



**CITY OF WOOSTER  
WAYNE COUNTY**

**REGULAR AUDIT**

**FOR THE YEAR ENDED DECEMBER 31, 2001**



**JIM PETRO**  
**AUDITOR OF STATE**  

---

**STATE OF OHIO**



CITY OF WOOSTER  
WAYNE COUNTY

TABLE OF CONTENTS

TITLE	PAGE
Report of Independent Accountants on Compliance and on Internal Control Required by <i>Government Auditing Standards</i> .....	1

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**STATE OF OHIO  
OFFICE OF THE AUDITOR**

JIM PETRO, AUDITOR OF STATE

111 Second Street, NW  
Fourth Floor  
Canton, Ohio 44702  
Telephone 330-438-0617  
800-443-9272  
Facsimile 330-471-0001  
www.auditor.state.oh.us

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

Honorable Mayor and City Council  
City of Wooster  
Wayne County  
538 North Market Street  
Wooster, Ohio 44691

To the Honorable Mayor and City Council:

We have audited the basic financial statements of the City of Wooster, Wayne County, Ohio, (the City) as of and for the year ended December 31, 2001, and have issued our report thereon dated May 23, 2002. 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 May 23, 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 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 May 23, 2002.

City of Wooster  
Wayne County  
Report of Independent Accountants on Compliance and on  
Internal Control Required by *Government Auditing Standards*  
Page 2

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

A handwritten signature in black ink, appearing to read "Jim Petro". The signature is stylized with a large, looping initial "J" and a long horizontal stroke extending to the right.

**Jim Petro**  
Auditor of State

May 23, 2002



## **The City of Wooster, Ohio**

# **Comprehensive Annual Financial Report for the year ended December 31, 2001**



**CITY OF WOOSTER, OHIO  
Comprehensive Annual Financial Report  
For the year ended December 31, 2001**

**Prepared by Finance Department**

**CITY OFFICIALS  
As of January 1, 2002**

**MAYOR**

**James A. Howey  
Second Term Expires 12-31-03**

**CITY COUNCIL**

**Gary L. Thompson  
President  
Fifth Term Expires 12-31-03**

**Anne O'Planick  
Term Expires 12-31-03  
Second Term - Ward 3**

**Jon Ulbright  
Term Expires 12-31-05  
First Term - At Large**

**Robert Breneman  
Term Expires 12-31-03  
Second Term - At Large**

**John Robison  
Term Expires 12-31-05  
First Term - At Large**

**James Hodges  
Term Expires 12-31-03  
Second Term - Ward 1**

**Judi Mitten  
Term Expires 12-31-05  
Third Term - Ward 4**

**Barbara Hustwit  
Term Expires 12-31-05  
Third Term - Ward 2**

**DIRECTOR OF FINANCE  
James B. Pyers – 28 years of service**

**DIRECTOR OF LAW  
Richard Benson – 11 years of service**

**DIRECTOR OF ADMINISTRATION  
Michael Sigg – 2 years of service**

**WOOSTER COMMUNITY HOSPITAL ADMINISTRATOR  
William Sheron - 7 years of service**

TABLE OF CONTENTS

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<i>INTRODUCTORY SECTION</i>	<u>Page</u>
Title Page and List of Principal Officials.....	1
Table of Contents.....	2
Letter of Transmittal.....	5
Organization Chart.....	11
Certificate of Achievement for Excellence in Financial Reporting .....	12
<i>FINANCIAL SECTION</i>	
Report of Independent Accountants.....	13
Management’s Discussion and Analysis.....	15
<b>Basic Financial Statements:</b>	
<b>Government-wide Financial Statements:</b>	
Statement of Net Assets.....	29
Statement of Activities.....	30
<b>Fund Financial Statements</b>	
Balance Sheet Governmental Funds.....	32
Statement of Revenues, Expenditures and Changes in Fund Balances Governmental Funds.....	34
Statement of Net Assets Proprietary Funds.....	36
Statement of Revenues, Expenses and Changes in Net Assets Proprietary Funds.....	38
Statement of Cash Flows Proprietary Funds.....	40
Statement of Assets & Liabilities Agency Funds.....	42
Notes to the Basic Financial Statements.....	44
<b>Required Supplemental Information Section</b>	
Schedule of Revenues, Expenditures and Changes in Fund Balances Budget and Actual (Budgetary Basis) General and Major Special Revenue Funds.....	63
<i>SUPPLEMENTAL SECTION</i>	
<b>Combining Statements and Individual Fund Schedules:</b>	
Fund Descriptions.....	65
Combining Balance Sheet Nonmajor Governmental Funds.....	68
Combining Statement of Revenues, Expenditures and Changes in Fund Balances Nonmajor Governmental Funds.....	69
Combining Balance Sheet Nonmajor Special Revenue Funds.....	70
Combining Statement of Revenues, Expenditures and Changes in Fund Balances Nonmajor Special Revenue Funds.....	74

	<u>Page</u>
Schedule of Revenues, Expenditures and Changes in Fund Balances Budget and Actual (Budgetary Basis) Nonmajor Special Revenue Funds.....	78
Schedule of Revenues, Expenditures and Changes in Fund Equity Budget and Actual (Budgetary Basis) Internal Service Fund.....	82
Schedule of Revenues, Expenditures and Changes in Fund Balances Budget and Actual (Budgetary Basis) Capital Improvement and Debt Service Funds.....	83
Combining Balance Sheet Nonmajor Capital Projects Funds.....	84
Combining Statement of Revenues, Expenditures and Changes in Fund Balances Nonmajor Capital Projects Funds.....	86
Schedule of Revenues, Expenditures and Changes in Fund Balances Budget and Actual (Budgetary Basis) Nonmajor Capital Projects Funds.....	88
Schedule of Revenues, Expenditures and Changes in Fund Balances Budget and Actual (Budgetary Basis) All Enterprise Funds.....	90
Schedule of General Capital Assets By Function and Activity.....	92
Schedule of Changes in General Capital Assets By Function and Activity.....	93
Combining Statement of Assets & Liabilities, Agency Funds.....	94

***STATISTICAL SECTION***

	<u>Table</u>	
General Revenues by Source and General Expenditures by Function.....	1	95
Property Tax, Tangible Tax, Special Assessments, Levied/Billed and Collections, and Economic Indicators.....	2	96
Assessed Valuation, Estimated True Value and Property Tax Rates- Direct and Overlapping Governments.....	3	97
Legal Debt Margin, Computation of Direct and Overlapping Debt, and Ratio of Net Bonded Debt to Assessed Value and Net Bonded Debt per Capita.....	4	98
Ratio of Annual Debt Service for General Obligation Debt to Total General Expenditures and Revenue Bond Coverage.....	5	99
Principal Taxpayers, Miscellaneous Statistics And Demographic Statistics.....	6	100

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James A. Howey  
Mayor  
James B. Pyers  
Director of Finance

Finance Department  
PO Box 1128  
Wooster, OH 44691  
(330) 263-5225

## CITY OF WOOSTER

May 23, 2002  
City Council and Citizens of Wooster  
Wooster, Ohio

### The Comprehensive Annual Financial Report

The Comprehensive Annual Financial Report (CAFR) of the City of Wooster (the City) for the fiscal year ended December 31, 2001, is hereby submitted. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City's management. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The CAFR is presented in three sections: introductory, financial, and statistical. The introductory section includes this transmittal letter, our organization chart, and a list of principal officials and Certificate of Achievement for Excellence in Financial Reporting. We have included in the transmittal letter a financial ratio and statistical overview of the city based on entity-wide financial reporting. The financial section includes, under the new Governmental Accounting Standard Board Statement No. 34 as amended, the Report of Independent Accountants, the Management Discussion and Analysis, the basic financial statements, required supplementary information, and the combining and individual fund financial statements. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis.

The City is located in the north central part of the State of Ohio, within the boundaries of Wayne County of which it is the county seat. The City is a home rule municipal corporation under the laws of the State of Ohio and, as such, operates under its own charter. The current charter was adopted in 1972 and has undergone two amendments since that time. The city government consists of a Mayor, seven member Council and Council President. All of these officials are elected for four-year terms. The Mayor, three Council members and the Council President are elected on an at-large basis. The four remaining Council members are elected from their respective wards within the City.

For financial reporting purposes, the City includes in this report all funds, agencies, boards, and commissions that are controlled by, or dependent on, the City legislative branch. "Controlled by" or "dependent on" the City is determined on the basis of budget adoption, taxing authority, outstanding debts secured by revenues or general taxing authority of the City, and/or the City's obligation to fund any deficits that may occur.

The City provides a full range of municipal services contemplated by its charter. These services include police, fire, health care, recreation programs (including parks), transportation programs, water and water pollution control programs, planning and zoning, and general administrative services.

**Local Economy**

The Economic Segment Mix and The Change of Economic Segment Mix as Measured by Total Income Tax Receipts for the Tax Years 1995 through 2001

	1995	1996	1997	1998	1999	2000	2001	Change% 95/01
Industrial	46.1%	48.0%	44.4%	41.1%	45.9%	39.1%	36.9%	-25.1%
Construction	3.0	3.5	4.2	4.2	3.9	4.4	4.8	37.3
Retail	9.8	9.8	9.7	10.0	8.8	9.0	9.3	-5.5
Oil	1.6	1.8	1.9	1.6	1.6	1.9	2.0	20.5
Services	8.7	9.6	9.6	10.4	9.2	10.1	10.6	18.0
Education/Govt.	12.4	10.8	10.0	11.7	11.1	13.3	14.6	15.5
Financial	3.7	3.5	3.7	5.2	4.3	4.3	4.3	14.2
Restaurants	1.4	1.6	1.6	1.9	1.8	2.1	2.2	35.6
Medical	6.5	7.3	6.9	7.5	7.0	8.4	9.0	27.0
Miscellaneous	6.8	6.2	8.2	6.1	6.3	7.4	6.4	-6.8
Chg. in \$ by Yr.	12.66%	-1.93%	7.39%	5.78%	14.59%	-11.14%	0.79%	

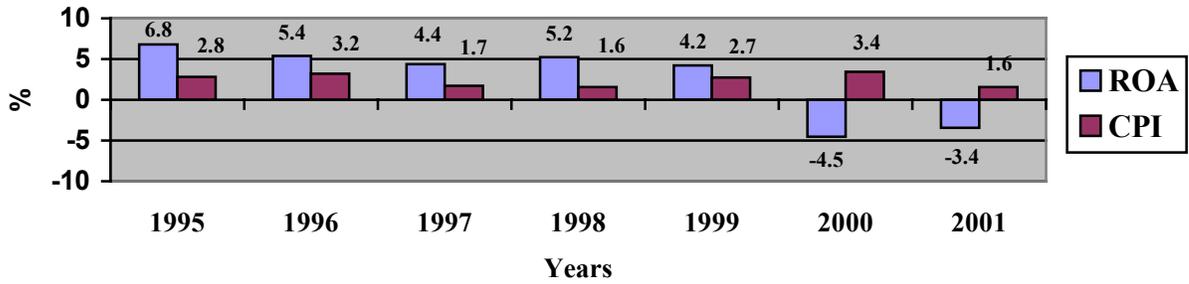
The chart displayed above demonstrates past economic trends in the community and provides indications of future trends. The Industrial segment continues to lead our economy and is erratic. We expect this pattern to continue. Because of the erratic nature of our local economy, Council adopted certain financial policies as detailed below. We anticipate, as indicated by the strength of the construction segment and building permits issued in the last six years, future economic expansion. (See Statistical Table 2) The significant dollar permits issued last year were: \$14.5 million College of Wooster, \$3.2 million Wooster City Schools (Indoor Ice Arena), \$5.6 million Dix Publications (Printing Operations), \$4.1 million Wayne County Apartments, \$5.3 million Wayne County Courts, \$2.5 million LuK Incorporated (Industrial Expansion), \$3.5 million Family Learning Center, \$2.8 million Cleveland Clinic, \$2 million Wooster Community Hospital, \$.8 million Premier Farnell LLC (Industrial Expansion).

**Major Initiatives**

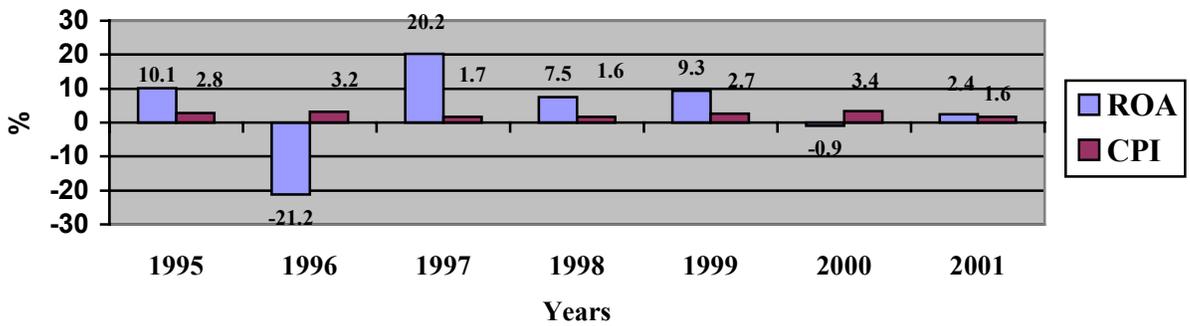
On January 17, 1995, and amended in 1999, Council passed and the Mayor approved new financial policies for the governmental funds of the City. In part, the ordinance states: 1). The governmental funds shall be budgeted to have a rate of return on all assets greater than or equal to the rate of inflation; 2). Council will not provide new services unless new revenue is available or there is a cost reduction in another service; 3). By 1999, the General Fund shall have an unencumbered cash balance of at least 60 days of expenditures, but no more than 240 days; 4). By 2001, the Capital Improvements Fund shall have a cash balance at least equal to the value of the annual depreciation of the governmental fund assets; and 5). If the General Fund cash exceeds the 240 day requirement and the Capital Improvements Fund cash requirement is achieved and the return on assets in the governmental funds is greater than the rate of inflation, then Council will lower either the property tax rate or the income tax rate.

GASB Statement No. 34 assists us in monitoring actual results with these City policies. Our positions on each measurable point as of December 31 are presented in the following graphs:

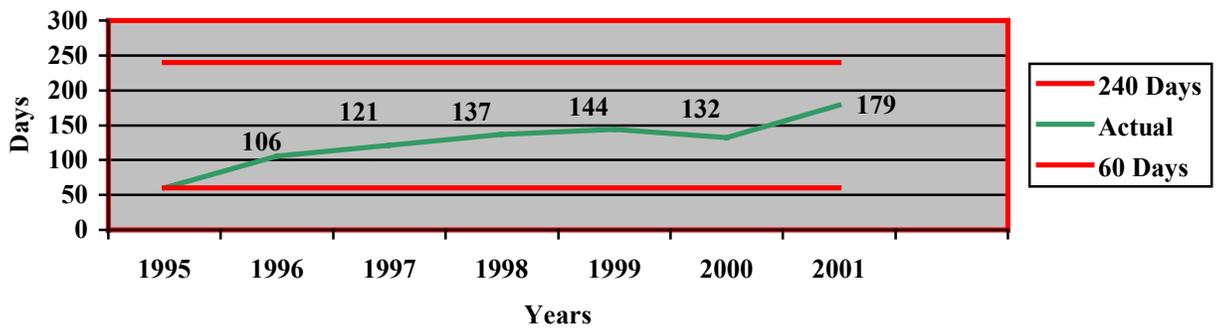
### Return on Assets From Operations (Governmental Operations) vs CPI



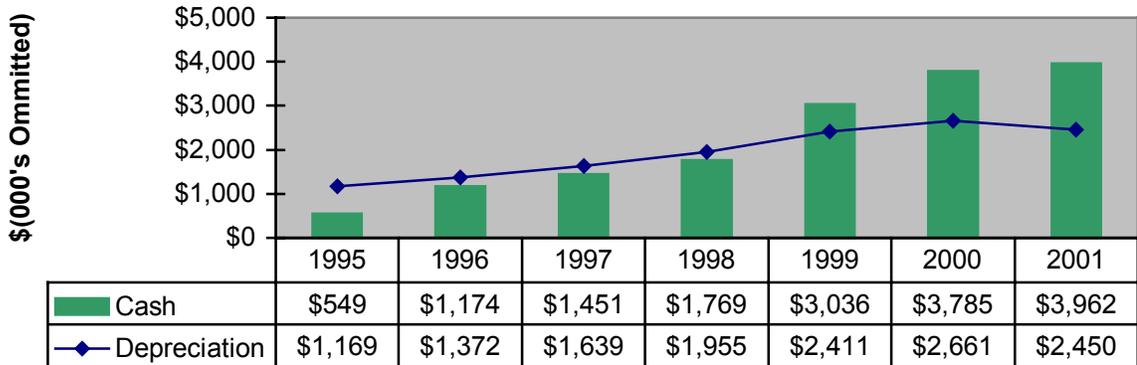
### Total Return on Assets (Governmental Operations) vs CPI



### General Fund Days In Unencumbered Cash



**Unencumbered Cash Balance (Capital Improvement Fund) to  
Annual Depreciation (Governmental Activities)**



**Risk Management**

The City is self-insured for general liability for \$25,000 per occurrence. No material losses are anticipated. An Insurance Claims Board consisting of the Directors of Administration, Law and Finance has been established to review and settle all claims of less than \$5,000.

All full-time employees are provided with traditional health care insurance that covers hospitalization and major medical expenses within specified limits. The plan is self-funded by the City and administered by a third-party administrator. The City pays the administrator a monthly fixed fee for various claim administration services on a per enrolled employee basis.

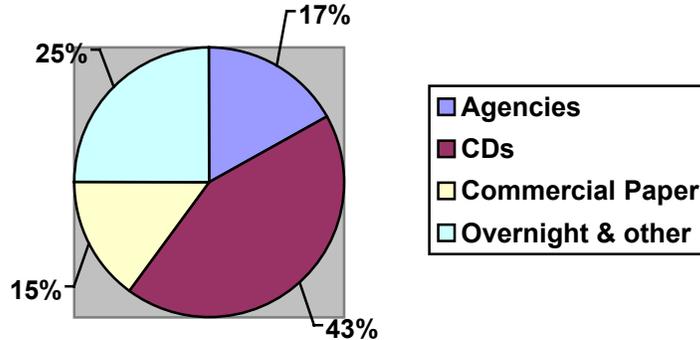
The City pays all claims. The third-party administrator submits weekly preliminary check registers for all processed claims. The City issues payment to the plan administrator who in turn issues individual claim checks.

The City carries stop-loss insurance against catastrophic losses. The premiums for these coverages are billed monthly by the third-party administrator on a per enrolled employee basis.

**Cash Management**

As of December 31, 2001, the City of Wooster had approximately \$97 million in cash and investments. In reality, the City had no cash because through a series of contractual agreements all cash is invested at all times. The weighted average length of maturity of these investments, excluding overnight investments, was approximately 211 days with a yield to maturity of 4.01%. The allocation of these investment resources is included in the chart below.

**Allocation of Investment Resources**



**Certificate of Achievement**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Wooster, Ohio, for its CAFR for the fiscal year ended December 31, 2000. The Certificate of Achievement is a prestigious national award which recognizes conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. Such CAFR must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. The City has received a Certificate of Achievement for the last twenty consecutive years. We believe our current report continues to conform to the Certificate of Achievement Program requirements, and we are submitting it to GFOA for their review.

**Independent Audit**

The Office of Jim Petro, Auditor of State, audited the financial statements and the related notes of the City of Wooster. As stated in the auditor's report, the audit was conducted in accordance with Generally Accepted Government Auditing Standards, and included a financial compliance evaluation as well as a review of internal accounting controls.

Significant Other Events

The City of Wooster continues to develop a comprehensive long range plan that encompasses not only land use but also services to be provided and means to finance those services. We expect the plan to be completed in 2002.

Acknowledgements

The employees of the City are its most valuable asset. These individuals serve productively throughout City operations 24 hours a day, 365 days a year. They continuously provide quality services to the citizens of Wooster. It is to these committed individuals that this document is dedicated.

