ENFORCEMENT AND EDUCATION FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Fines and Forfeitures	\$1,500	\$415	(\$1,085)
Total Revenues	1,500	415	(1,085)
<u>Expenditures:</u>			
Security of Persons and Property:			
Materials and Supplies	5,000	3,468	1,532
Total Expenditures	5,000	3,468	1,532
Excess (Deficiency) of			
Revenues Over (Under) Expenditures	(3,500)	(3,053)	447
Fund Balance at Beginning of Year	4,923	4,923	0
Fund Balance at End of Year	\$1,423	\$1,870	\$447

THE CITY OF ROSSFORD, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2001

LAW ENFORCEMENT TRUST FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
All Other Revenues	\$1,500	\$1,950	\$450
Total Revenues	1,500	1,950	450
<u>Expenditures:</u>			
Total Expenditures	0	0	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,500	1,950	450
Fund Balance at Beginning of Year	4,998	4,998	0
Fund Balance at End of Year	\$6,498	\$6,948	\$450

THE CITY OF ROSSFORD, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2001

COPS FAST GRANT FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Total Revenues	\$0	\$0	\$0
<u>Expenditures:</u>			
Total Expenditures	0	0	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0
Fund Balance at Beginning of Year	7	7	0
Fund Balance at End of Year	\$7	\$7	\$0

THE CITY OF ROSSFORD, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2001

RECREATION FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Taxes	\$45,557	\$35,744	(\$9,813)
Intergovernmental Revenues	3,600	4,107	507
Charges for Services	74,000	82,806	8,806
All Other Revenues	28,000	26,956	(1,044)
Total Revenues	151,157	149,613	(1,544)
Expenditures:			
Leisure Time Activities:			
Personal Services	120,701	117,875	2,826
Contractual Services	47,662	39,805	7,857
Materials and Supplies	34,010	29,637	4,373
Other Expenditures	1,000	726	274
Capital Outlay	1,300	330	970
Total Expenditures	204,673	188,373	16,300
Excess (Deficiency) of Revenues Over (Under) Expenditures	(53,516)	(38,760)	14,756
Other Financing Sources (Uses):			
Operating Transfers In	48,949	34,193	(14,756)
Total Other Financing Sources (Uses)	48,949	34,193	(14,756)
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(4,567)	(4,567)	0
Fund Balance at Beginning of Year	173	173	0
Prior Year Encumbrances	4,395	4,395	0
Fund Balance at End of Year	\$1	\$1	\$0

THE CITY OF ROSSFORD, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2001

FREE COMMUNITY ENTERTAINMENT FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
All Other Revenues	\$18,620	\$7,566	(\$11,054)
Total Revenues	18,620	7,566	(11,054)
<u>Expenditures:</u>			
Leisure Time Activities:			
Contractual Services	18,620	5,082	13,538
Total Expenditures	18,620	5,082	13,538
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	2,484	2,484
Fund Balance at Beginning of Year	1,257	1,257	0
Fund Balance at End of Year	\$1,257	\$3,741	\$2,484

THE CITY OF ROSSFORD, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2001

BLOCK GRANT FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental Revenues	\$554,231	\$245,652	(\$308,579)
Total Revenues	<u>554,231</u>	<u>245,652</u>	<u>(308,579)</u>
<u>Expenditures:</u>			
Community Environment:			
Capital Outlay	470,883	229,239	241,644
Total Expenditures	<u>470,883</u>	<u>229,239</u>	<u>241,644</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	83,348	16,413	(66,935)
Fund Balance at Beginning of Year	11,419	11,419	0
Prior Year Encumbrances	3,522	3,522	0
Fund Balance at End of Year	<u><u>\$98,289</u></u>	<u><u>\$31,354</u></u>	<u><u>(\$66,935)</u></u>

THE CITY OF ROSSFORD, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2001

DOWNTOWN STREETSCAPE FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Special Assessments	\$0	\$4,439	\$4,439
Total Revenues	0	4,439	4,439
<u>Expenditures:</u>			
Total Expenditures	0	0	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	4,439	4,439
<u>Other Financing Sources (Uses):</u>			
Operating Transfers Out	(4,439)	(4,439)	0
Total Other Financing Sources (Uses)	(4,439)	(4,439)	0
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(4,439)	0	4,439
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	(\$4,439)	\$0	\$4,439

CAPITAL PROJECTS FUNDS

The Capital Projects Funds are used to account for the financial resources used for the acquisition or construction of major capital facilities other than those financed by proprietary or trust funds.

Landfill Closure Fund

To account for financial resources used to cover and monitor the City owned landfill, which ceased operations in 1990.

Lewis Street Paving and Curbs Fund

To account for financial resources used to add curbs and resurface Lewis Street, as petitioned by the property owners. The cost of the improvements, less 2% and the cost of the intersection shall be assessed based on front footage to the property owners over 10 years.

Capital Improvement Fund

To account for financial resources used for the major capital projects undertaken by the City.

Fire Capital Improvement Fund

To account for financial resources received from a voter approved tax levy that are used to provide fire apparatus, buildings or sites.

Permanent Recreation Improvement Fund

To account for financial resources received from a voter approved tax levy that are used to provide for the acquisition of land and/or construction of specific permanent improvements to parks and playgrounds for recreational purposes.

Arena Drainage Ditch Fund

To account for financial resources received to improve storm water drainage by constructing drainage swales and extending the arena drainage ditch.

Electrical Industrial Court Fund

To account for financial resources received from assessments against property owners to construct a public roadway.

(Continued)

CAPITAL PROJECTS FUNDS

TIF Ramco Gershenson Fund

To account for financial resources received from Ramco Gershenson Inc. that were used to construct a public road and to make storm drainage improvements to US Route 20, Parkway Boulevard and Deimling Road.

TID Road Acquisition Fund

To account for financial resources received from assessments against property owners used to lease-purchase the Transportation Improvement District's new road project.

TIF Henry Court Road Construction Fund

To account for financial resources received from Henry Court that were used to construct a public road and to make storm drainage improvements to US Route 20, Parkway Boulevard and Deimling Road.

