



**Auditor of State
Betty Montgomery**

**CITY OF CHILLICOTHE
ROSS COUNTY**

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**CITY OF CHILLICOTHE
ROSS COUNTY**

**SCHEDULE OF FEDERAL AWARDS EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2002**

Federal Grantor/ Pass Through Grantor Program Title	Pass Through Entity Number	Federal CFDA Number	Expenditures
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>			
<i>Passed Through Ohio Department of Transportation :</i>			
Public Transportation for Nonurbanized Areas	RPT-4071-019-002/003	20.509	<u>\$499,121</u>
<u>U.S. DEPARTMENT OF COMMERCE</u>			
Economic Development and Adjustment Assistance Program		11.307	<u>1,142,980</u>
<u>U.S. DEPARTMENT OF JUSTICE</u>			
Local Law Enforcement Block Grant		16.592	8,000
<i>Passed Through Ohio Office of Crime Victims Services:</i>			
Crime Victim Assistance Program	VAGENE394N	16.575	33,762
Total U.S. Department of Justice			<u>41,762</u>
<u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>			
<i>Passed Through Ohio Department of Development :</i>			
<i>Community Development Block Grants:</i>			
Formula Allocation Program	A-N-01-104-1	14.228	2,970
	A-T-01-104-1	14.228	154,237
	A-F-01-104-1	14.228	26,107
	A-C-01-104-1	14.228	189,960
	A-F-00-104-1	14.228	<u>96,359</u>
Total Formula Allocation Program			<u>469,633</u>
HOME Improvements Partnership Programs	A-C-01-104-2	14.239	21,658
Total U.S. Department of Housing and Urban Development			<u>491,291</u>
Total Federal Awards Expenditures			<u><u>\$2,175,154</u></u>

The accompanying notes to this schedule are an integral part of this schedule.

**CITY OF CHILLICOTHE
ROSS COUNTY**

**NOTES TO SCHEDULE OF FEDERAL AWARDS EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2002**

NOTE A--SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Federal Awards Expenditures (the Schedule) summarizes activity of the City's federal award programs. The schedule has been prepared on the cash basis of accounting.

NOTE B -- MATCHING REQUIREMENTS

Certain Federal programs require that the City contribute non-Federal funds (matching funds) to support the Federally-funded programs. The City has complied with the matching requirements. The expenditure of non-Federal matching funds is not included on the Schedule.



**Auditor of State
Betty Montgomery**

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

Mayor Margaret Planton
Members of Council
City of Chillicothe
Ross County
35 South Paint Street
Chillicothe, Ohio 45601

We have audited the financial statements of the City of Chillicothe, Ross County, Ohio (the City) as of and for the year ended December 31, 2002, and have issued our report thereon dated May 27 2003, wherein we noted the City implemented Governmental Accounting Standards Board Statement No. 34 and restated its water and sewer capital assets. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instance of noncompliance that is 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. However, we noted other matters involving the internal control over financial reporting, which we have reported to management of the City in a separate letter dated May 27, 2003.

35 N. Fourth St. / Second Floor / Columbus, OH 43215
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www.auditor.state.oh.us

This report is intended solely for the information and use of the audit committee, management, the City Council and federal awarding agencies and pass through entities and is not intended to be and should not be used by anyone other than these specified parties.

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

BETTY MONTGOMERY
Auditor of State

May 27, 2003



Auditor of State Betty Montgomery

INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO THE MAJOR FEDERAL PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133 AND SCHEDULE OF FEDERAL EXPENDITURES

Mayor Margaret Planton
Members of Council
City of Chillicothe
Ross County
35 South Paint Street
Chillicothe, Ohio 45601

Compliance

We have audited the compliance of the City of Chillicothe, Ross County, Ohio (the City) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133, Compliance Supplement* that are applicable to its major federal program for the year ended December 31, 2002. The City's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal programs is the responsibility of City's management. Our responsibility is to express an opinion on City's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance occurred with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on City's compliance with those requirements.

In our opinion, the City complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended December 31, 2002.

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Internal Control Over Compliance

The management of the City is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the City's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control 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 noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program 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 compliance and its operation that we consider to be material weaknesses.

Schedule of Federal Awards Expenditures

We have audited the financial statements of the governmental activities, business-type activities, each major fund and the aggregated remaining fund information of the City as of and for the year ended December 31, 2002, which collectively comprise the City's basic financial statements, wherein we noted the City implemented Governmental Auditing Standards Board Statement No. 34 and restated its water and sewer capital assets, and have issued our report thereon dated May 27, 2003. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying schedule of federal awards expenditures is presented for purposes of additional analysis as required by *OMB Circular A-133* and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended for the information and use of the audit committee, management, the City Council, and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.



BETTY MONTGOMERY
Auditor of State

May 27, 2003

**CITY OF CHILLICOTHE
ROSS COUNTY**

**SCHEDULE OF FINDINGS OMB CIRCULAR A-133 § .505
DECEMBER 31, 2002**

1. SUMMARY OF AUDITOR'S RESULTS

<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unqualified
<i>(d)(1)(ii)</i>	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(ii)</i>	Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(iii)</i>	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
<i>(d)(1)(iv)</i>	Were there any material internal control weakness conditions reported for major federal programs?	No
<i>(d)(1)(iv)</i>	Were there any other reportable internal control weakness conditions reported for major federal programs?	No
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unqualified
<i>(d)(1)(vi)</i>	Are there any reportable findings under § .510?	No
<i>(d)(1)(vii)</i>	Major Programs (list):	Economic Development and Adjustment Assistance Program CFDA # 11.307
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A\B Programs	Type A: > \$ 300,000 Type B: all others
<i>(d)(1)(ix)</i>	Low Risk Auditee?	Yes

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

None.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None.

City of Chillicothe, Ohio Comprehensive Annual Financial Report

William D. Morrissey

Chillicothe City Auditor



For the Year Ended December 31, 2002

Prepared by the Office of the City of Chillicothe Auditor

CITY OF CHILLICOTHE, OHIO

Comprehensive Annual Financial Report
For the Year Ended December 31, 2002

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CITY OF CHILLICOTHE, OHIO

Comprehensive Annual Financial Report
For the Year Ended December 31, 2002

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CITY OF CHILLICOTHE, OHIO

Comprehensive Annual Financial Report
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INTRODUCTORY SECTION



CITY OF CHILLICOTHE — Ohio's First Capital

WILLIAM D. MORRISSEY, City Auditor



35 SOUTH PAINT STREET • P. O. BOX 457
CHILLICOTHE, OHIO 45601-0457

TELEPHONE (740) 775-3955
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May 27, 2003

TO: The Honorable Citizens of Chillicothe
Mayor, Law Director, Treasurer and Members of City Council

FROM: City Auditor William D. Morrissey and Staff

We are pleased to submit the Comprehensive Annual Financial Report (CAFR) for the City of Chillicothe for the year ended December 31, 2002. This report, prepared by the City Auditor's Office, contains a comprehensive analysis of the City's financial position and activities for the year 2002. It is intended to provide all pertinent and necessary information to the Citizens of Chillicothe.

Responsibility for both the accuracy of the data presented and the completeness of the presentation rests with the City's management. We believe this data to be accurate in all material aspects and that it is presented in a manner which fairly sets forth both the financial position of the City and the operation of the City. It is hoped that this report will enable our citizens to better understand all of our City's services and functions as we strive to better serve the people of Chillicothe.

This Comprehensive Annual Financial Report is based on Government Accounting Standards Board Statement No. 34. Statement No. 34 was implemented to make annual financial reports easier to understand and more comprehensive for those who analyze these governmental reports.

Generally accepted accounting principles (GAAP) require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City of Chillicothe's MD&A can be found immediately following the State Auditor's opinion letter.

The CAFR Report

This CAFR is presented in three basic sections: The introductory section which includes the table of contents, this transmittal letter, a reproduction of the 2001 Certificate of Achievement Award, a list of City Officials and a complete organizational chart. The second section is the financial section, which contains the State Auditor's Office opinion letter, MD&A, basic financial statements, notes to these statements and all pertinent financial information for the year 2002. The third section is the statistical section including a ten year cash summary report, by fund, of revenue and expenditures for all departments and funds.

State Audit

The 2002 basic financial statements were audited by the State of Ohio Auditor's Office. This audit was conducted according to generally accepted auditing standards and Government Auditing Standards and included a legal and financial compliance audit, a review of internal controls and tests of transactions. The State Auditor's opinion letter is at the beginning of the financial section.

Reporting Entity

In accordance with the Governmental Accounting Standards Board (GASB) Statement 14, the following is a brief definition of the reporting entity. This report includes all funds, account groups, agencies, boards and commissions for which the City is financially accountable. In considering that responsibility the City must determine whether an entity is fiscally independent of the City, and whether it has the ability to significantly influence operations, select the governing authority, designate management and maintain accountability over fiscal matters of the entity. The reporting entity is discussed in more detail in Note 1 of the Notes to the Basic Financial Statements.

History and City Organization

The City of Chillicothe, the first capital of the State of Ohio, was founded in 1796 and served as Ohio's Capital twice from 1803 to 1809 and from 1812 to 1816. Located in Ross County, at the intersection of Routes 23, 35 and 50 just 45 miles south of Columbus, Ohio, our City of 10.23 square miles has approximately 22,041 citizens according to the latest census. The City has 12 public parks consisting of 224 acres, nine public schools, one parochial school, a branch of Ohio University and two public libraries.

The City has operated under the Mayor - Council form of Government since 1965 and functions as such under the Ohio Revised Code statutes of law.

The Mayor is elected to four year terms and serves as the Chief Executive and Administrative Officer of the City. The Mayor is charged with enforcing the laws of Ohio and all City ordinances and appoints and removes all heads of departments except other elected officials and their employees. The Mayor has the authority to veto any legislation passed by City Council. Such veto may be overturned by a two thirds vote of City Council.

The Auditor is elected to four year terms and serves as the Chief Fiscal Officer of the City and has all the powers and duties as imposed by the laws of the State of Ohio. The City Auditor keeps the books of the City, receives all funds for the City and all its departments, and deposits all monies belonging to the City or held in trust by it. The City Auditor is responsible for the Tax Auditor and the collection of City income tax.

The City Auditor is also responsible for the issuing of all bonds and notes of the City. The Investment Board, made up of the City Auditor, the Mayor and the Law Director, determines the investments of the City's monies. City monies are invested within the framework of our policy as established by Ordinance #100-96. We invest in certificates of deposit with our local approved banks through a bid process as conducted by the City Auditor's Office whenever monies are available to invest and overnight repurchase agreements with our local banks.

The Treasurer, also elected to four year terms, signs all receipts and vouchers for payment and serves as a check and balance to the City Auditor.

The Law Director is elected to four year terms and serves as legal counsel to Council, the Auditor, the Administration, Civil Service, City Schools and represents the City in all civil and criminal matters.

City Council consists of nine members plus the President of Council, all of whom are elected to two year terms, and serves as the legislative branch of City Government. They are responsible for enacting ordinances and resolutions, appropriating funds, levying taxes, and fixing compensation for all City Officials and employees. Council appoints a Clerk of Council to assist them in legislative matters.

The City also operates a Municipal Court that employs two Judges, elected for six year terms, and a Municipal Clerk of Court.

A complete list of elected officials, department heads and an organizational chart are at the end of this section.

The City employ's 325 people, both full-time and permanent part-time, to serve the citizens of Chillicothe in the various departments described as follows: Public Safety (Police, Fire and School Patrol), Recreation (Parks and Recreation), Utilities (Water, Sewer, Sanitation), Transportation (Bus System), Community Environment (Planning, Zoning, Economic Development), Streets (Engineering and Service Departments), General Government (Administrative services including Municipal Court), and Finance (including Auditor, Tax Auditor and Treasurer).

Economic Outlook

The economy in Chillicothe and Ross County was again fair in 2002, with some areas being strong and others being affected adversely by the national economic picture. The three largest private employers are MeadWestvaco, Kenworth Truck Company (PACCAR), and Horizon Communications.

The year 2002 was one of change for MeadWestvaco. On January 29, 2002 Mead merged with the Westvaco Corporation to become MeadWestvaco. During the year, two paper machines and a coater along with the associated finishing equipment were shutdown. The production on this equipment was moved to more efficient machines within the MeadWestvaco system. Market conditions during the year were extremely challenging and some coating equipment had to operate on reduced schedules. Total paper production in 2002 was 434,000 tons with annual wages of \$119,000,000. Current employment total is 1,800 employees.

This year will continue to be challenging, with no significant improvement in market conditions in sight. Some equipment will continue to operate on reduced schedules.

One positive thing occurring in 2003 will be the addition of a sheeter at the MeadWestvaco converting center and fully staffing the existing sheeting equipment at the mill site. Chillicothe will be a key converting center for coated paper from other MeadWestvaco Papers Groups locations. This will add approximately 55 employees to payroll.

PACCAR had an excellent year in 2002. Kenworth Chillicothe ramped up in order to produce Class 8 demands caused by the implementation of new engine-emission regulations in October 2002. The Class 8 truck market saw a 4% increase from the previous year. This year saw the production of the 200,000th truck by this facility.

The unsettled economy will continue to impact the truck market in 2003. Lingering worldwide economic instability, complicated by the war in Iraq is impeding a weak recovery. The result is that the 2003 truck market is expected to be, at best, similar to last year's.

2002 was a busy and productive year for Horizon Communications and its 950 employees. The year was highlighted by continued rebuilding and upgrading of their telephone plant, nearly universal availability of high speed "always on" internet service, steady growth of Horizon View, the substantial completion of the Horizon PCS building, the introduction of PCS Vision from Sprint, and ongoing progress in the development of new technology services.

The unemployment rate in Ross County at the end of 2002 was 6.2% as compared with 5.7% for the State. Although higher than the State, this figure is excellent when compared with the rest of southern Ohio.

City income tax revenue for 2002 was \$9,560,787, which was an increase of \$5,263 or .055%. County sales taxes were \$10,250,454, an increase of \$227,041 or 2.26%. Strong growth continues to be evident in residential housing construction throughout the County and in the retail sector of our economy. The population of Ross County is currently estimated at 73,000.

Tourism continues to be a very important area of our economy especially this year as we prepare for our Bicentennial Celebration as Ohio's first Capital. Hotel-motel taxes of \$172,917 in 2002 were up \$5,414 and room rentals were 97,705 and were up .022%.

Major Initiatives

The year 2002 again saw many areas of our City's infrastructure and business community enhanced through efforts and projects such as the following:

- ▶ The \$2,900,000 expansion of our wastewater treatment plant was completed which increases the capacity from 3.27 M.D. to 3.80 M.D. This project was partially funded by an E.D.A. grant for \$1,392,000.
- ▶ The new Bridge Street bridge over the Scioto River was completed by O.D.O.T. in November, 2002 at a cost of \$9,850,000.
- ▶ Construction of the final section of Route 35 southeast of Chillicothe was started in June, 2002. This will complete a four lane highway from Washington C.H., Ohio to the Ohio River in Gallipolis, thus finally eliminating a very dangerous stretch of highway. This project is expected to be completed by July, 2004 at a cost of \$45,000,000.
- ▶ The Manor Park was completely rebuilt with new a basketball court, shelter house and play area at a cost of \$99,864.
- ▶ HUD grants totaling \$833,107 were utilized in areas such as fair housing, rental and private rehabilitation, park improvements, and emergency home repair.
- ▶ As part of the annexation agreement for the properties on North Bridge Street, the City reimbursed the Trustees of Springfield and Scioto Townships \$47,038. This amount will continue for one more year.
- ▶ The City's capital improvements included:
 - \$59,941 to upgrade Police radio system; \$59,927 for three new Police cruisers; \$12,803 for Fire Department thermal imaging camera; \$73,475 to upgrade tower #1 fire truck; \$88,617 for emergency squad vehicle; \$19,900 for software program to help implement mandatory tax filing; \$113,432 for two new handicap accessible buses; \$33,876 for emergency generator for water plant; \$13,926 for a compressor for water plant; \$11,932 to upgrade gas monitoring system in wastewater treatment plant; \$24,885 for extended cab dump truck for wastewater collection crew; and \$20,000 to replace traffic signals.
- ▶ An ordinance was passed to purchase C.S.X. property on Watt Street for \$176,000 to prepare for future home of transit, service and engineering buildings.
- ▶ 490 acres west of Chillicothe in the Sunrush area were annexed with the City committing to pay \$508,000 in improvements and \$50,000 to Scioto Township for lost future revenues.
- ▶ Utilities were extended to Clary Trucking's new facility on Eastern Avenue which has 26 employees in its new facility.
- ▶ Cardo's Pizza moved into the former National City Bank building on West Second Street.
- ▶ \$300,000 was spent on street and alley maintenance.
- ▶ \$50,000 was appropriated to increase water pressure in Clayburne Heights subdivision, which has been an ongoing problem.
- ▶ \$18,500 was approved for plans to rebuild the entrance to Yoctangee Park.
- ▶ Building permits totaled \$107,089 in 2002 for \$222,105,049 of improvements.
- ▶ The local contractor registration ordinance that was passed in 1996 resulted in registering more than 472 contractors and fee revenue of \$23,600.
- ▶ An increase of \$5 in the refuse fee per month per household was extended in December 2002 in an effort to balance the budget.
- ▶ Carl's Town House opened in a new location at the corner of 2nd and Walnut Streets.
- ▶ Key financial legislation initiated in 2002 that will help to support the ongoing development of our City are the refuse fee was increased to \$10 per household; an Emergency Medical Services fee was implemented in October and an ordinance was passed in October to require mandatory tax filing in 2003. In addition, water and sewer rates were increased for users outside the City.

Future Initiatives

The year 2003 is expected to be a landmark year as we celebrate our Bicentennial anniversary as the first Capital of the State of Ohio. Many events are planned throughout the year which were kicked-off on March 1 with Statehood Day and will include the reopening of Adena State Memorial, a memorial bell casting, the appearance of the Boston Pops Orchestra, and many other events.

Some other area developments that are planned to enhance our growth and progress are:

- ▶ A connector road and bridge is planned between Route 104 and Route 23 just north of Delano Road. Planned completion is 2004.
- ▶ The C.I.C. continues to seek a permanent manufacturing tenant to purchase the Bosch property and replace the 200 jobs lost when the firm left.
- ▶ Plans for sewer expansion in Neenah Gardens and on North Bridge Street shall move forward.
- ▶ The development of the Watt Street property to consolidate City services.
- ▶ Plans continue to develop the Herron property on Route 23 North, which is 800 acres and will include a full range of usage for jobs, retail and housing.
- ▶ New park entrance development should enhance our downtown and park area's appearance.
- ▶ \$310,000 is authorized to extend a 12" water line to the Route 104 Industrial Park.
- ▶ \$300,000 has been approved to construct sanitary sewer lines on the east side of North Bridge Street north of the Chillicothe Mall.
- ▶ Goldie Gunlock Memorial Park will be developed as a wetlands preserve at no cost to the City.
- ▶ Our new Congressman, Bob Ney, plans to open an office here in Chillicothe. This is a first for the City.
- ▶ Expansion of our park facilities will continue with the addition of a 40 acre soccer complex on land donated by the group developing west of our City.
- ▶ Plans continue to develop an extension of the bike path north of the City along the south side of Route 35 to eventually connect with the path to Frankfort.

Budgetary Controls

The City Council adopts an annual appropriation ordinance at the beginning of each fiscal year (January 1st to December 31st). This appropriation is done in basic categories such as personal services (salaries and fringe benefits), travel transportation, materials and supplies, contractual services, capital outlay, miscellaneous expenditure/expense, transfers and debt service for each department. Within the travel transportation, materials and supplies, contractual services and miscellaneous expenditure/expense categories departments make needed adjustments throughout the course of the year as necessary. During the course of the year, only City Council may authorize by ordinance any additions, deletions or changes between funds as they have originally been appropriated.

Within each fund and/or department these dollars are maintained, as appropriated, on a daily basis by the Auditor's Office with weekly detailed budget expense reports distributed to all departments. Each department controls their own expenditures/expenses and budgets.

The City maintains its budgetary control by not allowing expenditures/expenses plus encumbrances to exceed appropriations at the fund, function, department and object levels. All purchases by the City are processed through the computer system in two stages. A department first initiates a purchase by issuing a purchase requisition which is approved by the Purchasing Agent, the Mayor and then by the City Auditor. In turn this is then converted to a purchase order which again is signed by both the Purchasing Agent and the City Auditor and then forwarded to the appropriate vendor.

It is important to note the Auditor approves as to availability of funds and reviews as to the legality of the expenditures. It should also be noted that any purchase in excess of \$500 must be approved by the Board of Control, which is made up of the Mayor, Service Director and the Safety Director.

Internal Controls

The City's accounting system has in place many internal controls to ensure reasonable, although not absolute, assurance that all of the City's assets are protected against loss from unauthorized or improper use or disposition. These controls require that all executed transactions follow set guidelines and are subject to multiple approvals. These controls are designed to ensure that explicit and complete financial records are maintained to the satisfaction of the City Auditor, the State Auditor and meet GAAP financial guidelines. It should be noted that the "reasonable assurance" concept recognizes that the cost of a control should not exceed the benefits likely to be derived therefrom and that it is the task of management to make that evaluation.

One of the objectives of the annual audit by the State Auditor's Office is a review of these internal controls to provide reasonable assurance to the security of the City's assets.

Cash Management

The City Auditor is responsible for investing all the City's funds and accomplishes this by investing in certificates of deposit and overnight repurchase agreements with our local banks. These certificates of deposit range in length from thirty days to one year and are awarded on a bid basis to the institution having the best bid whenever an investment is to be made. In addition, our City takes advantage of every opportunity to earn interest on all other funds including the float on outstanding checks and funds being held by bond trustees. Interest earned on all investments is designated to the General Fund by law. The only exception being for specifically designated trustee funds and borrowed funds for major projects such as those within the Water and Sewer Funds.

On September 23, 1996 the City formally adopted, by Ordinance #100-96, an investment policy as required by Sub. Senate Bill #81.

Risk Management

The City maintains protection for its assets and employees through a comprehensive insurance program. Insurance policies for general liability, law enforcement liability, errors and omissions liability, vehicle/fleet liability, contractor's equipment, and boiler and machinery coverage are purchased through commercial carriers. Insurance coverages, small claims and settlements must be approved by the City's Insurance Committee which is made up of the City Auditor, Purchasing Agent and the Chair of the City Council Finance Committee.

The City manages health and dental benefits for its employees through a self-insured program. A third party administrator processes these claims.

The City also participates in the Workers' Compensation Program offered by the State of Ohio.

More detailed information about the insurance programs in force at December 31, 2002 is included in Note 18 of the Notes to the Basic Financial Statements.

Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Chillicothe for its **Comprehensive Annual Financial Report** for the year ended December 31, 2001. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

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

A Certificate of Achievement is valid for a period of one year only. The City of Chillicothe has now received a Certificate of Achievement for each of the years ended December 31, 1991 through December 31, 2001. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

Acknowledgment

This Comprehensive Annual Financial Report for the City of Chillicothe is the eleventh for our City and represents not only a tremendous effort on the part of the Auditor's staff but is indicative of the professionalism of all the people involved. With this report our taxpayers may now better understand the operation of our City and its basic financial structure.

I would first like to thank all members of my staff who are listed on page 12 and especially my Office Manager, Donna Taylor, who spent many hours compiling and entering the data for this report.

I would also like to thank J. L. Uhrig & Associates, C.P.A. for their efforts. Without their assistance, this project would have been extremely difficult to accomplish and certainly would not have achieved the high level of professionalism exhibited herein. Our thanks also to the State of Ohio Auditor, Betty Montgomery's staff for their assistance and helpful service throughout the 18 years I have served as Chillicothe City Auditor.

Finally, I would like to thank our City Council Members and the Administration for their cooperation and support throughout the course of this project.

Respectfully yours,

A handwritten signature in blue ink that reads "William D. Morrissey". The signature is written in a cursive style with a long, sweeping tail on the final letter.

William D. Morrissey
Chillicothe City Auditor

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Chillicothe,
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2001

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.



William Patrick Pate
President

Jeffrey L. Esser
Executive Director

CITY OF CHILLICOTHE, OHIO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2002

Prepared by Office of City Auditor

CITY OFFICIALS

MAYOR

Margaret F. Planton
Term Expires 12-31-03
President of Council 1-1-96 to 3-26-97
Member of Council 1-1-90 to 12-31-95

CITY COUNCIL

Robert L. Shultz
President
Term Expires 12-31-03

Thomas Trutschel
Term Expires 12-31-03
Fourth Term - 1st Ward

Eric Rinehart
Term Expires 12-31-03
Second Term - 2nd Ward

Margaret Daniels
Term Expires 12-31-03
Second Term - 3rd Ward

Michael Scholl
Term Expires 12-31-03
Fourth Term - 4th Ward

William Bonner
Term Expires 12-31-03
Third Term - 5th Ward

William Taylor
Term Expires 12-31-03
Fourth Term- 6th Ward
Partial Term 7-95-12-31-95

Joseph Herlihy
Term Expires 12-31-03
Third Term - At Large

Diane Carnes
Term Expires 12-31-03
Second Term - At Large

Bartow Henshaw
Term Expires 12-31-03
First Term - At Large

CITY AUDITOR

William D. Morrissey
18 years of Service
Term Expires 12-31-05

CITY TREASURER

David A. Neal
Second Term Expires 12-31-05
Partial Term Expired 12-31-97

DIRECTOR OF LAW

Edward R. Bunstine III
Third Term Expires 12-31-03
Partial Term 9-93 - 12-31-95

CITY OF CHILLICOTHE, OHIO
LISTING OF APPOINTED OFFICIALS

ENGINEER	Don Sherman
ADMINISTRATIVE DIRECTOR	Harold J. Scherer
UTILITIES DIRECTOR	Richard Johnson
SAFETY/SERVICE DIRECTOR	Randy Sneddon
DIRECTOR PERSONNEL & MANAGEMENT	Wayne McLaughlin
DIRECTOR ECONOMIC DEVELOPMENT	Matthew Allen
COMMUNITY EVENTS COORDINATOR	Carolyn Ault
RECREATION DIRECTOR	Brad Cosenza
CLERK OF COUNCIL	John Fosson
ASSISTANT LAW DIRECTOR	James E. Barrington
ASSISTANT LAW DIRECTOR	Toni Eddy
ASSISTANT LAW DIRECTOR	Carl Hirsch
ASSISTANT LAW DIRECTOR	Robert C. Hess



COLOR CODE

- APPOINTED (Green)
- UNION PERSONNEL (Red)
- ELECTED OFFICIALS (Yellow)
- CIVIL SERVICE/UNION (Blue)

CITY OF CHILLICOTHE, OHIO
2002 CITY AUDITOR'S STAFF

CITY AUDITOR	William D. Morrissey
OFFICE MANAGER/DEPUTY AUDITOR SYSTEM ADMINISTRATOR	Donna J. Taylor
TAX AUDITOR	Julie A. Parker
SYSTEM ADMINISTRATOR	Linda J. Tackett
SYSTEM ADMINISTRATOR	Kathy L. Knece
ACCOUNTING CLERK	Holly Cousins
ACCOUNTING CLERK	Mary Schmidt
ACCOUNTING CLERK	Melinda Fisher
ACCOUNTING CLERK	Heidi Leasure
AUDITOR'S CLERK	Lorinda Wisecup
AUDITOR'S CLERK	Amy Wagner
AUDITOR'S CLERK	Karol Specht

FINANCIAL SECTION



**Auditor of State
Betty Montgomery**

INDEPENDENT ACCOUNTANTS' REPORT

Mayor Margaret Planton
Members of Council
City of Chillicothe
Ross County
35 South Paint Street
Chillicothe, Ohio 45601

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the City of Chillicothe, Ross County, Ohio, (the City) as of and for the year ended December 31, 2002, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the City of Chillicothe, Ross County, Ohio, as of December 31, 2002, and the respective changes in financial position and the cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 4, during the year ended December 31, 2002, the City implemented a new financial reporting model, as required by the provisions of *Governmental Accounting Standards Board Statement No. 34, Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, and restated its water and sewer capital assets.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 27, 2003, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

City of Chillicothe
Ross County
Independent Accountants' Report
May 16, 2003

Management's Discussion and Analysis is not a required part of the basic financial statements, but is supplementary information *the Governmental Accounting Standards Board* requires. We applied certain limited procedures, consisting principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. We did not audit the information and express no opinion on it.

We conducted our audit to form opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, nonmajor fund statements, schedules and statistical tables are not a required part of the basic financial statements. We subjected the non-major fund statements and the schedules to the auditing procedures applied in the audit of the basic financial statements. In our opinion, this information is fairly stated in all material respects, in relation to the basic financial statements taken as a whole. We did not subject the introductory section and statistical tables to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we express no opinion on them.

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

BETTY MONTGOMERY
Auditor of State

May 27, 2003

City of Chillicothe, Ohio

Management's Discussion and Analysis
For the Year Ended December 31, 2002
Unaudited

The discussion and analysis of the City of Chillicothe's financial performance provides an overall review of the City's financial activities for the year ended December 31, 2002. The purpose of this discussion and analysis is to look at the City's financial performance and discuss pertinent points to better help the reader understand our performance.

Financial Highlights

1. The City's total net assets decreased \$1,339,728; net assets of the governmental activities decreased \$2,663,634; and net assets of the business-type activities increased \$1,323,906.
2. The General Fund balance of \$3,527,360 decreased \$1,219,484 or 25.69% from the previous year's balance of \$4,746,844. This was a result of increased expenses in salaries and fringe benefits.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City of Chillicothe's basic financial statements. The City of Chillicothe's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements - The *government-wide financial statements* are designed to provide readers with a broad overview of the City's finances, in a manner similar to private-sector businesses.

The *statement of net assets* presents information on all of the City of Chillicothe's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *statement of activities* presents information showing how the government's net assets changed during the recent fiscal year.

Both of the government-wide financial statements distinguish functions of the City of Chillicothe that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, security of persons and property, transportation, community environment, basic utility services and leisure time activities. The business-type activities include water and sewer operations.

The government-wide financial statements can be found starting on page 22 of this report.

City of Chillicothe, Ohio

Management's Discussion and Analysis
For the Year Ended December 31, 2002
Unaudited

Fund Financial Statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Some funds are required to be established by State law and by bond covenants. However, the Auditor establishes many other funds to help control and manage money for particular purposes or to show that the City is meeting legal responsibilities for using certain taxes, grants and other money. All of the funds of the City of Chillicothe can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds - Most of the City's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. The governmental fund statements use the modified accrual basis of accounting and provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information may be useful in evaluating a government's near term financing requirements. We describe the relationship (or differences) between governmental activities (reported in the *statement of net assets* and the *statement of activities*) and governmental funds in a reconciliation which follows the fund financial statements.

The City of Chillicothe maintains 25 individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances, for the General Fund, which is considered to be a major fund. Data from the other 24 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The City of Chillicothe adopts an annual appropriated budget for each of its funds. A budgetary comparison statement (budget basis) has been provided in the combining and individual fund section of this report for each governmental and proprietary fund to demonstrate budgetary compliance.

Proprietary Funds - The City of Chillicothe uses enterprise funds to account for its water and sewer operations. Proprietary funds are reported in the same way that all activities are reported in the *statement of net assets* and the *statement of activities* using the full accrual basis of accounting.

Government-Wide Financial Analysis

While this document contains information about the funds used by the City to provide services to our citizens, the view of the City as a whole looks at all financial transactions.

The *statement of net assets* and the *statement of activities* include all assets and liabilities using the full accrual basis of accounting similar to the accounting used by the private sector. The basis for this accounting takes into account all of the current year's revenues and expenses regardless of when the cash is received or paid.

City of Chillicothe, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2002
Unaudited

The City of Chillicothe as a Whole

The following two statements reflect the net assets of the City as a whole and are divided into the following categories:

- assets
- liabilities
- net assets (assets minus liabilities)
- revenues
- expenses
- increase (decrease) in net assets

	Net Assets					
	Governmental Activities		Business-Type Activities		Total	
	2002	2001	2002	2001	2002	2001
Assets						
Current and Other Assets	\$10,628,335	\$11,635,377	\$11,905,989	\$12,452,924	\$22,534,324	\$24,088,301
Capital Assets, Net	50,943,707	52,725,132	42,856,529	42,474,497	93,800,236	95,199,629
<i>Total Assets</i>	<u>61,572,042</u>	<u>64,360,509</u>	<u>54,762,518</u>	<u>54,927,421</u>	<u>116,334,560</u>	<u>119,287,930</u>
Liabilities						
Current and Other Liabilities	2,975,870	2,819,739	3,900,189	4,399,416	6,876,059	7,219,155
Long-Term Liabilities:						
Due within One Year	1,118,838	1,119,815	1,228,658	1,194,946	2,347,496	2,314,761
Due in More Than One Year	5,260,913	5,540,900	12,897,772	13,921,066	18,158,685	19,461,966
<i>Total Liabilities</i>	<u>9,355,621</u>	<u>9,480,454</u>	<u>18,026,619</u>	<u>19,515,428</u>	<u>27,382,240</u>	<u>28,995,882</u>
Net Assets						
Invested in Capital Assets, Net of Related Debt	48,771,086	50,198,447	25,822,287	24,210,184	74,593,373	74,408,631
Restricted for:						
Debt Service	104,236	99,783	1,818,776	1,877,585	1,923,012	1,977,368
Capital Projects	769,089	857,806	3,603,889	3,900,839	4,372,978	4,758,645
Permanent Fund Purpose:						
Expendable	1,927	1,887	0	0	1,927	1,887
Nonexpendable	1,000	1,000	0	0	1,000	1,000
Other Purposes	2,405,852	2,261,391	0	0	2,405,852	2,261,391
Unrestricted (Deficit)	163,231	1,459,741	5,490,947	5,423,385	5,654,178	6,883,126
<i>Total Net Assets</i>	<u>\$52,216,421</u>	<u>\$54,880,055</u>	<u>\$36,735,899</u>	<u>\$35,411,993</u>	<u>\$88,952,320</u>	<u>\$90,292,048</u>

The City's total net assets decreased from \$90,292,048 in 2001 to \$88,952,320 in 2002, a change of \$1,339,728 or 1.5%.

This decrease in the City's total net assets is the result of a decrease in the net assets of the governmental activities of \$2,663,634 or 4.9% and an increase in the net assets of the business-type activities of \$1,323,906 or 3.7%.

City of Chillicothe, Ohio

Management's Discussion and Analysis

For the Year Ended December 31, 2002

Unaudited

For the governmental activities, the City is optimistic that the implementation of a billing process for emergency medical services and changes to the income tax filing process will enhance revenues, and the City continues to review expenses for various cost containment measures in an effort to prevent any decrease in future net assets. For the business-type activities, the City increased water and sewer rates to aid in the support of the water and sewer operations, thereby contributing to the increase in net assets.