Respectfully submitted,



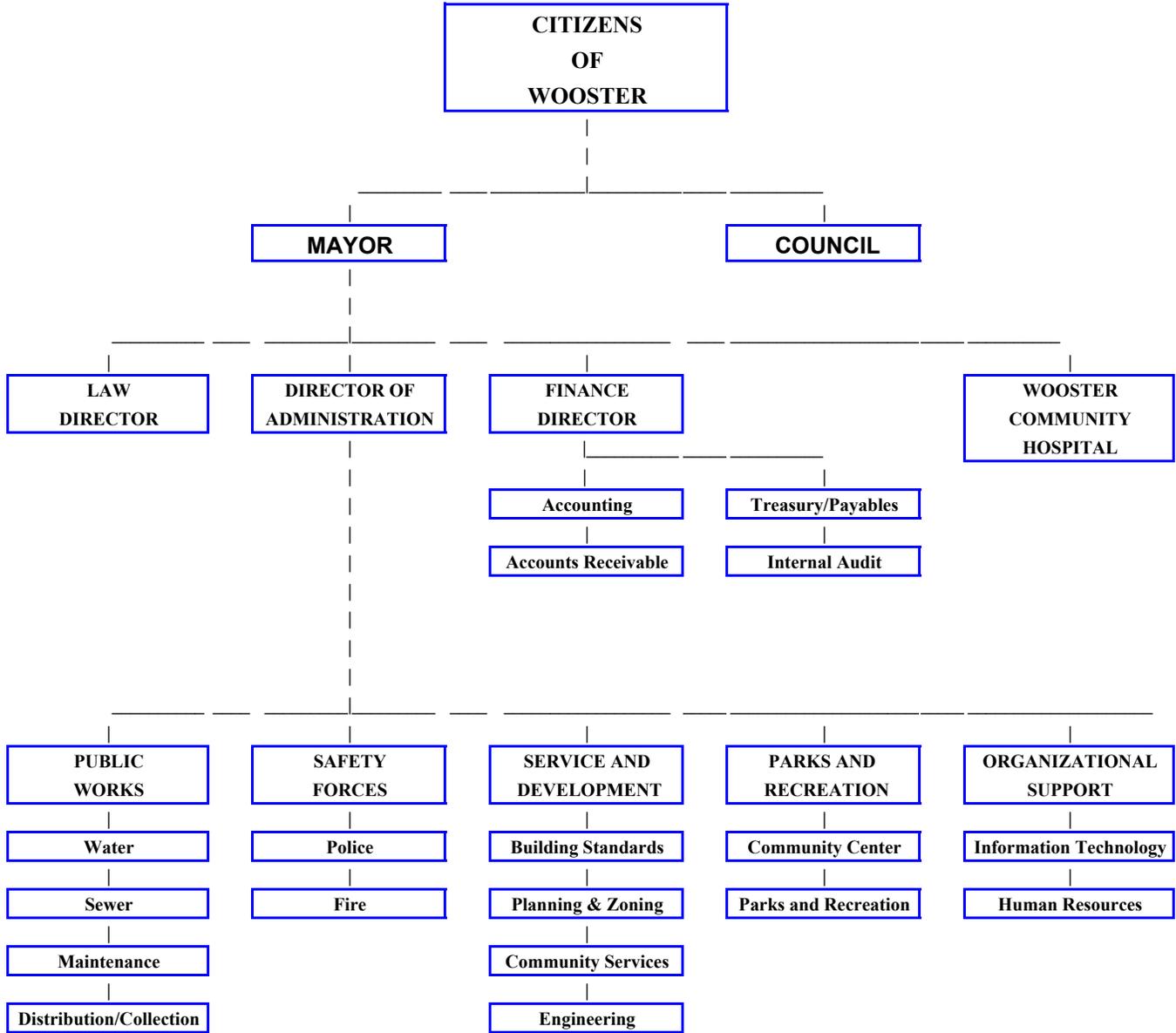
James A. Howey  
Mayor



James B. Pyers  
Director of Finance

**CITY OF WOOSTER, OHIO  
ORGANIZATION CHART**

As of December 31, 2001



# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Wooster,  
Ohio

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

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



*Imelda Bruwe*  
President

*Jeffrey L. Esser*  
Executive Director

## **Financial Section**





STATE OF OHIO  
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

111 Second Street, NW  
Fourth Floor  
Canton, Ohio 44702  
Telephone 330-438-0617  
800-443-9272  
Facsimile 330-471-0001  
www.auditor.state.oh.us

**REPORT OF INDEPENDENT ACCOUNTANTS**

City Council  
City of Wooster  
Wayne County  
538 North Market Street  
Wooster, Ohio 44691

To City Council:

We have audited the accompanying basic financial statements of the City of Wooster, Wayne County, Ohio, (the City) as of and for the year ended December 31, 2001, as listed in the Table of Contents. These financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these basic 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 basic financial statements referred to above present fairly, in all material respects, the financial position of the City of Wooster, Wayne County, Ohio, as of December 31, 2001, and the results of its operations and the cash flows of its proprietary funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 23, 2002 on our consideration of the Government'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.

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

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

**Jim Petro**  
Auditor of State

May 23, 2002

CITY OF WOOSTER, OHIO  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
FOR THE YEAR ENDED DECEMBER 31, 2001

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MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of City of Wooster's financial performance provides an overview of the City's financial activities for the fiscal year ended December 31, 2001.

Please read it in conjunction with the City's basic financial statements, which begin on page 29. Prior period comparatives have been restated, see note 1.

FINANCIAL HIGHLIGHTS

- The City's net assets increased \$11.3 million as a result of this year's operations. Net assets of our business-type activities increased by \$9.9 million, or 8.3 percent, and net assets of our governmental activities increased by \$1.4 million, or 3.1 percent.
- The City's return on total ending assets was nearly 5.3%. The return on ending assets for the governmental activities was 2.5 % and for the business-type activities the return was 6.3 %.
- Total cost of all of the City's programs was \$67.6 million in 2000 compared to \$74 million in 2001.
- During the year, the City had expenses for governmental activities that were \$1.5 million less than the \$18 million generated in general revenues and other program revenues.
- The business-type activities increased net assets by \$5.8 million from operations.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities (on pages 29 and 30-31) provide information about the activities of the City as a whole and present a longer-term view of the City's finances. Fund financial statements start on page 32. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the City's operations in more detail than the government-wide statements by providing information about the City's most financially significant funds.

Reporting the City as a Whole

The Statement of Net Assets and the Statement of Activities

Our analysis of the City as a whole begins on page 17. One of the most important questions asked about the City's finances is "Is the City as a whole better off or worse off as a result of the year's activities?" The Statement of Net Assets and the Statement of Activities report information about the City as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. Accrual of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the City's *net assets* and changes in them. You can think of the City's net assets, the difference between assets, what the citizens own, and liabilities, what the citizens owe, as one way to measure the City's financial health, or *financial position*. Over time, *increases or decreases* in the City's net assets are one indicator of whether its *financial health* is improving or deteriorating. You will need to consider other nonfinancial factors, however, such as changes in the City's property tax base, income tax base, and the condition of the City's capital assets (roads, buildings, water and sewer lines) to assess the *overall health* of the City.

CITY OF WOOSTER, OHIO  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
FOR THE YEAR ENDED DECEMBER 31, 2001

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In the Statement of Net Assets and the Statement of Activities, we divide the City into two kinds of activities:

- **Governmental activities:** most of the City's basic services are reported here, including the police, fire, street maintenance, parks and recreation, and general administration. Income taxes, property taxes, and state and federal grants finance most of these activities.
- **Business-type activities:** the City charges a fee to customers to help it cover all or most of the cost of certain services it provides. The City's water, sewer system, refuse, and hospital facilities are reported here.

### Reporting the City's Most Significant Funds

#### Fund Financial Statements

Our analysis of the City's major funds begins on page 21. The fund financial statements begin on page 32 and provide detailed information about the most significant funds-not the City as a whole. Some funds are required to be established by State law. However, the City Council establishes many other funds to help it control and manage money for particular purposes (Ex. Economic Development Capital Improvements Fund) or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money (Ex. grants received from the U.S. Department of Housing and Urban Development). The City's three kinds of funds, governmental, proprietary and fiduciary, use different accounting approaches.

**Governmental funds:** most of the City's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed *short-term view* of the City's general government operations and the basic services it provides. Governmental fund information helps one determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. We describe the relationship (or differences) between governmental *activities* (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds in a reconciliation beside the fund financial statements.

**Proprietary funds:** when the City charges customers for the full cost of the services it provides whether to outside customers or to other units of the City, these services are reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Assets and the Statement of Activities. In fact, the City's enterprise funds (a component of business type funds) are the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as cash flows, for proprietary funds. We use internal service funds, such as the City's Garage Fund, (the other component of proprietary funds) to report activities that provide supplies and services to the City's other programs and activities.

**Fiduciary funds:** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources are not available to support the City's own programs. The City of Wooster has only agency funds to report within the Fiduciary Fund category. Agency funds are reported on a full accrual basis and only present a statement of assets and liabilities.

**CITY OF WOOSTER, OHIO  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
FOR THE YEAR ENDED DECEMBER 31, 2001**

**THE CITY AS A WHOLE**

The City's *combined* net assets changed from a year ago, *increasing* from \$166.3 million to \$177.8 million. Looking at the net assets and net expenses of governmental and business-type activities separately, different stories emerge. Our analysis below focuses on the net assets (Table 1) and changes in net assets (Table 2) of the City's governmental and business-type activities.

**Table 1**

Net Assets (in millions)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2000	2001	2000	2001	2000	2001
Current and other assets	\$22.6	\$24.7	\$77.1	\$86.9	\$99.7	\$111.6
Long term receivables	3.0	2.9	.8	.8	3.8	3.7
Capital assets	<u>32.2</u>	<u>32.0</u>	<u>66.2</u>	<u>69.8</u>	<u>98.4</u>	<u>101.8</u>
Total assets	57.8	59.6	144.1	157.5	201.9	217.1
Other liabilities	(5.8)	(7.5)	(14.4)	(16.7)	(20.2)	(24.2)
Long-term liabilities outstanding	<u>(4.3)</u>	<u>(3.4)</u>	<u>(10.7)</u>	<u>(11.9)</u>	<u>(15.0)</u>	<u>(15.3)</u>
Total liabilities	(10.1)	(10.9)	(25.1)	(28.6)	(35.2)	(39.5)
Net assets:						
Invested in capital assets, net of debt	28.0	27.1	51.9	53.6	79.9	80.7
Restricted	12.1	12.0	2.4	2.4	14.5	14.4
Unrestricted (deficit)	<u>7.6</u>	<u>9.6</u>	<u>64.7</u>	<u>72.9</u>	<u>72.3</u>	<u>82.5</u>
Total net assets	<u>\$47.7</u>	<u>\$48.7</u>	<u>\$119.0</u>	<u>\$128.9</u>	<u>\$166.7</u>	<u>\$177.6</u>

Net assets of the City's governmental activities increased by 2.5 percent, \$47.7 million compared to \$48.7 million. Unrestricted net assets, the part of net assets that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements--increased from \$7.6 million at December 31, 2000 to \$9.6 million at December 31, 2001. Restricted net assets, those restricted mainly for capital projects and special purposes such as street cleaning or maintenance changed slightly. The total net asset category increased from a reduction in program costs (after deduction for program revenues) of \$1 million and the reduction of investment in capital assets, net of debt. The category, investment in capital assets net of debt, decreased by \$.9 million.

The net assets of our business-type activities increased by 8.4 percent (\$119 million compared to \$129 million) in 2001. The City generally can only use these net assets to finance the continuing operations of the water, sewer, storm sewer and hospital operations.

**CITY OF WOOSTER, OHIO  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
FOR THE YEAR ENDED DECEMBER 31, 2001**

**FINANCIAL RATIOS**

(dollars in thousands)

The following Financial Ratios should be used to assess the financial stability of the City over an extended period of time. The City has adopted guidelines regarding Return on Assets as discussed under the Governmental Activities section and the Business-type Activities section.

The Ratios of Working Capital and Days Cash and Investment in Reserve demonstrate the continuing ability to finance operations with cash. The relative stability of the Current Ratio and the Liabilities to Net Asset demonstrate the fact that the City has not financed its Working Capital and Days Cash and Investments in Reserve with a substantially increasing proportion of debt. The Entity Wide reduction in Days in Receivable demonstrates that the increase in Days Cash and Investments in Reserve is being financed by a reduction in receivables.

“Working Capital” is the amount by which current assets exceed current liabilities. The “Current Ratio”, which compares current assets to current liabilities, is an indicator of the ability to pay current obligations.

<b>Working Capital</b>	<b>1995</b>	<b>1996</b>	<b>1997</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>
<b>Entity Wide Summary</b>	\$47,398	\$66,544	\$72,583	\$69,950	\$70,927	\$79,564	\$88,645
<b>Governmental</b>	9,104	11,914	13,641	15,729	16,706	16,839	18,417
<b>Business-type</b>	38,294	54,630	58,942	54,221	54,221	62,725	70,228
<b>Current Ratio</b>	<b>1995</b>	<b>1996</b>	<b>1997</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>
<b>Entity Wide Summary</b>	8.74	9.22	9.47	6.34	4.74	5.02	4.86
<b>Governmental</b>	6.39	7.56	8.40	8.33	4.29	4.12	3.93
<b>Business-type</b>	9.63	9.71	9.77	5.95	4.91	5.36	5.21

“Days Cash and Investments in Reserve” represents the number of days normal operations could continue with no revenue collection.

<b>Days Cash &amp; Investments</b>	<b>1995</b>	<b>1996</b>	<b>1997</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>
<b>Entity Wide Summary</b>	333	483	458	481	511	513	533
<b>Governmental</b>	277	373	354	445	551	498	520
<b>Business-type</b>	361	513	489	492	501	517	536

“Liabilities to Net Assets” indicates the extent of borrowing.

<b>Liabilities to Net Assets</b>	<b>1995</b>	<b>1996</b>	<b>1997</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>
<b>Entity Wide Summary</b>	20%	28%	23%	23%	22%	21%	22%
<b>Governmental</b>	14%	19%	16%	14%	18%	21%	22%
<b>Business-type</b>	22%	31%	26%	27%	24%	21%	22%

**CITY OF WOOSTER, OHIO  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
FOR THE YEAR ENDED DECEMBER 31, 2001**

“Return on assets from operations” illustrates to what extent there will be sufficient funds from operations to replace assets in the future.

<b>Return on Assets</b>	<b>1995</b>	<b>1996</b>	<b>1997</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>
<b>Entity Wide Summary</b>	8%	8%	7%	6%	4%	5%	3%
<b>Governmental</b>	7%	5%	5%	5%	4%	-4%	-3%
<b>Business-type</b>	9%	9%	8%	6%	4%	8%	4%

“Total return on assets” includes all revenues operating and non-operating.

<b>Total Return on Assets</b>	<b>1995</b>	<b>1996</b>	<b>1997</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>
<b>Entity Wide Summary</b>	8%	8%	7%	6%	9%	5%	5%
<b>Governmental</b>	10%	-21%	20%	8%	9%	-1%	2%
<b>Business-type</b>	9%	9%	9%	6%	8%	7%	6%

“Capital Asset Change” from previous year indicates whether the City of Wooster financially maintains infrastructure for future generations. “Percentage increase (decrease) in Net Capital Assets.

<b>Capital Asset Change</b>	<b>1995</b>	<b>1996</b>	<b>1997</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>
<b>Entity Wide Summary</b>	2%	3%	26%	14%	6%	0%	3%
<b>Governmental</b>	1%	0%	39%	4%	7%	-1%	-1%
<b>Business-type</b>	2%	5%	20%	20%	6%	0%	5%

“Days in Receivable” determines how many days it takes to collect amounts billed to customers.

<b>Days In Receivable</b>	<b>1995</b>	<b>1996</b>	<b>1997</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>
<b>Entity Wide Summary</b>	61	67	66	66	65	67	58
<b>Governmental</b>	77	90	85	85	91	102	97
<b>Business-type</b>	57	60	61	61	57	58	48

“Personal Services to Total Costs” measures the percentage of personal service costs to total cost.

<b>Personal Service %</b>	<b>1995</b>	<b>1996</b>	<b>1997</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>
<b>Entity Wide Summary</b>	58%	57%	57%	56%	56%	54%	53%
<b>Governmental</b>	68%	66%	67%	64%	63%	61%	63%
<b>Business-type</b>	56%	55%	55%	54%	53%	52%	50%

**CITY OF WOOSTER, OHIO  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
FOR THE YEAR ENDED DECEMBER 31, 2001**

**Table 2**

**Changes in Net Assets (in millions)**

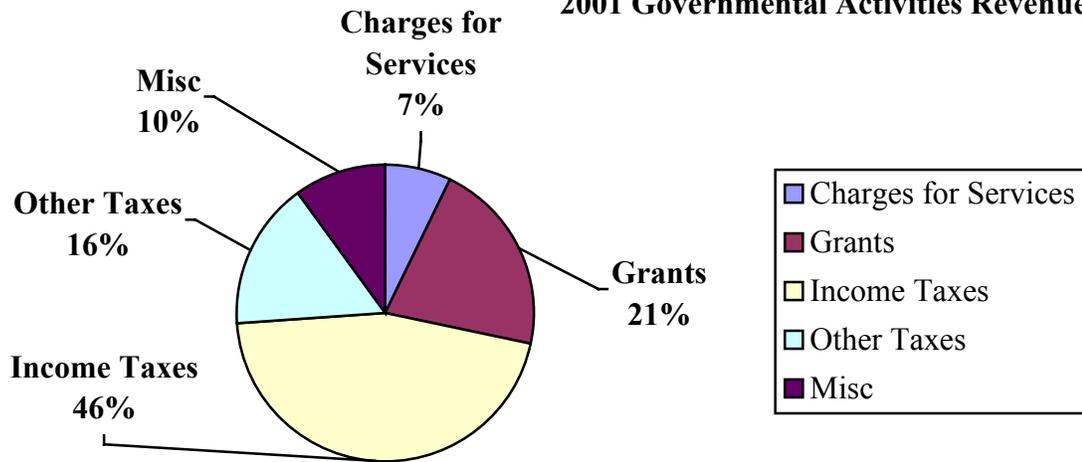
	Governmental Activities		Business-type Activities		Total Primary	
	2000	2001	2000	2001	2000	2001
<b>Revenues</b>						
<b>Program revenues:</b>						
Charges for Services	\$0.8	\$1.2	\$57.7	\$64.3	\$58.5	\$65.5
Operating Grants and Contributions	1.5	1.5	0.1	0.1	1.6	1.6
Capital Grants and Contributions	0.1	.3	-	-	0.1	.3
<b>General revenues:</b>						
Income Taxes	7.8	7.7	-	-	7.8	7.7
Property Taxes	2.1	2.1	-	-	2.1	2.1
Other Taxes	0.8	.7	-	-	0.8	.7
Grants and Contributions	1.7	1.8	-	-	1.7	1.8
Interest and Investment Earnings	1.3	1.1	4.3	4.1	5.6	5.2
Other General Revenues	0.3	0.2	-	-	0.3	0.2
<b>Total Revenues:</b>	<b>16.4</b>	<b>16.6</b>	<b>62.1</b>	<b>68.5</b>	<b>78.5</b>	<b>85.1</b>
<b>Program expenses including indirect expenses:</b>						
Safety Services	8.4	8.5	-	-	8.4	8.5
Health and Social Services	0.1	0.1	-	-	0.1	0.1
Leisure Services	2.2	2.2	-	-	2.2	2.2
Environment and Development	0.8	0.8	-	-	0.8	0.8
Utility Services	0.1	-	-	-	0.1	-
Transportation Services	3.5	3.3	-	-	3.5	3.3
Administrative Services	0.4	0.4	-	-	0.4	0.4
Interest on Long Term Debt	0.2	0.2	-	-	0.2	0.2
Wooster Community Hospital	-	-	43.7	49.7	43.7	49.7
Water	-	-	3.7	3.8	3.7	3.8
Water Pollution Control	-	-	3.3	3.7	3.3	3.7
Storm Drainage	-	-	0.4	0.4	0.4	0.4
Refuse Collection	-	-	1.0	1.1	1.0	1.1
<b>Total expenses</b>	<b>15.7</b>	<b>15.5</b>	<b>52.1</b>	<b>58.7</b>	<b>67.8</b>	<b>74.2</b>
Excess (deficiency) before special items & transfers	\$0.7	\$1.1	\$10.0	\$9.8	\$10.7	\$10.9
Special Item	-1.2	-	-	-	-1.2	-
Transfers	-	.4	-	-	-	.4
<b>Change in Net Assets</b>	<b>-\$0.5</b>	<b>\$1.5</b>	<b>\$10.0</b>	<b>\$9.8</b>	<b>\$9.5</b>	<b>\$11.3</b>
Net Assets Beginning	\$47.8	\$47.3	\$109.0	\$119.0	\$156.8	\$166.3
Net Assets Ending	\$47.3	\$48.8	\$119.0	\$128.8	\$166.3	\$177.6

**CITY OF WOOSTER, OHIO  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
FOR THE YEAR ENDED DECEMBER 31, 2001**

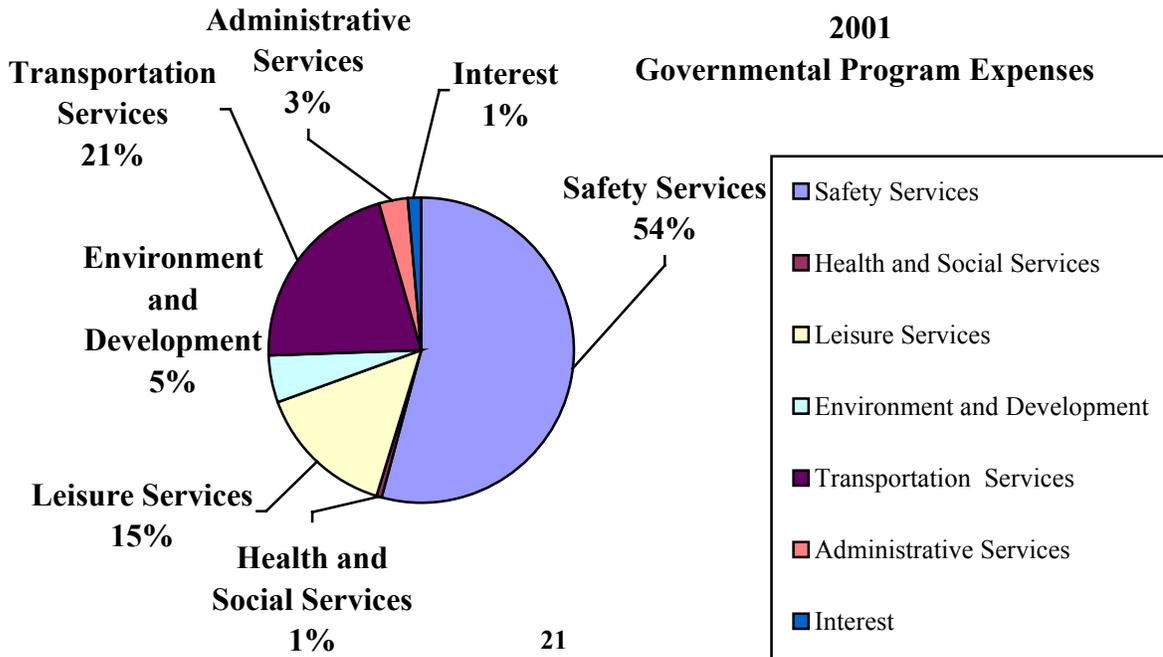
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**Governmental Activities**

**2001 Governmental Activities Revenues**



**2001  
Governmental Program Expenses**



**CITY OF WOOSTER, OHIO  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
FOR THE YEAR ENDED DECEMBER 31, 2001**

Table 3 presents the cost of each of the City's four largest Governmental programs: Safety Services, Transportation Services, Leisure Services, and Environment and Development Services as well as each program's *net* cost (total cost less revenues generated by the activities). The net cost shows the financial burden that was placed on the City's taxpayers by each of these functions. The increase in the net cost demonstrates the inability to recover increased cost of the program under the current revenue policies.