THE CITY OF ROSSFORD, OHIO
COMBINING BALANCE SHEET
CAPITAL PROJECTS FUNDS
DECEMBER 31, 2001

	<u>Landfill Closure</u>	<u>Lewis Street Paving and Curbs</u>	<u>Capital Improvement</u>	<u>Fire Capital Improvement</u>	<u>Permanent Recreation Improvement</u>
<u>Assets:</u>					
Cash and Cash Equivalents	\$123	\$7,863	\$10,496	\$75,152	\$51,466
Receivables (net of allowances for doubtful accounts):					
Taxes	0	0	0	68,441	45,627
Special Assessments	0	7,665	0	0	0
Intergovernmental Receivables	<u>0</u>	<u>0</u>	<u>0</u>	<u>3,138</u>	<u>2,092</u>
Total Assets	<u>\$123</u>	<u>\$15,528</u>	<u>\$10,496</u>	<u>\$146,731</u>	<u>\$99,185</u>
<u>Liabilities and Fund Equity:</u>					
Liabilities:					
Accounts Payable	\$4,699	\$0	\$0	\$0	\$925
Accrued Interest Payable	0	0	0	0	0
Deferred Revenue	0	7,665	0	68,441	45,627
General Obligation Notes Payable	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities	<u>4,699</u>	<u>7,665</u>	<u>0</u>	<u>68,441</u>	<u>46,552</u>
Fund Equity:					
Reserved for Encumbrances	0	0	10,495	1,919	0
Unreserved	<u>(4,576)</u>	<u>7,863</u>	<u>1</u>	<u>76,371</u>	<u>52,633</u>
Total Fund Equity	<u>(4,576)</u>	<u>7,863</u>	<u>10,496</u>	<u>78,290</u>	<u>52,633</u>
Total Liabilities and Fund Equity	<u>\$123</u>	<u>\$15,528</u>	<u>\$10,496</u>	<u>\$146,731</u>	<u>\$99,185</u>

THE CITY OF ROSSFORD, OHIO
COMBINING BALANCE SHEET
CAPITAL PROJECTS FUNDS
DECEMBER 31, 2001

Arena Drainage Ditch	Electrical Industrial Court	TIF Ramco Gershenson	TID Road Acquisition	TIF Henry Court Road Construction	Totals
\$497	\$24,041	\$421,300	\$1	\$13,500	\$604,439
0	0	0	0	0	114,068
0	202,620	302,275	2,460,488	0	2,973,048
0	0	0	0	0	5,230
<u>\$497</u>	<u>\$226,661</u>	<u>\$723,575</u>	<u>\$2,460,489</u>	<u>\$13,500</u>	<u>\$3,696,785</u>
\$0	\$0	\$89,935	\$70,528	\$0	\$166,087
0	7,192	36,209	72,867	0	116,268
0	202,620	302,275	2,460,488	0	3,087,116
0	250,000	1,900,000	2,550,000	0	4,700,000
0	459,812	2,328,419	5,153,883	0	8,069,471
0	0	162,321	0	0	174,735
497	(233,151)	(1,767,165)	(2,693,394)	13,500	(4,547,421)
497	(233,151)	(1,604,844)	(2,693,394)	13,500	(4,372,686)
<u>\$497</u>	<u>\$226,661</u>	<u>\$723,575</u>	<u>\$2,460,489</u>	<u>\$13,500</u>	<u>\$3,696,785</u>

THE CITY OF ROSSFORD, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2001

	Landfill Closure	Lewis Street Paving and Curbs	Capital Improvement	Fire Capital Improvement	Permanent Recreation Improvement
Revenues:					
Taxes	\$0	\$0	\$0	\$53,616	\$35,744
Intergovernmental Revenues	0	0	0	6,222	4,147
Investment Earnings	0	0	0	0	0
Special Assessments	0	7,796	0	0	0
All Other Revenues	0	0	0	9,399	0
Total Revenues	0	7,796	0	69,237	39,891
Expenditures:					
Capital Outlay	47,133	0	822,205	62,235	25,193
Debt Service:					
Interest and Fiscal Charges	22,824	7,247	103,107	0	0
Total Expenditures	69,957	7,247	925,312	62,235	25,193
Excess (Deficiency) of Revenues Over (Under) Expenditures	(69,957)	549	(925,312)	7,002	14,698
Other Financing Sources (Uses):					
Proceeds from General Obligation Bonds	272,000	82,000	1,541,000	0	0
Operating Transfers In	74,024	0	0	0	0
Operating Transfers Out	0	0	(48,514)	0	0
Total Other Financing Sources (Uses)	346,024	82,000	1,492,486	0	0
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	276,067	82,549	567,174	7,002	14,698
Restated Fund Balance (Deficit) at Beginning of Year	(280,643)	(74,686)	(556,678)	71,288	37,935
Fund Balance (Deficit) at End of Year	(\$4,576)	\$7,863	\$10,496	\$78,290	\$52,633

THE CITY OF ROSSFORD, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2001

Arena Drainage Ditch	Electrical Industrial Court	TIF Ramco Gershenson	TID Road Acquisition	TIF Henry Court Road Construction	Totals
\$0	\$0	\$0	\$0	\$0	\$89,360
0	0	0	0	0	10,369
0	0	23,959	0	0	23,959
0	39,055	0	89,528	13,500	149,879
0	0	0	0	0	9,399
0	39,055	23,959	89,528	13,500	282,966
0	21,179	312,268	70,528	0	1,360,741
9,163	15,887	108,721	177,292	0	444,241
9,163	37,066	420,989	247,820	0	1,804,982
(9,163)	1,989	(397,030)	(158,292)	13,500	(1,522,016)
105,000	0	0	0	0	2,000,000
0	0	0	78,188	0	152,212
0	0	0	0	0	(48,514)
105,000	0	0	78,188	0	2,103,698
95,837	1,989	(397,030)	(80,104)	13,500	581,682
(95,340)	(235,140)	(1,207,814)	(2,613,290)	0	(4,954,368)
\$497	(\$233,151)	(\$1,604,844)	(\$2,693,394)	\$13,500	(\$4,372,686)

THE CITY OF ROSSFORD, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2001

LANDFILL CLOSURE FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Total Revenues	\$0	\$0	\$0
<u>Expenditures:</u>			
Capital Outlay	90,000	60,496	29,504
Debt Service:			
Principal Retirement	260,000	260,000	0
Interest and Fiscal Charges	15,378	13,528	1,850
Total Debt Service	275,378	273,528	1,850
Total Expenditures	365,378	334,024	31,354
Excess (Deficiency) of Revenues Over (Under) Expenditures	(365,378)	(334,024)	31,354
<u>Other Financing Sources (Uses):</u>			
Proceeds from General Obligation Bonds	240,000	260,000	20,000
Operating Transfers In	125,378	74,024	(51,354)
Total Other Financing Sources (Uses)	365,378	334,024	(31,354)
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	0	0	0
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	\$0	\$0	\$0

THE CITY OF ROSSFORD, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2001

LEWIS STREET PAVING AND CURBS FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Special Assessments	\$7,700	\$7,796	\$96
Total Revenues	7,700	7,796	96
<u>Expenditures:</u>			
Debt Service:			
Principal Retirement	78,000	78,000	0
Interest and Fiscal Charges	4,209	4,058	151
Total Debt Service	82,209	82,058	151
Total Expenditures	82,209	82,058	151
Excess (Deficiency) of Revenues Over (Under) Expenditures	(74,509)	(74,262)	247
<u>Other Financing Sources (Uses):</u>			
Proceeds from General Obligation Bonds	72,800	78,000	5,200
Total Other Financing Sources (Uses)	72,800	78,000	5,200
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(1,709)	3,738	5,447
Fund Balance at Beginning of Year	4,125	4,125	0
Fund Balance at End of Year	\$2,416	\$7,863	\$5,447