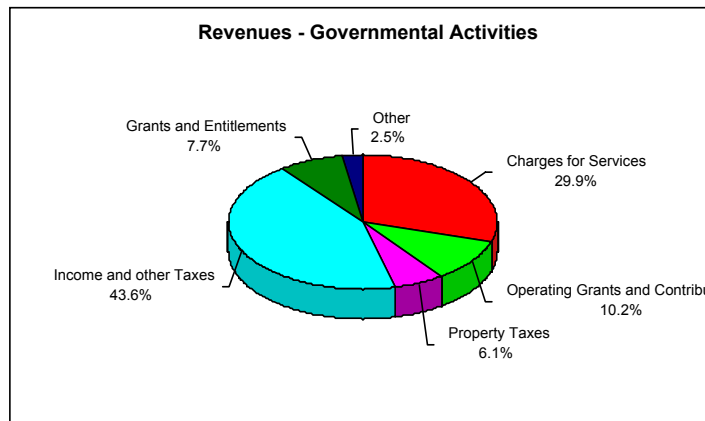
In order to further understand what makes up the changes in net assets for the current year, the following table gives readers further details regarding the results of activities for the current year. However, since this is the first year the City has prepared financial statements following GASB Statement No. 34, revenue and expense comparisons to 2001 are not available. In future years, when prior year information is available, a comparative analysis of government-wide data will be presented.

Changes in Net Assets

	Governmental Activities	Business-Type Activities	Total
Revenues			
Program Revenues:			
Charges for Services	\$6,668,425	\$7,037,596	\$13,706,021
Operating Grants and Contributions	2,274,802	0	2,274,802
Capital Grants and Contributions	0	766,789	766,789
General Revenues:			
Property Taxes	1,360,426	0	1,360,426
Income and other Taxes	9,728,457	0	9,728,457
Grants and Entitlements	1,714,276	0	1,714,276
Other	562,528	130,530	693,058
Total Revenues	22,308,914	7,934,915	30,243,829
Program Expenses			
General Government	9,713,452	0	9,713,452
<i>Security of Persons and Property:</i>			0
Police	4,729,681	0	4,729,681
Fire	4,284,912	0	4,284,912
Transportation	3,328,993	0	3,328,993
Community Environment	828,369	0	828,369
Basic Utility Services	880,834	0	880,834
Leisure Time Activities	1,020,679	0	1,020,679
Interest and Fiscal Charges	180,222	0	180,222
Water and Sewer	0	6,633,686	6,633,686
Total Expenses	24,967,142	6,633,686	31,600,828
Increase (Decrease) in Net Assets			
Before Transfers	(\$2,658,228)	\$1,301,229	(\$1,356,999)
Net Transfers In (Out)	(5,406)	22,677	17,271
Increase (Decrease) in Net Assets	(2,663,634)	1,323,906	(1,339,728)
Net Assets at Beginning of Year	54,880,055	35,411,993	90,292,048
Net Assets at End of Year	\$52,216,421	\$36,735,899	\$88,952,320

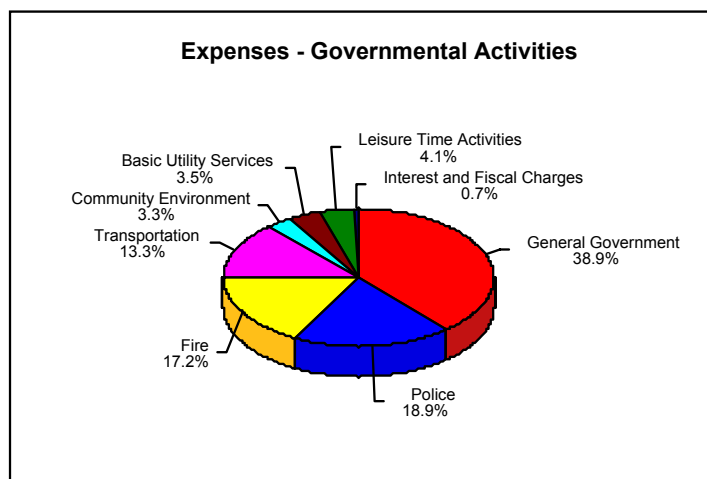
Governmental Activities

Governmental activities decreased the City's net assets by \$2,663,634. The primary reason for the decrease in net assets relates to an increase in expenses in safety forces, transportation, community environment, leisure time activities and general government. The major cost factors involved in these increases are salaries and fringe benefits, including medical insurance. Revenues were relatively stable except investment earnings which fell 55% for the year.



The income and other tax revenue for 2002 was \$9,728,457. Of the \$22,308,914 in total revenues, income and other tax accounts for 43.6% of that total. Charges for services of \$6,668,425 account for 29.9% of total revenues. Operating grants and contributions account for 10.2% of total and grants and entitlements, property taxes, and other revenue make up the remaining 16.3%.

The City monitors its source of revenues very closely for fluctuations.



City of Chillicothe, Ohio

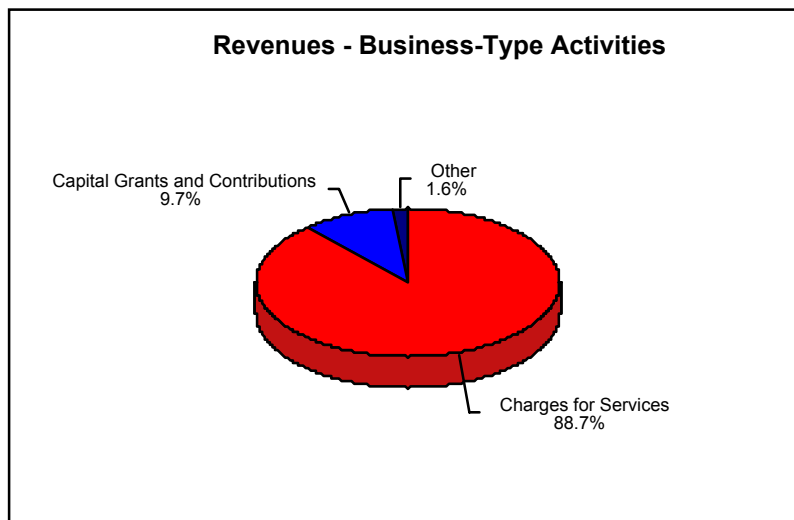
Management's Discussion and Analysis
For the Year Ended December 31, 2002
Unaudited

For the most part, increases in expenses closely parallel inflation and growth in the demand for services. The largest functional expense for the City was for security of persons and property, which include the Police and Fire departments.

Business-Type Activities

The business-type activities of the City, which include the City's water and sewer operations, increased the City's net assets by \$1,323,906.

Net assets in business-type activities increased \$1,323,906 due to higher revenue as a result of a 5% increase in water and sewer rates, an additional 25% increase in water and sewer rates outside the City and the receipt of \$766,789 in capital grants and contributions.



Financial Analysis of the City's Funds

Governmental Funds

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the year. These funds are accounted for by using the modified accrual basis of accounting.

The General Fund is the chief operating fund of the City. At the end of 2002, the total fund balance for the General Fund was \$3,527,360 of which \$3,471,774 was unreserved.

During the current year, the fund balance of the City's General Fund decreased by \$1,219,484. The reduction in the General Fund balance is due to increased expenses in the Police, Fire, Law Director, and Municipal Court departments, as well as in transfers and other miscellaneous expenses.

City of Chillicothe, Ohio
 Management's Discussion and Analysis
 For the Year Ended December 31, 2002
 Unaudited

Decreased revenues also were a factor especially in the areas of investment earnings, local government funds, estate tax and reimbursements.

Proprietary Funds

The balance of the City's proprietary funds were significantly impacted by rate increases of 5% in both water and sewer plus an additional surcharge of 25% for users outside the City. Grant revenue in sewer also increased \$390,598 as the phase II wastewater plant improvement was completed.

General Fund Budgeting Highlights

The City's budget is prepared according to Ohio law and is based on accounting for certain transactions on a budget basis of cash receipts (revenues), and disbursements and encumbrances (expenditures). The most significant budgeted fund is the General Fund. During 2002, the City amended its General Fund budget on various occasions. All recommendations for budget changes come to the Finance Committee of City Council for review before going to the whole Council for an ordinance on the change. The City does allow small interdepartmental budget changes that modify line items within departments within the same fund.

For the General Fund, the original budgeted revenues were \$13,576,133 and the final budgeted revenue amount was \$13,889,406.

The differences between the General Fund's original budget and the final amended budget were minor, except for the changes as follows:

- The most significant changes were \$309,734 additional appropriations in general government and \$263,219 in security of persons and property.

Capital Assets and Debt Administration

**CAPITAL ASSETS AT DECEMBER 31
 (NET OF DEPRECIATION)**

	Governmental Activities		Business-Type Activities	
	2002	2001	2002	2001
Land	\$6,291,379	\$6,291,379	\$1,889,017	\$1,889,017
Construction in Progress	0	0	2,551,685	1,326,758
Land Improvements	311,398	355,662	3,035	5,097
Buildings, Structures and Improvements	7,778,678	7,981,410	1,512,616	1,562,969
Plant and Facilities	0	0	16,186,769	16,635,826
Furniture, Fixtures, & Equipment	1,674,270	1,833,578	331,348	313,827
Infrastructure	34,887,982	36,263,103	20,382,059	20,741,003
Total	\$50,943,707	\$52,725,132	\$42,856,529	\$42,474,497

City of Chillicothe, Ohio

Management's Discussion and Analysis
For the Year Ended December 31, 2002
Unaudited

Total capital assets for governmental activities of the City of Chillicothe for the year 2002 were \$50,943,707 or \$1,781,425 less than in 2001. This decrease was mostly due to the annual depreciation expense, however significant increases were made to furniture, fixtures and equipment, as well as to infrastructure.

The increase in business-type activities of \$382,032 was due primarily to construction in progress of the Wastewater Treatment plant.

Additional information concerning the City's capital assets can be found in the notes to the basic financial statements.

As of December 31, 2002, the City of Chillicothe had \$19,604,242 in bonds, notes and loans outstanding with \$4,709,242 due within one year.

OUTSTANDING DEBT AT DECEMBER 31

	<u>2002</u>	<u>2001</u>
Governmental Activities		
General Obligation Bond Retirement Bonds:		
Various Purpose	\$2,045,000	\$2,355,000
Police and Fire Pension	525,000	540,000
	<hr/>	<hr/>
Total Governmental Activities	2,570,000	2,895,000
Business-Type Activities		
Water Revenue Bonds	12,070,000	12,785,000
Sewer Revenue Bonds	1,420,000	1,625,000
OWDA Loans	44,242	129,313
Water and Sewer Notes	3,500,000	3,725,000
	<hr/>	<hr/>
Total Business-Type Activities	17,034,242	18,264,313
Total	<hr/> <u>\$19,604,242</u>	<hr/> <u>\$21,159,313</u>

The general obligation bonds issued for various purposes are comprised of (1) #1 fire house, (2) jail complex, and (3) landfill closure obligations.

In 1999 the City issued general obligation bonds to pay off its debt to the Ohio Police and Fire Pension Fund.

There is \$12,070,000 in water revenue bonds, \$1,420,000 in sewer revenue bonds, and \$44,242 in OWDA loans.

The \$3,000,000 note is for wastewater plant expansion and the \$500,000 note is for expanding water and sewer service to the Route 104 industrial park.

Additional information concerning the City's debt can be found in the notes to the basic financial statements.

City of Chillicothe, Ohio

Management's Discussion and Analysis
For the Year Ended December 31, 2002
Unaudited

Current Known Facts and Conditions

Concern for the increased expenses resulted in the passage of two ordinances to help address this situation. The first was Ordinance #79-02 passed on August 12, 2002 to implement billing for emergency medical services. This procedure started on October 15, 2002 and is estimated to result in an additional \$500,000 in General Fund revenue. The second ordinance was Ordinance #121-02 dated October 28, 2002 setting the rules for mandatory income tax filing and changing the tax credit for income taxes paid to other cities from 100% to 50%. This goes into effect on January 1, 2003 with the expected financial benefits to be felt mostly in 2004.

Contacting the City's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the City Auditor's Office, 35 S. Paint Street, Chillicothe, Ohio 45601.

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City of Chillicothe, Ohio

Statement of Net Assets

December 31, 2002

	Governmental Activities	Business-Type Activities	Total *
Assets			
Equity in Pooled Cash & Cash Equivalents	\$5,463,861	\$5,053,924	\$10,517,785
Cash and Cash Equivalents in Segregated Accounts	356,554	0	356,554
Investment in City Treasury	1,000	0	1,000
Accounts Receivable	198,979	1,110,840	1,309,819
Internal Receivable	611	0	
Intergovernmental Receivable	1,850,950	248,519	2,099,469
Income Tax Receivable	1,048,959	0	1,048,959
Property Tax Receivable	1,387,122	0	1,387,122
Other Taxes Receivable	94,164	0	94,164
Special Assessments Receivable	6,024	8,982	15,006
Materials and Supplies Inventory	84,431	22,881	107,312
Prepaid Items	135,680	38,178	173,858
<i>Restricted Assets:</i>			
Equity in Pooled Cash & Cash Equivalents	0	3,603,889	3,603,889
Cash & Cash Equivalents with Fiscal and Trustees	0	1,818,776	1,818,776
Nondepreciable Capital Assets	6,291,379	4,440,702	10,732,081
Depreciable Capital Assets, Net	44,652,328	38,415,827	83,068,155
Total Assets	61,572,042	54,762,518	116,333,949
Liabilities			
Accounts Payable	87,397	60,478	147,875
Contracts Payable	4,746	13,098	17,844
Accrued Wages Payable	361,475	63,987	425,462
Intergovernmental Payable	687,982	85,783	773,765
Accrued Interest Payable	12,714	94,895	107,609
Retainage Payable	50,227	0	50,227
Internal Payable	0	611	
Claims Payable	425,663	81,337	507,000
Deposits Held and Due to Others	1,224	0	1,224
Deferred Revenue	1,344,442	0	1,344,442
Notes Payable	0	3,500,000	3,500,000
<i>Long-Term Liabilities:</i>			
Due within One Year	1,118,838	1,228,658	2,347,496
Due in More Than One Year	5,260,913	12,897,772	18,158,685
Total Liabilities	9,355,621	18,026,619	27,381,629
Net Assets			
Investments in Capital Assets, Net of Related Debt	48,771,086	25,822,287	74,593,373
<i>Restricted for:</i>			
Debt Service	104,236	1,818,776	1,923,012
Capital Projects	769,089	3,603,889	4,372,978
<i>Permanent Fund Purpose:</i>			
Expendable	1,927	0	1,927
Nonexpendable	1,000	0	1,000
Other Purposes	2,405,852	0	2,405,852
Unrestricted (Deficit)	163,231	5,490,947	5,654,178
Total Net Assets	\$52,216,421	\$36,735,899	\$88,952,320

* After internal receivables and payables have been eliminated
See accompanying notes to the basic financial statements

City of Chillicothe, Ohio

Statement of Activities

For the Year Ended December 31, 2002

	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities				
General Government	\$9,713,452	\$5,388,871	\$170,988	\$0
<i>Security of Persons and Property:</i>				
Police	4,729,681	43,522	13,252	0
Fire	4,284,912	1,947	13,252	0
Transportation	3,328,993	149,833	1,581,417	0
Community Environment	828,369	0	492,323	0
Basic Utility Services	880,834	991,314	0	0
Leisure Time Activities	1,020,679	92,938	3,570	0
Interest and Fiscal Charges	180,222	0	0	0
Total Governmental Activities	24,967,142	6,668,425	2,274,802	0
Business-Type Activities				
Water	3,890,453	4,159,217	0	0
Sewer	2,743,233	2,878,379	0	766,789
Total Business-Type Activities	6,633,686	7,037,596	0	766,789
Totals	\$31,600,828	\$13,706,021	\$2,274,802	\$766,789

General Revenues

Property Taxes Levied for:

 General Purposes

Municipal Income Taxes Levied for:

 General Purposes

 Capital Outlay

Other Taxes

Grants and Entitlements not Restricted

 to Specific Programs

Investment Earnings

Miscellaneous

Special Assessments

Net Gain (Loss) on Disposal of Fixed Assets

Total General Revenues

Transfers-In

Transfers-Out

Total Transfers

Total General Revenues and Transfers

Change in Net Assets

Net Assets at Beginning of Year-Restated (See Note 4)

Net Assets at End of Year

See accompanying notes to the basic financial statements

Net (Expense) Revenue and Changes in Net Assets		
Governmental Activities	Business-Type Activities	Total
(\$4,153,593)	\$0	(\$4,153,593)
(4,672,907)	0	(4,672,907)
(4,269,713)	0	(4,269,713)
(1,597,743)	0	(1,597,743)
(336,046)	0	(336,046)
110,480	0	110,480
(924,171)	0	(924,171)
(180,222)	0	(180,222)
<u>(16,023,915)</u>	<u>0</u>	<u>(16,023,915)</u>
0	268,764	268,764
0	901,935	901,935
<u>0</u>	<u>1,170,699</u>	<u>1,170,699</u>
<u>(16,023,915)</u>	<u>1,170,699</u>	<u>(14,853,216)</u>
1,360,426	0	1,360,426
8,829,586	0	8,829,586
731,201	0	731,201
167,670	0	167,670
1,714,276	0	1,714,276
266,635	10,721	277,356
290,184	119,847	410,031
5,709	0	5,709
0	(38)	(38)
<u>13,365,687</u>	<u>130,530</u>	<u>13,496,217</u>
24,594	30,000	54,594
(30,000)	(7,323)	(37,323)
<u>(5,406)</u>	<u>22,677</u>	<u>17,271</u>
<u>13,360,281</u>	<u>153,207</u>	<u>13,513,488</u>
(2,663,634)	1,323,906	(1,339,728)
<u>54,880,055</u>	<u>35,411,993</u>	<u>90,292,048</u>
<u>\$52,216,421</u>	<u>\$36,735,899</u>	<u>\$88,952,320</u>

City of Chillicothe, Ohio

Balance Sheet
Governmental Funds

December 31, 2002

	General	Other Governmental Funds	Total Governmental Funds
Assets			
Equity in Pooled Cash & Cash Equivalents	\$2,200,942	\$3,262,919	\$5,463,861
Cash and Cash Equivalents in Segregated Accounts	352,115	4,439	356,554
Investment in City Treasury	0	1,000	1,000
Accounts Receivable	198,964	15	198,979
Interfund Receivable	68,582	0	68,582
Intergovernmental Receivable	1,068,728	782,222	1,850,950
Income Tax Receivable	852,281	196,678	1,048,959
Property Tax Receivable	1,122,108	265,014	1,387,122
Other Taxes Receivable	94,164	0	94,164
Special Assessments Receivable	6,024	0	6,024
Materials and Supplies Inventory	70,774	13,657	84,431
Prepaid Items	120,512	15,168	135,680
Total Assets	\$6,155,194	\$4,541,112	\$10,696,306
Liabilities and Fund Balances			
Liabilities			
Accounts Payable	\$58,680	\$28,717	\$87,397
Contracts Payable	4,746	0	4,746
Accrued Wages Payable	296,144	65,331	361,475
Compensated Absences Payable	45,975	15,356	61,331
Intergovernmental Payable	79,237	0	79,237
Retainage Payable	50,227	0	50,227
Interfund Payable	0	67,971	67,971
Claims Payable	342,776	82,887	425,663
Deposits Held and Due to Others	1,224	0	1,224
Deferred Revenue	1,748,825	860,835	2,609,660
Total Liabilities	2,627,834	1,121,097	3,748,931
Fund Balances			
Reserved for Encumbrances	55,586	190,008	245,594
<i>Unreserved Reported in:</i>			
General Fund	3,471,774	0	3,471,774
Special Revenue Funds	0	2,371,259	2,371,259
Debt Service Fund	0	104,236	104,236
Capital Projects Funds	0	751,585	751,585
Permanent Fund	0	2,927	2,927
Total Fund Balances	3,527,360	3,420,015	6,947,375
Total Liabilities and Fund Balances	\$6,155,194	\$4,541,112	\$10,696,306

See accompanying notes to the basic financial statements

City of Chillicothe, Ohio

Reconciliation of Total Governmental Fund Balances to
Net Assets of Governmental Activities

December 31, 2002

Total Governmental Fund Balances \$6,947,375

**Amounts reported for governmental activities in the
statement of net assets are different because:**

Capital assets used in governmental activities are not financial
resources and therefore are not reported in the funds 50,943,707

Other long-term assets are not available to pay for current-
period expenditures and therefore are deferred in the funds:

Property and Other Taxes	42,680
Intergovernmental	1,216,514
Special Assessments	<u>6,024</u>

Total 1,265,218

In the statement of activities, interest is accrued on outstanding bonds,
whereas in governmental funds, an interest expenditure is reported
when due. (12,714)

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

General Obligation Bonds	(2,045,000)
Police & Fire Pension Bonds	(525,000)
Capital Leases Payable	(127,621)
Landfill Postclosure Costs	(1,677,722)
Compensated Absences Payable	(1,943,077)
Intergovernmental Payable	<u>(608,745)</u>

Total (6,927,165)

Net Assets of Governmental Activities \$52,216,421

See accompanying notes to the basic financial statements

City of Chillicothe, Ohio

Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds

For the Year Ended December 31, 2002

	General	Other Governmental Funds	Total Governmental Funds
Revenues			
Property Taxes	\$1,082,880	\$255,478	\$1,338,358
Municipal Income Taxes	7,540,500	2,020,287	9,560,787
Other Taxes	167,670	0	167,670
Charges for Services	2,060,504	150,833	2,211,337
Fines, Licenses, and Permits	4,394,385	57,474	4,451,859
Intergovernmental	1,876,004	2,481,743	4,357,747
Special Assessments	1,561	2,128	3,689
Investment Earnings	265,460	1,175	266,635
Miscellaneous	241,310	67,673	308,983
Total Revenue	17,630,274	5,036,791	22,667,065
Expenditures			
<i>Current:</i>			
General Government	7,891,633	362,035	8,253,668
<i>Security of Persons and Property:</i>			
Police	3,993,469	473,294	4,466,763
Fire	3,421,988	587,428	4,009,416
Transportation	170,167	3,165,993	3,336,160
Community Environment	753	532,798	533,551
Basic Utility Services	893,922	0	893,922
Leisure Time Activities	109,685	662,244	771,929
Capital Outlay	0	616,504	616,504
<i>Debt Service:</i>			
Principal Retirement	43,763	327,301	371,064
Interest and Fiscal Charges	13,623	168,139	181,762
Total Expenditures	16,539,003	6,895,736	23,434,739
Excess of Revenues Over (Under) Expenditures	<u>1,091,271</u>	<u>(1,858,945)</u>	<u>(767,674)</u>
Other Financing Sources (Uses):			
Proceeds from Sale of Fixed Assets	2,146	114	2,260
Inception of Capital Lease	2,000	0	2,000
Transfers-In	111,974	2,664,875	2,776,849
Transfers-Out	<u>(2,426,875)</u>	<u>(355,380)</u>	<u>(2,782,255)</u>
Total Other Sources (Uses)	(2,310,755)	2,309,609	(1,146)
Net Change in Fund Balances	(1,219,484)	450,664	(768,820)
Fund Balances at Beginning of Year Restated (See Note 4)	<u>4,746,844</u>	<u>2,969,351</u>	<u>7,716,195</u>
Fund Balances at End of Year	<u>\$3,527,360</u>	<u>\$3,420,015</u>	<u>\$6,947,375</u>

See accompanying notes to the basic financial statements

City of Chillicothe, Ohio

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

For the Year Ended December 31, 2002

Net Change in Fund Balances - Total Governmental Funds (\$768,820)

**Amounts reported for governmental activities in the
statement of activities are different because:**

Governmental funds report capital outlays as expenditures.

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

This is the amount by which capital outlays exceeded depreciation in
the current period.

Fixed Asset Additions	1,481,778	
Current Year Depreciation	<u>(3,236,797)</u>	
Total		(1,755,019)

Governmental funds only report the disposal of fixed assets to the
extent proceeds are received from the sale. In the statement of
activities, a gain or loss is reported for each disposal. (26,406)

Revenues in the statement of activities that do not provide current
financial resources are not reported as revenues.

Delinquent Property Taxes	22,068	
Special Assessments	2,020	
Intergovernmental	<u>(382,257)</u>	
Total		(358,169)

Repayment of bond principal is an expenditure in the governmental
funds, but the repayment reduces long-term liabilities in the
statement of net assets. 371,064

In the statement of activities, interest is accrued on outstanding bonds,
whereas in governmental funds, an interest expenditure is reported
when due. 1,502

Other financing sources in the governmental funds that increase long-term
liabilities in the statement of net assets are not reported as
revenues in the statement of activities. (2,000)

Landfill Closure expenditures that are reported as a reduction of a
liability and therefore not reported in the Statement of Activities 50,864

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

Compensated Absences	(127,890)	
Intergovernmental Payable	<u>(48,760)</u>	
Total		<u>(176,650)</u>

Change in Net Assets - Governmental Activities (\$2,663,634)

See accompanying notes to the basic financial statements

City of Chillicothe, Ohio

Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual (Budget Basis)
General Fund

For the Year Ended December 31, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Local Taxes	\$8,057,870	\$8,187,971	\$8,818,546	\$630,575
Charges for Services	2,028,600	2,128,600	2,061,575	(67,025)
Fines, Licenses and Permits	1,422,000	1,422,000	1,553,168	131,168
Intergovernmental	1,781,163	1,726,335	1,847,210	120,875
Special Assessments	0	0	1,561	1,561
Investment Earnings	205,000	305,000	323,081	18,081
Miscellaneous	81,500	119,500	261,708	142,208
Total Revenue	13,576,133	13,889,406	14,866,849	977,443
Expenditures				
<i>Current:</i>				
General Government	5,175,203	5,484,937	5,115,359	369,578
Security of Persons and Property	7,508,603	7,771,822	7,391,286	380,536
Transportation	201,500	201,500	168,919	32,581
Community Environment	1,300	1,600	379	1,221
Basic Utility Services	1,037,276	1,037,276	927,959	109,317
Leisure Time Activities	117,747	127,567	113,761	13,806
Total Expenditures	14,041,629	14,624,702	13,717,663	907,039
Excess of Revenues Over (Under) Expenditures	(465,496)	(735,296)	1,149,186	1,884,482
Other Financing Sources (Uses)				
Proceeds from Sale of Fixed Assets	0	0	2,146	2,146
Transfers - In	180,578	65,000	111,917	46,917
Transfers - Out	(2,494,225)	(2,539,904)	(2,426,875)	113,029
Total Other Sources (Uses)	(2,313,647)	(2,474,904)	(2,312,812)	162,092
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	(2,779,143)	(3,210,200)	(1,163,626)	2,046,574
Fund Balances at Beginning of Year	3,247,776	3,247,776	3,247,776	0
Prior Year Encumbrances Appropriated	57,081	57,081	57,081	0
Fund Balances at End of Year	\$525,714	\$94,657	\$2,141,231	\$2,046,574

See accompanying notes to the basic financial statements

City of Chillicothe, Ohio

Statement of Net Assets
Proprietary Funds

December 31, 2002

	Business-Type Activities		Total
	Water	Sewer	
Assets			
<i>Current:</i>			
Equity in Pooled Cash & Cash Equivalents	\$3,097,942	\$1,955,982	\$5,053,924
Accounts Receivable	642,381	468,459	1,110,840
Intergovernmental Receivable	0	248,519	248,519
Special Assessments Receivable	6,638	2,344	8,982
Materials and Supplies Inventory	20,167	2,714	22,881
Prepaid Items	17,944	20,234	38,178
<i>Noncurrent:</i>			
<i>Restricted Assets:</i>			
Equity in Pooled Cash & Cash Equivalents	1,670,664	1,933,225	3,603,889
Cash & Cash Equivalents with Fiscal and Trustees	1,511,828	306,948	1,818,776
Nondepreciable Capital Assets	1,412,520	3,028,182	4,440,702
Depreciable Capital Assets, Net	21,746,676	16,669,151	38,415,827
Total Assets	30,126,760	24,635,758	54,762,518
Liabilities			
<i>Current:</i>			
Accounts Payable	29,056	31,422	60,478
Contracts Payable	13,098	0	13,098
Accrued Wages Payable	37,230	26,757	63,987
Compensated Absences Payable	102,908	121,508	224,416
Intergovernmental Payable	48,598	37,185	85,783
Accrued Interest Payable	60,960	33,935	94,895
Interfund Payable	306	305	611
Claims Payable	48,803	32,534	81,337
Notes Payable	500,000	3,000,000	3,500,000
OWDA Loans Payable	0	44,242	44,242
Revenue Bonds Payable	750,000	210,000	960,000
<i>NonCurrent:</i>			
Compensated Absences Payable	186,822	180,950	367,772
Revenue Bonds Payable	11,320,000	1,210,000	12,530,000
Total Liabilities	13,097,781	4,928,838	18,026,619
Net Assets			
Investments in Capital Assets, Net of Related Debt	10,589,196	15,233,091	25,822,287
<i>Restricted for:</i>			
Debt Service	1,511,828	306,948	1,818,776
Capital Projects	1,670,664	1,933,225	3,603,889
Unrestricted	3,257,291	2,233,656	5,490,947
Total Net Assets	\$17,028,979	\$19,706,920	\$36,735,899

See accompanying notes to the basic financial statements

City of Chillicothe, Ohio

Statement of Revenues, Expenses and
Changes in Fund Net Assets
Proprietary Funds

For the Year Ended December 31, 2002

	Business-Type Activities		Total
	Water	Sewer	
Operating Revenues			
Charges for Services	\$4,159,217	\$2,878,379	\$7,037,596
Other Operating Revenue	95,626	24,221	119,847
Total Operating Revenues	4,254,843	2,902,600	7,157,443
Operating Expenses			
Personal Services	892,938	868,813	1,761,751
Fringe Benefits	502,303	380,581	882,884
Contractual Services	182,628	9,712	192,340
Materials and Supplies	449,613	399,309	848,922
Travel Transportation	65	170	235
Depreciation	615,945	551,474	1,167,419
Other Operating Expense	553,440	381,102	934,542
Total Operating Expenses	3,196,932	2,591,161	5,788,093
Operating Income	1,057,911	311,439	1,369,350
Non-Operating Revenues (Expenses)			
Interest Income	6,738	3,983	10,721
Gain on Disposal of Fixed Assets	548	0	548
Loss on Disposal of Fixed Assets	0	(586)	(586)
Intergovernmental Grants	0	766,789	766,789
Interest and Fiscal Charges	(693,521)	(152,072)	(845,593)
Total Non-Operating Revenues (Expenses)	(686,235)	618,114	(68,121)
Income Before Transfers	371,676	929,553	1,301,229
Transfers - In	0	30,000	30,000
Transfers - Out	(3,595)	(3,728)	(7,323)
Change in Net Assets	368,081	955,825	1,323,906
Net Assets at Beginning of Year-Restated (See Note 4)	16,660,898	18,751,095	35,411,993
Net Assets at End of Year	\$17,028,979	\$19,706,920	\$36,735,899

See accompanying notes to the basic financial statements

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City of Chillicothe, Ohio

Statement of Cash Flows
Proprietary Funds

For the Year Ended December 31, 2002

	Business-Type Activities		Total
	Water	Sewer	
Cash Flows from Operating Activities			
Cash Received from Customers	\$4,200,037	\$2,874,232	\$7,074,269
Cash Received from Other Receipts	89,299	23,676	112,975
Cash Payments to Employees	(1,290,843)	(1,297,779)	(2,588,622)
Cash Payments for Contractual Services	(211,083)	(17,211)	(228,294)
Cash Payments for Supplies & Materials	(452,042)	(474,749)	(926,791)
Cash Payments for Other Expenses	(538,076)	(364,368)	(902,444)
Net Cash from Operating Activities	1,797,292	743,801	2,541,093
Cash Flows from Noncapital Financing Activities			
Transfers-In from Other Funds	0	30,000	30,000
Transfers-Out to Other Funds	(3,566)	(3,544)	(7,110)
Net Cash from Noncapital Financing Activities	(3,566)	26,456	22,890
Cash Flows from Capital and Related Financing Activities			
Proceeds Received from Notes	500,000	3,000,000	3,500,000
Interest Paid on Bonds, Notes, Loans & Capital Leases	(692,027)	(186,595)	(878,622)
Principal Paid on Bonds, Notes, Loans & Capital Leases	(1,215,000)	(3,515,071)	(4,730,071)
Cash Paid to Acquire/Construct Capital Assets	(156,687)	(1,540,514)	(1,697,201)
Proceeds Received from Sale of Assets	548	760	1,308
Cash Received from Capital Grant	0	1,142,980	1,142,980
Net Cash from Capital Related Financing Activities	(1,563,166)	(1,098,440)	(2,661,606)
Cash Flows from Investing Activities			
Interest Received on Investments	6,738	3,983	10,721
Net Cash from Investing Activities	6,738	3,983	10,721
Net Increase (Decrease) In Cash and Cash Equivalents	237,298	(324,200)	(86,902)
Cash and Cash Equivalents Beginning of Year	6,043,136	4,520,355	10,563,491
Cash and Cash Equivalents End of Year	\$6,280,434	\$4,196,155	\$10,476,589

See accompanying notes to the basic financial statements

continued

City of Chillicothe, Ohio

Statement of Cash Flows
Proprietary Funds

For the Year Ended December 31, 2002

	Business-Type Activities		Total
	Water	Sewer	
Reconciliation of Operating Income to Net Cash from Operating Activities			
Operating Income	\$1,057,911	\$311,439	\$1,369,350
Adjustments to Reconcile Operating Income to Net Cash from Operating Activities:			
Depreciation Expense	615,945	551,474	1,167,419
<i>Changes in Assets & Liabilities:</i>			
(Increase) Decrease in Accounts Receivable	40,820	(4,147)	36,673
(Increase) Decrease in Special Assessments Receivable	(6,327)	(545)	(6,872)
(Increase) Decrease in Material & Supply Inventory	(2,429)	902	(1,527)
(Increase) Decrease in Prepaid Items	(2,950)	(8,614)	(11,564)
Increase (Decrease) in Accounts Payable	14,600	18,167	32,767
Increase (Decrease) in Contracts Payable	(24,676)	(76,490)	(101,166)
Increase (Decrease) in Accrued Wages Payable	10,523	(9,538)	985
Increase (Decrease) in Compensated Absences Payable	51,404	(35,915)	15,489
Increase (Decrease) in Intergovernmental Payable	16,140	(5,152)	10,988
Increase (Decrease) in Claims Payable	26,331	2,220	28,551
Net Cash from Operating Activities	<u>\$1,797,292</u>	<u>\$743,801</u>	<u>\$2,541,093</u>

See accompanying notes to the basic financial statements

City of Chillicothe, Ohio

Statement of Fiduciary Net Assets
Fiduciary Funds

December 31, 2002

	<u>Private Purpose Trust</u>	<u>Agency</u>
	<u>Unclaimed Monies</u>	<u>Deposits Agency</u>
Assets		
Equity in Pooled Cash & Cash Equivalents	<u>\$56,917</u>	<u>\$21,858</u>
Total Assets	<u>56,917</u>	<u><u>\$21,858</u></u>
Liabilities		
Deposits held and Due to Others	<u>0</u>	<u>21,858</u>
Total Liabilities	<u>0</u>	<u><u>\$21,858</u></u>
Net Assets		
Held in Trust for Potential Claimants	<u>56,917</u>	
Total Net Assets	<u><u>\$56,917</u></u>	

See accompanying notes to the basic financial statements

City of Chillicothe, Ohio

Statement of Changes in Fiduciary Net Assets
Fiduciary Funds

For the Year Ended December 31, 2002

	Private Purpose Trust
	<u>Unclaimed Monies</u>
Additions	
Miscellaneous	\$20,407
Deductions	
Amounts Paid to Claimants	485
Transfers Out to Funds- Expired Claims	<u>17,271</u>
Total Deductions	<u>17,756</u>
Changes in Net Assets	2,651
Net Assets at the Beginning of the Year	<u>54,266</u>
Net Assets at End of the Year	<u><u>\$56,917</u></u>

See accompanying notes to the financial statements

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**CITY OF CHILlicothe, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS**

FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 1 - DESCRIPTION OF THE CITY OF CHILlicothe

The City of Chillicothe (the City) was founded in 1796 and is a municipal corporation under the laws of the State of Ohio. The City operates under a Mayor-Council form of government. Legislative power is vested in a ten member council, each elected to two year terms. The Mayor, Auditor, Treasurer and Law Director are elected to four year terms.