**Table 3**  
Governmental Activities (in millions)

	Total Cost of Services		Net Cost of Services	
	2000	2001	2000	2001
Safety Services	\$8.4	\$8.5	\$8.0	\$8.0
Transportation Services	3.7	3.3	2.4	1.8
Leisure Services	2.2	2.2	1.7	1.8
Environment and Development Services	0.8	0.8	0.5	.4

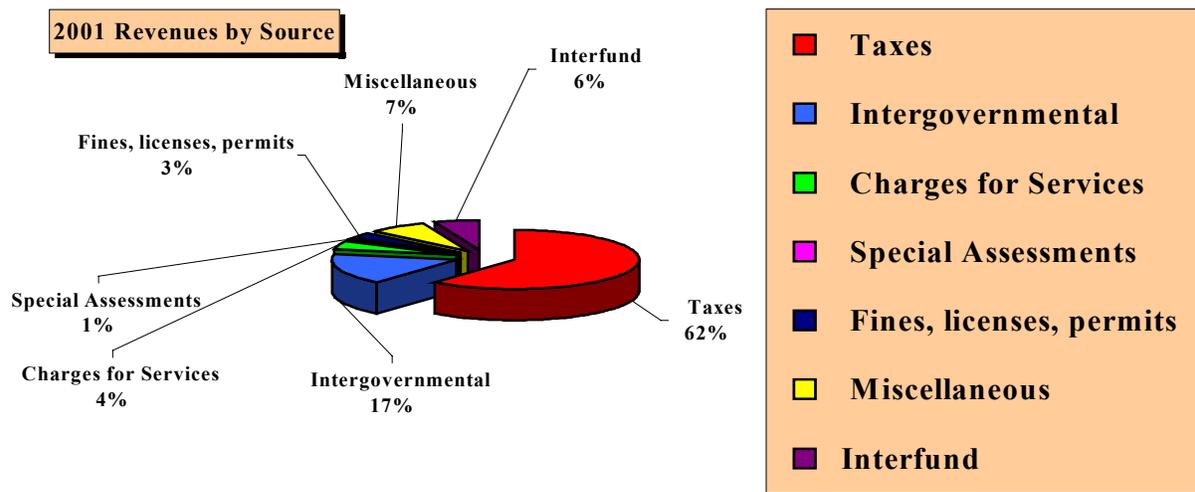
**THE CITY'S FUNDS**

**General Governmental Functions**

Information below compares revenues and expenditures for all governmental fund types for 2000 and 2001.

(\$000 omitted)

Revenues by Source:	2000	2001	% Change
Taxes	\$10,941	\$10,647	-2.7 %
Intergovernmental	2,837	2,977	4.9
Charges for Services	770	773	.4
Special Assessments	233	202	-13.3
Fines, licenses, permits	477	532	11.5
Miscellaneous	1,631	1,303	-20.1
Interfund	921	1,006	9.2
Total Revenues	\$17,810	\$17,440	-2.1 %

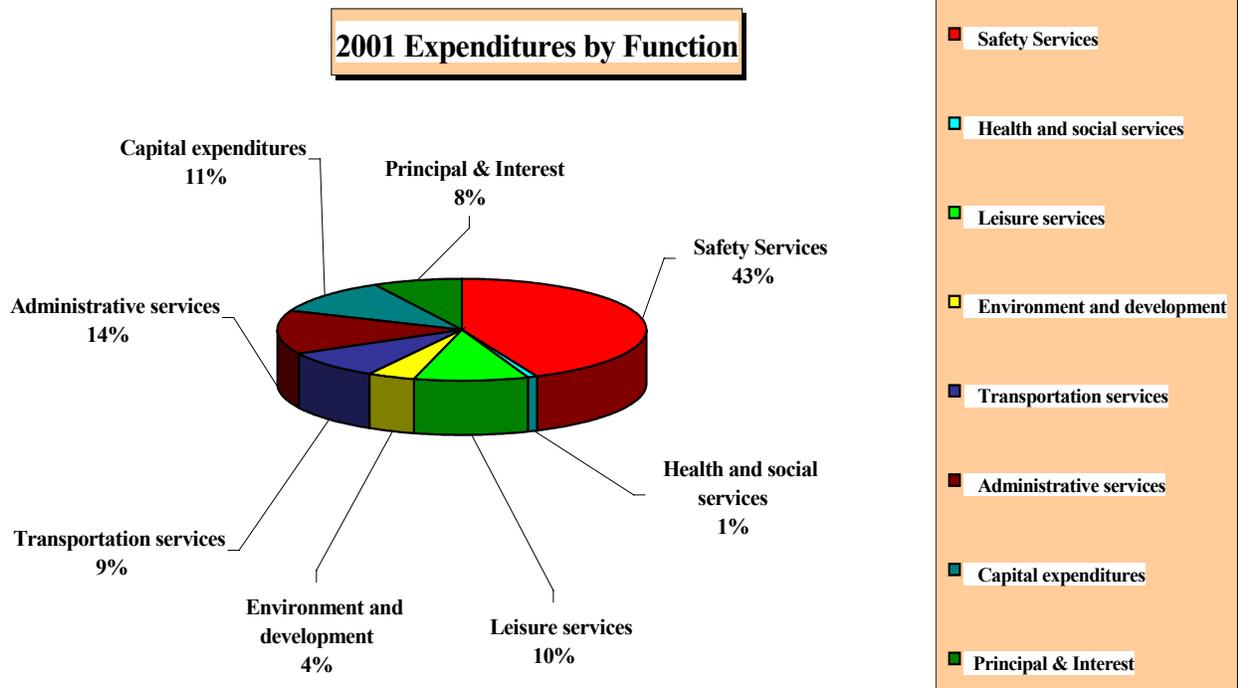


**CITY OF WOOSTER, OHIO  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
FOR THE YEAR ENDED DECEMBER 31, 2001**

The reduction in Taxes reflects the effect of less income tax being collected from fewer employees. The decrease in Miscellaneous is attributable to lower interest earnings.

(\$000 omitted)

<u>Expenditures by Function:</u>	<u>2000</u>	<u>2001</u>	<u>% Change</u>
Safety Services	\$7,095	\$7,286	2.7 %
Health and social services	136	142	4.4
Leisure services	1,631	1,651	.1
Environment and development	689	691	-
Transportation services	1,941	1,511	-22.2
Administrative services	3,001	2,317	-22.8
Capital expenditures	3,395	1,891	-44.3
Debt service:			
Principal	230	1,138	125.2
Interest	165	156	-5.5
<b>Total Expenditures</b>	<b>\$18,283</b>	<b>\$16,783</b>	<b>-8.2 %</b>



The change in the reduction of expenditures grew faster than the reduction of revenues, -8.2% to -2.1%. The Governmental Fund Balances increased by \$2.2 million.

**CITY OF WOOSTER, OHIO  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
FOR THE YEAR ENDED DECEMBER 31, 2001**

**Business-type Funds**

The City's major Enterprise Funds consist of the Water Fund, the Water Pollution Control Fund, the Storm Drainage Utility Fund, the Hospital Fund and the Refuse Collection Fund. The basic financial statements for the major funds are included in this report. Because the focus on business-type funds is a cost of service measurement or capital maintenance, we have included these funds in Table 4, which demonstrates return on ending assets and return on ending net assets. Table 4 is at the end of this section.

In November of 1989, Council passed an ordinance that set forth the following policy regarding all enterprise funds user charges (rates).

1. Sufficient revenue must be generated by the charges to ensure high quality service for an indefinite period of time. Therefore, the return on assets must approximate inflation after consideration of gifts, donations, grants and subsidized loans.
2. Sufficient cash flow must be generated by the charges to ensure all expenditures, including debt service, can be paid in a timely manner.

The Hospital last adjusted rates in December 2001.

A new water plant operated for its first full year in 1999. The new plant increased our capacity by about 20%.

The new Water Pollution Control plant went on line April 1, 1988. We are pleased with the financial condition of the Water Pollution Control Fund as we are considering plant upgrades over the next three years to comply with EPA regulations which will affect us approximately five years from now.

The Storm Drainage Fund had been involved in a series of litigations and had a hearing at the Supreme Court of Ohio in March 1990. The City won the decision at the Supreme Court level. This protected the City's right to charge for cost of service. Rates for the Storm Water Utility were increased by 60% in November of 2001, the first adjustment since inception in 1987.

**Table 4**

Business-type (\$000 omitted)	Storm					Non-major Enterprise Funds
	Water	WPC	Drainage	Hospital	Refuse	
Total Assets	\$33,178	\$26,355	\$7,801	\$89,306	\$159	\$668
Net Assets	18,052	25,734	4,963	79,393	44	668
Change in Net Assets	661	735	223	8,241	(43)	32
Return on Ending Total Assets	2.0%	2.8%	2.9%	9.2%	0%	4.8%
Return on Ending Net Assets	3.7%	2.9%	4.7%	10.4%	.1%	4.8%

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets**

At December 31, 2001, the City had \$197.9 million invested in a broad range of capital assets, including police and fire equipment, buildings, park facilities, roads, bridges, and water and sewer lines. (See Table 5). This amount represents a net increase (including additions and deductions) of \$8.7 million, or 4.6%, over last year.

**CITY OF WOOSTER, OHIO  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
FOR THE YEAR ENDED DECEMBER 31, 2001**

**Table 5**

**Capital Assets at Year-end  
(Net of Depreciation, in millions)**

	Governmental Activities		Business-type Activities		Totals	
	2000	2001	2000	2001	2000	2001
	Land	\$2.5	\$2.1	\$1.4	\$1.4	\$3.9
Buildings	4.8	5.0	51.3	54.0	56.1	59.0
Improvements	58.0	59.6	36.4	38.0	94.4	97.6
Equipment	8.3	8.2	24.9	26.9	33.2	35.1
Construction-in-progress	<u>.6</u>	<u>0.8</u>	<u>1.0</u>	<u>1.9</u>	<u>1.6</u>	<u>2.7</u>
Subtotal	74.2	75.7	115.0	122.2	189.2	197.9
Accumulated Depreciation	<u>(42.0)</u>	<u>(43.7)</u>	<u>(48.8)</u>	<u>(52.4)</u>	<u>(90.8)</u>	<u>(96.1)</u>
Totals	<u>\$32.2</u>	<u>\$32.0</u>	<u>\$66.2</u>	<u>\$69.8</u>	<u>\$98.4</u>	<u>\$101.8</u>

This year's major additions in the Governmental Activities included Police cars and a defibrillator. Additions to Business-type Activities included beginning construction of a medical arts facility.

The City's 2002 capital budget anticipates a spending level of \$19.0 million for capital projects. More detailed information about the City's capital assets is presented in Note 6 to the basic financial statements.

**Debt**

At year-end, the City had \$21.1 million in bonds and notes outstanding versus \$18.4 million last year-a increase of 14.7% as shown in Table 6 below.

**Table 6**

**Outstanding Debt, at Year-end  
(in millions)**

	Governmental Activities		Business-type Activities		Totals	
	2000	2001	2000	2001	2000	2001
	General obligation bonds (backed by the City)	\$4.1	\$4.9	\$ 0.0	\$ 0.0	\$4.1
General obligation Revenue bonds and notes (backed by specific revenues and the City of Wooster)	<u>0.0</u>	<u>0.0</u>	<u>14.3</u>	<u>16.2</u>	<u>14.3</u>	<u>16.2</u>
Totals	<u>\$4.1</u>	<u>\$4.9</u>	<u>\$14.3</u>	<u>\$16.2</u>	<u>\$18.4</u>	<u>\$21.1</u>

The City's general obligation bond rating is A-1 from Moody's and A from Standard and Poor's. Other obligations include accrued vacation pay and sick leave. More detailed information about the City's long-term liabilities is presented in the notes to the basic financial statements.

**SERVICE INDICATORS**

Service Indicators can assist in understanding how services impact the equity position of the City. If the cost per unit of service is declining then the impact of that service is to add equity to the City compared to previous years. The converse is also true. The following does not measure efficiency or effectiveness but merely reflects change in costs of activities.

**CITY OF WOOSTER, OHIO  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
FOR THE YEAR ENDED DECEMBER 31, 2001**

<b>Service Indicators</b>	<b>1996</b>	<b>1997</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>
<b>Safety Services</b>						
Police (000's)	\$2,906	\$3,058	\$3,098	\$3,318	\$4,035	\$4,159
Calls for Service	16,834	17,107	16,582	15,528	18,479	18,256
Traffic	2,321	2,364	2,416	3,005	3,022	2,790
Total Units of Service	19,155	19,471	18,998	18,533	21,501	21,046
Cost per Unit	\$151.71	\$157.05	\$163.07	\$179.03	\$187.67	\$197.61
Incidents per Citizen	0.8073	0.8115	0.7830	0.7553	0.8666	0.8418
Cost per Citizen	\$122.47	\$127.45	\$127.68	\$135.23	\$162.63	\$166.35
<b>Fire (000's)</b>						
Fire Responses	954	976	989	846	858	897
Squad Responses	2,293	2,439	2,440	2,533	2,440	2,623
Total Responses	3,247	3,415	3,429	3,379	3,298	3,520
Cost per Response	\$860	\$924	\$947	\$1,005	\$1,109	\$1,056
Response per Citizen	0.1368	0.1423	0.1413	0.1377	0.1329	0.1408
Cost per Citizen	\$117.62	\$131.53	\$133.86	\$138.41	\$147.39	\$148.63
<b>Street Lights (000's)</b>						
Street Lights (000's)	\$198	\$201	\$203	\$205	\$196	\$213
Cost per Acre	\$21.76	\$21.79	\$21.92	\$20.76	\$19.42	\$20.98
<b>Traffic Control (000's)</b>						
Traffic Control (000's)	\$357	\$389	\$423	\$420	\$552	\$384
Cost Per Citizen	\$15.05	\$16.21	\$17.43	\$17.12	\$22.25	\$15.36
<b>Health &amp; Social Services</b>						
Health Dept (000's)	\$106	\$111	\$129	\$133	\$136	\$141
Health Dept Cost per Citizen	\$4.47	\$4.63	\$5.32	\$5.42	\$5.48	\$5.64
<b>Leisure Services</b>						
Parks & Playgrounds (000's)	\$405	\$511	\$492	\$614	\$715	\$600
Acres of Parks	450	450	450	450	450	450
Square Feet per Citizen	826	817	808	799	790	784
Cost per Square Foot	\$0.207	\$0.026	\$0.025	\$0.031	\$0.036	\$0.031
Cost per Citizen	\$17.07	\$21.30	\$20.28	\$25.02	\$28.82	\$24.00
Corporate Challenge (000's)	\$13	\$12	\$1	\$0	\$0	\$0
Natatorium (000's)	\$10	\$9	\$8	\$11	\$5	\$8
Pools (000's)	\$236	\$279	\$315	\$387	\$421	\$514
Recreation Programs (000's)	\$356	\$430	\$470	\$521	\$577	\$763
Community Center (000's)	\$311	\$319	\$317	\$364	\$387	\$368
Total Recreation (000's)	\$998	\$1,105	\$1,189	\$1,354	\$1,471	\$1,753
Total Recreation Revenue (000's)	\$366	\$301	\$398	\$472	\$456	\$454
Participations	178,354	237,107	226,608	240,295	185,158	201,054
Participations per Citizen	7.52	9.88	9.34	9.79	7.46	8.04
Cost per Participation	\$5.60	\$4.66	\$5.25	\$5.63	\$7.94	\$8.72
Revenue per Participation	\$2.05	\$1.27	\$1.76	\$1.96	\$2.46	\$2.26
Cost per Citizen	\$42.06	\$46.05	\$49.00	\$55.18	\$59.29	\$70.11

**CITY OF WOOSTER, OHIO  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
FOR THE YEAR ENDED DECEMBER 31, 2001**

<b>Service Indicators</b>	<b>1996</b>	<b>1997</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>
<b>Environment</b>						
Zoning (000's)	\$90	\$100	\$115	\$156	\$415	\$307
Housing & Bldg Insp. (000's)	\$277	\$286	\$273	\$298	\$591	\$380
<b>Total Zoning &amp; Inspection</b>						
Cost (000's)	\$367	\$386	\$388	\$454	\$1,006	\$687
Cost \ Dwelling Unit	\$35.56	\$36.83	\$36.65	\$42.88	\$94.25	\$63.85
<b>Shade Trees (000's)</b>						
Shade Trees (000's)	\$58	\$57	\$97	\$77	\$115	\$137
Shade Tree Cost per Acre	\$6.37	\$6.18	\$10.47	\$7.80	\$11.40	\$13.50
<b>Transportation</b>						
Parking (000's)	\$25	\$43	\$32	\$32	\$33	\$36
Public Transit (000's)	\$212	\$63	\$195	\$57	\$63	\$66
Street Maintenance (000's)	\$1,584	\$1,905	\$2,290	\$2,695	\$3,436	\$3,298
Street Cleaning (000's)	\$104	\$161	\$129	\$159	\$156	\$173
Snow & Ice Removal (000's)	\$138	\$136	\$53	\$122	\$141	\$117
Total Transportation (000's)	\$2,063	\$2,308	\$2,699	\$3,065	\$3,829	\$3,690
<b>Cost per Mile of Street</b>						
Cost per Mile of Street	\$16,098	\$19,368	\$21,512	\$25,197	\$31,276	\$30,097
Feet of Street per Citizen	25.59	25.51	25.33	25.69	25.62	25.43
<b>Administrative Services</b>						
Engineering (000's)	\$271	\$358	\$328	\$439	\$369	\$469
Cost/dollar GFA (w/o WCH)	\$0.0056	\$0.0055	\$0.0049	\$0.0062	\$0.0052	\$0.0066
<b>Law (000's)</b>						
Law (000's)	\$164	\$195	\$212	\$210	\$226	\$229
Cost per budget dollar	\$0.0032	\$0.0035	\$0.0035	\$0.0033	\$0.0034	\$0.0031
<b>Finance (000's)</b>						
Finance (000's)	\$621	\$747	\$613	\$698	\$775	\$998
Cost per dollar of assets	\$0.0044	\$0.0045	\$0.0033	\$0.0036	\$0.0038	\$0.0046
<b>Information Technology</b>						
Information Technology	\$180	\$301	\$242	\$342	\$437	\$425
Cost per Employee	\$800.00	\$1,297.41	\$1,085.20	\$1,583.33	\$2,032.56	\$2,043.27
<b>Personnel (000's)</b>						
Personnel (000's)	\$161	\$202	\$214	\$262	\$287	\$294
Cost per Employee	\$715.56	\$870.69	\$959.64	\$1,212.96	\$1,334.88	\$1,423.08
<b>Director of Administration</b>						
Director of Administration (000's)	\$279	\$285	\$277	\$227	\$283	\$287
Cost per Employee	\$1,240.00	\$1,228.45	\$1,242.15	\$1,050.93	\$1,316.28	\$1,379.81
<b>Land &amp; Buildings</b>						
Land & Buildings	\$195	\$217	\$334	\$309	\$247	\$401
Cost per Citizen	\$8.22	\$9.04	\$13.77	\$12.59	\$9.96	\$16.04
<b>Mayor (000's)</b>						
Mayor (000's)	\$117	\$140	\$127	\$132	\$136	\$141
Council (000's)	\$39	\$40	\$50	\$49	\$73	\$67

**CITY OF WOOSTER, OHIO  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
FOR THE YEAR ENDED DECEMBER 31, 2001**

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**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

The City is a stand-alone community with the nearest large city twenty-five miles distant. The City has in the mix of economic sectors a relatively strong, greater than 35%, industrial sector. Because the community is stand-alone and derives its tax revenue from income taxes, the government budgets are forecast relying on employment conditions. Below is a table that demonstrates the changes in employment of those employers that employed more than 500 individuals as of December 31.

<u>Employer</u>	<u>Nature of Activity</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>
Newell Rubbermaid	Rubber Plastics Manuf.	1,900	1,950	1,550	1,250	1,250
Worthington Industries	Auto Parts Fabricator	1,000	1,100	1,050	1,000	900
The City of Wooster	Government	600	600	650	600	600
Rexroth Corporation	Hydraulics Manuf.	700	700	650	650	550
College of Wooster	Education	650	800	800	800	800
Wooster Brush Company	Manufacturer of Paint Applicators	500	500	500	500	500
Luk, Inc	Auto Parts Fabricator	500	600	650	650	750
The County of Wayne	Government	800	850	800	800	850
Wooster City Schools	Education	500	600	550	600	600
Wal-Mart	Retail	<u>N/A</u>	<u>250</u>	<u>500</u>	<u>650</u>	<u>400</u>
Total of Above		<u>7,150</u>	<u>7,950</u>	<u>7,700</u>	<u>7,500</u>	<u>7,200</u>

**BUDGETS**

The significant variances between the originally adopted budget for the year 2001 and the final budget were caused by the treatment of encumbrances that are added to the original budget. (See NOTE 2)

The Mayor proposed and Council adopted an original budget for the year 2002, which, if necessary, adjusted rates for any funds only for inflation and had the planned effect of decreasing the General Fund unencumbered cash by \$1,460,000. The target of 60 to 240 days of unencumbered cash in the General Fund is budgeted to be maintained.

**CONTACTING THE CITY'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Director of Finance, City of Wooster, 538 North Market Street, Wooster, Ohio 44691.