THE CITY OF ROSSFORD, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2001

CAPITAL IMPROVEMENT FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Total Revenues	\$0	\$0	\$0
<u>Expenditures:</u>			
Capital Outlay	1,145,227	837,197	308,030
Debt Service:			
Principal Retirement	1,478,500	1,478,500	0
Interest and Fiscal Charges	50,022	46,291	3,731
Total Debt Service	1,528,522	1,524,791	3,731
Total Expenditures	2,673,749	2,361,988	311,761
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,673,749)	(2,361,988)	311,761
<u>Other Financing Sources (Uses):</u>			
Proceeds from General Obligation Notes	0	932,000	932,000
Proceeds from General Obligation Bonds	518,200	1,478,500	960,300
Operating Transfers Out	(59,009)	(48,514)	10,495
Total Other Financing Sources (Uses)	459,191	2,361,986	1,902,795
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(2,214,558)	(2)	2,214,556
Fund Balance at Beginning of Year	3	3	0
Fund Balance at End of Year	(\$2,214,555)	\$1	\$2,214,556

THE CITY OF ROSSFORD, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2001

FIRE CAPITAL IMPROVEMENT FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Taxes	\$68,086	\$53,616	(\$14,470)
Intergovernmental Revenues	3,000	6,161	3,161
All Other Revenues	0	9,399	9,399
Total Revenues	71,086	69,176	(1,910)
<u>Expenditures:</u>			
Capital Outlay	118,428	75,904	42,524
Total Expenditures	118,428	75,904	42,524
Excess (Deficiency) of Revenues Over (Under) Expenditures	(47,342)	(6,728)	40,614
Fund Balance at Beginning of Year	79,958	79,958	0
Prior Year Encumbrances	3	3	0
Fund Balance at End of Year	\$32,619	\$73,233	\$40,614

THE CITY OF ROSSFORD, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2001

PERMANENT RECREATION IMPROVEMENT FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Taxes	\$45,557	\$35,744	(\$9,813)
Intergovernmental Revenues	2,000	4,107	2,107
Total Revenues	<u>47,557</u>	<u>39,851</u>	<u>(7,706)</u>
<u>Expenditures:</u>			
Capital Outlay	<u>61,470</u>	<u>24,268</u>	<u>37,202</u>
Total Expenditures	<u>61,470</u>	<u>24,268</u>	<u>37,202</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(13,913)	15,583	29,496
Fund Balance at Beginning of Year	35,633	35,633	0
Prior Year Encumbrances	250	250	0
Fund Balance at End of Year	<u><u>\$21,970</u></u>	<u><u>\$51,466</u></u>	<u><u>\$29,496</u></u>

THE CITY OF ROSSFORD, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2001

ARENA DRAINAGE DITCH FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Total Revenues	\$0	\$0	\$0
<u>Expenditures:</u>			
Debt Service:			
Principal Retirement	100,000	100,000	0
Interest and Fiscal Charges	5,203	5,203	0
Total Debt Service	105,203	105,203	0
Total Expenditures	105,203	105,203	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	(105,203)	(105,203)	0
<u>Other Financing Sources (Uses):</u>			
Proceeds from General Obligation Bonds	100,000	100,000	0
Total Other Financing Sources (Uses)	100,000	100,000	0
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(5,203)	(5,203)	0
Fund Balance at Beginning of Year	5,700	5,700	0
Fund Balance at End of Year	\$497	\$497	\$0

THE CITY OF ROSSFORD, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2001

ELECTRICAL INDUSTRIAL COURT FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Special Assessments	\$32,492	\$39,055	\$6,563
Total Revenues	32,492	39,055	6,563
<u>Expenditures:</u>			
Capital Outlay	21,179	21,179	0
Debt Service:			
Principal Retirement	250,000	250,000	0
Interest and Fiscal Charges	14,900	14,900	0
Total Debt Service	264,900	264,900	0
Total Expenditures	286,079	286,079	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	(253,587)	(247,024)	6,563
<u>Other Financing Sources (Uses):</u>			
Proceeds from General Obligation Notes	250,000	250,000	0
Total Other Financing Sources (Uses)	250,000	250,000	0
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(3,587)	2,976	6,563
Fund Balance at Beginning of Year	1	1	0
Prior Year Encumbrances	21,064	21,064	0
Fund Balance at End of Year	\$17,478	\$24,041	\$6,563

THE CITY OF ROSSFORD, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2001

TIF RAMCO GERSHENSON FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Investment Earnings	\$207,400	\$23,959	(\$183,441)
Total Revenues	207,400	23,959	(183,441)
<u>Expenditures:</u>			
Capital Outlay	837,513	822,573	14,940
Debt Service:			
Principal Retirement	1,900,000	1,900,000	0
Interest and Fiscal Charges	123,697	123,130	567
Total Debt Service	2,023,697	2,023,130	567
Total Expenditures	2,861,210	2,845,703	15,507
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,653,810)	(2,821,744)	(167,934)
<u>Other Financing Sources (Uses):</u>			
Proceeds from General Obligation Notes	1,805,000	1,900,000	95,000
Total Other Financing Sources (Uses)	1,805,000	1,900,000	95,000
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(848,810)	(921,744)	(72,934)
Fund Balance at Beginning of Year	253,275	253,275	0
Prior Year Encumbrances	837,513	837,513	0
Fund Balance at End of Year	\$241,978	\$169,044	(\$72,934)

THE CITY OF ROSSFORD, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2001

TID ROAD ACQUISITION FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Charges for Services	\$70,332	\$0	(\$70,332)
Special Assessments	201,719	89,528	(112,191)
Total Revenues	272,051	89,528	(182,523)
<u>Expenditures:</u>			
Debt Service:			
Principal Retirement	2,550,000	2,550,000	0
Interest and Fiscal Charges	169,116	167,715	1,401
Total Debt Service	2,719,116	2,717,715	1,401
Total Expenditures	2,719,116	2,717,715	1,401
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,447,065)	(2,628,187)	(181,122)
<u>Other Financing Sources (Uses):</u>			
Proceeds from General Obligation Notes	2,380,000	2,550,000	170,000
Operating Transfers In	78,188	78,188	0
Total Other Financing Sources (Uses)	2,458,188	2,628,188	170,000
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	11,123	1	(11,122)
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	\$11,123	\$1	(\$11,122)

THE CITY OF ROSSFORD, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2001

TIF HENRY COURT ROAD CONSTRUCTION FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Special Assessments	\$0	\$13,500	\$13,500
Total Revenues	0	13,500	13,500
<u>Expenditures:</u>			
Total Expenditures	0	0	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	13,500	13,500
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	\$0	\$13,500	\$13,500

ENTERPRISE FUNDS

The enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprise, whereby the intent of the City is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges, or when the City has decided that periodic determination of net income is appropriate for accountability purposes.

Water Fund

To account for the operation of the City's water service.

Sewer Fund

To account for the operation of the City's sanitary sewer service.

Marina Fund

To account for the operation of the City owned marina.