The major services provided by the City include police and fire protection, civil and criminal justice system, street maintenance and repair, community development, transportation, recreation, litter control and recycling, sanitation, and water and sewer services. The operation and control of these services is governed by the city council through the budgetary process and by the Mayor through administrative and managerial requirements and procedures.

As required by generally accepted accounting principles, the basic financial statements present the City of Chillicothe (the primary government) and any component units.

In determining whether to include a governmental department, agency, commission or organization as a component unit, the City must evaluate each entity as to whether they are legally separate and financially accountable based on criteria set forth by the Governmental Accounting Standards Board (GASB). Legal separateness is evaluated on the basis of (1) its corporate name, (2) the right to sue or be sued and (3) the right to buy, sell, lease and mortgage property. Financial accountability is based on (1) the appointment of the governing authority and (2) the ability to impose will or (3) the providing of specific financial benefit or imposition of a specific financial burden. Another factor to consider in this evaluation is whether an entity is fiscally dependent on the City.

In applying the above criteria, there are no component units to present outside the scope of the primary government (City).

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial principles. The City also applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989, to its governmental activities and to its proprietary funds provided they do not conflict with or contradict GASB pronouncements. The most significant of the City's accounting policies are described below.

Basis of Presentation

The City's basic financial statements consist of government-wide statements, including a statement of net assets and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

**CITY OF CHILlicoTHE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS**

FOR THE YEAR ENDED DECEMBER 31, 2002

Government-Wide Financial Statements

The statement of net assets and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the City that are governmental and those that are considered business-type activities.

The statement of net assets presents the financial condition of the governmental and business-type activities of the City at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the City's governmental activities and for the business-type activities of the City. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the City.

Fund Financial Statements

During the year, the City segregates transactions related to certain City functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the City at this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by type.

Fund Accounting

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

Governmental Funds

Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following is the City's major governmental fund:

**CITY OF CHILlicoTHE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS**

FOR THE YEAR ENDED DECEMBER 31, 2002

General Fund - This fund accounts for all financial resources except those required to be 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 charter of the City and/or the general laws of Ohio.

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

Proprietary Funds

Proprietary fund reporting focuses on changes in net assets, financial position and cash flows. The City's proprietary funds are classified as enterprise funds. Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The following are the City's major enterprise funds:

Water Fund - This fund accounts for the provision of water treatment and distribution to its residential and commercial users located within the City.

Sewer Fund - This fund accounts for the provision of sanitary sewer service to the residents and commercial users located within the City.

Fiduciary Funds

Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the City's own programs. The City's trust fund is a private-purpose trust fund established to account for assets (escheat property) held for individuals as unclaimed funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The City's agency fund accounts for assets that are held pending determination of their disposition.

Measurement Focus

Government-Wide Financial Statements

The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the City are included on the statement of net assets.

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet.

**CITY OF CHILlicothe, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS**

FOR THE YEAR ENDED DECEMBER 31, 2002

The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Like the government-wide statements, all proprietary funds are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of net assets. The statement of revenues, expenses and changes in fund net assets presents increases (i.e., revenues) and decreases (i.e., expenses) in total net assets. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

The private-purpose trust funds are reported using the economic resources measurement focus.

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary and fiduciary funds also use the accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue and in the presentation of expenses versus expenditures.

Revenues - Exchange and Nonexchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available.

Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the City, available means expected to be received within sixty days of year-end.

Nonexchange transactions, in which the City receives value without directly giving equal value in return, include municipal income taxes, property taxes, grants, entitlements and donations. On an accrual basis, revenue from municipal income taxes is recognized in the period in which the income is earned (See Note 14). Revenue from property taxes is recognized in the year for which the taxes are levied (See Note 13). Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied.

**CITY OF CHILlicoTHE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS**

FOR THE YEAR ENDED DECEMBER 31, 2002

Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted; matching requirements, in which the City must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: municipal income taxes, state-levied locally shared taxes (including gasoline tax), fines and forfeitures, grants and interest.

Deferred Revenue

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

Property taxes for which there is an enforceable legal claim as of December 31, 2002, but which were levied to finance year 2003 operations, have been recorded as deferred revenue. Special assessments not received within the available period and grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

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

Expenses/Expenditures

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

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

Cash and Cash Equivalents

To improve cash management, cash received by the City is pooled. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through the City's records. Each fund's interest in the pool is presented as "equity in pooled cash and cash equivalents" on the balance sheet.

Investments are reported at fair value which is based on quoted market prices, with the exception of nonparticipating repurchase agreements, which are reported at cost.

Following the local ordinance of the City as well as Ohio statutes, the City has specified the funds to receive an allocation of interest earnings. Interest revenue credited to the General Fund during 2002 amounted to \$265,460, which includes \$218,575 assigned from other City funds.

**CITY OF CHILlicoTHE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS**

FOR THE YEAR ENDED DECEMBER 31, 2002

The City has segregated bank accounts for monies held separate from the City's treasury accounts. These interest-bearing depository accounts are presented on the statement of net assets as "cash and cash equivalents in segregated accounts" since they are not required to be deposited into the City's treasury. The cash of the Municipal Court is included in this line item.

For purposes of the statement of cash flows and for presentation on the statement of net assets/balance sheet, investments with an original maturity of three months or less and investments of the cash management pool are considered to be cash equivalents.

Inventory

On government-wide financial statements, inventories are presented at the lower of cost or market on a first-in, first-out basis and are expensed when used.

On fund financial statements, inventories of governmental funds are stated at cost while inventories of proprietary funds are stated at the lower of cost or market. For all funds, cost is determined on a first-in, first-out basis. Inventory in governmental funds consists of expendable supplies held for consumption. The cost of inventory items is recorded as an expenditure in the governmental funds and as an expense in the proprietary funds when used.

Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2002, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which it was consumed.

Restricted Assets

Restricted assets in the enterprise funds represent cash and cash equivalents that are restricted in their use by legal or contractual requirements.

Capital Assets

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net assets but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net assets and in the respective funds.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and deletions during the year. Donated fixed assets are recorded at their fair market values as of the date received. The City maintains a capitalization threshold of five hundred dollars. The City's infrastructure consists of streets, traffic signals, floodwall, park lighting, and water and sewer lines, valves and meters.

**CITY OF CHILlicothe, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS**

FOR THE YEAR ENDED DECEMBER 31, 2002

Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. Interest incurred during the construction of capital assets is also capitalized. All reported capital assets are depreciated except for land and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the City's historical records of necessary improvements and replacement. Depreciation is computed using the straight-line method over the following useful lives:

Description	Governmental Activities Estimated Lives	Business-Type Activities Estimated Lives
Land Improvements	5 years	5 years
Buildings, Structures and Improvements	20-50 years	20-50 years
Plant and Facilities	50 years	50 years
Furniture, Fixtures and Equipment	5-15 years	5-15 years
Infrastructure	20-50 years	20-50 years

Interfund Balances

On fund financial statements, short-term interfund loans are classified as "interfund receivables" and "interfund payables" on the balance sheet. These amounts are eliminated in the governmental and business-type activities columns of the statement of net assets, except for any net residual amounts due between governmental and business-type activities, which are presented as internal receivables and payables.

Compensated Absences

The City reports compensated absences in accordance with the provisions of GASB No. 16, "Accounting for Compensated Absences."

Vacation and compensatory time benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means.

Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those that the City has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employee wage rates at fiscal year end taking into consideration any limits specified in the City's termination policy.

The City records a liability for all accumulated unused vacation and compensatory time when earned for all employees. The City records a liability for accumulated unused sick leave for employees of the Police Department after eight years of accumulated service, and for all other employees of the City after five years of accumulated service, except for employees of the Fire Department where no requirement exists for years of accumulated service.

**CITY OF CHILlicothe, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS**

FOR THE YEAR ENDED DECEMBER 31, 2002

The entire compensated absence liability is reported on the government-wide financial statements.

On governmental funds compensated absences are recognized as liabilities and expenditures to the extent payments come due each period upon the occurrence of employee resignation or retirement. These amounts are recorded in the account "compensated absences payable" in the fund from which the employees who have accumulated leave are paid. The noncurrent portion of the liability is not reported on the fund financial statements. In proprietary funds, the entire amount of compensated absences is reported as a fund liability on the fund financial statements.

Accrued Liabilities and Long-Term Obligations

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

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

Fund Balance Reserves

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

Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The City applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

**CITY OF CHILlicothe, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS**

FOR THE YEAR ENDED DECEMBER 31, 2002

Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for services for water and sanitary sewer services. Operating expenses are necessary costs incurred to provide the goods or services that are the primary activity of the fund.

Interfund Transactions

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the City Administration and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during 2002.

Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

NOTE 3 - BUDGETARY BASIS OF ACCOUNTING

While the City is reporting financial position, results of operations and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The statement of revenues, expenditures and changes in fund balance - budget and actual (budget basis) is presented for the General Fund on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and modified accrual GAAP basis are that:

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

**CITY OF CHILlicothe, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS**

FOR THE YEAR ENDED DECEMBER 31, 2002

2. Expenditures/expenses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures/expenses for all funds (budget basis) rather than as a reservation of fund balance.

The following table summarizes the adjustments necessary to reconcile the GAAP and budgetary basis statements for the General Fund.

Net Change in Fund Balance

GAAP Basis	(\$1,219,484)
<i>Adjustments:</i>	
Net Adjustment for Non-budgeted Municipal Court	(13,281)
Net Adjustment for Revenue Accruals	98,878
Net Adjustment for Expenditure Accruals	(87,393)
Encumbrances	59,711
Net Adjustment for Other Sources (Uses)	(2,057)
	<hr/>
Budget Basis	<u><u>(\$1,163,626)</u></u>

NOTE 4 - CHANGES IN ACCOUNTING PRINCIPLES AND PRIOR PERIOD ADJUSTMENTS

Changes in Accounting Principles

For the year 2002, the City implemented GASB Statement No. 34, "Basic Financial Statements- and Management's Discussion and Analysis- for State and Local Governments," GASB Statement No. 37, "Basic Financial Statements for State and Local Governments: Omnibus," GASB Statement No. 38, "Certain Financial Statement Note Disclosures," and GASB Interpretation No. 6, "Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements." At December 31, 2001, there was no material effect on fund equity as a result of implementing GASB Statement Nos. 37 and 38, and GASB Interpretation No. 6.

GASB Statement No. 34 creates new basic financial statements for reporting on the City's financial activities. The financial statements now include government-wide financial statements prepared on an accrual basis of accounting and fund financial statements which present information for individual major funds rather than by fund type. Nonmajor funds are presented in total in one column.

The government-wide financial statements present the City's programs as governmental and business-type activities. The beginning net asset amount for governmental and business-type programs reflect the change in fund equity at December 31, 2001, caused by the conversion to the accrual basis of accounting.

**CITY OF CHILlicoTHE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS**

FOR THE YEAR ENDED DECEMBER 31, 2002

Restatement of Fund Equity

The restatements for fund reclassifications and GASB Statement No. 34 had the following effects on fund equity of the major and nonmajor funds of the City as they were previously reported.

	<u>General</u>	<u>Nonmajor</u>	<u>Total Governmental Funds</u>
Governmental Activities			
Fund Equity at December 31, 2001	\$4,555,086	\$2,966,464	\$7,521,550
Fund Reclassifications	191,758	2,887	194,645
Adjusted Fund Equity at December 31, 2001	<u>\$4,746,844</u>	<u>\$2,969,351</u>	<u>7,716,195</u>
<i>GASB 34 Adjustments:</i>			
Intergovernmental Receivables			1,598,771
Special Assessments Receivable			4,004
Property Taxes			20,612
Capital Assets			52,725,132
Accrued Interest Payable			(14,216)
Intergovernmental Payable			(559,985)
<i>Long-Term Obligations:</i>			
Compensated Absences Payable			(1,815,187)
Capital Leases Payable			(171,685)
General Obligation Bonds Payable			(2,355,000)
Police and Fire Pension Bonds Payable			(540,000)
Landfill Post-Closure Care Liability			<u>(1,728,586)</u>
Net Assots at December 31, 2001			<u>\$54,880,055</u>

The City restated its water and sewer enterprise funds at December 31, 2001. The City performed a comprehensive inventory of its capital assets as part of the implementation of *Governmental Accounting Standards Board Statement No. 34*. As a result, the City determined capital assets previously reported were understated as noted below. The effect of this error on expenses and net income of the prior year are not determinable.

	<u>Water</u>	<u>Sewer</u>	<u>Total Business-Type Funds</u>
Business-Type Activities			
Fund Equity at December 31, 2001	\$7,076,150	\$9,625,552	\$16,701,702
Capital Assets	9,584,748	9,125,543	18,710,291
Net Assots at December 31, 2001	<u>\$16,660,898</u>	<u>\$18,751,095</u>	<u>\$35,411,993</u>

NOTE 5 - CASH, DEPOSITS AND INVESTMENTS

Monies held in the City Treasury are pooled for the purpose of investment management. The City is authorized to invest in those instruments identified in section 135.35 of the Ohio Revised Code. Specifically, these authorized instruments consist of:

**CITY OF CHILlicoTHE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS**

FOR THE YEAR ENDED DECEMBER 31, 2002

- (1) **Bonds, notes or other obligations guaranteed by the United States or those for which the full faith and credit of the United States is pledged;**
- (2) **Bonds, notes, debentures or other obligations or securities insured by any federal government agency;**
- (3) **Written repurchase agreements in the securities listed above;**
- (4) **Bonds and other obligations of Ohio, its political subdivisions, or other units or agencies of Ohio or its political subdivisions;**
- (5) **Time certificates of deposit or savings or deposit accounts, including, but not limited to, passbook accounts;**
- (6) **No-load money market mutual funds consisting exclusively of obligations described in (1) or (2) above and repurchase agreements secured by such obligations, provided that investment in securities are made only through eligible institutions.**
- (7) **The State Treasurer's investment pool (Star Ohio).**

The amount available for deposit and investment are as follows:

Cash and Cash Equivalents:	
-Pooled	\$14,200,449
-Segregated	356,554
-Fiscal & Escrow Agents	1,818,776
Investments (Carrying Amounts)	1,000
Reconciling items (net) to arrive at bank balances for deposits	240,027
	<hr/>
Total available for deposit and investment	<u><u>\$16,616,806</u></u>

Any depository that receives a City deposit or investment is required to pledge to the investing authority as collateral eligible securities of aggregate fair value that, when added to the portion of the deposit insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation, equals or exceeds the amount of City funds deposited.

A public depository may, at its option, pledge a single pool of eligible securities to secure the repayment of all public monies held by the depository. The pool of securities so pledged must have a current fair value at least equal to 105% of all public monies on deposit with the depository including the amount covered by federal insurance.

GASB Statement No. 9 requires the City to report cash flows for its proprietary funds. For purposes of the statement of cash flows, the City defines cash and cash equivalents in proprietary funds as demand deposit accounts and all highly liquid investments with an original maturity of three months or less.

The Governmental Accounting Standards Board (GASB Statement No. 3) has established credit risk categories for deposits and investments as follows:

**CITY OF CHILlicothe, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS**

FOR THE YEAR ENDED DECEMBER 31, 2002

Category 1- Deposits that are insured or collateralized with securities held by the City or its agent in the City's name;

Investments that are insured or registered, or securities held by the City or its agent in the City's name;

Category 2- Deposits that are collateralized with securities held by the pledging financial institution's trust department or agent in the City's name;

Investments that are uninsured and unregistered, with securities held by the counter-party's trust department or agent in the City's name;

Category 3- Deposits that are uncollateralized or collateralized with securities held by the pledging financial institution, or its trust department or agent but not in the City's name.

Investments that are uninsured and unregistered, with securities held by the counter-party or its trust department or agent but not in the City's name;

Based on the above criteria, the City deposits and investments at December 31, 2002 are classified as follows:

C A T E G O R Y

	<u>1</u>	<u>2</u>	<u>3</u>	<u>Bank Balance</u>	<u>Carrying Value</u>
<i>Deposits:</i>					
Demand Deposits	\$425,371	\$0	\$14,130,488	\$14,555,859	\$14,315,832
Total Deposits	<u>\$425,371</u>	<u>\$0</u>	<u>\$14,130,488</u>	<u>\$14,555,859</u>	<u>\$14,315,832</u>

C A T E G O R Y

	<u>1</u>	<u>2</u>	<u>3</u>	<u>Carrying Value</u>	<u>Fair Value</u>
<i>Investments:</i>					
U.S. Treasury Bond	\$1,000	\$0	\$0	\$1,000	\$1,000
<i>Investments in Trusts:</i>					
U.S. Government Securities	0	0	2,059,947	2,059,947	2,059,947
Total Investments	<u>\$1,000</u>	<u>\$0</u>	<u>\$2,059,947</u>	<u>\$2,060,947</u>	<u>\$2,060,947</u>

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

CITY OF CHILlicothe, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>Cash and Cash Equivalents</u>	<u>Investments</u>
GASB Statement No. 9	\$16,375,779	\$1,000
U.S. Government Securities	(2,059,947)	2,059,947
GASB Statement No. 3	\$14,315,832	\$2,060,947

NOTE 6 - RECEIVABLES

Receivables at December 31, 2002 consisted of property taxes, municipal income taxes, accounts (billings for user charged services) and intergovernmental grants. All receivables are considered fully collectible. A summary of the principal items of intergovernmental receivables follows:

Governmental Activities	
<i>General Fund:</i>	
Local Government Distributions	\$657,842
State Property Tax Reimbursements	51,633
Estate Taxes and Other Revenues	124,059
Grants and Other Revenues	235,194
Total General Fund	1,068,728
<i>Nonmajor Special Revenue Funds:</i>	
Street Maintenance Distributions	302,763
State Highway Distributions	24,549
Housing and Urban Development Grants	365,457
Bus Transportation Grants	77,297
Police & Fire Pension State Property Tax Reimbursements	12,156
Total Nonmajor Special Revenue Funds	782,222
Total Governmental Activities	1,850,950
Business-Type Activities	
Sewer Grant	248,519
Total Business-Type Activities	248,519
Total Intergovernmental Receivables	\$2,099,469

NOTE 7- CAPITAL ASSETS

A summary of changes in general capital assets during 2002 were as follows:

CITY OF CHILLICOTHE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2002

	Balance 1/1/2002	Additions	Deletions	Balance 12/31/2002
Governmental Activities				
<i>Nondepreciable Capital Assets:</i>				
Land	\$6,291,379	\$0	\$0	\$6,291,379
Total Nondepreciable Capital Assets	6,291,379	0	0	6,291,379
<i>Depreciable Capital Assets:</i>				
Land Improvements	4,172,816	103,658	(23,526)	4,252,948
Buildings, Structures and Improvements	13,237,306	12,006	(2,565)	13,246,747
Furniture, Fixtures, & Equipment	6,876,143	485,503	(111,057)	7,250,589
Infrastructure	50,075,302	880,611	(31,068)	50,924,845
Total Depreciable Capital Assets	74,361,567	1,481,778	(168,216)	75,675,129
<i>Less Accumulated Depreciation:</i>				
Land Improvements	(3,817,154)	(147,922)	23,526	(3,941,550)
Buildings, Structures and Improvements	(5,255,896)	(214,738)	2,565	(5,468,069)
Furniture, Fixtures, & Equipment	(5,042,565)	(644,811)	111,057	(5,576,319)
Infrastructure	(13,812,199)	(2,229,326)	4,662	(16,036,863)
Total Accumulated Depreciation	(27,927,814)	(3,236,797)	141,810	(31,022,801)
Total Capital Assets Being Depreciated, Net	46,433,753	(1,755,019)	26,406	44,652,328
Governmental Activities Capital Assets, Net	<u>\$52,725,132</u>	<u>(\$1,755,019)</u>	<u>\$26,406</u>	<u>\$50,943,707</u>

For governmental activities, depreciation expense was charged to functions as follows:

Governmental Activities		
General Government		\$2,304,166
<i>Security of Persons and Property:</i>		
Police		162,149
Fire		195,874
Transportation		98,066
Community Environment		299,515
Leisure Time Activities		177,027
Governmental Activities Depreciation Expense		<u>\$3,236,797</u>

CITY OF CHILlicothe, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2002

	Balance 1/1/2002	Additions	Deletions	Balance 12/31/2002
Business-Type Activities				
<i>Nondepreciable Capital Assets:</i>				
Land	\$1,889,017	\$0	\$0	\$1,889,017
Construction in Progress	1,326,758	1,224,927	0	2,551,685
Total Nondepreciable Capital Assets	3,215,775	1,224,927	0	4,440,702
<i>Depreciable Capital Assets:</i>				
Land Improvements	272,721	0	0	272,721
Buildings, Structures and Improvements	2,617,744	15,530	0	2,633,274
Plant and Facilities	22,478,117	0	0	22,478,117
Furniture, Fixtures, & Equipment	1,820,703	142,605	(41,517)	1,921,791
Infrastructure	26,166,216	167,735		26,333,951
Total Depreciable Capital Assets	53,355,501	325,870	(41,517)	53,639,854
<i>Less Accumulated Depreciation:</i>				
Land Improvements	(267,624)	(2,062)	0	(269,686)
Buildings, Structures and Improvements	(1,054,775)	(65,883)	0	(1,120,658)
Plant and Facilities	(5,842,291)	(449,057)	0	(6,291,348)
Furniture, Fixtures, & Equipment	(1,506,876)	(123,738)	40,171	(1,590,443)
Infrastructure	(5,425,213)	(526,679)	0	(5,951,892)
Total Accumulated Depreciation	(14,096,779)	(1,167,419)	40,171	(15,224,027)
Depreciable Capital Assets, Net	39,258,722	(841,549)	(1,346)	38,415,827
Business-Type Activities Capital Assets, Net	\$42,474,497	\$383,378	(\$1,346)	\$42,856,529

The business-type activities of the City are the water and sanitary sewer operations.

NOTE 8 - NOTES PAYABLE

The City's note transactions for the year ended December 31, 2002, were as follows:

Purpose	Balance 1/1/2002	Additions	Deletions	Balance 12/31/2002
Business-Type Activities				
<i>Bond Anticipation Notes Payable:</i>				
Municipal Water System, 2.2%	\$500,000	\$500,000	(\$500,000)	\$500,000
Municipal Sewer System, 2.25%	3,225,000	3,000,000	(3,225,000)	3,000,000
Business-Type Activities Notes Payable	\$3,725,000	\$3,500,000	(\$3,725,000)	\$3,500,000

According to State statute, notes can be issued in anticipation of bond proceeds, special assessment bond proceeds and levies, or for up to 50% of anticipated revenue collections. All of the City's notes are backed by the full faith and credit of the City, and mature within one year.

NOTE 9 - LONG-TERM OBLIGATIONS

The City's long-term obligations activity for the year ended December 31, 2002, was as follows:

**CITY OF CHILlicothe, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS**

FOR THE YEAR ENDED DECEMBER 31, 2002

Governmental Activities General Obligation Bonds and Other Long Term Obligations

<u>Purpose</u>	<u>Balance 1/1/2002</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 12/31/2002</u>	<u>Amounts Due Within One Year</u>
Governmental Activities					
<i>General Obligation Bonds Payable:</i>					
Various Purpose G.O. Bonds, 3.65-7.20%	\$2,355,000	\$0	(\$310,000)	\$2,045,000	\$190,000
Police & Fire Pension Bonds, 3.75-5.625%	540,000	0	(15,000)	525,000	15,000
<i>Other Long-Term Obligations:</i>					
Compensated Absences	1,815,187	1,162,750	(973,529)	2,004,408	777,889
Capital Leases	171,685	2,000	(46,064)	127,621	45,457
Landfill Post-Closure Care	1,728,586	0	(50,864)	1,677,722	90,492
Governmental Activities Long-Term Obligations	<u>\$6,610,458</u>	<u>\$1,164,750</u>	<u>(\$1,395,457)</u>	<u>\$6,379,751</u>	<u>\$1,118,838</u>

General obligation bonds issued for governmental activities of the City are retired through the Bond Retirement Debt Service Fund. General obligation bonds are secured by the City's ability to levy a voted or unvoted property tax levy within the limitations of the Ohio law. These bonds are also backed by the full faith and credit of the City as additional security.

Compensated absences will be paid from the fund from which the employees' salaries are paid. Capital lease obligations will be paid from the fund that maintains custody of the related asset. The landfill post-closure care liability will be paid from the General Fund.

Business-Type Activities and Other Long-Term Obligations

<u>Purpose</u>	<u>Balance 1/1/2002</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 12/31/2002</u>	<u>Amounts Due Within One Year</u>
Business-Type Activities					
<i>Mortgage Revenue Bonds Payable:</i>					
Municipal Water System, 5.22%	\$12,785,000	\$0	(\$715,000)	\$12,070,000	\$750,000
Municipal Sewer System, 2.75-5.10%	1,625,000	0	(205,000)	1,420,000	210,000
<i>OWDA Loans Payable:</i>					
Municipal Sewer Plant, 5.25%	64,943	0	(42,709)	22,234	22,234
Municipal Sewer Interceptor, 5.50%	64,370	0	(42,362)	22,008	22,008
<i>Other Long-Term Obligations:</i>					
Compensated Absences	576,699	155,721	(140,232)	592,188	224,416
Business-Type Activities Long-Term Obligations	<u>\$15,116,012</u>	<u>\$155,721</u>	<u>(\$1,145,303)</u>	<u>\$14,126,430</u>	<u>\$1,228,658</u>

**CITY OF CHILlicothe, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS**

FOR THE YEAR ENDED DECEMBER 31, 2002

Business-Type Activities Mortgage Revenue Bonds and OWDA Loans

Mortgage revenue bonds and OWDA loans issued for business-type activities are retired through the respective enterprise funds. Mortgage revenue bonds are secured by a mortgage against enterprise properties and the revenues generated from the enterprise operations. OWDA loans are also secured by the revenues generated from the enterprise operations.

Enterprise fund assets, whose use is restricted under bond indentures, are presented as restricted assets on the statement of net assets. Restricted assets relating to the mortgage revenue bonds at December 31, 2002 are as follows:

Business-Type Activities

Restricted Assets Held by the City For:

Water System Replacement and Improvement	\$1,670,664
Sewer System Construction	1,314,759
Sewer System Replacement and Improvement	618,466

Restricted Assets Held by the Trustee for:

Water System Bond Debt Service	1,511,828
Sewer System Bond Debt Service	306,948

Business-Type Activities Restricted Assets \$5,422,665

Compensated absences for business-type activities will be paid from the fund from which the employees' salaries are paid.

Debt service requirements are as follows:

For Year Ended Dec 31	General Obligation Bonds		Police & Fire Pension Bonds	
	Principal	Interest	Principal	Interest
2003	\$190,000	\$121,660	\$15,000	\$28,039
2004	195,000	111,020	15,000	27,394
2005	210,000	99,905	15,000	26,734
2006	220,000	87,725	15,000	26,059
2007	235,000	74,415	15,000	25,369
2008 - 2012	995,000	156,998	95,000	114,479
2013 - 2017	0	0	120,000	86,841
2018 - 2022	0	0	160,000	48,937
2023 - 2024	0	0	75,000	6,469
	<u><u>\$2,045,000</u></u>	<u><u>\$651,723</u></u>	<u><u>\$525,000</u></u>	<u><u>\$390,321</u></u>

CITY OF CHILlicothe, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2002

For Year Ended Dec 31	Water Revenue Bonds		Sewer Revenue Bonds		OWDA Loan	
	Principal	Interest	Principal	Interest	Principal	Interest
2003	\$750,000	\$642,200	\$210,000	\$68,405	\$44,242	\$1,770
2004	785,000	605,450	220,000	58,955	0	0
2005	825,000	566,200	230,000	48,835	0	0
2006	870,000	524,125	240,000	38,025	0	0
2007	915,000	478,885	255,000	26,265	0	0
2008 - 2012	5,355,000	1,603,288	265,000	13,515	0	0
2013 - 2014	2,570,000	212,005	0	0	0	0
	<u>\$12,070,000</u>	<u>\$4,632,153</u>	<u>\$1,420,000</u>	<u>\$254,000</u>	<u>\$44,242</u>	<u>\$1,770</u>

NOTE 10 - CAPITAL LEASES

The City has entered into various agreements to lease equipment. The leases meet the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13, "Accounting for Leases", which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. New capital leases are reflected in the statement of revenues, expenditures and changes in fund balance for governmental funds as a functional expenditure and "inception of capital lease". Capital lease payments are reflected as debt service expenditures in the governmental funds. These capital leased assets, consisting of equipment, have been capitalized in the amount of \$218,555 in the governmental funds, which represents the present value of the minimum lease payments at the time of acquisition. Principal payments in 2002 were \$46,064 in the governmental funds.

The City's future minimum lease payments and present value of net minimum lease payments required under these capital lease obligations as of December 31, 2002 are as follows:

Year Ended December 31,	Capital Lease Payments
2003	\$55,779
2004	46,424
2005	39,794
2006	2,656
Total Future Minimum Lease Payments	144,653
Less: Amount Representing Interest	(17,032)
Present Value of Net Minimum Lease Payments	<u>\$127,621</u>

**CITY OF CHILlicothe, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS**

FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 11 - PENSION PLANS AND OTHER POSTEMPLOYMENT BENEFITS

Ohio Public Employees Retirement System

Plan Description. The City of Chillicothe contributes to the Ohio Public Employees Retirement System of Ohio (OPERS), a cost-sharing multiple-employer defined benefit pension plan administered by the State. OPERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefits are established and amended by state statute and are contained in Chapter 145 of the Ohio Revised Code. The OPERS issues a stand-alone, publicly available annual financial report that includes financial statements and required supplementary information. This report may be obtained by writing to Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 466-2085 or 1-800-222-PERS (7377).

Funding Policy. The Ohio Revised Code provides statutory authority for employee and employer contribution rates. Plan members, other than those engaged in law enforcement, are required to contribute 8.5% of their annual covered salary and for 2002 the City is required to contribute 13.55%.

In January 2001, House Bill 416 divided the OPERS law enforcement program into two separate divisions with separate employee contribution rates and benefits. The law enforcement classification consisted of sheriffs, deputy sheriffs, and township police with an employee contribution rate of 10.1%. All other members of the OPERS law enforcement program were placed in a newly named public safety division and continued to contribute at 9%. The City's required contributions to OPERS for the years ending December 31, 2002, 2001, and 2000 were \$925,734, \$895,378, and \$691,754, respectively; 72% has been contributed for 2002, 100% for years 2001 and 2000. Of the 2002 amount, \$262,085 was unpaid at December 31, 2002 and is recorded as a liability in the respective funds.

Postemployment Benefits. The OPERS also provides postemployment health care benefits to age and service retirees with 10 or more years of qualifying Ohio service credit. Health care coverage for disability recipients and primary survivor recipients is available. The health care coverage provided by the retirement system is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 12. A portion of each employer's contribution to OPERS is set aside for the funding of postemployment health care. The Ohio Revised Code provides statutory authority for employer contributions. The OPERS law enforcement program was separated into two divisions, law enforcement and public safety, with separate employee contribution rates and benefits. For local government employer units the rate was 13.55% of covered payroll; 4.30% was the portion used to fund health care for the year. The 2002 employer rate was 16.70% and 4.30% was used to fund health care for both the law enforcement and public safety divisions.

Of the employer contributions made by the City for the year 2002, \$292,828 was the amount used to fund postemployment health care.

**CITY OF CHILlicothe, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS**

FOR THE YEAR ENDED DECEMBER 31, 2002

The assumptions and calculations below were based on the System's latest Actuarial Review performed as of December 31, 2001. 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 the 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 2001 was 8.0%. An annual increase of 4.0% compounded annually, is the base portion of the individual pay increase assumption. This assumes no change in the number of active employees. Additionally, annual pay increases, over and above the 4.0% base increase, were assumed to range from 0.50% to 6.30%. Health care costs were assumed to increase 4.0% annually.

As of December 31, 2001, the number of active contributing participants was 402,041. The actuarial value of the Retirement System's net assets available for OPEB at December 31, 2001 was \$11.6 billion. The actuarially accrued liability and the unfunded actuarial accrued liability, based on the actuarial cost method used, were \$16.4 billion and \$4.8 billion, respectively.

Ohio Police and Fire Pension Fund

Plan Description. The City of Chillicothe contributes to the Ohio Police and Fire Pension Fund (OP&F), a cost-sharing multiple-employer defined benefit pension plan. OP&F provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries.

Benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. The OP&F issues a publicly available financial report that includes financial information and required supplementary information. This report may be obtained by writing to Ohio Police & Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43125-5164 or by calling (614) 228-2975.

Funding Policy. Plan members are required to contribute 10.0% of their annual covered salary, while the City is required to contribute 19.50% and 24.0%, respectively, for police officers and firefighters. The City's contributions to OP&F for the years ending December 31, 2002, 2001 and 2000 were \$1,044,377, \$1,001,456, and \$1,008,661, respectively; 70% has been contributed for 2002 and 100% for years 2001 and 2000. Of the 2002 amount, \$318,370 was unpaid at December 31, 2002 and is recorded as a liability in the respective funds.

Postemployment Benefits. The OP&F System of Ohio provides postemployment health care coverage to any person who receives or is eligible to receive a monthly benefit check or is a spouse or eligible dependent child of such person. An eligible dependent child is any child under the age of 18 whether or not the child is attending school or under the age of 22 if attending school full-time or on a 2/3 basis. The health care coverage provided by the retirement system is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 12. The Ohio Revised Code provides that health care costs paid from the funds of the OP&F shall be included in the employer's contribution rate, which is 19.5% of covered payroll for police officers and 24.0% of covered payroll for firefighters.

**CITY OF CHILlicothe, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS**

FOR THE YEAR ENDED DECEMBER 31, 2002

Of these employer contribution rates for the City, 7.75% was used to pay health care benefits for the year 2002 which amounted to \$372,274.

The Ohio Revised Code provides the statutory authority allowing the OP&F Board of Trustees to provide health care coverage to all eligible individuals. Health care funding and accounting is on a pay-as-you go basis. A percentage of covered payroll, as defined by the Board, is used to pay retiree health care expenses. The Board defined allocation was 7.5% and 7.75% of covered payroll in 2001 and 2002, respectively. 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, 2001 the number of participants eligible to receive health care benefits was 13,174 for police officers and 10,239 for firefighters. The Fund's total health care expenses for the year ended December 31, 2001 were \$122,298,771.