**CITY OF WOOSTER, OHIO  
STATEMENT OF NET ASSETS  
DECEMBER 31, 2001**

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
<b>ASSETS</b>			
<b>Current assets:</b>			
Equity in city treasury cash	\$ 20,104,253	\$ 76,680,257	\$ 96,784,510
Net receivables	4,489,149	9,078,169	13,567,318
Inventory	104,797	895,436	1,000,233
Prepaid expenses	0	247,249	247,249
Total current assets	<u>24,698,199</u>	<u>86,901,111</u>	<u>111,599,310</u>
<b>Noncurrent assets:</b>			
Long term receivables	2,894,719	761,027	3,655,746
Net capital assets	<u>31,965,328</u>	<u>69,805,677</u>	<u>101,771,005</u>
Total noncurrent assets	<u>34,860,047</u>	<u>70,566,704</u>	<u>105,426,751</u>
Total assets	<u>\$ 59,558,246</u>	<u>\$ 157,467,815</u>	<u>\$ 217,026,061</u>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Accounts payable	\$ 249,143	\$ 2,013,522	\$ 2,262,665
Accrued wages and benefits	2,083,328	4,222,645	6,305,973
Other accrued liabilities	42,773	5,197,312	5,240,085
Current portion long term debt	1,860,920	5,136,487	6,997,407
Current portion special assessment debt with government commitment	325,279	0	325,279
Deferred revenue	<u>2,881,610</u>	<u>103,257</u>	<u>2,984,867</u>
Total current liabilities	<u>7,443,053</u>	<u>16,673,223</u>	<u>24,116,276</u>
<b>Noncurrent liabilities</b>			
Bonds and notes	721,339	11,060,945	11,782,284
Special assessment debt with governmental commitment	1,385,629	0	1,385,629
Loans	564,000	32,272	596,272
Compensated absences	<u>741,819</u>	<u>846,276</u>	<u>1,588,095</u>
Total noncurrent liabilities	<u>3,412,787</u>	<u>11,939,493</u>	<u>15,352,280</u>
Total liabilities	<u>10,855,840</u>	<u>28,612,716</u>	<u>39,468,556</u>
<b>NET ASSETS</b>			
Invested in capital assets , net of related debt	27,108,161	53,575,973	80,684,134
<b>Restricted for:</b>			
Capital projects	4,814,939	0	4,814,939
Debt service	2,724,672	0	2,724,672
Other purposes	4,480,696	2,430,688	6,911,384
Unrestricted	<u>9,573,938</u>	<u>72,848,438</u>	<u>82,422,376</u>
Total net assets	<u>48,702,406</u>	<u>128,855,099</u>	<u>177,557,505</u>
Total liabilities and net assets	<u>\$ 59,558,246</u>	<u>\$ 157,467,815</u>	<u>\$ 217,026,061</u>

See accompanying notes to the basic financial statements

CITY OF WOOSTER, OHIO  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2001

Functions/Programs	Expenses	Indirect Expense Allocation	Program Revenues		
			Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Primary government</b>					
<b>Governmental activities:</b>					
Safety services	\$ 7,423,056	\$ 1,046,587	\$ 293,345	\$ 140,387	\$ 0
Health and social services	141,727	0	0	0	0
Leisure services	1,902,820	325,405	429,655	32,388	0
Environment and development	731,188	56,808	274,302	117,262	0
Transportation services	2,494,796	768,786	62,280	1,130,709	317,511
Administrative services	3,340,079	(2,880,520)	132,182	79,100	0
Central services and gifts	363,619	(363,619)	0	0	0
Unallocated interest expense	166,661	0	0	0	0
<b>Total governmental activities</b>	<b>16,563,946</b>	<b>(1,046,553)</b>	<b>1,191,764</b>	<b>1,499,846</b>	<b>317,511</b>
<b>Business-type activities:</b>					
Wooster Community Hospital	49,644,499	0	55,137,267	113,931	0
Water	3,554,458	308,025	3,910,079	0	0
Water pollution control	3,046,963	574,921	3,656,400	0	0
Storm drainage	293,189	110,310	525,137	0	0
Refuse collection	1,070,694	53,297	1,053,226	27,790	0
CDBG development loans	0	0	9,703	0	0
<b>Total business-type activities</b>	<b>57,609,803</b>	<b>1,046,553</b>	<b>64,291,812</b>	<b>141,721</b>	<b>0</b>
<b>Total primary government</b>	<b>\$ 74,173,749</b>	<b>\$ 0</b>	<b>\$ 65,483,576</b>	<b>\$ 1,641,567</b>	<b>\$ 317,511</b>

**General revenues:**

**Taxes:**

City income taxes

Property taxes

Estate taxes

Other taxes

**Grants and contributions**

**Interest and investment earnings**

**Miscellaneous**

**Transfers**

**Total general revenues**

**Change in net assets**

**Net assets -- beginning (Restated, Note 1)**

**Net assets -- ending**

See accompanying notes to the basic financial statements

**Net (Expense) Revenue and  
Changes in Net Assets**

**Primary Government**

<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
\$ (8,035,911)	\$	\$ (8,035,911)
(141,727)		(141,727)
(1,766,182)		(1,766,182)
(396,432)		(396,432)
(1,753,082)		(1,753,082)
(248,277)		(248,277)
0		0
(166,661)		(166,661)
<u>(12,508,272)</u>		<u>(12,508,272)</u>

	5,606,699	5,606,699
	47,596	47,596
	34,516	34,516
	121,638	121,638
	(42,975)	(42,975)
	9,703	9,703
	<u>5,777,177</u>	<u>5,777,177</u>
\$ (12,508,272)	\$ 5,777,177	\$ (6,731,095)

\$ 7,731,244	\$ 0	\$ 7,731,244
2,066,681	0	2,066,681
564,448	0	564,448
106,986	0	106,986
1,759,816	0	1,759,816
1,112,213	4,053,449	5,165,662
191,324	15,489	206,813
401,034	2,345	403,379
<u>13,933,746</u>	<u>4,071,283</u>	<u>18,005,029</u>
1,425,474	9,848,460	11,273,934
47,276,932	119,006,639	166,283,571
<u>\$ 48,702,406</u>	<u>\$ 128,855,099</u>	<u>\$ 177,557,505</u>

CITY OF WOOSTER, OHIO  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2001

	General Fund	Street Construction Maintenance and Repair Fund	Capital Improvements Fund	Debt Service Fund
<b>Assets:</b>				
Equity in city treasury cash	\$ 10,631,755	\$ 1,709,663	\$ 4,347,800	\$ 478,195
Taxes receivable	2,914,352	0	0	0
Accounts receivable	20,912	0	0	0
Due from other governments	627,070	417,500	0	0
Due from other funds	50,700	0	0	0
Accrued interest receivable	34,425	11,811	26,548	1,308
Inventory	56,966	23,922	0	0
Long term receivables	0	0	0	0
Special assessments receivable	0	0	0	2,173,385
<b>Total assets</b>	<b>14,336,180</b>	<b>2,162,896</b>	<b>4,374,348</b>	<b>2,652,888</b>
<b>Liabilities:</b>				
Accounts payable	132,779	11,703	57,087	0
Accrued salaries, wages and benefits	1,057,100	0	0	0
Due to other funds	0	0	0	0
Deferred revenue	2,353,175	0	0	2,173,385
<b>Total liabilities</b>	<b>3,543,054</b>	<b>11,703</b>	<b>57,087</b>	<b>2,173,385</b>
<b>Fund balances:</b>				
Reserved for encumbrances	720,160	530,747	349,559	0
Unreserved, reported in:				
General fund	10,072,966	0	0	0
Special revenue funds	0	1,620,446	0	0
Capital projects funds	0	0	3,967,702	0
Debt service funds	0	0	0	479,503
<b>Total fund balances</b>	<b>10,793,126</b>	<b>2,151,193</b>	<b>4,317,261</b>	<b>479,503</b>
<b>Total liabilities and fund balances</b>	<b>\$ 14,336,180</b>	<b>\$ 2,162,896</b>	<b>\$ 4,374,348</b>	<b>\$ 2,652,888</b>

See accompanying notes to the basic financial statements

**CITY OF WOOSTER, OHIO  
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCE  
TO NET ASSETS OF GOVERNMENTAL ACTIVITIES  
DECEMBER 31, 2001**

<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>		
		<b>Total Governmental Fund Balances</b>	<b>\$ 20,643,014</b>
		<i>Amounts reported for governmental activities in the statement of net assets are different because:</i>	
\$ 2,864,120	\$ 20,031,533		
309,444	3,223,796	<b>Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.</b>	<b>31,955,064</b>
0	20,912		
61,311	1,105,881		
0	50,700		
13,775	87,867		
23,909	104,797	<b>Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.</b>	<b>2,673,385</b>
721,334	721,334		
0	2,173,385		
<u>3,993,893</u>	<u>27,520,205</u>		
		<b>Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.</b>	<b><u>(6,569,057)</u></b>
41,934	243,503		
1,886	1,058,986	<b>Net Assets of Governmental Activities</b>	<b>\$ <u>48,702,406</u></b>
19,700	19,700		
<u>1,028,442</u>	<u>5,555,002</u>		
<u>1,091,962</u>	<u>6,877,191</u>		
1,212,640	2,813,106		
0	10,072,966		
1,189,739	2,810,185		
499,552	4,467,254		
0	479,503		
<u>2,901,931</u>	<u>20,643,014</u>		
<u>\$ 3,993,893</u>	<u>\$ 27,520,205</u>		

**CITY OF WOOSTER, OHIO  
STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2001**

	General Fund	Street Construction Maintenance and Repair Fund	Capital Improvements Fund	Debt Service Fund
<b>Revenues :</b>				
Taxes	\$ 9,978,875	\$ 0	\$ 0	\$ 0
Intergovernmental	1,864,821	755,770	0	0
Charges for services	773,320	0	0	0
Special assessments	0	0	0	201,988
Fines, licenses, permits	521,978	0	0	0
Interfund services provided	1,006,130	0	0	0
Interest income	576,202	88,895	237,024	14,668
Miscellaneous	112,931	2,441	71,623	0
<b>Total Revenues</b>	<b>14,834,257</b>	<b>847,106</b>	<b>308,647</b>	<b>216,656</b>
<b>Expenditures :</b>				
<b>Current operations :</b>				
Safety services	6,829,697	199,558	0	0
Health and social services	141,727	0	0	0
Leisure services	1,647,442	0	0	0
Environment and development	607,272	0	0	0
Utility services	0	0	0	0
Transportation services	858,950	586,686	0	338
Administrative services	2,868,199	0	0	0
Capital expenditures	263,490	77,926	908,382	0
<b>Debt service :</b>				
Principal	390,621	0	0	82,078
Interest	31,500	0	0	87,652
<b>Total Expenditures</b>	<b>13,638,898</b>	<b>864,170</b>	<b>908,382</b>	<b>170,068</b>
<b>Excess revenues over(under) expenditur</b>	<b>1,195,359</b>	<b>(17,064)</b>	<b>(599,735)</b>	<b>46,588</b>
<b>Other financing sources (uses) :</b>				
Proceeds from debt issues	0	400,000	0	236,349
Operating transfers in	303,169	0	746,571	0
Operating transfers (out)	(386,640)	0	0	0
<b>Excess revenues and other sources over expenditures and other uses</b>	<b>1,111,888</b>	<b>382,936</b>	<b>146,836</b>	<b>282,937</b>
<b>Fund balances at beginning of year</b>	<b>9,681,238</b>	<b>1,768,257</b>	<b>4,170,425</b>	<b>196,566</b>
<b>Fund balances at end of year</b>	<b>\$ 10,793,126</b>	<b>\$ 2,151,193</b>	<b>\$ 4,317,261</b>	<b>\$ 479,503</b>

See accompanying notes to the basic financial statements

**CITY OF WOOSTER, OHIO**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2001**

<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>		
		Net Change in Fund Balances - Total Governmental Funds	\$ 2,219,862
		<i>Amounts reported for governmental activities in the statement of activities are different because</i>	
		<b>Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlay in the current period.</b>	
\$ 667,748	\$ 10,646,623		
356,016	2,976,607		
0	773,320		
0	201,988		
10,222	532,200		
0	1,006,130		
195,424	1,112,213		
3,864	190,859		
<u>1,233,274</u>	<u>17,439,940</u>		
		<b>Governmental funds only report the disposal of assets to the extent proceeds are received from the sale. In the Statement of Activities, a gain or loss is reported for each disposal. This is the amount of the loss on the disposal of fixed assets. There were no proceeds.</b>	(84,956)
		<b>Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.</b>	(165,377)
256,949	7,286,204		
0	141,727		
3,464	1,650,906		
84,452	691,724		
0	0		
64,570	1,510,544		
68,752	2,936,951		
640,947	1,890,745		
		<b>Proceeds from debt issues are an other financing source in the funds, but a debt issue increases long-term liabilities in the Statement of Net Assets</b>	(1,161,992)
		<b>Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets</b>	517,804
45,105	517,804		
37,347	156,499		
<u>1,201,586</u>	<u>16,783,104</u>		
		<b>In the Statement of Activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.</b>	(10,162)
31,688	656,836		
		<b>Some expense reported in the Statement of Activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.</b>	182,740
525,644	1,161,993		
0	1,049,740		
(262,067)	(648,707)		
295,265	2,219,862		
2,606,666	18,423,152		
		<b>Change in Net Assets of Governmental Activities</b>	<u>\$ 1,425,474</u>
<u>\$ 2,901,931</u>	<u>\$ 20,643,014</u>		

**CITY OF WOOSTER, OHIO  
STATEMENT OF NET ASSETS  
PROPRIETARY FUNDS  
DECEMBER 31, 2001**

	<b>Business-type Activities</b>			
	<b>Wooster Community Hospital</b>	<b>Water</b>	<b>Water Pollution Control</b>	<b>Storm Drainage</b>
<b>Assets</b>				
<b>Current Assets</b>				
Equity in city treasury cash	\$ 50,393,184	\$ 9,943,449	\$ 11,776,630	\$ 4,115,413
Receivables - net of allowances:				
Accounts	7,096,248	519,338	666,002	81,559
Accrued interest	335,616	93,167	107,789	17,590
Inventory	789,102	75,896	9,238	21,200
Prepaid expenses	247,249	0	0	0
<b>Total Current Assets</b>	<b>58,861,399</b>	<b>10,631,850</b>	<b>12,559,659</b>	<b>4,235,762</b>
<b>Noncurrent assets</b>				
Long term receivables	0	0	545,883	0
Net capital assets	30,444,544	22,546,230	13,250,037	3,564,866
<b>Total Noncurrent assets</b>	<b>30,444,544</b>	<b>22,546,230</b>	<b>13,795,920</b>	<b>3,564,866</b>
<b>Total Assets</b>	<b>89,305,943</b>	<b>33,178,080</b>	<b>26,355,579</b>	<b>7,800,628</b>
<b>Liabilities</b>				
<b>Current Liabilities</b>				
Accounts Payable	1,817,125	59,546	32,784	20,059
Accrued salaries, wages and benefits	3,797,191	220,905	199,691	4,858
Other accrued liabilities	1,678,455	3,430,475	0	0
Interest payable	5,018	44,172	1,543	6,649
Due to other funds	0	0	0	0
Current portion of long term debt	440,000	1,719,118	275,402	2,701,967
Deferred revenues	0	0	0	103,257
<b>Total Current Liabilities</b>	<b>7,737,789</b>	<b>5,474,216</b>	<b>509,420</b>	<b>2,836,790</b>
<b>Noncurrent Liabilities</b>				
Long term debt	1,460,000	9,600,945	32,272	0
Compensated absences	715,621	50,792	79,863	0
<b>Total Noncurrent Liabilities</b>	<b>2,175,621</b>	<b>9,651,737</b>	<b>112,135</b>	<b>0</b>
<b>Total Liabilities</b>	<b>9,913,410</b>	<b>15,125,953</b>	<b>621,555</b>	<b>2,836,790</b>
<b>Net Assets</b>				
Invested in capital assets, net of related debt	28,544,544	11,226,167	12,942,363	862,899
Restricted for				
Capital projects	0	0	0	0
Other purpose	1,762,530	0	0	0
Unrestricted	49,085,459	6,825,960	12,791,661	4,100,939
<b>Total net assets</b>	<b>79,392,533</b>	<b>18,052,127</b>	<b>25,734,024</b>	<b>4,963,838</b>
<b>Total liabilities and net assets</b>	<b>\$ 89,305,943</b>	<b>\$ 33,178,080</b>	<b>\$ 26,355,579</b>	<b>\$ 7,800,628</b>

See accompanying notes to the basic financial statements

Business-type Activities			Governmental Activities
Refuse	Nonmajor Enterprise Funds	Totals	Internal Service
\$ 816	\$ 450,765	\$ 76,680,257	\$ 72,720
157,964	0	8,521,111	0
647	2,249	557,058	0
0	0	895,436	0
0	0	247,249	0
<u>159,427</u>	<u>453,014</u>	<u>86,901,111</u>	<u>72,720</u>
0	215,144	761,027	0
0	0	69,805,677	10,264
<u>0</u>	<u>215,144</u>	<u>70,566,704</u>	<u>10,264</u>
<u>159,427</u>	<u>668,158</u>	<u>157,467,815</u>	<u>82,984</u>
84,008	0	2,013,522	5,641
0	0	4,222,645	60,822
0	0	5,108,930	0
0	0	57,382	0
31,000	0	31,000	0
0	0	5,136,487	0
0	0	103,257	0
<u>115,008</u>	<u>0</u>	<u>16,673,223</u>	<u>66,463</u>
0	0	11,093,217	0
0	0	846,276	16,521
<u>0</u>	<u>0</u>	<u>11,939,493</u>	<u>16,521</u>
<u>115,008</u>	<u>0</u>	<u>28,612,716</u>	<u>82,984</u>
0	0	53,575,973	10,264
0	0	0	0
0	668,158	2,430,688	0
44,419	0	72,848,438	(10,264)
<u>44,419</u>	<u>668,158</u>	<u>128,855,099</u>	<u>0</u>
\$ <u>159,427</u>	\$ <u>668,158</u>	\$ <u>157,467,815</u>	\$ <u>82,984</u>

**CITY OF WOOSTER, OHIO**  
**STATEMENT OF REVENUES, EXPENSES**  
**AND CHANGES IN NET ASSETS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2001**

	<b>Business-type Activities</b>			
	<b>Wooster Community Hospital</b>	<b>Water</b>	<b>Water Pollution Control</b>	<b>Storm Drainage</b>
<b>Operating Revenues :</b>				
Charges for services	\$ 55,137,267	\$ 3,910,079	\$ 3,656,400	\$ 525,137
Interfund services provided	0	0	0	0
Operating subsidies	113,931	0	0	0
Miscellaneous	0	14,160	1,051	83
Total operating revenues	<u>55,251,198</u>	<u>3,924,239</u>	<u>3,657,451</u>	<u>525,220</u>
<b>Operating expenses:</b>				
Personal services	26,717,747	1,109,519	1,112,262	133,255
Operations and maintenance	19,544,442	844,179	874,107	18,857
Depreciation	3,239,100	1,042,347	1,029,082	134,428
Interfund services used	0	308,025	574,921	110,310
Total operating expenses	<u>49,501,289</u>	<u>3,304,070</u>	<u>3,590,372</u>	<u>396,850</u>
Operating income (loss)	<u>5,749,909</u>	<u>620,169</u>	<u>67,079</u>	<u>128,370</u>
<b>Non-operating revenues (expenses):</b>				
Interest & investment earnings	2,633,931	597,046	699,101	101,236
Interest expense	(143,209)	(558,414)	(31,512)	(6,649)
Net non-operating revenues (expenses)	<u>2,490,722</u>	<u>38,632</u>	<u>667,589</u>	<u>94,587</u>
Income before contributions and transfers	8,240,631	658,801	734,668	222,957
Transfers	<u>0</u>	<u>2,345</u>	<u>0</u>	<u>0</u>
Change in net assets	8,240,631	661,146	734,668	222,957
Total net assets at beginning of year	<u>71,151,902</u>	<u>17,390,981</u>	<u>24,999,356</u>	<u>4,740,881</u>
Total net assets at end of year	<u>\$ 79,392,533</u>	<u>\$ 18,052,127</u>	<u>\$ 25,734,024</u>	<u>\$ 4,963,838</u>

See accompanying notes to the basic financial statements

<b>Business-type Activities</b>			<b>Governmental Activities</b>
<b>Refuse</b>	<b>Nonmajor Enterprise Funds</b>	<b>Totals</b>	<b>Internal Service</b>
\$ 1,053,226	\$ 9,703	\$ 64,291,812	\$ 0
0	0	0	363,619
27,790	0	141,721	0
195	0	15,489	0
<u>1,081,211</u>	<u>9,703</u>	<u>64,449,022</u>	<u>363,619</u>
0	0	29,072,783	276,359
1,069,362	0	22,350,947	81,956
0	0	5,444,957	5,304
53,297	0	1,046,553	0
<u>1,122,659</u>	<u>0</u>	<u>57,915,240</u>	<u>363,619</u>
<u>(41,448)</u>	<u>9,703</u>	<u>6,533,782</u>	<u>0</u>
0	22,135	4,053,449	0
(1,332)	0	(741,116)	0
<u>(1,332)</u>	<u>22,135</u>	<u>3,312,333</u>	<u>0</u>
(42,780)	31,838	9,846,115	0
0	0	2,345	0
(42,780)	31,838	9,848,460	0
87,199	636,320	119,006,639	0
<u>\$ 44,419</u>	<u>\$ 668,158</u>	<u>\$ 128,855,099</u>	<u>\$ 0</u>

CITY OF WOOSTER, OHIO  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2001

	Business-type Activities		
	Wooster Community Hospital	Water	Water Pollution Control
<b>Cash flows from operating activities:</b>			
Cash received from customers	\$ 55,485,576	\$ 3,949,529	\$ 3,448,377
Cash paid to suppliers	(18,444,510)	(889,411)	(901,522)
Cash paid to employees	(26,047,438)	(1,092,783)	(1,090,256)
Cash received from interfund services provided	0	0	0
Cash paid for internal services used	0	(308,025)	(574,921)
Other expenses	(88,668)		0
Net cash provided by operating activities	<u>10,904,960</u>	<u>1,659,310</u>	<u>881,678</u>
<b>Cash flows from noncapital financing activities:</b>			
Operating subsidies	<u>0</u>	<u>2,345</u>	<u>0</u>
<b>Cash flows from capital and related financing activities:</b>			
Proceeds from capital debt	1,900,000	3,626,236	9,823
Capital contributions	73,645	0	0
Proceeds from sale of assets	66,800	0	0
Purchases of capital assets	(6,906,124)	(1,090,804)	(925,264)
Principal paid on capital debt	(2,250,000)	(3,747,900)	(263,915)
Interest paid on capital debt	(150,755)	(560,999)	(33,010)
Net cash (used) for capital and related financing activities	<u>(7,266,434)</u>	<u>(1,773,467)</u>	<u>(1,212,366)</u>
<b>Cash flows from investing activities:</b>			
Interest and dividends	<u>2,917,652</u>	<u>671,531</u>	<u>788,541</u>
Net cash provided (used) by investing activities	<u>2,917,652</u>	<u>671,531</u>	<u>788,541</u>
Net increase in cash and cash equivalents	6,556,178	559,719	457,853
Cash and cash equivalents at beginning of year	43,837,006	9,383,730	11,318,777
Cash and cash equivalents at end of year	<u>\$ 50,393,184</u>	<u>\$ 9,943,449</u>	<u>\$ 11,776,630</u>
<b>Noncash Investing, Capital and Financing Activities:</b>			
Acquisition of capital assets on account	<u>\$ 685,241</u>	<u>\$ 2,002</u>	<u>\$ 7,507</u>
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>			
Operating income (loss)	\$ 5,749,909	\$ 620,169	\$ 67,079
<b>Adjustments to reconcile operating income to net cash provided (used) by operating activities:</b>			
Depreciation expense	3,239,100	1,042,347	1,029,082
Loss on disposal of capital assets	116,607	303	154,593
<b>Changes in assets and liabilities:</b>			
Receivables - net of allowances	355,801	25,291	(209,074)
Inventory	(114,931)	8,444	4,745
Prepaid expenses	(28,870)	0	0
Accounts and other payables	607,639	(53,979)	(186,753)
Accrued expenses	564,294	16,735	22,006
Other accrued liabilities	415,411	0	0
Net cash provided by operating activities	<u>\$ 10,904,960</u>	<u>\$ 1,659,310</u>	<u>\$ 881,678</u>