THE CITY OF ROSSFORD, OHIO
COMBINING BALANCE SHEET
ENTERPRISE FUNDS
DECEMBER 31, 2001

	<u>Water</u>	<u>Sewer</u>	<u>Marina</u>	<u>Totals</u>
<u>Assets:</u>				
Cash and Cash Equivalents	\$122,668	\$232,962	\$55,586	\$411,216
Interfund Loan Receivable	80,000	0	0	80,000
Intergovernmental Receivables	102,495	242,793	0	345,288
Property, Plant and Equipment	3,289,693	6,195,754	103,665	9,589,112
Less Accumulated Depreciation	<u>(1,105,858)</u>	<u>(1,462,769)</u>	<u>(29,267)</u>	<u>(2,597,894)</u>
Net Fixed Assets	<u>2,183,835</u>	<u>4,732,985</u>	<u>74,398</u>	<u>6,991,218</u>
Total Assets	<u>\$2,488,998</u>	<u>\$5,208,740</u>	<u>\$129,984</u>	<u>\$7,827,722</u>
<u>Liabilities and Fund Equity:</u>				
Liabilities:				
Accounts Payable	\$0	\$36,172	\$675	\$36,847
Accrued Wages and Benefits	0	5,517	1,589	7,106
Accrued Interest Payable	17,243	15,844	0	33,087
General Obligation Notes Payable	300,000	300,000	0	600,000
General Obligation Bonds Payable	1,800,740	1,519,260	0	3,320,000
Ohio Public Works Commission Loan	0	84,505	0	84,505
Ohio Water Development Authority Loan Payable	<u>0</u>	<u>1,697,916</u>	<u>0</u>	<u>1,697,916</u>
Total Liabilities	<u>2,117,983</u>	<u>3,659,214</u>	<u>2,264</u>	<u>5,779,461</u>
Fund Equity:				
Contributed Capital	1,672,268	1,855,290	0	3,527,558
Retained Earnings (Accumulated Deficit): Unreserved	<u>(1,301,253)</u>	<u>(305,764)</u>	<u>127,720</u>	<u>(1,479,297)</u>
Total Fund Equity	<u>371,015</u>	<u>1,549,526</u>	<u>127,720</u>	<u>2,048,261</u>
Total Liabilities and Fund Equity	<u>\$2,488,998</u>	<u>\$5,208,740</u>	<u>\$129,984</u>	<u>\$7,827,722</u>

THE CITY OF ROSSFORD, OHIO
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS
ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2001

	Water	Sewer	Marina	Totals
<u>Operating Revenues:</u>				
Charges for Services	\$197,825	\$556,549	\$97,989	\$852,363
Other Operating Revenues	10,501	1,171	0	11,672
Total Operating Revenues	208,326	557,720	97,989	864,035
<u>Operating Expenses:</u>				
Personal Services	0	62,351	40,010	102,361
Materials and Supplies	0	23,401	29,624	53,025
Contractual Services	44,516	148,849	479	193,844
Depreciation	60,143	119,531	4,041	183,715
Other Operating Expenses	0	0	1,056	1,056
Total Operating Expenses	104,659	354,132	75,210	534,001
Operating Income	103,667	203,588	22,779	330,034
<u>Nonoperating Revenues (Expenses):</u>				
Interest and Fiscal Charges	(165,192)	(215,453)	0	(380,645)
Total Nonoperating Revenues (Expenses)	(165,192)	(215,453)	0	(380,645)
Income (Loss) Before Operating Transfers	(61,525)	(11,865)	22,779	(50,611)
<u>Operating Transfers:</u>				
Operating Transfers In	0	0	2,237	2,237
Total Operating Transfers	0	0	2,237	2,237
Net Income (Loss)	(61,525)	(11,865)	25,016	(48,374)
Retained Earnings (Accumulated Deficit) at Beginning of Year	(1,239,728)	(293,899)	102,704	(1,430,923)
Retained Earnings (Accumulated Deficit) at End of Year	(\$1,301,253)	(\$305,764)	\$127,720	(\$1,479,297)

THE CITY OF ROSSFORD, OHIO
COMBINING STATEMENT OF CASH FLOWS
ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2001

	Water	Sewer	Marina	Totals
<u>Cash Flows from Operating Activities:</u>				
Cash Received from Customers	\$165,478	\$437,704	\$97,989	\$701,171
Cash Payments for Goods and Services	(45,850)	(147,920)	(30,559)	(224,329)
Cash Payments to Employees	0	(59,192)	(39,461)	(98,653)
Net Cash Provided by Operating Activities	119,628	230,592	27,969	378,189
<u>Cash Flows from Noncapital Financing Activities:</u>				
Transfers In from Other Funds	0	0	2,237	2,237
Advances Out to Other Funds	(30,000)	0	0	(30,000)
Net Cash Provided (Used) by Noncapital Financing Activities	(30,000)	0	2,237	(27,763)
<u>Cash Flows from Capital and Related Financing Activities:</u>				
Proceeds from General Obligation Notes	300,000	300,000	0	600,000
Proceeds from General Obligation Bonds	1,800,740	1,519,260	0	3,320,000
Principal Paid on General Obligation Notes	(2,035,500)	(1,763,000)	0	(3,798,500)
Principal Paid on Ohio Water Development Authority Loans	0	(78,007)	0	(78,007)
Principal Paid on Ohio Public Works Commission Loan	0	(9,390)	0	(9,390)
Interest Paid on All Debt	(162,530)	(215,648)	0	(378,178)
Acquisition and Construction of Assets	0	(648)	(8,231)	(8,879)
Net Cash Used by Capital and Related Financing Activities	(97,290)	(247,433)	(8,231)	(352,954)
<u>Cash Flows from Investing Activities:</u>				
Sale of Investments	42,861	0	0	42,861
Net Cash Provided by Investing Activities	42,861	0	0	42,861
Net Increase (Decrease) in Cash and Cash Equivalents	35,199	(16,841)	21,975	40,333
Cash and Cash Equivalents at Beginning of Year	87,469	249,803	33,611	370,883
Cash and Cash Equivalents at End of Year	\$122,668	\$232,962	\$55,586	\$411,216
<u>Reconciliation of Operating Income to Net Cash Provided by Operating Activities:</u>				
Operating Income	\$103,667	\$203,588	\$22,779	\$330,034
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:				
Depreciation Expense	60,143	119,531	4,041	183,715
Changes in Assets and Liabilities:				
Increase in Intergovernmental Receivables	(42,848)	(120,016)	0	(162,864)
Increase (Decrease) in Accounts Payable	(1,334)	28,009	675	27,350
Decrease in Intergovernmental Payables	0	(3,694)	(75)	(3,769)
Increase in Accrued Wages and Benefits	0	3,174	549	3,723
Total Adjustments	15,961	27,004	5,190	48,155
Net Cash Provided by Operating Activities	\$119,628	\$230,592	\$27,969	\$378,189



FIDUCIARY FUND TYPE

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

AGENCY FUND

Cafeteria Plan Fund

To account for funds related to the IRS 125 Employee Benefits Plan.