NOTE 12 - COMPENSATED ABSENCES

Upon retirement, employees of the Police Department with at least eight years of credited service are paid 75% of their accrued sick leave if hired prior to January 1, 1988. Those hired after January 1, 1988 will be paid 50% of their accrued sick leave. Vacation time is vested for these employees regardless of years of credited service. Unused vacation may be accumulated with out limit, however, carryover of unused vacation requires prior approval. Compensatory time may also be accumulated by employees but must be used within specified limits. No provision exists for these employees to be compensated for overtime worked in lieu of compensatory time off. All sick leave, vacation and compensatory time off is compensated at the employee's current rate of pay at the time of retirement or termination. Employees of the Fire Department have no requirement for years of credited service in order to be compensated for accrued sick leave, and are paid 75% of their sick leave if earned prior to April 1, 1987, and 60% of sick leave earned after April 1, 1987. Vacation time is vested for these employees after six months of credited service. Unused vacation time may be accumulated without limit, however, carryover of unused vacation requires prior approval. Compensatory time may also be accumulated for overtime worked in lieu of compensatory time off. Employees may elect to be compensated for overtime worked in lieu of compensatory time off. All sick leave, vacation and compensatory time is compensated at the employee's current rate of pay at the time of retirement or termination.

All other full time employees of the City with at least five years of credited service upon retirement, are paid 75% of their accrued sick leave if earned prior to September 1, 1987, and 60% of accrued sick leave after September 1, 1987. Vacation time is vested for these employees after six months of credited service. Unused vacation may be accumulated without limit, however, carryover of unused vacation requires prior approval. Compensatory time may also be accumulated up to specified limits. Employees may elect to be compensated for over time worked in lieu of compensatory time off. All sick leave, vacation and compensatory time is compensated at the employee's current rate of pay at the time of retirement or termination.

**CITY OF CHILlicothe, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS**

FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 13 - PROPERTY TAXES

Property taxes include amounts levied against real, public utility and tangible personal (business) property. The assessed value by property classification upon which the 2002 tax levy was based follows:

Property Tax Classification	Assessed Value
Real Property	\$317,916,300
Tangible Personal Property	126,066,490
Public Utility Property	22,138,160
Total	<u>\$466,120,950</u>

Ohio law prohibits taxation of property from all taxing authorities in excess of 10 mills of assessed value without a vote of the people. Presently, the City levies differing millages of 2.60 mills and 1.60 mills of the first 10 mills of assessed for the General Fund, which is dependent upon the various taxing districts within the City. In addition to the 2.60 mills and 1.60 mills, the City has levied .30 and .30 mills of non-voted millage for the Police Pension and Fire Pension levies respectively.

In 2002, real property taxes were levied on January 1, 2002, on assessed values as of January 1, 2001, the lien date. Real estate taxes were due and payable on February 11 and July 12, 2002. Personal property taxes were due and payable on May 10 and September 2, 2002, on assessed values as of the lien date, December 31, 2001.

The County Treasurer collects property taxes on behalf of all taxing districts within the City. The County Auditor periodically remits to the taxing districts their portions of the taxes collected. Accrued property taxes receivable represent current taxes which were levied, measurable and unpaid, as well as, delinquent taxes outstanding as of December 31, 2002.

Although total property tax collections for the next ensuing fiscal year are measurable, amounts to be received during the available period are not subject to reasonable estimation at December 31 and are intended to finance the subsequent year's operations. Therefore, the total property taxes receivable at year end are credited to deferred revenue.

NOTE 14 - MUNICIPAL INCOME TAXES

The City levies an income tax of 1.6% on substantially all income earned within the City. In addition, residents of the City are required to pay City income tax on income they earn outside the City. However, a credit is allowed for income taxes paid to other municipalities. In 1993, an additional .1% became effective for the Parks & Recreation Fund, which is inclusive in the 1.6% City income tax.

Employers within the City are required to withhold income tax on employees compensation and remit this tax to the City at least quarterly. Corporations and other individual taxpayers are required to pay their estimated tax quarterly and file a declaration of tax liability annually.

**CITY OF CHILlicoTHE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS**

FOR THE YEAR ENDED DECEMBER 31, 2002

As of December 31, 2002 there were \$240,916 in delinquent income taxes for which collection is uncertain, therefore these taxes are not accrued. In 2002, these municipal income taxes generated a combined total of \$9,560,787 in local tax revenue.

NOTE 15 - INTERFUND ACTIVITY

As of December 31, 2002, receivables and payables that resulted from various interfund transactions were as follows:

	Interfund Receivables	Interfund Payables
Governmental Activities		
General Fund	\$68,582	\$0
<i>Nonmajor Special Revenue Funds:</i>		
Parks & Recreation	0	17,025
Parking	0	17
Bus Transit	0	22,645
Total Nonmajor Special Revenue Funds	0	39,687
<i>Nonmajor Capital Projects Funds:</i>		
Safety Levy Capital	0	22,627
Parks and Recreation Capital	0	5,657
Total Nonmajor Capital Projects Funds	0	28,284
Total Governmental Activities	68,582	67,971
Business-Type Activities		
Water	0	306
Sewer	0	305
Total Business-Type Activities	0	611
Total	\$68,582	\$68,582

A summary of interfund transfers for 2002 were as follows:

Transfers Out	Transfers In					Total
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	
General	\$0	\$2,154,875	\$228,000	\$14,000	\$30,000	\$2,426,875
Special Revenue	64,371	0	45,000	0	0	109,371
Capital Projects	23,009	0	223,000	0	0	246,009
Enterprise	7,323	0	0	0	0	7,323
Private Purpose Trust	17,271	0	0	0	0	17,271
	\$111,974	\$2,154,875	\$496,000	\$14,000	\$30,000	\$2,806,849

**CITY OF CHILlicothe, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS**

FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 16 - ROSS COUNTY AND CHILlicothe LAW ENFORCEMENT COMPLEX

The Ross County and Chillicothe Law Enforcement Complex is a shared asset between Ross County and the City which is located in downtown Chillicothe and houses the Chillicothe Police Department, Ross County Sheriff's Department and Ross County Jail. An agreement developed by and between Ross County and the City governs the shared costs of constructing the facility as well as the continuing costs of maintaining the facility.

In the agreement with Ross County, the City has agreed to lease space in the Law Complex from the County for fifty years. All lease payments made by the City were paid at the beginning of the lease term and were considered the City's share of the costs incurred during construction of the Law Complex.

The agreement further states that Ross County and the City will share in the costs of repairs, maintenance and replacement incurred relative to the operation of the Law Complex. Those costs are explained as follows:

- * The cost of any repairs or maintenance to the roof section which covers the Law Complex section of the facility shall be shared equally by both entities.
- * The City shall pay a pro rata share of 18.47 percent of the costs associated with repairing, maintaining and replacing the public elevators, freight lift, heating, air conditioning, electrical systems and plumbing within the Law Complex section of the facility. The City's pro rata share of 18.47 percent is derived by taking a percentage of the square footage occupied by the City to the total square footage of the Law Complex.
- * Any costs of repairs, maintenance or replacement to sidewalks, public areas and parking lots contiguous to the Law Complex, including snow removal, shall be shared equally by both entities.
- * The City shall pay 100 percent of the costs of repairing, maintaining and replacing interior decorations within the City offices and 50 percent of the costs relative to interior decorations in the common offices of the Law Complex.
- * The City shall pay 50 percent of the costs of repairing, maintaining and replacing telephone equipment in the common offices of the Law Complex.
- * The City shall pay 18.47 percent of gas, electric, water, sewer, and solid waste disposal utilities and 50 percent of janitorial services.
- * The City has no percentage interest in the jail area of the facility, rather, the City is billed on a per diem basis by Ross County for the housing of its' prisoners.

**CITY OF CHILlicothe, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS**

FOR THE YEAR ENDED DECEMBER 31, 2002

Ross County originally paid all of the costs of constructing the Law Complex, including the costs of purchasing the land on which the facility is located, which totaled \$11,995,690. Ross County billed the City for its share of these costs, after deducting certain costs related only to the jail area, based on a percentage of square footage to be occupied by the City in proportion to the total square footage of the facility.

As a result of the construction costs of the Law Complex being shared by the City and Ross County, the facility will be treated as a shared asset with both entities reflecting a proportionate share of the facility in their fixed assets. Since the original construction of the Law Complex, various improvements have been made. Therefore, the City has recorded \$2,004,214 as a capital asset, which reflects the City's share of the asset.

NOTE 17 - LANDFILL CLOSURE AND POST CLOSURE CARE

In 1988, state and federal laws and regulations required the City to stop accepting waste at the Chillicothe Landfill and place a final cover on the landfill site as well as perform certain maintenance and monitoring functions at the site for thirty years after closure. Final closure of the landfill occurred in 1990.

In 2002, the City incurred \$51,280 in post closure care costs and decreased its postclosure care liability by \$50,864. To this date, the City has incurred approximately \$1,799,151 in closure and postclosure care costs. These costs have been incurred by the Landfill Closure Fund.

The City has accrued a liability for landfill post-closure care costs of \$1,677,722. The liability is based on an average of cumulative postclosure care costs to this date projected over the next eighteen years. Actual costs may be higher due to inflation, changes in technology, or changes in regulations. Financial assurance to fund this liability is provided through the General Fund where transfers will be made over the next eighteen years.

NOTE 18 - RISK MANAGEMENT

The City is exposed to various risks of loss related to torts, theft, damage to or destruction of assets, errors and omissions, employee injuries, and natural disasters. The City has addressed these various types of risk by purchasing insurance through commercial carriers.

General liability insurance is maintained in the amount of \$1,000,000 for each occurrence and \$2,000,000 in the aggregate. Other liability insurance includes \$1,000,000 for law enforcement professional liability, \$1,000,000 for public official errors and omissions liability, \$1,000,000 for automobile liability, and \$1,000,000 for uninsured motorists liability.

In addition, the City maintains replacement cost insurance on buildings and contents in the amount of \$28,222,914. Other property insurance includes the following: \$650,795 for contractor's equipment. Comprehensive boiler and machinery coverage is carried in the amount of \$2,000,000. Insurance deductibles on any of the above coverages do not exceed \$10,000.

**CITY OF CHILlicothe, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS**

FOR THE YEAR ENDED DECEMBER 31, 2002

The City participates in the Workers' Compensation Program provided by the State of Ohio. The City belongs to a pool with other Ohio cities for a workers' compensation group rating program. Settled claims have not exceeded any of the above coverage limits in the past three years.

The City has also established a limited risk health and dental program for employees. Claims are paid directly to Central Benefits Insurance Company, who services all claims submitted. Claims are paid through each of the General, Street Construction Maintenance and Repair, State Highway, Park and Recreation, Parking, Bus Transit, Water and Sewer Funds. Additionally, each fund is responsible for paying its respective portion of administrative costs.

An excess coverage insurance policy with Central Benefits Insurance Company covers individual claims in excess of \$50,000 and aggregate claims in excess of \$2,351,936. A liability for each funds portion of the unpaid claims costs totaling \$507,000 has been accrued as a liability based on an estimate by the administrator of those unpaid claims.

Changes in the total of all funds claims liability in 2001 and 2002 are:

Year	Balance Beginning of Year	Current Year Claims	Claim Payments	Balance End of Year
2001	\$227,062	\$2,126,197	\$2,023,759	\$329,500
2002	329,500	2,687,795	2,510,295	507,000

With the exception of workers' compensation and health insurance, all insurance is held with commercial carriers. The City pays all elected officials bonds by statute.

NOTE 19 - CONTRACTUAL COMMITMENTS

As of December 31, 2002, the City had contractual purchase commitments for the following project:

Project	Contract Amount	Amount Expended	Balance at 12/31/2002
Wastewater Facility Expansion	\$2,557,479	\$2,551,685	\$5,794

NOTE 20 - CONTINGENCIES

The City participates in several federal and state assisted grants and programs that are subject to financial and compliance audits by grantor agencies or their representatives. These audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. The City believes that disallowed claims, if any, will not have a material adverse effect on the City's financial position.

**CITY OF CHILlicoTHE, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS**

FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 21 - SUBSEQUENT EVENT

On April 28, 2003, City Council passed an ordinance that approved the issuance of Refunding Bonds in the amount of \$4,200,000. These Bonds will replace the current various general obligation bond issue for the Garbage Disposal, Jail Complex, Fire House, and Notes for the Wastewater Treatment Plant. The City is planning to issue the Refunding Bonds on May 29, 2003.

**CITY OF CHILLICOTHE, OHIO
GOVERNMENTAL FUNDS**

NONMAJOR SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes. The following are descriptions of the City's nonmajor special revenue funds:

Street Construction Maintenance and Repair Fund

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

State Highway Fund

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

Parks and Recreation Fund

To account for proceeds of an income tax levy and transfers from the General Fund to be used for park and recreation purposes. The park operation is governed by a park board of trustees organized pursuant to Section 755.14 (A) of the Revised Code.

HUD Fund

To account for grant revenue received from the Federal Government, Department of Housing and Urban Development (HUD). The primary purpose of the grants is to provide funding for rental rehabilitation programs and downtown development revolving loan programs.

State Grants Fund

To account for grant revenues that are used to fund community policing programs and provide assistance for victims of crime.

Floodwall Fund

To account for income tax proceeds transferred from the General Fund for the maintenance of a floodwall. The transfers are made per ordinance requirements. One quarter of one percent (.025%) is to be transferred into the fund until the fund reaches a balance of sixty thousand dollars.

Cablevision Fund

To account for transfers from the General Fund made for the purpose of maintenance and repair of the cable system as provided for in the cable franchise agreement.

Fire Hazard Fund

To account for a special rotary fund established per ordinance for the elimination of fire hazards. Principal sources of revenue are costs and penalties assessed for the elimination of fire hazards. This fund is not being used as intended and should be examined for possible elimination.

CITY OF CHILLICOTHE, OHIO

Income Tax Fund

To account for the excess income tax received after ceilings for the General Fund, Floodwall Fund, and Bus Transit Fund have been reached. All income tax refunds are disbursed from this fund.

Law Enforcement Fund

To account for the distribution of proceeds from the sale of forfeited property or contraband to be allocated by City Council only to the police department of the City.

Indigent Drivers Alcohol Treatment Fund

To account for 50% part of fines (under 4511.191 (M) of the Revised Code) that are collected by Municipal Court from DUI offenders.

OMVI Enforcement & Education Fund

To account for those costs incurred by the Police Department in enforcing Section 4511.19 of the Revised Code or a substantially similar municipal ordinance and in educating the public of laws governing operation of a motor vehicle while under the influence of alcohol, the dangers of operation of a motor vehicle while under the influence of alcohol, and other information relating to the operation of a motor vehicle and the consumption of alcoholic beverages.

Mandatory Drug Fines Fund

To account for monies received from fines imposed for felony drug trafficking offenses which shall be paid to law enforcement agencies in the state that were primarily responsible for or involved in making the arrest of and in prosecuting the offender.

Parking Fund

To account for the operation of parking meters and the parking facility. The costs of these services are financed through meter fees, parking fines, and transfers from the General Fund.

Bus Transit Fund

To account for the operation of the 14 bus City Transit System. Principal sources of revenue are income tax revenue and transfers from the General Fund.

Police Pension Fund

To account for property tax revenue and transfers from the General Fund used to pay the City's accrued liability for police benefits and the employer's quarterly retirement contribution.

Fire Pension Fund

To account for property tax revenue and transfers from the General Fund used to pay the City's accrued liability for fire benefits and the employer's quarterly retirement contribution.

CITY OF CHILLICOTHE, OHIO

NONMAJOR DEBT SERVICE FUND

The debt service fund is used to account for the accumulation of resources for, and the payment of principal and interest on general obligation bonds. The following is a description of the City's nonmajor debt service fund:

Bond Retirement Fund

To account for the payment of principal and interest associated with City general obligation bonded debt. Since this is the only debt service fund, no combining statements are presented for the debt service fund.

NONMAJOR CAPITAL PROJECTS FUNDS

Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary and trust funds. The following are descriptions of the City's nonmajor capital projects funds:

Capital Improvement Fund

To account for General Fund transfers, which are used for the purpose of making capital improvements and for purchases of capital equipment.

Safety Levy Capital Fund

To account for a portion of the income tax collected for the purpose of acquiring capital items for safety program purposes as provided for in the income tax ordinance.

Landfill Closure Fund

To account for postclosure care costs to monitor the landfill site. The funding for these costs are being provided by transfers from the General Fund.

Parks and Recreation Capital Fund

To account for a portion of the income tax collected for the purpose of acquiring capital items for the parks and recreation capital program as provided for in the income tax ordinance.

Streetscape Fund

To account for streetscape maintenance expenses and transfers to the Bond Retirement Fund to pay the debt service for the streetscape special assessment debt.

CITY OF CHILLICOTHE, OHIO

NONMAJOR PERMANENT FUND

The permanent fund is used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the reporting government's programs. The following is a description of the City's nonmajor permanent fund:

Carlisle Hill Fund

To account for the interest proceeds relating to a bequest to the City for the purpose of maintaining the entryway to Carlisle Hill. Since this is the only permanent fund, no combining statements are presented for the permanent fund.

FIDUCIARY FUNDS

PRIVATE PURPOSE TRUST FUND

The private purpose trust fund is used to report escheat property and all other trust arrangements under which principal and income benefit individuals, private organizations, or other governments. The following is a description of the City's private purpose trust fund:

Unclaimed Monies Fund

To account for assets held for owners of unclaimed intangible property. Unclaimed property is property for which the owner has not taken some action to indicate ownership interest over a certain period of time specified under Chapter 169, Ohio Revised Code. Since this is the only private purpose trust fund, no combining statements are presented for the private purpose trust fund.

AGENCY FUND

The agency fund is used to account for assets held by the City in a purely custodial capacity. The following is a description of the City's agency fund:

Deposits Agency Fund

To account for various deposits held by the City until the disposition of the deposit is determined.

City of Chillicothe, Ohio

Combining Balance Sheet
Nonmajor Governmental Funds

December 31, 2002

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
Assets					
Equity in Pooled Cash & Cash Equivalents	\$2,435,864	\$104,236	\$720,892	\$1,927	\$3,262,919
Cash and Cash Equivalents in Segregated Accounts	4,439	0	0	0	4,439
Investment in City Treasury	0	0	0	1,000	1,000
Accounts Receivable	15	0	0	0	15
Intergovernmental Receivable	782,222	0	0	0	782,222
Income Tax Receivable	108,042	0	88,636	0	196,678
Property Tax Receivable	265,014	0	0	0	265,014
Materials and Supplies Inventory	13,657	0	0	0	13,657
Prepaid Items	12,976	0	2,192	0	15,168
Total Assets	<u>\$3,622,229</u>	<u>\$104,236</u>	<u>\$811,720</u>	<u>\$2,927</u>	<u>\$4,541,112</u>
Liabilities and Fund Balances					
Liabilities					
Accounts Payable	\$14,370	\$0	\$14,347	\$0	\$28,717
Accrued Wages Payable	65,331	0	0	0	65,331
Compensated Absences Payable	15,356	0	0	0	15,356
Interfund Payable	39,687	0	28,284	0	67,971
Claims Payable	82,887	0	0	0	82,887
Deferred Revenue	860,835	0	0	0	860,835
Total Liabilities	<u>1,078,466</u>	<u>0</u>	<u>42,631</u>	<u>0</u>	<u>1,121,097</u>
Fund Balances					
Reserved for Encumbrances	172,504	0	17,504	0	190,008
Unreserved	2,371,259	104,236	751,585	2,927	3,230,007
Total Fund Balances	<u>2,543,763</u>	<u>104,236</u>	<u>769,089</u>	<u>2,927</u>	<u>3,420,015</u>
Total Liabilities and Fund Balances	<u>\$3,622,229</u>	<u>\$104,236</u>	<u>\$811,720</u>	<u>\$2,927</u>	<u>\$4,541,112</u>

City of Chillicothe, Ohio

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Governmental Funds

For the Year Ended December 31, 2002

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
Revenues					
Property Taxes	\$255,478	\$0	\$0	\$0	\$255,478
Municipal Income Taxes	1,289,086	0	731,201	0	2,020,287
Charges for Services	150,833	0	0	0	150,833
Fines, Licenses and Permits	57,474	0	0	0	57,474
Intergovernmental	2,481,743	0	0	0	2,481,743
Special Assessments	0	0	2,128	0	2,128
Investment Earnings	303	832	0	40	1,175
Miscellaneous	39,078	0	28,595	0	67,673
Total Revenue	4,273,995	832	761,924	40	5,036,791
Expenditures					
<i>Current:</i>					
General Government	362,035	0	0	0	362,035
<i>Security of Persons and Property:</i>					
Police	473,294	0	0	0	473,294
Fire	587,428	0	0	0	587,428
Transportation	3,165,993	0	0	0	3,165,993
Community Environment	532,798	0	0	0	532,798
Leisure Time Activities	662,244	0	0	0	662,244
Capital Outlay	0	0	616,504	0	616,504
<i>Debt Service:</i>					
Principal Retirement	2,301	325,000	0	0	327,301
Interest and Fiscal Charges	760	167,379	0	0	168,139
Total Expenditures	5,786,853	492,379	616,504	0	6,895,736
Excess of Revenues Over (Under) Expenditures	(1,512,858)	(491,547)	145,420	40	(1,858,945)
Other Financing Sources (Uses)					
Proceeds from Sale of Fixed Assets	114	0	0	0	114
Transfers-In	2,154,875	496,000	14,000	0	2,664,875
Transfers-Out	(109,371)	0	(246,009)	0	(355,380)
Total Other Sources (Uses)	2,045,618	496,000	(232,009)	0	2,309,609
Net Change in Fund Balances	532,760	4,453	(86,589)	40	450,664
Fund Balances at Beginning of Year	2,011,003	99,783	855,678	2,887	2,969,351
Fund Balances at End of Year	\$2,543,763	\$104,236	\$769,089	\$2,927	\$3,420,015

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City of Chillicothe, Ohio

Combining Balance Sheet
Nonmajor Special Revenue Funds

December 31, 2002

	Street Construction Maintenance & Repair	State Highway	Parks & Recreation	HUD	State Grants	Floodwall
Assets						
Equity in Pooled Cash & Cash Equivalents	\$168,294	\$11,517	\$94,311	\$392,675	\$29,523	\$114,898
Cash and Cash Equivalents in Segregated Accounts	0	0	0	3,875	0	0
Accounts Receivable	15	0	0	0	0	0
Intergovernmental Receivable	302,763	24,549	0	365,457	0	0
Income Taxes Receivable	0	0	42,483	0	0	0
Property Taxes Receivable	0	0	0	0	0	0
Materials and Supplies Inventory	10,232	0	0	0	0	0
Prepaid Items	5,736	0	2,595	0	0	723
Total Assets	<u>\$487,040</u>	<u>\$36,066</u>	<u>\$139,389</u>	<u>\$762,007</u>	<u>\$29,523</u>	<u>\$115,621</u>
Liabilities						
Accounts Payable	\$5,163	\$0	\$2,495	\$0	\$0	\$352
Accrued Wages Payable	22,087	3,740	11,131	0	0	0
Compensated Absences Payable	596	0	0	0	0	0
Interfund Payable	0	0	17,025	0	0	0
Claims Payable	31,373	5,810	16,655	0	0	0
Deferred Revenue	201,842	16,366	0	365,457	0	0
Total Liabilities	<u>261,061</u>	<u>25,916</u>	<u>47,306</u>	<u>365,457</u>	<u>0</u>	<u>352</u>
Fund Balances						
Reserved for Encumbrances	11,085	0	2,632	132,013	4,371	0
Unreserved	214,894	10,150	89,451	264,537	25,152	115,269
Total Fund Balances	<u>225,979</u>	<u>10,150</u>	<u>92,083</u>	<u>396,550</u>	<u>29,523</u>	<u>115,269</u>
Total Liabilities and Fund Balances	<u>\$487,040</u>	<u>\$36,066</u>	<u>\$139,389</u>	<u>\$762,007</u>	<u>\$29,523</u>	<u>\$115,621</u>

<u>Cablevision</u>	<u>Fire Hazard</u>	<u>Income Tax</u>	<u>Law Enforcement</u>	<u>Indigent Driver's Alcohol Treatment</u>	<u>OMVI Enforce & Education</u>	<u>Mandatory Drug Fines</u>	<u>Parking</u>
\$5,765	\$1,000	\$389,686	\$41,660	\$113,410	\$21,674	\$31,363	\$82,741
0	0	0	0	239	125	200	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	398
<u>\$5,765</u>	<u>\$1,000</u>	<u>\$389,686</u>	<u>\$41,660</u>	<u>\$113,649</u>	<u>\$21,799</u>	<u>\$31,563</u>	<u>\$83,139</u>
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$317
0	0	0	0	0	0	0	4,493
0	0	0	0	0	0	0	14,191
0	0	0	0	0	0	0	17
0	0	0	0	0	0	0	3,486
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	22,504
0	0	0	0	0	0	0	22,403
<u>5,765</u>	<u>1,000</u>	<u>389,686</u>	<u>41,660</u>	<u>113,649</u>	<u>21,799</u>	<u>31,563</u>	<u>38,232</u>
<u>5,765</u>	<u>1,000</u>	<u>389,686</u>	<u>41,660</u>	<u>113,649</u>	<u>21,799</u>	<u>31,563</u>	<u>60,635</u>
<u>\$5,765</u>	<u>\$1,000</u>	<u>\$389,686</u>	<u>\$41,660</u>	<u>\$113,649</u>	<u>\$21,799</u>	<u>\$31,563</u>	<u>\$83,139</u>

City of Chillicothe, Ohio

Combining Balance Sheet
Nonmajor Special Revenue Funds

December 31, 2002

	Bus Transit	Police Pension	Fire Pension	Total Nonmajor Special Revenue Funds
Assets				
Equity in Pooled Cash & Cash Equivalents	\$901,417	\$10,754	\$25,176	\$2,435,864
Cash and Cash Equivalents in				
Segregated Accounts	0	0	0	4,439
Accounts Receivable	0	0	0	15
Intergovernmental Receivable	77,297	6,078	6,078	782,222
Income Taxes Receivable	65,559	0	0	108,042
Property Taxes Receivable	0	132,507	132,507	265,014
Materials and Supplies Inventory	3,425	0	0	13,657
Prepaid Items	3,524	0	0	12,976
Total Assets	<u>\$1,051,222</u>	<u>\$149,339</u>	<u>\$163,761</u>	<u>\$3,622,229</u>
Liabilities				
Accounts Payable	\$6,043	\$0	\$0	\$14,370
Accrued Wages Payable	23,880	0	0	65,331
Compensated Absences Payable	569	0	0	15,356
Interfund Payable	22,645	0	0	39,687
Claims Payable	25,563	0	0	82,887
Deferred Revenue	0	138,585	138,585	860,835
Total Liabilities	<u>78,700</u>	<u>138,585</u>	<u>138,585</u>	<u>1,078,466</u>
Fund Balances				
Reserved for Encumbrances	0	0	0	172,504
Unreserved	972,522	10,754	25,176	2,371,259
Total Fund Balances	<u>972,522</u>	<u>10,754</u>	<u>25,176</u>	<u>2,543,763</u>
Total Liabilities and Fund Balances	<u>\$1,051,222</u>	<u>\$149,339</u>	<u>\$163,761</u>	<u>\$3,622,229</u>

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City of Chillicothe, Ohio

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Special Revenue Funds

For the Year Ended December 31, 2002

	Street Construction Maintenance & Repair	State Highway	Parks & Recreation	HUD	State Grants	Floodwall
Revenues						
Property Taxes	\$0	\$0	\$0	\$0	\$0	\$0
Municipal Income Taxes	0	0	463,891	0	0	0
Charges for Services	0	0	1,000	0	0	0
Fines, Licenses and Permits	0	0	29,507	0	0	0
Intergovernmental	682,941	55,374	0	833,107	46,101	0
Investment Earnings	0	0	0	209	94	0
Miscellaneous	4,013	0	13,645	357	150	0
Total Revenue	686,954	55,374	508,043	833,673	46,345	0
Expenditures						
<i>Current:</i>						
General Government	0	0	0	0	0	0
<i>Security of Persons and Property:</i>						
Police	0	0	0	0	0	0
Fire	0	0	0	0	0	0
Transportation	1,367,907	164,636	0	0	0	0
Community Environment	0	0	0	491,291	11,615	29,892
Leisure Time Activities	0	0	662,244	0	0	0
<i>Debt Service:</i>						
Principal Retirement	0	0	2,301	0	0	0
Interest and Fiscal Charges	0	0	760	0	0	0
Total Expenditures	1,367,907	164,636	665,305	491,291	11,615	29,892
Excess of Revenues Over (Under) Expenditures	(680,953)	(109,262)	(157,262)	342,382	34,730	(29,892)
Other Financing Sources (Uses)						
Proceeds from Sale of Fixed Assets	0	0	4	0	0	0
Transfers-In	593,000	98,000	150,000	0	0	40,000
Transfers-Out	0	0	(14,768)	0	(30,600)	0
Total Other Sources (Uses)	593,000	98,000	135,236	0	(30,600)	40,000
Net Change in Fund Balances	(87,953)	(11,262)	(22,026)	342,382	4,130	10,108
Fund Balances at Beginning of Year	313,932	21,412	114,109	54,168	25,393	105,161
Fund Balances at End of Year	\$225,979	\$10,150	\$92,083	\$396,550	\$29,523	\$115,269

<u>Cablevision</u>	<u>Fire Hazard</u>	<u>Income Tax</u>	<u>Law Enforcement</u>	<u>Indigent Driver's Alcohol Treatment</u>	<u>OMVI Enforcement & Education</u>	<u>Mandatory Drug Fines</u>	<u>Parking</u>
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
0	0	227,644	0	0	0	0	0
0	0	0	0	0	0	0	51,387
0	0	0	74	19,165	4,041	4,687	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	208
<u>0</u>	<u>0</u>	<u>227,644</u>	<u>74</u>	<u>19,165</u>	<u>4,041</u>	<u>4,687</u>	<u>51,595</u>
0	0	362,035	0	0	0	0	0
0	0	0	1,011	1,500	2,500	310	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	214,493
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>362,035</u>	<u>1,011</u>	<u>1,500</u>	<u>2,500</u>	<u>310</u>	<u>214,493</u>
0	0	(134,391)	(937)	17,665	1,541	4,377	(162,898)
0	0	0	0	0	0	0	0
0	0	345,000	0	0	0	0	138,875
0	0	0	0	0	0	0	(349)
<u>0</u>	<u>0</u>	<u>345,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>138,526</u>
0	0	210,609	(937)	17,665	1,541	4,377	(24,372)
<u>5,765</u>	<u>1,000</u>	<u>179,077</u>	<u>42,597</u>	<u>95,984</u>	<u>20,258</u>	<u>27,186</u>	<u>85,007</u>
<u>\$5,765</u>	<u>\$1,000</u>	<u>\$389,686</u>	<u>\$41,660</u>	<u>\$113,649</u>	<u>\$21,799</u>	<u>\$31,563</u>	<u>\$60,635</u>

continued

City of Chillicothe, Ohio

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Special Revenue Funds

For the Year Ended December 31, 2002

	Bus Transit	Police Pension	Fire Pension	Total Nonmajor Special Revenue Funds
Revenues				
Property Taxes	\$0	\$127,739	\$127,739	\$255,478
Municipal Income Taxes	597,551	0	0	1,289,086
Charges for Services	98,446	0	0	150,833
Fines, Licenses and Permits	0	0	0	57,474
Intergovernmental	837,726	13,247	13,247	2,481,743
Investment Earnings	0	0	0	303
Miscellaneous	20,705	0	0	39,078
Total Revenue	<u>1,554,428</u>	<u>140,986</u>	<u>140,986</u>	<u>4,273,995</u>
Expenditures				
<i>Current:</i>				
General Government	0	0	0	362,035
<i>Security of Persons and Property:</i>				
Police	0	467,973	0	473,294
Fire	0	0	587,428	587,428
Transportation	1,418,957	0	0	3,165,993
Community Environment	0	0	0	532,798
Leisure Time Activities	0	0	0	662,244
<i>Debt Service:</i>				
Principal Retirement	0	0	0	2,301
Interest and Fiscal Charges	0	0	0	760
Total Expenditures	<u>1,418,957</u>	<u>467,973</u>	<u>587,428</u>	<u>5,786,853</u>
Excess of Revenues Over (Under) Expenditures	<u>135,471</u>	<u>(326,987)</u>	<u>(446,442)</u>	<u>(1,512,858)</u>
Other Financing Sources (Uses)				
Proceeds from Sale of Fixed Assets	110	0	0	114
Transfers-In	0	320,000	470,000	2,154,875
Transfers-Out	(18,654)	(10,000)	(35,000)	(109,371)
Total Other Sources (Uses)	<u>(18,544)</u>	<u>310,000</u>	<u>435,000</u>	<u>2,045,618</u>
Net Change in Fund Balances	116,927	(16,987)	(11,442)	532,760
Fund Balances at Beginning of Year	<u>855,595</u>	<u>27,741</u>	<u>36,618</u>	<u>2,011,003</u>
Fund Balances at End of Year	<u><u>\$972,522</u></u>	<u><u>\$10,754</u></u>	<u><u>\$25,176</u></u>	<u><u>\$2,543,763</u></u>

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City of Chillicothe, Ohio

Combining Balance Sheet
Nonmajor Capital Projects Funds

December 31, 2002

	<u>Capital Improvement</u>	<u>Safety Levy Capital</u>	<u>Landfill Closure</u>
Assets			
Equity in Pooled Cash & Cash Equivalents	\$100,000	\$395,792	\$125,832
Income Tax Receivable	0	65,559	0
Prepaid Items	<u>0</u>	<u>2,192</u>	<u>0</u>
Total Assets	<u><u>\$100,000</u></u>	<u><u>\$463,543</u></u>	<u><u>\$125,832</u></u>
Liabilities			
Accounts Payable	\$0	\$13,467	\$416
Interfund Payable	<u>0</u>	<u>22,627</u>	<u>0</u>
Total Liabilities	<u>0</u>	<u>36,094</u>	<u>416</u>
Fund Balances			
Reserved for Encumbrances	0	8,862	0
Unreserved	<u>100,000</u>	<u>418,587</u>	<u>125,416</u>
Total Fund Balances	<u>100,000</u>	<u>427,449</u>	<u>125,416</u>
Total Liabilities and Fund Balances	<u><u>\$100,000</u></u>	<u><u>\$463,543</u></u>	<u><u>\$125,832</u></u>

Parks & Recreation Capital	Streetscape	Total Nonmajor Capital Projects Funds
\$49,216	\$50,052	\$720,892
23,077	0	88,636
<u>0</u>	<u>0</u>	<u>2,192</u>
<u><u>\$72,293</u></u>	<u><u>\$50,052</u></u>	<u><u>\$811,720</u></u>
\$464	\$0	\$14,347
<u>5,657</u>	<u>0</u>	<u>28,284</u>
<u>6,121</u>	<u>0</u>	<u>42,631</u>
822	7,820	17,504
<u>65,350</u>	<u>42,232</u>	<u>751,585</u>
<u>66,172</u>	<u>50,052</u>	<u>769,089</u>
<u><u>\$72,293</u></u>	<u><u>\$50,052</u></u>	<u><u>\$811,720</u></u>

