



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

CITY OF DELAWARE
DELAWARE COUNTY

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**CITY OF DELAWARE
DELAWARE COUNTY**

**SCHEDULE OF FEDERAL AWARDS EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2001**

<u>FEDERAL GRANTOR/ Pass Through Grantor/ Program Title</u>	<u>CFDA #</u>	<u>Pass Through Entity Number</u>	<u>Disbursements</u>
<u>U.S. DEPARTMENT OF JUSTICE</u>			
Local Law Enforcement Block Grants Program	16.592	N/A	\$ 13,011
Bulletproof Vest Partnership Program	16.607	N/A	<u>3,708</u>
Total U.S. Department of Justice			<u>16,719</u>
<u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>			
HOME Investment Partnerships Program	14.239	N/A	142,138
<i>Passed Through Ohio Department of Development</i>			
Community Development Block Grants - State's Program	14.228	A-C-98-112-1	177,878
		A-F-99-112-1	1,000
		A-F-00-112-1	<u>94,400</u>
Total Community Development Block Grants - State's Program			<u>273,278</u>
Total U.S. Department of Housing and Urban Development			<u>415,416</u>
TOTAL FEDERAL AWARDS EXPENDITURES			<u>\$ 432,135</u>

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

**CITY OF DELAWARE
DELAWARE COUNTY**

NOTES TO THE SCHEDULE OF FEDERAL AWARDS EXPENDITURES

Note 1 – 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 2 – Matching Requirements

Certain Federal programs require the City to 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.



STATE OF OHIO
OFFICE OF THE AUDITOR

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

City of Delaware
Delaware County
1 South Sandusky Street
Delaware, Ohio 43015

To the Members of City Council:

We have audited the general purpose financial statements of the City of Delaware, Delaware County, Ohio, (the City) as of and for the year ended December 31, 2001, and have issued our report thereon dated July 16, 2002, wherein we noted the City adopted *Governmental Accounting Standard Board Statements No. 33 and 36*. 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 instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of noncompliance that we have reported to management of the City in a separate letter dated July 16, 2002.

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 certain other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the City in a separate letter dated July 16, 2002.

City of Delaware
Delaware County
Report of Independent Accountants on Compliance and
On Internal Control Required by Government Standards
Page 2

This report is intended for the information and use of the finance committee, management, 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, appearing to read "Jim Petro". The signature is fluid and cursive, with a large loop at the end.

JIM PETRO
Auditor of State

July 16, 2002



STATE OF OHIO
OFFICE OF THE AUDITOR

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

City of Delaware
Delaware County
1 South Sandusky Street
Delaware, Ohio 43015

To the Members of City Council:

Compliance

We have audited the compliance of the City of Delaware, Delaware 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, 2001. 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 program is the responsibility of the City's management. Our responsibility is to express an opinion on the 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 the 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, 2001. We noted certain instances of noncompliance that do not require inclusion in this report that we have reported to the management of the City in a separate letter dated July 16, 2002.

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.

**Internal Control Over Compliance
(Continued)**

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 general purpose financial statements of the City as of and for the year ended December 31, 2001, and have issued our report thereon dated July 16, 2002, wherein we noted the City adopted *Governmental Accounting Standard Board Statements No. 33 and 36*. Our audit was performed for the purpose of forming an opinion on the general purpose financial statements taken as a whole. 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 general purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.

This report is intended for the information and use of the finance committee, management, 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.



JIM PETRO
Auditor of State

July 16, 2002

**CITY OF DELAWARE
DELAWARE COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 §.505**

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unqualified
(d)(1)(ii)	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material non-compliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material internal control weakness conditions reported for major federal programs?	No
(d)(1)(iv)	Were there any other reportable internal control weakness conditions reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unqualified
(d)(1)(vi)	Are there any reportable findings under § .510?	No
(d)(1)(vii)	Major Programs (list):	CFDA # 14.228 – Community Development Block Grant
(d)(1)(viii)	Dollar Threshold: Type A/B Programs	Type A: > \$ 300,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee?	No

**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 DELAWARE
DELAWARE COUNTY

SCHEDULE OF PRIOR AUDIT FINDINGS
OMB CIRCULAR A -133 §.315 (b)

<u>Finding Number</u>	<u>Finding Summary</u>	<u>Fully Corrected?</u>	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain:</i>
2000-20621-001	Identification of federal awards in the City's accounting ledgers.	Yes	Finding No Longer Valid; Records were maintained so that federal transactions were adequately identified by program.

City of Delaware, Ohio



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

Prepared by the
City of Delaware
Finance Department

CITY OF DELAWARE, OHIO
 Comprehensive Annual Financial Report
 For the Year Ended December 31, 2001

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July 16, 2002

Members of City Council and
Citizens of Delaware, Ohio

The City is pleased to submit Delaware's Comprehensive Annual Financial Report (CAFR) for the year ended December 31, 2001. This report, prepared by the City's Finance Department, represents a return to a more comprehensive report format for the City. The last CAFR prepared by the City was done in 1990. Responsibility for the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City. We believe the data as presented is accurate in all material respects and that it is presented in a manner designed to set forth fairly the financial position and results of operations of the City as measured by the financial activity of its various funds. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The Comprehensive Annual Financial Report is presented in three sections:

The Introductory Section, which includes a table of contents, this transmittal letter, a list of the City's principal elected and appointed officials, and an organizational chart.

The Financial Section, which includes the Report of the Independent Accountants, general purpose financial statements, including any explanatory notes that support a more detailed overview of the City of Delaware's financial position and results of operations, and the combining financial statements and schedules of the individual funds and account groups that provide information related to the general purpose financial statements.

The Statistical Section, which includes selected financial and demographic information, is generally presented on a multi-year basis.

Reporting Entity

The City has reviewed its reporting entity definition in order to insure compliance and conformance with the Governmental Accounting Standards Board Statement Number 14, "*The Financial Reporting Entity*." For financial reporting definition purposes, City management considered all agencies, departments, and organizations comprising the City of Delaware, the primary government, and its potential component units.

City of Delaware, Ohio

Areas of consideration include financial accountability, ability to impose its will, financial benefit, and financial burden. The City has no component units.

The City of Delaware

The City of Delaware is the seat of Delaware County, 30 miles north of downtown Columbus, the Ohio state capitol. Delaware is an independent, full service city that has retained its small town qualities while adapting to recent high levels of growth and development. Delaware County is the fastest growing county in Ohio, identified as one of the 20 fastest growing, wealthiest and most educated areas of the country. Housing in Delaware is available in older, tree-lined neighborhoods, newer modern subdivisions, condominium developments and rental complexes. The population of Delaware is expected to increase by over 100 percent between 2000 and 2020. An additional 15,100 housing units and 30,000 people are projected to be added in that time frame.

The region was originally occupied by the Delaware Indians who shared the territory between Columbus and Lake Erie with the Mingos and other tribes. Prehistoric Hopewell Mound Builders inhabited this area even earlier. Delaware was a country village in an agricultural region in 1808. Following the War of 1812, settlers arrived at a faster pace, including the parents of Rutherford B. Hayes, 19th President of the United States. He met his future wife at Ohio Wesleyan University in Delaware.

Prior to the Civil War, Delaware had Northern sympathies and brought the underground railway through the area. The local Africa Road owes its name to this era. During and following the War, railroads played an important role in expanding the markets of Delaware. By 1900, Delaware had its own electric street railway and an electric interurban rail connected the community with Columbus and Marion.

In the modern era, farming has declined steadily throughout Delaware County as residential and industrial development has flourished. The proximity to Columbus, as well as historic periods of growth and prosperity, has greatly influenced the economy of Delaware. Its history, however, is carefully preserved in its many 19th century buildings and homes, its comfortable scale and architecture and the pace of life as a home town.

The city covers over 16 square miles and has a population of 26,500 residents. The City of Delaware provides municipal services for police protection, fire and emergency medical services, water, sewer and refuse utility services, public works maintenance, and a wide array of parks and recreational facilities and services. The City also maintains general administrative offices including engineering, planning and community development, building inspection, and a countywide municipal court.

City Government

Delaware was incorporated in 1816. The City is a Charter Municipal Corporation established and operated under the laws of the State of Ohio. The Charter was first adopted November 6, 1951, and established the Council/Manager form of government. Delaware City Council consists of seven elected members. Three City Council positions are elected at-large, the other four positions are elected from the four wards of the City. The regular term of every member of Council is four years. Elections of members of Council are staggered such that every other year either the three at-large positions are elected or the four ward positions are elected. At the conclusion of each bi-annual election one of the three at-large members of Council is elected Mayor, by vote of all seven members of Council, to serve a two-year term. The Mayor presides at meetings of Council and is recognized as the official head of the City for all ceremonial purposes, military purposes, and for servicing civil process.

The members of Council are the legislative authority of the City. Council enacts ordinances and resolutions relative to City services, tax levies, appropriating and borrowing money, licensing and regulating businesses and trades, and other various municipal purposes.

The City Manager is the City's chief executive officer and is appointed by Council. It is the duty of the City Manager to act as chief conservator of the peace within the City; to supervise the administration of the affairs of the City; and to see that the ordinances of the City and the laws of the State are enforced. The City Manager supervises the administration of all departments and appoints the various department heads and other City employees. He also executes all contracts, conveyances, and evidences of indebtedness of the City.

City administrative departments operating under the supervision of the City Manager include: Police, Fire, Finance, Engineering, City Attorney, City Prosecutor, Planning and Community Development, Public Works, Recreation, Grounds and Facility Maintenance, and Public Utilities.

Economic Conditions and Outlook

The City of Delaware saw another year of substantial growth for 2001. Approximately 370 residential building permits were issued for an estimated \$58 million in home value and 170 commercial permits for an estimated \$29 million in value. In 2000, these numbers were 330 residential permits for \$43 million in home value and 126 commercial permits for \$24 million in value; increases of 34.9% and 20.8%, respectively.

The City's administration has made every effort to encourage expansion of commercial development. Commercial expansion makes a major impact on the local economy. New construction has provided additional jobs within the City and has increased both income and property tax revenue. Early in 2002, the City announced the addition of a new Kroger's Distribution Center on the east side of Delaware. This large complex will create more than 600 jobs in Delaware. The City continues to work jointly with Delaware

City of Delaware, Ohio

County to promote economic development in the area. Through various tax incentives and grant programs the City has been able to foster commercial development and job creation in Delaware.

Major initiatives

The City of Delaware continues its attempts to deliver the highest quality of services for the citizen's tax-dollar. Following are accomplishments from several of our departments:

Information Technology; In 2001, the City launched its own website, www.ci.delaware.oh.us. A wealth of information is located on this site regarding current issues affecting the City and whom to get in contact with for most areas of concern. A new, lower cost, long-distance company was chosen. All departments were connected to the City's computer network providing quicker and safer transmission of electronic information.

Engineering; The much anticipated US 23/42 Interchange Improvement Project was constructed in 2001. In addition, several new turn lanes, along with several new traffic signals, were completed to provide safer access and exit from the major arteries within the City. The Engineering offices were moved late in the year to a renovated house located two lots east of City Hall.

Economic Development; The Department coordinated over \$250m in commercial, industrial and downtown investment and the creation of approximately 850 new jobs in 2001. We applied for and received \$500,000 in Community Housing Improvement Program funds and \$101,000 in Formula Allocation Program funds. We also applied for \$900,000 in CDBG and Roadwork 629 Account funds for water, sewer and roadway improvements for the upcoming eastside Kroger Distribution Center.

Refuse Collection; In 2001, we completed the initial 'pilot' year for the new tipcart collection program. This program will require fewer workers per collection vehicle, and should result in fewer injuries, caused from lifting the containers.

Utilities Department; The Wastewater Division completed master plans for wastewater treatment facilities and for the wastewater collection system. The Water Division replaced 75% of the City's residential water meters with new touch-read meters. The new meters allow for reading the meters with a scanning device. They also painted the west side water tower, cleaned out one of the sludge lagoons at the Water Plant, and began fluoridation of the City's household water system.

Recreation Services; The Department completed, with assistance from the Parks Advisory Committee and citizens, a Strategic Master Plan for future recreation opportunities in Delaware.

Financial Information

Internal Accounting and Budgetary Controls; In the preparation of its annual report, the City uses the modified accrual basis of accounting for governmental and agency funds and the accrual basis for proprietary funds. When using the modified accrual basis, revenues are recognized when measurable and available, and expenditures are recognized when goods and services are received. The accrual basis recognizes revenues when earned and expenses when incurred. Grants and entitlements must also meet timing, eligibility, and contingency requirements. This timing enables management to improve the quality of its decision-making process by providing more consistent, comparable information regarding the current and past operations and financial position of the City.

Development of the City's accounting system includes consideration of internal accounting controls. These controls are designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that [1] the cost of a control should not exceed the benefits likely to be derived from its implementation and [2] the valuation of costs and benefits requires estimates and judgments by management.

The City adopts its annual appropriations on or before January 1 of each year. The City Manager and the Finance Director prepare the annual appropriation ordinance and submit it to City Council for their consideration and approval. All disbursements require appropriation authority. The legal level of budgetary control is at the department level.

The Finance Director is authorized to transfer appropriations between line items, within a department or fund. Any increase in the total appropriations for a department must be approved by City Council. A purchase order is required before making any purchase over \$250. All purchases require approval of the City Manager and the Finance Director before payment is made. Encumbrances do not lapse at year-end; they are carried forward into the next year.

As a recipient of Federal and State financial assistance, the City is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by the City's management and the Finance Department. One such evaluation resulted in the creation and hiring of a new City Accountant's position for 2001.

General Governmental Functions; The governmental funds include the general, special revenue, debt service, capital projects funds. The following summary compares revenues for these funds:

City of Delaware, Ohio

<i>Revenues</i>	<i>2001 Amount</i>	<i>2000 Amount</i>	<i>Percent of Total</i>	<i>Change</i>	<i>Percent Change</i>
Municipal Income Taxes	\$ 9,410,685	\$ 8,935,628	48.64 %	\$ 475,057	5.32 %
Property and Other Taxes	1,480,509	1,610,472	7.65	(129,963)	(8.07)
Intergovernmental	3,120,269	3,626,573	16.13	(506,304)	(13.96)
Charges for Services	1,883,641	852,812	9.73	1,030,829	120.87
Special Assessments	45,687	18,664	0.24	27,023	144.79
Fines and Court Fees	1,653,540	1,635,375	8.55	18,165	1.11
Impact Fees	706,551	0	3.65	706,551	100.00
Licenses and Permits	451,097	427,603	2.33	23,494	5.49
Interest Income	454,767	675,754	2.35	(220,987)	(32.70)
Miscellaneous	141,620	395,792	0.73	(254,172)	(64.22)
Total Revenues	\$ 19,348,366	\$ 18,178,673	100.00 %	\$ 1,169,693	6.43 %

Taxes are the largest revenue source in the governmental funds and include City income and property taxes. The decrease in Property and Other Taxes mainly resulted from approximately \$200,000 less inheritance tax received.

The increase in Charges for Services was the result of aggressive receivable collections in outstanding Engineering fees.

The decrease in intergovernmental revenue results from an FAA Airport grant received in 2000 that was not received in 2001.

An impact fee was implemented for 2001 to provide funding to offset the effects of continued growth on the City's parks, police, and fire facilities and equipment.

Expenditures for governmental fund operations totaled \$19,880,530. The following table identifies expenditures by major functions of the city and makes comparisons to last year.

<i>Expenditures</i>	<i>2001 Amount</i>	<i>2000 Amount</i>	<i>Percent of Total</i>	<i>Change</i>	<i>Percent Change</i>
Current:					
Public Safety	\$ 7,474,699	\$ 7,601,636	37.60 %	\$ (126,937)	(1.67) %
General Government	5,820,773	4,381,105	29.28	1,439,668	32.86
Airport & Public Works	2,601,807	3,096,663	13.09	(494,856)	(15.98)
Recreation and Parks	1,119,112	1,037,730	5.63	81,382	7.84
Community Development	367,771	226,310	1.85	141,461	62.51
Capital Outlay	1,948,591	3,354,635	9.80	(1,406,044)	(41.91)
Debt Service:					
Principal Retirement	23,037	1,766,000	0.12	(1,742,963)	(98.70)
Professional Services	203,603	193,714	1.02	9,889	5.10
Interest and Fiscal Charges	319,795	409,017	1.61	(89,222)	(21.81)
Total Expenditures	\$ 19,879,188	\$ 22,066,810	100.00 %	\$ (2,187,622)	(9.91) %

City of Delaware, Ohio

General Government expenditures increased due to the staffing of several departments that were newly created throughout the year in 2000 [Info Tech, Human Resources, Economic Development], as well as additional staffing in other departments [Engineering, Planning, Finance].

Capital outlay decreased for 2001 because less money was available to provide for capital improvements.

General Fund Balance; The ending fund balance decreased from \$3,167,874 in 2000 to \$2,516,338 mainly due to the aforementioned General Government expenditures.

Special Revenue Funds; The City's special revenue funds are used to account for certain revenue sources which are restricted by law or other formal action to expenditures for specific purposes. All special revenue funds are subject to an annual budget. The Community Development Block Grant and Rental Rehabilitation funds had equity deficits of \$1,228 and \$170, respectively. The general fund is liable for any deficits in other City funds.

Capital Projects Funds; The City's capital project funds account for all major capital improvement projects of the City. The primary sources for financing the City's capital improvement program are transfers from the General fund, intergovernmental revenues, special assessments, and proceeds from debt.

Enterprise Funds; The City's enterprise funds are used to account for the City's Water and Sewer Utilities, a Refuse & Recycling operation, a Municipal Golf Course, and several Parking Lots. These departments and functions are financed and operated in a manner similar to private business enterprises in that the costs of providing services to the general public on a continuing basis are financed or recovered through user charges. The Water fund saw a decrease in net income in 2001 over 2000 from \$1.1 million to \$936 thousand. The Sewer fund also changed from a net loss in 2000 of (\$487) thousand to a net income of 437 thousand in 2001. The Refuse fund saw a decrease in net income from \$142 thousand in 2000 to a (\$42) thousand net loss in 2001.

Fiduciary Funds; The City's fiduciary funds include both Trust and Agency funds. Results of operations in the trust funds increased the combined fund balance almost \$32 thousand for 2001 and the assets of the City's agency funds at December 31, 2001 are \$404,813.

Debt Administration

The gross indebtedness [bonds and notes] of the City of Delaware at the end of 2000 was \$9,638,000. At the end of 2001, the gross indebtedness of the City was \$11,928,000. During 2001, the City issued a \$2.5 million note to assist in funding the 23/42 Interstate Interchange Improvement Project. The overall debt margin within the overall limitation was \$41,097,279 at December 31, 2001.

The City maintains an "Aa2" rating from Moody's Investors Service, Inc.

Cash Management

All City cash, except cash held by a trustee or the Municipal Court, is pooled for investment purposes in order to generate the highest possible yield. All deposits are made under contracts with local banking institutions and with the State Treasurer's Investment Pool [STAROhio]. A majority of the City's deposits are collateralized by pooled collateral. By law, financial institutions may establish a collateral pool to cover all public deposits. The face value of the pooled collateral must equal at least 105 percent of the public funds on deposit. Trustees including the Federal Reserve Bank and designated third party trustees of the financial institutions hold the collateral.

Risk Management

The City carries \$1,000,000 of comprehensive combined single limit general liability coverage with a \$1,000 deductible, a \$1,000,000 general law enforcement liability insurance policy and \$1,000,000 public officials liability, each with a \$5,000 deductible, as well as \$5,000,000 umbrella coverage. The City also contributes to the State of Ohio for worker's compensation and unemployment insurance services.

Independent Audit

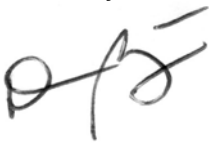
In accordance with Ohio law, independent audits are required to be performed on all financial operations of the City. Either the Auditor of State of Ohio, or, if the Auditor permits, an independent public accounting firm conducts these audits. For 2001, the Auditor of State's Office performed these services. This report is presented in the Financial Section.

Acknowledgements

The 2001 Comprehensive Annual Financial Report is the City's first CAFR since 1990. We would like to thank the many departments that assisted in providing information reported in this CAFR, as well as the Delaware County Auditor's Office. We would also like to recognize City Council for their continued support and commitment to responsible financial reporting.

We are pleased to present this report to the residents and taxpayers of the City of Delaware.

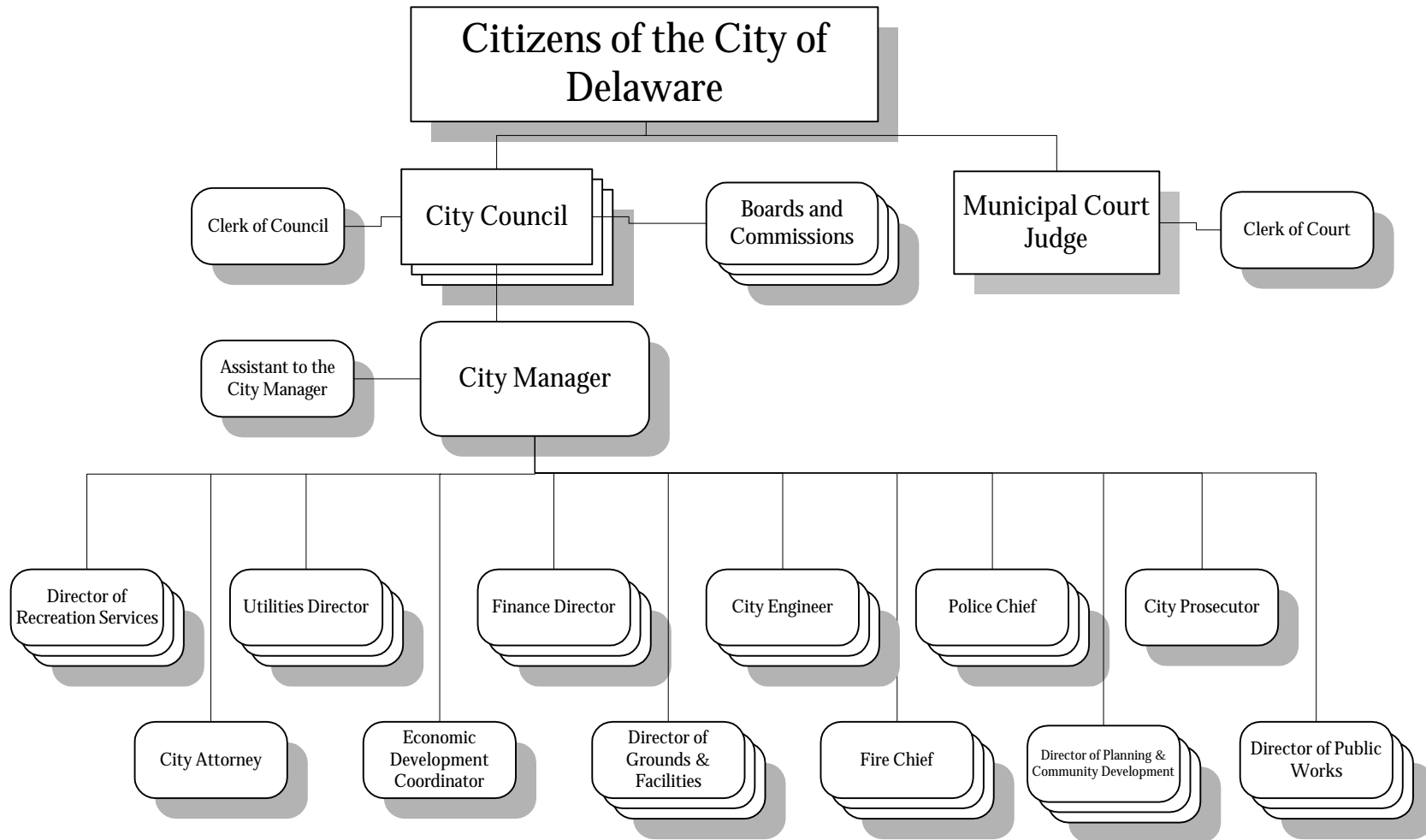
Sincerely,



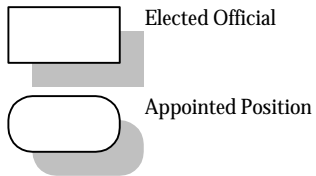
Dean P. Stelzer, CPA
Finance Director



Robert L. Alger
Accountant



Legend



Boards & Commissions

- Airport Commission
- Board of Zoning Appeals
- Charter Review Commission
- Civil Service Commission
- Finance Committee
- Golf Course Advisory Board
- Historic Preservation Commission
- Income Tax Board of Review
- Parks and Recreation Advisory Board
- Permanent Tax Advisory Committee
- Planning Commission
- Shade Tree Commission

*CITY OF DELAWARE,
OHIO*

Elected and Appointed Officials

As of December 31, 2001

Elected Officials

City Council

Jim Moore --- First Ward
David Berwanger --- Second Ward
David Godsil --- Third Ward
Mary Jane Santos --- Fourth Ward
Todd Hanks --- At Large
Tommy Thompson --- Mayor
Windell Wheeler --- Vice-Mayor

Municipal Court

Michael Hoague --- Municipal Court Judge

Appointed Officials

R. Thomas Homan --- City Manager
Jackie Sobas --- Assistant to the City
Manager
Dan Bennington --- City Attorney
Pete Ruffing --- City Prosecutor
Dean Stelzer --- Finance Director
Bill Ferrigno --- City Engineer
Tim Browning --- Public Works Director
Randy Smith --- Recreation Services
Director
Tom Marshall --- Utilities Director
Steve Beard --- Grounds & Facilities
Director
Vince Papsidero --- Planning & Community
Development Director
Gus Comstock --- Economic Development
Coordinator
Tom Macklin --- Fire Chief
Linda Black --- Police Chief
Cindy Dinovo --- Clerk of Court

City of Delaware, Ohio

Financial Section

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STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

35 North Fourth Street
Columbus, Ohio 43215
Telephone 614-466-3402
800-443-9275
Facsimile 614-728-7199
www.auditor.state.oh.us

REPORT OF INDEPENDENT ACCOUNTANTS

City of Delaware
Delaware County
1 South Sandusky Street
Delaware, Ohio 43015

To the Members of City Council:

We have audited the accompanying general purpose financial statements of the City of Delaware, Delaware County, Ohio, (the City) as of and for the year ended December 31, 2001, as listed in the table of contents. These general purpose financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

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

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

As described in Note 4, during the year ended December 31, 2001, the City adopted *Governmental Accounting Standard Board Statements No. 33 and 36*.

In accordance with *Government Auditing Standards*, we have also issued our report dated July 16, 2002 on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

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

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

A handwritten signature in black ink, appearing to read "Jim Petro", with a large, stylized loop at the end.