THE CITY OF ROSSFORD, OHIO
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUND
FOR THE YEAR ENDED DECEMBER 31, 2001

	Balance December 31, 2000	Additions	Deductions	Balance December 31, 2001
<u>Cafeteria Plan</u>				
Assets:				
Restricted Assets:				
Cash and Cash Equivalents	\$269	\$1,540	(\$1,325)	\$484
Total Assets	<u>\$269</u>	<u>\$1,540</u>	<u>(\$1,325)</u>	<u>\$484</u>
Liabilities:				
Due to Others	\$269	\$1,540	(\$1,325)	\$484
Total Liabilities	<u>\$269</u>	<u>\$1,540</u>	<u>(\$1,325)</u>	<u>\$484</u>

GENERAL FIXED ASSETS ACCOUNT GROUP

General Fixed Assets Account Group is used to account for fixed assets other than those accounted for in the Proprietary Funds.

THE CITY OF ROSSFORD, OHIO
SCHEDULE OF GENERAL FIXED ASSETS
BY SOURCE
DECEMBER 31, 2001

General Fixed Assets

Land	\$324,152
Buildings	3,187,714
Improvements Other Than Buildings	148,970
Machinery and Equipment	<u>2,786,864</u>
Total General Fixed Assets	<u>\$6,447,700</u>

Investment in General Fixed Assets

Acquired Prior to 1994	\$4,617,579
General Fund	607,721
Special Revenue Funds	290,729
Capital Projects Funds	920,171
Donated	<u>11,500</u>
Total Investment in General Fixed Assets	<u>\$6,447,700</u>

THE CITY OF ROSSFORD, OHIO
SCHEDULE OF GENERAL FIXED ASSETS
BY CATEGORY
DECEMBER 31, 2001

<u>Function and Activity</u>	<u>Land</u>	<u>Buildings</u>	<u>Improvements Other Than Buildings</u>	<u>Machinery and Equipment</u>	<u>Total</u>
<u>General Government:</u>					
Council	\$0	\$0	\$0	\$700	\$700
Mayor	0	0	0	2,116	2,116
Administrator	0	0	0	5,576	5,576
Finance/Tax	0	0	0	88,168	88,168
Prosecutor	0	0	0	2,898	2,898
General Government	324,152	2,955,591	76,920	34,500	3,391,163
Civil Defense	0	0	0	34,411	34,411
Total	<u>324,152</u>	<u>2,955,591</u>	<u>76,920</u>	<u>168,369</u>	<u>3,525,032</u>
<u>Security of Persons and Property:</u>					
Police	0	0	0	481,211	481,211
Fire	0	0	0	1,134,519	1,134,519
Total	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,615,730</u>	<u>1,615,730</u>
<u>Transportation:</u>					
Public Works	0	224,089	15,550	717,372	957,011
<u>Leisure Time Activities:</u>					
Park	0	8,034	56,500	285,393	349,927
Total General Fixed Assets	<u>\$324,152</u>	<u>\$3,187,714</u>	<u>\$148,970</u>	<u>\$2,786,864</u>	<u>\$6,447,700</u>

THE CITY OF ROSSFORD, OHIO
SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS
BY FUNCTION AND ACTIVITY
FOR THE YEAR ENDED DECEMBER 31, 2001

<u>Function and Activity</u>	<u>December 31, 2000</u>	<u>Additions</u>	<u>Deletions</u>	<u>December 31, 2001</u>
<u>General Government:</u>				
Council	\$700	\$0	\$0	\$700
Mayor	2,116	0	0	2,116
Administrator	5,576	0	0	5,576
Finance/Tax	88,168	0	0	88,168
Prosecutor	2,898	0	0	2,898
General Government	3,390,490	673	0	3,391,163
Civil Defense	34,411	0	0	34,411
Total	<u>3,524,359</u>	<u>673</u>	<u>0</u>	<u>3,525,032</u>
<u>Security of Persons and Property:</u>				
Police	468,574	12,637	0	481,211
Fire	1,025,605	145,968	(37,054)	1,134,519
Total	<u>1,494,179</u>	<u>158,605</u>	<u>(37,054)</u>	<u>1,615,730</u>
<u>Transportation:</u>				
Public Works	876,606	97,857	(17,452)	957,011
<u>Leisure Time Activities:</u>				
Park	341,693	8,234	0	349,927
Total General Fixed Assets	<u><u>\$6,236,837</u></u>	<u><u>\$265,369</u></u>	<u><u>(\$54,506)</u></u>	<u><u>\$6,447,700</u></u>

STATISTICAL SECTION

***T**HE FOLLOWING UNAUDITED STATISTICAL TABLES REFLECT SOCIAL AND ECONOMIC DATA, FINANCIAL TRENDS AND FISCAL CAPACITY OF THE CITY.*

THE CITY OF ROSSFORD, OHIO
GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION (1)
LAST TEN YEARS

Year		Security of Persons and Property	Public Health and Welfare	Leisure Time Activities	Community Environment	Basic Utility Services	Trans- portation	General Government	Capital Outlay	Debt Service	Total
1992	a	\$943,379	\$14,575	\$194,409	\$5,113	\$525,014	\$71,800	\$693,321	\$0	\$25,105	\$2,472,716
1993	b	1,006,117	0	140,644	9,430	187,950	438,338	760,681	171,378	0	2,714,538
1994	c	1,120,538	0	169,387	21,621	211,644	631,096	865,997	0	132,280	3,152,563
1995	c	1,243,534	0	183,371	95,586	190,473	662,982	868,922	0	164,091	3,408,959
1996	c	1,255,367	0	199,096	188,221	205,528	552,698	865,592	0	168,865	3,435,367
1997	c	1,351,688	0	177,616	10,314	210,245	586,279	987,399	0	165,031	3,488,572
1998	c	1,375,385	0	192,506	223,475	210,169	781,844	1,013,058	0	245,097	4,041,534
1999	c	1,599,527	0	208,846	258,382	208,283	789,415	866,887	0	194,173	4,125,513
2000	c	1,544,121	0	199,381	181,898	214,569	918,062	1,059,887	0	235,467	4,353,385
2001	c	1,887,972	0	236,888	240,586	208,181	897,282	1,067,504	0	171,304	4,709,717

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a - Cash Basis Financial Data

b - GAAP Basis Financial Data

c - GAAP Basis Financial Data, Capital Outlay is reported as part of the function

(1) Includes General Fund, Special Revenue Funds and Debt Service Fund

THE CITY OF ROSSFORD, OHIO
GENERAL GOVERNMENTAL REVENUES BY SOURCE (1)
LAST TEN YEARS

<u>Year</u>	<u>Taxes</u>	<u>Inter-Governmental Revenues</u>	<u>Charges for Services</u>	<u>Licenses and Permits</u>	<u>Investment Earnings</u>	<u>Special Assessments</u>	<u>Fines and Forfeitures</u>	<u>All Other</u>	<u>Total</u>
1992 a	\$2,018,258	\$448,954	\$72,276	\$22,497	\$98,348	\$105,102	\$19,185	\$35,608	\$2,820,228
1993 b	1,602,089	682,830	0	90,539	70,568	91,568	37,328	52,271	2,627,193
1994 b	1,846,861	751,660	35,642	84,872	80,253	92,807	36,206	19,161	2,947,462
1995 b	1,936,184	724,148	90,064	26,153	121,335	111,270	57,614	48,977	3,115,745
1996 b	2,097,353	969,792	96,434	26,647	79,919	111,430	39,867	44,092	3,465,534
1997 b	2,268,951	818,327	97,779	24,668	59,669	135,035	37,813	88,458	3,530,700
1998 b	2,373,203	1,180,873	102,258	41,233	72,647	129,868	36,614	78,268	4,014,964
1999 b	2,363,444	1,216,585	110,081	43,163	45,357	132,689	30,877	80,789	4,022,985
2000 b	2,519,617	1,194,098	126,297	73,834	49,941	125,604	32,431	56,713	4,178,535
2001 b	2,876,327	1,265,406	139,019	201,775	36,700	123,844	30,495	61,521	4,735,087