City of Chillicothe, Ohio

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Capital Projects Funds

For the Year Ended December 31, 2002

	<u>Capital Improvement</u>	<u>Safety Levy Capital</u>	<u>Landfill Closure</u>
Revenues			
Municipal Income Taxes	\$0	\$597,551	\$0
Special Assessments	0	0	0
Miscellaneous	0	2,150	0
	<u>0</u>	<u>599,701</u>	<u>0</u>
Total Revenue	0	599,701	0
Expenditures			
Capital Outlay	0	371,627	51,280
	<u>0</u>	<u>371,627</u>	<u>51,280</u>
Total Expenditures	0	371,627	51,280
Excess of Revenues Over (Under) Expenditures	0	228,074	(51,280)
Other Financing Sources (Uses)			
Transfers-In	0	0	0
Transfers-Out	0	(241,407)	0
	<u>0</u>	<u>(241,407)</u>	<u>0</u>
Total Other Sources (Uses)	0	(241,407)	0
Net Change in Fund Balances	0	(13,333)	(51,280)
Fund Balances at Beginning of Year	<u>100,000</u>	<u>440,782</u>	<u>176,696</u>
Fund Balances at End of Year	<u>\$100,000</u>	<u>\$427,449</u>	<u>\$125,416</u>

<u>Parks & Recreation Capital</u>	<u>Streetscape</u>	<u>Total Nonmajor Capital Projects Funds</u>
\$133,650	\$0	\$731,201
0	2,128	2,128
<u>26,445</u>	<u>0</u>	<u>28,595</u>
<u>160,095</u>	<u>2,128</u>	<u>761,924</u>
<u>187,095</u>	<u>6,502</u>	<u>616,504</u>
<u>187,095</u>	<u>6,502</u>	<u>616,504</u>
(27,000)	(4,374)	145,420
0	14,000	14,000
<u>(4,602)</u>	<u>0</u>	<u>(246,009)</u>
<u>(4,602)</u>	<u>14,000</u>	<u>(232,009)</u>
(31,602)	9,626	(86,589)
<u>97,774</u>	<u>40,426</u>	<u>855,678</u>
<u>\$66,172</u>	<u>\$50,052</u>	<u>\$769,089</u>

City of Chillicothe, Ohio

Statement of Changes in Assets & Liabilities
Agency Fund

For the Year Ended December 31, 2002

	<u>Balance 1/1/2002</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 12/31/2002</u>
Deposits Agency				
Assets				
Equity in Pooled Cash and Cash Equivalents	<u>\$14,213</u>	<u>\$10,433</u>	<u>\$2,788</u>	<u>\$21,858</u>
Total Assets	<u><u>\$14,213</u></u>	<u><u>\$10,433</u></u>	<u><u>\$2,788</u></u>	<u><u>\$21,858</u></u>
Liabilities				
Deposits Held and Due to Others	<u>\$14,213</u>	<u>\$10,433</u>	<u>\$2,788</u>	<u>\$21,858</u>
Total Liabilities	<u><u>\$14,213</u></u>	<u><u>\$10,433</u></u>	<u><u>\$2,788</u></u>	<u><u>\$21,858</u></u>

City of Chillicothe, Ohio

Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual (Budget Basis)
General Fund

For the Year Ended December 31, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Local Taxes	\$8,057,870	\$8,187,971	\$8,818,546	\$630,575
Charges for Services	2,028,600	2,128,600	2,061,575	(67,025)
Fines, Licenses and Permits	1,422,000	1,422,000	1,553,168	131,168
Intergovernmental	1,781,163	1,726,335	1,847,210	120,875
Special Assessments	0	0	1,561	1,561
Investment Earnings	205,000	305,000	323,081	18,081
Miscellaneous	81,500	119,500	261,708	142,208
Total Revenue	13,576,133	13,889,406	14,866,849	977,443
Expenditures				
<i>Current:</i>				
General Government				
Mayor				
Personal Services	329,500	334,813	322,006	12,807
Fringe Benefits	147,307	151,339	149,282	2,057
Travel Transportation	1,750	1,500	396	1,104
Materials and Supplies	56,404	58,622	41,866	16,756
Contractual Services	8,800	8,610	4,172	4,438
Capital Outlay	0	150	150	0
Other	6,600	4,876	3,924	952
Total Mayor	550,361	559,910	521,796	38,114
Economic Development				
Travel Transportation	4,000	3,400	1,400	2,000
Materials and Supplies	10,175	10,175	7,049	3,126
Contractual Services	7,900	15,300	9,107	6,193
Other	4,775	2,975	1,606	1,369
Total Economic Development	26,850	31,850	19,162	12,688
City Council				
Personal Services	56,000	55,781	55,781	0
Fringe Benefits	98,631	116,047	116,047	0
Travel Transportation	1,000	1,000	0	1,000
Materials and Supplies	1,250	1,250	218	1,032
Other	100	100	0	100
Total City Council	156,981	174,178	172,046	2,132
Treasurer				
Personal Services	35,000	38,017	34,275	3,742
Fringe Benefits	25,180	28,163	28,094	69
Travel Transportation	300	205	0	205
Materials and Supplies	1,700	1,795	1,507	288
Contractual Services	2,000	1,979	1,889	90
Other	300	321	275	46
Total Treasurer	64,480	70,480	66,040	4,440

continued

City of Chillicothe, Ohio

Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual (Budget Basis)
General Fund

For the Year Ended December 31, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Income Tax Department				
Personal Services	108,300	102,304	99,986	2,318
Fringe Benefits	46,495	52,491	51,847	644
Travel Transportation	500	500	0	500
Materials and Supplies	10,750	10,750	5,696	5,054
Contractual Services	1,800	2,219	2,177	42
Other	2,200	1,781	108	1,673
Total Income Tax Department	<u>170,045</u>	<u>170,045</u>	<u>159,814</u>	<u>10,231</u>
Land and Buildings				
Materials and Supplies	120,000	143,937	115,177	28,760
Contractual Services	45,000	46,063	42,675	3,388
Capital Outlay	40,804	65,485	38,642	26,843
Other	50	50	6	44
Total Land and Buildings	<u>205,854</u>	<u>255,535</u>	<u>196,500</u>	<u>59,035</u>
Law Director				
Personal Services	310,000	293,460	284,747	8,713
Fringe Benefits	129,592	146,132	145,356	776
Travel Transportation	2,000	185	185	0
Materials and Supplies	29,075	32,421	29,163	3,258
Contractual Services	1,350	1,850	1,719	131
Capital Outlay	0	2,100	2,012	88
Other	3,500	1,669	1,278	391
Total Law Director	<u>475,517</u>	<u>477,817</u>	<u>464,460</u>	<u>13,357</u>
Auditor				
Personal Services	296,750	293,184	286,707	6,477
Fringe Benefits	126,270	129,836	127,099	2,737
Travel Transportation	4,000	4,650	3,050	1,600
Materials and Supplies	16,700	18,650	11,376	7,274
Contractual Services	500	500	0	500
Capital Outlay	0	80	80	0
Other	5,200	2,520	1,251	1,269
Total Auditor	<u>449,420</u>	<u>449,420</u>	<u>429,563</u>	<u>19,857</u>
Municipal Court				
Personal Services	922,400	915,682	910,728	4,954
Fringe Benefits	379,038	420,756	419,200	1,556
Travel Transportation	3,550	5,150	4,421	729
Materials and Supplies	65,174	65,545	50,665	14,880
Contractual Services	1,900	1,950	631	1,319
Capital Outlay	21,426	21,677	12,739	8,938
Other	12,580	11,614	7,144	4,470
Total Municipal Court	<u>1,406,068</u>	<u>1,442,374</u>	<u>1,405,528</u>	<u>36,846</u>

continued

City of Chillicothe, Ohio

Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual (Budget Basis)
General Fund

For the Year Ended December 31, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Civil Service				
Personal Services	38,100	36,118	35,830	288
Fringe Benefits	15,745	18,727	18,513	214
Travel Transportation	1,600	405	403	2
Materials and Supplies	22,800	23,895	12,524	11,371
Contractual Services	1,000	950	396	554
Other	2,550	2,700	2,165	535
Total Civil Service	<u>81,795</u>	<u>82,795</u>	<u>69,831</u>	<u>12,964</u>
Service Department				
Personal Services	144,500	145,496	142,360	3,136
Fringe Benefits	67,389	75,477	72,467	3,010
Travel Transportation	500	380	46	334
Materials and Supplies	13,250	13,370	8,747	4,623
Capital Outlay	0	200	200	0
Other	800	600	131	469
Total Service Department	<u>226,439</u>	<u>235,523</u>	<u>223,951</u>	<u>11,572</u>
Engineering				
Personal Services	378,000	385,614	385,609	5
Fringe Benefits	161,054	183,822	178,203	5,619
Travel Transportation	12,500	12,375	10,635	1,740
Materials and Supplies	30,621	33,947	26,543	7,404
Contractual Services	19,800	62,896	24,766	38,130
Capital Outlay	11,428	0	0	0
Other	17,300	17,630	6,843	10,787
Total Engineering	<u>630,703</u>	<u>696,284</u>	<u>632,599</u>	<u>63,685</u>
Postage and Stores				
Materials and Supplies	56,000	58,800	49,807	8,993
Total Postage and Stores	<u>56,000</u>	<u>58,800</u>	<u>49,807</u>	<u>8,993</u>
Miscellaneous				
Fringe Benefits	16,077	16,154	13,906	2,248
Materials and Supplies	478,799	502,140	454,978	47,162
Contractual Services	125,878	162,418	151,643	10,775
Capital Outlay	12,736	58,153	44,539	13,614
Other	41,200	41,061	39,196	1,865
Total Miscellaneous	<u>674,690</u>	<u>779,926</u>	<u>704,262</u>	<u>75,664</u>
Total General Government	<u>5,175,203</u>	<u>5,484,937</u>	<u>5,115,359</u>	<u>369,578</u>
Security of Persons and Property				
Police Department				
Personal Services	2,721,469	2,721,469	2,647,104	74,365
Fringe Benefits	787,536	790,752	763,381	27,371
Travel Transportation	4,000	4,000	1,025	2,975
Materials and Supplies	191,287	187,992	128,529	59,463
Contractual Services	280,563	292,288	284,118	8,170
Capital Outlay	0	125	102	23
Other	66,250	63,550	32,888	30,662
Total Police Department	<u>4,051,105</u>	<u>4,060,176</u>	<u>3,857,147</u>	<u>203,029</u>

continued

City of Chillicothe, Ohio

Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual (Budget Basis)
General Fund

For the Year Ended December 31, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Fire Department				
Personal Services	2,500,000	2,551,691	2,515,148	36,543
Fringe Benefits	614,999	728,761	716,222	12,539
Travel Transportation	1,921	2,092	405	1,687
Materials and Supplies	207,488	288,262	187,550	100,712
Contractual Services	16,500	18,250	10,305	7,945
Capital Outlay	0	680	476	204
Other	28,340	33,660	26,421	7,239
Total Fire Department	3,369,248	3,623,396	3,456,527	166,869
Civil Defense				
Other	6,350	6,350	6,350	0
Total Civil Defense	6,350	6,350	6,350	0
Humane Officer				
Personal Services	4,400	4,322	3,566	756
Fringe Benefits	1,000	1,075	1,069	6
Contractual Services	4,000	4,000	4,000	0
Other	0	3	3	0
Total Humane Officer	9,400	9,400	8,638	762
School Crossing Guards				
Personal Services	60,000	59,963	52,866	7,097
Fringe Benefits	12,000	12,037	9,718	2,319
Materials and Supplies	500	459	0	459
Other	0	41	40	1
Total School Crossing Guards	72,500	72,500	62,624	9,876
Total Security of Persons and Property	7,508,603	7,771,822	7,391,286	380,536
Transportation				
Streets and Sidewalks				
Materials and Supplies	201,500	201,500	168,919	32,581
Total Streets and Sidewalks	201,500	201,500	168,919	32,581
Total Transportation	201,500	201,500	168,919	32,581
Community Environment				
Planning Commission				
Materials and Supplies	400	700	379	321
Total Planning Commission	400	700	379	321
Design and Review				
Other	900	900	0	900
Total Design and Review	900	900	0	900
Total Community Environment	1,300	1,600	379	1,221

continued

City of Chillicothe, Ohio

Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual (Budget Basis)
General Fund

For the Year Ended December 31, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Basic Utility Services				
Refuse Department				
Personal Services	360,000	352,428	328,344	24,084
Fringe Benefits	166,576	174,148	173,588	560
Materials and Supplies	36,400	39,520	31,132	8,388
Contractual Services	465,000	460,418	384,416	76,002
Other	9,300	10,762	10,479	283
Total Refuse Department	<u>1,037,276</u>	<u>1,037,276</u>	<u>927,959</u>	<u>109,317</u>
Total Basic Utility Services	<u>1,037,276</u>	<u>1,037,276</u>	<u>927,959</u>	<u>109,317</u>
Leisure Time Activities				
Swimming Pool				
Personal Services	50,000	54,000	53,827	173
Fringe Benefits	4,000	9,401	8,559	842
Materials and Supplies	43,300	43,905	37,245	6,660
Contractual Services	2,400	3,000	2,548	452
Capital Outlay	16,047	16,466	10,961	5,505
Other	2,000	795	621	174
Total Swimming Pool	<u>117,747</u>	<u>127,567</u>	<u>113,761</u>	<u>13,806</u>
Total Leisure Time Activities	<u>117,747</u>	<u>127,567</u>	<u>113,761</u>	<u>13,806</u>
Total Expenditures	<u>14,041,629</u>	<u>14,624,702</u>	<u>13,717,663</u>	<u>907,039</u>
Excess of Revenues Over (Under) Expenditures	(465,496)	(735,296)	1,149,186	1,884,482
Other Financing Sources (Uses)				
Proceeds from Sale of Fixed Assets	0	0	2,146	2,146
Transfers-In	180,578	65,000	111,917	46,917
Transfers-Out	<u>(2,494,225)</u>	<u>(2,539,904)</u>	<u>(2,426,875)</u>	<u>113,029</u>
Total Other Sources (Uses)	<u>(2,313,647)</u>	<u>(2,474,904)</u>	<u>(2,312,812)</u>	<u>162,092</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	(2,779,143)	(3,210,200)	(1,163,626)	2,046,574
Fund Balances at Beginning of Year	3,247,776	3,247,776	3,247,776	0
Prior Year Encumbrances Appropriated	<u>57,081</u>	<u>57,081</u>	<u>57,081</u>	<u>0</u>
Fund Balances at End of Year	<u>\$525,714</u>	<u>\$94,657</u>	<u>\$2,141,231</u>	<u>\$2,046,574</u>

City of Chillicothe, Ohio

Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual (Budget Basis)
Street Construction Maintenance & Repair Fund

For the Year Ended December 31, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$645,000	\$645,000	\$680,463	\$35,463
Miscellaneous	0	0	3,998	3,998
Total Revenue	<u>645,000</u>	<u>645,000</u>	<u>684,461</u>	<u>39,461</u>
Expenditures				
<i>Current:</i>				
Transportation				
Street Maintenance & Repair				
Personal Services	570,000	581,597	581,597	0
Fringe Benefits	247,445	288,160	288,112	48
Travel Transportation	100	138	138	0
Materials and Supplies	213,828	211,175	156,301	54,874
Contractual Services	5,800	11,088	8,910	2,178
Capital Outlay	75,000	384,100	326,315	57,785
Other	9,275	11,890	11,684	206
Total Transportation	<u>1,121,448</u>	<u>1,488,148</u>	<u>1,373,057</u>	<u>115,091</u>
Total Expenditures	<u>1,121,448</u>	<u>1,488,148</u>	<u>1,373,057</u>	<u>115,091</u>
Excess of Revenues Over (Under) Expenditures	(476,448)	(843,148)	(688,596)	154,552
Other Financing Sources (Uses)				
Transfers-In	<u>270,000</u>	<u>593,000</u>	<u>593,000</u>	<u>0</u>
Total Other Sources (Uses)	<u>270,000</u>	<u>593,000</u>	<u>593,000</u>	<u>0</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	(206,448)	(250,148)	(95,596)	154,552
Fund Balances at Beginning of Year	249,567	249,567	249,567	0
Prior Year Encumbrances Appropriated	<u>977</u>	<u>977</u>	<u>977</u>	<u>0</u>
Fund Balances (Deficit) at End of Year	<u>\$44,096</u>	<u>\$396</u>	<u>\$154,948</u>	<u>\$154,552</u>

City of Chillicothe, Ohio

Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual (Budget Basis)
State Highway Fund

For the Year Ended December 31, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$47,000	\$47,000	\$55,173	\$8,173
Total Revenue	47,000	47,000	55,173	8,173
Expenditures				
<i>Current:</i>				
Transportation				
State Highway Maintenance & Repair				
Personal Services	105,000	110,046	107,548	2,498
Fringe Benefits	46,832	54,828	54,825	3
Total Transportation	151,832	164,874	162,373	2,501
Total Expenditures	151,832	164,874	162,373	2,501
Excess of Revenues Over (Under) Expenditures	(104,832)	(117,874)	(107,200)	10,674
Other Financing Sources (Uses)				
Transfers-In	90,000	98,000	98,000	0
Total Other Sources (Uses)	90,000	98,000	98,000	0
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	(14,832)	(19,874)	(9,200)	10,674
Fund Balances at Beginning of Year	20,717	20,717	20,717	0
Fund Balances at End of Year	\$5,885	\$843	\$11,517	\$10,674

City of Chillicothe, Ohio

Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual (Budget Basis)
Parks and Recreation Fund

For the Year Ended December 31, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Local Taxes	\$435,000	\$437,000	\$464,859	\$27,859
Charges for Services	500	500	1,000	500
Fines, Licenses and Permits	25,000	25,000	29,507	4,507
Miscellaneous	7,500	11,075	13,645	2,570
Total Revenue	468,000	473,575	509,011	35,436
Expenditures				
<i>Current:</i>				
Leisure Time Activities				
Parks and Recreation				
Personal Services	366,500	367,571	366,754	817
Fringe Benefits	168,733	174,162	167,180	6,982
Travel Transportation	1,200	1,595	1,395	200
Materials and Supplies	127,675	129,293	100,942	28,351
Contractual Services	6,200	7,868	4,110	3,758
Capital Outlay	4,000	5,039	4,897	142
Other	20,300	18,320	13,434	4,886
Total Leisure Time Activities	694,608	703,848	658,712	45,136
Total Expenditures	694,608	703,848	658,712	45,136
Excess of Revenues Over (Under) Expenditures	(226,608)	(230,273)	(149,701)	80,572
Other Financing Sources (Uses)				
Proceeds from Sale of Fixed Assets	0	0	4	4
Transfers-In	150,000	150,000	150,000	0
Transfers-Out	(15,575)	(15,775)	(14,777)	998
Total Other Sources (Uses)	134,425	134,225	135,227	1,002
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	(92,183)	(96,048)	(14,474)	81,574
Fund Balances at Beginning of Year	106,153	106,153	106,153	0
Fund Balances at End of Year	\$13,970	\$10,105	\$91,679	\$81,574

City of Chillicothe, Ohio

Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual (Budget Basis)
HUD Fund

For the Year Ended December 31, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$857,500	\$1,322,500	\$833,107	(\$489,393)
Investment Earnings	0	0	157	157
Miscellaneous	0	0	357	357
Total Revenue	<u>857,500</u>	<u>1,322,500</u>	<u>833,621</u>	<u>(488,879)</u>
Expenditures				
<i>Current:</i>				
Community Environment Rehabilitation & Development				
Materials and Supplies	563,087	895,287	589,095	306,192
Contractual Services	205,322	336,679	34,209	302,470
Total Community Environment	<u>768,409</u>	<u>1,231,966</u>	<u>623,304</u>	<u>608,662</u>
Total Expenditures	<u>768,409</u>	<u>1,231,966</u>	<u>623,304</u>	<u>608,662</u>
Excess of Revenues Over (Under) Expenditures	89,091	90,534	210,317	119,783
Fund Balances at Beginning of Year	16,655	16,655	16,655	0
Prior Year Encumbrances Appropriated	33,692	33,692	33,692	0
Fund Balances at End of Year	<u><u>\$139,438</u></u>	<u><u>\$140,881</u></u>	<u><u>\$260,664</u></u>	<u><u>\$119,783</u></u>

City of Chillicothe, Ohio

Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual (Budget Basis)
State Grants Fund

For the Year Ended December 31, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$31,659	\$31,659	\$46,101	\$14,442
Investment Earnings	0	0	94	94
Miscellaneous	0	0	150	150
Total Revenue	<u>31,659</u>	<u>31,659</u>	<u>46,345</u>	<u>14,686</u>
Expenditures				
<i>Current:</i>				
Community Environment				
State Grants				
Capital Outlay	16,030	16,030	15,986	44
Total Community Environment	<u>16,030</u>	<u>16,030</u>	<u>15,986</u>	<u>44</u>
Total Expenditures	<u>16,030</u>	<u>16,030</u>	<u>15,986</u>	<u>44</u>
Excess of Revenues Over (Under) Expenditures	15,629	15,629	30,359	14,730
Other Financing Sources (Uses)				
Transfers-Out	(30,600)	(30,600)	(30,600)	0
Total Other Sources (Uses)	<u>(30,600)</u>	<u>(30,600)</u>	<u>(30,600)</u>	<u>0</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	(14,971)	(14,971)	(241)	14,730
Fund Balances at Beginning of Year	25,393	25,393	25,393	0
Fund Balances at End of Year	<u>\$10,422</u>	<u>\$10,422</u>	<u>\$25,152</u>	<u>\$14,730</u>

City of Chillicothe, Ohio

Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual (Budget Basis)
Floodwall Fund

For the Year Ended December 31, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Total Revenue	\$0	\$0	\$0	\$0
Expenditures				
<i>Current:</i>				
Community Environment				
Floodwall Maintenance				
Transportation	0	376	376	0
Materials and Supplies	14,200	15,474	11,030	4,444
Contractual Services	1,800	900	110	790
Capital Outlay	24,711	29,422	22,957	6,465
Other	750	0	0	0
Total Community Environment	41,461	46,172	34,473	11,699
Total Expenditures	41,461	46,172	34,473	11,699
Excess of Revenues Over (Under) Expenditures	(41,461)	(46,172)	(34,473)	11,699
Other Financing Sources (Uses)				
Transfers-In	40,000	40,000	40,000	0
Total Other Sources (Uses)	40,000	40,000	40,000	0
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	(1,461)	(6,172)	5,527	11,699
Fund Balances at Beginning of Year	104,660	104,660	104,660	0
Unexpended Prior Year Encumbrances	4,711	4,711	4,711	0
Fund Balances at End of Year	\$107,910	\$103,199	\$114,898	\$11,699

City of Chillicothe, Ohio

Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual (Budget Basis)
Cablevision Fund

For the Year Ended December 31, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Total Revenue	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Expenditures				
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess of Revenues Over (Under) Expenditures	0	0	0	0
Fund Balances at Beginning of Year	<u>5,765</u>	<u>5,765</u>	<u>5,765</u>	<u>0</u>
Fund Balances at End of Year	<u><u>\$5,765</u></u>	<u><u>\$5,765</u></u>	<u><u>\$5,765</u></u>	<u><u>\$0</u></u>

City of Chillicothe, Ohio

Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual (Budget Basis)
Fire Hazard Fund

For the Year Ended December 31, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Total Revenue	\$0	\$0	\$0	\$0
Expenditures				
<i>Current:</i>				
Security of Persons and Property				
Fire Hazard				
Materials and Supplies	1,000	1,000	0	1,000
Total Security of Persons and Property	1,000	1,000	0	1,000
Total Expenditures	1,000	1,000	0	1,000
Excess of Revenues Over (Under) Expenditures	(1,000)	(1,000)	0	1,000
Fund Balances at Beginning of Year	1,000	1,000	1,000	0
Fund Balances at End of Year	\$0	\$0	\$1,000	\$1,000

City of Chillicothe, Ohio

Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual (Budget Basis)
Income Tax Fund

For the Year Ended December 31, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Local Taxes	\$0	\$0	\$227,644	\$227,644
Total Revenue	0	0	227,644	227,644
Expenditures				
<i>Current:</i>				
General Government				
Unallocated & Refunded Income Tax				
Other	300,000	365,000	362,035	2,965
Total General Government	300,000	365,000	362,035	2,965
Total Expenditures	300,000	365,000	362,035	2,965
Excess of Revenues Over (Under) Expenditures	(300,000)	(365,000)	(134,391)	230,609
Other Financing Sources (Uses)				
Transfers-In	300,000	345,000	345,000	0
Total Other Sources (Uses)	300,000	345,000	345,000	0
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	0	(20,000)	210,609	230,609
Fund Balances at Beginning of Year	179,077	179,077	179,077	0
Fund Balances at End of Year	\$179,077	\$159,077	\$389,686	\$230,609

City of Chillicothe, Ohio

Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual (Budget Basis)
Law Enforcement Fund

For the Year Ended December 31, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Fines, Licenses and Permits	\$10,000	\$10,000	\$74	(\$9,926)
Total Revenue	10,000	10,000	74	(9,926)
Expenditures				
<i>Current:</i>				
Security of Persons and Property Enforcement & Education Other	10,000	10,000	1,011	8,989
Total Security of Persons and Property	10,000	10,000	1,011	8,989
Total Expenditures	10,000	10,000	1,011	8,989
Excess of Revenues Over (Under) Expenditures	0	0	(937)	(937)
Fund Balances at Beginning of Year	42,597	42,597	42,597	0
Fund Balances at End of Year	<u>\$42,597</u>	<u>\$42,597</u>	<u>\$41,660</u>	<u>(\$937)</u>

City of Chillicothe, Ohio

Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual (Budget Basis)
Indigent Driver's Alcohol Treatment Fund

For the Year Ended December 31, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Fines, Licenses and Permits	\$15,000	\$15,000	\$19,116	\$4,116
Total Revenue	15,000	15,000	19,116	4,116
Expenditures				
<i>Current:</i>				
Security of Persons and Property				
Alcohol Treatment				
Contractual Services	15,000	15,000	1,500	13,500
Total Security of Persons and Property	15,000	15,000	1,500	13,500
Total Expenditures	15,000	15,000	1,500	13,500
Excess of Revenues Over (Under) Expenditures	0	0	17,616	17,616
Fund Balances at Beginning of Year	95,794	95,794	95,794	0
Fund Balances at End of Year	\$95,794	\$95,794	\$113,410	\$17,616

City of Chillicothe, Ohio

Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual (Budget Basis)
OMVI Enforcement and Education Fund

For the Year Ended December 31, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Fines, Licenses and Permits	\$3,000	\$3,000	\$3,990	\$990
Total Revenue	3,000	3,000	3,990	990
Expenditures				
<i>Current:</i>				
Security of Persons and Property Enforcement & Education				
Other	10,000	10,000	2,500	7,500
Total Security of Persons and Property	10,000	10,000	2,500	7,500
Total Expenditures	10,000	10,000	2,500	7,500
Excess of Revenues Over (Under) Expenditures	(7,000)	(7,000)	1,490	8,490
Fund Balances at Beginning of Year	20,184	20,184	20,184	0
Fund Balances at End of Year	\$13,184	\$13,184	\$21,674	\$8,490

City of Chillicothe, Ohio

Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual (Budget Basis)
Mandatory Drug Fines Fund

For the Year Ended December 31, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Fines, Licenses and Permits	\$3,000	\$3,000	\$4,687	\$1,687
Total Revenue	3,000	3,000	4,687	1,687
Expenditures				
<i>Current:</i>				
Security of Persons and Property Enforcement & Education Other	1,000	1,000	310	690
Total Security of Persons and Property	1,000	1,000	310	690
Total Expenditures	1,000	1,000	310	690
Excess of Revenues Over (Under) Expenditures	2,000	2,000	4,377	2,377
Fund Balances at Beginning of Year	26,986	26,986	26,986	0
Fund Balances at End of Year	<u>\$28,986</u>	<u>\$28,986</u>	<u>\$31,363</u>	<u>\$2,377</u>

City of Chillicothe, Ohio

Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual (Budget Basis)
Parking Fund

For the Year Ended December 31, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Charges for Services	\$47,000	\$47,000	\$51,387	\$4,387
Miscellaneous	0	0	208	208
Total Revenue	47,000	47,000	51,595	4,595
Expenditures				
<i>Current:</i>				
Transportation				
Traffic Control & Parking Facility				
Personal Services	107,000	113,686	110,566	3,120
Fringe Benefits	45,502	46,816	46,152	664
Travel	300	0	0	0
Materials and Supplies	25,683	28,026	23,267	4,759
Contractual Services	950	935	801	134
Capital Outlay	0	71,875	39,429	32,446
Other	1,920	1,225	825	400
Total Transportation	181,355	262,563	221,040	41,523
Total Expenditures	181,355	262,563	221,040	41,523
Excess of Revenues Over (Under) Expenditures	(134,355)	(215,563)	(169,445)	46,118
Other Financing Sources (Uses)				
Transfers-In	60,000	138,875	138,875	0
Transfers-Out	(550)	(550)	(351)	199
Total Other Sources (Uses)	59,450	138,325	138,524	199
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	(74,905)	(77,238)	(30,921)	46,317
Fund Balances at Beginning of Year	89,926	89,926	89,926	0
Unexpended Prior Year Encumbrances	1,333	1,333	1,333	0
Fund Balances at End of Year	\$16,354	\$14,021	\$60,338	\$46,317

City of Chillicothe, Ohio

Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual (Budget Basis)
Bus Transit Fund

For the Year Ended December 31, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Local Taxes	\$526,000	\$536,000	\$599,046	\$63,046
Charges for Services	72,000	72,000	98,446	26,446
Intergovernmental	776,237	776,237	760,429	(15,808)
Miscellaneous	38,000	38,000	20,705	(17,295)
Total Revenue	<u>1,412,237</u>	<u>1,422,237</u>	<u>1,478,626</u>	<u>56,389</u>
Expenditures				
<i>Current:</i>				
Transportation				
Bus Transit System				
Personal Services	670,100	687,507	687,476	31
Fringe Benefits	287,707	286,300	283,992	2,308
Travel Transportation	2,300	1,175	296	879
Materials and Supplies	153,250	153,900	123,172	30,728
Contractual Services	1,400	1,400	326	1,074
Capital Outlay	272,683	538,124	132,847	405,277
Other	186,850	189,078	182,426	6,652
Total Transportation	<u>1,574,290</u>	<u>1,857,484</u>	<u>1,410,535</u>	<u>446,949</u>
Total Expenditures	<u>1,574,290</u>	<u>1,857,484</u>	<u>1,410,535</u>	<u>446,949</u>
Excess of Revenues Over (Under) Expenditures	(162,053)	(435,247)	68,091	503,338
Other Financing Sources (Uses)				
Proceeds from Sale of Fixed Assets	0	0	110	110
Transfers-Out	(19,900)	(20,147)	(18,651)	1,496
Total Other Sources (Uses)	<u>(19,900)</u>	<u>(20,147)</u>	<u>(18,541)</u>	<u>1,606</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	(181,953)	(455,394)	49,550	504,944
Fund Balances at Beginning of Year	702,413	702,413	702,413	0
Unexpended Prior Year Encumbrances	<u>149,453</u>	<u>149,453</u>	<u>149,453</u>	<u>0</u>
Fund Balances at End of Year	<u>\$669,913</u>	<u>\$396,472</u>	<u>\$901,416</u>	<u>\$504,944</u>

City of Chillicothe, Ohio

Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual (Budget Basis)
Police Pension Fund

For the Year Ended December 31, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Local Taxes	\$124,844	\$133,444	\$127,739	(\$5,705)
Intergovernmental	9,000	9,000	13,247	4,247
Total Revenue	<u>133,844</u>	<u>142,444</u>	<u>140,986</u>	<u>(1,458)</u>
Expenditures				
<i>Current:</i>				
Security of Persons and Property				
Police Pension & Disability				
Fringe Benefits	500,000	499,750	465,254	34,496
Other	2,500	2,750	2,719	31
Total Security of Persons & Property	<u>502,500</u>	<u>502,500</u>	<u>467,973</u>	<u>34,527</u>
Total Expenditures	<u>502,500</u>	<u>502,500</u>	<u>467,973</u>	<u>34,527</u>
Excess of Revenues Over (Under) Expenditures	(368,656)	(360,056)	(326,987)	33,069
Other Financing Sources (Uses)				
Transfers-In	500,000	500,000	320,000	(180,000)
Transfers-Out	<u>(10,000)</u>	<u>(10,000)</u>	<u>(10,000)</u>	<u>0</u>
Total Other Sources (Uses)	<u>490,000</u>	<u>490,000</u>	<u>310,000</u>	<u>(180,000)</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	121,344	129,944	(16,987)	(146,931)
Fund Balances at Beginning of Year	<u>27,741</u>	<u>27,741</u>	<u>27,741</u>	<u>0</u>
Fund Balances at End of Year	<u>\$149,085</u>	<u>\$157,685</u>	<u>\$10,754</u>	<u>(\$146,931)</u>

City of Chillicothe, Ohio

Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual (Budget Basis)
Fire Pension Fund

For the Year Ended December 31, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Local Taxes	\$124,844	\$133,444	\$127,739	(\$5,705)
Intergovernmental	9,000	9,000	13,247	4,247
Total Revenue	133,844	142,444	140,986	(1,458)
Expenditures				
<i>Current:</i>				
Security of Persons and Property				
Fire Pension & Disability				
Fringe Benefits	625,000	624,750	584,709	40,041
Other	2,500	2,750	2,719	31
Total Security of Persons & Property	627,500	627,500	587,428	40,072
Total Expenditures	627,500	627,500	587,428	40,072
Excess of Revenues Over (Under) Expenditures	(493,656)	(485,056)	(446,442)	38,614
Other Financing Sources (Uses)				
Transfers-In	625,000	625,000	470,000	(155,000)
Transfers-Out	(35,000)	(35,000)	(35,000)	0
Total Other Sources (Uses)	590,000	590,000	435,000	(155,000)
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	96,344	104,944	(11,442)	(116,386)
Fund Balances at Beginning of Year	36,617	36,617	36,617	0
Fund Balances at End of Year	\$132,961	\$141,561	\$25,175	(\$116,386)

City of Chillicothe, Ohio

Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual (Budget Basis)
Bond Retirement Fund

For the Year Ended December 31, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Investment Earnings	\$0	\$0	\$949	\$949
Total Revenue	0	0	949	949
Expenditures				
<i>Debt Service:</i>				
Principal Retirement	330,000	330,000	325,000	5,000
Interest and Fiscal Charges	168,000	168,000	167,379	621
Total Debt Service	498,000	498,000	492,379	5,621
Total Expenditures	498,000	498,000	492,379	5,621
Excess of Revenues Over (Under) Expenditures	(498,000)	(498,000)	(491,430)	6,570
Other Financing Sources (Uses)				
Transfers-In	497,535	497,535	496,000	(1,535)
Total Other Sources (Uses)	497,535	497,535	496,000	(1,535)
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	(465)	(465)	4,570	5,035
Fund Balances at Beginning of Year	99,625	99,625	99,625	0
Fund Balances at End of Year	\$99,160	\$99,160	\$104,195	\$5,035

City of Chillicothe, Ohio

Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual (Budget Basis)
Capital Improvement Fund