JIM PETRO
Auditor of State

July 16, 2002

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CITY OF DELAWARE, OHIO

Combined Balance Sheet--All Fund Types And Account Groups
December 31, 2001

Governmental Fund Types

	General Fund	Special Revenue	Debt Service	Capital Projects
Assets And Other Debits				
Equity in Pooled Cash and Cash Equivalents	\$ 1,567,042	\$ 1,771,686	\$ 361,799	\$ 4,611,519
Receivables:				
Taxes	2,491,096	870,138	0	0
Accounts	258,235	687	0	344
Interfund	10,632	0	0	0
Accrued Interest & Prepaid Expenses	38,239	9,815	0	0
Restricted Assets:				
Equity in Pooled Cash and Cash Equivalents	0	0	0	32,615
Cash and Cash Equivalents in Segregated Accounts	0	0	0	0
Due From:				
Federal Government	0	2,829	0	0
State Government	155,005	414,790	0	0
County Government	227,351	10,809	0	0
Municipal Court	99,054	27,178	0	0
Funds	536,801	0	0	0
Inventory	0	6,833	0	0
Unamortized Bond Issuance Costs	0	0	0	0
Fixed Assets (Net of Accumulated Depreciation)	0	0	0	0
Available In Debt Service Funds	0	0	0	0
Amount To Be Provided For Retirement Of General Long-Term Obligations	0	0	0	0
Total Assets And Other Debits	\$ 5,383,455	\$ 3,114,765	\$ 361,799	\$ 4,644,478
Liabilities and Other Credits				
Accounts Payable	\$ 190,177	\$ 138,252	\$ 0	\$ 234,389
Customer Deposits	0	0	0	0
Accrued Wages & Benefits	862,904	112,144	0	0
Compensated Absences Payable	197,712	23,876	0	0
Claims Payable	0	0	0	0
Accrued Interest Payable	0	0	1,416	132,766
Payables From Restricted Assets:				
Contracts Payable	0	0	0	32,615
Accrued Interest Payable	0	0	0	0
Interfund Payable	0	4,227	6,405	0
Due To:				
Other Funds	0	536,801	0	0
Other Governments	0	0	0	0
Others	0	0	0	0
Revenue Bonds Payable	0	0	0	0
Special Assessment Bonds Payable	0	0	0	0
Notes Payable	0	0	0	8,000,000
Deferred Revenue	1,616,324	755,269	0	0
Landfill Post-Closure Obligation	0	0	0	0
Total Liabilities	\$ 2,867,117	\$ 1,570,569	\$ 7,821	\$ 8,399,770
Fund Equity				
Investment In General Fixed Assets	\$ 0	\$ 0	\$ 0	\$ 0
Contributed Capital	0	0	0	0
Retained Earnings	0	0	0	0
Fund Balances:				
Reserved For Encumbrances	217,303	364,660	0	755,999
Reserved For Pre-Paid Expenses	38,203	9,815	0	0
Reserved For Inventory	0	6,833	0	0
Unreserved	2,260,832	1,162,888	353,978	(4,511,291)
Total Fund Equity And Other Credits	\$ 2,516,338	\$ 1,544,196	\$ 353,978	\$ (3,755,292)
Total Liabilities, Fund Equity, And Other Credits	\$ 5,383,455	\$ 3,114,765	\$ 361,799	\$ 4,644,478

Proprietary		Fiduciary		Account Groups		Total Memorandum Only
Enterprise	Internal Service	Agency	Expendable Trust	General Fixed Assets	General Long-Term Debt	
\$ 10,933,749	\$ 1,596,660	\$ 399,606	\$ 113,280	\$ 0	\$ 0	\$ 21,355,341
0	0	0	0	0	0	3,361,234
1,137,392	0	45	0	0	0	1,396,703
0	0	0	0	0	0	10,632
45,488	0	0	0	0	0	93,542
636,606	0	0	0	0	0	669,221
499,790	0	0	0	0	0	499,790
0	0	0	0	0	0	2,829
0	0	0	0	0	0	569,795
0	0	0	0	0	0	238,160
0	0	5,162	0	0	0	131,394
0	0	0	0	0	0	536,801
11,146	7,096	0	0	0	0	25,075
81,304	0	0	0	0	0	81,304
35,384,938	30,338	0	0	31,053,717	0	66,468,993
0	0	0	0	0	353,978	353,978
0	0	0	0	0	3,055,491	3,055,491
\$ 48,730,413	\$ 1,634,094	\$ 404,813	\$ 113,280	\$ 31,053,717	\$ 3,409,469	\$ 98,850,283
\$ 429,160	\$ 10,775	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,002,753
178,994	0	0	0	0	0	178,994
437,226	9,648	0	0	0	848,802	2,270,724
314,808	21,955	0	0	0	2,298,179	2,856,530
0	644,483	0	0	0	0	644,483
17,693	0	0	0	0	0	151,875
145,025	0	0	0	0	0	177,640
6,673	0	0	0	0	0	6,673
0	0	0	0	0	0	10,632
0	0	0	0	0	0	536,801
0	0	18,166	0	0	0	18,166
0	0	386,647	0	0	0	386,647
3,640,000	0	0	0	0	0	3,640,000
25,512	0	0	0	0	262,488	288,000
0	0	0	0	0	0	8,000,000
0	0	0	0	0	0	2,371,593
290,000	0	0	0	0	0	290,000
\$ 5,485,091	\$ 686,861	\$ 404,813	\$ 0	\$ 0	\$ 3,409,469	\$ 22,831,511
\$ 0	\$ 0	\$ 0	\$ 0	\$ 31,053,717	\$ 0	\$ 31,053,717
16,589,011	0	0	0	0	0	16,589,011
26,656,311	947,233	0	0	0	0	27,603,544
0	0	0	0	0	0	1,337,962
0	0	0	0	0	0	48,018
0	0	0	0	0	0	6,833
0	0	0	113,280	0	0	(620,313)
\$ 43,245,322	\$ 947,233	\$ 0	\$ 113,280	\$ 31,053,717	\$ 0	\$ 76,018,772
\$ 48,730,413	\$ 1,634,094	\$ 404,813	\$ 113,280	\$ 31,053,717	\$ 3,409,469	\$ 98,850,283

CITY OF DELAWARE, OHIO

Combined Statement Of Revenues, Expenditures And Changes In Fund Balances--
 All Governmental Fund Types And Expendable Trust Funds
 For The Year Ended December 31, 2001

	Governmental Fund Types				Fiduciary Fund Type	Total Memorandum Only
	General	Special Revenue	Debt Service	Capital Projects	Expendable Trust	
Revenues:						
Income Taxes	\$ 6,628,794	\$ 2,781,891	\$ 0	\$ 0	\$ 0	\$ 9,410,685
Property And Other Taxes	1,228,404	252,105	0	0	0	1,480,509
Intergovernmental	1,622,372	1,489,767	0	8,130	0	3,120,269
Charges For Service	1,328,713	554,928	0	0	0	1,883,641
Special Assessments	0	0	45,687	0	0	45,687
Fines And Court Fees	1,297,843	355,697	0	0	0	1,653,540
Licenses And Permits	451,097	0	0	0	0	451,097
Interest Income	351,465	13,404	76,060	13,838	0	454,767
Donations	0	0	0	0	7,730	7,730
Impact Fees	0	0	0	706,551	0	706,551
Developers' Fees	0	0	0	0	29,725	29,725
Miscellaneous	70,412	55,794	0	15,414	0	141,620
Total Revenues	12,979,100	5,503,586	121,747	743,933	37,455	19,385,821
Expenditures:						
Current:						
Public Safety	4,429,451	3,045,248	0	0	695	7,475,394
General Government	5,526,685	294,088	0	0	3,260	5,824,033
Airport & Public Works	0	2,601,807	0	0	0	2,601,807
Recreation And Parks	0	1,119,112	0	0	1,743	1,120,855
Community Development	0	367,771	0	0	0	367,771
Capital Outlay	0	0	0	1,948,591	0	1,948,591
Debt Service:						
Principal Retirement	0	0	23,037	0	0	23,037
Professional Services	0	0	11,297	192,306	0	203,603
Interest And Fiscal Charges	0	0	28,007	291,788	0	319,795
Total Expenditures	9,956,136	7,428,026	62,341	2,432,685	5,698	19,884,886
Excess (Deficiency) Of Revenues Over Expenditures	3,022,964	(1,924,440)	59,406	(1,688,752)	31,757	(499,065)
Other Financing Sources (Uses):						
Premium On Notes	0	0	0	14,807	0	14,807
Operating Transfer In	0	2,031,167	58,967	2,360,384	0	4,450,518
Operating Transfers Out	(3,674,500)	(122,390)	(169,757)	(485,834)	0	(4,452,481)
Total Other Financing Sources (Uses)	(3,674,500)	1,908,777	(110,790)	1,889,357	0	12,844
Excess (Deficiency) Of Revenues And Other Financing Sources Over/(Under) Expenditures And Other Financing Uses	(651,536)	(15,663)	(51,384)	200,605	31,757	(486,221)
Fund Balances At Beginning Of Year <i>(restated, see Notes 2 and 4)</i>	3,167,874	1,559,859	405,362	(3,955,897)	81,523	1,258,721
Fund Balances At End Of Year	\$ 2,516,338	\$ 1,544,196	\$ 353,978	\$ (3,755,292)	\$ 113,280	\$ 772,500

CITY OF DELAWARE, OHIO

Combined Statement Of Revenues, Expenditures
 And Changes In Fund Balances--Budget And Actual--[Budget Basis]
 All Governmental Fund Types and Expendable Trust Funds
 For The Year Ended December 31, 2001

	General Fund		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Income Taxes	\$ 6,940,900	\$ 6,698,950	\$ (241,950)
Property And Other Taxes	1,303,092	1,221,659	(81,433)
Intergovernmental	1,693,465	1,959,911	266,446
Charges For Service	815,500	1,167,383	351,883
Fines And Court Fees	1,590,000	1,294,469	(295,531)
Licenses And Permits	476,000	451,497	(24,503)
Interest Income	300,000	352,937	52,937
Miscellaneous	65,000	164,601	99,601
Total Revenues	<u>13,183,957</u>	<u>13,311,407</u>	<u>127,450</u>
Expenditures:			
Current:			
Public Safety	4,768,172	4,439,352	328,820
General Government	5,935,591	5,671,093	264,498
Income Tax Refunds	295,000	293,370	1,630
Total Expenditures	<u>10,998,763</u>	<u>10,403,815</u>	<u>594,948</u>
Excess (Deficiency) Of Revenues Over Expenditures	2,185,194	2,907,592	722,398
Other Financing Uses:			
Operating Transfers Out	<u>(3,680,106)</u>	<u>(3,674,500)</u>	<u>5,606</u>
Excess (Deficiency) Of Revenues Over Expenditures And Other Financing Uses	(1,494,912)	(766,908)	728,004
Fund Balances At Beginning Of Year	1,505,772	1,505,772	0
Unexpended Prior Years Encumbrances	<u>460,275</u>	<u>460,275</u>	
Fund Balances At End Of Year	<u>\$ 471,135</u>	<u>\$ 1,199,139</u>	<u>\$ 728,004</u>

(continued)

CITY OF DELAWARE, OHIO

Combined Statement Of Revenues, Expenditures
 And Changes In Fund Balances--Budget And Actual--[Budget Basis]
 All Governmental Fund Types and Expendable Trust Funds
 For The Year Ended December 31, 2001

Special Revenue Funds

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Income Taxes	\$ 2,700,000	\$ 2,694,740	\$ (5,260)
Property And Other Taxes	238,470	252,105	13,635
Intergovernmental	1,737,610	1,771,435	33,825
Charges For Service	971,000	554,928	(416,072)
Fines And Court Fees	377,500	352,650	(24,850)
Interest Income	6,500	13,488	6,988
Miscellaneous	39,000	55,794	16,794
Total Revenues	<u>6,070,080</u>	<u>5,695,140</u>	<u>(374,940)</u>
Expenditures:			
Current:			
Public Safety	3,898,725	3,593,565	305,160
Airport & Public Works	3,629,578	2,919,637	709,941
Recreation And Parks	1,249,893	1,156,642	93,251
Community Development	453,276	427,842	25,434
Total Expenditures	<u>9,231,472</u>	<u>8,097,686</u>	<u>1,133,786</u>
Excess (Deficiency) Of Revenues Over Expenditures	(3,161,392)	(2,402,546)	758,846
Other Financing Sources (Uses):			
Operating Transfer In	1,999,000	2,031,167	32,167
Operating Transfers Out	(328,923)	(122,390)	206,533
Total Other Financing Sources (Uses)	<u>1,670,077</u>	<u>1,908,777</u>	<u>238,700</u>
Excess (Deficiency) Of Revenues And Other Financing Sources Over Expenditures And Other Financing Uses	(1,491,315)	(493,769)	997,546
Fund Balances At Beginning Of Year	889,820	889,820	0
Unexpended Prior Years Encumbrances	879,051	879,051	
Fund Balances At End Of Year	<u>\$ 277,556</u>	<u>\$ 1,275,102</u>	<u>\$ 997,546</u>

(continued)

CITY OF DELAWARE, OHIO

Combined Statement Of Revenues, Expenditures
 And Changes In Fund Balances--Budget And Actual--[Budget Basis]
 All Governmental Fund Types and Expendable Trust Funds
 For The Year Ended December 31, 2001

Debt Service Funds

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Interest Income	\$ 0	\$ 76,144	\$ 76,144
Special Assessment	50,000	43,008	(6,992)
Total Revenues	<u>50,000</u>	<u>119,152</u>	<u>69,152</u>
Expenditures:			
Debt Service:			
Principal Retirement	5,514,697	5,450,000	64,697
Professional Services	5,000	11,297	(6,297)
Interest And Fiscal Charges	228,400	286,799	(58,399)
Special Assessment Retirement	25,000	25,000	0
Total Expenditures	<u>5,773,097</u>	<u>5,773,096</u>	<u>1</u>
Excess (Deficiency) Of Revenues Over Expenditures	(5,723,097)	(5,653,944)	69,153
Other Financing Sources:			
Proceeds Of Note Issuance	6,705,250	5,264,993	(1,440,257)
Operating Transfer In	280,100	339,067	58,967
Total Other Financing Sources	<u>6,985,350</u>	<u>5,604,060</u>	<u>(1,381,290)</u>
Excess (Deficiency) Of Revenues And Other Financing Sources Over Expenditures	1,262,253	(49,884)	(1,312,137)
Fund Balances At Beginning Of Year	<u>405,278</u>	<u>405,278</u>	<u>0</u>
Fund Balances At End Of Year	<u>\$1,667,531</u>	<u>\$ 355,394</u>	<u>\$ (1,312,137)</u>

(continued)

CITY OF DELAWARE, OHIO

Combined Statement Of Revenues, Expenditures
 And Changes In Fund Balances--Budget And Actual--[Budget Basis]
 All Governmental Fund Types and Expendable Trust Funds
 For The Year Ended December 31, 2001

Capital Projects Funds

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$ 525,000	\$ 8,130	\$ (516,870)
Impact Fees	0	706,551	706,551
Interest Income	4,000	13,880	9,880
Miscellaneous	5,000	15,320	10,320
Total Revenues	<u>534,000</u>	<u>743,881</u>	<u>209,881</u>
Expenditures:			
Current:			
General Government	461,600	312,043	149,557
Capital Outlay	6,202,690	3,004,341	3,198,349
Total Expenditures	<u>6,664,290</u>	<u>3,316,384</u>	<u>3,347,906</u>
Excess (Deficiency) Of Revenues Over Expenditures	(6,130,290)	(2,572,503)	3,557,787
Other Financing Sources (Uses):			
Proceeds Of Note Issuance	0	2,750,000	2,750,000
Operating Transfer In	2,025,000	1,956,570	(68,430)
Operating Transfers Out	(634,266)	(529,914)	104,352
Total Other Financing Sources (Uses)	<u>1,390,734</u>	<u>4,176,656</u>	<u>2,785,922</u>
Excess (Deficiency) Of Revenues And Other Financing Sources Over Expenditures And Other Financing Uses	(4,739,556)	1,604,153	6,343,709
Fund Balances At Beginning Of Year	1,232,531	1,232,531	0
Unexpended Prior Years Encumbrances	817,171	817,171	
Fund Balances At End Of Year	<u>\$ (2,689,854)</u>	<u>\$ 3,653,855</u>	<u>\$ 6,343,709</u>

(continued)

CITY OF DELAWARE, OHIO

Combined Statement Of Revenues, Expenditures
 And Changes In Fund Balances--Budget And Actual--[Budget Basis]
 All Governmental Fund Types and Expendable Trust Funds
 For The Year Ended December 31, 2001

Expendable Trust Funds

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Donations	\$ 1,400	\$ 7,730	\$ 6,330
Developers' Fees	35,000	29,725	(5,275)
Total Revenues	<u>36,400</u>	<u>37,455</u>	<u>1,055</u>
Expenditures:			
Current:			
Materials & Supplies	500	0	500
Services & Charges	4,000	3,260	740
Capital Outlay	86,040	2,475	83,565
Total Expenditures	<u>90,540</u>	<u>5,735</u>	<u>84,805</u>
Excess (Deficiency) Of Revenues Over Expenditures	(54,140)	31,720	85,860
Fund Balances At Beginning Of Year	<u>81,560</u>	<u>81,560</u>	<u>0</u>
Fund Balances At End Of Year	<u>\$ 27,420</u>	<u>\$ 113,280</u>	<u>\$ 85,860</u>

See Accompanying Notes to the General Purpose Financial Statements

CITY OF DELAWARE, OHIO

Combined Statement Of Revenues, Expenses And Changes
 In Fund Equity--All Proprietary Fund Types
 For The Year Ended December 31, 2001

	Proprietary Fund Types		Total Memorandum Only
	Enterprise	Internal Service	
Operating Revenues:			
Charges For Services	\$ 7,225,721	\$ 2,606,428	\$ 9,832,149
Capacity Fees	1,200,449	0	1,200,449
Miscellaneous	94,311	0	94,311
Total Revenue	8,520,481	2,606,428	11,126,909
Operating Expenses:			
Personal Services	2,547,840	158,364	2,706,204
Cost Of Services	980,000	0	980,000
Depreciation	1,627,105	7,097	1,634,202
Services and Charges	1,790,620	999,048	2,789,668
Claims	0	1,156,296	1,156,296
Materials And Supplies	1,521,065	280,438	1,801,503
Total Operating Expenses	8,466,630	2,601,243	11,067,873
Operating Income/(Loss)	53,851	5,185	59,036
Non-Operating Revenues (Expenses):			
Interest Income	433,265	0	433,265
Interest Expense	(213,594)	0	(213,594)
Donated Water and Sewer Lines	1,099,675	0	1,099,675
Other, Revenue / (Expense)	(30,819)	(17,795)	(48,614)
Net Non-Operating Revenues (Expenses)	1,288,527	(17,795)	1,270,732
Income (Loss) Before Operating Transfers	1,342,378	(12,610)	1,329,768
Operating Transfers In	1,963	0	1,963
Net Income/(Loss)	1,344,341	(12,610)	1,331,731
Add Depreciation On Fixed Assets Acquired By Contributed Capital	622,970	0	622,970
Increase (Decrease) In Retained Earnings	1,967,311	(12,610)	1,954,701
Retained Earnings At Beginning Of Year <i>(restated, see Notes 2 and 4)</i>	24,689,000	959,843	25,648,843
Retained Earnings At End Of Year	\$ 26,656,311	\$ 947,233	\$ 27,603,544

See Accompanying Notes to the General Purpose Financial Statements

CITY OF DELAWARE, OHIO
 Combined Statement Of Revenues, Expenses
 And Changes In Fund Balances--Budget And Actual--[Budget Basis]
 All Proprietary Fund Types
 For The Year Ended December 31, 2001

Enterprise Funds

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$ 15,000	\$ 25,200	\$ 10,200
Charges For Service	7,306,382	7,283,840	(\$22,542)
Capacity Fees	1,600,000	1,200,449	(399,551)
Interest Income	455,000	447,229	(7,771)
Water Deposits	27,000	31,489	4,489
Miscellaneous	65,000	97,270	32,270
Total Revenues	<u>9,468,382</u>	<u>9,085,477</u>	<u>(382,905)</u>
Expenses:			
Current:			
Personal Services	2,762,514	2,562,718	199,796
Materials & Supplies	863,338	806,580	56,758
Services & Charges	2,984,806	2,771,306	213,500
Reimbursements	97,795	62,756	35,039
Capital Outlay	16,877,392	5,168,998	11,708,394
Debt Service			
Principal Retirement	225,834	236,667	(10,833)
Interest & Fiscal Charges	235,059	222,503	12,556
Total Expenses	<u>24,046,738</u>	<u>11,831,528</u>	<u>12,215,210</u>
Excess (Deficiency) Of Revenues Over Expenses	(14,578,356)	(2,746,051)	11,832,305
Other Financing Sources:			
Proceeds Of Note Issuance	<u>14,200,000</u>	<u>0</u>	<u>(14,200,000)</u>
Excess (Deficiency) Of Revenues And Other Financing Sources Over Expenses	<u>(378,356)</u>	<u>(2,746,051)</u>	<u>(2,367,695)</u>
Fund Balances At Beginning Of Year	11,075,182	11,075,182	0
Unexpended Prior Years Encumbrances	<u>1,291,891</u>	<u>1,291,891</u>	
Fund Balances At End Of Year	<u>\$ 11,988,717</u>	<u>\$ 9,621,022</u>	<u>\$ (2,367,695)</u>

(continued)

CITY OF DELAWARE, OHIO
 Combined Statement Of Revenues, Expenses
 And Changes In Fund Balances--Budget And Actual--[Budget Basis]
 All Proprietary Fund Types
 For The Year Ended December 31, 2001

	Internal Service Funds		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Charges For Service	\$ 2,185,000	\$ 2,606,428	\$ 421,428
Total Revenues	<u>2,185,000</u>	<u>2,606,428</u>	<u>421,428</u>
Expenses:			
Current:			
Personal Services	161,436	150,316	11,120
Materials & Supplies	351,526	308,446	43,080
Services & Charges	2,138,974	1,942,424	196,550
Reimbursements	25,500	17,795	7,705
Capital Outlay	20,900	13,116	7,784
Total Expenses	<u>2,698,336</u>	<u>2,432,097</u>	<u>266,239</u>
Excess (Deficiency) Of Revenues Over Expenses	(513,336)	174,331	687,667
Fund Balances At Beginning Of Year	1,376,498	1,376,498	0
Unexpended Prior Years Encumbrances	<u>17,596</u>	<u>17,596</u>	
Fund Balances At End Of Year	<u>\$ 880,758</u>	<u>\$ 1,568,425</u>	<u>\$ 687,667</u>

CITY OF DELAWARE, OHIO

Combined Statement Of Cash Flows

All Proprietary Fund Types

For The Year Ended December 31, 2001

	Enterprise	Internal Service	Total Memorandum Only
Cash flows from operating activities:			
Cash received from customers	\$ 8,483,837	\$ 530,619	\$ 9,014,456
Cash received for premiums	0	1,809,942	1,809,942
Customer deposits received	31,488	0	31,488
Customer deposits returned	(22,308)	0	(22,308)
Cash received for services	0	265,867	265,867
Cash payments for personal services	(2,562,717)	(150,316)	(2,713,033)
Cash payments for materials and supplies	(1,503,849)	(280,496)	(1,784,345)
Cash payments for services and charges	(2,590,230)	(1,942,250)	(4,532,480)
Other cash received or paid	91,986	0	91,986
<i>Net cash provided from (used for) operating activities</i>	1,928,207	233,366	2,161,573
Cash Flows from Noncapital Financing Activities			
Cash received from land rent	5,284	0	5,284
Cash received from grants	25,200	0	25,200
Cash payments for reimbursements	(8,326)	(17,795)	(26,121)
<i>Net cash provided from noncapital financing activities</i>	22,158	(17,795)	4,363
Cash flows from capital and related financing activities			
Acquisition and construction of capital assets	(2,235,348)	(13,008)	(2,248,356)
Interest paid on capital debt	(222,503)	0	(222,503)
Principal paid on capital debt	(236,667)	0	(236,667)
<i>Net cash provided from / used for capital and related financing activities</i>	(2,694,518)	(13,008)	(2,707,526)
Cash flows from investing activities			
Interest received	447,229	0	447,229
Net increase (decrease) in cash and cash equivalents	(296,924)	202,563	(94,361)
Cash and cash equivalents at beginning of year	12,367,069	1,394,097	13,761,166
Cash and cash equivalents at end of year	\$ 12,070,145	\$ 1,596,660	\$ 13,666,805

(continued)

CITY OF DELAWARE, OHIO

Combined Statement Of Cash Flows

All Proprietary Fund Types

For The Year Ended December 31, 2001

(continued)

	<u>Enterprise</u>	<u>Internal Service</u>	<u>Total Memorandum Only</u>
Reconciliation of operating income (loss) to net cash provided by operating activities:			
Operating income (loss)	\$ 53,851	\$ 5,185	\$ 59,036
<i>Adjustments to reconcile operating income (loss) to net cash provided from (used for) operating activities:</i>			
Depreciation	1,627,105	7,097	1,634,202
Landfill amortization	(5,000)	0	(5,000)
<i>Changes in Assets and Liabilities:</i>			
(Increase) decrease in accounts receivable	55,342	0	55,342
(Increase) decrease in prepaid expenses	(5,341)	0	(5,341)
(Increase) decrease in inventory	4,539	0	4,539
Increase (decrease) in accounts payable	90,336	(1,810)	88,526
Increase (decrease) in claims payable	0	214,884	214,884
Increase (decrease) in contracts payable	82,147	0	82,147
Increase (decrease) in customer deposits	9,180	0	9,180
Increase (decrease) in accrued wages & benefits	25,026	2,427	27,453
Increase (decrease) in compensated absences payable	(8,978)	5,583	(3,395)
Total Adjustments	<u>1,874,356</u>	<u>228,181</u>	<u>2,102,537</u>
Net cash provided by (used for) operating activities	<u>\$ 1,928,207</u>	<u>\$ 233,366</u>	<u>\$ 2,161,573</u>

Noncash capital transactions:

The Water fund received water lines donated by developers with a fair value of \$505,559. These lines were recorded as fixed assets.

The Sewer fund received sewer lines donated by developers with a fair value of \$594,116. These lines were recorded as fixed assets.

See Accompanying Notes to the General Purpose Financial Statements

CITY OF DELAWARE. OHIO

Notes To The General Purpose Financial Statements December 31, 2001

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The City of Delaware, Ohio (the "City") is an incorporated municipality under the laws of the State of Ohio. Its charter was adopted November 6, 1951, and established the Council/Manager form of government. The City presently provides the following services as authorized by its charter: public safety, airport and public works, recreation and parks, engineering, public health and water and sewer enterprise activities.

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure the financial statements are fairly presented and complete.

The primary government consists of all funds, departments, boards and commissions that are not legally separate from the City. They comprise the City's legal entity which provides various services including a public safety department, a public works department, a grounds & facilities department, a recreation services department, a planning & community development department, a utility department, and an engineering department. The City is also responsible for the construction, maintenance, and repairs associated with the water and sewer lines and provides water and sewer treatment services. The City Manager and City Council have direct responsibility for these services.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organization. Component units may include organizations for which the City approves the

CITY OF DELAWARE, OHIO

Notes To The General Purpose Financial Statements December 31, 2001

(continued)

budget, the issuance of debt or the levying of taxes. The City has no blended or discretely presented component units.

The Delaware Municipal Court's (the "Court") activities are included within these general-purpose financial statements as required by Governmental Accounting Standard No. 14, *The Financial Reporting Entity*. The City includes the Court's cash balance and liability to others within its agency funds, and the City's share of Court fines collected and operating expenditures in the General Fund. The Court serves as the Court of record and has jurisdiction within Delaware County. The City is responsible for financing Court operations and has recorded Court operating expenditures in the General Fund. The City, however, has no ability to select or influence Court management and cannot dictate budget and other fiscal matters. The Court is presided over by a separately elected judge who has the authority to select and appoint all officials of the Court and to direct the Court's activity.

B. Basis of Presentation - Fund Accounting

The City uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain City functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

Funds are classified into three categories: governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate fund types. The various funds are summarized by type in the general-purpose financial statements. The City uses the following fund types and account groups:

Governmental Fund Types:

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

General Fund

The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. The fund

CITY OF DELAWARE, OHIO

Notes To The General Purpose Financial Statements December 31, 2001

(continued)

balance of the General Fund is available to the City for any purpose provided it is expended or transferred according to the City's Charter and Code and the general laws and regulations of the State of Ohio.

Special Revenue Funds

Special Revenue Funds are used to account for revenues derived from specific taxes, grants, or other sources (other than those relating to major capital projects) whose use is restricted. The uses and limitations of each Special Revenue Fund are specified by City ordinances or federal or state statutes.

Debt Service Funds

Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

Capital Project Funds

Capital Project Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds).

Proprietary Fund Types:

Proprietary funds are used to account for the City's ongoing organizations and activities that are similar to those found in the private sector. The measurement focus is upon determination of net income, financial position, and cash flows. The following are the City's proprietary fund types:

Enterprise Funds

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. The intent is for user charges to finance services provided to the general public on a continuing basis.

Internal Service Funds

Internal Service Funds are used to account for the financing of goods or services provided by one department of the City to other departments of the City on a cost-reimbursement basis.

CITY OF DELAWARE, OHIO

Notes To The General Purpose Financial Statements December 31, 2001

(continued)

Fiduciary Fund Types:

Fiduciary funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governments, and other funds. The City's fiduciary funds include agency funds and expendable trust funds. Agency Funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operations. Expendable Trust Funds are accounted for and reported as Governmental Funds.

Account Groups:

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

General Fixed Assets Account Group

This Account Group reflects the costs of fixed assets of the City other than those accounted for in the Proprietary Funds. These assets do not represent financial resources available for expenditure, but are items for which financial resources have been used and for which the City maintains accountability. They are not assets of any fund, but of the City as a whole.

General Long-Term Obligations Account Group

This Account Group reflects all un-matured long-term indebtedness of the City that is not a specific liability of a Proprietary Fund.

C. Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds and expendable trust funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

All proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and liabilities associated with the operation of these funds are included on the balance sheet. Fund equity (i.e., net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund-type operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net total assets.

CITY OF DELAWARE, OHIO

Notes To The General Purpose Financial Statements December 31, 2001

(continued)

The Governmental Funds, Expendable Trust and Agency Funds follow the modified accrual basis of accounting. Under this method of accounting, the City recognized revenue when it becomes both measurable and available. Measurable means the amount of the transaction can be determined. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, which for the City is considered to be two months after year end. Grants and entitlements must also meet timing, eligibility, and contingency requirements. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable. Principal and interest on general long-term debt are recognized as expenditures when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year.

Revenues accrued at the end of the year included: interest earnings, income tax withholdings, hotel taxes, rents, billings for services and materials, and certain intergovernmental revenues.

Fines and miscellaneous revenues are recorded as revenue when received because they are generally not considered measurable and available until received.

The City reports deferred revenue on its combined balance sheet. Deferred revenues arise when potential revenue does not meet both the measurable and available criteria for recognition in the current period. In subsequent periods, when both revenue recognition criteria are met, the liability for deferred revenue is removed and revenue is recognized. Property taxes and special assessment installments measurable as of December 31, 2001, but which are not intended to finance current operations, are recorded as deferred revenues.

The accrual basis of accounting is used for reporting purposes by the proprietary funds. Revenues are recognized when they are earned and expenses are recorded at the time liabilities are incurred. Unbilled service charges are recognized as revenue at year-end.

D. Budgets and Budgetary Accounting

The City's budget is adopted and modified as follows:

1. Prior to November 15, the City Manager submits to City Council an estimate of the expenditures necessary to conduct the affairs of the City for the fiscal year commencing the following January 1.
2. Budget estimates are distributed throughout the City (including newspapers and libraries), and public hearings are held to obtain taxpayers' comments.
3. Prior to January 1 and after publication of the proposed budget ordinances, the budget is legally enacted by ordinance.