See accompanying notes to the basic financial statements

Business-type Activities				Governmental
Storm Drainage	Refuse	Nonmajor Enterprise Funds	Totals	Internal Service
\$ 471,326	\$ 1,037,168	\$ 47,006	\$ 64,438,982	\$ 0
(39,653)	(954,354)	0	(21,229,450)	(92,025)
(129,941)	0	0	(28,360,418)	(262,579)
0	0	0	0	363,619
(110,310)	(53,297)	0	(1,046,553)	0
0	27,790	0	(60,878)	0
<u>191,422</u>	<u>57,307</u>	<u>47,006</u>	<u>13,741,683</u>	<u>9,015</u>
0	0	0	2,345	0
2,701,967	0	0	8,238,026	0
0	0	0	73,645	0
0	0	0	66,800	0
(488,557)	0	0	(9,410,749)	0
0	0	0	(6,261,815)	0
0	0	0	(744,764)	0
<u>2,213,410</u>	<u>0</u>	<u>0</u>	<u>(8,038,857)</u>	<u>0</u>
112,119	(553)	24,483	4,513,773	0
<u>112,119</u>	<u>(553)</u>	<u>24,483</u>	<u>4,513,773</u>	<u>0</u>
2,516,951	56,754	71,489	10,218,944	9,015
1,598,462	(55,938)	379,276	66,461,313	63,705
<u>\$ 4,115,413</u>	<u>\$ 816</u>	<u>\$ 450,765</u>	<u>\$ 76,680,257</u>	<u>\$ 72,720</u>
\$ 0	0	0	694,750	0
\$ 128,370	\$ (41,448)	\$ 9,703	\$ 6,533,782	\$ 0
134,428	0	0	5,444,957	5,304
0	0	0	271,503	0
(53,895)	(16,253)	37,303	139,173	0
792	0	0	(100,950)	0
0	0	0	(28,870)	0
(21,588)	115,008	0	460,327	(10,069)
3,315	0	0	606,350	13,780
0	0	0	415,411	0
<u>\$ 191,422</u>	<u>\$ 57,307</u>	<u>\$ 47,006</u>	<u>\$ 13,741,683</u>	<u>\$ 9,015</u>

**CITY OF WOOSTER, OHIO  
STATEMENT OF ASSETS & LIABILITIES  
AGENCY FUNDS  
DECEMBER 31, 2001**

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	<b>Total Agency Funds</b>
	<u>                    </u>
<b>Assets:</b>	
Equity in city treasury cash	\$ 489,472
Accrued interest receivable	<u>609</u>
<b>Total assets</b>	<u><u>490,081</u></u>
<b>Liabilities:</b>	
Accounts payable	5,463
Accrued wages and benefits	446
Due to agency recipient	<u>484,172</u>
<b>Total liabilities</b>	<u><u>\$ 490,081</u></u>

See accompanying notes to the basic financial statements

CITY OF WOOSTER, OHIO  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED DECEMBER 31, 2001

INDEX

<u>Note</u>		<u>Page</u>
1.	Summary of Significant Accounting Policies .....	44
	Financial Reporting Entity .....	44
	Basis of Presentation – Fund Accounting.....	44
	Basis of Accounting .....	44
	Revenue Recognition .....	46
	Expenditure Recognition .....	46
	Cash and Cash Equivalents.....	48
	Investments .....	48
	Receivables.....	48
	Reimbursements.....	49
	Inventory of Supplies .....	49
	Capital Assets and Depreciation .....	49
	Reservations of Fund Balance.....	50
	Unpaid Compensated Absences .....	50
2.	Compliance and Accountability .....	50
	Budget Requirements, Accounting, and Reporting.....	50
	Interfund Transactions .....	51
3.	Reconciliation of Government-wide and Fund Financial Statements .....	51
	Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets.....	51
	Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities .....	51
4.	Deposits and Investments.....	52
	Policies and Practices .....	52
	Deposits.....	52
	Investments .....	52
5.	Property Tax .....	53
6.	Capital Assets and Depreciation.....	53
7.	Pensions and Other Post Employment Benefits.....	55
	Employees and Plans.....	55
	Benefit Provisions .....	55
	Contributions to Plans .....	55
	Postemployment Benefits Other Than Pensions.....	56
8.	Other Employee Benefits .....	57
	Compensated Absences.....	57
9.	Other Commitments.....	57
	Justice Center Contract .....	57
	Construction Commitments .....	57
10.	Contingencies .....	58
	Enterprise and Special Assessment Bonded Debt.....	58
	Litigation .....	58
	Contingencies Under Grant Provisions .....	58
	Other Contingencies.....	58
11.	Conduit Debt Obligations .....	59
12.	Risk Management.....	59
	Liability Insurance .....	59
	Self-Insured Health Care.....	60
13.	Plant Closure Costs .....	60
14.	Debt .....	60
	Governmental Activities .....	60
	Refunding.....	60
	Debt service requirements to maturity.....	61
	Short-term Debt.....	61
	Changes and balances of long-term liabilities.....	62

**CITY OF WOOSTER, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2001**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Financial Reporting Entity**

The City of Wooster (City) was incorporated on October 13, 1817 under the laws of the State of Ohio. In 1973 a voter-approved charter became effective. The City provides various services and consists of many different activities and smaller accounting entities. These include a community hospital, an economic development loan program, a police force, a fire fighting and prevention force, a sewage treatment plant, a water treatment plant, a storm water drainage system, a traffic control system, street lighting, a street maintenance force (including construction, repair, and snow and ice removal), a parks and recreation system, a community center, rubbish collection and recycling service and staff to provide the necessary support to these service providers. All are responsible to the citizens of Wooster and are therefore included within the reporting entity.

The criteria used to determine which accounting entities, agencies, commissions, boards and authorities are part of the City's operations include how the budget is adopted, whether debt is secured by general obligations of the City, the City's duty to cover any deficits that may occur, and supervision over the accounting functions. There are no agencies, organizations or activities meeting any of the above criteria that are excluded from the City reporting entity.

**Basis of Presentation - Fund Accounting**

The accounting system is organized and operated on a fund basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

The City's funds are grouped into two broad fund categories and six generic fund types for financial statement presentation purposes. Governmental funds include the general, special revenue, debt service and capital projects funds. Proprietary funds include enterprise funds and an internal service fund. The City has four fiduciary agency funds.

**Basis of Accounting**

**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

The government-wide financial statements (i.e., the Statement of Net Assets and the Statement of Activities) report information on all of the non-fiduciary activities of the primary government. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which primarily rely on fees and charges for support. Internal service fund activity is eliminated to avoid "doubling up" revenues and expenses. Fiduciary funds are also excluded from the government-wide financial statements.

The government-wide statements are prepared using the economic resources measurement focus and the accrual basis of accounting. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Therefore, governmental fund financial statements include reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds. The primary effect of internal activity has been eliminated from the government-wide financial statements.

**CITY OF WOOSTER, OHIO  
 NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)  
 FOR THE YEAR ENDED DECEMBER 31, 2001**

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The government-wide Statement of Activities presents a comparison between expenses, both direct and indirect, and program revenues for each segment of the business-type activities of the City and for each governmental program. Direct expenses are those that are specifically associated with a service, program or department and are therefore clearly identifiable to a particular function. Indirect expenses for centralized services and administrative overhead are allocated among the programs, functions and segments using a full cost allocation approach and are presented separately to enhance comparability of direct expenses between governments that allocate direct expenses and those that do not. Program revenues include charges paid by the recipients of the goods or services offered by the programs and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues not classified as program revenues are presented as general revenues. The comparison of program revenues and expenses identifies the extent to which each program or business segment is self-financing or draws from the general revenues of the City.

Net assets should be reported as restricted when constraints placed on net asset use are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The net assets restricted for other purposes result from special revenue funds and the restrictions on their net asset use.

Several factors contributed to a change in beginning fund balance for governmental activities in the statement of activities. Each of these changes is discussed individually in the following notes. The total change is calculated as follows:

	<u>Governmental Activities</u>	
Beginning Fund Balance	\$47,764,043	
Reclass Guaranteed Deposit Fund	(114,773)	
Reclass Clearing Fund	(354,911)	
Reclass Recreation Supplement Fund	(58,899)	
GASB 36 receivable accrual	398,094	
Loss on prior period sale of land	<u>(356,622)</u>	
Adjusted Beginning Balance	<u>\$47,276,932</u>	
Grants and contributions as previously reported		\$1,361,722
Implementation of GASB 36		<u>398,094</u>
Grants and contributions , restated		<u>\$1,759,816</u>

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

**FUND FINANCIAL STATEMENTS**

Fund financial statements report detailed information about the City. The focus of governmental and enterprise fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. The internal service fund is presented in a single column on the face of the proprietary fund statements.

**CITY OF WOOSTER, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2001**

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**GOVERNMENTAL FUNDS**

All governmental funds are accounted for using modified accrual basis of accounting and the current financial resources measurement focus. Under this basis revenues are recognized in the accounting period in which they become measurable and available. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable.

The major governmental funds are:

- **General Fund** – This is the City’s primary operating fund. It is used to account for all financial resources except those required to be accounted for in another fund.
- **Street Construction Maintenance and Repair Fund**– Required by the Ohio Revised Code to account for that portion of the state gasoline tax and motor vehicle registration fees designated for maintenance of streets within the City.
- **Capital Improvements Fund** – To account for various capital projects financed by general fund revenues.
- **Debt Service Fund** – To accumulate special assessment revenues collected by the County Treasurer and remitted to the City by the County Auditor for payment of special assessment principal and interest. These debt issues were sold to finance construction of various projects that were deemed to benefit only those residents in the immediate area of the projects and are paid for by those residents through assessments against their property.

**Revenue Recognition**

In applying the susceptible to accrual concept under the modified accrual basis, the following revenue sources are deemed both measurable and available (i.e., collectible within the current year or within one month of year-end and available to pay obligations of the current period). This includes investment earnings, income taxes withheld by employers, estate taxes, and fines and forfeitures. In accordance with GASB 36, certain state-levied locally shared taxes including motor vehicle license tax and gasoline taxes are considered voluntary non-exchange transactions. These types of transactions are subject to six months accrual and income recognition. Reimbursements due for federally funded projects are accrued as revenue at the time the expenditures are made, or when received in advance, deferred until expenditures are made.

Property taxes and special assessments (in the debt service funds), though measurable, are not available soon enough in the subsequent year to finance current period obligations. Therefore, property tax and special assessment receivables are recorded and deferred until they become available.

Other revenues, including licenses and permits, certain charges for services, income taxes other than those withheld by employers and miscellaneous revenues, are recorded as revenue when received in cash because they are generally not measurable until actually received.

**Expenditure Recognition**

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Most expenditures are measurable and are recorded when the related fund liability is incurred. However, principal and interest on general long-term debt, which has not matured, are recognized when paid. Allocations of costs, such as depreciation and amortization, are not recognized in the governmental funds.

**PROPRIETARY FUNDS**

All proprietary funds are accounted for using the accrual basis of accounting. These funds account for operations that are primarily financed by user charges. The economic resource focus concerns determining costs as a means of maintaining the capital investment and management control. Revenues are recognized

**CITY OF WOOSTER, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2001**

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when earned and expenses are recognized when incurred. Allocations of costs, such as depreciation, are recorded in proprietary funds. Unbilled utility and hospital service receivables are recorded at each year-end. City Council granted certain residents a credit against storm drainage user charges for amounts paid by them for special assessments levied. The amount of the credit is recorded as deferred revenue and will be credited against each customer's monthly storm drainage charge. The receivable and revenue from such assessments are reported as accounts receivable and user charges (or deferred revenue), respectively. Proprietary funds have selected to consistently not follow Financial Accounting Standards Board pronouncements issued subsequent to November 30, 1989 as permitted under Governmental Accounting Standards Board Statement No. 20.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of all the city's enterprise funds and internal service fund are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The major proprietary funds are:

- **Wooster Community Hospital Fund – To account for the health care services provided by the City owned and operated hospital.**
- **Water Production Fund – To account for the provision of water treatment and distribution to the residential and commercial users of the City and some residents of the county.**
- **Water Pollution Control Fund – To account for sanitary sewer services provided to the residential and commercial users of the City and some residents of the county.**
- **Storm Drainage Fund – To account for the storm drainage runoff service provided to the residential and commercial users of the City.**
- **Refuse Collection Fund – To account for trash collection services provided to the residential and some commercial users of the City.**

The City's only internal service fund is the Municipal Garage Fund. This fund accounts for the costs of maintaining automotive equipment used by various City departments. Costs are billed to the departments for labor and materials at actual cost with the elimination of the effect of internal service fund activity adjusted to break even.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, and then unrestricted resources as they are needed.

#### **FIDUCIARY FUNDS**

The City currently has four agency fiduciary funds. Agency funds are unlike all other types of funds, reporting only assets and liabilities. Therefore agency funds cannot be said to have a measurement focus. They do, however, use the accrual basis of accounting to recognize receivables and payables.

Three of our four current agency funds were previously reported as special revenue funds. After reviewing these funds and removing all unrelated transactions, it was determined that these funds were true agency funds and should be classified accordingly. In accordance with accounting change regulations the following are the changes in beginning fund balance for the affected funds.

**CITY OF WOOSTER, OHIO  
 NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)  
 FOR THE YEAR ENDED DECEMBER 31, 2001**

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	<u>Non Major Special Revenue</u>	<u>Agency</u>
Beginning Fund Balance	\$1,928,069	\$ 0
Guaranteed Deposit Fund	(114,773)	114,773
Clearing Fund	(354,911)	354,911
Recreation Supplement Fund	<u>(58,899)</u>	<u>58,899</u>
Adjusted Beginning Balance	<u>\$1,399,486</u>	<u>\$528,583</u>

**Cash and Cash Equivalents**

The City's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. Cash and cash equivalents are combined with investments and displayed as Equity in city treasury cash in all funds.

**Investments**

Governmental Accounting Standards Board Statement No. 31, "Accounting and Financial Reporting for Certain Investments" was implemented during 1997. In accordance with this statement, investments held at December 31, 2001 with original maturities greater than one year are stated at fair value. Fair value is estimated based on quoted market prices at year-end. All investments not required to be reported at fair value are stated at cost or amortized cost.

**Receivables**

Hospital Fund accounts receivable is stated at billed charges less the difference between billed charges and the amount payable under third-party payor contractual agreements, and net of allowance for doubtful accounts. The \$6,476,063 allowance for uncollectibles represents estimates of uncollectible patient receivables in the accounts (user charge) classification and third party contractual adjustments for hospital fund receivables.

Other receivables at December 31, 2001 consist of property tax, income taxes withheld by employers, accounts (billings for user charged services, including unbilled utility services), special assessments, and accrued interest on investments. Taxes, special assessments, utility charges and accrued interest are deemed collectible in full.

Receivables not expected to be collected within the subsequent year include loans in the HUD Home Nonmajor Special Revenue fund and special assessments receivable in the Debt Service, Water Pollution Control and Economic/Downtown Development Loan funds.

GASB 36 was implemented in 2001. This accounting change required an increase in the accrual for non-exchange revenues (gas tax and license plate fees) from one month to six months. This change in accounting principle implemented January 1, 2001 increased the beginning fund balance and taxes receivable as follows:

	<u>Street Construction &amp; Maintenance</u>	<u>State Highway Fund</u>
Beginning Fund Balance	\$1,398,771	\$208,139
Accrual Adjustment	369,486	28,608
Adjusted Beginning Balance	<u>\$1,768,257</u>	<u>\$236,747</u>

**CITY OF WOOSTER, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2001**

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**Reimbursements**

Hospital Fund net operating revenues include amounts received or are receivable from Medicare, Medicaid, and other third party payors under the provisions of reimbursement agreements.

Inpatient services rendered to Medicare and Medicaid program beneficiaries are paid at prospectively determined rates per discharge. These rates vary according to a patient classification system that is based on clinical, diagnostic, and other factors. Outpatient services rendered to Medicare program beneficiaries are paid based on a combination of fee schedules, prospectively determined rates and a cost reimbursement methodology. Outpatient services rendered to the Medicaid program beneficiaries are generally paid based on fee schedules and prospectively determined rates.

Other third party payors may provide for payments at amounts different from established rates. Payment arrangements may include prospectively determined rates per discharge, discounted charges and per diem payments.

Wooster Community Hospital accepts all patients, regardless of their ability to pay. Care is provided without charge, or at amounts less than established rates, to patients who meet certain criteria under a charity care policy. Wooster Community Hospital provided over \$667,140 in charity care in 2001.

**Inventory of Supplies**

Inventories are stated at cost, on the first-in, first-out basis. The costs of inventory items are recorded as expenditures in the governmental fund types and expenses in the proprietary fund types when used.

**Capital Assets and Depreciation**

The accounting and reporting treatment applied to the capital assets associated with a fund are determined by its measurement focus. General capital assets are long-lived assets of the City as a whole. When purchased, such assets are recorded as expenditures in the governmental funds and capitalized. Infrastructure such as streets, traffic signals and signs are capitalized. The valuation bases for general capital assets are historical cost, or where historical cost is not available, estimated historical cost based on replacement cost. The minimum capitalization threshold is any individual item with a total cost greater than \$1,000.

Capital assets in the proprietary funds are capitalized in the fund in which they are utilized. The valuation bases for proprietary fund capital assets are the same as those used for the general capital assets.

Donated capital assets are capitalized at estimated fair market value on the date donated.

Depreciation of capital assets is computed and recorded by the straight-line method. Estimated useful lives of the various classes of depreciable capital assets are as follows: buildings, 20 to 50 years; improvements/infrastructure, 5 to 50 years; equipment, 2 to 15 years.

It was determined this year that certain land included in our capital assets should have been deleted in a prior period. The following is the change in the capital asset balances caused by the booking of this prior period adjustment.

	<u>General Capital Assets</u>
Beginning Fund Balance	\$74,172,466
Prior Period Adjustment	<u>(356,622)</u>
Adjusted Beginning Balance	<u>\$73,815,844</u>

**CITY OF WOOSTER, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2001**

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**Reservations of Fund Balance**

Fund balances are reserved for encumbrances outstanding and carried forward and added to the subsequent year's appropriation. The fund balance in the Debt Service Fund is restricted to retirement of debt principal and interest.

**Unpaid Compensated Absences**

The City accrues unused portions of vacation pay in the period the fund liability is incurred. As permitted by Governmental Accounting Standards Board Statement No. 16, the vesting method is used to accrue sick leave liability. The liability is based on the sick leave accumulated at year-end by those employees who are currently eligible to receive termination payments as well as other employees who are expected to become eligible to receive such payments. Even though the City has appropriated, accumulated and earmarked expendable available fund resources for these amounts, the portion not normally expected to be liquidated with expendable available financial resources is not reported as a fund liability in accordance with Interpretation No. 6 of the Governmental Accounting Standards Board – Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements.

**NOTE 2 - COMPLIANCE AND ACCOUNTABILITY**

**Budget Requirements, Accounting, and Reporting**

Requirements for all funds:

- A. Annual budgets are adopted for all City funds. Under state law, the Mayor submits an annual budget (a preliminary financial plan often referred to as the 'tax budget') to Council for consideration and approval no later than July 15. Such budget is based on expected expenditures by program within a fund and estimated resources by source for all funds.
- B. By Charter the Mayor must submit an annual appropriation ordinance to City Council. This ordinance builds upon the tax budget of the previous July and is updated for any estimate revisions as well as year-end encumbrances and may include any additional information requested by Council. Council may subsequently amend such ordinance. Amendments to the appropriation ordinance during 2001 were approved by City Council as provided by the Charter.
- C. For day-to-day management control, expenditures plus encumbrances may not exceed budget at the expenditure-type (i.e., personal services, other operations and maintenance, etc.) level of each cost center (activity within a program within a fund). The Mayor may transfer unencumbered appropriations within programs within funds.
- D. Appropriation control (City Council appropriated budget) is by program (i.e., safety, leisure, health, etc.) within a fund. City Council may, by ordinance, transfer amounts among programs within and between funds. Budgetary comparison schedules are presented in the Supplemental Section as Required Supplemental Information. The budgetary basis is the modified accrual basis of accounting with encumbrances included as actual.

**CITY OF WOOSTER, OHIO  
 NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)  
 FOR THE YEAR ENDED DECEMBER 31, 2001**

**Interfund Transactions**

<u>Purpose</u>	<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
<b>Transfers:</b>			
Reclass agency fund proceeds	Capital Improvement	Clearing	\$ 97,864
Reclass agency fund proceeds	Water	Clearing	2,345
Reclass agency fund proceeds	General	Clearing	251,948
Reclass agency fund proceeds	General	Guarantee Deposit	51,221
Eliminate old funds	Capital Improvement	Oak Hill Rd	204,012
Eliminate old funds	Capital Improvement	Downtown Improvement	691
Eliminate old funds	Capital Improvement	Akron/Long Rd	50,811
Eliminate old funds	Capital Improvement	Buena Vista Dr	6,553
Provide funds for capital projects	Capital Improvement	General	386,640
<b>Due to/from:</b>			
Advance in anticipation of receipts	CDBG	General	19,700
Advance in anticipation of receipts	Refuse	General	\$ 31,000

**NOTE 3 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

**Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets**

The governmental fund balance sheet includes reconciliation between fund balance – total governmental funds and net assets – governmental activities as reported in the government-wide statement of net assets. One element of that reconciliation explains that “long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds”. The details of that difference are as follows:

Bonds and notes payable	\$4,011,167
Loans payable	846,000
Accrued interest payable	42,773
Compensated absences	1,688,817
Due to other funds	<u>(19,700)</u>
Net adjustment to reduce fund balance – total governmental funds to arrive at net assets – governmental activities	<u>\$6,569,057</u>

**Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities**

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net assets of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that “Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.” The details of this difference are as follows:

Capital outlay	\$2,372,969
Depreciation	<u>(2,445,414)</u>
Net adjustment to increase net changes in fund balances – total governmental funds to arrive at changes in net assets of governmental activities	<u>\$ (72,445)</u>

**CITY OF WOOSTER, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2001**

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**NOTE 4 - DEPOSITS AND INVESTMENTS**

**Policies and Practices**

The City's Charter specifies that the Director of Finance is responsible for selecting depositories and investing idle funds. The Director of Finance also has the authority to choose the types of deposits and investments made by the City. Various federal deposit insurance corporations provide protection of City cash and investments as well as qualified pledged or pooled securities by the institutions holding the assets. The various institutions, or their trustees, including the Federal Home Loan Bank and the Federal Reserve Bank hold such collateral. The City does not enter into reverse repurchase agreements.