a - Cash Basis Financial Data
b - GAAP Basis Financial Data

(1) Includes General Fund, Special Revenue Funds and Debt Service Fund

**THE CITY OF ROSSFORD, OHIO
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN YEARS**

<u>Collection Year</u>	<u>Total Tax Levy</u>	<u>Current Tax Collections</u>	<u>Delinquent Tax Collections</u>	<u>Total Tax Collections</u>	<u>Percent of Total Tax Collections To Tax Levy</u>	<u>Accumulated Outstanding Delinquent Taxes</u>	<u>Percentage of Accumulated Delinquent Taxes to Total Tax Levy</u>
1992	\$152,546	\$139,162	\$5,443	\$144,605	94.79%	\$17,972	11.78%
1993	151,697	137,197	4,468	141,665	93.39%	640	0.42%
1994	168,743	155,916	3,519	159,435	94.48%	12,485	7.40%
1995	186,698	176,745	not available	176,745	94.67%	38,269	20.50%
1996	203,632	185,458	not available	185,458	91.08%	18,174	8.92%
1997	194,611	187,125	not available	187,125	96.15%	7,486	3.85%
1998	195,756	182,350	7,754	190,104	97.11%	5,647	2.88%
1999	268,751	250,351	10,646	260,997	97.11%	7,753	2.88%
2000	301,217	284,157	10,865	295,022	97.94%	6,195	2.06%
2001	302,645	284,060	8,231	292,291	96.58%	10,354	3.42%

Source: Wood County Auditor

**THE CITY OF ROSSFORD, OHIO
TANGIBLE TAX COLLECTED
LAST TEN YEARS**

<u>Year Paid</u>	<u>Amount</u>
1992	\$52,704
1993	39,217
1994	32,788
1995	31,930
1996	35,223
1997	33,849
1998	37,792
1999	44,233
2000	40,015
2001	38,267

Source: Wood County Auditor

THE CITY OF ROSSFORD, OHIO
ASSESSED VALUATIONS AND ESTIMATED TRUE VALUES
OF TAXABLE PROPERTY
LAST TEN YEARS

Tax Year	Real Property		Public Utility Personal		Tangible Personal Property		Total		Assessed Value as a Percent of Actual Value
	Assessed	Actual	Assessed	Actual	Assessed	Actual	Assessed	Actual	
1992	\$58,818,400	\$168,044,169	\$3,961,530	\$4,501,739	\$16,267,054	\$65,068,216	\$79,046,984	\$237,614,124	33.27%
1993	66,733,730	190,658,267	4,177,930	4,747,648	12,209,465	48,837,860	83,121,125	244,243,775	34.03%
1994	68,410,000	195,240,209	4,195,900	4,850,466	10,178,579	40,714,316	82,784,479	240,804,991	34.38%
1995	69,343,250	198,113,665	3,976,650	4,518,920	9,051,856	36,207,424	82,371,756	238,840,009	34.49%
1996	76,524,260	218,629,811	3,903,660	4,435,977	10,787,221	43,148,884	91,215,141	266,214,672	34.26%
1997	78,758,890	225,014,149	4,482,260	5,093,477	10,553,975	42,215,900	93,795,125	272,323,526	34.44%
1998	81,548,500	232,984,065	4,713,020	5,355,705	12,296,174	49,184,696	98,557,694	287,524,466	34.28%
1999	105,623,040	301,765,025	4,595,930	5,222,648	13,828,807	55,315,228	124,047,777	362,302,901	34.24%
2000	108,311,790	309,446,784	4,461,040	5,069,364	12,675,581	50,702,324	125,448,411	365,218,472	34.35%
2001	111,281,150	317,946,143	3,129,510	3,556,262	15,249,573	60,998,292	129,660,233	382,500,697	33.90%

Source: Wood County Auditor

THE CITY OF ROSSFORD, OHIO
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
(PER \$1,000 OF ASSESSED VALUATIONS)
LAST TEN YEARS

Collection Year	City of Rossford					Total City	Wood County		Wood County	Special Taxing District	Total
	General Fund	Permanent Recreation Improvement Fund	Recreation Fund	Fire Capital Fund	Rossford Exempted Village School District		Penta Joint Vocational School District				
1992	1.80	0.40	0.40	0.60	3.20	37.50	2.20	11.70	2.50	57.10	
1993	1.80	0.40	0.40	0.60	3.20	45.60	2.20	11.70	2.50	65.20	
1994	1.80	0.40	0.40	0.60	3.20	45.60	2.20	11.90	2.50	65.40	
1995	1.80	0.40	0.40	0.60	3.20	45.30	2.20	11.90	2.50	65.10	
1996	1.80	0.40	0.40	0.60	3.20	45.15	2.20	11.90	2.50	64.95	
1997	1.80	0.40	0.40	0.60	3.20	45.15	2.20	11.90	2.50	64.95	
1998	1.80	0.40	0.40	0.60	3.20	45.40	2.20	11.90	2.50	65.20	
1999	1.80	0.40	0.40	0.60	3.20	47.40	2.20	12.10	2.50	67.40	
2000	1.80	0.40	0.40	0.60	3.20	46.40	2.20	12.80	2.50	67.10	
2001	1.80	0.40	0.40	0.60	3.20	46.40	2.20	12.80	2.50	67.10	

Source: Wood County Auditor
Wood County Treasurer

CITY OF ROSSFORD, OHIO
SPECIAL ASSESSMENT BILLINGS AND COLLECTIONS (1)
LAST TEN YEARS

<u>Collection Year</u>	<u>Amount Billed</u>	<u>Amount Collected</u>	<u>Percent Collected</u>
1992	\$116,719	\$112,711	96.57%
1993	101,335	91,568	90.36%
1994	101,804	92,807	91.16%
1995	120,271	109,965	91.43%
1996	119,334	110,111	92.27%
1997	125,854	118,009	93.77%
1998	130,754	127,477	97.49%
1999	130,983	128,323	97.97%
2000	133,394	133,231	99.88%
2001	133,393	135,090	101.27%

(1) All assessments are for operating expenses, they are not debt related.