CITY OF DELAWARE, OHIO

Notes To The General Purpose Financial Statements December 31, 2001

(continued)

4. Supplemental appropriations and transfers of appropriations between funds and departments must be approved by City Council. Supplemental appropriations were necessary during 2001.
5. Expenditures cannot legally exceed appropriations at the department level. Unencumbered appropriations lapse at year-end, and encumbered appropriations are reported as expenditures in the current year.
6. The Finance Director estimates the budgeted revenues presented in the combined statement of revenues, expenditures and changes in fund balances—budget and actual, in conjunction with the annual budgeting process. However, this estimate is not included or required in the budget ordinance. These estimates are filed with the County Budget Commission by September 1.

Encumbrance accounting is utilized in the Governmental Funds. Under encumbrance accounting, purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve a portion of the applicable appropriation, and to maintain legal compliance. On the GAAP basis, encumbrances outstanding at year end are reported as reservations of fund balances for subsequent year expenditures for governmental funds and reported in the notes to the financial statements for proprietary funds.

E. Cash and Cash Equivalents

Cash received by the City is deposited in a central bank account. Monies for all funds, except cash held by a trustee or Municipal Court, are maintained in the account or temporarily used to purchase investments. Individual fund integrity is maintained through City records. Each fund's interest in the pool of cash and investments is presented as "Equity in Pooled Cash and Cash Equivalents" on the combined balance sheet.

During the year, investments were limited to repurchase agreements and the State Treasury Asset Reserve of Ohio (STAROhio). Except for non-participating investment contracts, investments are reported at fair market value, which is based on quoted market prices. Non-participating investment contracts, such as repurchase agreements, are reported at cost.

STAROhio is an investment pool managed by the State Treasurer's Office, which allows governments of the State to pool their funds for investment purposes. STAROhio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAROhio are valued at STAROhio's share price, which is the price the investment could be sold for on December 31, 2001.

Interest income is distributed to the funds according to Ohio constitutional and statutory requirements. Interest revenue credited to the general fund during the fiscal year amounted to \$351,465, which includes \$278,054 assigned from other funds. The special revenue, debt

CITY OF DELAWARE, OHIO

Notes To The General Purpose Financial Statements December 31, 2001

(continued)

service, capital projects, and enterprise funds also received interest in the amount of \$13,404, \$76,060, \$13,838, and \$433,265, respectively.

F. Materials and Supplies Inventory

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. The costs of inventory items are recorded as expenditures in the governmental fund types when purchased and as expenses in the proprietary fund types, when used. Reported supplies inventory is equally offset by a fund balance reserve in the governmental funds, which indicates that it does not constitute available spendable resources, even though it is a component of net current assets.

G. Restricted Assets

Restricted assets represent certain resources, which are segregated from other resources of the City to comply with various covenants established by bond and other long-term financing agreements. These assets are held by a trustee or the City. The various covenants place restrictions on the use of these resources, require minimum balances to be maintained in certain accounts, and establish annual amounts to be accumulated for specific uses.

H. Prepaid Items

Payments made to vendors for services that will benefit periods beyond the current fiscal year-end, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure is reported in the year in which services are consumed.

I. Fixed Assets

Fixed assets purchased for general governmental purposes are recorded as expenditures in the Governmental Funds and capitalized at cost (or estimated historical cost) in the General Fixed Assets Account Group. Contributed fixed assets are recorded at fair market value at the time received. Fixed assets consisting of certain improvements other than buildings—including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems—have not been capitalized. These assets normally are immovable and of value only to the City. Therefore, stewardship for capital expenditures can be satisfied without recording these assets. Fixed assets associated with the City's enterprise and internal service fund type activities are accounted for in their respective funds. Property and equipment acquired by the Proprietary Funds are stated at cost (or estimated historical cost), including interest capitalized during construction where applicable. The original cost of the water and sewer distribution systems was not available. Accordingly, such costs were estimated using standard industry assumptions as determined by an outside consultant. Contributed fixed assets are recorded at fair market value at the time received.

CITY OF DELAWARE, OHIO

**Notes To The General Purpose Financial Statements
December 31, 2001**

(continued)

Depreciation: Depreciation is an element of expense resulting from the use of long-lived assets. It is measured by allocating the expected net cost of using the asset over its estimated useful life in a systematic and rational manner. No depreciation has been provided on general fixed assets. In proprietary funds, depreciation is recorded annually as an element in the determination of net income and is recorded annually as an expense. Depreciation has been provided using the straight-line method over the following estimated useful lives:

	<u>Useful life</u>
Vehicles (autos and trucks)	5 - 8
Machinery, equipment, furniture, & fixtures	10-25
Buildings	25
Sewers and water mains	25 - 100

Capitalization of Interest: Interest is capitalized on proprietary fund assets acquired with tax-exempt debt. The City's policy is to capitalize net interest on construction projects until substantial completion of the project. The amount of capitalized interest equals the difference between the interest cost associated with the tax-exempt borrowing used to finance the project from the date of borrowing until completion of the project and the interest earned from temporary investment of the debt proceeds over the same period.

Capitalized interest is amortized on the straight-line basis over the estimated useful life of the asset. For the current fiscal year, no material interest was incurred on proprietary fund construction projects.

J. Contributed Capital

Contributed capital represents donations be developers, grants restricted for capital construction, and contributions made by the City. These assets are recorded at their market value on the date contributed. With the implementation of GASB Statement No. 33, donated water and sewer lines are reported as non-operating revenue rather than as additions to contributed capital.

K. Accrued Liabilities and Long-term Obligations

The City accrues a liability for compensated absences in accordance with the provisions of *GASB Statement No. 16, "Accounting for Compensated Absences."* Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the City will compensate the employees for the benefits through paid time off or some other means. Sick leave benefits are accrued as a liability using the vesting method.

The liability is based on the sick leave accumulated at December 31, by those employees who are currently eligible to receive termination payments and by those employees for whom it is

CITY OF DELAWARE, OHIO

Notes To The General Purpose Financial Statements December 31, 2001

(continued)

probable they will become eligible to receive termination benefits in the future. The amount is based on the accumulated sick leave and employees' wage rates at year end, taking into consideration any limits specified in the City's termination policy.

For governmental funds, the City's liability for unpaid accumulated sick leave and vacation time is the amount to be paid using expendable available financial resources [within 60 days] and is reported as an accrued liability in the fund from which the individuals who have accumulated the unpaid compensated absences are paid. The balance of the liability is reported in the general long-term obligations account group. In proprietary funds, the entire amount of unpaid compensated absences is reported as a fund liability.

Bonds and long-term loans are recognized as a liability of the General Long Term Debt Account Group until due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year. Long-term debt and other obligations financed by proprietary funds are reported as liabilities in the appropriate proprietary funds.

L. Interfund Transactions

Quasi-external transactions are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursement to a fund for expenditures/expenses initially made that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures expenses in the fund that is reimbursed.

During the course of normal operations, the City has transactions between funds, most of which are in the form of transfers of resources to provide services, construct assets, and service debt. The accompanying financial statements generally reflect such transactions as operating transfers. Operating subsidies are also recorded as operating transfers.

M. Reserves of Fund Equity

Reserves of fund equity in governmental funds indicate that a portion of fund balance is not available for expenditure or is legally segregated for a specific future use. Fund balances are reserved for encumbrances, inventory of supplies and materials, and prepaid expenses.

N. Intergovernmental Revenues

In governmental funds, federal and state grants awarded on a non-reimbursement basis, state shared revenues, and federal entitlements are recorded as intergovernmental receivables and revenues when measurable and available. They must also meet timing, eligibility, and contingency requirements. Reimbursable-type grants are recorded as intergovernmental receivables and revenues when the related expenditures are made.

CITY OF DELAWARE, OHIO

**Notes To The General Purpose Financial Statements
December 31, 2001**

(continued)

O. Estimates

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

P. Memorandum Only - Total Columns on Combined Financial Statements

Total columns on the combined financial statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with GAAP. Nor is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

2. PRIOR YEAR RESTATEMENT

The City adjusted the beginning fund balance/retained earnings in the General Bond Retirement, Capital Improvement, Downtown Streetscape, Airport Improvement Construction, and Sewer funds to correct an accounting error. The restatements are as follows:

<u>Fund Type</u>	<u>Amount at 12/31/2000</u>	<u>Restated Amount</u>
Debt Service	\$ 595,902	\$ 405,362
Capital Projects	(4,151,889)	(3,955,897)
Enterprise	24,726,202	24,689,000

3. COMPLIANCE AND ACCOUNTABILITY

Fund Deficits

At December 31, 2001, the following funds had a deficit fund balance:

<i>Special Revenue Fund Type</i>	
Storm Sewer	\$ (177,373)
Community Development Block Grant	(1,228)
Rental Rehabilitation Grant	(170)
<i>Debt Service Fund Type</i>	
Special Assessment Bond Retirement	(7,821)
<i>Capital Projects Fund Type</i>	
Downtown Streetscape	(3,168,911)
Airport Improvement Construction	(1,162,647)

CITY OF DELAWARE, OHIO

**Notes To The General Purpose Financial Statements
December 31, 2001**

(continued)

The fund deficit in the *Storm Sewer Fund* was a delay in implementing the Storm Sewer Fees until January 2002. Repairs and maintenance had already begun on the storm sewers in the City. The fund deficit in the *CDBG* and *Rental Rehabilitation Grant Funds* was caused by a delay in receiving reimbursement from the Federal Government. The fund deficit in the *Special Assessment Retirement Fund* was caused by the delay in receiving an assessment payment. The money was advanced from the General Fund to cover these expenditures.

The *Downtown Streetscape* and *Airport Improvement Construction* fund deficits were caused by applying generally accepted accounting principles. These funds are responsible for the short-term notes issued for these projects and the proceeds were recorded in the General Bond Retirement Fund. The *General Fund* is not liable for any deficits when accruals occur.

Expenditures/Expenses in Excess of Appropriations

The following departments had expenditures/expenses in excess of appropriations for the fiscal year ended December 31, 2001:

Fund Type/Fund/Department	Appropriations	Expenditures/ Expenses	Excess
General Fund			
Finance	\$ 732,425	\$ 745,526	\$ 13,101
General Administration	485,752	492,850	7,098
Special Revenue Fund			
Street Maintenance & Repair Administration	352,124	359,890	7,766

4. CHANGES IN ACCOUNTING PRINCIPLES

For the year 2001, the City of Delaware has implemented GASB Statement No. 33, "Accounting and Financial Reporting for Nonexchange Transactions" and GASB Statement No. 36, "Reporting for Certain Shared Nonexchange Revenues." The implementation of the new accounting principles required the City to restate beginning fund balances, as follows:

<i>Fund</i>	<i>Amount at</i>	<i>Restated Amount</i>
General	\$ 3,140,070	\$ 3,167,874
Street Maintenance & Repair	369,554	406,776
State Highway Improvement	22,024	25,042

In 2001, the City also changed to the *direct* method for presenting the Statement of Cash Flows for its proprietary funds. The Governmental Accounting Standards Board prefers this method of reporting over the indirect method.

CITY OF DELAWARE, OHIO

**Notes To The General Purpose Financial Statements
December 31, 2001**

(continued)

5. BUDGETARY BASIS OF ACCOUNTING

While reporting financial position, results of operations, and changes in fund balance/retained earnings 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 Combined Statement of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual (Budget Basis) - All Governmental Fund Types and Expendable Trust Funds, and the Combined Statement of Revenue, Expenses, and Changes in Fund Balances - Budget and Actual (Budget Basis) - All Proprietary Fund Types, are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget.

The major differences between the budget basis and the GAAP basis are that:

- (a) Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);
- (b) Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis);
- (c) Encumbrances are recorded as the equivalent of an expenditure (budget basis) in order to determine compliance with Ohio law, and to reserve that portion of the applicable appropriation as opposed to a reservation of fund balance for governmental funds (GAAP basis); and,
- (d) Proceeds from and principal payments on short-term note obligations are reported on the operating statement (budget basis) as opposed to being recorded as balance sheet transaction of the fund receiving the proceeds (GAAP basis).

The adjustments necessary to convert the results of operations for the year on the GAAP basis to the budget basis for the governmental fund are as follows:

**Excess (Deficiency) of Revenues and Other Financing Sources
Over Expenditures and Other Financing Uses
All Governmental Fund Types and Expendable Trust Funds**

	<i>General</i>	<i>Special Revenue</i>	<i>Debt Service</i>	<i>Capital Projects</i>	<i>Expendable Trust</i>
GAAP Basis	\$ (651,536)	\$ (15,663)	\$ (51,384)	\$ 200,605	\$ 31,757
Revenue Accruals	332,307	191,554	5,542,498	2,331,327	0
Expenditure Accruals	(69,146)	(177,303)	(5,540,998)	62,499	(37)
Encumbrances at Year End	(378,533)	(492,357)	0	(990,278)	0
Budget Basis	<u>\$ (766,908)</u>	<u>\$ (493,769)</u>	<u>\$ (49,884)</u>	<u>\$ 1,604,153</u>	<u>\$ 31,720</u>

CITY OF DELAWARE, OHIO

Notes To The General Purpose Financial Statements December 31, 2001

(continued)

Net Income (Loss)/Excess (Deficiency) of Revenues
and Other Financing Sources Over (Under) Expenses.
Proprietary Fund Types

	<i>Enterprise</i>	<i>Internal Service</i>
Net Income	\$ 1,344,341	\$ (12,610)
Revenue Accruals	80,395	0
Expense Accruals	(24,032)	221,084
Acquisition of Assets	(2,225,000)	(13,008)
Depreciation	1,627,105	7,097
Encumbrances at Year End	(2,449,185)	(28,232)
Donation of Assets	(1,099,675)	0
Budget Basis	<u>\$ (2,746,051)</u>	<u>\$ 174,331</u>

6. DEPOSITS AND INVESTMENTS

State statutes classify monies held by the City into three categories:

1. Active deposits are public deposits necessary to meet current demands on the treasury. Such monies must be maintained either as cash in the City Treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.
2. Inactive deposits are public deposits that Council has identified as not required for use within the current two-year designation period of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.
3. Interim deposits are deposits of interim monies. Interim monies are those monies that are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts including pass book accounts.

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

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

CITY OF DELAWARE, OHIO

Notes To The General Purpose Financial Statements December 31, 2001

(continued)

1. United States treasury notes, bills, bonds, or any other obligation or security issued by the United States treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the federal national mortgage association, federal home loan bank, federal farm credit bank, federal home loan mortgage corporation, governmental national mortgage association, and student loan marketing association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions; and
6. The State Treasurer's investment pool (STAR Ohio).

The City may also invest any monies not required to be used for a period of six months or more in the following:

1. Bonds of the State of Ohio;
2. Bonds of any municipal corporation, village, county, township, or other political subdivisions of this State, as to which there is no default of principal, interest or coupons; and
3. Obligations of the City.

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

At December 31, 2001, the carrying amount of the City's deposits was \$(584,057), and the bank balance was \$356,768. Of the bank balance, \$158,151 was covered by Federal Depository Insurance and \$198,617 was uninsured and uncollateralized. Although all statutory requirements

CITY OF DELAWARE, OHIO

**Notes To The General Purpose Financial Statements
December 31, 2001**

(continued)

for these deposits of money had been followed, non-compliance with federal requirements could potentially subject the City to a successful claim by the FDIC.

Restricted Assets: The City is holding \$669,221 in restricted assets in the City Treasury. These assets are restricted by debt agreements (see Note 12) or other construction contracts. A Trustee is holding \$499,790 on behalf of the City (see Note 12).

GASB Statement No. 3 "Deposits with Financial Institutions, Investments, and Reverse Repurchase Agreements" requires that the local government disclose the carrying amounts and market value of investments, classified by risk. The City's investments are categorized as either (1) insured or registered or for which the securities are held by the City or its agent in the City's name, (2) uninsured and unregistered investments for which the securities are held by the counterparty's trust department or agent in the City's name or (3) uninsured and unregistered investments for which the securities are held by the broker or dealer, or by its trust department or agent but not in the City's name.

	Category			Fair Value
	1	2	3	
NCC Trust	\$ 0	\$ 0	\$ 510,429	\$ 510,429
DCB Repurchase Acct	0	0	995,000	995,000
Total	0	0	1,505,429	1,505,429
STAR Ohio				21,602,950
Total Investments				<u>\$ 23,108,379</u>

Investments in STAR Ohio are unclassified investments since they are not evidenced by securities that exist in physical or book entry form.

The classification of cash and cash equivalents, and investments on the financial statements is based on criteria set forth in *GASB Statement No. 9*. Cash equivalents are defined to include investments with original maturities of three months or less, and the City's cash pool. A reconciliation between classifications of cash and investments on the financial statements and classifications according to *GASB Statement No. 3* is as follows:

CITY OF DELAWARE, OHIO

**Notes To The General Purpose Financial Statements
December 31, 2001**

(continued)

	<i>Cash and Cash</i>	
	<u><i>Equivalents/Deposits</i></u>	<u><i>Investments</i></u>
<i>GASB Statement No. 9</i>	\$ 22,524,322	\$ 0
Investments:		
Repurchase Agreement	(995,000)	995,000
NCC Trust	(510,429)	510,429
STAROhio	(21,602,950)	21,602,950
<i>GASB Statement No. 3</i>	<u>\$ (584,057)</u>	<u>\$ 23,108,379</u>

7. MUNICIPAL INCOME TAX

The City collects an income tax of one and four-tenths percent of Delaware taxable income, defined as gross wages and salaries before any deductions and profits. Filing is mandatory for all residents. Employers within the City are required to withhold tax on all employees working in the City and remit those monies on either a quarterly or monthly schedule. Employers are required to reconcile those withholdings on an annual basis.

8. PROPERTY TAX

Property taxes include amounts levied against real, public utility and tangible (used in business) property located in the City. Real property taxes collected during 2001 had lien and levy dates of January 1, 2000. One half of this tax was due February 10, 2001, with the remaining balance due on July 10, 2001. Tangible personal property taxes had lien and levy dates of January 1, 2001. This assessment is 25 percent of true value. Tangible personal property taxes paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, the remainder is due September 20.

Assessed values on real property are established by state law at 35 percent of appraised market value. A re-evaluation of all property is required to be completed no less than every six years. The last re-evaluation was completed in 1996. Tangible personal property assessments are 25 percent of true value (true values are based on cost and established by the state of Ohio). The assessed value in 2000, upon which the 2001 levy was based, was approximately \$436 million. The assessed value for 2001, upon which the 2002 levy will be based, is approximately \$467 million.

Ohio law prohibits taxation of property from all taxing authorities in excess of 1 percent of assessed value without a vote of the people. Under current procedures, the City's share is .27 percent (2.7 mills) of assessed value. Increases in the property tax rate are restricted only by voter willingness to approve such increases.

CITY OF DELAWARE, OHIO

**Notes To The General Purpose Financial Statements
December 31, 2001**

(continued)

<i>Category</i>	<i>Assessed Value</i>
Real Estate	\$ 380,318,060
Public Utility Property	15,066,510
Tangible Property	<u>71,981,283</u>
Total Property Taxes	<u>\$ 467,365,853</u>

The County Treasurer collects property taxes on behalf of all taxing districts in the county, including the City of Delaware. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represent real and tangible personal property taxes, public utility taxes and outstanding delinquencies, which are measurable as of December 31, 2001. Although total property tax collections for the next year are measurable, amounts to be received during the available period are not intended to finance 2001 operations. The receivable is offset by deferred revenue.

9. RECEIVABLES

Receivables at December 31, 2001, consisted of taxes, accounts (billings for user charged services including unbilled utility services), Interfund, and intergovernmental receivables arising from grants, entitlements, and shared revenues. All receivables are considered fully collectible except accounts receivable related to utility services.

A summary of accounts related to utility services is as follows:

	<u>Water</u>	<u>Sewer</u>	<u>Other</u>	<u>Total</u>
Gross receivable	\$542,327	\$561,601	\$201,332	\$1,305,260
Less: Allowance for Uncollectible	<u>(61,494)</u>	<u>(65,299)</u>	<u>(41,075)</u>	<u>(167,868)</u>
Net Receivable	<u>\$480,833</u>	<u>\$496,302</u>	<u>\$160,257</u>	<u>\$1,137,392</u>

CITY OF DELAWARE, OHIO

**Notes To The General Purpose Financial Statements
December 31, 2001**

(continued)

A summary of the principal items of intergovernmental receivables were as follows:

	<u>General Fund</u>	<u>Special</u>	<u>Agency</u>	<u>Total</u>
Federal Government				
CHIP Grant	\$ 0	\$ 2,829	\$ 0	\$ 2,829
<i>Total Federal Government</i>	<u>0</u>	<u>2,829</u>	<u>0</u>	<u>2,829</u>
State Government				
Homestead & Rollback 2002	46,311	13,256	0	59,567
License Fee & Gas Taxes	0	401,534	0	401,534
Local Government Funds	108,694	0	0	108,694
<i>Total State Government</i>	<u>155,005</u>	<u>414,790</u>	<u>0</u>	<u>569,795</u>
County Government/Municipal Court				
License Fee & Gas Taxes	0	10,809	0	10,809
County Reimbursements	227,351	0	0	227,351
Municipal Court Fees 12/2001	99,054	27,178	5,162	131,394
<i>Total County Government/Municipal Court</i>	<u>326,405</u>	<u>37,987</u>	<u>5,162</u>	<u>369,554</u>
Total All Governments	<u>\$ 481,410</u>	<u>\$ 455,606</u>	<u>\$ 5,162</u>	<u>\$ 942,178</u>

10. INTERFUND BALANCES

Interfund balances at December 31, 2001 consist of the following:

<u>Fund Type - Fund</u>	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
General	\$ 536,801	\$ 0
Special Revenue		
Storm Sewer		208,000
Fire-EMS	0	327,317
Police and Fire Pension	0	1,484
Total All Funds	<u>\$ 536,801</u>	<u>\$ 536,801</u>

Interfund balances from advances at December 31, 2001 consist of the following:

<u>Fund Type - Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General	\$ 10,632	\$ 0
Special Revenue		
Community Development Block Grant		1,228
Rental Rehabilitation Grant		2,999
Special Assessment Bond Retirement		6,405
Total All Funds	<u>\$ 10,632</u>	<u>\$ 10,632</u>

CITY OF DELAWARE, OHIO

**Notes To The General Purpose Financial Statements
December 31, 2001**

(continued)

11. FIXED ASSETS

General Fixed Assets: Changes in general fixed assets during 2001 were as follows:

<i>Classification</i>	<i>Balance 12/31/2000</i>	<i>Additions</i>	<i>Deletions</i>	<i>Balance 12/31/2001</i>
Land	\$ 1,090,061	\$ 35,001	\$ 0	\$ 1,125,062
Buildings & Improvements	19,966,934	646,591	0	20,613,525
Machinery & Equipment	7,544,206	1,227,551	(73,410)	8,698,347
Construction in Progress	0	616,783	0	616,783
Total	<u>\$28,601,201</u>	<u>\$ 2,525,926</u>	<u>\$ (73,410)</u>	<u>\$ 31,053,717</u>

Proprietary Fund Fixed Assets: A summary of the Proprietary fixed assets as of December 31, 2001, is as follows:

<i>Classification</i>	<i>Enterprise</i>				<i>Internal Service</i>
	<i>Water</i>	<i>Sewer</i>	<i>Other</i>	<i>Total</i>	<i>Total</i>
Land	\$ 445,462	\$ 2,500	\$ 442,649	\$ 890,611	\$ 0
Buildings & Improvements	18,816,704	31,099,366	32,479	49,948,549	0
Machinery & Equipment	1,276,618	1,739,559	1,701,903	4,718,080	72,256
Construction in Progress	1,761,589	760,774		2,522,363	0
<i>Total Gross Fixed Assets</i>	<u>22,300,373</u>	<u>33,602,199</u>	<u>2,177,031</u>	<u>58,079,603</u>	<u>72,256</u>
Depreciation	<u>(8,090,673)</u>	<u>(13,586,755)</u>	<u>(1,017,237)</u>	<u>(22,694,665)</u>	<u>(41,918)</u>
Net Fixed Assets	<u>\$14,209,700</u>	<u>\$20,015,444</u>	<u>\$1,159,794</u>	<u>\$ 35,384,938</u>	<u>\$ 30,338</u>

Construction in progress of the Water fund consists primarily of \$992,000 expended to install ground wells at the treatment plant and \$620,000 for sludge lagoon cleaning. Construction in progress of the Sewer fund consists primarily of \$417,000 for US 23 sewer rehabilitation and \$180,000 for a land purchase option.

CITY OF DELAWARE, OHIO

**Notes To The General Purpose Financial Statements
December 31, 2001**

(continued)

12. GENERAL LONG TERM OBLIGATIONS AND NOTES PAYABLE

A summary of long-term obligations and notes payable for the year ended December 31, 2001, is as follows:

<i>Fund Type/Account Group</i>	<i>Balance 12/31/2000</i>	<i>Additions</i>	<i>Deletions</i>	<i>Balance 12/31/2001</i>
General Long-Term Obligations				
Special Assessment Bonds	\$ 131,000	\$ 0	\$ (12,000)	\$ 119,000
2000 Streetscape Bonds - 5.75%				
Special Assessment Bonds	154,525	0	(11,037)	143,488
1999 Streetscape Bonds - 5.75%				
 Accrued Liabilities				
Compensated absences	2,194,673	135,120	(31,614)	2,298,179
 Past service pension obligation for police and firefighters	344,685	0	(4,543)	340,142
 Pension buyout obligation for PERS	599,414	126,032	(216,786)	508,660
<i> Total Accrued Liabilities</i>	<i>3,138,772</i>	<i>261,152</i>	<i>(252,943)</i>	<i>3,146,981</i>
<i>Total General Long Term Obligations</i>	<i>3,424,297</i>	<i>261,152</i>	<i>(275,980)</i>	<i>3,409,469</i>
Enterprise Fund Obligations				
Water Special Assessment Bonds	27,475	0	(1,963)	25,512
2000 Streetscape Bonds - 5.75%				
Sewer Mortgage Revenue Bonds	3,875,000	0	(235,000)	3,640,000
1992 Sewer Improvement - 5.3 - 5.95%				
<i>Total Enterprise Fund Obligations</i>	<i>3,902,475</i>	<i>0</i>	<i>(236,963)</i>	<i>3,665,512</i>
 <i>Grand Total Long Term Obligations</i>	<i>\$ 7,326,772</i>	<i>\$ 261,152</i>	<i>\$ (512,943)</i>	<i>\$ 7,074,981</i>
Notes Payable				
Various Facility Notes	\$ 4,305,000	\$ 4,355,000	\$ (4,305,000)	\$ 4,355,000
23/42 Interchange Note	0	2,500,000	0	2,500,000
Airport Hangar Construction	1,145,000	1,145,000	(1,145,000)	1,145,000
<i>Total Notes Payable</i>	<i>\$ 5,450,000</i>	<i>\$ 8,000,000</i>	<i>\$ (5,450,000)</i>	<i>\$ 8,000,000</i>

Special Assessment Bonds: Special assessment bonds are payable from the proceeds of assessments levied against the specific property owners who primarily benefited from the project. Special assessment monies will be received in and the debt will be retired through the Special Assessment Bond Retirement Debt Service Fund. In the event that property owners fail to make their payments, the City is responsible for providing the resources to meet the annual principal and interest payments.

CITY OF DELAWARE, OHIO

**Notes To The General Purpose Financial Statements
December 31, 2001**

(continued)

Sewer Mortgage Revenue Bonds: In conjunction with the issuance of the Sewer Mortgage Revenue Bonds, the City entered into a trust agreement with a commercial bank. The trust agreement requires the City to hold restricted assets for the cost of constructing and replacing property and equipment and repaying debt. Restricted assets relating to the Sewer Mortgage Revenue Bonds consisted of the following at December 31, 2001:

Restricted assets held by the City:	
Replacement and Improvement Fund	\$ 480,000
<i>Total held by the City</i>	<u>480,000</u>
Restricted assets held by the Trustee:	
Bond Reserve Fund	461,680
Bond Principal/Interest Fund	38,110
<i>Total held by the Trustee</i>	<u>499,790</u>
Restricted assets held by the City related to Contracts:	<u>156,606</u>
Total Restricted Assets	<u><u>\$ 1,136,396</u></u>

In addition, the Indentures of Mortgage for the Sewer Fund require the City to pledge net revenues (defined in the agreement as revenues less operating and maintenance expenses) and restricted assets of the Sewer Fund for the payment of principal and interest on the bonds when due. Additionally, the Indenture of Mortgage for the Sewer Fund requires the City to pledge fixed assets of the Sewer Fund as collateral for the payment of principal and interest. Pursuant to these pledges, substantially all retained earnings of the Sewer Fund are restricted.

The Indentures of Mortgage for the Sewer Fund require the City to charge rates for utility service that would produce net income (as defined by the agreement) sufficient to service the Sewer Mortgage Revenue Bond. In the opinion of management, the City has complied with all Revenue Bond covenants.

Pension Obligations: Past service pension obligation for police and firefighters are being paid out of the General fund over time through the year 2035. The PERS buyout is paid out of the funds in which the employees were paid from while they were employed.

Compensated Absences: Additions and deletions of accrued vacation and sick leave are shown net since it is impractical for the City to determine these amounts separately.