The City pools all individual fund cash balances. Each fund's portion of this pool is displayed on the statements of net assets or balance sheets as 'Equity in city treasury cash'. Income is distributed to the funds based on contribution to the pool.

**Deposits**

At year-end, the carrying amount of the City's deposits was \$40,599,441 and the bank balances totaled \$40,675,783. Of the bank balances, \$23,475,783 was insured (\$475,783 by federal deposit insurance and \$23,000,000 by surety bond) and \$17,200,000 was covered by pooled and/or pledged collateral, as allowed by the Ohio Revised Code, but not necessarily held in the City's name (uncollateralized, risk Category 3).

**Investments**

The City's investments are categorized to give an indication of the level of custodial credit risk assumed by the City at year-end. Category 1 includes investments that are insured or registered or where the securities are held by the City or its agent, in the City's name. Category 2 includes uninsured and unregistered investments for which the counterparty's trust department or agent in the City's name holds the securities. Category 3 includes uninsured and unregistered investments where the securities are held by the financial institution's trust department or agent but not in the City's name. Investments in the State Treasurer's Investment Pool are not categorized because they do not represent securities existing in physical or book entry form. The State Treasurer manages the pool in accordance with Section 135.45 of the Ohio Revised Code. It is similar in concept to a registered investment company commonly called a money market mutual fund. The pool's investments are valued using the amortized cost method (which approximates fair value).

	Category			Carrying Amount	Fair Value
	1	2	3		
Repurchase Agreements	\$ 0	\$ 0	\$1,434,049	\$ 1,434,049	\$ 1,434,049
U.S. Government Securities	0	17,296,229	0	17,296,229	17,296,229
Corporate Equity Instrument	0	189,000	0	189,000	189,000
Commercial Paper	0	14,199,147	0	14,199,147	14,199,186
Special Assessment Bond & Notes	447,811	0	0	447,811	447,811
Subtotal	\$447,811	\$31,684,376	\$1,434,049	\$33,566,236	\$33,566,275
State Treasurers Investment Pool				23,108,303	23,108,303
Total				\$56,674,539	\$56,674,578

**CITY OF WOOSTER, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED DECEMBER 31, 2001**

Net increase in the fair value of applicable investments during 2001 per Governmental Accounting Standards Board Statement No. 31:

Fair value at December 31, 2001	\$17,485,229
Proceeds of investments sold in 2001	29,860,000
Cost of investments purchased in 2001	(2,000,000)
Fair value at December 31, 2000	(44,913,392)
Change in fair value of investments during 2001	<u>\$ 431,837</u>

**NOTE 5 - PROPERTY TAX**

Property taxes include amounts levied against all real and public utility property and tangible personal property, which are used in businesses located in the City. Real property taxes are levied before the first day of October on the assessed value listed as of the prior January 1st. The due date for the 2001 levy is February 2002 for all or one-half of taxes due. The remaining balance of the 2001 levy is due in July 2002. The lien of the county for taxes levied each year attaches on the first day of January and continues until such taxes and any penalty, interest or other charges accruing thereon are paid.

Assessed values are established by the County Auditor at 35% of appraised market value for real property, 100% for public utilities, and 25% for tangible personal property. A revaluation of all property is required to be completed no less than every six years. A revaluation was completed in 1996. The City's tax rate applicable to 2001 was \$4.20 on each \$1,000 of tax valuation.

**NOTE 6 - CAPITAL ASSETS AND DEPRECIATION**

Capital asset activity for the year ended December 31, 2001 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental activities:</b>				
<b>Not being depreciated:</b>				
Land	\$ 2,452,402	\$ 27,793	\$(385,632)	\$2,094,563
Construction in process	629,143	135,296	0	764,439
Subtotal	<u>3,081,545</u>	<u>163,089</u>	<u>(385,632)</u>	<u>2,859,002</u>
<b>Other capital assets:</b>				
Buildings	4,749,666	250,518	0	5,000,184
Improvements/infrastructure	58,013,134	1,597,941	(6,184)	59,604,891
Equipment	8,328,121	627,511	(771,255)	8,184,377
Subtotal	<u>71,090,921</u>	<u>2,475,970</u>	<u>(777,439)</u>	<u>72,789,452</u>
<b>Accumulated depreciation:</b>				
Buildings	(2,999,276)	(164,064)	0	(3,163,340)
Improvements/infrastructure	(34,382,955)	(1,476,835)	5,617	(35,854,173)
Equipment	(4,573,169)	(809,012)	716,568	(4,665,613)
Subtotal	<u>(41,955,400)</u>	<u>(2,449,911)</u>	<u>722,185</u>	<u>(43,683,126)</u>
Net other capital assets	<u>29,135,521</u>	<u>26,059</u>	<u>(55,254)</u>	<u>29,106,326</u>
Net capital assets	<u>\$32,217,066</u>	<u>\$ 189,148</u>	<u>\$(440,886)</u>	<u>\$31,965,328</u>

**CITY OF WOOSTER, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED DECEMBER 31, 2001**

Depreciation was charged to functions as follows:

**Governmental activities:**

Safety services	\$ 426,834
Leisure services	305,650
Environment and development	28,833
Transportation services	1,398,554
Administrative services	284,736
Internal services	5,304
<b>Total governmental activities depreciation expense</b>	<b><u>\$2,449,911</u></b>

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Business-type activities:</b>				
<b>Not being depreciated:</b>				
Land	\$ 1,358,199	\$ 11,969	\$ 0	\$ 1,370,168
Construction in process	965,438	1,282,744	(329,804)	1,918,378
Subtotal	<u>2,323,637</u>	<u>1,294,713</u>	<u>(329,804)</u>	<u>3,288,546</u>
<b>Other capital assets:</b>				
Buildings	51,321,953	2,725,140	0	54,047,093
Improvements/infrastructure	36,426,172	1,832,571	(224,283)	38,034,460
Equipment	24,909,622	3,876,631	(1,891,768)	26,894,485
Subtotal	<u>112,657,747</u>	<u>8,434,342</u>	<u>(2,116,051)</u>	<u>118,976,038</u>
<b>Accumulated depreciation:</b>				
Buildings	(18,481,709)	(1,800,568)	0	(20,282,277)
Improvements/infrastructure	(15,920,379)	(1,068,105)	150,134	(16,838,350)
Equipment	(14,404,248)	(2,576,284)	1,642,252	(15,338,280)
Subtotal	<u>(48,806,336)</u>	<u>(5,444,957)</u>	<u>1,792,386</u>	<u>(52,458,907)</u>
Net other capital assets	<u>63,851,411</u>	<u>2,989,385</u>	<u>(323,665)</u>	<u>66,517,130</u>
Net capital assets	<u>\$66,175,048</u>	<u>\$4,284,098</u>	<u>\$ (653,469)</u>	<u>\$69,805,677</u>

Depreciation was charged to functions as follows:

**Business-type activities:**

Wooster Community Hospital	\$3,239,100
Water	1,042,347
Water Pollution Control	1,029,082
Storm Drainage	134,428
<b>Total business-type activities depreciation expense</b>	<b><u>\$5,444,957</u></b>

**CITY OF WOOSTER, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2001**

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**NOTE 7 - PENSIONS AND OTHER POST EMPLOYMENT BENEFITS**

**Employees and Plans**

All employees of the City belong to one of two state operated cost-sharing multiple-employer pension plans. Non-uniformed employees (including employees of the Wooster Community Hospital) are members of the Public Employees Retirement System of Ohio (PERS). All police and fire personnel are members of the Ohio Police and Fire Pension Fund (OP&F). Elected officials participate in PERS on a voluntary basis.

**Benefit Provisions**

**PERS**

Public Employees Retirement System (PERS) is a defined benefit plan created by the Ohio General Assembly. PERS provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. Benefits fully vest upon reaching 5 years of service and are established by state statute. Benefits of PERS members are calculated on the basis of age, final average salary, and service credit. PERS also provides survivor, disability and health care coverage. Authority to establish and amend benefits is provided by state statute within Chapter 145 of the Ohio Revised Code. The Public Employees

Retirement System (PERS) issues a stand-alone financial report. Interested parties may obtain a copy by making a written request to 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 466-2085 or 1-800-222-PERS.

**OP&F**

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

**Contributions to Plans**

**Employee Contributions**

The Ohio Revised Code provides statutory authority for employee and employer contributions. Employees covered under PERS are required to contribute 8.5% of their gross wages to the plan. Members of the Wooster Employees Association bargaining unit have 3% of the 8.5% paid by the City. Members of OP&F are required to contribute 10% of their gross wages to their plan.

**Employer Contributions**

The 2001 employer contribution rate for local government employer units was 13.55% of covered payroll for the year. The PERS portion of the City's employer contributions used to fund post-employment benefits was \$1,093,180 in 2001. The City is obligated to pay 24.0% of each firefighter's gross payroll and 19.5% of each police officer's gross payroll. The OP&F portion of the City's employer contributions used to fund post-employment benefits was \$297,009.

**CITY OF WOOSTER, OHIO  
 NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)  
 FOR THE YEAR ENDED DECEMBER 31, 2001**

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Both the City and the employees made one hundred percent of the required contributions for years 1994 through 2001. The City's contributions for the years ending December 31 were as follows:

<u>Year</u>	<u>PERS</u>	<u>OP&amp;F</u>
1994	\$2,470,286	\$661,998
1995	2,509,155	662,540
1996	2,699,727	652,674
1997	2,716,873	693,067
1998	2,870,405	740,943
1999	2,979,632	798,993
2000	2,989,123	878,110
2001	3,445,256	865,105

**Postemployment Benefits Other Than Pensions**

PERS provides post retirement health care coverage to age and service retirants with 10 or more years of qualifying Ohio service credit. Health care coverage for disability recipients and primary survivor recipients is available. A portion of each employer's contribution to PERS is set aside for the funding of post retirement health care. The health care coverage provided by the retirement system is considered an Other Postemployment Benefit (OPEB) as described in Governmental Accounting Standards Board Statement No. 12. The Ohio Revised Code provides statutory authority requiring public employers to fund post retirement health care through their contributions to PERS. (See "Contributions to Plans", above.)

The assumptions and calculations below were based on the system's latest actuarial review performed as of December 31, 2000. PERS uses an entry age normal actuarial cost method of valuation in determining the present value of benefits liabilities and normal cost. The difference between assumed and actual experience (actuarial gains and losses) becomes part of unfunded actuarial accrued liability. All investments are carried at market value. For actuarial valuation purposes, a smoothed market approach is used. Under this approach assets are adjusted annually to reflect 25% of unrealized market appreciation or depreciation on investment assets. The investment assumption rate for 2000 was 7.75%. An annual increase of 4.75% compounded annually, is the base portion of the individual pay 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 .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 was 411,076. The actuarial value of the retirement System's net assets available for OPEB at December 31, 2000 is \$11,735.9 million. The actuarially accrued liability and the unfounded actuarial accrued liability, based on the actuarial cost method used, were \$14,364.6 million and \$2,628.7 million, respectively.

The Ohio Revised Code provides the statutory authority allowing the Fund's Board of Trustees to provide health care coverage to all eligible individuals. OP&F provides post retirement health care coverage to any person who received or is eligible to receive a monthly benefit check or is a spouse or eligible dependent child of such person. An eligible dependent child is any child under the age of 18 whether or not the child is attending school, or under the age of 22 if attending school full-time or on a 2/3 basis. The health care coverage provided by the retirement system is considered an Other Postemployment Benefit (OPEB) as described in Governmental Accounting Standards Board Statement No. 12. The Ohio Revised code provides that health care cost paid from the funds of the OP&F shall be included in the employer's contribution rate. (See "Contributions to Plans", above.)

**CITY OF WOOSTER, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2001**

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OP&F 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 7.50% 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 eligible to receive health care benefits as of December 31, 2000, the date of the last actuarial valuation available, is 12,853 for police and 10,037 for firefighters statewide. Total expense for health care for the year ending December 31, 2000 was \$106,160,054 statewide, which was net of member contributions of \$5,657,431.

**NOTE 8 - OTHER EMPLOYEE BENEFITS**

**Compensated Absences**

**Accumulated Unpaid Vacation and Compensatory Time**

Each bargaining unit and the management staff earn vacation at different rates, which are based upon length of service. Vacation accumulation is limited to two and three years, respectively. Any unused excess is eliminated from the employee's leave balance. In the case of death, termination, or retirement an employee (or their estate) is paid for his unused vacation to a maximum of the above limitations. The total obligation for vacation and compensatory time accrual for the City and Hospital amounted to \$2,016,321 at December 31, 2001.

**Accumulated Unpaid Sick Leave**

Each bargaining unit and the management staff earn sick leave at different rates. Employees with at least 10 years service upon retirement are paid for thirty-three percent (City) and twenty-five percent (Hospital) of their accumulated sick leave, not to exceed various ceilings depending on bargaining unit or management staff status. This obligation amounted to \$2,144,140 for the City and Hospital at December 31, 2001 for those employees who are eligible, or are expected to become eligible, to retire with at least 10 years of service at retirement. Employees are expected to become eligible after 5 years of service in safety forces, and 7 or 10 years for all others.

**NOTE 9 - OTHER COMMITMENTS**

**Justice Center Contract**

The City has a continuous agreement with Wayne County to share in the costs of operating the Justice Center. The agreement calls for the City to pay 29% of the operating costs of the Justice Center (subject to annual updates based on actual use) except for staffing of shared areas for which costs are shared equally. The 2001 contract cost for the Justice Center was \$517,920.

**Construction Commitments**

City Council authorized the reconstruction of Milltown Road between SR 83 and SR 3 and Friendsville Road from SR 83 to 300 feet north of Milltown Road. This improvement involves the installation of curbs and gutters, sidewalks, storm sewers, asphalt paving and a new traffic signal at the Friendsville Road/Milltown Road intersection. The construction began in the fall of 2001 and will continue through the summer of 2002. Funding for this project will come from special assessments, Storm Drainage Fund, Water Fund, Sanitary Sewer Fund, and Permissive Tax Fund.

**CITY OF WOOSTER, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2001**

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City Council has authorized the design of the reconstruction of Winkler Drive between Burbank Road and Cleveland Road. This improvement involves the installation of curbs and gutters, sidewalks, storm sewers, asphalt paving and replacement of some sanitary sewer. The design has been completed. Utility companies have started the planning process for the relocation of their facilities to accommodate the project. Right-of-way acquisition began in 2001 and will continue in 2002. Utility relocation work will be undertaken in 2002 with construction of the improvement slated for 2003. Funding for this project will be from special assessments, Storm Drainage Fund, Water Fund, Sanitary Sewer Fund, and Street Construction, Maintenance and Repair Fund.

Council has authorized the installation of a storm sewer on South Walnut Street. Construction of this project is scheduled for the winter of 2002.

The Board of Governors of Wooster Community Hospital authorized the construction of a Medical Office Building on Milltown Road. Site work was started in 2001 with construction slated for the spring of 2002. Funding for this project will be from the Hospital Fund.

**NOTE 10 - CONTINGENCIES**

**Enterprise and Special Assessment Bonded Debt**

Certain general obligation bonds are being retired by use of revenues generated by the Water, Water Pollution Control, Hospital, and Special Assessment Debt Service Funds. These bonds are general obligation issues backed by the full faith and credit of the City. Management does not foresee any circumstance that would change the current source of funding for these obligations.

**Litigation**

There are two pending civil suits against the City, of which one is an appeal of an administrative ruling. The maximum exposure of the city is the deductible of \$25,000 per suit. There are three cases pending involving Wooster Community Hospital. The maximum exposure of the Wooster Community Hospital would be the deductible of \$25,000 per case with a total limit of \$75,000.

**Contingencies Under Grant Provisions**

The City participates in several federally assisted programs and is a recipient of several grants. These programs and grants are subject to financial and compliance audits by the grantors or their representatives. As of December 31, 2001, the audits of these grants and programs were complete through 2000 and City's compliance with applicable requirements has been established. The City's compliance with applicable requirements for 2001 will be established at a future date. The City does not expect any disallowance of grant expenditures.

**Other Contingencies**

**Donated Property**

During 1989, City Council accepted a donation of real property from a downtown merchant. Council then turned over the property to the Wooster Growth Corporation (WGC). The WGC then contracted with a management group to lease the property. A condition of the City's agreement with the WGC guarantees return of proceeds of any sale of the property to the City of Wooster.

**CITY OF WOOSTER, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2001**

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**Low Income Housing**

The City has an ongoing contract with the Wooster Interfaith Housing Corporation (WIHC) for the acquisition, rehabilitation and management of properties to be made available as low income housing under grant provisions approved by the Secretary of Housing and Urban Development (HUD). A total of 16 properties are now owned and managed by the WIHC. Terms of the agreement call for title to the properties to be conveyed to the City upon termination of the agreement.

**NOTE 11 - CONDUIT DEBT OBLIGATIONS**

From time to time, the City has issued Industrial Revenue Bonds to provide financial assistance to private sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the City, State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. In accordance with the Governmental Accounting Standards Board, the bonds are not reported as liabilities in the accompanying financial statements.

As of December 31, 2001 there were four series of Industrial Revenue Bonds outstanding, with an aggregate principal amount payable of \$10.018 million.

**NOTE 12 - RISK MANAGEMENT**

**Liability Insurance**

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters. In October 1993, the City contracted with Public Entities Pool of Ohio, a local government risk pool. The Pool was formed in 1986 for the primary purpose of managing and funding third-party liability claims against its members. As a member of the Pool, the City is required to make annual budgetary contributions sufficient to produce the sum of money annually necessary to fund the administrative expenses and reinsurance expenses of the Pool to pay current year claims and claims expenses, and to fund any deficiencies in the Cumulative Reserve Fund. Contributions to the Cumulative Reserve Fund shall be made for the first six years of membership based on a sliding scale. The purpose of this fund is to maintain a reserve at a level equal to 300% of the total current basis rates of all members. No member shall be responsible for any claim, judgment or judgments against any other member except to the extent of the assets of the Cumulative Reserve Fund and the Budgetary Fund. However, if upon termination of the Pool the remaining assets of the Pool are insufficient to satisfy indebtedness of the Pool, such deficiency shall be made up by assessments against members of the Pool by a fair and reasonable method established by the

Committee/Board. At year ended December 31, 2000 (last available information) the Pool's total unpaid claims and claim adjustments totaled \$7,256,357 and total assets equaled \$17,112,129.

Coverage by the Pool consists of \$2,000,000 in liability insurance with the City required to pay the first \$25,000 (a "self insurance retention") per occurrence for general liability, and \$1,000 per occurrence for property and other risks. There have been no settlements paid in excess of insurance nor has insurance coverage been significantly reduced in recent years.

**CITY OF WOOSTER, OHIO  
 NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)  
 FOR THE YEAR ENDED DECEMBER 31, 2001**

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**Self-insured Health Care**

City employees are provided traditional health care insurance that covers hospitalization and major medical expenses within specified limits. The plan is self-funded by the City and administered by a third-party administrator. The City pays the administrator a monthly fixed fee for various claim administration services on a per enrolled employee basis.

The City pays all claims. The third-party administrator submits weekly preliminary check registers for all processed claims. The City issues payment to the plan administrator who in turn issues individual claim checks. The City carries stop-loss insurance against catastrophic losses. The premiums for these policies are billed monthly by the third-party administrator on a per enrolled employee basis. The claims liability reported in the fund at December 31, 2001 was estimated by third party administrators. It is based on the requirements of Governmental Accounting Standards Board Statement No. 10 which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported.

Changes in the fund's claims liability amounts 1997 to 2001 are:

	1997	1998	1999	2000	2001
Balance at beginning of year	\$ 522,546	\$ 679,734	\$ 581,586	\$ 530,851	\$ 632,713
Current year claims	2,308,919	2,514,879	2,712,832	3,680,578	4,062,203
Claim payments	(2,151,731)	(2,613,027)	(2,763,567)	(3,578,716)	(3,991,230)
Balance at end of year	\$ 679,734	\$ 581,586	\$ 530,851	\$ 632,713	\$ 703,686

**NOTE 13 – PLANT CLOSURE COSTS**

State and Federal regulations require the City to close its original water production plant once taken completely out of service. The City built a new water production plant, which started production in January 1999. The original plant will be closed in accordance with regulatory requirements in the next few years. Based on current information, the cost of this closure is estimated to be \$3,430,475. This amount has been recorded as another long-term liability in the Water Fund.

**NOTE 14 – DEBT**

**Governmental Activities**

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for compensated absences are included in governmental activities. Also, for governmental activities, compensated absences and land debt are generally liquidated by the general fund. All special assessment debt is paid through the debt service fund. All of the City's special assessment debt is full commitment with \$447,812 held by the City. There are no legal funding restraints on the remainder of the outstanding special assessment debt, and the amount of delinquent accounts at year end are \$11,501. The remaining general portion of bonds and notes are liquidated by general, special revenue, and capital project funds.

**Refunding**

The City issued \$1.9 million of general obligation refunding bonds to provide resources to purchase U.S. Government securities held for the specific purpose of generating resources to fund future general obligation bond debt service payment of \$1,878,600. The refunding bonds were subsequently defeased and the liability has been removed from the Wooster Community Hospital fund and Business-type activities column of the statement of net assets. This refunding was undertaken to reduce total debt service payments over the next ten years by \$132,130 and resulted in an economic gain of \$124,278.