Source: Wood County Auditor

**THE CITY OF ROSSFORD, OHIO
COMPUTATION OF LEGAL DEBT MARGIN
DECEMBER 31, 2001**

	Total Debt	Unvoted Debt
Net Assessed Valuation	\$129,660,233	\$129,660,233
Legal Debt Limitation (%) (1)	10.50%	5.50%
Legal Debt Limitation (\$) (1)	13,614,324	7,131,313
Applicable City Debt Outstanding (2)	6,150,000	6,150,000
Less: Applicable Debt Service Fund Amounts	0	0
Net Indebtedness Subject to Limitation	6,150,000	6,150,000
Legal Debt Margin	\$7,464,324	\$981,313

(1) Direct Debt Limitation Based Upon Section 133, The Uniform Bond Act of the Ohio Revised Code

(2) City Debt Outstanding Includes Non Self-Supporting General Obligation Notes and Bonds Only
Enterprise Debt is Not Considered in the Computation of the Legal Debt Margin.
The Total Value of the RTID Notes are included.

THE CITY OF ROSSFORD, OHIO
RATIO OF NET GENERAL OBLIGATION DEBT TO ASSESSED
VALUE AND NET GENERAL OBLIGATION DEBT PER CAPITA
LAST TEN YEARS

Year	Population (1)	Assessed Value (2)	Gross General Obligation Debt (3)	Debt Service Funds Available	Net Bonded Debt	Ratio of General Obligation Debt to Assessed Valuation	Net General Obligation Debt Per Capita
1993	5,861	\$83,121,125	\$1,375,000	\$0	\$1,375,000	1.65%	\$234.60
1994	5,861	82,784,479	1,305,000	3,720	1,301,280	1.57%	222.02
1995	5,861	82,371,756	1,585,000	0	1,585,000	1.92%	270.43
1996	5,861	91,215,141	1,525,000	5	1,524,995	1.67%	260.19
1997	5,861	93,795,125	1,810,000	0	1,810,000	1.93%	308.82
1998	5,861	98,557,694	1,730,000	0	1,730,000	1.76%	295.17
1999	5,861	124,047,777	1,601,500	0	1,601,500	1.29%	273.25
2000	6,406	125,448,411	5,744,568	0	5,744,568	4.58%	896.75
2001	6,406	129,660,233	6,150,000	0	6,150,000	4.74%	960.04

NOTE: Ten years of data is not provided for this statistical table because the City of Rossford did not have any general obligation debt for the period 1991 - 1992. Principal and interest payments did not begin on the 1993 Community Center Bond until 1994.

(1) Source: U.S. Bureau of Census, Federal 2000 Census

(2) Source: Wood County Auditor

(3) Includes all general obligation debt supported by property taxes

THE CITY OF ROSSFORD, OHIO
RATIO OF ANNUAL DEBT SERVICE EXPENDITURES
FOR GENERAL OBLIGATION BONDED DEBT TO TOTAL GENERAL GOVERNMENTAL EXPENDITURES
LAST TEN YEARS

<u>Year</u>	<u>Debt Principal</u>	<u>Debt Interest</u>	<u>Total Debt Service</u>	<u>Total General Governmental Expenditures</u>	<u>Ratio of Tax Debt Service to General Governmental Expenditures</u>
1994	\$70,000	\$62,280	\$132,280	\$3,152,563	4.20%
1995	70,000	60,120	130,120	3,408,959	3.82%
1996	75,000	58,045	133,045	3,435,367	3.87%
1997	75,000	55,270	130,270	3,488,572	3.73%
1998	80,000	52,270	132,270	4,041,534	3.27%
1999	80,000	48,910	128,910	4,125,513	3.12%
2000	85,000	45,430	130,430	4,353,385	3.00%
2001	90,000	41,605	131,605	4,709,717	2.79%

NOTE: Ten years of data is not provided for this statistical table because the City of Rossford did not have any general obligation debt for the period 1991 - 1993. Principal and interest payments did not begin on the 1993 Community Center Bond until 1994.

THE CITY OF ROSSFORD, OHIO
COMPUTATION OF ALL DIRECT AND OVERLAPPING GOVERNMENTAL DEBT
DECEMBER 31, 2001

<u>Jurisdiction</u>	<u>Net Debt Outstanding</u>	<u>Percentage Applicable to City of Rossford</u>	<u>Amount Applicable to City of Rossford</u>
Direct:			
City of Rossford	\$2,750,000	100.00%	\$2,750,000
Overlapping Subdivisions:			
Rossford Exempted Village School District	0	0.00%	0
Wood County	17,635,500	5.40%	952,317
		Subtotal	952,317
		Total	<u>\$3,702,317</u>

Source: Wood County

**THE CITY OF ROSSFORD, OHIO
DEMOGRAPHIC STATISTICS
LAST TEN YEARS**

<u>Year</u>	<u>City of Rossford Population (1)</u>	<u>Wood County Population (1)</u>	<u>Unemployment Rate County Area (2)</u>	<u>Per Capita Income County Area (2)</u>	<u>School Enrollment (3)</u>
1992	5,861	114,091	5.40%	\$18,734	2,155
1993	5,861	115,900	4.90%	19,393	2,094
1994	5,861	116,200	4.40%	N/A	2,322
1995	5,861	116,820	3.95%	N/A	2,276
1996	5,861	116,820	3.68%	N/A	2,183
1997	5,861	116,820	3.50%	N/A	2,190
1998	5,861	116,820	3.38%	N/A	2,127
1999	5,861	116,820	3.41%	N/A	2,172
2000	6,406	116,820	3.20%	N/A	2,084
2001	6,406	116,820	3.52%	N/A	2,038

Source: (1) U.S. Bureau of Census of Population: Federal 2000 Census
(2) Ohio Bureau of Employment Services
(3) Rossford City School District, Board of Education

**THE CITY OF ROSSFORD, OHIO
PROPERTY VALUE AND CONSTRUCTION PERMITS
LAST TEN YEARS**

<u>Year</u>	<u>Residential</u>		<u>Commercial</u>	
	<u>Number of Permits</u>	<u>Property Value</u>	<u>Number of Permits</u>	<u>Property Value</u>
1992	55	\$2,200,280	7	\$783,280
1993	54	2,860,720	3	179,640
1994	43	2,500,670	9	1,510,940
1995	67	4,202,250	4	225,280
1996	59	4,116,975	12	7,415,760
1997	39	1,607,500	22	7,173,800
1998	12	1,358,215	1	60,000
1999	46	1,589,265	11	42,392,086
2000	54	2,121,225	35	22,632,480
2001	43	1,926,855	31	16,020,400

Source: Wood County Building Inspection Department

**THE CITY OF ROSSFORD, OHIO
 PRINCIPAL TAXPAYERS (PERSONAL PROPERTY TAX)
 DECEMBER 31, 2001**

	<u>Taxpayer</u>	<u>Type of Business</u>	<u>Assessed Valuation (Tax Duplicate)</u>	<u>Percentage of Total Assessed Valuation</u>
1	Libbey-Owens-Ford Company	Float Glass Manufacturer	\$10,591,460	69.45%
2	National City Leasing	Leasing Company	657,070	4.31%
3	Hammill Manufacturing Corporation	Tool and Die Manufacturer	628,440	4.12%
4	Seaway Food Town Inc.	Grocery Store	308,510	2.02%
5	BP Amoco Corporation	Gas Station	230,560	1.51%
6	J G Rossford Hotel South LTD	Hotel	198,040	1.30%
7	Welsh Publishing	Newspaper	196,510	1.29%
8	Dana Commercial Credit	Leasing Company	193,390	1.27%
9	Praxair Inc.	Specialty Gases Producer	179,590	1.18%
10	Hunger US Special Hydraulic Cylinders Corporation	Hydraulic Cylinder Distribution	171,940	1.13%
		Sub-Total	13,355,510	87.58%
		All Others	1,894,063	12.42%
		Total	\$15,249,573	100.00%