CITY OF DELAWARE, OHIO

**Notes To The General Purpose Financial Statements
December 31, 2001**

(continued)

Future Debt Service Requirements: The principal and interest requirements to retire long-term debt obligations outstanding at December 31, 2001 are:

<i>Year</i>	<i>General Long- Term Obligations</i>	<i>Enterprise Fund Obligations</i>
2002	\$ 39,980	\$ 460,900
2003	39,398	462,945
2004	40,616	464,077
2005	40,830	463,955
2006	39,938	461,695
2007-2012	138,450	2,774,337
Total	<u>\$ 339,212</u>	<u>\$ 5,087,909</u>

The Ohio Revised Code (ORC) provides that the net general obligation debt of a municipal corporation, whether or not approved by the electors, shall not exceed 10.5% of the total value of all property in the municipal corporation as listed and assessed for taxation. In addition, the unvoted net debt of municipal corporations cannot exceed 5.5% of the total taxation value of property. The statutory limitations on debt are measured by a direct ratio of net debt to tax valuation and expressed in terms of a percentage. At December 31, 2001, the City's total net debt and unvoted net debt were approximately 3.23% of the total assessed value of all property within the City.

As of December 31, 2001, the City had no debt approved by the voters or Council, which had not been issued.

The aggregate amount of the City's unvoted debt is also subject to overlapping debt restrictions with Delaware County and the Delaware City School District. As of December 31, 2001, these entities have complied with the requirement that overlapping debt must not exceed 1% (10 mills) of the assessed property value.

Notes Payable: During 2001, the City retired and reissued Various Facility Notes that were outstanding as of December 31, 2000. These notes were used to finance the City's share of the US 23/SR 42 Interchange Construction project, toward the construction of the Fire Department's Substation, toward the Downtown Streetscape projects; Phases I & II, toward the renovations of the newly-acquired Engineering Department's building, and toward the Airport Hangar Construction project.

13. LANDFILL CLOSURES

The City closed the Cherry Street Landfill [CSL] in 1975 and the Curve Road Landfill [CRL] in 1990. The City properly notified the Ohio Environmental Protection Agency for both closings. Both landfills were at 100% capacity and postclosure costs reflect estimates to monitor the

CITY OF DELAWARE, OHIO

**Notes To The General Purpose Financial Statements
December 31, 2001**

(continued)

landfills, as required by Ohio Administrative Code §3745-27, through the year 2020. The City awarded contracts to URS Greiner Corporation for monitoring and testing the CSL and to Burgess & Niple for monitoring and testing the CRL. No assets are restricted for payment of postclosure care costs and these costs are subject to changes related to the effects of inflation, revision of laws and other variables. The costs for monitoring and testing the landfills will be expended from the Refuse fund.

14. CONTRIBUTED CAPITAL

Fixed assets acquired from grants, donations, and/or entitlements are recorded as contributed capital. A summary of the changes in the contributed capital follows:

<i>Fund</i>	<i>Balance 12/31/00</i>	<i>Deletions</i>	<i>Balance 12/31/01</i>
Water	\$ 5,142,840	\$ (111,171)	\$ 5,031,669
Sewer	11,907,583	(489,094)	11,418,489
Other Enterprise	161,558	(22,705)	138,853
Total	<u>\$ 17,211,981</u>	<u>\$ (622,970)</u>	<u>\$ 16,589,011</u>

15. DEFINED BENEFIT PENSION PLANS

A. Public Employees Retirement System

The City of Delaware contributes to the Public Employees Retirement System of Ohio (PERS), a cost-sharing multiple-employer public employee retirement system administered by the Public Employees Retirement Board. PERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by state statute according to Chapter 145 of the Ohio Revised Code. The Public Employees Retirement System issues a stand-alone financial report. That report may be obtained by writing to the Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 466-2085 or 1-800-222-PERS (7377).

Plan members are required to contribute 8.5 percent of their annual covered salary to fund pension obligations. In January 2001, House Bill 416 divided the PERS 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 PERS law enforcement program were placed in a newly named public safety division and continued to contribute at 9%. The contribution rates are determined actuarially and for 2001, the City's

CITY OF DELAWARE, OHIO

Notes To The General Purpose Financial Statements December 31, 2001

(continued)

employer share of contribution was 13.55% of covered payroll. The City's contributions to PERS, including employee and employer amount paid by the City, for the years ended December 31, 2001, 2000, and 1999 were \$1,323,974, \$1,301,466, and \$1,239,552, respectively. The full amount has been contributed for 2001, 2000, and 1999.

B. Ohio Police and Fire Pension Fund

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

Police and Firefighter's are required to contribute 10% of their annual covered salary to fund pension obligations and the City is required to contribute 19.5 percent for police and 24 percent for firefighters. The City pays the entire 10% employee share for all police and firefighters. The City pays 8.5% of the 10% required employee contribution for police and fire management. Contributions are authorized by State statute. The City's contributions to the Fund, including employee and employer amounts paid by the City, for the years ended December 31, 2001, 2000, and 1999 amount was \$1,205,098, \$1,104,093, and \$1,021,157, respectively. The full amount has been contributed for 2001, 2000, and 1999.

In addition to the current contribution, the City pays semiannual installments to the Fund for its portion of past service costs determined at the time the Fund was established. All payments to date have been budgeted and paid from the General Fund. Payment from the General Fund is financed through an operating transfer from the Special Revenue Fund. The Special Revenue Fund receives property tax revenues equal to .6 mills, which is designated for the payment of pension liabilities. The unpaid balance of \$340,142 is included in the General Long-Term Obligations Account Group and is to be amortized through 2035.

16. POSTEMPLOYMENT BENEFITS

A. Public Employees Retirement Systems (PERS)

The Public Employees Retirement System of Ohio (PERS) provides post-retirement health care coverage to age and service retirees with ten or more years of qualifying Ohio service credit and to primary survivor recipients of such retirees. Health care coverage for disability recipients is available. The health care coverage provided by the retirement system is

CITY OF DELAWARE, OHIO

Notes To The General Purpose Financial Statements December 31, 2001

(continued)

considered an Other Post-employment Benefit (OPEB) as described in *GASB Statement No. 12*. A portion of each employer's contribution to PERS is set aside for the funding of post-retirement health care based on authority granted by State statute. The 2001 employer contribution rate was 13.55 percent of covered payroll; 4.3 percent was the portion that used to fund health care for 2001. The law enforcement employer rate was 16.7 percent and 4.3 percent was used to fund health care for the year.

The Ohio Revised Code provides the statutory authority requiring public employers to fund post-retirement health care through their contributions to PERS. 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 2000 was 7.75%. An annual increase of 4.75%, 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 4.75% base increase, were assumed to range from 0.54% to 5.1%. Health care costs were assumed to increase 4.75% annually.

OPEBs are advance-funded on an actuarially determined basis. The number of active contributing participants at December 31, 2001 was 411,076. During 2001, the portion of the City's contributions that were used to fund post-employment benefits was \$258,150. As of December 31, 2000, the unaudited estimated net assets available for future OPEB payments were \$11,735,900,000. The actuarially accrued liability and the unfunded actuarial accrued liability, based on the actuarial cost method used, were \$14,364,600,000 and \$2,628,700,000, respectively.

In January 2001, House Bill 416 divided the PERS 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 PERS law enforcement program were placed in a newly named public safety division and continue to contribute at 9.0%. The employer contribution rate for both the law enforcement and public safety divisions is 16.70%.

Law enforcement officer benefits permit age and service retirement at an earlier age with a different formula than for PERS members not covered under this division.

CITY OF DELAWARE, OHIO

Notes To The General Purpose Financial Statements December 31, 2001

(continued)

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

The Ohio Police and Fire Pension Fund (the "Fund") provides post-retirement 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 eighteen whether or not he is attending school or under twenty-two if attending school full-time or on a 2/3 basis. The health care coverage provided by the retirement system is considered an Other Post-employment Benefit as described in *GASB Statement No. 12*. The Ohio Revised Code provides the statutory authority allowing the Fund's Board of Trustees to provide health care coverage to all eligible individuals, and that health care costs paid from the funds of the Ohio Police and Fire Pension Fund shall be included in the employer's contribution rate. The total police employer contribution is 19.5% of covered payroll and the total firefighter's employer contribution rate is 24% of covered payroll.

The Ohio Revised Code provides the statutory authority allowing OP&F's 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 7.25% and 7.5% of covered payroll in 2000 and 2001, respectively. The allocation is 7.75% in 2002. 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.

The number of participants to receive health care benefits as of December 31, 2000, the latest actuarial valuation available, was 12,853 for Police and 10,037 for firefighters. The City's actual contributions for 2001 that were used to fund post-employment benefits were \$140,706 for police and \$142,178 for firefighters. The Fund's total health care expenses for the year ending December 31, 2000, were \$106,160,054, which was net of member contributions of \$5,657,431.

17. OTHER EMPLOYEE BENEFITS

Early Retirement: City employees covered under PERS could elect to take an early retirement either four or five years before regular retirement age until the year 2000. At the time of early retirement, the City agreed to buyout the pension costs for the period remaining until regular retirement. PERS allowed the City to pay the buyout amount in either a lump-sum payment or to make equal annual payments over the period. The City elected to spread the buyout costs over the period. As of December 31, 2001, \$508,660 of the buyout liability is included in the General Long Term Obligations Account Group and \$189,703 is included in accrued wages and benefits for the Enterprise Funds.

CITY OF DELAWARE, OHIO

Notes To The General Purpose Financial Statements December 31, 2001

(continued)

Deferred Compensation

City employees may participate in the Ohio Public Employees Deferred Compensation Plan. This plan was created in accordance with Internal Revenue Code Section 457. Participation is on a voluntary payroll deduction basis. The plan permits deferral of compensation until future years. According to the plan, the deferred compensation is not available until termination, retirement, death, or an unforeseeable emergency.

18. SELF INSURANCE

The City provides medical and dental coverage for its employees and is self-insured up to a stop loss limit for the cost of providing this coverage. Under the self-insurance program, the Self-Insurance Fund (an internal service fund) provides coverage for up to a maximum of \$35,000 in any one year for each employee. The City purchases commercial insurance for claims in excess of coverage provided by the Self-Insurance Fund. The City carries \$1,000,000 of comprehensive combined single limit general liability coverage with a \$1,000 deductible, a \$1,000,000 general law enforcement liability insurance policy and \$1,000,000 public officials liability, each with a \$5,000 deductible, as well as \$5,000,000 umbrella coverage. The City had no occurrences in which settled claims exceeded the total stop-loss coverage in any of the last three years.

All funds of the City participate in the program and make payments to the Self-Insurance Fund based on a per-employee charge. These monies are recorded as a charge for service in the Self-Insurance Fund and as an expenditure or expense, as applicable, in the disbursing fund.

The following is a summary of payments made to the Self-Insurance Fund by type:

CITY OF DELAWARE, OHIO

**Notes To The General Purpose Financial Statements
December 31, 2001**

(continued)

<u>Type/Fund</u>	<u>Amount</u>
Employer Contributions	
General	\$ 1,035,951
Special Revenue	191,614
Enterprise	
Water	126,297
Sewer	109,130
Other Enterprise	68,710
<i>Total Enterprise</i>	304,137
Internal Service	23,653
<i>Total Employer Contributions</i>	1,555,355
Employee Contributions	61,860
Reimbursements & COBRA	126,671
Total Payments to Self-Insurance Fund	\$ 1,743,886

The claims liability is accrued if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in claims liability for the Self-Insurance Fund and the Worker's Compensation Fund, in 2001 and 2000, were:

	<u>Beginning of Year Liability</u>	<u>Claims & Changes in Estimates</u>	<u>Claims Payments</u>	<u>End of Year Liability</u>
Self-Insurance				
2000	\$ 373,536	\$ 1,619,588	\$ (1,664,383)	\$ 328,741
2001	328,741	1,156,296	(1,323,514)	161,523
Workers Compensation				
2000	\$ 351,661	\$ 100,858	\$ (25,521)	\$ 426,998
2001	426,998	156,820	(100,858)	482,960

19. SEGMENT INFORMATION - ENTERPRISE FUNDS

Financial segment information as of and for year ended December 31, 2001 for the Enterprise Funds is presented as follows:

CITY OF DELAWARE, OHIO

Notes To The General Purpose Financial Statements December 31, 2001

(continued)

Description	Water	Sewer	Refuse	Golf Course	Parking Lots	Total
Operating Revenue	\$3,637,159	\$3,186,750	\$1,476,068	\$194,188	\$26,316	\$8,520,481
Operating Expenses						
Depreciation	546,769	901,270	157,371	18,101	3,594	1,627,105
Other	2,927,335	2,321,664	1,405,990	150,075	34,461	6,839,525
Grant Revenue	0	0	25,200	0	0	25,200
Operating Income (Loss)	163,055	(36,184)	(87,293)	26,012	(11,739)	53,851
Operating Transfers In	1,963	0	0	0	0	1,963
Net Income (Loss)	935,758	437,353	(42,466)	25,435	(11,739)	1,344,341
Fixed Asset Additions	1,048,189	867,159	282,336	32,864	4,800	2,235,348
Net Working Capital	7,130,180	3,028,131	551,367	158,828	10,620	10,879,126
Total Assets	21,984,671	24,774,352	1,390,691	354,569	226,130	48,730,413
Long Term Debt	25,512	3,640,000	0	0	0	3,665,512
Total Equity	21,246,240	20,426,711	1,013,259	337,847	221,265	43,245,322

20. CONTINGENT LIABILITIES

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

21. SUBSEQUENT EVENTS

On January 1, 2002, the City began collecting storm water fees from residents to assist in the maintenance of the City's storm water collection system.

In March 2002, the City retired \$2,500,000 in notes issued in March 2001 to finance the City's share of the US23/SR42 interchange construction project. The City's share of the project's cost came in significantly lower. Therefore, in March 2002, the City issued \$700,000 in notes to finance their share of costs to the project. Council passed an Ordinance in June 2002 to issue bonds in an amount up to \$6,105,000 to retire various outstanding notes and to fund additional projects.

In June 2002, the City retired and reissued the Airport Hangar Construction notes for \$1,145,000 for one year.

General Fund

The General Fund is used to account for financial resources traditionally associated with general governmental operations, except those required to be accounted for in a specified fund.

CITY OF DELAWARE

Schedule of Revenues, Expenditures

And Changes In Fund Balance--Budget And Actual--Budget Basis

General Fund

For The Year Ended December 31, 2001

	General Fund		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Income Taxes	\$ 6,940,900	\$ 6,698,950	\$ (241,950)
Property And Other Taxes	1,303,092	1,221,659	(81,433)
Intergovernmental	1,693,465	1,959,911	266,446
Charges For Service	815,500	1,167,383	351,883
Fines And Court Fees	1,590,000	1,294,469	(295,531)
Licenses And Permits	476,000	451,497	(24,503)
Investment Income	300,000	352,937	52,937
Miscellaneous	65,000	164,601	99,601
Total Revenues	13,183,957	13,311,407	127,450
Expenditures:			
Current:			
Public Safety			
Police			
Personal Services	2,772,347	2,713,883	58,464
Materials & Supplies	68,765	69,789	(1,024)
Services & Charges	251,766	238,792	12,974
Capital Outlay	82,648	76,837	5,811
911			
Personal Services	471,768	447,103	24,665
Materials & Supplies	7,366	5,593	1,773
Services & Charges	37,079	29,909	7,170
Capital Outlay	25,700	24,967	733
Fire			
Personal Services	328,252	134,602	193,650
Materials & Supplies	87,206	84,132	3,074
Services & Charges	161,156	153,965	7,191
Capital Outlay	34,054	34,695	(641)
Prosecutor			
Personal Services	279,427	271,147	8,280
Materials & Supplies	4,100	3,784	316
Services & Charges	15,750	8,544	7,206
Capital Outlay	7,141	3,731	3,410
Street Lighting			
Services & Charges	133,647	137,879	(4,232)
Total Public Safety	4,768,172	4,439,352	328,820

(continued)

CITY OF DELAWARE

Schedule of Revenues, Expenditures

And Changes In Fund Balance--Budget And Actual--Budget Basis

General Fund

For The Year Ended December 31, 2001

(Continued)

	General Fund		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
General Government			
Council			
Personal Services	61,329	59,044	2,285
Materials & Supplies	2,000	1,781	219
Services & Charges	81,500	79,950	1,550
Capital Outlay	2,500	2,268	232
City Manager'S Office			
Personal Services	273,309	282,668	(9,359)
Materials & Supplies	6,630	6,604	26
Services & Charges	31,950	23,156	8,794
Capital Outlay	5,000	4,333	667
Human Resources			
Personal Services	78,994	81,889	(2,895)
Materials & Supplies	2,900	2,897	3
Services & Charges	166,990	157,532	9,458
Capital Outlay	1,000	1,000	0
Information Technology			
Personal Services	105,465	102,715	2,750
Materials & Supplies	3,028	2,854	174
Services & Charges	23,944	25,993	(2,049)
Capital Outlay	19,445	14,686	4,759
Economic Development			
Personal Services	69,386	72,773	(3,387)
Materials & Supplies	2,000	326	1,674
Services & Charges	25,100	23,325	1,775
Capital Outlay	2,810	280	2,530
Legal Affairs			
Personal Services	76,183	80,869	(4,686)
Materials & Supplies	3,450	2,431	1,019
Services & Charges	18,805	15,054	3,751
Capital Outlay	2,200	2,160	40
Municipal Court			
Personal Services	1,229,780	1,143,761	86,019
Materials & Supplies	30,017	31,123	(1,106)
Services & Charges	103,983	79,316	24,667
Capital Outlay	5,875	5,875	0

(continued)

CITY OF DELAWARE

Schedule of Revenues, Expenditures

And Changes In Fund Balance--Budget And Actual--Budget Basis

General Fund

For The Year Ended December 31, 2001

(Continued)

	General Fund		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
Finance			
Personal Services	594,639	620,358	(25,719)
Materials & Supplies	28,300	26,284	2,016
Services & Charges	82,300	78,795	3,505
Capital Outlay	27,186	20,089	7,097
General Administration			
Services & Charges	479,752	479,449	303
Capital Outlay	6,000	13,401	(7,401)
Risk Management			
Services & Charges	73,314	68,974	4,340
Planning & Community Development			
Personal Services	527,085	490,092	36,993
Materials & Supplies	12,107	15,374	(3,267)
Services & Charges	188,896	154,711	34,185
Refunds	60,543	52,653	7,890
Capital Outlay	23,481	22,251	1,230
Engineering			
Personal Services	538,733	532,257	6,476
Materials & Supplies	22,530	14,634	7,896
Services & Charges	551,964	490,601	61,363
Capital Outlay	33,366	36,733	(3,367)
Municipal Building And Grounds Maintenance			
Personal Services	34,073	46,249	(12,176)
Materials & Supplies	18,132	16,264	1,868
Services & Charges	196,917	185,261	11,656
Capital Outlay	700	0	700
Total General Government	5,935,591	5,671,093	264,498
Income Tax Refunds	295,000	293,370	1,630
Total Expenditures	10,998,763	10,403,815	594,948
Excess (Deficiency) Of Revenues Over Expenditures	2,185,194	2,907,592	722,398

(continued)

CITY OF DELAWARE

Schedule of Revenues, Expenditures
And Changes In Fund Balance--Budget And Actual--Budget Basis
General Fund
For The Year Ended December 31, 2001
(Continued)

	General Fund		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
Other Financing Uses:			
Operating Transfers Out	(3,680,106)	(3,674,500)	5,606
Excess (Deficiency) Of Revenues Over Expenditures And Other Financing Uses	(1,494,912)	(766,908)	728,004
Fund Balances At Beginning Of Year	1,505,772	1,505,772	0
Unexpended Prior Years Encumbrances	460,275	460,275	
Fund Balances At End Of Year	\$ 471,135	\$ 1,199,139	\$ 728,004

Special Revenue Funds

Street Maintenance and Repair Fund – Required by the Ohio Revised Code to account for State gasoline tax and motor vehicle registration fees designated for maintenance of streets within the City.

State Highway Improvement Fund – Required by the Ohio Revised Code to account for State gasoline tax and motor vehicle registration fees designated for the maintenance of state highways within the City.

License Fee Fund – Required by the Ohio Revised Code to account for monies received from the State of Ohio for the maintenance of public roads, highways, streets and bridges within the City.

Storm Sewer Fund – To account for fees charged to residents and businesses to construct and maintain the City's storm sewers.

Parks and Recreation Fund – To account for fees charged for recreational activities, and park rentals, and transfers from the General Fund to be used for park and recreation purposes.

Airport Improvement Fund – To account for fuel sales, T-hangar rentals, tie-downs, miscellaneous sales, and transfers from the General Fund used to maintain the City's Municipal Airport.

Airport T-Hangars Fund – To account for expansion T-hangar rentals used to maintain the City's Municipal Airport T-hangars.

Fire/EMS Income Tax Fund – To account for the collection of the City's voted 0.4% Fire/EMS income tax.

Court/Police Building Income Tax Fund – To account for the collection of the City's 0.2% Building Income Tax. Proceeds to be used to build and equip the City's Justice Center and remodel City Hall.

Drug Enforcement Fund – To account for a portion of money seized during drug-related arrests used in educating students in the consequences of using drugs.

Court Alcohol Treatment Fund – Required by the Ohio Revised Code to account for 50 percent of fines received by the City for convictions related to persons whose drivers license was suspended for driving under the influence of alcohol.

OMVI Enforcement and Education Fund – To account for fines imposed under Section 4511.99 (A) of the Ohio Revised Code. These monies are used to pay costs incurred in enforcing Section 4511.99 of the Ohio Revised Code, and to educate the public about laws governing the operation of a motor vehicle under the influence of alcohol and the danger thereof.

Police Judgment Fund – To account for a portion of seized money used for purchasing of equipment and for training.

Law Enforcement Trust Fund – Required by the Ohio Revised Code to account for monies received from the Federal Law Enforcement Agencies designated for law enforcement related purposes.

Park Exaction Fees Fund – To account for developers’ fees used in park improvements.

Computer Legal Research Fund – To account for fines imposed under Section 1901.26.1 of the Ohio Revised Code to assure the efficient operation of the court by means of computerization, and to make available computerized legal research services.

Court Special Projects Fund – To account for fines imposed under Section 1901.26(B)(1) of the Ohio Revised Code to acquire and pay for special projects of the court including, but not limited to, the acquisition of additional facilities or the rehabilitation of existing facilities, the acquisition of equipment, the hiring and training of staff, community service programs, mediation or dispute resolution services, the employment of magistrates, the training and education of judges, acting judges, and magistrates, and other related services.

Indigent EMHA Fund– To account for specific costs used to fund the electronic home monitoring of indigent defendants.

Probation Services Fund – To account for specific court costs used to maintain ongoing probation services.

Police and Fire Pension Fund – To account for a voted real estate tax operating levy which pays for the accrued past service liability for police and fire disability and pension benefits.

Community Development Block Grant Fund – To account for Federal-funded housing, development, and City-wide improvement programs.

Community Police Block Grant Fund – To account for Federal monies used to supplement Police Department activities and the purchase of equipment under the Local Law Enforcement Block Grant from the Bureau of Justice.

Rental Rehabilitation Grant – To account for Federal-funded rehabilitation of low income housing in the City.

Other Special Revenue Funds

Rental Assistance Grant Fund

CITY OF DELAWARE, OHIO

Combining Balance Sheet--
All Special Revenue Funds

As of December 31, 2001

	Street Maintenance And Repair	State Highway Improvement	License Fee	Storm Sewer	Parks and Recreation	Airport Improvement	Airport T-Hangars	Fire/EMS Income Tax
Assets								
Equity in Pooled Cash & Cash Equivalents	\$ 429,460	\$ 64,118	\$ 84,237	\$ 48,850	\$ 52,879	\$ 41,918	\$ 30,661	\$ 5,015
Receivables:								
Taxes	0	0	0	0	0	0	0	564,007
Accounts	687	0	0	0	0	0	0	0
Prepaid Expenses	0	0	0	0	2,334	7,481	0	0
Due From Other:								
Federal Government	0	0	0	0	0	0	0	0
State Government	228,926	18,552	154,056	0	0	0	0	0
County Government	9,998	811	0	0	0	0	0	0
Municipal Court	0	0	0	0	0	0	0	0
Inventory	0	0	0	0	0	6,833	0	0
Total Assets	\$ 669,071	\$ 83,481	\$ 238,293	\$ 48,850	\$ 55,213	\$ 56,232	\$ 30,661	\$ 569,022
Liabilities								
Accounts Payable	\$ 59,253	\$ 0	\$ 54,878	\$ 11,002	\$ 5,808	\$ 4,003	\$ 40	\$ 0
Accrued Wages & Benefits	60,972	0	0	6,270	40,550	4,352	0	0
Compensated Absences Payable	15,127	0	0	951	7,695	103	0	0
Due To Other Funds	0	0	0	208,000	0	0	0	327,317
Interfund Payable	0	0	0	0	0	0	0	0
Deferred Revenue	152,748	12,385	109,168	0	0	0	0	161,581
Total Liabilities	288,100	12,385	164,046	226,223	54,053	8,458	40	488,898
Fund Equity								
Fund Balances:								
Reserved For Encumbrances	32,011	34,937	0	7,345	49,837	0	0	0
Reserved For Pre-Paid Expenses	0	0	0	0	2,334	7,481	0	0
Reserved For Inventory	0	0	0	0	0	6,833	0	0
Unreserved	348,960	36,159	74,247	(184,718)	(51,011)	33,460	30,621	80,124
Total Fund Equity (Deficit)	380,971	71,096	74,247	(177,373)	1,160	47,774	30,621	80,124
Total Liabilities & Fund Equity	\$ 669,071	\$ 83,481	\$ 238,293	\$ 48,850	\$ 55,213	\$ 56,232	\$ 30,661	\$ 569,022

(continued)

CITY OF DELAWARE, OHIO

Combining Balance Sheet--
All Special Revenue Funds

As of December 31, 2001

	Court/Police Building Income Tax	Drug Enforcement	Court Alcohol Treatment	OMVI Enforcement & Education	Police Judgment	Law Enforcement Trust	Park Exaction Fees	Computer Legal Research	Court Special Projects
Assets									
Equity in Pooled Cash & Cash Equivalents	\$ 118,563	\$ 1,200	\$ 262,611	\$ 18,507	\$ 7,779	\$ 771	\$ 650	\$ 40,326	\$ 499,592
Receivables:									
Taxes	0	0	0	0	0	0	0	0	0
Accounts	0	0	0	0	0	0	0	0	0
Prepaid Expenses	0	0	0	0	0	0	0	0	0
Due From Other:									
Federal Government	0	0	0	0	0	0	0	0	0
State Government	0	0	0	0	0	0	0	0	0
County Government	0	0	0	0	0	0	0	0	0
Municipal Court	0	0	825	325	0	0	0	9,093	16,480
Inventory	0	0	0	0	0	0	0	0	0
Total Assets	\$ 118,563	\$ 1,200	\$ 263,436	\$ 18,832	\$ 7,779	\$ 771	\$ 650	\$ 49,419	\$ 516,072
Liabilities									
Accounts Payable	\$ 512	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,784	\$ 972
Accrued Wages & Benefits	0	0	0	0	0	0	0	0	0
Compensated Absences Payable	0	0	0	0	0	0	0	0	0
Due To Other Funds	0	0	0	0	0	0	0	0	0
Interfund Payable	0	0	0	0	0	0	0	0	0
Deferred Revenue	0	0	0	0	0	0	0	0	0
Total Liabilities	512	0	0	0	0	0	0	1,784	972
Fund Equity									
Fund Balances:									
Reserved For Encumbrances	116,600	0	0	0	0	0	0	29,789	92,141
Reserved For Pre-Paid Expenses	0	0	0	0	0	0	0	0	0
Reserved For Inventory	0	0	0	0	0	0	0	0	0
Unreserved	1,451	1,200	263,436	18,832	7,779	771	650	17,846	422,959
Total Fund Equity (Deficit)	118,051	1,200	263,436	18,832	7,779	771	650	47,635	515,100
Total Liabilities & Fund Equity	\$ 118,563	\$ 1,200	\$ 263,436	\$ 18,832	\$ 7,779	\$ 771	\$ 650	\$ 49,419	\$ 516,072

(continued)

CITY OF DELAWARE, OHIO

Combining Balance Sheet--
All Special Revenue Funds

As of December 31, 2001

	Indigent EMHA	Probation Services	Police And Fire Pension	Community Dev.Block Grant	Community Police Block Grant	Rental Rehabilitation Grant	Rental Assistance Grant	Totals
Assets								
Equity in Pooled Cash & Cash Equivalents	\$ 38,583	\$ 5,715	\$ 1,484	\$ 0	\$ 18,766	\$ 0	\$ 1	\$ 1,771,686
Receivables:								
Taxes	0	0	306,131	0	0	0	0	870,138
Accounts	0	0	0	0	0	0	0	687
Prepaid Expenses	0	0	0	0	0	0	0	9,815
Due From Other:								
Federal Government	0	0	0	0	0	2,829	0	2,829
State Government	0	0	13,256	0	0	0	0	414,790
County Government	0	0	0	0	0	0	0	10,809
Municipal Court	130	325	0	0	0	0	0	27,178
Inventory	0	0	0	0	0	0	0	6,833
Total Assets	\$ 38,713	\$ 6,040	\$ 320,871	\$ 0	\$ 18,766	\$ 2,829	\$ 1	\$ 3,114,765
Liabilities								
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 138,252
Accrued Wages & Benefits	0	0	0	0	0	0	0	112,144
Compensated Absences Payable	0	0	0	0	0	0	0	23,876
Due To Other Funds	0	0	1,484	0	0	0	0	536,801
Interfund Payable	0	0	0	1,228	0	2,999	0	4,227
Deferred Revenue	0	0	319,387	0	0	0	0	755,269
Total Liabilities	0	0	320,871	1,228	0	2,999	0	1,570,569
Fund Equity								
Fund Balances:								
Reserved For Encumbrances	2,000	0	0	0	0	0	0	364,660
Reserved For Pre-Paid Expenses	0	0	0	0	0	0	0	9,815
Reserved For Inventory	0	0	0	0	0	0	0	6,833
Unreserved	36,713	6,040	0	(1,228)	18,766	(170)	1	1,162,888
Total Fund Equity (Deficit)	38,713	6,040	0	(1,228)	18,766	(170)	1	1,544,196
Total Liabilities & Fund Equity	\$ 38,713	\$ 6,040	\$ 320,871	\$ 0	\$ 18,766	\$ 2,829	\$ 1	\$ 3,114,765