For the Year Ended December 31, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Total Revenue	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Expenditures				
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess of Revenues Over (Under) Expenditures	0	0	0	0
Fund Balances at Beginning of Year	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>0</u>
Fund Balances at End of Year	<u><u>\$100,000</u></u>	<u><u>\$100,000</u></u>	<u><u>\$100,000</u></u>	<u><u>\$0</u></u>

City of Chillicothe, Ohio

Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual (Budget Basis)
Safety Levy Capital Fund

For the Year Ended December 31, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Local Taxes	\$526,000	\$536,000	\$599,046	\$63,046
Miscellaneous	0	0	2,150	2,150
Total Revenue	<u>526,000</u>	<u>536,000</u>	<u>601,196</u>	<u>65,196</u>
Expenditures				
Capital Outlay				
Capital Outlay	333,447	498,926	364,703	134,223
Other	0	1,070	1,070	0
Total Capital Outlay	<u>333,447</u>	<u>499,996</u>	<u>365,773</u>	<u>134,223</u>
Total Expenditures	<u>333,447</u>	<u>499,996</u>	<u>365,773</u>	<u>134,223</u>
Excess of Revenues Over (Under) Expenditures	192,553	36,004	235,423	199,419
Other Financing Sources (Uses)				
Transfers-Out	<u>(243,000)</u>	<u>(243,000)</u>	<u>(241,407)</u>	<u>1,593</u>
Total Other Sources (Uses)	<u>(243,000)</u>	<u>(243,000)</u>	<u>(241,407)</u>	<u>1,593</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	(50,447)	(206,996)	(5,984)	201,012
Fund Balances at Beginning of Year	306,742	306,742	306,742	0
Prior Year Encumbrances Appropriated	<u>86,172</u>	<u>86,172</u>	<u>86,172</u>	<u>0</u>
Fund Balances at End of Year	<u>\$342,467</u>	<u>\$185,918</u>	<u>\$386,930</u>	<u>\$201,012</u>

City of Chillicothe, Ohio

Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual (Budget Basis)
Landfill Closure Fund

For the Year Ended December 31, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Total Revenue	\$0	\$0	\$0	\$0
Expenditures				
Capital Outlay				
Capital Outlay	75,000	75,000	50,864	24,136
Total Capital Outlay	75,000	75,000	50,864	24,136
Total Expenditures	75,000	75,000	50,864	24,136
Excess of Revenues Over (Under) Expenditures	(75,000)	(75,000)	(50,864)	24,136
Fund Balances at Beginning of Year	176,696	176,696	176,696	0
Fund Balances at End of Year	<u>\$101,696</u>	<u>\$101,696</u>	<u>\$125,832</u>	<u>\$24,136</u>

City of Chillicothe, Ohio

Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual (Budget Basis)
Parks and Recreation Capital Fund

For the Year Ended December 31, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Local Taxes	\$125,000	\$125,000	\$134,176	\$9,176
Miscellaneous	17,500	26,600	26,853	253
Total Revenue	<u>142,500</u>	<u>151,600</u>	<u>161,029</u>	<u>9,429</u>
Expenditures				
Capital Outlay				
Materials and Supplies	13,500	13,500	11,698	1,802
Contractual Services	0	19,000	19,000	0
Capital Outlay	193,977	195,242	158,977	36,265
Total Capital Outlay	<u>207,477</u>	<u>227,742</u>	<u>189,675</u>	<u>38,067</u>
Total Expenditures	<u>207,477</u>	<u>227,742</u>	<u>189,675</u>	<u>38,067</u>
Excess of Revenues Over (Under) Expenditures	(64,977)	(76,142)	(28,646)	47,496
Other Financing Sources (Uses)				
Transfers-Out	<u>(5,500)</u>	<u>(5,500)</u>	<u>(4,602)</u>	<u>898</u>
Total Other Sources (Uses)	<u>(5,500)</u>	<u>(5,500)</u>	<u>(4,602)</u>	<u>898</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	(70,477)	(81,642)	(33,248)	48,394
Fund Balances at Beginning of Year	31,676	31,676	31,676	0
Prior Year Encumbrances Appropriated	<u>49,966</u>	<u>49,966</u>	<u>49,966</u>	<u>0</u>
Fund Balances at End of Year	<u>\$11,165</u>	<u>\$0</u>	<u>\$48,394</u>	<u>\$48,394</u>

City of Chillicothe, Ohio

Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual (Budget Basis)
Streetscape Fund

For the Year Ended December 31, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Special Assessments	\$0	\$0	\$2,128	\$2,128
Total Revenue	0	0	2,128	2,128
Expenditures				
Capital Outlay				
Contractual Services	5,000	0	0	0
Capital Outlay	21,410	27,820	11,502	16,318
Total Capital Outlay	26,410	27,820	11,502	16,318
Total Expenditures	26,410	27,820	11,502	16,318
Excess of Revenues Over (Under) Expenditures	(26,410)	(27,820)	(9,374)	18,446
Other Financing Sources (Uses)				
Transfers-In	14,000	14,000	14,000	0
Total Other Sources (Uses)	14,000	14,000	14,000	0
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	(12,410)	(13,820)	4,626	18,446
Fund Balances at Beginning of Year	34,017	34,017	34,017	0
Prior Year Encumbrances Appropriated	6,410	6,410	6,410	0
Fund Balances at End of Year	<u>\$28,017</u>	<u>\$26,607</u>	<u>\$45,053</u>	<u>\$18,446</u>

City of Chillicothe, Ohio

Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual (Budget Basis)
Carlisle Hill Fund

For the Year Ended December 31, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Investment Earnings	\$50	\$50	\$40	(\$10)
Total Revenue	50	50	40	(10)
Expenditures				
<i>Current:</i>				
Community Environment				
Other	1,700	1,700	0	1,700
Total Expenditures	1,700	1,700	0	1,700
Excess of Revenues Over (Under) Expenditures	(1,650)	(1,650)	40	1,690
Fund Balances at Beginning of Year	2,887	2,887	2,887	0
Fund Balances at End of Year	<u>\$1,237</u>	<u>\$1,237</u>	<u>\$2,927</u>	<u>\$1,690</u>

City of Chillicothe, Ohio

Schedule of Revenues, Expenditures, and Changes in
Fund Equity - Budget and Actual (Budget Basis)
Water Fund

For the Year Ended December 31, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Charges for Services	\$4,150,000	\$4,150,000	\$4,200,037	\$50,037
Investment Income	45,000	45,000	7,205	(37,795)
Other Operating Revenue	12,000	12,000	89,299	77,299
Total Revenue	4,207,000	4,207,000	4,296,541	89,541
Expenses				
<i>Current:</i>				
Personal Services	886,500	899,285	882,415	16,870
Fringe Benefits	379,872	417,340	408,428	8,912
Travel Transportation	750	515	65	450
Contractual Services	396,392	643,169	380,993	262,176
Materials and Supplies	600,725	720,359	504,201	216,158
Other Operating Expenses	536,215	543,303	538,011	5,292
Capital Outlay	412,891	787,439	225,202	562,237
<i>Debt Service:</i>				
Principal Retirement	715,000	1,215,000	1,215,000	0
Interest and Fiscal Charges	692,600	692,600	692,027	573
Total Expenses	4,620,945	5,919,010	4,846,342	1,072,668
Excess of Revenues Over (Under) Expenses	(413,945)	(1,712,010)	(549,801)	1,162,209
Other Financing Sources (Uses)				
Proceeds of Notes	500,000	500,000	500,000	0
Proceeds from Sale of Fixed Assets	0	0	548	548
Transfers-Out	(1,678,350)	(279,750)	(3,566)	276,184
Total Other Sources (Uses)	(1,178,350)	220,250	496,982	276,732
Excess of Revenues and Other Sources Over (Under) Expenses and Other Uses	(1,592,295)	(1,491,760)	(52,819)	1,438,941
Fund Equity at Beginning of Year	5,675,641	5,675,641	5,675,641	0
Prior Year Encumbrances Appropriated	366,630	366,630	366,630	0
Fund Equity at End of Year	\$4,449,976	\$4,550,511	\$5,989,452	\$1,438,941

City of Chillicothe, Ohio

Schedule of Revenues, Expenditures, and Changes in
Fund Equity - Budget and Actual (Budget Basis)
Sewer Fund

For the Year Ended December 31, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Charges for Services	\$2,740,000	\$2,740,000	\$2,874,232	\$134,232
Investment Income	6,000	6,000	4,073	(1,927)
Other Operating Revenues	0	0	23,676	23,676
Grant Revenue	1,392,000	1,392,000	1,142,980	(249,020)
Total Revenue	4,138,000	4,138,000	4,044,961	(93,039)
Expenses				
<i>Current:</i>				
Personal Services	869,500	890,121	878,351	11,770
Fringe Benefits	368,781	426,412	419,428	6,984
Travel Transportation	750	1,405	170	1,235
Contractual Services	41,349	82,658	33,282	49,376
Materials and Supplies	319,687	331,791	262,830	68,961
Other Operating Expenses	368,110	372,983	364,198	8,785
Capital Outlay	2,130,055	3,813,296	1,803,693	2,009,603
<i>Debt Service:</i>				
Principal Retirement	517,000	3,517,000	3,515,071	1,929
Interest and Fiscal Charges	208,600	208,255	186,595	21,660
Total Expenses	4,823,832	9,643,921	7,463,618	2,180,303
Excess of Revenues Over (Under) Expenses	(685,832)	(5,505,921)	(3,418,657)	2,087,264
Other Financing Sources (Uses)				
Proceeds of Notes	0	3,000,000	3,000,000	0
Proceeds from Sale of Fixed Assets	0	0	760	760
Transfers-In	30,000	32,000	30,000	(2,000)
Transfers-Out	(723,360)	(344,738)	(3,544)	341,194
Total Other Sources (Uses)	(693,360)	2,687,262	3,027,216	339,954
Excess of Revenues and Other Sources Over (Under) Expenses and Other Uses	(1,379,192)	(2,818,659)	(391,441)	2,427,218
Fund Equity at Beginning of Year	3,127,322	3,127,322	3,127,322	0
Prior Year Encumbrances Appropriated	1,392,857	1,392,857	1,392,857	0
Fund Equity at End of Year	\$3,140,987	\$1,701,520	\$4,128,738	\$2,427,218

City of Chillicothe, Ohio

Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual (Budget Basis)
Unclaimed Monies Fund

For the Year Ended December 31, 2002

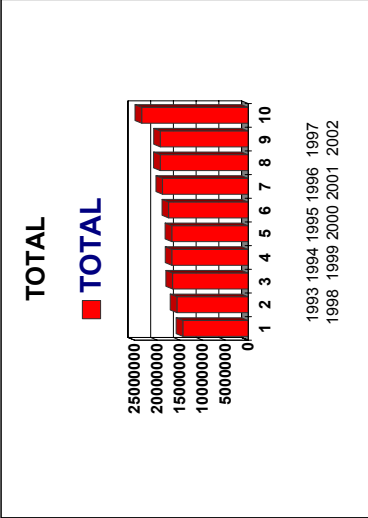
	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Miscellaneous	\$15,000	\$15,000	\$20,407	\$5,407
Total Revenue	15,000	15,000	20,407	5,407
Expenditures				
<i>Current:</i>				
General Government				
Unclaimed Monies				
Other	1,500	1,500	485	1,015
Total General Government	1,500	1,500	485	1,015
Total Expenditures	1,500	1,500	485	1,015
Excess of Revenues Over (Under) Expenditures	13,500	13,500	19,922	6,422
Other Financing Sources (Uses)				
Transfers-Out	(19,000)	(19,000)	(17,271)	1,729
Total Other Sources (Uses)	(19,000)	(19,000)	(17,271)	1,729
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	(5,500)	(5,500)	2,651	8,151
Fund Balances at Beginning of Year	54,266	54,266	54,266	0
Fund Balances at End of Year	\$48,766	\$48,766	\$56,917	\$8,151

STATISTICAL SECTION

**CITY OF CHILLICOTHE
GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION
LAST TEN FISCAL YEARS**

Table 1

	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	(1)
General Government	\$3,706,772	\$3,643,849	\$4,182,086	\$3,719,934	\$4,261,976	\$4,483,092	\$4,743,515	\$4,852,165	\$5,186,334	\$8,253,668	
Security of Persons & Property	5,847,007	6,127,921	6,046,290	6,534,995	6,066,279	6,596,471	7,265,341	7,749,666	7,863,743	8,476,179	
Transportation	2,007,843	2,656,582	2,496,318	3,043,442	2,947,119	3,032,695	2,951,151	3,144,877	3,021,633	3,336,160	
Community Environment	598,519	1,202,829	860,274	1,002,976	835,453	397,983	296,156	601,779	432,699	533,551	
Basic Utility Services	693,791	756,113	699,311	689,479	741,063	833,684	963,720	1,018,359	1,038,420	893,922	
Leisure Time Activities	524,544	517,092	578,552	608,682	615,619	633,893	680,082	708,576	730,341	771,929	
Capital Outlay	427,297	204,167	1,159,255	575,199	756,275	940,767	760,693	602,319	508,306	616,504	
Debt Service	589,436	604,778	642,387	640,476	615,932	597,453	1,194,722	672,884	559,492	552,826	
Total	\$14,395,209	\$15,713,331	\$16,664,473	\$16,815,183	\$16,839,716	\$17,516,038	\$18,855,380	\$19,350,625	\$19,340,968	\$23,434,739	



Source: Chillicothe City Auditor

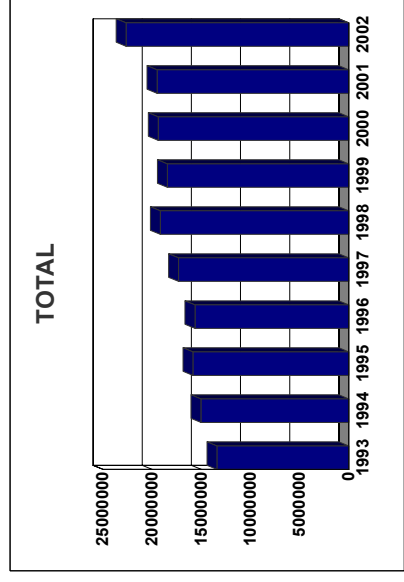
(1) 1993 - 2002 are reported on GAAP basis; 1993 - 2001 did not report the City's Municipal Court operations as a part of the general governmental expenditures.

Note: General governmental expenditures include general, special revenue, debt service, capital project and permanent funds.

**CITY OF CHILLICOTHE
GENERAL GOVERNMENTAL REVENUES BY SOURCE
LAST TEN FISCAL YEARS**

Table 2

YEAR	LOCAL TAXES	CHARGES FOR SERVICES	FINES, LICENSES & PERMITS	INTER-GOVERNMENTAL	SPECIAL ASSESSMENTS	INTEREST	OTHER	TOTAL
1993 (1)	\$8,082,644	\$568,187	\$895,580	\$3,008,868	\$127,209	\$245,400	\$482,613	\$13,410,501
1994 (1)	8,616,177	626,198	1,132,646	3,662,055	129,027	371,534	499,292	15,036,929
1995 (1)	8,639,774	631,406	1,141,197	4,215,268	131,104	578,241	519,494	15,856,484
1996 (1)	8,951,489	674,140	1,086,366	3,690,474	129,767	610,183	508,821	15,651,240
1997 (1)	9,603,877	2,078,501	1,191,387	3,344,926	126,986	542,494	427,492	17,315,663
1998 (1)	10,223,543	2,257,395	1,439,458	3,658,562	119,265	658,762	821,781	19,178,766
1999 (1)	10,406,953	1,666,596	1,481,959	3,707,165	130,183	662,905	397,458	18,453,219
2000 (1)	10,683,702	1,646,356	1,503,614	3,808,469	123,662	948,055	674,489	19,388,347
2001 (1)	11,050,649	1,715,355	1,600,285	4,033,644	12,628	690,107	407,108	19,509,776
2002 (1)	11,066,815	2,211,337	4,451,859	4,357,747	3,689	266,635	308,983	22,667,065



Source: Chillicothe City Auditor

Note: General governmental revenues include general, special revenue, debt service, capital project and permanent funds.

(1) 1993 - 2002 are reported on GAAP basis; 1993 - 2001 did not report the City's Municipal Court operations as a part of the general governmental revenues.

**CITY OF CHILLICOTHE
PROPERTY TAX LEVIES AND COLLECTIONS -
REAL, PUBLIC UTILITY AND TANGIBLE PERSONAL PROPERTY TAXES
LAST TEN FISCAL YEARS**

Table 3

COLLECTION YEAR	CURRENT TAX LEVY	PERCENT OF			RATIO OF			RATIO OF	
		CURRENT TAX COLLECTIONS	CURRENT TAXES COLLECTED	DELINQUENT TAX COLLECTIONS	TOTAL TAX COLLECTIONS	TOTAL TAX TO CURRENT TAX LEVY	COLLECTIONS OUTSTANDING DELINQUENT TAXES	TOTAL DELINQUENT TAXES	OUTSTANDING DELINQUENT TAXES TO CURRENT TAX LEVY
1993	\$1,049,379	\$1,033,633	98.50%	\$39,227	\$1,072,860	102.24%	\$38,913	3.71%	
1994	1,064,537	1,055,527	99.15%	22,686	1,078,213	101.28%	43,696	4.10%	
1995	1,082,022	1,080,661	99.87%	21,026	1,101,687	101.82%	38,082	3.52%	
1996	1,188,764	1,168,687	98.31%	17,251	1,185,938	99.76%	45,065	3.79%	
1997	1,241,178	1,217,394	98.08%	21,514	1,238,908	99.82%	47,791	3.85%	
1998	1,284,717	1,261,575	98.20%	27,607	1,289,182	100.35%	48,899	3.81%	
1999	1,374,337	1,350,362	98.26%	20,201	1,370,563	99.73%	44,675	3.25%	
2000	1,393,689	1,369,358	98.25%	25,636	1,394,994	100.09%	37,211	2.67%	
2001	1,399,265	1,382,712	98.82%	26,722	1,409,434	100.73%	39,819	2.85%	
2002	1,469,163	1,429,337	97.29%	27,771	1,457,108	99.18%	42,707	2.91%	

Source: Ross County Auditor

**CITY OF CHILLICOTHE
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS**

Table 4

YEAR	REAL PROPERTY		PERSONAL PROPERTY		PUBLIC UTILITY PROPERTY		TOTAL		RATIO OF TOTAL ASSESSED VALUE TO TOTAL ESTIMATED ACTUAL VALUE
	ASSESSED VALUE	EST. ACTUAL VALUE	ASSESSED VALUE	EST. ACTUAL VALUE	ASSESSED VALUE	EST. ACTUAL VALUE	(1) ASSESSED VALUE	(2) ESTIMATED ACTUAL VALUE	
1993	\$193,097,260	\$551,706,457	\$113,315,355	\$453,261,420	\$23,892,130	\$27,150,148	\$330,304,745	\$1,032,118,025	32.00%
1994	194,381,660	555,376,171	118,516,459	474,065,836	24,967,090	28,371,693	337,865,209	1,057,813,700	31.94%
1995	195,932,420	559,806,914	122,290,910	489,163,640	25,447,860	28,918,022	343,671,190	1,077,888,576	31.88%
1996	227,459,300	649,883,714	122,362,540	489,450,160	24,358,590	27,680,216	374,180,430	1,167,014,090	32.06%
1997	232,568,730	664,482,086	134,527,400	538,109,600	23,681,060	26,910,295	390,777,190	1,229,501,981	31.78%
1998	238,158,710	680,453,457	127,875,960	511,503,840	23,974,270	27,243,489	390,008,940	1,219,200,786	31.99%
1999	273,952,180	782,720,514	133,939,782	535,759,128	25,596,250	29,086,648	433,488,212	1,347,566,290	32.17%
2000	277,047,580	791,564,514	138,200,360	552,801,440	25,226,420	28,666,386	440,474,360	1,373,032,340	32.08%
2001	281,716,700	804,904,857	134,758,760	539,035,040	26,229,520	29,806,273	442,704,980	1,373,746,170	32.23%
2002	317,916,300	908,332,286	126,066,490	525,277,042	22,138,160	25,157,000	466,120,950	1,458,766,328	31.95%

Source: Ross County Auditor

(1) Assessed Value Calculation: Real Property Assessed Value + Personal Property Assessed Value + Public Utility Property Assessed Value

(2) Estimated Actual Value Calculation: Real Property Estimated Actual Value + Personal Property Estimated Actual Value + Public Utility Property Estimated Actual Value

**CITY OF CHILLICOTHE
SPECIAL ASSESSMENT BILLINGS AND COLLECTIONS
LAST TEN FISCAL YEARS**

Table 5

<u>DELINQUENT YEAR ASSESSMENTS</u>	<u>CURRENT ASSESSMENTS BILLED</u>	<u>TOTAL ASSESSMENTS BILLED</u>	<u>TOTAL ASSESSMENTS COLLECTED</u>	<u>RATIO OF ASSESSMENTS COLLECTED TO ASSESSMENTS BILLED</u>	<u>OUTSTANDING DELINQUENT ASSESSMENTS</u>
1993	\$29,292	\$139,847	\$169,139	76.78%	\$39,268
1994	29,309	133,566	162,875	80.78%	31,297
1995	33,648	131,875	165,523	80.83%	31,728
1996	34,667	122,158	156,825	83.42%	26,009
1997	15,070	139,067	154,137	89.77%	15,773
1998	18,224	120,639	138,863	86.36%	18,947
1999	21,222	127,460	148,682	88.88%	16,540
2000	19,073	122,480	141,553	85.27%	20,853
2001	15,899	6,695	22,594	66.38%	7,596
2002	3,781	4,674	8,455	63.22%	3,110

Source: Ross County Auditor

CITY OF CHILLICOTHE
RATIO OF NET GENERAL OBLIGATION BONDED DEBT TO ASSESSED VALUE
AND NET GENERAL OBLIGATION BONDED DEBT PER CAPITA
LAST TEN FISCAL YEARS

Table 6

YEAR	(1) POPULATION	(2) ASSESSED VALUE	GROSS BONDED DEBT	(3) LESS DEBT SERVICE FUNDS	(4) LESS SELF- SUPPORTING DEBT	NET BONDED DEBT	RATIO OF	
							NET BONDED DEBT TO ASSESSED VALUE	NET BONDED DEBT PER CAPITA
1993	22,176	\$330,304,745	\$25,130,000	\$34,746	\$20,750,000	\$4,345,254	1.316%	195.94
1994	22,176	337,865,209	24,600,000	24,388	20,435,000	4,140,612	1.226%	186.72
1995	22,176	343,671,190	23,595,000	35,440	19,660,000	3,899,560	1.135%	175.85
1996	22,176	374,180,430	22,555,000	46,262	18,855,000	3,653,738	0.976%	164.76
1997	22,176	390,777,190	21,475,000	58,131	18,020,000	3,396,869	0.869%	153.18
1998	22,726	390,008,940	20,355,000	70,396	17,150,000	3,134,604	0.804%	137.93
1999	22,726	433,488,212	19,740,000	78,705	16,240,000	3,421,295	0.789%	150.55
2000	22,041	440,474,360	18,500,000	92,536	15,290,000	3,117,464	0.708%	141.44
2001	22,041	442,704,980	17,305,000	99,783	14,410,000	2,795,217	0.631%	126.82
2002	21,796	466,120,950	16,060,000	104,236	13,490,000	2,465,764	0.529%	113.13

(1) Bureau of the Census/Ohio Valley Regional Development Commission

(2) From Table 4

(3) Amount available in debt service fund for repayment of general obligation bonds.

(4) Self-supporting debt represents bonded debt paid with enterprise.

**CITY OF CHILLICOTHE
COMPUTATION OF LEGAL DEBT MARGIN
DECEMBER 31, 2002**

Table 7

<hr/>	
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Total Of All City Debt Outstanding	\$19,604,242
Debt Exempt from Computation:	
Revenue Bonds Payable from Enterprise Fund Revenues	\$13,490,000
Notes Payable from Enterprise Fund Revenues	3,500,000
Loans Payable from Enterprise Fund Revenues	44,242
Total Exempt Debt	<u>17,034,242</u>
Net Indebtedness (Voted and Unvoted)	2,570,000
Less: Available funds in Debt Service Fund as of December 31, 2002	<u>104,236</u>
Total Net Indebtedness Subject to Direct Debt Limitation	<u><u>\$2,465,764</u></u>
Assessed Valuation of County (2002 collection year)	<u><u>\$466,120,950</u></u>
Direct Debt Limitation (10.5% of City Assessed Valuation)	\$48,942,700
Total Net Indebtedness Subject to 10.5% Debt Limitation	<u>2,465,764</u>
DIRECT DEBT MARGIN	<u><u>\$46,476,936</u></u>
Unvoted Debt Limitation (5.5% of City Assessed Valuation)	\$25,636,652
Total Net Indebtedness Subject to 5.5% Debt Limitation	<u>2,465,764</u>
UNVOTED DEBT MARGIN	<u><u>\$23,170,888</u></u>

Source: Chillicothe City Auditor

CITY OF CHILLICOTHE
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
(PER \$1,000 OF ASSESSED VALUE)
LAST TEN FISCAL YEARS

Table 8

YEAR	CITY OF CHILLICOTHE			ROSS COUNTY			CHILLICOTHE CITY SCHOOL DISTRICT			TOTAL
	OPERATING MILLAGE	DEBT SERVICE MILLAGE	TOTAL CITY MILLAGE	OPERATING MILLAGE	DEBT SERVICE MILLAGE	TOTAL COUNTY MILLAGE	OPERATING MILLAGE	DEBT SERVICE MILLAGE	TOTAL SCHOOL MILLAGE	
1993	3.20	0.00	3.20	9.40	0.00	9.40	37.10	1.10	38.20	54.60
1994	3.20	0.00	3.20	9.40	0.00	9.40	37.70	0.70	38.40	54.80
1995	3.20	0.00	3.20	9.40	0.00	9.40	37.70	0.70	38.40	54.80
1996	3.20	0.00	3.20	10.90	0.00	10.90	37.70	0.70	38.40	56.30
1997	3.20	0.00	3.20	9.40	0.00	9.40	37.70	0.40	38.10	54.50
1998	3.20	0.00	3.20	9.40	0.00	9.40	37.70	0.20	37.90	54.30
1999	3.20	0.00	3.20	9.40	0.00	9.40	37.70	0.10	37.80	54.20
2000	3.20	0.00	3.20	9.40	0.00	9.40	37.70	0.04	37.74	54.14
2001	3.20	0.00	3.20	9.40	0.00	9.40	37.70	0.00	37.70	54.10
2002	3.20	0.00	3.20	9.40	0.00	9.40	37.70	0.00	37.70	54.10

Source: Ross County Auditor

**CITY OF CHILLICOTHE
COMPUTATION OF DIRECT AND OVERLAPPING
NET GENERAL OBLIGATION BONDED DEBT
DECEMBER 31, 2002**

Table 9

POLITICAL SUBDIVISION	NET G.O. BONDED DEBT OUTSTANDING	PERCENTAGE APPLICABLE TO CITY	AMOUNT APPLICABLE TO CITY
Direct			

City of Chillicothe	\$2,465,764	100.00%	\$2,465,764
Overlapping			

Ross County	10,544,217	45.92%	4,841,904
Chillicothe City Schools	1,536,750	93.84%	1,442,086
Union-Scioto Local Schools	7,239,491	11.11%	804,307
Scioto-Valley Local Schools	6,724,588	8.84%	594,454
Pickaway-Ross Vocational School	495,000	27.43%	135,779
Springfield Township	67,003	4.38%	2,935
Zane Trace Local School	6,442,807	1.14%	73,448
			<hr/>
Sub-Total Overlapping Districts			7,894,913
			<hr/>
Grand Total			<u>\$10,360,677</u>

Source: Chillicothe City Auditor/Ross County Auditor

NOTE: Net General Obligation Bonded Debt includes General Obligation Bonds Payable less self-supporting Enterprise Debt and amounts available in Debt Service Funds.

**CITY OF CHILLICOTHE
RATIO OF ANNUAL DEBT SERVICE EXPENDITURES
FOR GENERAL OBLIGATION BONDED DEBT (1)
TO TOTAL GENERAL GOVERNMENTAL EXPENDITURES
LAST TEN FISCAL YEARS**

Table 10

YEAR	PRINCIPAL	INTEREST	TOTAL DEBT SERVICES	(2) TOTAL GENERAL GOVERNMENT EXPENDITURES	RATIO OF DEBT SERVICE TO GENERAL GOVERNMENTAL EXPENDITURES
1993	\$210,000	\$242,052	\$452,052	\$14,395,209	3.14%
1994	215,000	235,752	450,752	15,713,331	2.87%
1995	230,000	227,797	457,797	16,664,473	2.75%
1996	235,000	218,369	453,369	16,815,183	2.70%
1997	245,000	207,793	452,793	16,839,716	2.69%
1998	250,000	196,155	446,155	17,516,038	2.55%
1999	280,000	198,684	478,684	18,855,380	2.54%
2000	290,000	199,434	489,434	19,350,625	2.53%
2001	315,000	184,194	499,194	19,340,968	2.58%
2002	325,000	167,379	492,379	23,434,739	2.10%

Source: Chillicothe City Auditor

(1) General obligation bonded debt represents the commitment of governmental resources only. Enterprise debt is not included.

(2) Includes general, special revenue, debt service, capital project and permanent funds...See Table 1.

**CITY OF CHILLICOTHE
DEMOGRAPHIC STATISTICS AND
AVERAGE UNEMPLOYMENT RATES
LAST TEN FISCAL YEARS**

Table 11

<u>YEAR</u>	<u>(1) POPULATION</u>	<u>(1) PER CAPITA INCOME</u>	<u>(1) MEDIAN AGE</u>	<u>(2) SCHOOL ENROLLMENT</u>	<u>(3) ROSS COUNTY UNEMPLOYMENT</u>	<u>(3) STATE OF OHIO UNEMPLOYMENT</u>	<u>(3) UNITED STATES UNEMPLOYMENT</u>
1993	22,176	\$12,529	37.2	4,964	7.7%	6.6%	6.8%
1994	22,176	12,529	37.2	4,018	6.5%	5.5%	6.1%
1995	22,176	12,529	37.2	4,005	5.8%	4.8%	5.6%
1996	22,176	12,529	37.2	4,256	6.1%	4.9%	5.4%
1997	22,176	12,529	37.2	4,091	5.8%	4.5%	4.9%
1998	22,726	12,529	37.2	4,120	4.9%	3.9%	4.5%
1999	22,726	12,529	37.2	4,280	4.4%	4.0%	4.1%
2000	22,041	12,529	37.2	4,230	5.7%	3.9%	4.0%
2001	22,041	12,529	40.0	4,017	6.4%	5.3%	5.5%
2002	21,796	19,101	40.0	3,841	6.2%	5.7%	5.8%

Data Sources:

- (1) Bureau of the Census/Ohio Valley Regional Development Commission
- (2) Chillicothe Board of Education/Bishop Flaget Parochial School Office/Landmark Christian Academy
- (3) Ohio Bureau of Employment Services, Labor Market Information Division

**CITY OF CHILLICOTHE
PROPERTY VALUE, CONSTRUCTION AND BANK DEPOSITS
LAST TEN FISCAL YEARS**

Table 12

YEAR	REAL PROPERTY VALUE (1)			NEW CONSTRUCTION (2)			(3) BANK DEPOSITS	
	COMMERCIAL/ INDUSTRIAL	AGRICULTURAL/ RESIDENTIAL	EXEMPTIONS TOTAL	COMMERCIAL/ INDUSTRIAL CONSTRUCTION	AGRICULTURAL/ RESIDENTIAL CONSTRUCTION	TOTAL		
1993	\$211,331,400	\$340,375,057	\$99,508,771	\$651,215,228	\$2,984,029	\$3,824,686	\$6,808,715	\$86,826,000
1994	211,366,914	344,009,257	100,055,200	655,431,371	2,266,286	3,491,514	5,757,800	85,580,000
1995	212,664,800	347,142,114	100,219,514	660,026,428	1,316,000	2,986,771	4,302,771	86,555,000
1996	229,934,086	419,949,628	122,777,857	772,661,571	3,102,600	7,708,029	10,810,629	86,441,000
1997	238,616,029	425,866,057	124,078,000	788,560,086	8,781,429	5,657,943	14,439,372	87,351,000
1998	248,676,257	431,777,200	124,876,257	805,329,714	8,558,000	4,733,571	13,291,571	92,107,000
1999	276,558,543	506,161,971	126,838,342	909,558,856	7,365,457	5,895,829	13,261,286	90,807,000
2000	276,887,200	514,677,314	130,149,400	921,713,914	3,623,886	7,827,771	11,451,657	86,959,000
2001	279,956,714	524,948,143	131,717,886	936,622,743	4,139,514	5,664,542	9,804,056	99,668,000
2002	309,259,086	599,073,200	147,701,771	1,056,034,057	2,812,742	5,379,371	8,192,113	109,916,000

(1) Estimated actual real property value from Table 4

(2) Source: Ross County Auditor

(3) Source: Federal Reserve Bank of Cleveland

**CITY OF CHILLICOTHE
PRINCIPAL REAL & PERSONAL PROPERTY TAXPAYERS
DECEMBER 31, 2002**

Table 13

Taxpayers	Type	Real Estate Assessed Valuation	Tangible Personal Property Assessed Valuation	Total Assessed Valuation	Percentage of Total Assessed Valuation
Mead Corporation	Paper Manufacturer	\$26,496,780	\$86,071,680	\$112,568,460	24.15%
American Electric Power	Electric Utility	603,290	9,755,650	10,358,940	2.22%
Chillicothe Telephone	Telephone/Communications	1,886,820	5,498,180	7,385,000	1.58%
PPG Industries, Inc.	Distribution Center	2,810,420	2,416,260	5,226,680	1.12%
Horizon Telecom, Inc.	Telephone/Communications	115,500	4,156,960	4,272,460	0.92%
DDR Ohio Opportunity II LLC	Shopping Center	3,389,440	0	3,389,440	0.73%
Chillicothe Mall	Shopping Center	3,312,040	0	3,312,040	0.71%
Central Center LTD.	Shopping Center	2,668,370	7,950	2,676,320	0.57%
Real Estate Finance Trust	Shopping Center	2,259,030	0	2,259,030	0.48%
BLC Corporation	Leasing Company	0	1,828,850	1,828,850	0.39%
Total Top Ten Taxpayers		43,541,690	109,735,530	153,277,220	32.88%
All Others		274,374,610	38,469,120	312,843,730	67.12%
TOTAL		<u>\$317,916,300</u>	<u>\$148,204,650</u>	<u>\$466,120,950</u>	100.00%

Source: Ross County Auditor

**CITY OF CHILLICOTHE
ENTERPRISE REVENUE BOND COVERAGE
DECEMBER 31, 2002**

Table 14

YEAR	(1) GROSS REVENUE	EXPENSES, NET OF DEPRECIATION AND INTEREST	NET REVENUE AVAILABLE FOR DEBT SERVICE	DEBT SERVICE REQUIREMENTS			COVERAGE
				PRINCIPAL	INTEREST	TOTAL	
<u>Water Fund Bond Coverage:</u>							
1993	\$3,329,136	\$1,488,750	\$1,840,386	\$275,000	\$926,411	\$1,201,411	1.53
1994	3,556,682	1,788,891	1,767,791	520,000	870,413	1,390,413	1.27
1995	3,810,203	1,511,105	2,299,098	535,000	856,113	1,391,113	1.65
1996	3,807,968	1,473,090	2,334,878	555,000	836,043	1,391,043	1.68
1997	3,878,223	2,275,750	1,602,473	575,000	816,020	1,391,020	1.15
1998	3,821,755	2,502,620	1,319,135	600,000	792,158	1,392,158	0.95
1999	3,844,349	2,370,428	1,473,921	625,000	766,658	1,391,658	1.06
2000	3,967,096	2,432,293	1,534,803	655,000	738,845	1,393,845	1.10
2001	4,019,211	2,511,184	1,508,027	685,000	708,715	1,393,715	1.08
2002	4,261,581	2,580,987	1,680,594	715,000	676,520	1,391,520	1.21
<u>Sewer Fund Bond Coverage:</u>							
1993	\$1,887,735	\$1,240,203	\$647,532	\$95,000	\$198,163	\$293,163	2.21
1994	2,157,209	1,543,815	613,394	155,000	127,155	282,155	2.17
1995	2,304,071	1,401,121	902,950	160,000	122,915	282,915	3.19
1996	2,343,746	1,315,080	1,028,666	165,000	117,406	282,406	3.64
1997	2,389,270	1,972,097	417,173	170,000	112,348	282,348	1.48
1998	2,453,774	2,032,993	420,781	175,000	106,398	281,398	1.50
1999	2,494,278	1,704,291	789,987	180,000	99,835	279,835	2.82
2000	2,526,320	1,749,893	776,427	185,000	92,815	277,815	2.79
2001	2,678,013	1,992,229	685,784	195,000	85,415	280,415	2.45
2002	2,906,583	2,039,687	866,896	205,000	77,323	282,323	3.07

Source: Chillicothe City Auditor

(1) Gross revenue includes operating revenue and interest income.