**CITY OF WOOSTER, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED DECEMBER 31, 2001**

**Debt service requirements to maturity**

The City's legal debt margin within the 10 1/2% limitation was approximately \$54 million at December 31, 2001. Principal and interest requirements to retire the City's long-term obligations are as follows:

Year	G.O. Notes		G.O. Bonds		Special Assessments		O.W.D.A. Loans		Land Debt	Totals
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	
<b><u>Business-type Activities</u></b>										
2002	\$ 3,338,008	56,883	1,768,046	590,041	0	0	30,433	3,292	0	\$ 5,786,703
2003	0	0	1,339,745	485,518	0	0	32,272	1,452	0	1,858,987
2004	0	0	1,385,500	434,127	0	0	0	0	0	1,819,627
2005	0	0	1,440,500	380,760	0	0	0	0	0	1,821,260
2006	0	0	978,200	323,451	0	0	0	0	0	1,301,651
2007-2011	0	0	5,541,809	881,851	0	0	0	0	0	6,423,660
2012-2016	0	0	183,600	86,817	0	0	0	0	0	270,417
2017-2020	0	0	191,500	28,223	0	0	0	0	0	219,723
Subtotal	<u>3,338,008</u>	<u>56,883</u>	<u>12,828,900</u>	<u>3,210,788</u>	<u>0</u>	<u>0</u>	<u>62,705</u>	<u>4,744</u>	<u>0</u>	<u>19,502,028</u>
<b><u>Governmental Activities</u></b>										
2002	1,435,980	48,881	142,941	38,819	325,278	89,826	0	0	282,000	2,363,725
2003	10,336	0	142,451	31,316	94,062	78,149	0	0	282,000	638,314
2004	10,336	0	91,940	23,837	100,392	72,924	0	0	282,000	581,429
2005	10,336	0	91,410	19,009	102,592	67,348	0	0	0	290,695
2006	10,336	0	90,840	14,210	112,232	61,644	0	0	0	289,262
2007-2011	51,681	0	179,920	40,070	499,087	212,050	0	0	0	982,808
2012-2016	30,128	0	0	0	296,650	97,493	0	0	0	424,271
2017-2020	1,715	0	0	0	180,615	26,509	0	0	0	208,839
Subtotal	<u>1,560,848</u>	<u>48,881</u>	<u>739,502</u>	<u>167,261</u>	<u>1,710,908</u>	<u>705,943</u>	<u>0</u>	<u>0</u>	<u>846,000</u>	<u>5,779,343</u>
Total	\$ <u>4,898,856</u>	<u>105,764</u>	<u>13,568,402</u>	<u>3,378,049</u>	<u>1,710,908</u>	<u>705,943</u>	<u>62,705</u>	<u>4,744</u>	<u>846,000</u>	\$ <u>25,281,371</u>

**Short-term Debt**

The City issued a \$1,500,000 Bond Anticipation Street Improvement Note, Series 2001, dated August 14, 2001, maturing August 14, 2002. This note was issued in anticipation of the levy and collection of special assessments and the City's portion of the cost of improving Milltown Road and Friendsville Road.

The City issued a \$3,000,000 Bond Anticipation Storm and Sewer Note, Series 2001, dated December 12, 2001, maturing September 12, 2002. This note was issued in anticipation of the the improvement of Quinby Avenue, Park Avenue, and municipal storm drainage systems.

CITY OF WOOSTER, OHIO  
 NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)  
 FOR THE YEAR ENDED DECEMBER 31, 2001

Changes in balances of long-term liabilities including current portions are as follows:

<u>Business-type Activities</u>	Balance			Balance	
	January 1,2001	Increases	(Decreases)	December 31,2001	Amount Due in 2002
<b>Wooster Community Hospital Fund:</b>					
6.750-7.1% 1990 G.O. Bonds	\$ 675,000	\$ 0	\$ (675,000)	\$ 0	\$ 0
6.4-6.6% 1989 G.O. Bonds	1,575,000	0	(1,575,000)	0	0
3.0-3.4% 2001 G.O. Bonds	0	1,900,000	0	1,900,000	440,000
Compensated Absences	718,070	105,113	(107,563)	715,620	39,549
WCH Fund Total	<u>2,968,070</u>	<u>2,005,113</u>	<u>(2,357,563)</u>	<u>2,615,620</u>	<u>479,549</u>
<b>Water Fund:</b>					
5.25-5.7% 1991 G.O. Bonds	500,000	0	(240,000)	260,000	260,000
5.4-5.75% 1995 G.O. Bonds	631,745	0	(17,900)	613,845	17,900
4.9-5% 1996 G.O. Bonds	7,310,000	0	(490,000)	6,820,000	515,000
3.0-3.85% 2001 G.O. Bonds	0	3,000,000	0	3,000,000	300,000
4.5% Note (10/10/00-10/10/01)	3,000,000	0	(3,000,000)	0	0
2.85% Note (8/14/01-8/14/02)	0	26,218	0	26,218	26,218
2.1% Note (12/12/01-9/12/02)	0	600,000	0	600,000	600,000
Compensated Absences	63,059	58,542	(70,808)	50,793	72,930
Water Fund Total	<u>11,504,804</u>	<u>3,684,760</u>	<u>(3,818,708)</u>	<u>11,370,856</u>	<u>1,792,048</u>
<b>Water Pollution Control Fund:</b>					
6.0% 1986 G.O. Bonds	470,436	0	(235,290)	235,146	235,146
5.25% O.W.D.A. Loan	91,620	0	(28,915)	62,705	30,433
2.85% Note (8/14/01-8/14/02)	0	9,823	0	9,823	9,823
Compensated Absences	85,030	101,747	(106,915)	79,862	110,120
WPC Fund Total	<u>647,086</u>	<u>111,570</u>	<u>(371,120)</u>	<u>387,536</u>	<u>385,522</u>
<b>Storm Water Fund:</b>					
2.85% Note (8/14/01-8/14/02)	0	301,967	0	301,967	301,967
2.1% Note (12/12/01-9/12/02)	0	2,400,000	0	2,400,000	2,400,000
Storm Water Fund Total	<u>0</u>	<u>2,701,967</u>	<u>0</u>	<u>2,701,967</u>	<u>2,701,967</u>
Business-type Activities Total	<u>15,119,960</u>	<u>8,503,410</u>	<u>(6,547,391)</u>	<u>17,075,979</u>	<u>5,359,086</u>
<b>Governmental Activities</b>					
5.2-5.25% 1992 G.O. Bonds					
General portion	882,797	0	(143,390)	739,407	142,940
Special Assessment portion	67,203	0	(6,610)	60,593	7,060
5.4-5.75% 1995 G.O. Bonds					
Special Assessment portion	1,018,255	0	(52,100)	966,155	57,100
6% S.A. Bonds (12/1/98-12/1/20)	12,492	0	(404)	12,088	429
4.5% Note (8/1/97-11/29/02)	500,000	0	0	500,000	500,000
0% Note (1/9/98-1/1/14)	29,159	0	(1,715)	27,444	1,715
0% Note (9/15/98-1/1/18)	116,386	0	(8,622)	107,764	8,621
6% S.A. Bond (12/31/99-12/31/14)	286,542	0	(13,635)	272,907	14,453
6% S.A. Bond (12/31/99-12/31/14)	101,492	0	(4,829)	96,663	5,119
6% S.A. Note (12/31/00-12/31/15)	26,167	0	(1,124)	25,043	1,192
6% S.A. Note (12/31/00-12/31/10)	44,486	0	(3,375)	41,111	3,578
2.85% Note (8/14/01-8/14/02)					
General portion	0	925,644	0	925,644	925,644
Special Assessment portion	0	236,348	0	236,348	236,348
0% Land Debt (1/15/01-1/15/04)	1,128,000	0	(282,000)	846,000	282,000
Compensated Absences	610,299	1,112,401	(980,882)	741,818	1,010,300
Governmental Funds Total	<u>4,823,278</u>	<u>2,274,393</u>	<u>(1,498,686)</u>	<u>5,598,985</u>	<u>3,196,499</u>
Total All Long-Term Liabilities: \$	<u>19,943,238</u>	<u>10,777,803</u>	<u>(8,046,077)</u>	<u>22,674,964</u>	<u>8,555,585</u>

**CITY OF WOOSTER, OHIO  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)  
GENERAL AND MAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2001**

	<b>General Fund</b>		
	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual Plus Encumbrances</b>
<b>Revenues :</b>			
Taxes	\$ 10,505,984	\$ 10,541,914	\$ 9,978,875
Intergovernmental	1,726,800	1,726,800	1,864,821
Charges for services	757,157	757,272	773,320
Fines, licenses, permits	420,000	420,000	521,978
Interfund services provided	1,117,004	1,117,004	1,006,130
Interest income	500,000	500,000	576,202
Miscellaneous	162,118	162,118	112,931
<b>Total Revenues</b>	<b>15,189,063</b>	<b>15,225,108</b>	<b>14,834,257</b>
<b>Expenditures :</b>			
Safety services	7,355,970	8,593,275	7,997,945
Health and social services	141,727	141,727	141,727
Leisure services	1,934,568	2,217,401	2,017,929
Environment & development	592,895	1,034,733	990,379
Transportation services	1,131,321	1,523,994	1,460,641
Administrative services	3,534,737	4,167,481	3,662,068
<b>Total Expenditures</b>	<b>14,691,218</b>	<b>17,678,611</b>	<b>16,270,689</b>
Excess revenues over(under) expenditures	497,845	(2,453,503)	(1,436,432)
Proceeds from debt issues	0	0	0
Operating transfers in	0	303,169	303,169
Operating transfers out	(386,640)	(387,365)	(386,640)
Encumbrances	0	0	2,631,827
Fund balances at beginning of year	9,681,218	9,681,218	9,681,238
<b>Fund balances at end of year</b>	<b>\$ 9,792,423</b>	<b>\$ 7,143,519</b>	<b>\$ 10,793,162</b>

	<b>Street Construction Maintenance &amp; Repair Fund</b>		
	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual Plus Encumbrances</b>
<b>Revenues :</b>			
Intergovernmental	\$ 726,000	\$ 747,500	\$ 755,770
Interest income	85,000	85,000	88,895
Miscellaneous	2,500	2,500	2,441
<b>Total Revenues</b>	<b>813,500</b>	<b>835,000</b>	<b>847,106</b>
<b>Expenditures :</b>			
Safety services	236,055	234,373	223,468
Transportation services	1,607,797	1,632,855	1,173,656
<b>Total Expenditures</b>	<b>1,843,852</b>	<b>1,867,228</b>	<b>1,397,124</b>
Excess revenues over(under) expenditures	(1,030,352)	(1,032,228)	(550,018)
Proceeds from debt issues	0	400,000	400,000
Encumbrances	0	0	534,000
Fund balances at beginning of year	1,398,771	1,398,771	1,768,257
<b>Fund balances at end of year</b>	<b>\$ 368,419</b>	<b>\$ 766,543</b>	<b>\$ 2,152,239</b>

GAAP is the budgetary basis used in the preparation of these schedules.

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## GENERAL FUND

**GENERAL FUND** – To account for all financial resources except those required to be accounted for in another fund.

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## SPECIAL REVENUE FUNDS

To account for the proceeds of specific revenue sources (other than fiduciary funds or capital project funds) legally restricted to expenditure for specified purposes.

**STREET CONSTRUCTION MAINTENANCE AND REPAIR** – Required by the Ohio Revised Code to account for that portion of the state gasoline tax and motor vehicle registration fees designated for maintenance of streets within the City.

**STATE HIGHWAY** – Required by the Ohio Revised Code to account for that portion of the state gasoline tax and motor vehicle registration fees designated for maintenance of state highways within the City.

**PERMISSIVE TAX** – Required by the Ohio Revised Code to account for that portion of motor vehicle registration fees allocated to assist in maintaining those city streets designated as contributing to the effective and efficient flow of traffic through and within the county.

**ENFORCEMENT AND EDUCATION** – To account for funds from the Municipal Court designated to enforce drunk driving laws and related educational programs.

**MANDATORY DRUG FINES** - To account for fines from the Municipal Court designated to subsidize each agency's law enforcement efforts that pertain to drug offenses.

**LOCAL LAW ENFORCEMENT BLOCK GRANT**– To account for receipts and expenditures of Local Law Enforcement Block Grants, funded by the U.S. Department of Justice. Grant proceeds are used to fund law enforcement employees.

**COMMUNITY DEVELOPMENT BLOCK GRANT**– To account for monies received from the federal government under the Community Development Block Grant program for providing decent housing and a suitable living environment, and expanded economic opportunities principally for persons of low and moderate income and the allowable administrative costs associated with those projects.

**ECONOMIC DEVELOPMENT** – To account for the portion of the transient occupancy tax designated for promoting economic development within the City.

**HUD HOME** – To account for monies received from the federal government under the HOME investment Partnerships Program for providing decent housing and a suitable living environment principally for persons of low and moderate income and the allowable administrative costs associated with those projects.

**LAW ENFORCEMENT TRUST** - Established for deposit of funds from sale of contraband. These funds can only be expended to pay the costs of protracted or complex investigations or prosecutions, to provide reasonable technical training or expertise, to provide matching funds to obtain federal grants to aid law enforcement, or for such other law enforcement purposes that Council determines to be appropriate.

**POLICE PENSION** – To accumulate property taxes levied for the partial payment of the current and accrued liability for police disability and pension. Amounts collected for the police disability and pension are periodically remitted to the state operated Police and Firemen's Disability and Pension Fund.

**FIRE PENSION** – To accumulate property taxes levied for the partial payment of the current and accrued liability for firemen's disability and pension. Amounts collected for the firemen's disability and pension are periodically remitted to the state operated Police and Firemen's Disability and Pension Fund.

**SHADE TREE** – Was established so that individuals or organizations could donate money to the City for the purpose of providing trees throughout the City in the public right-of-way.

**FIREWORKS** – Was established so that individuals or organizations could donate money to the City for the purpose of providing a fireworks display at the City’s Independence Day celebration.

**LILLIAN LONG ESTATE** – To account for a bequest from the estate of Lillian Long for the purpose of acquiring additional land for use as a part of Wooster Memorial Park and/or making improvements to that park.

**INVESTMENT** – Was established by statute to accumulate interest earnings from certain pooled investments and to pay expenses incurred in the handling of fiscal matters with third parties until such time as the net proceeds can be distributed to the other funds.

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### CAPITAL PROJECTS FUNDS

These funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary or trust funds.

**CAPITAL IMPROVEMENTS** – To account for various capital projects financed by general fund revenues.

**ECONOMIC DEVELOPMENT CAPITAL IMPROVEMENT FUND** – To account for “one-time” revenues (revenues which are generated only one time and usually in connection with an event such as a sale of major assets, the merger or sale of a company, or insurance proceeds where the asset will not be replaced). These resources can be appropriated for capital expenditures intended to promote economic development within the community. Economic development may be defined as the retention of existing jobs or businesses; the creation of new jobs or businesses; the creation of capital investment through construction of new or the renovation of existing buildings; and the purchase of real estate, buildings or machinery.

**BUENA VISTA DRIVE** – To account for improvements to Buena Vista Drive financed by special assessments and note proceeds.

**AKRON ROAD/LONG ROAD** – To account for improvements to the Akron Road/Long Road intersection. Improvements are funded by State Issue 2 funds, special assessments, State Highway funds, and note proceeds.

**DOWNTOWN IMPROVEMENT** – To account for the costs of downtown renovation financed by State Issue 2 funds, special assessments, and capital improvement funds.

**LONG ROAD** – To provide for improved service for the industrial park located on Long Road. Improvements are funded by Tax Increment Financing, and note proceeds.

**OAK HILL ROAD** – To account for the improvement of Oak Hill Road financed in part by special assessments. This project was administered under a contract with the Ohio Department of Transportation (ODOT). It involved federal ISTEA funds and our local share provided to ODOT by the Capital Improvements Fund.

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### DEBT SERVICE FUND

To account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

**DEBT SERVICE FUND** – To accumulate special assessment revenues collected by the County Treasurer and remitted to the City by the County Auditor for payment of special assessment principal and interest. These debt issues were sold to finance construction of various projects that were deemed to benefit only those residents in the immediate area of the projects and are paid for by those residents through assessments against their property.

## ENTERPRISE FUNDS

To account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where it has been decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purpose.

**WOOSTER COMMUNITY HOSPITAL** - To account for the health care services provided by the City owned and operated hospital.

**WATER** - To account for the provision of water treatment and distribution to the residents and commercial users of the City and some residents of the county.

**WATER POLLUTION CONTROL** - To account for sanitary sewer services provided to the residential and commercial users of the City and some residents of the county.

**STORM DRAINAGE** - To account for the storm drainage runoff service provided to the residential and commercial users of the City.

**REFUSE COLLECTION** - To account for trash collection services provided to the residential and some commercial users of the City.

**ECONOMIC/DOWNTOWN DEVELOPMENT LOANS** - To account for the loans, repayments, and subsequent loans provided for economic development purposes and downtown revitalization. This fund was established as a result of the City's obtaining a federal grant (HUD) with the requirements for establishing the loan program to maintain the contributed capital (grant/loan principal).

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## INTERNAL SERVICE FUND

To account for the financing of goods or services provided by one department or agency to other departments or agencies other governmental unit, or to other governmental units, on a cost-reimbursement basis.

**MUNICIPAL GARAGE** - To account for the costs of a maintenance facility for automotive equipment used by various City departments. Costs are billed to the departments for labor and materials at actual cost with the elimination of the effect of internal service fund activity to adjust to break even.

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## AGENCY FUND

To account for assets held by the City in a custodial capacity or as an agent for individuals, private organization, or other governmental units.

**WOOSTER GROWTH CORPORATION** - Designated by the City of Wooster as the agency for development of industry, commercial, distribution, and research development within the City. The City serves as fiscal agent for the Corporation.

**GUARANTEED DEPOSITS** - Established to hold in trust funds held by the City and received from a contractor, developer, or individual to insure compliance with the ordinances of the City in maintaining or establishing certain appurtenances (sidewalks, curbs, and gutters) to be installed by an individual developer or contractor. Upon completion of the appurtenances the deposit is returned to the individual developer or contractor, after deducting any inspection charges.

**CLEARING** - Established to hold in trust monies received for bid bonds, insurance premiums or proceeds on behalf of certain individuals, and any unclaimed municipal checks. The insurance premiums are to pay for retired employees or spouses still participating in our group health insurance program. The insurance proceeds are for certain damages to City owned property.

**RECREATION SUPPLEMENT** - Established to accept donations from individuals and organizations that wish to specify that their gifts and donations support recreational activities.

**CITY OF WOOSTER, OHIO  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
DECEMBER 31, 2001**

	<b>Special Revenue Funds</b>	<b>Capital Projects Funds</b>	<b>Total Nonmajor Governmental Funds</b>
<b>Assets:</b>			
Equity in city treasury cash	\$ 1,748,347	\$ 1,115,773	\$ 2,864,120
Taxes receivable	309,444	0	309,444
Due from other governments	61,311	0	61,311
Accrued interest receivable	9,996	3,779	13,775
Inventory	23,909	0	23,909
Long term receivables	721,334	0	721,334
<b>Total assets</b>	<b>2,874,341</b>	<b>1,119,552</b>	<b>3,993,893</b>
<b>Liabilities:</b>			
Accounts payable	41,934	0	41,934
Accrued salaries, wages and benefits	1,886	0	1,886
Due to other funds	19,700	0	19,700
Deferred revenue	1,028,442	0	1,028,442
<b>Total liabilities</b>	<b>1,091,962</b>	<b>0</b>	<b>1,091,962</b>
<b>Fund balances:</b>			
Reserved for encumbrances	592,640	620,000	1,212,640
Unreserved	1,189,739	499,552	1,689,291
<b>Total fund balances</b>	<b>1,782,379</b>	<b>1,119,552</b>	<b>2,901,931</b>
<b>Total liabilities and fund balances</b>	<b>\$ 2,874,341</b>	<b>\$ 1,119,552</b>	<b>\$ 3,993,893</b>

**CITY OF WOOSTER, OHIO  
COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2001**

	Special Revenue Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Revenues :</b>			
Taxes	\$ 506,572	\$ 161,176	\$ 667,748
Intergovernmental	356,016	0	356,016
Rental income	0	0	0
Fines, licenses, permits	10,222	0	10,222
Interest income	131,056	64,368	195,424
Miscellaneous	3,864	0	3,864
<b>Total Revenues</b>	<b>1,007,730</b>	<b>225,544</b>	<b>1,233,274</b>
<b>Expenditures :</b>			
<b>Current operations :</b>			
Safety services	256,949	0	256,949
Leisure services	3,464	0	3,464
Environment and development	84,452	0	84,452
Transportation services	64,570	0	64,570
Administrative services	68,752	0	68,752
Capital expenditures	640,947	0	640,947
<b>Debt service :</b>			
Principal	45,105	0	45,105
Interest	14,847	22,500	37,347
<b>Total Expenditures</b>	<b>1,179,086</b>	<b>22,500</b>	<b>1,201,586</b>
<b>Excess revenues over(under) expenditures</b>	<b>(171,356)</b>	<b>203,044</b>	<b>31,688</b>
<b>Other financing sources (uses) :</b>			
Proceeds from debt issues	525,644	0	525,644
Operating transfers out	0	(262,067)	(262,067)
<b>Excess revenues and other sources over expenditures and other uses</b>	<b>354,288</b>	<b>(59,023)</b>	<b>295,265</b>
<b>Fund balances at beginning of year</b>	<b>1,428,091</b>	<b>1,178,575</b>	<b>2,606,666</b>
<b>Fund balances at end of year</b>	<b>\$ 1,782,379</b>	<b>\$ 1,119,552</b>	<b>\$ 2,901,931</b>

**CITY OF WOOSTER, OHIO  
 COMBINING BALANCE SHEET  
 NONMAJOR SPECIAL REVENUE FUNDS  
 DECEMBER 31, 2001**

	<u>State Highway Fund</u>	<u>Permissive Tax Fund</u>	<u>Enforcement Education Fund</u>	<u>Mandatory Drug Fines Fund</u>
<b>Assets:</b>				
Equity in city treasury cash	\$ 203,882	\$ 1,240,736	\$ 18,342	\$ 2,911
Taxes receivable	0	0	0	0
Due from other governments	32,500	11,691	327	408
Accrued interest receivable	1,105	7,457	48	28
Inventory	23,909	0	0	0
Long term receivables	0	0	0	0
<b>Total assets</b>	<u>261,396</u>	<u>1,259,884</u>	<u>18,717</u>	<u>3,347</u>
<b>Liabilities:</b>				
Accounts payable	435	33,049	700	0
Accrued salaries, wages and benefits	0	1,865	0	0
Due to other funds	0	0	0	0
Deferred revenue	0	0	0	0
<b>Total liabilities</b>	<u>435</u>	<u>34,914</u>	<u>700</u>	<u>0</u>
<b>Fund balances:</b>				
Reserved for encumbrances	143	499,098	0	0
Unreserved	260,818	725,872	18,017	3,347
<b>Total fund balances</b>	<u>260,961</u>	<u>1,224,970</u>	<u>18,017</u>	<u>3,347</u>
<b>Total liabilities and fund balances</b>	<u>\$ 261,396</u>	<u>\$ 1,259,884</u>	<u>\$ 18,717</u>	<u>\$ 3,347</u>