CITY OF DELAWARE, OHIO

Combining Statement Of Revenues, Expenditures &
Changes In Fund Balances
All Special Revenue Funds
For the Year Ended December 31, 2001

	Street Maintenance And Repair	State Highway Improvement	License Fee	Storm Sewer	Parks and Recreation	Airport Improvement	Airport T- Hangars	Fire/EMS Income Tax	Court/Police Building Income Tax
Revenues:									
Income Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,768,578	\$ 13,313
Intergovernmental	652,103	52,864	328,925	0	0	0	0	0	0
Charges For Service	0	0	0	22	266,739	227,581	60,586	0	0
Property And Other Taxes	0	0	0	0	0	0	0	0	0
Interest Income	0	0	4,842	0	0	0	0	0	8,099
Miscellaneous	33,606	0	0	0	11,267	10,332	0	0	0
Fines & Court Fees	0	0	0	0	0	0	0	0	0
Total Revenues	685,709	52,864	333,767	22	278,006	237,913	60,586	2,768,578	21,412
Expenditures:									
Current:									
Public Safety	0	0	0	0	0	0	0	2,688,454	50,616
General Government	0	0	0	0	0	0	0	0	0
Airport & Public Works	1,566,514	6,810	402,802	338,324	0	286,692	665	0	0
Recreation And Parks	0	0	0	0	1,117,512	0	0	0	0
Community Development	0	0	0	0	0	0	0	0	0
Total Expenditures	1,566,514	6,810	402,802	338,324	1,117,512	286,692	665	2,688,454	50,616
Excess (Deficiency) Of Revenues Over Expenditures	(880,805)	46,054	(69,035)	(338,302)	(839,506)	(48,779)	59,921	80,124	(29,204)
Other Financing Sources (Uses):									
Operating Transfer In	880,000	0	0	309,500	760,000	52,000	29,667	0	0
Operating Transfers Out	(25,000)	0	0	(22,923)	0	(15,500)	(58,967)	0	0
Total Other Financing Sources (Uses)	855,000	0	0	286,577	760,000	36,500	(29,300)	0	0
Excess (Deficiency) Of Revenues And Other Financing Sources Over Expenditures And Other Financing Uses	(25,805)	46,054	(69,035)	(51,725)	(79,506)	(12,279)	30,621	80,124	(29,204)
Fund Balances At Beginning Of Year <i>(restated, see Note 2)</i>	406,776	25,042	143,282	(125,648)	80,666	60,053	0	0	147,255
Fund Balances At End Of Year	\$ 380,971	\$ 71,096	\$ 74,247	\$ (177,373)	\$ 1,160	\$ 47,774	\$ 30,621	\$ 80,124	\$ 118,051

(continued)

CITY OF DELAWARE, OHIO

Combining Statement Of Revenues, Expenditures &
 Changes In Fund Balances
 All Special Revenue Funds
 For the Year Ended December 31, 2001

	Drug Enforcement	Court Alcohol Treatment	OMVI Enforcement Education	Police Judgment	Law Enforcement Trust	Park Exaction Fees	Computer Legal Research	Court Special Projects	Indigent EMHA	Probation Services
Revenues:										
Income Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Intergovernmental	0	0	0	0	0	0	0	0	0	0
Charges For Service	0	0	0	0	0	0	0	0	0	0
Property And Other Taxes	0	0	0	0	0	0	0	0	0	0
Interest Income	0	0	0	0	0	0	0	0	0	0
Miscellaneous	0	0	0	546	43	0	0	0	0	0
Fines & Court Fees	0	13,159	4,541	0	0	0	110,681	202,195	20,846	4,275
Total Revenues	0	13,159	4,541	546	43	0	110,681	202,195	20,846	4,275
Expenditures:										
Current:										
Public Safety	0	0	10,600	655	0	0	0	0	1,517	295
General Government	0	0	0	0	0	0	171,397	122,691	0	0
Airport & Public Works	0	0	0	0	0	0	0	0	0	0
Recreation And Parks	0	0	0	0	0	1,600	0	0	0	0
Community Development	0	0	0	0	0	0	0	0	0	0
Total Expenditures	0	0	10,600	655	0	1,600	171,397	122,691	1,517	295
Excess (Deficiency) Of Revenues Over Expenditures	0	13,159	(6,059)	(109)	43	(1,600)	(60,716)	79,504	19,329	3,980
Other Financing Sources (Uses):										
Operating Transfer In	0	0	0	0	0	0	0	0	0	0
Operating Transfers Out	0	0	0	0	0	0	0	0	0	0
Total Other Financing Sources (Uses)	0	0	0	0	0	0	0	0	0	0
Excess (Deficiency) Of Revenues And Other Financing Sources Over Expenditures And Other Financing Uses	0	13,159	(6,059)	(109)	43	(1,600)	(60,716)	79,504	19,329	3,980
Fund Balances At Beginning Of Year <i>(restated, see Note 2)</i>	1,200	250,277	24,891	7,888	728	2,250	108,351	435,596	19,384	2,060
Fund Balances At End Of Year	\$ 1,200	\$ 263,436	\$ 18,832	\$ 7,779	\$ 771	\$ 650	\$ 47,635	\$ 515,100	\$ 38,713	\$ 6,040

(continued)

CITY OF DELAWARE, OHIO

Combining Statement Of Revenues, Expenditures &
 Changes In Fund Balances
 All Special Revenue Funds
 For the Year Ended December 31, 2001

	Police And Fire Pension	Community Development Block Grant	Community Police Block Grant	Rental Rehabilitation Grant	Rental Assistance Grant	Totals
Revenues:						
Income Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,781,891
Intergovernmental	26,495	92,171	26,204	311,005	0	1,489,767
Charges For Service	0	0	0	0	0	554,928
Property And Other Taxes	252,105	0	0	0	0	252,105
Interest Income	0	0	463	0	0	13,404
Miscellaneous	0	0	0	0	0	55,794
Fines & Court Fees	0	0	0	0	0	355,697
Total Revenues	<u>278,600</u>	<u>92,171</u>	<u>26,667</u>	<u>311,005</u>	<u>0</u>	<u>5,503,586</u>
Expenditures:						
Current:						
Public Safety	278,600	0	14,511	0	0	3,045,248
General Government	0	0	0	0	0	294,088
Airport & Public Works	0	0	0	0	0	2,601,807
Recreation And Parks	0	0	0	0	0	1,119,112
Community Development	0	93,399	0	274,372	0	367,771
Total Expenditures	<u>278,600</u>	<u>93,399</u>	<u>14,511</u>	<u>274,372</u>	<u>0</u>	<u>7,428,026</u>
Excess (Deficiency) Of Revenues Over Expenditures	<u>0</u>	<u>(1,228)</u>	<u>12,156</u>	<u>36,633</u>	<u>0</u>	<u>(1,924,440)</u>
Other Financing Sources (Uses):						
Operating Transfer In	0	0	0	0	0	2,031,167
Operating Transfers Out	0	0	0	0	0	(122,390)
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,908,777</u>
Excess (Deficiency) Of Revenues And Other Financing Sources Over Expenditures And Other Financing Uses	<u>0</u>	<u>(1,228)</u>	<u>12,156</u>	<u>36,633</u>	<u>0</u>	<u>(15,663)</u>
Fund Balances At Beginning Of Year <i>(restated, see Note 2)</i>	<u>0</u>	<u>0</u>	<u>6,610</u>	<u>(36,803)</u>	<u>1</u>	<u>1,559,859</u>
Fund Balances At End Of Year	<u>\$ 0</u>	<u>\$ (1,228)</u>	<u>\$ 18,766</u>	<u>\$ (170)</u>	<u>\$ 1</u>	<u>\$ 1,544,196</u>

CITY OF DELAWARE, OHIO
Schedule Of Revenues, Expenditures And Changes In Fund Balance
Budget And Actual [Budget Basis]
Year Ending December 31, 2001

	Street Maintenance & Repair		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Intergovernmental	\$ 610,000	\$ 650,741	\$ 40,741
Miscellaneous	4,000	33,606	29,606
Total Revenues	<u>614,000</u>	<u>684,347</u>	<u>70,347</u>
Expenditures			
Current:			
Public Works			
Administration			
Personal Services	278,156	316,079	(37,923)
Materials & Supplies	11,997	7,409	4,588
Services & Charges	43,971	18,456	25,515
Capital Outlay	18,000	17,946	54
Street Division			
Personal Services	554,122	465,861	88,261
Materials & Supplies	268,692	184,590	84,102
Services & Charges	195,974	152,132	43,842
Capital Outlay	108,400	33,860	74,540
Traffic Division			
Personal Services	247,700	241,338	6,362
Materials & Supplies	80,647	78,241	2,406
Services & Charges	98,611	60,062	38,549
Capital Outlay:	11,600	6,792	4,808
Total Expenditures	<u>1,917,870</u>	<u>1,582,766</u>	<u>335,104</u>
Excess (Deficiency) Of Revenues Over Expenditures	(1,303,870)	(898,419)	405,451
Other Financing Sources (Uses):			
Operating Transfers In	995,000	880,000	(115,000)
Operating Transfers Out	(55,000)	(25,000)	30,000
Total Other Financing Sources (Uses)	<u>940,000</u>	<u>855,000</u>	<u>(85,000)</u>
Excess (Deficiency) Of Revenues And Other Financing Sources Over Expenditures And Other Financing Uses	(363,870)	(43,419)	320,451
Fund Balance At Beginning Of Year	353,547	353,547	0
Unexpended Prior Years Encumbrances	31,384	31,384	
Fund Balance At End Of Year	\$ 21,061	\$ 341,512	\$ 320,451

CITY OF DELAWARE, OHIO

Schedule Of Revenues, Expenditures And Changes In Fund Balance

Budget And Actual [Budget Basis]

Year Ending December 31, 2001

	State Highway Improvement Fund		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Intergovernmental	\$ 48,000	\$ 52,763	\$ 4,763
Total Revenues	<u>48,000</u>	<u>52,763</u>	<u>4,763</u>
Expenditures			
Current:			
Public Works			
Materials & Supplies	3,000	0	3,000
Capital Outlay:	<u>78,082</u>	<u>41,747</u>	<u>36,335</u>
Total Expenditures	<u>81,082</u>	<u>41,747</u>	<u>39,335</u>
Excess (Deficiency) Of Revenues Over Expenditures	(33,082)	11,016	44,098
Fund Balance At Beginning Of Year	15,083	15,083	0
Unexpended Prior Years Encumbrances	<u>3,082</u>	<u>3,082</u>	
Fund Balance At End Of Year	<u>\$ (14,917)</u>	<u>\$ 29,181</u>	<u>\$ 44,098</u>

CITY OF DELAWARE, OHIO

Schedule Of Revenues, Expenditures And Changes In Fund Balance

Budget And Actual [Budget Basis]

Year Ending December 31, 2001

	License Fee		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Intergovernmental	\$ 295,000	\$ 304,223	\$ 9,223
Investment Income	5,000	4,884	(116)
Total Revenues	<u>300,000</u>	<u>309,107</u>	<u>9,107</u>
Expenditures			
Current:			
Public Works			
Services & Charges	4,000	0	4,000
Capital Outlay:	502,698	402,802	99,896
Total Expenditures	<u>506,698</u>	<u>402,802</u>	<u>103,896</u>
Excess (Deficiency) Of Revenues Over Expenditures	(206,698)	(93,695)	113,003
Fund Balance At Beginning Of Year	20,355	20,355	0
Unexpended Prior Years Encumbrances	102,698	102,698	
Fund Balance At End Of Year	\$ (83,645)	\$ 29,358	\$ 113,003

CITY OF DELAWARE, OHIO

Schedule Of Revenues, Expenditures And Changes In Fund Balance

Budget And Actual [Budget Basis]

Year Ending December 31, 2001

	Storm Sewer Fund		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Intergovernmental	\$ 0	\$ 310,662	\$ 310,662
Charges For Services	900,000	22	(899,978)
Total Revenues	<u>900,000</u>	<u>310,684</u>	<u>(589,316)</u>
Expenditures			
Current:			
Public Works			
Personal Services	114,265	107,886	6,379
Materials & Supplies	38,212	33,212	5,000
Services & Charges	35,267	60,826	(25,559)
Capital Outlay:	618,884	403,723	215,161
Total Expenditures	<u>806,628</u>	<u>605,647</u>	<u>200,981</u>
Excess (Deficiency) Of Revenues Over Expenditures	93,372	(294,963)	(388,335)
Other Financing Sources (Uses):			
Operating Transfers In	0	309,500	309,500
Operating Transfers Out	(150,923)	(22,923)	128,000
Total Other Financing Sources (Uses)	<u>(150,923)</u>	<u>286,577</u>	<u>437,500</u>
Excess (Deficiency) Of Revenues And Other Financing Sources Over Expenditures And Other Financing Uses	(57,551)	(8,386)	49,165
Fund Balance At Beginning Of Year	(288,353)	(288,353)	0
Unexpended Prior Years Encumbrances	<u>327,415</u>	<u>327,415</u>	
Fund Balance At End Of Year	<u>\$ (18,489)</u>	<u>\$ 30,676</u>	<u>\$ 49,165</u>

CITY OF DELAWARE, OHIO

Schedule Of Revenues, Expenditures And Changes In Fund Balance

Budget And Actual [Budget Basis]

Year Ending December 31, 2001

	Parks & Recreation		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Charges For Service	\$ 262,000	\$ 266,739	\$ 4,739
Miscellaneous	12,500	11,267	(1,233)
Total Revenues	<u>274,500</u>	<u>278,006</u>	<u>3,506</u>
Expenditures			
Current:			
Parks & Recreation			
Administration			
Personal Services	460,671	440,736	19,935
Materials & Supplies	39,532	37,548	1,984
Services & Charges	156,199	160,116	(3,917)
Reimbursements	0	107	(107)
Capital Outlay:	18,000	19,818	(1,818)
Programs			
Personal Services	239,124	217,860	21,264
Materials & Supplies	59,517	49,735	9,782
Services & Charges	97,114	88,828	8,286
Reimbursements	3,000	3,384	(384)
Pool Operations			
Personal Services	80,886	76,058	4,828
Materials & Supplies	38,850	31,276	7,574
Services & Charges	28,550	21,969	6,581
Reimbursements	500	86	414
Capital Outlay:	6,350	5,921	429
Total Expenditures	<u>1,228,293</u>	<u>1,153,442</u>	<u>74,851</u>
Excess (Deficiency) Of Revenues Over Expenditures	(953,793)	(875,436)	78,357
Other Financing Sources:			
Operating Transfers In	<u>750,000</u>	<u>760,000</u>	<u>10,000</u>
Excess (Deficiency) Of Revenues And Other Financing Sources Over Expenditures	(203,793)	(115,436)	88,357
Fund Balance At Beginning Of Year	83,943	83,943	
Unexpended Prior Years Encumbrances	<u>33,728</u>	<u>33,728</u>	
Fund Balance At End Of Year	\$ (86,122)	\$ 2,235	\$ 88,357

CITY OF DELAWARE, OHIO

Schedule Of Revenues, Expenditures And Changes In Fund Balance

Budget And Actual [Budget Basis]

Year Ending December 31, 2001

	Airport Improvement		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Charges For Service	\$ 246,500	\$ 227,581	\$ (18,919)
Miscellaneous	5,000	10,332	5,332
Total Revenues	<u>251,500</u>	<u>237,913</u>	<u>(13,587)</u>
Expenditures			
Current:			
Airport			
Personal Services	63,015	34,070	28,945
Materials & Supplies	117,614	113,792	3,822
Services & Charges	92,024	112,443	(20,419)
Capital Outlay:	40,647	25,745	14,902
Total Expenditures	<u>313,300</u>	<u>286,050</u>	<u>27,250</u>
Excess (Deficiency) Of Revenues Over Expenditures	(61,800)	(48,137)	13,663
Other Financing Sources (Uses):			
Operating Transfers In	30,000	52,000	22,000
Operating Transfers Out	0	(15,500)	(15,500)
Total Other Financing Sources (Uses)	<u>30,000</u>	<u>36,500</u>	<u>6,500</u>
Excess (Deficiency) Of Revenues And Other Financing Sources Over Expenditures And Other Financing Uses	(31,800)	(11,637)	20,163
Fund Balance At Beginning Of Year	31,837	31,837	0
Unexpended Prior Years Encumbrances	<u>18,771</u>	<u>18,771</u>	
Fund Balance At End Of Year	<u>\$ 18,808</u>	<u>\$ 38,971</u>	<u>\$ 20,163</u>

CITY OF DELAWARE, OHIO

Schedule Of Revenues, Expenditures And Changes In Fund Balance

Budget And Actual [Budget Basis]

Year Ending December 31, 2001

	Airport T-Hangars		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Charges For Service	\$ 0	\$ 60,586	\$ 60,586
Miscellaneous	0	0	0
Total Revenues	<u>0</u>	<u>60,586</u>	<u>60,586</u>
Expenditures			
Current:			
Airport			
Services & Charges	4,000	625	3,375
Total Expenditures	<u>4,000</u>	<u>625</u>	<u>3,375</u>
Excess (Deficiency) Of Revenues Over Expenditures	(4,000)	59,961	63,961
Other Financing Sources (Uses):			
Operating Transfers In	0	29,667	29,667
Operating Transfers Out	(63,000)	(58,967)	4,033
Total Other Financing Sources (Uses)	<u>(63,000)</u>	<u>(29,300)</u>	<u>33,700</u>
Excess (Deficiency) Of Revenues And Other Financing Sources Over Expenditures And Other Financing Uses	(67,000)	30,661	97,661
Fund Balance At Beginning Of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance At End Of Year	<u><u>\$ (67,000)</u></u>	<u><u>\$ 30,661</u></u>	<u><u>\$ 97,661</u></u>

CITY OF DELAWARE, OHIO

Schedule Of Revenues, Expenditures And Changes In Fund Balance
Budget And Actual [Budget Basis]
Year Ending December 31, 2001

	Fire/EMS Income Tax		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Income Taxes	\$ 2,675,000	\$ 2,679,298	\$ 4,298
Total Revenues	<u>2,675,000</u>	<u>2,679,298</u>	<u>4,298</u>
Expenditures			
Current:			
Public Safety			
Personal Services	2,703,000	2,674,283	28,717
Total Expenditures	<u>2,703,000</u>	<u>2,674,283</u>	<u>28,717</u>
Excess (Deficiency) Of Revenues Over Expenditures	(28,000)	5,015	33,015
Fund Balance At Beginning Of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance At End Of Year	<u>\$ (28,000)</u>	<u>\$ 5,015</u>	<u>\$ 33,015</u>

CITY OF DELAWARE, OHIO

Schedule Of Revenues, Expenditures And Changes In Fund Balance

Budget And Actual [Budget Basis]

Year Ending December 31, 2001

	Drug Enforcement Fund		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Total Revenues	\$ 0	\$ 0	\$ 0
Expenditures			
Current:			
Public Safety			
Services & Charges	1,200	0	1,200
Total Expenditures	<u>1,200</u>	<u>0</u>	<u>1,200</u>
Excess (Deficiency) Of Revenues Over Expenditures	(1,200)	0	1,200
Fund Balance At Beginning Of Year	<u>1,200</u>	<u>1,200</u>	<u>0</u>
Fund Balance At End Of Year	<u>\$ 0</u>	<u>\$ 1,200</u>	<u>\$ 1,200</u>

CITY OF DELAWARE, OHIO

Schedule Of Revenues, Expenditures And Changes In Fund Balance

Budget And Actual [Budget Basis]

Year Ending December 31, 2001

	Court/Police Building Income Tax		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Income Taxes	\$ 5,000	\$ 15,442	\$ 10,442
Investment Income	0	8,141	8,141
Total Revenues	<u>5,000</u>	<u>23,583</u>	<u>18,583</u>
Expenditures			
Current:			
Public Safety			
Services & Charges	45,295	8,814	36,481
Capital Outlay:	123,000	158,402	(35,402)
Total Expenditures	<u>168,295</u>	<u>167,216</u>	<u>1,079</u>
Excess (Deficiency) Of Revenues Over Expenditures	(163,295)	(143,633)	19,662
Fund Balance At Beginning Of Year	<u>145,083</u>	<u>145,083</u>	<u>0</u>
Fund Balance At End Of Year	<u>\$ (18,212)</u>	<u>\$ 1,450</u>	<u>\$ 19,662</u>

CITY OF DELAWARE, OHIO

Schedule Of Revenues, Expenditures And Changes In Fund Balance

Budget And Actual [Budget Basis]

Year Ending December 31, 2001

	Court Alcohol Treatment		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Fines And Court Fees	\$ 25,000	\$ 12,930	\$ (12,070)
Total Revenues	<u>25,000</u>	<u>12,930</u>	<u>(12,070)</u>
Expenditures			
Current:			
Public Safety			
Services & Charges	100,000	0	100,000
Total Expenditures	<u>100,000</u>	<u>0</u>	<u>100,000</u>
Excess (Deficiency) Of Revenues Over Expenditures	(75,000)	12,930	87,930
Fund Balance At Beginning Of Year	<u>249,681</u>	<u>249,681</u>	<u>0</u>
Fund Balance At End Of Year	<u>\$ 174,681</u>	<u>\$ 262,611</u>	<u>\$ 87,930</u>

CITY OF DELAWARE, OHIO

Schedule Of Revenues, Expenditures And Changes In Fund Balance

Budget And Actual [Budget Basis]

Year Ending December 31, 2001

	OMVI Enforcement & Education		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Fines And Court Fees	\$ 5,000	\$ 4,291	\$ (709)
Total Revenues	<u>5,000</u>	<u>4,291</u>	<u>(709)</u>
Expenditures			
Current:			
Public Safety			
Services & Charges	4,000	4,000	0
Capital Outlay:	<u>6,890</u>	<u>6,600</u>	<u>290</u>
Total Expenditures	<u>10,890</u>	<u>10,600</u>	<u>290</u>
Excess (Deficiency) Of Revenues Over Expenditures	(5,890)	(6,309)	(419)
Fund Balance At Beginning Of Year	<u>24,816</u>	<u>24,816</u>	<u>0</u>
Fund Balance At End Of Year	<u>\$ 18,926</u>	<u>\$ 18,507</u>	<u>\$ (419)</u>

CITY OF DELAWARE, OHIO

Schedule Of Revenues, Expenditures And Changes In Fund Balance

Budget And Actual [Budget Basis]

Year Ending December 31, 2001

	Police Judgment		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Miscellaneous	\$ 2,000	\$ 546	\$ (1,454)
Total Revenues	<u>2,000</u>	<u>546</u>	<u>(1,454)</u>
Expenditures			
Current:			
Public Safety			
Capital Outlay:	3,500	655	2,845
Total Expenditures	<u>3,500</u>	<u>655</u>	<u>2,845</u>
Excess (Deficiency) Of Revenues Over Expenditures	(1,500)	(109)	1,391
Fund Balance At Beginning Of Year	<u>7,888</u>	<u>7,888</u>	<u>0</u>
Fund Balance At End Of Year	<u>\$ 6,388</u>	<u>\$ 7,779</u>	<u>\$ 1,391</u>

CITY OF DELAWARE, OHIO

Schedule Of Revenues, Expenditures And Changes In Fund Balance
Budget And Actual [Budget Basis]
Year Ending December 31, 2001

	Law Enforcement Trust		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Miscellaneous	\$ 500	\$ 43	\$ (457)
Total Revenues	<u>500</u>	<u>43</u>	<u>(457)</u>
Expenditures			
Current:			
Public Safety			
Capital Outlay:	1,000	0	1,000
Total Expenditures	<u>1,000</u>	<u>0</u>	<u>1,000</u>
Excess (Deficiency) Of Revenues Over Expenditures	(500)	43	543
Fund Balance At Beginning Of Year	<u>728</u>	<u>728</u>	<u>0</u>
Fund Balance At End Of Year	<u>\$ 228</u>	<u>\$ 771</u>	<u>\$ 543</u>

CITY OF DELAWARE, OHIO
 Schedule Of Revenues, Expenditures And Changes In Fund Balance
 Budget And Actual [Budget Basis]
 Year Ending December 31, 2001

	Park Exaction Fees		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Miscellaneous	\$ 15,000	\$ 0	\$ (15,000)
Total Revenues	<u>15,000</u>	<u>0</u>	<u>(15,000)</u>
Expenditures			
Current:			
Recreation And Parks			
Capital Outlay:	21,600	1,600	20,000
Total Expenditures	<u>21,600</u>	<u>1,600</u>	<u>20,000</u>
Excess (Deficiency) Of Revenues Over Expenditures	(6,600)	(1,600)	5,000
Fund Balance At Beginning Of Year	650	650	0
Unexpended Prior Years Encumbrances	<u>1,600</u>	<u>1,600</u>	
Fund Balance At End Of Year	<u>\$ (4,350)</u>	<u>\$ 650</u>	<u>\$ 5,000</u>

CITY OF DELAWARE, OHIO

Schedule Of Revenues, Expenditures And Changes In Fund Balance

Budget And Actual [Budget Basis]

Year Ending December 31, 2001

	Computer Legal Research		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Fines And Court Fees	\$ 125,000	\$ 109,943	\$ (15,057)
Total Revenues	<u>125,000</u>	<u>109,943</u>	<u>(15,057)</u>
Expenditures			
Current:			
Public Safety			
Capital Outlay:	218,061	203,944	14,117
Total Expenditures	<u>218,061</u>	<u>203,944</u>	<u>14,117</u>
Excess (Deficiency) Of Revenues Over Expenditures	(93,061)	(94,001)	(940)
Fund Balance At Beginning Of Year	90,694	90,694	0
Unexpended Prior Years Encumbrances	12,061	12,061	
Fund Balance At End Of Year	<u>\$ 9,694</u>	<u>\$ 8,754</u>	<u>\$ (940)</u>

CITY OF DELAWARE, OHIO

Schedule Of Revenues, Expenditures And Changes In Fund Balance

Budget And Actual [Budget Basis]

Year Ending December 31, 2001

	Court Special Projects		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Fines And Court Fees	\$ 215,000	\$ 200,525	\$ (14,475)
Total Revenues	215,000	200,525	(14,475)
Expenditures			
Current:			
Public Safety			
Services & Charges	75,000	90	74,910
Capital Outlay:	265,990	226,174	39,816
Total Expenditures	340,990	226,264	114,726
Excess (Deficiency) Of Revenues Over Expenditures	(125,990)	(25,739)	100,251
Other Financing Uses:			
Operating Transfers Out	(60,000)	0	60,000
Excess (Deficiency) Of Revenues Over Expenditures And Other Financing Uses	(185,990)	(25,739)	160,251
Fund Balance At Beginning Of Year	417,201	417,201	0
Unexpended Prior Years Encumbrances	15,989	15,989	
Fund Balance At End Of Year	\$ 247,200	\$ 407,451	\$ 160,251

CITY OF DELAWARE, OHIO

Schedule Of Revenues, Expenditures And Changes In Fund Balance

Budget And Actual [Budget Basis]

Year Ending December 31, 2001

	Indigent EMHA		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Fines And Court Fees	\$ 5,000	\$ 20,901	\$ 15,901
Total Revenues	<u>5,000</u>	<u>20,901</u>	<u>15,901</u>
Expenditures			
Current:			
Public Safety			
Services & Charges	51,689	6,621	45,068
Total Expenditures	<u>51,689</u>	<u>6,621</u>	<u>45,068</u>
Excess (Deficiency) Of Revenues Over Expenditures	(46,689)	14,280	60,969
Fund Balance At Beginning Of Year	20,614	20,614	0
Unexpended Prior Years Encumbrances	<u>1,689</u>	<u>1,689</u>	
Fund Balance At End Of Year	\$ (24,386)	\$ 36,583	\$ 60,969

CITY OF DELAWARE, OHIO

Schedule Of Revenues, Expenditures And Changes In Fund Balance

Budget And Actual [Budget Basis]

Year Ending December 31, 2001

	Probation Services		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Fines And Court Fees	\$ 2,500	\$ 4,060	\$ 1,560
Total Revenues	<u>2,500</u>	<u>4,060</u>	<u>1,560</u>
Expenditures			
Current:			
Public Safety			
Services & Charges	8,000	295	7,705
Total Expenditures	<u>8,000</u>	<u>295</u>	<u>7,705</u>
Excess (Deficiency) Of Revenues Over Expenditures	(5,500)	3,765	9,265
Fund Balance At Beginning Of Year	<u>1,950</u>	<u>1,950</u>	<u>0</u>
Fund Balance At End Of Year	<u>\$ (3,550)</u>	<u>\$ 5,715</u>	<u>\$ 9,265</u>

CITY OF DELAWARE, OHIO

Schedule Of Revenues, Expenditures And Changes In Fund Balance

Budget And Actual [Budget Basis]

Year Ending December 31, 2001

	Police And Fire Pension		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Intergovernmental	\$ 22,610	\$ 26,495	\$ 3,885
Property And Other Taxes	238,470	252,105	13,635
Total Revenues	<u>261,080</u>	<u>278,600</u>	<u>17,520</u>
Expenditures			
Current:			
Public Safety			
Personal Services	277,400	277,116	284
Total Expenditures	<u>277,400</u>	<u>277,116</u>	<u>284</u>
Excess (Deficiency) Of Revenues Over Expenditures	(16,320)	1,484	17,804
Fund Balance At Beginning Of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance At End Of Year	<u>\$ (16,320)</u>	<u>\$ 1,484</u>	<u>\$ 17,804</u>

CITY OF DELAWARE, OHIO

Schedule Of Revenues, Expenditures And Changes In Fund Balance

Budget And Actual [Budget Basis]

Year Ending December 31, 2001

	Community Development Block Grant		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Intergovernmental	\$ 105,000	\$ 92,171	\$ (12,829)
Total Revenues	<u>105,000</u>	<u>92,171</u>	<u>(12,829)</u>
Expenditures			
Current:			
Community Development			
Materials & Supplies	2,000	2,084	(84)
Capital Outlay:	95,000	93,316	1,684
Total Expenditures	<u>97,000</u>	<u>95,400</u>	<u>1,600</u>
Excess (Deficiency) Of Revenues Over Expenditures	8,000	(3,229)	(11,229)
Fund Balance At Beginning Of Year	0	0	0
Unexpended Prior Years Encumbrances	2,000	2,000	
Fund Balance At End Of Year	<u>\$ 10,000</u>	<u>\$ (1,229)</u>	<u>\$ (11,229)</u>

CITY OF DELAWARE, OHIO

Schedule Of Revenues, Expenditures And Changes In Fund Balance

Budget And Actual [Budget Basis]

Year Ending December 31, 2001

	Community Police Block Grant		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Intergovernmental	\$ 13,700	\$ 26,204	\$ 12,504
Miscellaneous	0	0	0
Investment Income	0	463	463
Total Revenues	<u>13,700</u>	<u>26,667</u>	<u>12,967</u>
Expenditures			
Current:			
Public Safety			
Capital Outlay:	14,700	14,511	189
Total Expenditures	<u>14,700</u>	<u>14,511</u>	<u>189</u>
Excess (Deficiency) Of Revenues Over Expenditures	(1,000)	12,156	13,156
Fund Balance At Beginning Of Year	3,910	3,910	0
Unexpended Prior Years Encumbrances	2,699	2,699	
Fund Balance At End Of Year	<u>\$ 5,609</u>	<u>\$ 18,765</u>	<u>\$ 13,156</u>

CITY OF DELAWARE, OHIO
 Schedule Of Revenues, Expenditures And Changes In Fund Balance
 Budget And Actual [Budget Basis]
 Year Ending December 31, 2001

	Rental Rehabilitation Grant		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Intergovernmental	\$ 0	\$ 308,176	\$ 308,176
Total Revenues	<u>0</u>	<u>308,176</u>	<u>308,176</u>
Expenditures			
Current:			
Community Development			
Services & Charges	9,000	10,711	(1,711)
Capital Outlay:	347,276	319,732	27,544
Total Expenditures	<u>356,276</u>	<u>330,443</u>	<u>25,833</u>
Excess (Deficiency) Of Revenues Over Expenditures	(356,276)	(22,267)	334,009
Fund Balance At Beginning Of Year	(291,008)	(291,008)	0
Unexpended Prior Years Encumbrances	310,276	310,276	
Fund Balance At End Of Year	<u>\$ (337,008)</u>	<u>\$ (2,999)</u>	<u>\$ 334,009</u>

Debt Service Funds

General Obligation Bond Retirement Fund – To account for transfers in that are utilized for the repayment of general obligation bonds of the City.