TABLE 15

FUND CASH SUMMARY REPORT LAST TEN FISCAL YEARS

The information presented in the following table for each individual fund is strictly on the cash basis. Various funds reflected in this report are treated as individual funds for cash basis accounting (internally) however, for different reasons have been adjusted/combined into other funds for financial reporting on the budget and GAAP basis. Therefore, the amounts reflected in this report will not necessarily agree nor are they intended to agree with the various other statements or schedules contained in this comprehensive annual financial report.

Source: Chillicothe City Auditor

CITY OF CHILLICOTHE
FUND CASH SUMMARY REPORT
LAST TEN FISCAL YEARS

TABLE 15

	1993	1994	1995	1996	1997
BROUGHT FORWARD					
BAL-GENERAL FUND	\$1,927,712	\$1,446,508	\$1,810,374	\$2,122,965	\$1,345,229
TOTAL REVENUE	11,003,135	12,224,582	13,474,252	\$13,430,671	\$13,443,456
EXPENSES					
POLICE	2,862,932	2,908,376	3,152,311	3,373,095	3,237,519
FIRE	2,445,157	2,497,927	2,549,076	2,763,312	2,641,944
CIVIL DEFENSE	5,000	5,000	6,350	6,350	6,350
HUMANE OFFICER	8,389	8,470	8,601	9,181	8,335
CROSSING GUARDS	98,726	102,000	105,516	106,825	107,192
SWIMMING POOL	100,593	76,501	97,447	102,807	112,847
PLANNING	121	149	138	137	142
DESIGN AND REVIEW	613	232	9	47	82
REFUSE COLLECTION	338,021	404,656	331,967	345,106	384,502
REFUSE DISPOSAL	370,190	348,037	335,252	400,258	361,947
STREETS & SIDEWALKS	192,231	186,631	195,208	344,118	185,915
MAYOR	335,466	364,678	409,855	434,382	419,747
MAYOR SPECIAL PROGRAMS	13,696	12,534	34,117	10,749	8,530
ECONOMIC DEVELOPMENT	27,052	19,525	24,545	29,331	25,202
CITY COUNCIL	102,110	103,544	114,262	116,179	112,322
TREASURER	41,857	43,578	46,968	48,356	52,766
INCOME TAX	113,055	122,298	131,642	133,058	190,200
PUBLIC LANDS & BLDGS	185,229	153,788	144,214	151,956	171,457
LAW DIRECTOR	254,638	276,943	281,264	294,177	320,673
AUDITOR	294,719	303,916	331,833	344,110	389,689
MUNICIPAL COURT	797,381	828,795	957,411	988,252	1,057,556
CIVIL SERVICE	45,179	43,766	52,948	57,011	61,047
SERVICE ADMINISTRATION	112,301	123,518	127,072	126,988	139,679
SERVICE MECHANIC	46,436	60,809	39,076	41,843	39,254
ENGINEERING	562,987	460,169	429,041	431,104	440,914
RCI	6,622	10,373	7,196	7,731	7,926
CODE ENFORCEMENT	10,871	7,947	9,916	9,449	10,425
GENERAL FUND TRANSFERS	1,225,030	1,463,784	1,590,014	2,032,255	2,129,945
MISCELLANEOUS	414,529	486,899	637,075	492,328	534,547
SAFETY LEVY OTHER	0	0	152,184	0	0
SAFETY LEVY CAPITAL	252,490	337,435	531,035	331,766	0
LANDFILL CLOSURE	37,380	74,656	137,022	24,115	0
POLICE-DARE PROGRAM	6,226	7,433	0	0	0
MUNICIPAL COURT-BLDG FUND	0	0	0	0	0
MUNICIPAL COURT-COMPUTER:	177,110	16,347	191,096	102,637	28,297
TOTAL EXPENSES	11,484,338	11,860,716	13,161,662	13,659,014	13,186,951
GENERAL FUND BALANCE	\$1,446,508	\$1,810,374	\$2,122,965	\$1,894,622	\$1,601,735

CITY OF CHILLICOTHE
FUND CASH SUMMARY REPORT
LAST TEN FISCAL YEARS

TABLE 15

	1998	1999	2000	2001	2002
BROUGHT FORWARD BAL-GENERAL FUND	\$1,601,735	\$2,719,324	\$3,180,954	\$3,145,839	\$3,301,563
TOTAL REVENUE	\$14,628,482	\$14,937,975	\$15,536,481	\$15,652,519	\$15,078,599
EXPENSES					
POLICE	3,506,078	3,524,319	3,889,302	3,976,939	4,177,283
FIRE	2,787,036	3,142,210	3,669,934	3,750,956	3,916,318
CIVIL DEFENSE	6,350	6,350	6,350	6,350	6,350
HUMANE OFFICER	13,259	8,416	8,446	8,613	8,638
CROSSING GUARDS	97,802	66,752	67,665	62,335	62,624
SWIMMING POOL	102,633	106,366	112,096	98,344	108,882
PLANNING	129	47	233	239	387
DESIGN AND REVIEW	24	2	12	0	5
REFUSE COLLECTION	490,024	631,922	616,872	601,456	585,445
REFUSE DISPOSAL	340,137	327,805	360,412	355,426	342,514
STREETS & SIDEWALKS	187,793	187,070	192,383	184,293	168,919
MAYOR	444,907	447,564	439,743	475,671	495,021
MAYOR SPECIAL PROGRAMS	25,060	23,663	26,750	28,884	28,236
ECONOMIC DEVELOPMENT	18,072	15,799	11,797	11,021	16,402
CITY COUNCIL	121,539	124,907	128,493	143,771	172,061
TREASURER	51,074	53,990	55,879	62,358	66,039
INCOME TAX	141,746	148,143	142,355	154,141	164,447
PUBLIC LANDS & BLDGS	233,544	207,425	157,898	226,502	196,500
LAW DIRECTOR	338,826	360,300	366,592	420,162	465,827
AUDITOR	352,391	368,883	386,202	406,090	431,977
MUNICIPAL COURT	1,095,544	1,171,271	1,235,190	1,329,027	1,409,561
CIVIL SERVICE	57,241	63,349	69,266	72,337	70,065
SERVICE ADMINISTRATION	137,473	163,669	179,385	193,774	174,339
SERVICE MECHANIC	48,568	44,307	44,580	47,498	49,792
ENGINEERING	432,986	456,001	519,879	594,663	601,822
RCI	9,466	9,237	12,306	10,630	10,361
CODE ENFORCEMENT	17,815	18,430	12,329	11,491	16,474
GENERAL FUND TRANSFERS	1,693,637	1,915,000	2,020,000	1,499,581	1,636,875
MISCELLANEOUS	646,919	698,831	584,354	615,946	669,999
SAFETY LEVY OTHER	0	0	0	0	0
SAFETY LEVY CAPITAL	0	0	0	0	0
LANDFILL CLOSURE	0	0	0	0	0
POLICE-DARE PROGRAM	0	0	0	0	0
MUNICIPAL COURT-BLDG FUND	0	798	133,089	8,500	0
MUNICIPAL COURT-COMPUTER:	112,818	183,519	121,806	139,797	128,787
TOTAL EXPENSES	13,510,893	14,476,344	15,571,596	15,496,795	16,181,950
GENERAL FUND BALANCE	\$2,719,324	\$3,180,954	\$3,145,839	\$3,301,563	\$2,198,212

CITY OF CHILLICOTHE
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TABLE 15

	1993	1994	1995	1996	1997
<hr/>					
BROUGHT FORWARD BAL-POLICE DARE PROGRAM	\$0	\$0	\$0	\$0	\$14
TOTAL REVENUE	0	0	0	0	0
TOTAL EXPENSES	0	0	0	0	0
<hr/>					
POLICE-DARE BALANCE	\$0	\$0	\$0	\$0	\$14
BROUGHT FORWARD BAL-STREET CONSTRUCTION	\$40,943	\$202,284	\$130,346	\$123,380	\$215,860
TOTAL REVENUE	1,125,380	1,274,634	1,213,493	1,582,997	1,281,113
EXPENSES					
<hr/>					
ST CONST-MAINTENANCE	926,224	1,273,671	1,164,361	1,386,402	1,181,994
ST CONST-SNOW REMOVAL	17,685	53,375	25,478	81,545	19,217
ST CONST-SIGNS & PAINT	20,131	19,525	19,621	22,569	23,524
ST CONST-TRANSFERS	0	0	11,000	0	0
<hr/>					
TOTAL EXPENSES	964,039	1,346,571	1,220,460	1,490,516	1,224,736
<hr/>					
STREET CONST BALANCE	\$202,284	\$130,346	\$123,380	\$215,860	\$272,237
BROUGHT FORWARD BAL-STATE HIGHWAY	\$63,239	\$93,407	\$13,382	\$24,791	\$14,848
TOTAL REVENUE	149,737	58,909	133,923	162,529	140,984
EXPENSES					
<hr/>					
ST HIGH-SNOW REMOVAL	6,088	23,911	0	0	0
ST HIGH-SIGNS & PAINT	113,482	115,024	122,513	123,472	124,287
ST HIGH-TRANSFERS	0	0	0	49,000	0
<hr/>					
TOTAL EXPENSES	119,570	138,934	122,513	172,472	124,287
<hr/>					
STATE HIGHWAY BALANCE	\$93,407	\$13,382	\$24,791	\$14,848	\$31,544
BROUGHT FORWARD BALANCE-PARKS	\$10,872	\$17,910	\$21,236	\$36,128	\$10,152
TOTAL REVENUE	194,146	197,787	226,319	211,141	263,970
TOTAL EXPENSES	187,108	194,461	211,427	237,117	229,495
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PARKS BALANCE	\$17,910	\$21,236	\$36,128	\$10,152	\$44,627

CITY OF CHILLICOTHE
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TABLE 15

	1998	1999	2000	2001	2002
BROUGHT FORWARD					
BAL-POLICE DARE PROGRAM	\$14	\$14	\$14	\$0	\$0
TOTAL REVENUE	0	0	0	0	0
TOTAL EXPENSES	0	0	14	0	0
<hr/>					
POLICE-DARE BALANCE	\$14	\$14	\$0	\$0	\$0
BROUGHT FORWARD					
BAL-STREET CONSTRUCTION	\$272,237	\$190,050	\$727,949	\$386,546	\$250,543
TOTAL REVENUE	1,162,119	1,515,679	1,543,215	1,114,044	1,277,462
EXPENSES					
<hr/>					
ST CONST-MAINTENANCE	1,144,838	922,820	1,824,178	1,186,534	1,298,764
ST CONST-SNOW REMOVAL	22,204	23,455	21,212	23,171	24,566
ST CONST-SIGNS & PAINT	77,264	31,506	39,228	40,342	36,381
ST CONST-TRANSFERS	0	0	0	0	0
<hr/>					
TOTAL EXPENSES	1,244,306	977,780	1,884,618	1,250,047	1,359,711
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STREET CONST BALANCE	\$190,050	\$727,949	\$386,546	\$250,543	\$168,294
BROUGHT FORWARD					
BAL-STATE HIGHWAY	\$31,544	\$8,898	\$20,218	\$21,970	\$20,716
TOTAL REVENUE	106,826	153,465	143,531	144,086	153,173
EXPENSES					
<hr/>					
ST HIGH-SNOW REMOVAL	0	0	0	0	0
ST HIGH-SIGNS & PAINT	129,472	142,145	141,779	145,339	162,373
ST HIGH-TRANSFERS	0	0	0	0	0
<hr/>					
TOTAL EXPENSES	129,472	142,145	141,779	145,339	162,373
<hr/>					
STATE HIGHWAY BALANCE	\$8,898	\$20,218	\$21,970	\$20,716	\$11,516
BROUGHT FORWARD					
BALANCE-PARKS	\$44,627	\$9,932	\$38,351	\$53,600	\$62,860
TOTAL REVENUE	216,411	289,971	281,378	267,998	255,300
TOTAL EXPENSES	251,106	261,552	266,128	258,739	289,209
<hr/>					
PARKS BALANCE	\$9,932	\$38,351	\$53,600	\$62,860	\$28,951

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	1993	1994	1995	1996	1997
BROUGHT FORWARD BALANCE-RECREATION	\$23,559	\$61,411	\$126,923	\$142,804	\$41,357
TOTAL REVENUE	264,597	333,190	297,251	156,748	341,156
TOTAL EXPENSES	<u>226,745</u>	<u>267,678</u>	<u>281,370</u>	<u>258,195</u>	<u>282,911</u>
RECREATION BALANCE	\$61,411	\$126,923	\$142,804	\$41,357	\$99,602
 BROUGHT FORWARD BALANCE-HUD	 \$1,016	 \$3,703	 \$41,648	 \$52,642	 \$21,150
TOTAL REVENUE	377,852	990,861	634,709	690,147	609,436
TOTAL EXPENSES	<u>375,165</u>	<u>952,917</u>	<u>623,714</u>	<u>721,640</u>	<u>517,777</u>
HUD BALANCE	\$3,703	\$41,648	\$52,642	\$21,150	\$112,808
 BROUGHT FORWARD BALANCE STATE GRANT	 \$0	 \$0	 \$0	 \$0	 \$0
TOTAL REVENUE	0	0	0	0	50,563
TOTAL EXPENSES	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>30000</u>
STATE GRANT BALANCE	\$0	\$0	\$0	\$0	\$20,563
 BROUGHT FORWARD BALANCE-FLOODWALL	 \$57,491	 \$54,795	 \$95,148	 \$118,027	 \$95,851
TOTAL REVENUE	5,000	50,000	35,000	40,752	10,000
TOTAL EXPENSES	<u>7,696</u>	<u>9,647</u>	<u>12,121</u>	<u>62,928</u>	<u>7,086</u>
FLOODWALL BALANCE	\$54,795	\$95,148	\$118,027	\$95,851	\$98,764
 BROUGHT FORWARD BALANCE-STREET RESTORATIC	 \$3,947	 \$3,722	 \$4,378	 \$6,606	 \$6,135
TOTAL REVENUE	930	2,126	6,993	2,175	940
TOTAL EXPENSES	<u>1,155</u>	<u>1,470</u>	<u>4,765</u>	<u>2,646</u>	<u>340</u>
STREET RESTOR BALANCE	\$3,722	\$4,378	\$6,606	\$6,135	\$6,735

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	1998	1999	2000	2001	2002
BROUGHT FORWARD BALANCE-RECREATION	\$99,602	\$9,956	\$50,519	\$39,903	\$43,293
TOTAL REVENUE	207,654	362,574	332,313	377,926	403,714
TOTAL EXPENSES	<u>297,299</u>	<u>322,011</u>	<u>342,930</u>	<u>374,536</u>	<u>381,648</u>
RECREATION BALANCE	\$9,956	\$50,519	\$39,903	\$43,293	\$65,359
BROUGHT FORWARD BALANCE-HUD	\$112,808	\$93,963	\$69,016	\$78,802	\$50,347
TOTAL REVENUE	313,809	202,385	519,704	373,052	833,621
TOTAL EXPENSES	<u>332,654</u>	<u>227,332</u>	<u>509,918</u>	<u>401,507</u>	<u>491,291</u>
HUD BALANCE	\$93,963	\$69,016	\$78,802	\$50,347	\$392,677
BROUGHT FORWARD BALANCE STATE GRANT	\$20,563	\$18,046	\$30,585	\$34,940	\$25,393
TOTAL REVENUE	48,046	92,079	75,527	46,767	46,345
TOTAL EXPENSES	<u>50,563</u>	<u>79,540</u>	<u>71,172</u>	<u>56,313</u>	<u>42,215</u>
STATE GRANT BALANCE	\$18,046	\$30,585	\$34,940	\$25,393	\$29,523
BROUGHT FORWARD BALANCE-FLOODWALL	\$98,764	\$98,320	\$102,891	\$127,078	\$109,371
TOTAL REVENUE	18,500	16,000	40,000	40,000	40,000
TOTAL EXPENSES	<u>18,945</u>	<u>11,429</u>	<u>15,813</u>	<u>57,707</u>	<u>34,472</u>
FLOODWALL BALANCE	\$98,320	\$102,891	\$127,078	\$109,371	\$114,899
BROUGHT FORWARD BALANCE-STREET RESTORATIC	\$6,735	\$6,946	\$6,946	\$6,886	\$6,886
TOTAL REVENUE	1,373	0	250	0	0
TOTAL EXPENSES	<u>1,161</u>	<u>0</u>	<u>310</u>	<u>0</u>	<u>0</u>
STREET RESTOR BALANCE	\$6,946	\$6,946	\$6,886	\$6,886	\$6,886

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	1993	1994	1995	1996	1997
BROUGHT FORWARD BALANCE-FEMA	\$0	\$0	\$0	\$0	\$0
TOTAL REVENUE	0	0	0	0	17,131
TOTAL EXPENSES	0	0	0	0	17,131
FEMA BALANCE	\$0	\$0	\$0	\$0	\$0
BROUGHT FORWARD BALANCE-CABLEVISION	\$4,920	\$4,920	\$4,733	\$1,203	\$873
TOTAL REVENUE	0	0	580	0	1,200
TOTAL EXPENSES	0	187	4,110	330	1,530
CABLEVISION BALANCE	\$4,920	\$4,733	\$1,203	\$873	\$543
BROUGHT FORWARD BALANCE-FIRE HAZARD	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
TOTAL REVENUE	0	0	0	0	0
TOTAL EXPENSES	0	0	0	0	0
FIRE HAZARD BALANCE	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
BROUGHT FORWARD BAL-LITTER	\$31,525	\$75,390	\$12,567	\$27,627	\$42,498
TOTAL REVENUE	248,905	179,026	241,559	223,940	215,451
EXPENSES					
LITTER	39,729	52,832	52,331	46,323	45,436
LITTER T SHIRT	58	172	7	0	0
LITTER KAB	0	0	0	0	0
RECYCLES PROGRAM	165,253	188,845	174,161	162,747	178,389
TOTAL EXPENSES	205,040	241,849	226,499	209,070	223,826
LITTER BALANCE	\$75,390	\$12,567	\$27,627	\$42,498	\$34,123

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	1998	1999	2000	2001	2002
BROUGHT FORWARD BALANCE-FEMA	\$0	\$0	\$0	\$0	\$0
TOTAL REVENUE	5,491	0	0	0	0
TOTAL EXPENSES	5,491	0	0	0	0
FEMA BALANCE	\$0	\$0	\$0	\$0	\$0
BROUGHT FORWARD BALANCE-CABLEVISION	\$543	\$1,863	\$5,765	\$5,765	\$5,765
TOTAL REVENUE	1,500	4,818	0	0	0
TOTAL EXPENSES	180	916	0	0	0
CABLEVISION BALANCE	\$1,863	\$5,765	\$5,765	\$5,765	\$5,765
BROUGHT FORWARD BALANCE-FIRE HAZARD	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
TOTAL REVENUE	0	0	0	0	0
TOTAL EXPENSES	0	0	0	0	0
FIRE HAZARD BALANCE	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
BROUGHT FORWARD BAL-LITTER	\$34,123	\$0	\$0	\$0	\$0
TOTAL REVENUE	63,525	0	0	0	0
EXPENSES					
LITTER	10,255	0	0	0	0
LITTER T SHIRT	0	0	0	0	0
LITTER KAB	0	0	0	0	0
RECYCLES PROGRAM	87,393	0	0	0	0
TOTAL EXPENSES	97,648	0	0	0	0
LITTER BALANCE	\$0	\$0	\$0	\$0	\$0

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	1993	1994	1995	1996	1997
BROUGHT FORWARD					
BALANCE-UNALL INCOME TAX	\$263,882	\$329,440	\$429,434	\$332,285	\$522,706
TOTAL REVENUE	329,440	429,434	284,851	490,420	400,021
TOTAL EXPENSES	263,882	329,440	382,000	300,000	510,000
UNALL INCOME TAX BALANCE	\$329,440	\$429,434	\$332,285	\$522,706	\$412,727
BROUGHT FORWARD					
BALANCE-INCOME TAX REF	\$9,731	\$52,416	\$18,228	\$25,566	\$9,715
TOTAL REVENUE	175,000	150,000	150,000	160,000	255,000
TOTAL EXPENSES	132,315	184,188	142,661	175,851	249,676
INCOME TAX REF BALANCE	\$52,416	\$18,228	\$25,566	\$9,715	\$15,038
BROUGHT FORWARD					
BAL-LAW ENFORCE TRUST FUN	\$4,447	\$447	\$6,199	\$9,668	\$1,647
TOTAL REVENUE	0	9,524	5,097	70	513
TOTAL EXPENSES	4,000	3,772	1,628	8,091	2,160
LAW ENFORCE TRUST FUND BALANCE	\$447	\$6,199	\$9,668	\$1,647	\$0
BROUGHT FORWARD					
BAL-INDIG DRIV ALCOHOL TREA	\$21,607	\$22,307	\$34,493	\$41,406	\$43,775
TOTAL REVENUE	11,107	21,481	20,933	20,369	17,236
TOTAL EXPENSES	10,408	9,294	14,021	18,000	12,500
INDIG DRIV ALCOHOL TREAT BALANCE	\$22,307	\$34,493	\$41,406	\$43,775	\$48,510
BROUGHT FORWARD					
BAL-OMVI EDUCA/ENFORCE	\$5,862	\$8,461	\$11,410	\$13,702	\$10,158
TOTAL REVENUE	2,599	2,949	2,292	2,220	4,382
TOTAL EXPENSES	0	0	0	5,764	2,915
OMVI EDUCA/ENFORCE BALANCE	\$8,461	\$11,410	\$13,702	\$10,158	\$11,625

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	1998	1999	2000	2001	2002
BROUGHT FORWARD					
BALANCE-UNALL INCOME TAX	\$412,727	\$965,521	\$608,212	\$158,212	\$158,212
TOTAL REVENUE	952,794	542,691	0	0	227,644
TOTAL EXPENSES	400,000	900,000	450,000	0	0
UNALL INCOME TAX BALANCE	\$965,521	\$608,212	\$158,212	\$158,212	\$385,856
BROUGHT FORWARD					
BALANCE-INCOME TAX REF	\$15,038	\$32,055	\$40,316	\$15,368	\$20,865
TOTAL REVENUE	250,000	250,000	250,000	300,000	345,000
TOTAL EXPENSES	232,983	241,739	274,948	294,503	362,035
INCOME TAX REF BALANCE	\$32,055	\$40,316	\$15,368	\$20,865	\$3,830
BROUGHT FORWARD					
BAL-LAW ENFORCE TRUST FUN	\$0	\$2,082	\$5,945	\$8,476	\$42,597
TOTAL REVENUE	2,082	3,862	13,215	39,456	74
TOTAL EXPENSES	0	0	10,684	5,335	1,011
LAW ENFORCE TRUST FUND BALANCE	\$2,082	\$5,945	\$8,476	\$42,597	\$41,660
BROUGHT FORWARD					
BAL-INDIG DRIV ALCOHOL TREA	\$48,510	\$53,099	\$66,911	\$83,619	\$95,794
TOTAL REVENUE	16,589	18,313	19,708	19,795	19,116
TOTAL EXPENSES	12,000	4,500	3,000	7,620	1,500
INDIG DRIV ALCOHOL TREAT BALANCE	\$53,099	\$66,911	\$83,619	\$95,794	\$113,410
BROUGHT FORWARD					
BAL-OMVI EDUCA/ENFORCE	\$11,625	\$11,989	\$17,468	\$21,040	\$20,184
TOTAL REVENUE	3,677	5,479	3,572	4,144	3,990
TOTAL EXPENSES	3,314	0	0	5,000	2,500
OMVI EDUCA/ENFORCE BALANCE	\$11,989	\$17,468	\$21,040	\$20,184	\$21,674

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	1993	1994	1995	1996	1997
BROUGHT FORWARD BAL-MANDATORY DRUG FINES	\$0	\$2,800	\$4,861	\$7,167	\$9,047
TOTAL REVENUE	2,800	2,061	2,306	1,880	3,151
TOTAL EXPENSES	0	0	0	0	0
MANDATORY DRUG FINES BALANCE	\$2,800	\$4,861	\$7,167	\$9,047	\$12,197
BROUGHT FORWARD BAL-TRAFFIC CONT-ON STREET	\$40,619	\$35,821	\$19,906	\$11,607	\$22,316
TOTAL REVENUE	123,900	115,527	125,485	147,470	134,041
EXPENSES					
TR CONT-ON ST-SIGNALS	93,576	94,384	99,696	103,217	105,785
TR CONT-ON ST-METERS	35,123	37,058	34,089	33,543	34,604
TR CONT-ON ST-TRANSFERS	0	0	0	0	0
TOTAL EXPENSES	128,699	131,442	133,785	136,761	140,389
TRAFFIC CONT-ON ST-BALANC	\$35,821	\$19,906	\$11,607	\$22,316	\$15,969
BROUGHT FORWARD BAL-TRAFFIC CONT-OFF STREE	\$10,604	\$9,101	\$6,055	\$11,337	\$3
TOTAL REVENUE	7,497	5,955	5,282	3,666	3,153
TOTAL EXPENSES	9,000	9,000	0	15,000	0
TRAFFIC CONT-OFF-BALANCE	\$9,101	\$6,055	\$11,337	\$3	\$3,156
BROUGHT FORWARD BALANCE-PARKING FACILITY	\$6,143	\$5,364	\$15,013	\$18,361	\$3,619
TOTAL REVENUE	4,221	9,649	3,347	2,258	2,499
TOTAL EXPENSES	5,000	0	0	17,000	0
PARKING FACILITY BALANCE	\$5,364	\$15,013	\$18,361	\$3,619	\$6,118

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	1998	1999	2000	2001	2002
BROUGHT FORWARD BAL-MANDATORY DRUG FINES	\$12,197	\$14,733	\$19,862	\$23,001	\$26,986
TOTAL REVENUE	2,965	5,129	3,833	3,985	4,687
TOTAL EXPENSES	429	0	694	0	310
MANDATORY DRUG FINES BALANCE	\$14,733	\$19,862	\$23,001	\$26,986	\$31,363
BROUGHT FORWARD BAL-TRAFFIC CONT-ON STREET	\$15,969	\$14,635	\$30,265	\$90,374	\$81,425
TOTAL REVENUE	142,412	176,076	225,675	207,354	185,196
EXPENSES					
TR CONT-ON ST-SIGNALS	107,531	122,763	122,811	154,199	153,650
TR CONT-ON ST-METERS	36,216	37,681	42,755	62,104	45,339
TR CONT-ON ST-TRANSFERS	0	0	0	0	0
TOTAL EXPENSES	143,746	160,445	165,566	216,302	198,989
TRAFFIC CONT-ON ST-BALANC	\$14,635	\$30,265	\$90,374	\$81,425	\$67,632
BROUGHT FORWARD BAL-TRAFFIC CONT-OFF STREE	\$3,156	\$5,297	\$8,248	\$10,263	\$5,386
TOTAL REVENUE	2,140	2,951	2,015	5,123	8,237
TOTAL EXPENSES	0	0	0	10,000	5,000
TRAFFIC CONT-OFF-BALANCE	\$5,297	\$8,248	\$10,263	\$5,386	\$8,623
BROUGHT FORWARD BALANCE-PARKING FACILITY	\$6,118	\$7,698	\$9,470	\$10,631	\$4,448
TOTAL REVENUE	1,580	1,772	1,160	3,817	6,038
TOTAL EXPENSES	0	0	0	10,000	4,000
PARKING FACILITY BALANCE	\$7,698	\$9,470	\$10,631	\$4,448	\$6,486

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	1993	1994	1995	1996	1997
BROUGHT FORWARD BALANCE-BUS	\$793,148	\$684,781	\$558,128	\$468,915	\$410,314
TOTAL REVENUE	936,583	1,147,791	1,237,896	1,140,041	1,119,488
TOTAL EXPENSES	1,044,950	1,274,444	1,327,109	1,198,642	1,386,568
BUS BALANCE	\$684,781	\$558,128	\$468,915	\$410,314	\$143,234
BROUGHT FORWARD BAL-POLICE PENSION FUND	\$93,720	\$13,176	\$6,387	\$3,048	\$28,023
TOTAL REVENUE	251,300	337,322	364,025	412,309	367,179
TOTAL EXPENSES	331,845	344,111	367,365	387,334	393,953
POLICE PENSION FUND BAL	\$13,176	\$6,387	\$3,048	\$28,023	\$1,248
BROUGHT FORWARD BALANCE-FIRE PENSION FUND	\$81,690	\$1,274	\$6,658	\$9,149	\$10,581
TOTAL REVENUE	349,831	424,341	405,225	458,865	437,565
TOTAL EXPENSES	430,247	418,957	402,734	457,432	444,923
FIRE PENSION FUND BALANCE	\$1,274	\$6,658	\$9,149	\$10,581	\$3,224
BROUGHT FORWARD BAL-GENERAL OBLIGATION	\$157,837	\$0	\$0	\$0	\$0
TOTAL REVENUE	0	0	0	0	0
TOTAL EXPENSES	157,837	0	0	0	0
GENERAL OBLIGATION BAL	\$0	\$0	\$0	\$0	\$0
BROUGHT FORWARD BAL-DEBT SERVICE RESERVE	\$84,632	\$34,442	\$23,723	\$34,725	\$45,540
TOTAL REVENUE	401,862	440,034	468,799	464,183	582,890
TOTAL EXPENSES	452,053	450,753	457,798	453,368	571,028
DEBT SERVICE RESERVE BAL	\$34,442	\$23,723	\$34,725	\$45,540	\$57,403

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	1998	1999	2000	2001	2002
BROUGHT FORWARD BALANCE-BUS	\$143,234	\$208,416	\$386,713	\$629,404	\$851,866
TOTAL REVENUE	1,347,341	1,308,639	1,411,508	1,481,456	1,478,736
TOTAL EXPENSES	1,282,159	1,130,343	1,168,817	1,258,994	1,429,186
BUS BALANCE	\$208,416	\$386,713	\$629,404	\$851,866	\$901,416
BROUGHT FORWARD BAL-POLICE PENSION FUND	\$1,248	\$1,073	\$637	\$1,706	\$27,741
TOTAL REVENUE	421,585	562,571	452,399	484,397	460,986
TOTAL EXPENSES	421,760	563,007	451,330	458,362	477,973
POLICE PENSION FUND BAL	\$1,073	\$637	\$1,706	\$27,741	\$10,754
BROUGHT FORWARD BALANCE-FIRE PENSION FUND	\$3,224	\$10,632	\$489	\$15,996	\$36,617
TOTAL REVENUE	483,716	926,976	582,399	584,397	610,986
TOTAL EXPENSES	476,307	937,119	566,892	563,776	622,428
FIRE PENSION FUND BALANCE	\$10,632	\$489	\$15,996	\$36,617	\$25,175
BROUGHT FORWARD BAL-GENERAL OBLIGATION	\$0	\$0	\$0	\$0	\$0
TOTAL REVENUE	0	0	0	0	0
TOTAL EXPENSES	0	0	0	0	0
GENERAL OBLIGATION BAL	\$0	\$0	\$0	\$0	\$0
BROUGHT FORWARD BAL-DEBT SERVICE RESERVE	\$57,403	\$69,804	\$77,990	\$91,512	\$99,625
TOTAL REVENUE	575,581	582,216	620,876	507,307	496,948
TOTAL EXPENSES	563,180	574,030	607,354	499,194	492,379
DEBT SERVICE RESERVE BAL	\$69,804	\$77,990	\$91,512	\$99,625	\$104,194

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	1993	1994	1995	1996	1997
BROUGHT FORWARD BAL-CAPITAL IMPROVEMENT	\$56,479	\$53,057	\$53,057	\$53,057	\$53,057
TOTAL REVENUE	23,000	0	0	0	1,944
TOTAL EXPENSES	26,422	0	0	0	55,000
CAPITAL IMPROVEMENT BAL	\$53,057	\$53,057	\$53,057	\$53,057	\$1
BROUGHT FORWARD BAL-ISSUE II	\$0	\$0	\$0	\$46,451	\$9,539
TOTAL REVENUE	0	0	596,912	198,140	0
TOTAL EXPENSES	0	0	550,461	235,051	9,539
ISSUE II BALANCE	\$0	\$0	\$46,451	\$9,539	\$0
BROUGHT FORWARD BAL-CAP PROJECT-ST IMP	\$0	\$0	\$0	\$1,796,970	\$1
TOTAL REVENUE	0	0	2,000,000	283,607	0
TOTAL EXPENSES	0	0	203,030	2,080,576	0
CAP PROJECT-ST IMP BALANC	\$0	\$0	\$1,796,970	\$1	\$1
BROUGHT FORWARD BAL-SAFETY LEVY CAPITAL	\$0	\$0	\$0	\$0	\$549,379
TOTAL REVENUE	0	0	0	0	518,114
TOTAL EXPENSES	0	0	0	0	443,790
SAFETY LEVY CAPITAL BALANC	\$0	\$0	\$0	\$0	\$623,703
BROUGHT FORWARD BAL-LANDFILL CLOSURE	\$0	\$0	\$0	\$0	\$0
TOTAL REVENUE	0	0	0	0	405,001
TOTAL EXPENSES	0	0	0	0	239,236
LANDFILL CLOSURE BALANCE	\$0	\$0	\$0	\$0	\$165,765