Based on 2000 Property Tax Assessed Valuations
 Source: Wood County Auditor - Land and Buildings

**THE CITY OF ROSSFORD, OHIO
 PRINCIPAL TAXPAYERS (REAL PROPERTY TAX)
 DECEMBER 31, 2001**

	<u>Taxpayer</u>	<u>Type of Business</u>	<u>Assessed Valuation (Tax Duplicate)</u>	<u>Percentage of Total Assessed Valuation</u>
1	Libbey-Owens-Ford Company	Float Glass Manufacturer	\$2,751,940	2.47%
2	JG Rossford Hotel North & South LTD	Hotels	1,624,010	1.46%
3	Port Lawrence Title	Apartments	1,318,987	1.19%
4	Toledo Edison	Utility Company - Electric	1,073,560	0.96%
5	Bernard L. Bartson	Apartments	969,510	0.87%
6	Rossford Arena Amphitheater Authority	Sports Facility	966,940	0.87%
7	Hunger US Special Hydraulic Cylinders Corporation	Hydraulic Cylinder Manufacturer	855,760	0.77%
8	Kenneth Roach	Real Estate Leasing	800,460	0.72%
9	Toledo Terminal Railroad	Railroad	673,690	0.61%
10	Rossford Nights Inc.	Hotels	591,510	0.53%
		Sub-Total	11,626,367	10.44%
		All Others	99,654,783	89.56%
		Total	<u>\$111,281,150</u>	<u>100.00%</u>

Based on 2000 Property Tax Assessed Valuations
 Source: Wood County Auditor - Land and Buildings

**THE CITY OF ROSSFORD, OHIO
PRINCIPAL TAXPAYERS (INCOME TAX)
DECEMBER 31, 2001**

	<u>Taxpayer</u>	<u>Type of Business</u>	<u>Amount of Tax Paid in 2001</u>	<u>Percentage of Total</u>
1	Libbey-Owens-Ford Company	Float Glass Manufacturer	\$400,508	16.12%
2	Rossford Board of Education	Education	202,274	8.14%
3	Home Depot USA	Home Improvement Retailer	56,441	2.27%
4	City of Rossford	Local Government	45,903	1.85%
5	Adecco Employment Services	Employment Agency	42,938	1.73%
6	Hammill Manufacturing Corp.	Tool and Die Manufacturer	41,185	1.66%
7	Target Corporation	General Merchandise Retailer	39,160	1.58%
8	Chrysler Corporation	Automobile Parts Manufacturer	35,444	1.43%
9	Service Spring Corporation	Spring Manufacturer	32,621	1.31%
10	Rudolph/Libbe Inc.	General Contractor/Construction	31,641	1.27%
		Sub-Total	928,115	37.36%
		All Others	1,556,331	62.64%
		Total	\$2,484,446	100.00%

Source: Finance Department

**THE CITY OF ROSSFORD, OHIO
PRINCIPAL EMPLOYERS
DECEMBER 31, 2001**

	<u>Employer</u>	<u>Type of Business</u>	<u>Number of Employees</u>
1	Libbey-Owens Ford Company	Float Glass Manufacturer	488
2	Target Corporation	General Merchandise Retailer	352
3	Adecco Employment Services	Employment Agency	348
4	Tamarken Company	Giant Eagle Grocery Stores	307
5	Rossford Board of Education	Education	289
6	Home Depot USA	Home Improvement Retailer	211
7	JCIA Enterprises	Labor Union	120
8	IBEW Local 8 - Electrical	Labor Union	67
9	Courtyard By Marriott	Motel	59
10	Electro Prime Inc.	Specialty Machining Manufacturer	52

Source: City of Rossford Income Tax Department

**THE CITY OF ROSSFORD, OHIO
MISCELLANEOUS STATISTICS
DECEMBER 31, 2001**

Date of Incorporation	1939			Location:	Northwest Ohio
Charter Adopted	1970	Population:	6,406		Wood County
Form of Government	Council / Mayor	Area (square miles)	4.2	Major Highway:	I-75
Facilities and Services:		Education:		Water System:	
Miles of Streets	27	Elementary Schools	3	Miles of Water Service Li	33.5
Number of Street Lights	799	Elementary School Studer	1,098	Number of Fire Hydrants	277
Police Services:		Pupil / Teacher Ratio	15 / 1	Number of Service	
Number of Stations	1	Middle Schools	1	Connections	2,217
Number of Uniformed Police		Middle School Students	316	Sewerage System:	
Personnel and Officers	17	Pupil / Teacher Ratio	20 / 1	Miles of Sanitary Sewers	29
Number of Patrol Units	13	High Schools	1	Miles of Storm Sewers	16
Criminal/Juvenile Citations	327	High School Students	624	Recreation and Culture:	
Traffic Citations Issued	872	Pupil / Teacher Ratio	15 / 1	Community Center	
Parking Tickets Written	105	Number of Libraries	1	(square feet)	21,500
Fire/Emergency Medical Services:		Number of Cemeteries	1	Number of Parks	3
Number of Stations	1	Cemetery Area (acres)	1	Park Area (acres)	21
Number of Officers and				Number of Ball Fields:	
Fire Personnel - Volunteers	35			Lighted	2
Number of Calls Answered	610			Number of Tennis Courts:	
Number of Inspections	50			Lighted	2
				Marina:	
				Number of Dock Spaces	250

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CITY OF ROSSFORD

**Independent Accountants' Report on Compliance
and on Internal Control Over Financial Reporting**

2001

CLARK JOHNSON & ROBSON

Certified Public Accountants

**CITY OF ROSSFORD
OHIO**

STATUS OF PRIOR AUDIT'S CITATIONS AND RECOMMENDATIONS

CITATIONS	STATUS	EXPLANATION IF NOT FULLY IMPLEMENTED
There were no citations in the prior year.	N/A	N/A
RECOMMENDATIONS		
There were no recommendations in the prior year.	N/A	N/A

CLARK JOHNSON & ROBSON

Certified Public Accountants
7854 West Central Avenue, Toledo, OH 43617

Independent Accountants' Report on Compliance and on Internal Control Over Financial Reporting

The Honorable Mayor and
Members of Council
City of Rossford, Ohio

We have audited the general purpose financial statements of the City of Rossford, Ohio, as of and for the year ended December 31, 2001, and have issued our report thereon dated June 14, 2002. We conducted our audit in accordance with generally accepted auditing standards 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 general purpose financial statements are free of material misstatement, we performed tests of the City's 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 results. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

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.

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

Clark Johnson & Robson
June 14, 2002



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 ROSSFORD

WOOD COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
SEPTEMBER 3, 2002**