Special Assessment Bond Retirement Fund – To account for the collection of special assessments levied against certain property owners used for the payment of special assessment bonds and related interest.

CITY OF DELAWARE, OHIO

Combining Balance Sheet--

All Debt Service Funds

As of December 31, 2001

	General Obligation Bond Retirement	Special Assessment Bond Retirement	Totals
Assets			
Equity in Pooled Cash & Cash Equivalents	\$ 361,799	\$ 0	\$ 361,799
Total Assets	<u>\$ 361,799</u>	<u>\$ 0</u>	<u>\$ 361,799</u>
Liabilities			
Accrued Interest Payable	\$ 0	\$ 1,416	\$ 1,416
Interfund Payable	0	6,405	6,405
Total Liabilities	<u>0</u>	<u>7,821</u>	<u>7,821</u>
Fund Equity			
Fund Balances:			
Unreserved	361,799	(7,821)	353,978
Total Fund Equity	<u>361,799</u>	<u>(7,821)</u>	<u>353,978</u>
Total Liabilities & Fund Equity	<u>\$ 361,799</u>	<u>\$ 0</u>	<u>\$ 361,799</u>

CITY OF DELAWARE, OHIO

Combining Statement Of Revenues, Expenditures &
Changes In Fund Balances
All Debt Service Funds
For the Year Ended December 31, 2001

	General Obligation Bond Retirement	Special Assessment Bond Retirement	Totals
Revenues:			
Interest Income	\$ 76,060	\$ 0	\$ 76,060
Special Assessments	0	45,687	45,687
Total Revenues	<u>76,060</u>	<u>45,687</u>	<u>121,747</u>
Expenditures:			
Debt Service:			
Principal Retirement	0	23,037	23,037
Professional Services	11,297	0	11,297
Interest And Fiscal Charges	0	28,007	28,007
Total Expenditures	<u>11,297</u>	<u>51,044</u>	<u>62,341</u>
Excess (Deficiency) Of Revenues Over Expenditures	<u>64,763</u>	<u>(5,357)</u>	<u>59,406</u>
Other Financing Sources (Uses):			
Operating Transfers In	58,967	0	58,967
Operating Transfers Out	(167,794)	(1,963)	(169,757)
Total Other Financing Sources (Uses)	<u>(108,827)</u>	<u>(1,963)</u>	<u>(110,790)</u>
Excess (Deficiency) Of Revenues And Other Financing Sources Over Expenditures And Other Financing Uses	<u>(44,064)</u>	<u>(7,320)</u>	<u>(51,384)</u>
Fund Balances At Beginning Of Year <i>(restated, see Note 2)</i>	<u>405,863</u>	<u>(501)</u>	<u>405,362</u>
Fund Balances At End Of Year	<u>\$ 361,799</u>	<u>\$ (7,821)</u>	<u>\$ 353,978</u>

CITY OF DELAWARE, OHIO

Schedule Of Revenue , Expenditures, And Changes In Fund Balance

Budget And Actual [Budget Basis]

For The Year Ended December 31, 2001

General Obligation Bond Retirement

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Interest Income	\$ 0	\$ 76,144	\$ 76,144
Total Revenues	<u>0</u>	<u>76,144</u>	<u>76,144</u>
Expenditures:			
Debt Service:			
Professional Services	5,000	11,297	(6,297)
Principal Retirement	5,514,697	5,450,000	64,697
Interest And Fiscal Charges	204,487	262,887	(58,400)
Total Expenditures	<u>5,724,184</u>	<u>5,724,184</u>	<u>0</u>
Excess (Deficiency) Of Revenues Over Expenditures	(5,724,184)	(5,648,040)	76,144
Other Financing Sources:			
Proceeds Of Note Issuance	6,705,250	5,264,993	(1,440,257)
Operating Transfer In	0	339,067	339,067
Total Other Financing Sources	<u>6,705,250</u>	<u>5,604,060</u>	<u>(1,101,190)</u>
Excess (Deficiency) Of Revenues And Other Financing Sources Over Expenditures	<u>981,066</u>	<u>(43,980)</u>	<u>(1,025,046)</u>
Fund Balance At Beginning Of Year	<u>405,779</u>	<u>405,779</u>	<u>0</u>
Fund Balance At End Of Year	<u>\$ 1,386,845</u>	<u>\$ 361,799</u>	<u>\$ (1,025,046)</u>

CITY OF DELAWARE, OHIO

Schedule Of Revenue , Expenditures, And Changes In Fund Balance

Budget And Actual [Budget Basis]

For The Year Ended December 31, 2001

Special Assessment Bond Retirement

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Special Assessments	\$ 0	\$ 43,008	\$ 43,008
Total Revenues	<u>0</u>	<u>43,008</u>	<u>43,008</u>
Expenditures:			
Interest And Fiscal Charges	23,913	23,912	1
Special Assessment Retirement	<u>25,000</u>	<u>25,000</u>	<u>0</u>
Total Expenditures	<u>48,913</u>	<u>48,912</u>	<u>1</u>
Excess (Deficiency) Of Revenues Over Expenditures	(48,913)	(5,904)	43,009
Fund Balance At Beginning Of Year	<u>(501)</u>	<u>(501)</u>	<u>0</u>
Fund Balance At End Of Year	<u><u>\$ (49,414)</u></u>	<u><u>\$ (6,405)</u></u>	<u><u>\$ 43,009</u></u>

Capital Projects Funds

Capital Improvement Fund – To account for the various capital projects of the City financed by note proceeds and general fund subsidies.

Downtown Streetscape Fund – To account for capital improvements made to the downtown and eastside business section of the City.

FAA Airport Expansion Fund – To account for Federal and State funds used for the relocation and expansion of the City's Municipal Airport.

Equipment Replacement Fund – To account for transfers from departments to provide for the future replacement of equipment.

Airport Improvement Construction Fund – To account for funds used for the expansion of the City's T-hangars.

Park Impact Fees Fund – To account for developers' fees collected to maintain a level of service associated with the City's parks required with the increased growth.

Police Impact Fees Fund – To account for developers' fees collected to maintain a level of service associated with the City's Police Department required with the increased growth.

Fire Impact Fees Fund – To account for developers' fees collected to maintain a level of service associated with the City's Fire Department required with the increased growth.

CITY OF DELAWARE, OHIO

Combining Balance Sheet--

All Capital Projects Funds

As of December 31, 2001

	Capital Improvements	Downtown Streetscape	FAA Airport Expansion	Equipment Replacement	Airport Improvement Construction	Park Impact Fees	Police Impact Fees	Fire Impact Fees	Totals
Assets									
Equity in Pooled Cash & Cash Equivalents	\$ 3,905,148	\$ 47,389	\$ 5	\$ 84,344	\$ 0	\$ 324,845	\$ 75,532	\$ 174,256	\$ 4,611,519
Accounts Receivable	344	0	0	0	0	0	0	0	344
Restricted Cash:									
Equity in Pooled Cash & Cash Equivalents	32,615	0	0	0	0	0	0	0	32,615
Total Assets	\$ 3,938,107	\$ 47,389	\$ 5	\$ 84,344	\$ 0	\$ 324,845	\$ 75,532	\$ 174,256	\$ 4,644,478
Liabilities									
Accounts Payable	\$ 112,004	\$ 35,168	\$ 0	\$ 72,705	\$ 0	\$ 14,512	\$ 0	\$ 0	\$ 234,389
Accrued Interest Payable	83,987	31,132	0	0	17,647	0	0	0	132,766
Payables From Restricted Assets:									
Contracts Payable	32,615	0	0	0	0	0	0	0	32,615
Notes Payable	3,705,000	3,150,000	0	0	1,145,000	0	0	0	8,000,000
Total Liabilities	3,933,606	3,216,300	0	72,705	1,162,647	14,512	0	0	8,399,770
Fund Equity									
Fund Balances:									
Reserved For Encumbrances	492,665	9,580	0	512	0	248,342	4,900	0	755,999
Unreserved	(488,164)	(3,178,491)	5	11,127	(1,162,647)	61,991	70,632	174,256	(4,511,291)
Total Fund Equity	4,501	(3,168,911)	5	11,639	(1,162,647)	310,333	75,532	174,256	(3,755,292)
Total Liabilities & Fund Equity	\$ 3,938,107	\$ 47,389	\$ 5	\$ 84,344	\$ 0	\$ 324,845	\$ 75,532	\$ 174,256	\$ 4,644,478

CITY OF DELAWARE, OHIO

Combining Statement Of Revenues, Expenditures &

Changes In Fund Balances

All Capital Project Funds

For the Year Ended December 31, 2001

	Capital Improvements	Downtown Streetscape	FAA Airport Expansion	Equipment Replacement	Airport Improvement Construction	Park Impact Fees	Police Impact Fees	Fire Impact Fees	Totals
Revenues:									
Intergovernmental	\$ 0	\$ 0	\$ 8,130	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 8,130
Interest Income	706	11,860	1,272	0	0	0	0	0	13,838
Miscellaneous	934	4,480	0	0	0	10,000	0	0	15,414
Impact Fees	0	0	0	0	0	433,680	98,615	174,256	706,551
Total Revenues	1,640	16,340	9,402	0	0	443,680	98,615	174,256	743,933
Expenditures:									
Capital Outlay	1,210,245	133,748	0	336,661	111,507	133,347	23,083	0	1,948,591
Debt Service:									
Professional Services	75,361	116,945	0	0	0	0	0	0	192,306
Interest and Fiscal Charges	110,280	137,839	0	0	43,669	0	0	0	291,788
Total Expenditures	1,395,886	388,532	0	336,661	155,176	133,347	23,083	0	2,432,685
Excess (Deficiency) Of Revenues Over Expenditures	(1,394,246)	(372,192)	9,402	(336,661)	(155,176)	310,333	75,532	174,256	(1,688,752)
Other Financing Sources (Uses):									
Premium on Sale of Notes	0	14,807	0	0	0	0	0	0	14,807
Operating Transfer In	1,673,000	345,032	5,647	277,923	58,782	0	0	0	2,360,384
Operating Transfers Out	(471,667)	0	0	0	(14,167)	0	0	0	(485,834)
Total Other Financing Sources (Uses)	1,201,333	359,839	5,647	277,923	44,615	0	0	0	1,889,357
Excess (Deficiency) Of Revenues And Other Financing Sources Over Expenditures And Other Financing Uses	(192,913)	(12,353)	15,049	(58,738)	(110,561)	310,333	75,532	174,256	200,605
Fund Balances At Beginning Of Year <i>(restated, see Note 2)</i>	197,414	(3,156,558)	(15,044)	70,377	(1,052,086)	0	0	0	(3,955,897)
Fund Balances At End Of Year	\$ 4,501	\$ (3,168,911)	\$ 5	\$ 11,639	\$ (1,162,647)	\$ 310,333	\$ 75,532	\$ 174,256	\$ (3,755,292)

CITY OF DELAWARE

Schedule Of Revenues, Expenses And Changes In Fund Balance

Budget And Actual [Budget Basis]

Year Ended December 31, 2001

Capital Improvements Fund

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Intergovernmental	\$ 0	\$ 0	\$ 0
Miscellaneous	5,000	840	(4,160)
Interest Income	0	706	706
Total Revenues	<u>5,000</u>	<u>1,546</u>	<u>(3,454)</u>
Expenditures			
Current:			
General Government			
Services & Charges	121,378	150,384	(29,006)
Capital Outlay	4,662,789	1,602,367	3,060,422
Total Expenditures	<u>4,784,167</u>	<u>1,752,751</u>	<u>3,031,416</u>
Excess (Deficiency) Of Revenues Over (Expenditures)	(4,779,167)	(1,751,205)	3,027,962
Other Financing Sources (Uses)			
Proceeds of Notes	0	2,750,000	2,750,000
Transfers In	2,000,000	1,673,000	(327,000)
Transfers Out	(525,100)	(515,747)	9,353
Total Other Financing Sources (Uses)	<u>1,474,900</u>	<u>3,907,253</u>	<u>2,432,353</u>
Excess (Deficiency) Of Revenues Over Expenditures And Other Financing Uses	(3,304,267)	2,156,048	5,460,315
Fund Balance At Beginning Of Year	1,086,155	1,086,155	0
Unexpended Prior Years Encumbrances	90,966	90,966	
Fund Balance At End Of Year	<u>\$ (2,127,146)</u>	<u>\$3,333,169</u>	<u>\$5,460,315</u>

CITY OF DELAWARE

Schedule Of Revenues, Expenses And Changes In Fund Balance

Budget And Actual [Budget Basis]

Year Ended December 31, 2001

	Downtown Streetscape		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Miscellaneous	\$ 0	\$ 4,480	\$ 4,480
Interest Income	0	11,902	11,902
Total Revenues	<u>0</u>	<u>16,382</u>	<u>16,382</u>
Expenditures			
Current:			
General Government			
Services & Charges	227,722	161,659	66,063
Capital Outlay	105,333	124,689	(19,356)
Total Expenditures	<u>333,055</u>	<u>286,348</u>	<u>46,707</u>
Excess (Deficiency) Of Revenues Over (Expenditures)	(333,055)	(269,966)	63,089
Other Financing Uses			
Transfers In	0	0	0
Transfers Out	(98,175)	0	98,175
Excess (Deficiency) Of Revenues Over Expenditures And Other Financing Uses	(431,230)	(269,966)	161,264
Fund Balance At Beginning Of Year	89,587	89,587	0
Unexpended Prior Years Encumbrances	183,053	183,053	
Fund Balance At End Of Year	<u>\$ (158,590)</u>	<u>\$ 2,674</u>	<u>\$ 161,264</u>

CITY OF DELAWARE

Schedule Of Revenues, Expenses And Changes In Fund Balance

Budget And Actual [Budget Basis]

Year Ended December 31, 2001

	FAA Airport Expansion		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Intergovernmental	\$ 525,000	\$ 8,130	(516,870)
Interest Income	4,000	1,272	(2,728)
Total Revenues	<u>529,000</u>	<u>9,402</u>	<u>(519,598)</u>
Expenditures			
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) Of Revenues Over (Expenditures)	529,000	9,402	(519,598)
Other Financing Sources			
Transfers In	<u>25,000</u>	<u>5,647</u>	<u>(19,353)</u>
Excess (Deficiency) Of Revenues And Other Financing Sources Over Expenditures	554,000	15,049	(538,951)
Fund Balance At Beginning Of Year	<u>(15,044)</u>	<u>(15,044)</u>	<u>0</u>
Fund Balance At End Of Year	<u>\$ 538,956</u>	<u>\$ 5</u>	<u>\$ (538,951)</u>

CITY OF DELAWARE

Schedule Of Revenues, Expenses And Changes In Fund Balance

Budget And Actual [Budget Basis]

Year Ended December 31, 2001

FAA Airport Allocation/Improvement Fund

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Intergovernmental	\$ 0	\$ 0	\$ 0
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures			
Current:			
General Government			
Services & Charges	112,500	0	112,500
Capital Outlay	45,000	0	45,000
Total Expenditures	<u>157,500</u>	<u>0</u>	<u>157,500</u>
Excess (Deficiency) Of Revenues Over (Expenditures)	(157,500)	0	157,500
Fund Balance At Beginning Of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance At End Of Year	<u>\$ (157,500)</u>	<u>\$ 0</u>	<u>\$ 157,500</u>

CITY OF DELAWARE

Schedule Of Revenues, Expenses And Changes In Fund Balance

Budget And Actual [Budget Basis]

Year Ended December 31, 2001

	Equipment Replacement		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Total Revenues	\$ 0	\$ 0	\$ 0
Expenditures			
Capital Outlay	467,680	419,903	47,777
Total Expenditures	467,680	419,903	47,777
Excess (Deficiency) Of Revenues Over (Expenditures)	(467,680)	(419,903)	47,777
Other Financing Sources			
Transfers In	0	277,923	277,923
Excess (Deficiency) Of Revenues And Other Financing Sources Over Expenditures	(467,680)	(141,980)	325,700
Fund Balance At Beginning Of Year	70,377	70,377	0
Unexpended Prior Years Encumbrances	82,730	82,730	
Fund Balance At End Of Year	\$ (314,573)	\$ 11,127	\$ 325,700

CITY OF DELAWARE

Schedule Of Revenues, Expenses And Changes In Fund Balance

Budget And Actual [Budget Basis]

Year Ended December 31, 2001

Airport Improvement Construction

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Interest Income	\$ 0	\$ 0	\$ 0
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures			
Capital Outlay	470,422	447,711	22,711
Total Expenditures	<u>470,422</u>	<u>447,711</u>	<u>22,711</u>
Excess (Deficiency) Of Revenues Over (Expenditures)	(470,422)	(447,711)	22,711
Other Financing Uses			
Transfers Out	(10,991)	(14,167)	(3,176)
Excess (Deficiency) Of Revenues Over Expenditures And Other Financing Uses	(481,413)	(461,878)	19,535
Fund Balance At Beginning Of Year	1,456	1,456	0
Unexpended Prior Years Encumbrances	<u>460,422</u>	<u>460,422</u>	
Fund Balance At End Of Year	<u>\$ (19,535)</u>	<u>\$ 0</u>	<u>\$ 19,535</u>

CITY OF DELAWARE

Schedule Of Revenues, Expenses And Changes In Fund Balance

Budget And Actual [Budget Basis]

Year Ended December 31, 2001

Park Impact Fees

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Intergovernmental	\$ 0	\$ 0	\$ 0
Impact Fees	0	433,680	433,680
Miscellaneous	0	10,000	10,000
Total Revenues	0	443,680	443,680
Expenditures			
Capital Outlay	391,000	381,688	9,312
Total Expenditures	391,000	381,688	9,312
Excess (Deficiency) Of Revenues Over (Expenditures)	(391,000)	61,992	452,992
Fund Balance At Beginning Of Year	0	0	0
Fund Balance At End Of Year	\$ (391,000)	\$ 61,992	\$ 452,992

CITY OF DELAWARE

Schedule Of Revenues, Expenses And Changes In Fund Balance

Budget And Actual [Budget Basis]

Year Ended December 31, 2001

	Police Impact Fees		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Impact Fees	\$ 0	\$ 98,615	\$ 98,615
Total Revenues	0	98,615	98,615
Expenditures			
Capital Outlay	38,840	27,983	10,857
Total Expenditures	38,840	27,983	10,857
Excess (Deficiency) Of Revenues Over (Expenditures)	(38,840)	70,632	109,472
Fund Balance At Beginning Of Year	0	0	0
Fund Balance At End Of Year	\$ (38,840)	\$ 70,632	\$ 109,472

CITY OF DELAWARE

Schedule Of Revenues, Expenses And Changes In Fund Balance

Budget And Actual [Budget Basis]

Year Ended December 31, 2001

	Fire Impact Fees		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Impact Fees	\$ 0	\$ 174,256	\$ 174,256
Total Revenues	0	174,256	174,256
Expenditure			
Capital Outlay	21,626	0	21,626
Total Expenditures	21,626	0	21,626
Excess (Deficiency) Of Revenues Over (Expenditures)	(21,626)	174,256	195,882
Fund Balance At Beginning Of Year	0	0	0
Fund Balance At End Of Year	\$ (21,626)	\$ 174,256	\$ 195,882

Enterprise Funds

Golf Course Fund – To account for funds received and used at the City’s Municipal Golf Course.

Parking Lots Fund – To account for funds received from the rental of City-owned parking lots and meters. The receipts are used to purchase and maintain traffic enforcement equipment, parking lots, and meters.

Water Fund – To account for the provision of water treatment and distribution to the residential and commercial users of the City. The costs of these services are financed primarily through user charges.

Sewer Fund – To account for sanitary sewer services provided to the residential and commercial users of the City. The costs of these services are financed primarily through user charges.

Refuse Fund – To account for the provision of refuse and recycling services to the residential and commercial users of the City. The costs of these services are financed primarily through user charges.

CITY OF DELAWARE, OHIO
Combining Balance Sheet--
All Enterprise Funds

As of December 31, 2001

	Golf Course	Parking Lots	Water	Sewer	Refuse	Totals
Assets						
<i>Current Assets</i>						
Equity in Pooled Cash & Cash Equivalents	\$ 165,344	\$ 15,485	\$ 7,203,062	\$ 3,086,630	\$ 463,228	\$ 10,933,749
Accounts Receivable	0	0	480,833	496,302	160,257	1,137,392
Accrued Interest Receivable & Prepaid Expenses	1,167	0	14,764	23,721	5,836	45,488
Inventory	279	0	8,812	2,055	0	11,146
Total Current Assets	166,790	15,485	7,707,471	3,608,708	629,321	12,127,775
<i>Restricted Assets:</i>						
Equity in Pooled Cash & Cash Equivalents	0	0	67,500	569,106	0	636,606
Cash & Cash Equivalents in Segregated Accounts	0	0	0	499,790	0	499,790
Total Restricted Assets	0	0	67,500	1,068,896	0	1,136,396
<i>Long-Term Assets</i>						
Unamortized Bond Issuance Costs	0	0	0	81,304	0	81,304
Fixed Assets (Net Of Accumulated Depreciation)	187,779	210,645	14,209,700	20,015,444	761,370	35,384,938
Total Long-Term Assets	187,779	210,645	14,209,700	20,096,748	761,370	35,466,242
Total Assets	\$ 354,569	\$ 226,130	\$ 21,984,671	\$ 24,774,352	\$ 1,390,691	\$ 48,730,413
Liabilities						
<i>Current Liabilities</i>						
Accounts Payable	\$ 1,054	\$ 4,865	\$ 142,923	\$ 237,379	\$ 42,939	\$ 429,160
Customer Deposits	0	0	178,994	0	0	178,994
Accrued Wages and Benefits	5,500	0	175,204	225,792	30,730	437,226
Compensated Absences Payable	1,408	0	12,670	15,515	4,285	33,878
Accrued Interest Payable	0	0	0	17,693	0	17,693
Payables From Restricted Assets:						
Contracts Payable	0	0	67,500	77,525	0	145,025
Accrued Interest Payable	0	0	0	6,673	0	6,673
Total Current Liabilities	7,962	4,865	577,291	580,577	77,954	1,248,649
<i>Long-Term Liabilities</i>						
Landfill Post-Closure Obligation	0	0	0	0	290,000	290,000
Compensated Absences Payable	8,760	0	135,628	127,064	9,478	280,930
Revenue Bonds Payable	0	0	0	3,640,000	0	3,640,000
Special Assessment Bonds Payable	0	0	25,512	0	0	25,512
Total Long-Term Liabilities	8,760	0	161,140	3,767,064	299,478	4,236,442
Total Liabilities	16,722	4,865	738,431	4,347,641	377,432	5,485,091
Fund Equity						
Contributed Capital	111,936	0	5,031,669	11,418,489	26,917	16,589,011
Retained Earnings	225,911	221,265	16,214,571	9,008,222	986,342	26,656,311
Total Fund Equity	337,847	221,265	21,246,240	20,426,711	1,013,259	43,245,322
Total Liabilities & Fund Equity	\$ 354,569	\$ 226,130	\$ 21,984,671	\$ 24,774,352	\$ 1,390,691	\$ 48,730,413

CITY OF DELAWARE, OHIO

Combining Statement Of Revenues, Expenses &
 Changes In Fund Equity
 All Enterprise Funds
 For the Year Ended December 31, 2001

	Golf Course	Parking Lots	Water	Sewer	Refuse	Totals
Operating Revenues:						
Charges For Services	\$ 194,188	\$ 26,316	\$ 2,688,780	\$ 2,840,369	\$ 1,476,068	\$ 7,225,721
Capacity Fees	0	0	915,073	285,376	0	1,200,449
Miscellaneous	0	0	33,306	61,005	0	94,311
Total Revenues	194,188	26,316	3,637,159	3,186,750	1,476,068	8,520,481
Operating Expenses:						
Personal Services	93,192	0	1,009,042	963,729	481,877	2,547,840
Cost Of Services	0	0	400,000	400,000	180,000	980,000
Depreciation	18,101	3,594	546,769	901,270	157,371	1,627,105
Services and Charges	25,135	34,461	409,451	623,475	698,098	1,790,620
Materials And Supplies	31,748	0	1,108,842	334,460	46,015	1,521,065
Total Expenses	168,176	38,055	3,474,104	3,222,934	1,563,361	8,466,630
Operating Income/(Loss)	26,012	(11,739)	163,055	(36,184)	(87,293)	53,851
Non-Operating Revenues (Expenses):						
Interest Income	0	0	267,789	145,849	19,627	433,265
Interest Expense	0	0	0	(213,594)	0	(213,594)
Donated Water and Sewer Lines	0	0	505,560	594,115	0	1,099,675
Other Revenue/(Expense)	(577)	0	(2,609)	(52,833)	25,200	(30,819)
Total Non-Operating Revenues (Expenses)	(577)	0	770,740	473,537	44,827	1,288,527
Income (Loss) Before Operating Transfers	25,435	(11,739)	933,795	437,353	(42,466)	1,342,378
Operating Transfers In	0	0	1,963	0	0	1,963
Net Income/(Loss)	25,435	(11,739)	935,758	437,353	(42,466)	1,344,341
Add Depreciation On Fixed Assets Acquired By Contributed Capital	105	0	111,171	489,094	22,600	622,970
Increase (Decrease) In Retained Earnings	25,540	(11,739)	1,046,929	926,447	(19,866)	1,967,311
Fund Equity At Beginning Of Year <i>(restated, see Note 2)</i>	200,371	233,004	15,167,642	8,081,775	1,006,208	24,689,000
Fund Equity At End Of Year	\$ 225,911	\$ 221,265	\$16,214,571	\$ 9,008,222	\$ 986,342	\$26,656,311