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	1998	1999	2000	2001	2002
BROUGHT FORWARD BAL-CAPITAL IMPROVEMENT	\$1	\$277,895	\$277,895	\$277,895	\$100,000
TOTAL REVENUE	277,894	0	0	0	0
TOTAL EXPENSES	0	0	0	177,895	0
CAPITAL IMPROVEMENT BAL	\$277,895	\$277,895	\$277,895	\$100,000	\$100,000
BROUGHT FORWARD BAL-ISSUE II	\$0	\$0	\$0	\$0	\$0
TOTAL REVENUE	0	127,227	0	0	0
TOTAL EXPENSES	0	127,227	0	0	0
ISSUE II BALANCE	\$0	\$0	\$0	\$0	\$0
BROUGHT FORWARD BAL-CAP PROJECT-ST IMP	\$1	\$0	\$0	\$0	\$0
TOTAL REVENUE	0	0	0	0	0
TOTAL EXPENSES	1	0	0	0	0
CAP PROJECT-ST IMP BALANC	\$0	\$0	\$0	\$0	\$0
BROUGHT FORWARD BAL-SAFETY LEVY CAPITAL	\$623,703	\$264,425	\$176,597	\$297,075	\$392,914
TOTAL REVENUE	541,952	578,109	576,471	598,357	601,196
TOTAL EXPENSES	901,230	665,937	455,993	502,518	598,317
SAFETY LEVY CAPITAL BALANC	\$264,425	\$176,597	\$297,075	\$392,914	\$395,793
BROUGHT FORWARD BAL-LANDFILL CLOSURE	\$165,765	\$37,247	\$90,453	\$151,760	\$176,696
TOTAL REVENUE	0	125,000	125,000	75,000	0
TOTAL EXPENSES	128,518	71,794	63,694	50,064	50,864
LANDFILL CLOSURE BALANCE	\$37,247	\$90,453	\$151,760	\$176,696	\$125,832

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	1993	1994	1995	1996	1997
BROUGHT FORWARD					
BAL-PARKS/REC CAPITAL	\$0	\$18,211	\$70,749	\$14,769	\$28,958
TOTAL REVENUE	118,140	116,636	159,353	431,499	184,886
TOTAL EXPENSES	99,929	64,097	215,333	417,310	205,728
PARKS/REC CAPITAL BALANCE	\$18,211	\$70,749	\$14,769	\$28,958	\$8,116
BROUGHT FORWARD					
BALANCE-STREETScape	\$17,098	\$18,198	\$6,009	\$10,108	\$12,364
TOTAL REVENUE	136,233	119,474	123,894	122,440	120,579
TOTAL EXPENSES	135,133	131,664	119,794	120,184	120,422
STREETScape BALANCE	\$18,198	\$6,009	\$10,108	\$12,364	\$12,521
BROUGHT FORWARD					
BALANCE-WATER FUND	\$555,202	\$1,350,135	\$1,470,869	\$1,734,338	\$2,290,443
TOTAL REVENUE	3,658,159	3,414,308	3,640,340	3,806,032	3,873,211
EXPENSES					
WATER ADMINISTRATION	639,924	560,584	598,388	658,567	940,095
WATER SUPPLY & TREATMENT	842,116	1,031,416	873,783	862,735	938,238
WATER DISTRIBUTION	398,950	405,343	586,441	420,203	453,557
WATER TRANSFERS	982,235	1,296,231	1,318,259	1,308,421	1,153,155
TOTAL EXPENSES	2,863,226	3,293,574	3,376,871	3,249,926	3,485,045
WATER BALANCE	\$1,350,135	\$1,470,869	\$1,734,338	\$2,290,443	\$2,678,610
BROUGHT FORWARD					
BAL-WATER CONST PROJECT #	\$931,605	\$572,714	\$425,227	\$78,370	\$78,370
TOTAL REVENUE	528,220	0	0	0	0
TOTAL EXPENSES	887,111	147,487	346,856	0	78,370
WATER CONST PROJ #1 BAL	\$572,714	\$425,227	\$78,370	\$78,370	\$0

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	1998	1999	2000	2001	2002
BROUGHT FORWARD					
BAL-PARKS/REC CAPITAL	\$8,116	\$187,476	\$132,240	\$152,923	\$81,642
TOTAL REVENUE	454,904	128,388	314,284	164,389	161,029
TOTAL EXPENSES	<u>275,545</u>	<u>183,624</u>	<u>293,601</u>	<u>235,670</u>	<u>193,455</u>
PARKS/REC CAPITAL BALANCE	\$187,476	\$132,240	\$152,923	\$81,642	\$49,216
BROUGHT FORWARD					
BALANCE-STREETScape	\$12,521	\$7,760	\$5,780	\$22,392	\$40,427
TOTAL REVENUE	113,721	119,496	145,456	25,106	16,128
TOTAL EXPENSES	<u>118,482</u>	<u>121,476</u>	<u>128,844</u>	<u>7,071</u>	<u>6,502</u>
STREETScape BALANCE	\$7,760	\$5,780	\$22,392	\$40,427	\$50,053
BROUGHT FORWARD					
BALANCE-WATER FUND	\$2,678,610	\$2,557,882	\$2,478,855	\$2,671,889	\$2,041,848
TOTAL REVENUE	3,761,458	3,727,124	3,765,426	3,944,083	4,289,829
EXPENSES					
WATER ADMINISTRATION	1,005,161	805,455	745,428	702,196	735,950
WATER SUPPLY & TREATMENT	962,188	1,088,831	947,142	1,201,064	1,137,498
WATER DISTRIBUTION	570,863	601,806	558,837	1,012,091	713,481
WATER TRANSFERS	1,343,974	1,310,059	1,320,986	1,658,772	1,507,587
TOTAL EXPENSES	<u>3,882,186</u>	<u>3,806,151</u>	<u>3,572,393</u>	<u>4,574,123</u>	<u>4,094,516</u>
WATER BALANCE	\$2,557,882	\$2,478,855	\$2,671,889	\$2,041,848	\$2,237,161
BROUGHT FORWARD					
BAL-WATER CONST PROJECT #	\$0	\$0	\$0	\$0	\$0
TOTAL REVENUE	0	0	0	0	0
TOTAL EXPENSES	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
WATER CONST PROJ #1 BAL	\$0	\$0	\$0	\$0	\$0

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	1993	1994	1995	1996	1997
BROUGHT FORWARD					
BAL-WATER CONST PROJECT #	\$1,425,275	\$151,843	\$128,209	\$199,584	\$0
TOTAL REVENUE	143,692	88,797	97,216	7,575	0
TOTAL EXPENSES	1,417,124	112,431	25,841	207,158	0
WATER CONST PROJ #2 BAL	\$151,843	\$128,209	\$199,584	\$0	\$0
BROUGHT FORWARD					
BAL-WATER CONST PROJECT #	\$122,072	\$91,775	\$79,091	\$0	\$0
TOTAL REVENUE	87,324	56,000	0	0	0
TOTAL EXPENSES	117,621	68,684	79,091	0	0
WATER CONST PROJ #3 BAL	\$91,775	\$79,091	\$0	\$0	\$0
BROUGHT FORWARD					
BAL-WATER CONST PROJECT #	\$0	\$63,577	\$0	\$0	\$0
TOTAL REVENUE	3,181,204	340	0	0	0
TOTAL EXPENSES	3,117,627	63,917	0	0	0
WATER CONST PROJ #4 BAL	\$63,577	\$0	\$0	\$0	\$0
BROUGHT FORWARD					
BAL-WATER DEBT SERVICE #2	\$937,475	\$0	\$0	\$0	\$0
TOTAL REVENUE	17,506	0	0	0	0
TOTAL EXPENSES	954,981	0	0	0	0
WATER DEBT SERVICE #2 BAL	\$0	\$0	\$0	\$0	\$0
BROUGHT FORWARD					
BAL-WATER DEBT SERVICE #3	\$382,720	\$0	\$0	\$0	\$0
TOTAL REVENUE	7,197	0	0	0	0
TOTAL EXPENSES	389,917	0	0	0	0
WATER DEBT SERVICE #3 BAL	\$0	\$0	\$0	\$0	\$0

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	1998	1999	2000	2001	2002
BROUGHT FORWARD BAL-WATER CONST PROJECT #	\$0	\$0	\$0	\$0	\$0
TOTAL REVENUE	0	0	0	0	0
TOTAL EXPENSES	0	0	0	0	0
WATER CONST PROJ #2 BAL	\$0	\$0	\$0	\$0	\$0
BROUGHT FORWARD BAL-WATER CONST PROJECT #	\$0	\$0	\$0	\$0	\$0
TOTAL REVENUE	0	0	0	0	0
TOTAL EXPENSES	0	0	0	0	0
WATER CONST PROJ #3 BAL	\$0	\$0	\$0	\$0	\$0
BROUGHT FORWARD BAL-WATER CONST PROJECT #	\$0	\$0	\$0	\$0	\$0
TOTAL REVENUE	0	0	0	0	0
TOTAL EXPENSES	0	0	0	0	0
WATER CONST PROJ #4 BAL	\$0	\$0	\$0	\$0	\$0
BROUGHT FORWARD BAL-WATER DEBT SERVICE #2	\$0	\$0	\$0	\$0	\$0
TOTAL REVENUE	0	0	0	0	0
TOTAL EXPENSES	0	0	0	0	0
WATER DEBT SERVICE #2 BAL	\$0	\$0	\$0	\$0	\$0
BROUGHT FORWARD BAL-WATER DEBT SERVICE #3	\$0	\$0	\$0	\$0	\$0
TOTAL REVENUE	0	0	0	0	0
TOTAL EXPENSES	0	0	0	0	0
WATER DEBT SERVICE #3 BAL	\$0	\$0	\$0	\$0	\$0

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	1993	1994	1995	1996	1997
BROUGHT FORWARD BAL-WATER TOWER	\$0	\$0	\$0	\$0	\$0
TOTAL REVENUE	0	0	0	0	0
TOTAL EXPENSES	0	0	0	0	0
WATER TOWER BALANCE	\$0	\$0	\$0	\$0	\$0
BROUGHT FORWARD BAL-WATER DEBT SERVICE #4	\$0	\$1,405,527	\$1,402,704	\$1,404,925	\$1,532,952
TOTAL REVENUE	1,405,527	39,036	65,393	186,458	(104,454)
TOTAL EXPENSES	0	41,859	63,172	58,432	34,373
WATER DEBT SERVICE #4 BAL	\$1,405,527	\$1,402,704	\$1,404,925	\$1,532,952	\$1,394,125
BROUGHT FORWARD BAL-WATER BOND FUND #2	\$122,286	\$0	\$0	\$0	\$0
TOTAL REVENUE	403,279	0	0	0	0
TOTAL EXPENSES	525,565	0	0	0	0
WATER BOND FUND #2 BAL	\$0	\$0	\$0	\$0	\$0
BROUGHT FORWARD BAL-WATER BOND FUND #3	\$53,455	\$0	\$0	\$0	\$0
TOTAL REVENUE	186,589	0	0	0	0
TOTAL EXPENSES	240,044	0	0	0	0
WATER BOND FUND #3 BAL	\$0	\$0	\$0	\$0	\$0
BROUGHT FORWARD BAL-WATER BOND FUND #4	\$0	\$118,444	\$145,883	\$159,929	\$154,372
TOTAL REVENUE	15,353,898	1,417,852	1,405,158	1,386,831	1,375,037
TOTAL EXPENSES	15,235,455	1,390,413	1,391,113	1,392,388	1,391,020
WATER BOND FUND #4 BAL	\$118,444	\$145,883	\$159,929	\$154,372	\$138,389

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	1998	1999	2000	2001	2002
BROUGHT FORWARD BAL-WATER TOWER	\$0	\$0	\$0	\$0	\$102,310
TOTAL REVENUE	0	0	0	130,300	0
TOTAL EXPENSES	0	0	0	27,990	63,444
WATER TOWER BALANCE	\$0	\$0	\$0	\$102,310	\$38,866
BROUGHT FORWARD BAL-WATER DEBT SERVICE #4	\$1,394,125	\$1,391,029	\$1,394,125	\$1,427,068	\$1,401,005
TOTAL REVENUE	52,610	49,195	61,065	40,345	5,301
TOTAL EXPENSES	55,706	46,099	28,122	66,408	10,267
WATER DEBT SERVICE #4 BAL	\$1,391,029	\$1,394,125	\$1,427,068	\$1,401,005	\$1,396,039
BROUGHT FORWARD BAL-WATER BOND FUND #2	\$0	\$0	\$0	\$0	\$0
TOTAL REVENUE	0	0	0	0	0
TOTAL EXPENSES	0	0	0	0	0
WATER BOND FUND #2 BAL	\$0	\$0	\$0	\$0	\$0
BROUGHT FORWARD BAL-WATER BOND FUND #3	\$0	\$0	\$0	\$0	\$0
TOTAL REVENUE	0	0	0	0	0
TOTAL EXPENSES	0	0	0	0	0
WATER BOND FUND #3 BAL	\$0	\$0	\$0	\$0	\$0
BROUGHT FORWARD BAL-WATER BOND FUND #4	\$138,389	\$167,669	\$146,925	\$127,063	\$164,353
TOTAL REVENUE	1,421,437	1,374,010	1,373,983	1,431,005	1,342,956
TOTAL EXPENSES	1,392,158	1,394,754	1,393,845	1,393,715	1,391,520
WATER BOND FUND #4 BAL	\$167,669	\$146,925	\$127,063	\$164,353	\$115,789

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	1993	1994	1995	1996	1997
BROUGHT FORWARD BAL-WATER R&I FUND	\$1,317,060	\$1,317,060	\$1,317,060	\$1,317,060	\$1,317,060
TOTAL REVENUE	0	0	0	0	0
TOTAL EXPENSES	0	0	0	0	0
WATER R&I FUND BALANCE	\$1,317,060	\$1,317,060	\$1,317,060	\$1,317,060	\$1,317,060
BROUGHT FORWARD BAL-WATER SYSTEM RESERVE	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000
TOTAL REVENUE	0	0	0	0	0
TOTAL EXPENSES	0	0	0	0	0
WATER SYSTEM RESERVE BAL	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000
TOTAL REVENUE WATER FUNDS	24,972,597	5,016,332	5,208,106	5,386,896	\$5,143,795
TOTAL EXPENSES WATER FUNDS	25,748,671	5,118,364	5,282,944	4,907,904	\$4,988,808
BALANCE ALL WATER FUNDS	\$5,571,075	\$5,469,044	\$5,394,206	\$5,873,197	\$6,028,184
BROUGHT FORWARD BAL-RT 104 WATER/SEWER	\$0	\$0	\$0	\$0	\$0
TOTAL REVENUE	0	0	0	0	0
TOTAL EXPENSES	0	0	0	0	0
RT 104 WATER/SEWER BALANCE	\$0	\$0	\$0	\$0	\$0

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	1998	1999	2000	2001	2002
BROUGHT FORWARD BAL-WATER R&I FUND	\$1,317,060	\$1,317,060	\$1,317,060	\$1,317,060	\$1,493,862
TOTAL REVENUE	0	0	0	176,802	176,802
TOTAL EXPENSES	0	0	0	0	0
WATER R&I FUND BALANCE	\$1,317,060	\$1,317,060	\$1,317,060	\$1,493,862	\$1,670,664
BROUGHT FORWARD BAL-WATER SYSTEM RESERVE	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000
TOTAL REVENUE	0	0	0	0	0
TOTAL EXPENSES	0	0	0	0	0
WATER SYSTEM RESERVE BAL	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000
TOTAL REVENUE WATER FUNDS	\$5,235,506	\$5,147,232	\$5,200,474	\$5,722,534	\$5,814,887
TOTAL EXPENSES WATER FUNDS	\$5,330,050	\$5,243,907	\$4,994,360	\$6,062,236	\$5,559,747
BALANCE ALL WATER FUNDS	\$5,933,640	\$5,836,965	\$6,043,079	\$5,703,377	\$5,958,519
BROUGHT FORWARD BAL-RT 104 WATER/SEWER	\$0	\$498,798	\$474,043	\$365,179	\$338,893
TOTAL REVENUE	500,005	500,020	500,030	500,040	500,055
TOTAL EXPENSES	1,207	524,775	608,894	526,326	517,431
RT 104 WATER/SEWER BALANCE	\$498,798	\$474,043	\$365,179	\$338,893	\$321,517

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	1993	1994	1995	1996	1997
BROUGHT FORWARD BALANCE-SEWER FUND	\$655,552	\$1,464,182	\$1,035,928	\$1,033,758	\$1,212,000
TOTAL REVENUE	2,782,457	2,296,006	2,295,179	2,345,831	2,416,143
EXPENSES					
SEWER ADMINISTRATION	522,120	660,959	590,109	636,527	756,705
SEWER SUPPLY & TREATMENT	847,121	1,289,938	1,063,925	884,895	1,032,762
SEWER COLLECTION	263,761	392,464	282,486	275,286	246,429
SEWER TRANSFERS	340,824	380,898	360,829	370,882	359,620
TOTAL EXPENSES	1,973,826	2,724,260	2,297,349	2,167,590	2,395,516
SEWER BALANCE	\$1,464,182	\$1,035,928	\$1,033,758	\$1,212,000	\$1,232,626
 BROUGHT FORWARD BALANCE-SEWER DEBT SERVICE	 \$300,000	 \$300,685	 \$283,809	 \$283,947	 \$284,841
TOTAL REVENUE	9,012	8,223	13,251	11,552	11,624
TOTAL EXPENSES	8,326	25,099	13,113	10,658	5,838
SEWER DEBT SERVICE BALANCE	\$300,685	\$283,809	\$283,947	\$284,841	\$290,627
 BROUGHT FORWARD BALANCE-SEWER PROJECT #1	 \$0	 \$0	 \$0	 \$0	 \$0
TOTAL REVENUE	0	0	0	0	0
TOTAL EXPENSES	0	0	0	0	0
SEWER PROJECT #1 BALANCE	\$0	\$0	\$0	\$0	\$0
 BROUGHT FORWARD BALANCE-SEWER BOND FUND	 \$41,712	 \$36,060	 \$24,241	 \$24,336	 \$31,304
TOTAL REVENUE	288,065	3,165,083	283,010	289,843	274,275
TOTAL EXPENSES	293,717	3,176,902	282,915	282,875	282,348
SEWER BOND FUND BALANCE	\$36,060	\$24,241	\$24,336	\$31,304	\$23,231

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BROUGHT FORWARD BALANCE-SEWER FUND	\$1,232,626	\$1,242,623	\$1,390,531	\$1,491,106	\$1,583,190
TOTAL REVENUE	2,475,459	3,168,076	2,955,959	2,921,903	2,928,667
EXPENSES					
SEWER ADMINISTRATION	770,607	1,521,103	1,219,626	984,751	792,755
SEWER SUPPLY & TREATMENT	990,543	931,682	946,320	1,131,344	1,163,682
SEWER COLLECTION	344,964	279,341	335,009	355,462	449,738
SEWER TRANSFERS	359,348	288,043	354,429	358,262	367,573
TOTAL EXPENSES	2,465,462	3,020,169	2,855,384	2,829,819	2,773,748
SEWER BALANCE	\$1,242,623	\$1,390,531	\$1,491,106	\$1,583,190	\$1,738,109
 BROUGHT FORWARD BALANCE-SEWER DEBT SERVICE	 \$290,627	 \$311,596	 \$282,915	 \$289,600	 \$284,311
TOTAL REVENUE	32,272	9,355	12,392	8,187	1,076
TOTAL EXPENSES	11,303	38,036	5,707	13,476	2,423
SEWER DEBT SERVICE BALANCE	\$311,596	\$282,915	\$289,600	\$284,311	\$282,964
 BROUGHT FORWARD BALANCE-SEWER PROJECT #1	 \$0	 \$0	 \$0	 \$2,987,207	 \$1,788,511
TOTAL REVENUE	0	0	3,004,125	3,000,000	4,145,561
TOTAL EXPENSES	0	0	16,918	4,198,696	4,619,312
SEWER PROJECT #1 BALANCE	\$0	\$0	\$2,987,207	\$1,788,511	\$1,314,760
 BROUGHT FORWARD BALANCE-SEWER BOND FUND	 \$23,231	 \$4,573	 \$30,045	 \$25,856	 \$27,916
TOTAL REVENUE	262,740	305,307	273,626	282,475	278,392
TOTAL EXPENSES	281,398	279,835	277,815	280,415	282,323
SEWER BOND FUND BALANCE	\$4,573	\$30,045	\$25,856	\$27,916	\$23,985

CITY OF CHILLICOTHE
FUND CASH SUMMARY REPORT
LAST TEN FISCAL YEARS

TABLE 15

	1993	1994	1995	1996	1997
BROUGHT FORWARD BALANCE-SEWER R&I FUND	\$251,271	\$311,271	\$371,271	\$431,271	\$491,271
TOTAL REVENUE	60,000	60,000	60,000	60,000	60,000
TOTAL EXPENSES	0	0	0	0	0
SEWER R&I FUND BALANCE	\$311,271	\$371,271	\$431,271	\$491,271	\$551,271
BROUGHT FORWARD BAL-SEWER SYSTEM RESERVE	\$713,796	\$621,706	\$519,834	\$463,897	\$408,036
TOTAL REVENUE	0	36,160	36,160	36,160	36,160
TOTAL EXPENSES	92,090	138,032	92,097	92,021	92,021
SEWER SYSTEM RESERVE BAL	\$621,706	\$519,834	\$463,897	\$408,036	\$352,174
TOTAL REVENUE SEWER FUNDS	3,139,533	5,565,472	2,687,601	2,743,386	2,798,201
TOTAL EXPENSES SEWER FUNDS	2,367,959	6,064,293	2,685,474	2,553,144	2,775,724
BALANCE ALL SEWER FUNDS	\$2,733,905	\$2,235,083	\$2,237,210	\$2,427,451	\$2,449,929
BROUGHT FORWARD BALANCE-OWDA	\$341	\$341	\$341	\$341	\$341
TOTAL REVENUE	0	0	0	0	0
TOTAL EXPENSES	0	0	0	0	0
OWDA BALANCE	\$341	\$341	\$341	\$341	\$341
BROUGHT FORWARD BALANCE-LIABILITY INSURANCE	\$133,112	\$0	\$0	\$0	\$0
TOTAL REVENUE	0	0	0	0	0
TOTAL EXPENSES	133,112	0	0	0	0
LIABILITY INSURANCE BALANCE	\$0	\$0	\$0	\$0	\$0

CITY OF CHILLICOTHE
 FUND CASH SUMMARY REPORT
 LAST TEN FISCAL YEARS

TABLE 15

	1998	1999	2000	2001	2002
BROUGHT FORWARD BALANCE-SEWER R&I FUND	\$551,271	\$618,466	\$618,466	\$618,466	\$618,466
TOTAL REVENUE	67,195	0	0	0	0
TOTAL EXPENSES	0	0	0	0	0
SEWER R&I FUND BALANCE	\$618,466	\$618,466	\$618,466	\$618,466	\$618,466
BROUGHT FORWARD BAL-SEWER SYSTEM RESERVE	\$352,174	\$284,980	\$217,785	\$217,786	\$217,786
TOTAL REVENUE	24,827	24,827	92,022	92,022	92,022
TOTAL EXPENSES	92,021	92,021	92,021	92,021	92,021
SEWER SYSTEM RESERVE BAL	\$284,980	\$217,785	\$217,786	\$217,786	\$217,786
TOTAL REVENUE SEWER FUNDS	2,862,492	3,507,565	6,338,124	6,304,587	7,445,718
TOTAL EXPENSES SEWER FUNDS	2,850,184	3,430,061	3,247,845	7,414,428	7,769,827
BALANCE ALL SEWER FUNDS	\$2,462,237	\$2,539,741	\$5,630,021	\$4,520,179	\$4,196,070
BROUGHT FORWARD BALANCE-OWDA	\$341	\$341	\$341	\$0	\$0
TOTAL REVENUE	0	0	0	0	0
TOTAL EXPENSES	0	0	341	0	0
OWDA BALANCE	\$341	\$341	\$0	\$0	\$0
BROUGHT FORWARD BALANCE-LIABILITY INSURANCE	\$0	\$0	\$0	\$0	\$0
TOTAL REVENUE	0	0	0	0	0
TOTAL EXPENSES	0	0	0	0	0
LIABILITY INSURANCE BALANCE	\$0	\$0	\$0	\$0	\$0

CITY OF CHILLICOTHE
 FUND CASH SUMMARY REPORT
 LAST TEN FISCAL YEARS

TABLE 15

	1993	1994	1995	1996	1997
BROUGHT FORWARD BALANCE-PATTON PARK	\$973	\$973	\$973	\$973	\$973
TOTAL REVENUE	0	0	0	0	0
TOTAL EXPENSES	0	0	0	0	0
PATTON PARK BALANCE	\$973	\$973	\$973	\$973	\$973
BROUGHT FORWARD BALANCE-UNCLAIMED MONIES	\$74,878	\$88,369	\$97,105	\$54,049	\$41,798
TOTAL REVENUE	13,523	8,766	12,240	7,548	13,669
TOTAL EXPENSES	32	29	55,296	19,799	14,259
UNCLAIMED MONIES BALANCE	\$88,369	\$97,105	\$54,049	\$41,798	\$41,208
BROUGHT FORWARD BALANCE-BOAT RAMP	\$101	\$0	\$0	\$0	\$0
TOTAL REVENUE	0	0	0	0	0
TOTAL EXPENSES	101	0	0	0	0
BOAT RAMP BALANCE	\$0	\$0	\$0	\$0	\$0
BROUGHT FORWARD BALANCE-CARLISLE HILL TRUST	\$2,357	\$2,417	\$2,477	\$2,537	\$2,597
TOTAL REVENUE	60	60	60	60	60
TOTAL EXPENSES	0	0	0	0	0
CARLISLE HILL TRUST BALANCE	\$2,417	\$2,477	\$2,537	\$2,597	\$2,657
BROUGHT FORWARD BALANCE-SUB DIVISION INSP	\$6,388	\$12,008	\$2,750	\$2,750	\$7,026
TOTAL REVENUE	5,620	2,750	0	4,276	6,950
TOTAL EXPENSES	0	12,008	0	0	0
SUB DIV INSPECTION BALANCE	\$12,008	\$2,750	\$2,750	\$7,026	\$13,976

CITY OF CHILLICOTHE
 FUND CASH SUMMARY REPORT
 LAST TEN FISCAL YEARS

TABLE 15

	1998	1999	2000	2001	2002
BROUGHT FORWARD BALANCE-PATTON PARK	\$973	\$973	\$973	\$973	\$0
TOTAL REVENUE	0	0	0	0	0
TOTAL EXPENSES	0	0	0	973	0
PATTON PARK BALANCE	\$973	\$973	\$973	\$0	\$0
BROUGHT FORWARD BALANCE-UNCLAIMED MONIES	\$41,208	\$49,897	\$51,710	\$58,308	\$54,266
TOTAL REVENUE	18,106	14,424	15,017	9,061	20,407
TOTAL EXPENSES	9,417	12,612	8,419	13,103	17,756
UNCLAIMED MONIES BALANCE	\$49,897	\$51,710	\$58,308	\$54,266	\$56,917
BROUGHT FORWARD BALANCE-BOAT RAMP	\$0	\$0	\$0	\$0	\$0
TOTAL REVENUE	0	0	0	0	0
TOTAL EXPENSES	0	0	0	0	0
BOAT RAMP BALANCE	\$0	\$0	\$0	\$0	\$0
BROUGHT FORWARD BALANCE-CARLISLE HILL TRUST	\$2,657	\$2,717	\$2,777	\$2,837	\$2,887
TOTAL REVENUE	60	60	60	50	40
TOTAL EXPENSES	0	0	0	0	0
CARLISLE HILL TRUST BALANCE	\$2,717	\$2,777	\$2,837	\$2,887	\$2,927
BROUGHT FORWARD BALANCE-SUB DIVISION INSP	\$13,976	\$24,551	\$24,551	\$34,840	\$1,371
TOTAL REVENUE	10,575	0	10,289	1,531	6,989
TOTAL EXPENSES	0	0	0	35,000	0
SUB DIV INSPECTION BALANCE	\$24,551	\$24,551	\$34,840	\$1,371	\$8,360

CITY OF CHILLICOTHE
FUND CASH SUMMARY REPORT
LAST TEN FISCAL YEARS

TABLE 15

	1993	1994	1995	1996	1997
BROUGHT FORWARD BALANCE-BARRICADE DEPOSIT	\$295	\$480	\$480	\$480	\$480
TOTAL REVENUE	265	90	0	0	0
TOTAL EXPENSES	80	90	0	0	0
BARRICADE DEPOSIT BALANCE	\$480	\$480	\$480	\$480	\$480
BROUGHT FORWARD BALANCE-SECURITY DEPOSIT	\$880	\$480	\$1,080	\$2,080	\$1,980
TOTAL REVENUE	1,000	2,000	1,000	600	2,000
TOTAL EXPENSES	1,400	1,400	0	700	1,400
SECURITY DEPOSIT BALANCE	\$480	\$1,080	\$2,080	\$1,980	\$2,580
BROUGHT FORWARD BALANCE-STATE BLDG PERMIT	\$0	\$288	\$98	\$139	\$156
TOTAL REVENUE	745	1,058	2,551	1,911	1,290
TOTAL EXPENSES	457	1,248	2,510	1,894	1,167
STATE BLDG PERMIT BALANCE	\$288	\$98	\$139	\$156	\$279
BROUGHT FORWARD BALANCE-POSTAGE ROTARY	\$2,565	\$0	\$4,832	\$3,754	\$5,652
TOTAL REVENUE	28,400	27,923	28,568	38,571	37,668
TOTAL EXPENSES	30,965	23,091	29,646	36,673	39,387
POSTAGE ROTARY BALANCE	\$0	\$4,832	\$3,754	\$5,652	\$3,934
TOTAL REVENUE COLLECTED	44,404,936	29,267,744	30,159,901	29,023,783	28,936,676
TOTAL EXPENSES	45,085,352	29,586,113	28,242,229	30,360,406	28,454,641
BALANCE FOR ALL FUNDS	\$11,664,679	\$11,346,310	\$13,263,982	\$11,927,359	\$12,409,394

CITY OF CHILLICOTHE
FUND CASH SUMMARY REPORT
LAST TEN FISCAL YEARS

TABLE 15

	1998	1999	2000	2001	2002
BROUGHT FORWARD BALANCE-BARRICADE DEPOSIT	\$480	\$480	\$480	\$480	\$480
TOTAL REVENUE	0	0	0	0	0
TOTAL EXPENSES	0	0	0	0	0
BARRICADE DEPOSIT BALANCE	\$480	\$480	\$480	\$480	\$480
BROUGHT FORWARD BALANCE-SECURITY DEPOSIT	\$2,580	\$3,480	\$4,080	\$4,680	\$5,280
TOTAL REVENUE	2,300	2,000	1,300	2,000	1,000
TOTAL EXPENSES	1,400	1,400	700	1,400	700
SECURITY DEPOSIT BALANCE	\$3,480	\$4,080	\$4,680	\$5,280	\$5,580
BROUGHT FORWARD BALANCE-STATE BLDG PERMIT	\$279	\$607	\$254	\$318	\$197
TOTAL REVENUE	1,564	1,497	1,912	1,963	2,444
TOTAL EXPENSES	1,236	1,851	1,848	2,085	2,088
STATE BLDG PERMIT BALANCE	\$607	\$254	\$318	\$197	\$553
BROUGHT FORWARD BALANCE-POSTAGE ROTARY	\$3,934	\$3,840	\$4,373	\$2,726	\$3,292
TOTAL REVENUE	41,048	41,744	40,658	45,735	49,248
TOTAL EXPENSES	41,141	41,210	42,306	45,169	49,807
POSTAGE ROTARY BALANCE	\$3,840	\$4,373	\$2,726	\$3,292	\$2,733
TOTAL REVENUE COLLECTED	31,036,326	32,254,382	35,327,836	35,107,976	36,554,993
TOTAL EXPENSES	29,134,009	31,436,105	32,350,408	36,444,006	37,306,674
BALANCE FOR ALL FUNDS	\$14,311,712	\$15,129,989	\$18,107,417	\$16,771,386	\$16,019,705

**CITY OF CHILLICOTHE
MISCELLANEOUS STATISTICS
DECEMBER 31, 2002**

Table 16

DATE INCORPORATED	1796
FORM OF GOVERNMENT	Council/Mayor
AREA (SQUARE MILES)	10.23 square miles
MILES OF STREETS, ALLEYS	96.5 miles
NUMBER OF CITY EMPLOYEES	325

DEPARTMENT	FULL TIME	PART TIME	TOTAL
Auditor	8	0	8
Civil Service	1	0	1
City Council	10	1	11
Engineering	13	0	13
Fire	49	0	49
Humane Officer	0	1	1
Income Tax	4	0	4
Law Director	7	2	9
Mayor	9	0	9
Municipal Court	24	4	28
Parks	3	0	3
Police	56	0	56
Recreation	8	3	11
School Crossing	0	21	21
Service	31	0	31
Sewage	18	1	19
Traffic Control	3	0	3
Transit	15	5	20
Treasurer	1	1	2
Water	26	0	26
Total	286	39	325

CITY FLEET (Licensed On-Road):

Fire	15
Police	23
Refuse	9
Other	81

FIRE PROTECTION:

Number of Fire Stations	3
Number of Firefighters & Officers	48

POLICE PROTECTION:

Number of Police Stations	1
Number of Police Officers	50

MUNICIPAL WATER DIVISION:

Number of Customer Accounts	9,234 accounts
Average Daily Pumpage (Mil. Gals./Day)	3.323 mil (7.0 mil. gals./day capacity)
Miles of Water Mains	100 miles

MUNICIPAL SEWER DIVISION:

Number of Customer Accounts	8,720 accounts
Miles of Sanitary/Storm Sewer Lines	101 miles

continued

**CITY OF CHILLICOTHE
MISCELLANEOUS STATISTICS
DECEMBER 31, 2002**

Table 16

RECREATION & TRAVEL:

Municipal Parks	12
Playgrounds	4
Recreation/Fitness Centers	4
Golf Courses	1 - Private 1 - Public
Swimming Facilities	4
Tennis Courts	4
Motels	7
Bed & Breakfasts	5

CULTURAL:

Libraries		
Public Libraries	2	
In Circulation Volumes	135,281	
In Circulation Audio Visual	10,058	
Ohio University Chillicothe Library	53,080 Volumes	605 Audio Visual
Museums	5	
Theatre Groups	1	

COMMUNICATIONS:

T.V. Station	1 - WWHO Channel 53
Cable T.V. Station	2
Radio Stations - F.M.	2 - WFCB, WKKJ
Radio Stations - A.M.	2 - WBEX, WCHI
Newspapers (Daily)	1 - Circulation Daily 16,500
Weekly Shopper	2 - Circulation-Ross County 10,000 weekly
Magazine	1 - Circulation - Quarterly 15,000

SCHOOL SYSTEM

CHILLICOTHE CITY SCHOOL SYSTEM

High Schools	1
Intermediate	2
Elementary	6
Student Population	3,558
Teacher Population	265
Student/Teacher Ratio	13.42:1

PAROCHIAL SCHOOLS

Bishop Flaget	Grades 1-8
Student Population	229 (includes 10 preschoolers)
Landmark Christian Academy	Grades 1-12 (student population 54)

HIGHER EDUCATION

Ohio University Chillicothe	
Regional Campus	1

Source: Chillicothe City Auditor



**Auditor of State
Betty Montgomery**

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800-282-0370

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CITY OF CHILLICOTHE

ROSS 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
JULY 1, 2003**