CITY OF DELAWARE, OHIO

Schedule Of Revenues, Expenses, And Changes In Fund Balance

Budget And Actual [Budget Basis]

For The Year Ended December 31, 2001

	Golf Course		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Charges For Service	\$ 201,800	\$ 194,640	\$ (7,160)
Total Revenues	<u>201,800</u>	<u>194,640</u>	<u>(7,160)</u>
Expenses			
Personal Services	108,224	88,382	19,842
Materials & Supplies	32,657	29,844	2,813
Services & Charges	33,150	28,028	5,122
Reimbursements	375	452	(77)
Capital Outlay	38,800	34,834	3,966
Total Expenses	<u>213,206</u>	<u>181,540</u>	<u>31,666</u>
Excess (Deficiency) Of Revenues Over Expenses	(11,406)	13,100	24,506
Fund Balance At Beginning Of Year	149,605	149,605	0
Unexpended Prior Years Encumbrances	<u>133</u>	<u>133</u>	
Fund Balance At End Of Year	<u>\$ 138,332</u>	<u>\$ 162,838</u>	<u>\$ 24,506</u>

CITY OF DELAWARE, OHIO
 Schedule Of Revenues, Expenses, And Changes In Fund Balance
 Budget And Actual [Budget Basis]
 For The Year Ended December 31, 2001

	Parking Lots		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Charges For Service	\$ 31,082	\$ 26,316	\$ (4,766)
Total Revenues	<u>31,082</u>	<u>26,316</u>	<u>(4,766)</u>
Expenses			
Services & Charges	29,456	31,226	(1,770)
Capital Outlay	10,344	4,800	5,544
Total Expenses	<u>39,800</u>	<u>36,026</u>	<u>3,774</u>
Excess (Deficiency) Of Revenues Over Expenses	(8,718)	(9,710)	(992)
Fund Balance At Beginning Of Year	19,195	19,195	0
Unexpended Prior Years Encumbrances	<u>4,800</u>	<u>4,800</u>	
Fund Balance At End Of Year	<u>\$ 15,277</u>	<u>\$ 14,285</u>	<u>\$ (992)</u>

CITY OF DELAWARE, OHIO

Schedule Of Revenues, Expenses, And Changes In Fund Balance
 Budget And Actual [Budget Basis]
 For The Year Ended December 31, 2001

	Water		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Charges For Service	\$ 2,728,500	\$ 2,726,338	\$ (2,162)
Capacity Fees	850,000	915,073	65,073
Interest Income	250,000	269,297	19,297
Water Deposits	27,000	31,489	4,489
Miscellaneous	20,000	38,016	18,016
Total Revenues	<u>3,875,500</u>	<u>3,980,213</u>	<u>104,713</u>
Expenses			
Administration			
Services & Charges	54,600	6,835	47,765
Reimbursements	25,000	7,893	17,107
Treatment			
Personal Services	663,936	583,692	80,244
Materials & Supplies	215,828	200,449	15,379
Services & Charges	564,898	532,189	32,709
Capital Outlay	37,350	41,859	(4,509)
Distribution			
Personal Services	445,602	441,590	4,012
Materials & Supplies	110,639	128,199	(17,560)
Services & Charges	236,737	218,648	18,089
Reimbursements	25,000	22,308	2,692
Capital Outlay	10,503,263	2,392,021	8,111,242
Total Expenses	<u>12,882,853</u>	<u>4,575,683</u>	<u>8,307,170</u>
Excess (Deficiency) Of Revenues Over Expenses	(9,007,353)	(595,470)	8,411,883
Other Financing Sources			
Proceeds Of Note Issuance	<u>6,200,000</u>	<u>0</u>	<u>(6,200,000)</u>
Excess (Deficiency) Of Revenues And Other Financing Sources Over Expenses	(2,807,353)	(595,470)	2,211,883
Fund Balance At Beginning Of Year	6,627,510	6,627,510	0
Unexpended Prior Years Encumbrances	<u>565,037</u>	<u>565,037</u>	
Fund Balance At End Of Year	<u>\$ 4,385,194</u>	<u>\$ 6,597,077</u>	<u>\$ 2,211,883</u>

CITY OF DELAWARE, OHIO

Schedule Of Revenues , Expenses, And Changes In Fund Balance
 Budget And Actual [Budget Basis]
 For The Year Ended December 31, 2001

	Sewer		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Charges For Service	\$ 2,800,000	\$ 2,847,278	\$ 47,278
Capacity Fees	750,000	285,376	(464,624)
Interest Income	175,000	158,179	(16,821)
Miscellaneous	45,000	59,254	14,254
Total Revenues	<u>3,770,000</u>	<u>3,350,087</u>	<u>(419,913)</u>
Expenses			
Administration			
Services & Charges	36,220	14,766	21,454
Reimbursements	46,670	32,103	14,567
Treatment			
Personal Services	775,260	722,043	53,217
Materials & Supplies	98,351	77,840	20,511
Services & Charges	830,782	779,382	51,400
Capital Outlay	90,015	56,277	33,738
Collection			
Personal Services	260,985	228,224	32,761
Materials & Supplies	62,951	48,124	14,827
Services & Charges	247,183	236,781	10,402
Capital Outlay	5,758,620	2,428,361	3,330,259
Debt Service			
Principal Retirement	225,834	236,667	(10,833)
Interest & Fiscal Charges	235,059	222,503	12,556
Total Expenses	<u>8,667,930</u>	<u>5,083,071</u>	<u>3,584,859</u>
Excess (Deficiency) Of Revenues Over Expenses	(4,897,930)	(1,732,984)	3,164,946
Other Financing Sources			
Proceeds Of Note Issuance	<u>8,000,000</u>	<u>0</u>	<u>(8,000,000)</u>
Excess (Deficiency) Of Revenues And Other Financing Sources Over Expenses	3,102,070	(1,732,984)	(4,835,054)
Fund Balance At Beginning Of Year	3,696,425	3,696,425	0
Unexpended Prior Years Encumbrances	<u>689,339</u>	<u>689,339</u>	
Fund Balance At End Of Year	<u>\$ 7,487,834</u>	<u>\$ 2,652,780</u>	<u>\$ (4,835,054)</u>

CITY OF DELAWARE, OHIO

Schedule Of Revenues, Expenses, And Changes In Fund Balance
 Budget And Actual [Budget Basis]
 For The Year Ended December 31, 2001

	Refuse		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Intergovernmental	\$ 15,000	\$ 25,200	\$ 10,200
Charges For Service	1,545,000	1,489,268	(55,732)
Interest Income	30,000	19,753	(10,247)
Total Revenues	<u>1,590,000</u>	<u>1,534,221</u>	<u>(55,779)</u>
Expenses			
Administration			
Services & Charges	50,364	28,464	21,900
Reimbursements	750	0	750
Capital Outlay	250,000	50,000	200,000
Collection			
Personal Services	300,211	325,062	(24,851)
Materials & Supplies	311,660	297,076	14,584
Services & Charges	818,479	819,050	(571)
Capital Outlay	177,500	154,162	23,338
Recycling			
Personal Services	208,296	173,725	34,571
Materials & Supplies	31,252	25,048	6,204
Services & Charges	82,937	75,937	7,000
Capital Outlay	11,500	6,684	4,816
Total Expenses	<u>2,242,949</u>	<u>1,955,208</u>	<u>287,741</u>
Excess (Deficiency) Of Revenues Over Expenses	(652,949)	(420,987)	231,962
Fund Balance At Beginning Of Year	582,447	582,447	0
Unexpended Prior Years Encumbrances	<u>32,582</u>	<u>32,582</u>	
Fund Balance At End Of Year	<u>\$ (37,920)</u>	<u>\$ 194,042</u>	<u>\$ 231,962</u>

CITY OF DELAWARE, OHIO
Combining Statement Of Cash Flows
All Enterprise Funds
For The Year Ended December 31, 2001

	Golf Course	Parking Lot	Water	Sewer	Refuse	Totals
Cash flows from operating activities:						
Cash received from customers	\$ 194,188	\$ 26,316	\$ 3,641,411	\$ 3,132,654	\$ 1,489,268	\$ 8,483,837
Customer deposits received	0	0	31,488	0	0	31,488
Customer deposits returned	0	0	(22,308)	0	0	(22,308)
Cash payments for personal services	(88,381)	0	(1,025,282)	(950,267)	(498,787)	(2,562,717)
Cash payments for materials and supplies	(31,814)	0	(1,062,908)	(362,522)	(46,605)	(1,503,849)
Cash payments for services and charges	(25,522)	(30,025)	(735,620)	(940,772)	(858,291)	(2,590,230)
Other cash received or paid	0	0	32,732	59,254	0	91,986
<i>Net cash provided from (used for) operating activities</i>	48,471	(3,709)	859,513	938,347	85,585	1,928,207
Cash Flows from Noncapital Financing Activities						
Cash received from land rent	0	0	5,284	0	0	5,284
Cash received from grants	0	0	0	0	25,200	25,200
Cash payments for reimbursements	0	0	(7,893)	(433)	0	(8,326)
<i>Net cash provided from noncapital financing activities</i>	0	0	(2,609)	(433)	25,200	22,158
Cash flows from capital and related financing activities						
Acquisition and construction of capital assets	(32,864)	(4,800)	(1,048,189)	(867,159)	(282,336)	(2,235,348)
Interest paid on capital debt	0	0	0	(222,503)	0	(222,503)
Principal paid on capital debt	0	0	0	(236,667)	0	(236,667)
<i>Net cash provided from / used for capital and related financing activities</i>	(32,864)	(4,800)	(1,048,189)	(1,326,329)	(282,336)	(2,694,518)
Cash flows from investing activities						
Interest received	0	0	269,297	158,179	19,753	447,229
Net increase (decrease) in cash and cash equivalents	15,607	(8,509)	78,012	(230,236)	(151,798)	(296,924)
Cash and cash equivalents at beginning of year	149,737	23,994	7,192,550	4,385,762	615,026	12,367,069
Cash and cash equivalents at end of year	\$ 165,344	\$ 15,485	\$ 7,270,562	\$ 4,155,526	\$ 463,228	\$ 12,070,145

(continued)

CITY OF DELAWARE, OHIO
Combining Statement Of Cash Flows
All Enterprise Funds
For The Year Ended December 31, 2001
(continued)

	<u>Golf Course</u>	<u>Parking Lot</u>	<u>Water</u>	<u>Sewer</u>	<u>Refuse</u>	<u>Totals</u>
Reconciliation of operating income (loss) to net cash provided by operating activities:						
Operating income (loss)	\$ 26,012	\$ (11,739)	\$ 163,055	\$ (36,184)	\$ (87,293)	\$ 53,851
<i>Adjustments to reconcile operating income (loss) to net cash provided from (used for) operating activities:</i>						
Depreciation	18,101	3,594	546,769	901,270	157,371	1,627,105
Landfill amortization					(5,000)	(5,000)
<i>Changes in Assets and Liabilities:</i>						
(Increase) decrease in accounts receivable	0	0	36,984	5,158	13,200	55,342
(Increase) decrease in prepaid expenses	0	0	(1,926)	(3,064)	(351)	(5,341)
(Increase) decrease in inventory	243	0	3,140	1,156	0	4,539
Increase (decrease) in accounts payable	(716)	4,436	45,554	16,411	24,651	90,336
Increase (decrease) in contracts payable	0	0	61,590	20,557	0	82,147
Increase (decrease) in customer deposits	0	0	9,180	0	0	9,180
Increase (decrease) in accrued wages & benefits	2,315	0	(8,668)	41,638	(10,259)	25,026
Increase (decrease) in compensated absences payable	2,516	0	3,835	(8,595)	(6,734)	(8,978)
Total Adjustments	22,459	8,030	696,458	974,531	172,878	1,874,356
Net cash provided by (used for) operating activities	\$ 48,471	\$ (3,709)	\$ 859,513	\$ 938,347	\$ 85,585	\$ 1,928,207

Noncash capital transactions:

The Water fund received water lines donated by developers with a fair value of \$505,559. These lines were recorded as fixed assets.

The Sewer fund received sewer lines donated by developers with a fair value of \$594,116. These lines were recorded as fixed assets.

Internal Service Funds

Garage Rotary Fund – To account for the fuel, maintenance and repair for all City vehicles and machinery. The cost is allocated to the various departments.

Self-insurance Fund – To account for premiums charged to various City funds for the payment of employee health care claims.

Worker's Compensation Fund – To account for the potential worker's compensation claims of the City. The City utilizes a retro-payment system where annual premiums are paid, as are retroactive claims. The City charges various departments for these premiums and payments.

CITY OF DELAWARE, OHIOCombining Balance Sheet--
All Internal Service Funds

As of December 31, 2001

	Garage Rotary	Self- Insurance	Workers Comp	Totals
Assets				
<i>Current Assets</i>				
Equity in Pooled Cash & Cash Equivalents	\$ 88,070	\$749,448	\$ 759,142	\$1,596,660
Inventory	7,096	0	0	7,096
Total Current Assets	<u>95,166</u>	<u>749,448</u>	<u>759,142</u>	<u>1,603,756</u>
<i>Long-Term Assets</i>				
Fixed Assets (Net Of Accumulated Depreciation)	30,338	0	0	30,338
Total Assets	<u>\$125,504</u>	<u>\$749,448</u>	<u>\$ 759,142</u>	<u>\$1,634,094</u>
Liabilities				
<i>Current Liabilities</i>				
Accounts Payable	\$ 10,775	\$ 0	\$ 0	\$ 10,775
Accrued Wages and Benefits	9,648	0	0	9,648
Compensated Absences Payable	853	0	0	853
Claims Payable	0	161,523	482,960	644,483
Total Current Liabilities	<u>21,276</u>	<u>161,523</u>	<u>482,960</u>	<u>665,759</u>
<i>Long-Term Liabilities</i>				
Compensated Absences Payable	21,102	0	0	21,102
Total Liabilities	<u>42,378</u>	<u>161,523</u>	<u>482,960</u>	<u>686,861</u>
Fund Equity				
Retained Earnings	83,126	587,925	276,182	947,233
Total Fund Equity	<u>83,126</u>	<u>587,925</u>	<u>276,182</u>	<u>947,233</u>
Total Liabilities & Fund Equity	<u>\$125,504</u>	<u>\$749,448</u>	<u>\$ 759,142</u>	<u>\$1,634,094</u>

CITY OF DELAWARE, OHIO

Combining Statement Of Revenues, Expenses &
 Changes In Fund Equity
 All Internal Service Funds
 For the Year Ended December 31, 2001

	Garage Rotary	Self- Insurance	Workers Comp	Totals
Operating Revenues:				
Charges For Service	\$ 530,619	\$ 1,743,886	\$ 331,923	\$ 2,606,428
Total Revenues	<u>530,619</u>	<u>1,743,886</u>	<u>331,923</u>	<u>2,606,428</u>
Operating Expenses				
Personal Services	158,364	0	0	158,364
Depreciation	7,097	0	0	7,097
Services and Charges	15,723	342,935	640,390	999,048
Claims	0	1,156,296	0	1,156,296
Materials And Supplies	280,438	0	0	280,438
Total Expenses	<u>461,622</u>	<u>1,499,231</u>	<u>640,390</u>	<u>2,601,243</u>
Operating Income/(Loss)	<u>68,997</u>	<u>244,655</u>	<u>(308,467)</u>	<u>5,185</u>
Non-Operating Expenses				
Other Expense	0	(17,795)	0	(17,795)
Net Income/(Loss)	<u>68,997</u>	<u>226,860</u>	<u>(308,467)</u>	<u>(12,610)</u>
Fund Equity At Beginning Of Year	<u>14,129</u>	<u>361,065</u>	<u>584,649</u>	<u>959,843</u>
Fund Equity At End Of Year	<u>\$ 83,126</u>	<u>\$ 587,925</u>	<u>\$ 276,182</u>	<u>\$ 947,233</u>

CITY OF DELAWARE, OHIO

Schedule Of Revenues , Expenses, And Changes In Fund Balance
 Budget And Actual [Budget Basis]
 For The Year Ended December 31, 2001

	Garage Rotary		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Charges For Services	\$ 425,000	\$ 530,619	\$ 105,619
Total Revenues	<u>425,000</u>	<u>530,619</u>	<u>105,619</u>
Expenses:			
Personal Services	161,436	150,316	11,120
Materials & Supplies	351,526	308,446	43,080
Services & Charges	18,942	17,687	1,255
Capital Outlay	20,900	13,116	7,784
Total Expenses	<u>552,804</u>	<u>489,565</u>	<u>63,239</u>
Excess (Deficiency) Of Revenues Over Expenses	(127,804)	41,054	168,858
Fund Balance At Beginning Of Year	1,188	1,188	0
Unexpended Prior Years Encumbrances	<u>17,596</u>	<u>17,596</u>	
Fund Balance At End Of Year	<u>\$ (109,020)</u>	<u>\$ 59,838</u>	<u>\$ 168,858</u>

CITY OF DELAWARE, OHIO

Schedule Of Revenues , Expenses, And Changes In Fund Balance
 Budget And Actual [Budget Basis]
 For The Year Ended December 31, 2001

	Self-Insurance		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Charges For Services	\$ 1,360,000	\$ 1,743,886	\$ 383,886
Total Revenues	<u>1,360,000</u>	<u>1,743,886</u>	<u>383,886</u>
Expenses:			
Services & Charges	1,820,032	1,666,449	153,583
Reimbursements	25,500	17,795	7,705
Total Expenses	<u>1,845,532</u>	<u>1,684,244</u>	<u>161,288</u>
Excess (Deficiency) Of Revenues Over Expenses	(485,532)	59,642	545,174
Fund Balance At Beginning Of Year	<u>689,806</u>	<u>689,806</u>	<u>0</u>
Fund Balance At End Of Year	<u>\$ 204,274</u>	<u>\$ 749,448</u>	<u>\$ 545,174</u>

CITY OF DELAWARE, OHIO

Schedule Of Revenues , Expenses, And Changes In Fund Balance
 Budget And Actual [Budget Basis]
 For The Year Ended December 31, 2001

	Worker's Compensation		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Charges For Services	\$ 400,000	\$ 331,923	\$ (68,077)
Total Revenues	<u>400,000</u>	<u>331,923</u>	<u>(68,077)</u>
Expenses:			
Services & Charges	300,000	258,288	41,712
Total Expenses	<u>300,000</u>	<u>258,288</u>	<u>41,712</u>
Excess (Deficiency) Of Revenues Over Expenses	100,000	73,635	(26,365)
Fund Balance At Beginning Of Year	<u>685,507</u>	<u>685,507</u>	<u>0</u>
Fund Balance At End Of Year	<u>\$ 785,507</u>	<u>\$ 759,142</u>	<u>\$ (26,365)</u>

CITY OF DELAWARE, OHIO

Combining Statement Of Cash Flows
 All Internal Service Funds
 For The Year Ended December 31, 2001

	Garage Rotary	Self-Insurance	Worker's Compensation	Totals
Cash flows from operating activities:				
Cash received from customers	\$ 530,619	\$ 0	\$ 0	\$ 530,619
Cash received for premiums	0	1,627,549	182,393	1,809,942
Cash received for services	0	116,337	149,530	265,867
Cash payments for personal services	(150,316)	0	0	(150,316)
Cash payments for materials and supplies	(280,496)	0	0	(280,496)
Cash payments to employees	0	0	0	0
Cash payments for services and charges	(17,513)	(1,666,449)	(258,288)	(1,942,250)
<i>Net cash provided from (used for) operating activities</i>	82,294	77,437	73,635	233,366
Cash Flows from Noncapital Financing Activities				
Cash payments for reimbursements	0	(17,795)	0	(17,795)
<i>Net cash provided from noncapital financing activities</i>	0	(17,795)	0	(17,795)
Cash flows from capital and related financing activities				
Acquisition and construction of capital assets	(13,008)	0	0	(13,008)
<i>Net cash provided from / used for capital and related financing activities</i>	(13,008)	0	0	(13,008)
Net increase (decrease) in cash and cash equivalents	69,286	59,642	73,635	202,563
Cash and cash equivalents at beginning of year	18,784	689,806	685,507	1,394,097
Cash and cash equivalents at end of year	<u>\$ 88,070</u>	<u>\$ 749,448</u>	<u>\$ 759,142</u>	<u>\$ 1,596,660</u>
Reconciliation of operating income (loss) to net cash provided by operating activities:				
Operating income (loss)	\$ 68,997	\$ 244,655	\$ (308,467)	\$ 5,185
<i>Adjustments to reconcile operating income (loss) to net cash provided from (used for) operating activities:</i>				
Depreciation	7,097	0	0	7,097
<i>Changes in Assets and Liabilities:</i>				
Increase (decrease) in accounts payable	(1,810)	0	0	(1,810)
Increase (decrease) in claims payable	0	(167,218)	382,102	214,884
Increase (decrease) in accrued wages & benefits	2,427	0	0	2,427
Increase (decrease) in compensated absences payable	5,583	0	0	5,583
Total Adjustments	13,297	(167,218)	382,102	228,181
Net cash provided by (used for) operating activities	<u>\$ 82,294</u>	<u>\$ 77,437</u>	<u>\$ 73,635</u>	<u>\$ 233,366</u>

Trust and Agency Funds

Expendable Trust Funds

Police Donations Fund – To account for donations given to the City Police Department. Most of the donations are used to purchase new equipment.

Park Donations Fund – To account for donations received by the City to help beautify and decorate the City's parks.

Fire Donations Fund – To account for donations received by the City's Fire Department. The donations are used, in part, to purchase equipment for the Fire Department.

Mayor's Donations Fund – To account, in part, for donations received for marriage ceremonies performed by the Mayor.

Project Trust Fund – To account for money received from developers prior to the development of land to assure the developers provide the required elements, such as park land, water retention site, etc.

Agency Funds

Highway Patrol Transfer Fund – To account for money received from fines and forfeitures used to support the Delaware County Law Library.

County Hotel/Motel Tax Fund – To account for tax money received from hotels and motels located outside the City and inside the County. The money collected is turned over to the County. The County began collecting their portion effective January 1, 2002.

State Building Permit Fund – To account for the allocation of permit fees collected by the City that are due to the State.

Municipal Court – To account for the collection and distribution of court fines and forfeitures through the Municipal Court.

CITY OF DELAWARE, OHIO

Combining Balance Sheet--
All Fiduciary Fund Types

As of December 31, 2001

Expendable Trust Funds

	Police Donations	Park Donations	Fire Donations	Mayor's Donations	Project Trust	Totals
Assets						
Equity in Pooled Cash & Cash Equivalents	\$ 245	\$ 21,041	\$ 1,875	\$ 4,701	\$ 85,418	\$ 113,280
Total Assets	<u>\$ 245</u>	<u>\$ 21,041</u>	<u>\$ 1,875</u>	<u>\$ 4,701</u>	<u>\$ 85,418</u>	<u>\$ 113,280</u>
Fund Equity						
Unreserved	\$ 245	\$ 21,041	\$ 1,875	\$ 4,701	\$ 85,418	\$ 113,280
Total Fund Equity	<u>\$ 245</u>	<u>\$ 21,041</u>	<u>\$ 1,875</u>	<u>\$ 4,701</u>	<u>\$ 85,418</u>	<u>\$ 113,280</u>

Agency Funds

	Highway Patrol Transfer	County Hotel/Motel Tax	State Building Permit	Municipal Court	Totals
Assets					
Equity in Pooled Cash & Cash Equivalents	\$ 4,079	\$ 8,777	\$ 103	\$ 386,647	\$ 399,606
Due From Municipal Court	5,162	0	0	0	5,162
Accounts Receivable	0	45	0	0	45
Total Assets	<u>\$ 9,241</u>	<u>\$ 8,822</u>	<u>\$ 103</u>	<u>\$ 386,647</u>	<u>\$ 404,813</u>
Liabilities					
Due To Other Governments	\$ 9,241	\$ 8,822	\$ 103	\$ 0	\$ 18,166
Due to Others	0	0	0	386,647	386,647
Total Liabilities	<u>\$ 9,241</u>	<u>\$ 8,822</u>	<u>\$ 103</u>	<u>\$ 386,647</u>	<u>\$ 404,813</u>

CITY OF DELAWARE, OHIO

Combining Statement Of Revenues, Expenditures &
 Changes In Fund Balances
 All Expendable Trust Funds
 For the Year Ended December 31, 2001

	Police Donation	Park Donations	Fire Donations	Mayor's Donations	Project Trust	Totals
Revenues:						
Donations	\$ 700	\$ 100	\$ 915	\$ 6,015	\$ 0	\$ 7,730
Developers Fees	0	4,725	0	0	25,000	29,725
Total Revenues	700	4,825	915	6,015	25,000	37,455
Expenditures:						
Current:						
General Government	0	0	0	3,260	0	3,260
Public Safety	695	0	0	0	0	695
Recreation And Parks	0	1,743	0	0	0	1,743
Total Expenditures	695	1,743	0	3,260	0	5,698
Excess (Deficiency) Of Revenues Over Expenditures	5	3,082	915	2,755	25,000	31,757
Fund Balances At Beginning Of Year	240	17,959	960	1,946	60,418	81,523
Fund Balances At End Of Year	\$ 245	\$ 21,041	\$ 1,875	\$ 4,701	\$ 85,418	\$ 113,280

CITY OF DELAWARE, OHIO

Schedule Of Revenue , Expenditures, and Changes In Fund Balance

Budget And Actual [Budget Basis]

For The Year Ended December 31, 2001

	Police Donations		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Donations	\$ 200	\$ 700	\$ 500
Total Revenues	<u>200</u>	<u>700</u>	<u>500</u>
Expenditures:			
Public Safety	1,040	695	345
Total Expenditures	<u>1,040</u>	<u>695</u>	<u>345</u>
Excess (Deficiency) Of Revenues Over Expenditures	(840)	5	845
Fund Balance At Beginning Of Year	<u>240</u>	<u>240</u>	<u>0</u>
Fund Balance At End Of Year	<u>\$ (600)</u>	<u>\$ 245</u>	<u>\$ 845</u>

CITY OF DELAWARE, OHIO

Schedule Of Revenue , Expenditures, and Changes In Fund Balance

Budget And Actual [Budget Basis]

For The Year Ended December 31, 2001

	Park Donations		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Donations	\$ 0	\$ 100	\$ 100
Developers' Fees	10,000	4,725	(5,275)
Total Revenues	<u>10,000</u>	<u>4,825</u>	<u>(5,175)</u>
Expenditures:			
Recreation and Parks	20,000	1,780	18,220
Total Expenditures	<u>20,000</u>	<u>1,780</u>	<u>18,220</u>
Excess (Deficiency) Of Revenues Over Expenditures	(10,000)	3,045	13,045
Fund Balance At Beginning Of Year	<u>17,996</u>	<u>17,996</u>	<u>0</u>
Fund Balance At End Of Year	<u><u>\$ 7,996</u></u>	<u><u>\$ 21,041</u></u>	<u><u>\$ 13,045</u></u>

CITY OF DELAWARE, OHIO

Schedule Of Revenue , Expenditures, and Changes In Fund Balance

Budget And Actual [Budget Basis]

For The Year Ended December 31, 2001

	Fire Donations		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Donations	\$ 200	\$ 915	\$ 715
Total Revenues	<u>200</u>	<u>915</u>	<u>715</u>
Expenditures:			
Public Safety	500	0	500
Total Expenditures	<u>500</u>	<u>0</u>	<u>500</u>
Excess (Deficiency) Of Revenues Over Expenditures	(300)	915	1,215
Fund Balance At Beginning Of Year	<u>960</u>	<u>960</u>	<u>0</u>
Fund Balance At End Of Year	<u>\$ 660</u>	<u>\$ 1,875</u>	<u>\$ 1,215</u>

CITY OF DELAWARE, OHIO

Schedule Of Revenue , Expenditures, and Changes In Fund Balance
 Budget And Actual [Budget Basis]
 For The Year Ended December 31, 2001

Mayor's Donations

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Donations	\$ 1,000	\$ 6,015	\$ 5,015
Total Revenues	<u>1,000</u>	<u>6,015</u>	<u>5,015</u>
Expenditures:			
Services & Charges	4,000	3,260	740
Total Expenditures	<u>4,000</u>	<u>3,260</u>	<u>740</u>
Excess (Deficiency) Of Revenues Over Expenditures	(3,000)	2,755	5,755
Fund Balance At Beginning Of Year	<u>1,946</u>	<u>1,946</u>	<u>0</u>
Fund Balance At End Of Year	<u>\$ (1,054)</u>	<u>\$ 4,701</u>	<u>\$ 5,755</u>

CITY OF DELAWARE, OHIO

Schedule Of Revenue , Expenditures, and Changes In Fund Balance

Budget And Actual [Budget Basis]

For The Year Ended December 31, 2001

	Project Trust		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Developers' Fees	\$ 25,000	\$ 25,000	\$ 0
Total Revenues	<u>25,000</u>	<u>25,000</u>	<u>0</u>
Expenditures:			
Capital Outlay	65,000	0	65,000
Total Expenditures	<u>65,000</u>	<u>0</u>	<u>65,000</u>
Excess (Deficiency) Of Revenues Over Expenditures	(40,000)	25,000	65,000
Fund Balance At Beginning Of Year	<u>60,418</u>	<u>60,418</u>	<u>0</u>
Fund Balance At End Of Year	<u>\$ 20,418</u>	<u>\$ 85,418</u>	<u>\$ 65,000</u>

CITY OF DELAWARE, OHIO

Combining Statement Of Changes

In Assets and Liabilities

All Agency Funds

For the Year Ended December 31, 2001

	Beginning Balance 12/31/2000	Additions	Deductions	Ending Balance 12/31/2001
Highway Patrol Transfer Fund				
<i>Assets</i>				
Equity in Pooled Cash and Cash Equivalents	\$ 5,306	\$ 0	\$ 1,227	\$ 4,079
Due from Municipal Court	5,250	5,162	5,250	5,162
Total Assets	<u>\$ 10,556</u>	<u>\$ 5,162</u>	<u>\$ 6,477</u>	<u>\$ 9,241</u>
<i>Liabilities</i>				
Due to Other Governments	\$ 10,556	\$ 9,241	\$ 10,556	\$ 9,241
Total Liabilities	<u>\$ 10,556</u>	<u>\$ 9,241</u>	<u>\$ 10,556</u>	<u>\$ 9,241</u>
County Hotel/Motel Tax Fund				
<i>Assets</i>				
Equity in Pooled Cash and Cash Equivalents	\$ 9,586	\$ 0	\$ 809	\$ 8,777
Due from Others	0	45	0	45
Total Assets	<u>\$ 9,586</u>	<u>\$ 45</u>	<u>\$ 809</u>	<u>\$ 8,822</u>
<i>Liabilities</i>				
Due to Other Governments	\$ 9,586	\$ 8,822	\$ 9,586	\$ 8,822
Total Liabilities	<u>\$ 9,586</u>	<u>\$ 8,822</u>	<u>\$ 9,586</u>	<u>\$ 8,822</u>
State Building Permit Fund				
<i>Assets</i>				
Equity in Pooled Cash and Cash Equivalents	\$ 275	\$ 0	\$ 172	\$ 103
Total Assets	<u>\$ 275</u>	<u>\$ 0</u>	<u>\$ 172</u>	<u>\$ 103</u>
<i>Liabilities</i>				
Due to Other Governments	\$ 275	\$ 103	\$ 275	\$ 103
Total Liabilities	<u>\$ 275</u>	<u>\$ 103</u>	<u>\$ 275</u>	<u>\$ 103</u>

CITY OF DELAWARE, OHIO

Combining Statement Of Changes

In Assets and Liabilities

All Agency Funds

For the Year Ended December 31, 2001

(continued)

	Beginning Balance 12/31/2000	Additions	Deductions	Ending Balance 12/31/2001
Municipal Court				
<i>Assets</i>				
Equity in Pooled Cash and Cash Equivalents	\$ 321,481	\$ 3,850,073	\$ 3,784,907	\$ 386,647
Total Assets	<u>\$ 321,481</u>	<u>\$ 3,850,073</u>	<u>\$ 3,784,907</u>	<u>\$ 386,647</u>
<i>Liabilities</i>				
Due to Others	\$ 321,481	\$ 3,919,061	\$ 3,853,895	\$ 386,647
Total Liabilities	<u>\$ 321,481</u>	<u>\$ 3,919,061</u>	<u>\$ 3,853,895</u>	<u>\$ 386,647</u>
Totals				
<i>Assets</i>				
Equity in Pooled Cash and Cash Equivalents	\$ 336,648	\$ 3,850,073	\$ 3,787,115	\$ 399,606
Accounts Receivable	0	45	0	45
Due from Municipal Court	5,250	5,162	5,250	5,162
Total Assets	<u>\$ 341,898</u>	<u>\$ 3,855,280</u>	<u>\$ 3,792,365</u>	<u>\$ 404,813</u>
<i>Liabilities</i>				
Due to Other Governments	\$ 20,417	\$ 18,166	\$ 20,417	\$ 18,166
Due to Others	321,481	3,919,061	3,853,895	386,647
Total Liabilities	<u>\$ 341,898</u>	<u>\$ 3,937,227</u>	<u>\$ 3,874,312</u>	<u>\$ 404,813</u>

General Fixed Asset Account Group

The general fixed assets account group is used to account for all land, buildings, equipment and vehicles not used in the operation of the proprietary-type funds.

CITY OF DELAWARE, OHIO
Schedule of General Fixed Assets
By Function
As of December 31, 2001

<u>Function</u>	<u>Total</u>	<u>Land</u>	<u>Buildings and Improvements</u>	<u>Machinery and Equipment</u>	<u>Construction- in-Progress</u>
General Government	\$ 8,805,277	\$ 647,721	\$ 6,492,676	\$ 1,506,359	\$ 158,521
Public Safety	6,356,596	102,090	1,645,086	4,609,420	0
Airport	8,755,581	57,500	8,661,649	36,432	0
Public Works	2,633,446	0	435,832	1,802,695	394,919
Parks & Recreational Services	4,502,817	317,751	3,378,282	743,441	63,343
Total General Fixed Assets	<u>\$ 31,053,717</u>	<u>\$ 1,125,062</u>	<u>\$ 20,613,525</u>	<u>\$ 8,698,347</u>	<u>\$ 616,783</u>

CITY OF DELAWARE, OHIO
Schedule of Changes in General Fixed Assets
By Function
For the Year Ended December 31, 2001

Function	Balance January 1, 2001	Additions	Deletions	Balance December 31, 2001
General Government	\$ 8,245,733	\$ 418,226	\$ 17,203	\$ 8,646,756
Public Safety	5,788,794	575,396	7,594	6,356,596
Airport	8,307,870	447,711	0	8,755,581
Public Works	1,918,692	368,448	48,613	2,238,527
Parks & Recreational Services	4,340,113	99,361	0	4,439,474
Total General Fixed Assets Allocated to Programs	28,601,202	1,909,142	73,410	30,436,934
Construction - in- Progress	0	616,783	0	616,783
Total General Fixed Assets	\$ 28,601,202	\$ 2,525,925	\$ 73,410	\$ 31,053,717

CITY OF DELAWARE, OHIO
 Schedule of General Fixed Assets
 By Source
 As of December 31, 2001

General Fixed Assets:

Land	\$ 1,125,062
Buildings and Improvements	20,613,525
Machinery and Equipment	8,698,347
Construction - in- Progress	616,783
Total General Fixed Assets	<u>\$ 31,053,717</u>

Investment in General Fixed Assets by Source:

General Fund	\$ 4,918,739
Special Revenue Fund	5,261,835
Capital Projects Funds	20,841,617
Expendable Trust Funds	31,526
Total Investment in General Fixed Assets	<u>\$ 31,053,717</u>

City of Delaware, Ohio

Statistical Section

CITY OF DELAWARE, OHIO

*General Government Expenditures by Program
Last Ten Years
Table 1*

<i>Year</i>	<i>Public Safety</i>	<i>General Government</i>	<i>Airport & Public Works</i>	<i>Recreation & Parks</i>	<i>Community Development</i> ¹	<i>Public Health</i>	<i>Capital Outlay</i>	<i>Debt Service</i>	<i>Total</i>
1992	\$ 4,228,895	\$ 2,436,248	\$ 1,075,870	\$ 643,729	n/a	\$ 52,987	\$ 6,092,248	\$ 4,269,198	\$ 18,799,175
1993	4,555,622	2,947,673	979,228	607,490	n/a	43,891	2,252,768	668,076	12,054,748
1994	4,610,767	3,212,180	1,084,145	694,419	n/a	26,690	2,653,215	652,848	12,934,264
1995	5,128,217	3,227,713	1,413,631	682,901	n/a	41,292	2,126,428	652,605	13,272,787
1996	5,298,793	3,756,891	1,374,835	686,690	n/a	230,170	2,193,061	654,638	14,195,078
1997	5,384,278	3,818,296	1,354,115	777,998	n/a	0	3,880,483	654,490	15,869,660
1998	5,583,547	4,077,490	1,303,544	772,151	n/a	12,721	5,851,893	2,108,602	19,709,948
1999	6,189,253	4,667,427	1,755,232	907,526	n/a	0	5,076,327	1,677,950	20,273,715
2000	7,206,197	5,217,744	2,058,398	988,874	n/a	0	5,304,776	2,379,382	23,155,371
2001	7,475,394	5,824,033	2,601,807	1,120,855	367,771	0	1,948,591	546,435	19,884,886

Includes General, Special Revenue, Debt Service, Capital Projects & Expendable Trust Funds

Source: City of Delaware Finance Department

¹The City began showing Community Development as a separate function for 2001

CITY OF DELAWARE, OHIO

*General Government Revenues by Source
Last Ten Years
Table 2*

<i>Year</i>	<i>Income Taxes</i>	<i>Property & Other Taxes</i>	<i>Inter- governmental</i>	<i>Charges for Services</i>	<i>Fines & Court Fees</i>	<i>Licenses & Permits</i>	<i>Interest Income</i>	<i>Miscellaneous</i>	<i>Total</i>
1992	\$ 5,550,820	\$ 930,781	\$ 2,940,365	\$ 522,265	\$ 868,068	\$ 133,354	\$ 202,422	\$ 302,692	\$ 11,450,767
1993	6,038,070	924,440	1,572,093	450,878	891,349	146,674	140,179	373,339	10,537,022
1994	6,540,083	1,034,179	2,728,209	523,150	984,549	198,507	183,827	571,519	12,764,023
1995	7,268,755	973,681	2,250,113	632,089	976,939	207,023	259,681	407,679	12,975,960
1996	7,352,230	1,205,274	3,157,300	966,066	1,142,347	293,542	253,703	505,673	14,876,135
1997	7,844,104	1,261,532	3,861,339	1,014,193	1,173,753	269,294	336,467	379,705	16,140,387
1998	8,517,434	1,227,360	4,948,575	914,627	1,288,233	308,441	416,498	457,453	18,078,621
1999	8,773,744	1,360,406	3,817,206	1,075,354	1,307,329	560,009	527,192	483,776	17,905,016
2000	8,935,628	1,610,472	3,722,253	852,812	1,660,790	427,603	675,754	449,902	18,335,214
2001	9,410,685	1,480,509	3,120,269	1,883,641	1,653,540	451,097	454,767	931,313	19,385,821

Includes General, Special Revenue, Debt Service, Capital Projects & Expendable Trust Funds

Source: City of Delaware Finance Department

CITY OF DELAWARE, OHIO

*Real Property Tax Levies and Collections
Last Ten Years
Table 3*

<i>Year</i>	<i>Total Tax Levy</i>	<i>Current Tax Collections ¹</i>	<i>Percentage of Current Collections to Current Levy</i>	<i>Delinquent Tax Collections</i>	<i>Total Tax Collections</i>	<i>Percentage of Total Collections to Total Tax Levy</i>	<i>Outstanding Delinquent Taxes ²</i>	<i>Percentage of Outstanding Delinquent Taxes to Total Tax Levy</i>
1992	490,828	487,556	99.33 %	n/a	487,556	99.33%	9,368	1.91 %
1993	497,718	497,427	99.94	n/a	497,427	99.94%	12,142	2.44
1994	582,863	570,944	97.96	n/a	570,944	97.96%	14,369	2.47
1995	599,199	600,525	100.22	n/a	600,525	100.22%	13,345	2.23
1996	624,311	628,882	100.73	n/a	628,882	100.73%	13,101	2.10
1997	744,079	748,735	100.63	n/a	748,735	100.63%	12,854	1.73
1998	796,856	844,444	105.97	4,517	848,961	106.54%	9,185	1.15
1999	840,563	836,901	99.56	63,377	900,278	107.10%	17,951	2.14
2000	1,014,744	996,574	98.21	61,691	1,058,265	104.29%	20,548	2.02
2001	1,065,848	988,055	92.70	60,358	1,048,413	98.36%	32,853	3.08

¹ State reimbursement of homestead and rollback exemptions are included.

² Amounts listed include penalties and interest.

n/a - data was not available for the year shown

Source: Delaware County Auditor's Office, City of Delaware Finance Department

CITY OF DELAWARE, OHIO

*Tangible Personal Property Tax Levies and Collections
Last Ten Years
Table 4*

<i>Year</i>	<i>Current Tax Levy ¹</i>	<i>Current Tax Collections ¹</i>	<i>Delinquent Tax Collections</i>	<i>Total Tax Collections</i>
1992	\$ 164,837	\$ 160,860	n/a	\$ 160,860
1993	149,384	150,798	n/a	150,798
1994	147,856	146,597	n/a	146,597
1995	141,328	141,773	n/a	141,773
1996	128,910	137,186	n/a	137,186
1997	147,046	146,688	n/a	146,688
1998	151,445	158,037	5,646	163,683
1999	163,391	157,575	4,339	161,914
2000	191,509	179,982	6,521	186,503
2001	194,324	183,962	9,402	193,364

¹ State reimbursement of homestead and rollback exemptions are included.

² Amounts listed include penalties and interest.

n/a - data was not available for the year shown

Source: Delaware County Auditor's Office

CITY OF DELAWARE, OHIO

*Assessed and Estimated Actual Value of Taxable Property
Last Ten Years
Table 5*

<i>Year</i>	<i>Real Property</i>		<i>Public Utility Property</i>		<i>Tangible Personal Property</i>		<i>Total</i>		<i>Percentage of Total Assessed Value to Total Est. Actual Value</i>
	<i>Assessed Value</i>	<i>Est. Actual Value</i>	<i>Assessed Value</i>	<i>Est. Actual Value</i>	<i>Assessed Value</i>	<i>Est. Actual Value</i>	<i>Assessed Value</i>	<i>Est. Actual Value</i>	
1992	\$167,690,280	\$479,115,086	\$14,098,120	\$40,280,343	\$61,050,887	\$244,203,548	\$242,839,287	\$763,598,977	31.80%
1993	169,711,030	484,888,657	14,629,110	41,797,457	55,327,555	221,310,220	239,667,695	747,996,334	32.04%
1994	200,514,400	572,898,286	15,360,870	43,888,200	54,761,605	219,046,420	270,636,875	835,832,906	32.38%
1995	205,421,320	586,918,057	16,504,530	47,158,800	52,344,058	209,373,232	274,269,908	843,450,089	32.52%
1996	215,799,340	616,569,543	15,427,260	44,077,886	47,744,809	190,979,236	278,971,409	851,626,665	32.76%
1997	259,832,180	742,377,657	15,762,540	45,035,829	54,462,085	217,848,340	330,056,805	1,005,261,826	32.83%
1998	279,358,680	798,167,657	15,803,630	45,153,229	56,090,928	224,363,712	351,253,238	1,067,684,598	32.90%
1999	295,846,500	845,275,714	15,509,380	44,312,514	60,515,581	242,062,324	371,871,461	1,131,650,552	32.86%
2000	360,747,750	1,030,707,857	15,152,440	43,292,686	70,931,282	283,725,128	446,831,472	1,357,725,671	32.91%
2001	380,318,060	1,086,623,029	15,066,510	43,047,171	71,981,283	287,925,132	467,365,853	1,417,595,332	32.97%

Source: Delaware County Auditor's Office

CITY OF DELAWARE, OHIO

*Property Tax Rates -- Direct and Overlapping Governments Per \$1,000 of Assessed Valuation
Last Ten Years*

Table 6

<i>Collection Year</i>	<i>City of Delaware</i>			<i>County</i>	<i>School District</i>	<i>Other</i>	<i>Total Tax Levy</i>
	<i>General Fund</i>	<i>Police & Fire Pension</i>	<i>Total</i>				
1992	\$ 2.10	\$ 0.60	\$ 2.70	\$ 5.62	\$ 49.50	\$ 3.20	\$ 61.02
1993	2.10	0.60	2.70	5.62	49.50	3.20	61.02
1994	2.10	0.60	2.70	5.62	51.00	8.30	67.62
1995	2.10	0.60	2.70	5.62	51.60	7.80	67.72
1996	2.10	0.60	2.70	5.62	56.10	7.80	72.22
1997	2.10	0.60	2.70	5.62	64.14	8.30	80.76
1998	2.10	0.60	2.70	5.62	63.89	8.30	80.51
1999	2.10	0.60	2.70	5.62	66.91	8.30	83.53
2000	2.10	0.60	2.70	5.62	65.95	8.30	82.57
2001	2.10	0.60	2.70	5.62	66.00 ¹	8.30 ¹	82.62

¹ Estimated for 2001

Source: Delaware County Auditor's Office

CITY OF DELAWARE, OHIO

Principal Property Taxpayers

December 31, 2001

Table 7

<i>Taxpayer</i>	<i>Real/Public Utility Property Assessed Valuation</i>	<i>% of Total City Assessed Valuation (2001 Collection Year)</i>
Columbus Southern Power Co	\$ 7,197,222	1.82 %
Bowtown Apartments, Inc.	4,508,000	1.14
Glimcher Properties	4,413,150	1.12
Willow Brook Christian	4,011,840	1.01
Crown Group Ltd.	3,670,695	0.93
DMI Distribution	3,276,840	0.83
Long Real Estate Inc	2,851,170	0.72
Nippert Electrical Products Co	2,830,765	0.72
PPG Industries	2,708,265	0.68
Olentangy Building	2,645,790	0.67
Western Auto Supply	2,289,980	0.58
Liebert North America Inc	2,232,650	0.56
Hayes Colony Ltd	2,096,850	0.53
Delaware Land Company	2,046,975	0.52
Verizon North Inc	2,012,129	0.51
City of Delaware	1,882,440	0.48
Delaware Business Park	1,802,255	0.46
Delaware Housing Trust	1,595,300	0.40
Buehler Food Markets	1,526,000	0.39
Total City Valuation	\$ 395,384,570	14.06 %

Source: Delaware County Auditor's Office

CITY OF DELAWARE, OHIO

*Special Assessment Billings and Collections
Last Ten Years
Table 8*

<i>Collection Year</i>	<i>Special Assessment Billings ¹</i>	<i>Total Assessments Collected ²</i>	<i>Percentage of Collections to Amount Billed</i>
1992	n/a	5,799	n/a
1993	n/a	4,532	n/a
1994	n/a	4,683	n/a
1995	n/a	4,283	n/a
1996	n/a	1,715	n/a
1997	1,863	1,756	94.26%
1998	1,584	1,337	84.41%
1999	673	323	47.99%
2000	19,954	18,775	94.09%
2001	151,256	45,687	30.21%

Source: Delaware County Auditor

¹ Only governmental fund type assessments are included in this table. Assessments include service assessments and debt service assessments, which includes interest. Delaware County collects these assessments on behalf of the City.

² Prepayments of future assessments are not included.

n/a - data was not available for the year shown

CITY OF DELAWARE, OHIO

Computation of Legal Debt Margin

December 31, 2001

Table 9

	<i>Total Debt Limit 10.5%</i>	<i>Total Unvoted Limit 5.5%</i>
Total Assessed Valuation	\$ 467,365,853	\$ 467,365,853
Legal Debt Limit Of Assessed Value	49,073,415	25,705,122
Total Outstanding Debt December 31, 2001		
Special Assessment Bonds Payable	288,000	288,000
Revenue Bonds Payable	3,640,000	3,640,000
Notes Payable	8,000,000	8,000,000
Total Outstanding Debt	<u>11,928,000</u>	<u>11,928,000</u>
Less Exemptions		
Sewer Revenue Bonds	3,640,000	3,640,000
Debt Service Fund Balance ¹	311,864	311,864
Total Exemptions:	<u>3,951,864</u>	<u>3,951,864</u>
Net Debt	<u>7,976,136</u>	<u>7,976,136</u>
Total Legal Debt Margin	<u>\$ 41,097,279</u>	<u>\$ 17,728,986</u>
[Debt Limit minus Net Debt]		
Net Debt as Percentage of Assessed Value	1.71%	1.71%

Source: City of Delaware; Finance Department

¹ The fund balance is only from the General Obligation Bond Retirement Fund because the Special Assessment Bond Retirement Fund had a negative fund balance at year end.

CITY OF DELAWARE, OHIO

Ratio of Net General Obligation Bonded Debt to Assessed Value and Net General Obligation Bonded Debt Per Capita Last Ten Years

Table 10

<i>Year</i>	<i>Net General Bonded Debt</i> ¹	<i>Assessed Value</i> ²	<i>Population</i> ³	<i>Percentage of Net Bonded Debt to Assessed Value</i>	<i>Net Bonded Debt per Capita</i>
1992	\$ 4,882,773	\$ 242,839	20,100	20.11 %	\$ 243
1993	4,613,530	239,668	20,400	19.25	226
1994	4,143,449	270,637	20,700	15.31	200
1995	3,702,646	274,270	21,000	13.50	176
1996	3,243,267	278,971	22,000	11.63	147
1997	2,763,818	330,057	23,000	8.37	120
1998	2,262,894	351,253	24,000	6.44	94
1999	1,893,572	371,871	25,000	5.09	76
2000	(465,403)	446,831	25,243	(1.04)	(18)
2001	(311,864)	467,366	26,000	(0.67)	(12)

¹Net general bonded debt equals the amount of general obligations bonds outstanding minus the debt service fund balance available to pay general obligation debt.

²Shown in thousands of dollars

³Source: Delaware County Auditor's Office, City of Delaware Finance Department, U.S. Census Bureau
When unavailable, estimates are interpolated based on increases in construction of single and double family homes.

CITY OF DELAWARE, OHIO

*Ratio of Annual Debt Service Expenditures for General Bonded Debt to Total General Governmental Expenditures
Last Ten Years*
Table 11

<i>Year</i>	<i>Principal</i>	<i>Interest and Fiscal Charges</i>	<i>Debt Service on General Obligation Bonded Debt</i>	<i>General Governmental Expenditures</i>	<i>Ratio</i>
1992	\$ 179,000	\$ 120,921	\$ 299,921	\$18,799,175	1.60%
1993	417,000	233,515	650,515	12,054,748	5.40
1994	432,000	220,848	652,848	12,934,264	5.05
1995	447,000	205,605	652,605	13,272,787	4.92
1996	467,000	187,637	654,637	14,195,078	4.61
1997	487,000	167,490	654,490	15,869,660	4.12
1998	507,000	145,043	652,043	19,709,948	3.31
1999	530,000	124,077	654,077	20,273,715	3.23
2000	1,766,000	602,731	2,368,731	22,096,371	10.72
2001	-	-	-	19,879,188	0.00

Source: City of Delaware, Finance Department

CITY OF DELAWARE, OHIO

*Computation of Direct and Overlapping General Obligation Bonded Debt
December 31, 2001
Table 12*

<u>Jurisdiction</u>	<u>Net Debt Outstanding ¹</u>	<u>Percentage Applicable to the City of Delaware ²</u>	<u>Amount Applicable to the City of Delaware</u>
City of Delaware	\$ (361,799)	100.00	(361,799)
Delaware City Schools	39,068,352	89.05	34,790,020
Delaware County	19,216,210	13.84	2,660,126
Delaware Township	0	1.63	0

Sources: City of Delaware, Finance Department, Delaware County Auditor's Office,
State of Ohio Auditor's Office, Delaware City Schools Treasurer's Office

¹ Net debt outstanding equals the amount of general obligation bonds outstanding minus the debt service fund balance available to pay non-special assessment general obligation debt.

² Percentages determine by dividing each overlapping subdivision's assessed valuation within the City by the subdivision's total assessed valuation.

CITY OF DELAWARE, OHIO

Revenue Bond Coverage: Enterprise Funds

Last Ten Years

Table 13

Year	Gross Revenues ¹	Operating Expenses ²	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
Water Enterprise Fund							
1992	\$ 2,106,861	\$ 1,360,566	\$ 746,295	\$ 81,150	\$ 36,630	\$ 117,780	6.34
1993	2,141,199	1,285,355	855,844	85,000	31,830	116,830	7.33
1994	2,218,324	1,428,616	789,708	90,000	26,560	116,560	6.78
1995	2,123,301	1,422,399	700,902	315,000	22,950	337,950	2.07
1996	2,187,338	1,335,432	851,906	-	-	-	0.00
1997	2,231,484	1,210,380	1,021,104	-	-	-	0.00
1998	2,310,822	1,380,327	930,495	-	-	-	0.00
1999	2,571,258	1,675,855	895,403	-	-	-	0.00
2000	2,784,610	1,592,348	1,192,262	-	-	-	0.00
2001	2,722,086	2,927,335	(205,249)	-	-	-	0.00
Sewer Enterprise Fund							
1992	\$ 1,564,653	\$ 1,175,092	\$ 389,561	\$ 126,667	\$ 229,617	\$ 356,284	1.09
1993	1,690,713	1,213,000	477,713	170,000	290,322	460,322	1.04
1994	1,876,189	1,249,852	626,337	170,833	285,307	456,140	1.37
1995	1,887,797	1,440,979	446,818	180,417	279,252	459,669	0.97
1996	1,950,378	1,436,186	514,192	185,834	271,997	457,831	1.12
1997	2,221,125	1,287,171	933,954	192,170	262,286	454,456	2.06
1998	2,302,501	1,286,388	1,016,113	200,833	255,223	456,056	2.23
1999	2,443,258	1,538,810	904,448	211,250	245,640	456,890	1.98
2000	2,782,637	1,594,389	1,188,248	226,667	234,103	460,770	2.58
2001	2,901,374	2,321,664	579,710	236,667	222,503	459,170	1.26

Sources: City of Delaware Finance Department

¹Total Revenues exclusive of interest income, capacity fees, and donated assets.

²Total operating expenses exclusive of depreciation.

CITY OF DELAWARE, OHIO

Demographic Statistics
Last Ten Years
 Table 10

<i>Year</i>	<i>Population</i> ¹	<i>Per Capita Income</i> ¹	<i>School Enrollment</i> ²	<i>Delaware County Unemployment Rate</i> ³
1992	20,100	\$ 24,707	3,793	4.9%
1993	20,400	26,425	3,846	4.8%
1994	20,700	28,353	3,939	3.6%
1995	21,000	29,632	3,952	3.0%
1996	22,000	30,544	4,011	3.5%
1997	23,000	31,873	4,101	2.9%
1998	24,000	33,242	4,122	2.0%
1999	25,000	34,333	4,121	2.1%
2000	25,243	35,000	4,105	1.8%
2001	26,500	35,600	4,165	2.8%

Sources: U.S Census Bureau, Bureau of Economic Analysis

¹ "Population estimates and Projections", published by the U.S. Department of Commerce, Bureau of the Census, when available. When unavailable, estimates are interpolated based on increases in construction of single and double family homes.

² Delaware City School District

³ Ohio Bureau of Employment Services, Division of Labor Force Research and Statistics

CITY OF DELAWARE, OHIO

*Property Value, Construction, and Bank Deposits
Last Ten Years
Table 15*

<i>Year</i>	<i>Real Property Value</i>		<i>New Construction</i>		<i>Total Value</i>	<i>Domestic Bank Deposits in County³</i>
	<i>Agricultural/ Residential Value¹</i>	<i>Commercial/ Industrial Value¹</i>	<i>Agricultural/ Residential Value¹</i>	<i>Commercial/ Industrial Value¹</i>		
1992	\$ 3,648,440	\$ 3,760,180	\$ 8,606,817	n/a	\$ 8,606,817	\$207,149,000
1993	2,101,260	1,101,290	9,940,291	n/a	9,940,291	217,640,000
1994	2,970,420	3,735,400	20,431,254	n/a	20,431,254	229,752,000
1995	3,256,360	2,718,180	18,338,004	n/a	18,338,004	243,856,000
1996	6,249,050	1,463,840	28,972,393	n/a	28,972,393	279,091,000
1997	6,991,050	3,029,550	32,321,537	n/a	32,321,537	322,576,000
1998	9,608,430	4,402,700	35,700,671	n/a	35,700,671	n/a
1999	11,746,350	2,565,920	49,058,980	23,727,540	72,786,520	n/a
2000	13,081,560	3,762,030	43,353,781	23,275,534	66,629,315	n/a
2001	14,152,460	4,811,210	58,074,335	29,264,163	87,338,498	n/a

Sources:

¹ Delaware County Auditor

² City of Delaware Planning Department

³ Federal Reserve Bank of Cleveland shown in thousands of dollars for commercial banks headquartered in Delaware County

n/a - data was not available for the year shown

CITY OF DELAWARE, OHIO

Miscellaneous Statistics

December 31, 2001

Table 16

Date of Incorporation:	1816	Delaware City School District:	
Effective Date of Charter:	November 6, 1951	Elementary Schools	5
Form of Government:	Council/City Manager	Secondary Schools	3
Area:	16 square miles	Number of Teachers:	
Miles of Streets:	121	Elementary Instructors	151
Number of Street Lights:	450	Secondary Instructors	132
Number of Traffic Signs:	4500	Total Teachers	283
Number of Traffic Lights:	45	2001/2002 Student Enrollment	
Miles of Sanitary Sewers:	102	Elementary Enrollment	1702
Miles of Storm Sewers:	26	Secondary Enrollment	2518
Miles of Water Distribution:	89	Total Enrollment	4220
Fire Protection:		Student/Teacher Ratio	14.9
Number of Stations	2	Recreation and Culture:	
Number of Firemen and Officers [FT]	38	Number of Parks	12
Number of Firemen [PT]	2	Acreage of Parks	250
Police Protection:		Number of Playgrounds	11
Number of Stations	1	Number of Swimming Pools	1
Number of Policemen and Officers	40	Number of Tennis Courts	4 + 4 in plan
Hospitals:		Number of Golf Courses	1
Grady Memorial Hospital		Number of Community Centers	1
		Public Libraries	1

Sources: City of Delaware Public Works Department, Engineering Department, Recreational Services Department, Finance Department, Delaware City Schools Treasurer's Department



STATE OF OHIO
OFFICE OF THE AUDITOR

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CITY OF DELAWARE

DELAWARE COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
AUGUST 20, 2002**