<b>Local Law Enforcement Block Grant Fund</b>	<b>Community Development Block Grant Fund</b>	<b>Economic Development Fund</b>	<b>HUD Home Fund</b>
\$ 6,444	\$ 7	\$ 23,610	\$ 0
0	0	2,644	0
0	16,385	0	0
0	0	157	0
0	0	0	0
0	0	0	721,334
<u>6,444</u>	<u>16,392</u>	<u>26,411</u>	<u>721,334</u>
0	0	0	0
21	0	0	0
0	19,700	0	0
7	301	0	721,334
<u>28</u>	<u>20,001</u>	<u>0</u>	<u>721,334</u>
0	93,399	0	0
6,416	(97,008)	26,411	0
6,416	(3,609)	26,411	0
<u>\$ 6,444</u>	<u>\$ 16,392</u>	<u>\$ 26,411</u>	<u>\$ 721,334</u>

(Continued)

**CITY OF WOOSTER, OHIO  
COMBINING BALANCE SHEET (CONTINUED)  
NONMAJOR SPECIAL REVENUE FUNDS  
DECEMBER 31, 2001**

	<b>Law Enforcement Trust Fund</b>	<b>Police Pension Fund</b>	<b>Fire Pension Fund</b>	<b>Shade Tree Fund</b>
<b>Assets:</b>				
Equity in city treasury cash	\$ 6,177	\$ 101,905	\$ 107,213	\$ 15,230
Taxes receivable	0	153,400	153,400	0
Due from other governments	0	0	0	0
Accrued interest receivable	52	483	488	97
Inventory	0	0	0	0
Long term receivables	0	0	0	0
<b>Total assets</b>	<b>6,229</b>	<b>255,788</b>	<b>261,101</b>	<b>15,327</b>
<b>Liabilities:</b>				
Accounts payable	0	0	0	0
Accrued salaries, wages and benefits	0	0	0	0
Due to other funds	0	0	0	0
Deferred revenue	0	153,400	153,400	0
<b>Total liabilities</b>	<b>0</b>	<b>153,400</b>	<b>153,400</b>	<b>0</b>
<b>Fund balances:</b>				
Reserved for encumbrances	0	0	0	0
Unreserved	6,229	102,388	107,701	15,327
<b>Total fund balances</b>	<b>6,229</b>	<b>102,388</b>	<b>107,701</b>	<b>15,327</b>
<b>Total liabilities and fund balances</b>	<b>\$ 6,229</b>	<b>\$ 255,788</b>	<b>\$ 261,101</b>	<b>\$ 15,327</b>

<u>Fireworks Fund</u>	<u>Lillian Long Estate Fund</u>	<u>Investment Fund</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$ 1,084	\$ 13,056	\$ 7,750	\$ 1,748,347
0	0	0	309,444
0	0	0	61,311
7	74	0	9,996
0	0	0	23,909
0	0	0	721,334
<u>1,091</u>	<u>13,130</u>	<u>7,750</u>	<u>2,874,341</u>
0	0	7,750	41,934
0	0	0	1,886
0	0	0	19,700
0	0	0	1,028,442
<u>0</u>	<u>0</u>	<u>7,750</u>	<u>1,091,962</u>
0	0	0	592,640
<u>1,091</u>	<u>13,130</u>	<u>0</u>	<u>1,189,739</u>
<u>1,091</u>	<u>13,130</u>	<u>0</u>	<u>1,782,379</u>
<u>\$ 1,091</u>	<u>\$ 13,130</u>	<u>\$ 7,750</u>	<u>\$ 2,874,341</u>

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

	State Highway Fund	Permissive Tax Fund	Enforcement Education Fund	Mandatory Drug Fines Fund
<b>Revenues :</b>				
Taxes	\$ 0	\$ 177,266	\$ 0	\$ 0
Intergovernmental	60,671	144,503	0	0
Fines, licenses, permits	0	0	9,714	508
Interest income	11,270	57,887	555	241
Miscellaneous	0	0	0	0
<b>Total Revenues</b>	<u>71,941</u>	<u>379,656</u>	<u>10,269</u>	<u>749</u>
<b>Expenditures :</b>				
<b>Current operations :</b>				
Safety services	0	0	700	1,552
Leisure services	0	0	0	0
Environment and development	0	0	0	0
Transportation services	46,011	18,559	0	0
Administrative services	0	0	0	0
Capital expenditures	0	596,481	0	0
<b>Debt service :</b>				
Principal	1,715	43,390	0	0
Interest	0	14,847	0	0
<b>Total Expenditures</b>	<u>47,726</u>	<u>673,277</u>	<u>700</u>	<u>1,552</u>
<b>Excess revenues over(under) expenditures</b>	<u>24,215</u>	<u>(293,621)</u>	<u>9,569</u>	<u>(803)</u>
<b>Other financing sources (uses) :</b>				
Proceeds from debt issues	0	525,644	0	0
Operating transfers in	0	0	0	0
<b>Excess revenues and other sources over expenditures and other uses</b>	<u>24,215</u>	<u>232,023</u>	<u>9,569</u>	<u>(803)</u>
<b>Fund balances at beginning of year</b>	<u>236,745</u>	<u>992,947</u>	<u>8,448</u>	<u>4,150</u>
<b>Fund balances at end of year</b>	<u>\$ 260,960</u>	<u>\$ 1,224,970</u>	<u>\$ 18,017</u>	<u>\$ 3,347</u>

<b>Local Law Enforcement Block Grant Fund</b>	<b>Community Development Block Grant Fund</b>	<b>Economic Development Fund</b>	<b>HUD Home Fund</b>
\$ 0	\$ 0	\$ 47,098	\$ 0
6,522	116,962	0	0
0	0	0	0
9	0	1,301	0
0	0	0	0
<u>6,531</u>	<u>116,962</u>	<u>48,399</u>	<u>0</u>
115	0	0	0
0	0	0	0
0	35,300	49,152	0
0	0	0	0
0	0	0	0
0	44,466	0	0
0	0	0	0
0	0	0	0
<u>115</u>	<u>79,766</u>	<u>49,152</u>	<u>0</u>
<u>6,416</u>	<u>37,196</u>	<u>(753)</u>	<u>0</u>
0	0	0	0
0	0	0	0
<u>6,416</u>	<u>37,196</u>	<u>(753)</u>	<u>0</u>
<u>0</u>	<u>(40,804)</u>	<u>27,164</u>	<u>0</u>
<u>\$ 6,416</u>	<u>\$ (3,608)</u>	<u>\$ 26,411</u>	<u>\$ 0</u>

**CITY OF WOOSTER, OHIO  
STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES (CONTINUED)  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2001**

	<b>Law Enforcement Trust Fund</b>	<b>Police Pension Fund</b>	<b>Fire Pension Fund</b>	<b>Shade Tree Fund</b>
<b>Revenues :</b>				
Taxes	\$ 0	\$ 141,104	\$ 141,104	\$ 0
Intergovernmental	0	13,679	13,679	0
Fines, licenses, permits	0	0	0	0
Interest income	621	5,418	5,502	839
Miscellaneous	70	0	0	300
<b>Total Revenues</b>	<b>691</b>	<b>160,201</b>	<b>160,285</b>	<b>1,139</b>
<b>Expenditures :</b>				
<b>Current operations :</b>				
Safety services	5,000	128,358	121,224	0
Leisure services	0	0	0	0
Environment and development	0	0	0	0
Transportation services	0	0	0	0
Administrative services	0	0	0	0
Capital expenditures	0	0	0	0
<b>Debt service :</b>				
Principal	0	0	0	0
Interest	0	0	0	0
<b>Total Expenditures</b>	<b>5,000</b>	<b>128,358</b>	<b>121,224</b>	<b>0</b>
<b>Excess revenues over(under) expenditures</b>	<b>(4,309)</b>	<b>31,843</b>	<b>39,061</b>	<b>1,139</b>
<b>Other financing sources (uses) :</b>				
Proceeds from debt issues	0	0	0	0
Operating transfers in	0	0	0	0
<b>Excess revenues and other sources over expenditures and other uses</b>	<b>(4,309)</b>	<b>31,843</b>	<b>39,061</b>	<b>1,139</b>
<b>Fund balances at beginning of year</b>	<b>10,538</b>	<b>70,545</b>	<b>68,640</b>	<b>14,188</b>
<b>Fund balances at end of year</b>	<b>\$ 6,229</b>	<b>\$ 102,388</b>	<b>\$ 107,701</b>	<b>\$ 15,327</b>

<b>Fireworks Fund</b>	<b>Lillian Long Estate Fund</b>	<b>Investment Fund</b>	<b>Total Nonmajor Special Revenue Funds</b>
\$ 0	\$ 0	\$ 0	\$ 506,572
0	0	0	356,016
0	0	0	10,222
71	734	46,608	131,056
3,494	0	0	3,864
<u>3,565</u>	<u>734</u>	<u>46,608</u>	<u>1,007,730</u>
0	0	0	256,949
3,464	0	0	3,464
0	0	0	84,452
0	0	0	64,570
0	0	68,752	68,752
0	0	0	640,947
0	0	0	45,105
0	0	0	14,847
<u>3,464</u>	<u>0</u>	<u>68,752</u>	<u>1,179,086</u>
<u>101</u>	<u>734</u>	<u>(22,144)</u>	<u>(171,356)</u>
0	0	0	525,644
0	0	0	0
<u>101</u>	<u>734</u>	<u>(22,144)</u>	<u>354,288</u>
<u>990</u>	<u>12,396</u>	<u>22,144</u>	<u>1,428,091</u>
<u>\$ 1,091</u>	<u>\$ 13,130</u>	<u>\$ 0</u>	<u>\$ 1,782,379</u>



Local Law Enforcement Block Grant Fund			Community Development Block Grant Fund		
Original Budget	Final Budget	Actual Plus Encumbrances	Original Budget	Final Budget	Actual Plus Encumbrances
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	6,522	6,522	108,000	108,000	116,962
0	(6)	9	0	0	0
0	0	0	0	0	0
<u>0</u>	<u>6,516</u>	<u>6,531</u>	<u>108,000</u>	<u>108,000</u>	<u>116,962</u>
0	7,247	115	0	0	0
0	0	0	0	0	0
0	0	0	108,000	178,660	173,165
0	0	0	0	0	0
<u>0</u>	<u>7,247</u>	<u>115</u>	<u>108,000</u>	<u>178,660</u>	<u>173,165</u>
0	(731)	6,416	0	(70,660)	(56,203)
0	0	0	0	0	0
0	0	0	0	0	93,399
0	0	0	(40,804)	(40,804)	(40,804)
<u>\$ 0</u>	<u>\$ (731)</u>	<u>\$ 6,416</u>	<u>\$ (40,804)</u>	<u>\$ (111,464)</u>	<u>\$ (3,608)</u>
Economic Development Fund			HUD Home Fund		
Original Budget	Final Budget	Actual Plus Encumbrances	Original Budget	Final Budget	Actual Plus Encumbrances
\$ 45,000	\$ 46,874	\$ 47,098	\$ 0	\$ 0	\$ 0
0	0	0	0	0	0
0	0	0	0	0	0
0	1,069	1,301	0	0	0
0	0	0	0	0	0
<u>45,000</u>	<u>47,943</u>	<u>48,399</u>	<u>0</u>	<u>0</u>	<u>0</u>
0	0	0	0	0	0
0	0	0	0	0	0
45,000	49,152	49,152	0	0	0
0	0	0	0	0	0
<u>45,000</u>	<u>49,152</u>	<u>49,152</u>	<u>0</u>	<u>0</u>	<u>0</u>
0	(1,209)	(753)	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
27,164	27,164	27,164	0	0	0
<u>\$ 27,164</u>	<u>\$ 25,955</u>	<u>\$ 26,411</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

(Continued)



Fire Pension Fund			Shade Tree Fund		
Original Budget	Final Budget	Actual Plus Encumbrances	Original Budget	Final Budget	Actual Plus Encumbrances
\$ 150,000	\$ 150,000	\$ 141,104	\$ 0	\$ 0	\$ 0
0	7,103	13,679	0	0	0
1,700	1,700	5,502	0	0	839
0	0	0	0	0	300
<u>151,700</u>	<u>158,803</u>	<u>160,285</u>	<u>0</u>	<u>0</u>	<u>1,139</u>
136,900	136,900	121,224	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>136,900</u>	<u>136,900</u>	<u>121,224</u>	<u>0</u>	<u>0</u>	<u>0</u>
14,800	21,903	39,061	0	0	1,139
0	0	0	0	0	0
<u>68,640</u>	<u>68,640</u>	<u>68,640</u>	<u>14,188</u>	<u>14,188</u>	<u>14,188</u>
<u>\$ 83,440</u>	<u>\$ 90,543</u>	<u>\$ 107,701</u>	<u>\$ 14,188</u>	<u>\$ 14,188</u>	<u>\$ 15,327</u>

Investment Fund		
Original Budget	Final Budget	Actual Plus Encumbrances
\$ 0	\$ 0	\$ 0
0	0	0
0	0	0
100,000	100,000	46,608
0	0	0
<u>100,000</u>	<u>100,000</u>	<u>46,608</u>
0	0	0
0	0	0
0	0	0
100,000	100,535	68,752
<u>100,000</u>	<u>100,535</u>	<u>68,752</u>
0	(535)	(22,144)
0	0	0
0	0	0
<u>22,144</u>	<u>22,144</u>	<u>22,144</u>
<u>\$ 22,144</u>	<u>\$ 21,609</u>	<u>\$ 0</u>

**CITY OF WOOSTER, OHIO  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND EQUITY - BUDGET AND ACTUAL (BUDGETARY BASIS)  
INTERNAL SERVICE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2001**

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	<b>Municipal Garage</b>		
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Plus Encumbrances</u>
<b>Revenues:</b>			
Interfund services provided	\$ 381,168	\$ 381,168	\$ 363,583
<b>Total Revenues</b>	<u>381,168</u>	<u>381,168</u>	<u>363,583</u>
<b>Expenditures:</b>			
Transportation services	413,157	465,958	418,647
<b>Total Expenditures</b>	<u>413,157</u>	<u>465,958</u>	<u>418,647</u>
<b>Excess revenues over(under) expenditures</b>	(31,989)	(84,790)	(55,064)
<b>Encumbrances</b>	0	0	66,372
<b>Fund balance at beginning of year</b>	<u>31,545</u>	<u>31,545</u>	<u>31,545</u>
<b>Fund balance at end of year</b>	\$ <u><u>(444)</u></u>	\$ <u><u>(53,245)</u></u>	\$ <u><u>42,853</u></u>

**CITY OF WOOSTER, OHIO  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)  
CAPITAL IMPROVEMENTS AND DEBT SERVICE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2001**

	<b>Capital Improvements Fund</b>		
	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual Plus Encumbrances</b>
<b>Revenues :</b>			
Special assessments	\$ 57,000	\$ 57,000	\$ 0
Interest income	200,000	200,000	237,024
Miscellaneous	0	0	71,623
<b>Total Revenue</b>	<b>257,000</b>	<b>257,000</b>	<b>308,647</b>
<b>Expenditures :</b>			
Administrative services	1,224,727	1,872,207	1,258,001
<b>Total Expenditures</b>	<b>1,224,727</b>	<b>1,872,207</b>	<b>1,258,001</b>
Excess revenues over(under) expenditures	(967,727)	(1,615,207)	(949,354)
Operating transfers in	386,640	484,504	746,571
Encumbrances	0	0	385,918
Fund balances at beginning of year	4,170,425	4,170,425	4,170,425
Fund balances at end of year	<b>\$ 3,589,338</b>	<b>\$ 3,039,722</b>	<b>\$ 4,353,560</b>

	<b>Debt Service Fund</b>		
	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual Plus Encumbrances</b>
<b>Revenues :</b>			
Special assessments	\$ 150,000	\$ 543,265	\$ 201,988
Interest income	10,000	10,000	14,668
<b>Total Revenue</b>	<b>160,000</b>	<b>553,265</b>	<b>216,656</b>
<b>Expenditures :</b>			
Transportation services	161,492	172,792	170,068
<b>Total Expenditures</b>	<b>161,492</b>	<b>172,792</b>	<b>170,068</b>
Excess revenues over(under) expenditures	(1,492)	380,473	46,588
Proceeds from debt issues	0	236,349	236,349
Fund balances at beginning of year	196,566	196,566	196,566
Fund balances at end of year	<b>\$ 195,074</b>	<b>\$ 813,388</b>	<b>\$ 479,503</b>

**CITY OF WOOSTER, OHIO  
 COMBINING BALANCE SHEET  
 NONMAJOR CAPITAL PROJECTS FUNDS  
 DECEMBER 31, 2001**

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	<b>Economic Development Fund</b>	<b>Buena Vista Drive Fund</b>	<b>Akron Road/ Long Road Fund</b>
<b>Assets:</b>			
Equity in city treasury cash	\$ 702,125	\$ 0	\$ 0
Accrued interest receivable	3,198	0	0
<b>Total assets</b>	<b>705,323</b>	<b>0</b>	<b>0</b>
<b>Liabilities:</b>			
Accounts payable	0	0	0
<b>Total liabilities</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Fund balances:</b>			
Reserved for encumbrances	620,000	0	0
Unreserved	85,323	0	0
<b>Total fund balances</b>	<b>705,323</b>	<b>0</b>	<b>0</b>
<b>Total liabilities and fund balances</b>	<b>\$ 705,323</b>	<b>\$ 0</b>	<b>\$ 0</b>

Downtown Improvement Fund	Long Road Fund	Oak Hill Road Fund	Total Nonmajor Capital Projects Funds
\$ 0	\$ 413,648	\$ 0	\$ 1,115,773
<u>0</u>	<u>581</u>	<u>0</u>	<u>3,779</u>
<u><u>0</u></u>	<u><u>414,229</u></u>	<u><u>0</u></u>	<u><u>1,119,552</u></u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
0	0	0	620,000
<u>0</u>	<u>414,229</u>	<u>0</u>	<u>499,552</u>
<u>0</u>	<u>414,229</u>	<u>0</u>	<u>1,119,552</u>
<u><u>\$ 0</u></u>	<u><u>\$ 414,229</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 1,119,552</u></u>

**CITY OF WOOSTER, OHIO  
STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR CAPITAL PROJECTS FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2000**

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	<b>Economic Development Fund</b>	<b>Buena Vista Drive Fund</b>	<b>Akron Road/ Long Road Fund</b>
<b>Revenues :</b>			
Taxes	\$ 0	\$ 0	\$ 0
Rental income	0	0	0
Interest income	39,669	254	2,033
<b>Total Revenues</b>	<u>39,669</u>	<u>254</u>	<u>2,033</u>
<b>Expenditures :</b>			
<b>Current operations :</b>			
Capital expenditures	0	0	0
<b>Debt service :</b>			
Principal	0	0	0
Interest	0	0	0
<b>Total Expenditures</b>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Excess revenues over(under) expenditures</b>	<u>39,669</u>	<u>254</u>	<u>2,033</u>
<b>Other financing sources (uses) :</b>			
Operating transfers in	0	0	0
Operating transfers out	0	(6,553)	(50,811)
<b>Excess revenues and other sources over expenditures and other uses</b>	<u>39,669</u>	<u>(6,299)</u>	<u>(48,778)</u>
<b>Fund balances at beginning of year</b>	<u>665,654</u>	<u>6,299</u>	<u>48,778</u>
<b>Fund balances at end of year</b>	<u>\$ 705,323</u>	<u>\$ 0</u>	<u>\$ 0</u>

<b>Downtown Improvement Fund</b>	<b>Long Road Fund</b>	<b>Oak Hill Road Fund</b>	<b>Total Nonmajor Capital Projects Funds</b>
\$ 0	\$ 161,176	\$ 0	\$ 161,176
0	0	0	0
16	13,905	8,491	64,368
<u>16</u>	<u>175,081</u>	<u>8,491</u>	<u>225,544</u>
0	0	0	0
0	0	0	0
0	22,500	0	22,500
<u>0</u>	<u>22,500</u>	<u>0</u>	<u>22,500</u>
16	152,581	8,491	203,044
0	0	0	0
(691)	0	(204,012)	(262,067)
<u>(675)</u>	<u>152,581</u>	<u>(195,521)</u>	<u>(59,023)</u>
675	261,648	195,521	1,178,575
<u>\$ 0</u>	<u>\$ 414,229</u>	<u>\$ 0</u>	<u>\$ 1,119,552</u>

**CITY OF WOOSTER, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)**  
**NONMAJOR CAPITAL PROJECTS FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2001**

	<u>Economic Development Capital Projects Fund</u>			<u>Buena Vista Fund</u>		
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Plus Encumbrances</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Plus Encumbrances</u>
<b>Revenues:</b>						
Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Rental income	0	0	0	0	0	0
Interest income	33,000	31,739	39,669	0	254	254
<b>Total Revenues</b>	<u>33,000</u>	<u>31,739</u>	<u>39,669</u>	<u>0</u>	<u>254</u>	<u>254</u>
<b>Expenditures:</b>						
Environment and development	0	620,000	620,000	0	0	0
Transportation services	0	0	0	0	0	0
<b>Total Expenditures</b>	<u>0</u>	<u>620,000</u>	<u>620,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess revenues over (under) expenditures	33,000	(588,261)	(580,331)	0	254	254
<b>Other financing sources (uses):</b>						
Operating transfers in	0	0	0	0	0	0
Operating transfers out	0	0	0	0	(6,553)	(6,553)
Excess revenues and other sources over (under) expenditures and other uses	33,000	(588,261)	(580,331)	0	(6,299)	(6,299)
Encumbrances	0	0	620,000	0	0	0
Fund balances at beginning of year	665,654	665,654	665,654	6,299	6,299	6,299
Fund balances at end of year	\$ <u>698,654</u>	\$ <u>77,393</u>	\$ <u>705,323</u>	\$ <u>6,299</u>	\$ <u>0</u>	\$ <u>0</u>

	<u>Long Road Fund</u>			<u>Oak Hill Road Fund</u>		
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Plus Encumbrances</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Plus Encumbrances</u>
<b>Revenues:</b>						
Taxes	\$ 100,000	\$ 164,181	\$ 161,176	\$ 0	\$ 0	\$ 0
Special assessments	0	0	0	0	0	0
Interest income	7,500	7,500	13,905	0	8,492	8,491
<b>Total Revenues</b>	<u>107,500</u>	<u>171,681</u>	<u>175,081</u>	<u>0</u>	<u>8,492</u>	<u>8,491</u>
<b>Expenditures:</b>						
Environment and development	0	0	0	0	0	0
Transportation services	22,500	22,500	22,500	0	0	0
<b>Total Expenditures</b>	<u>22,500</u>	<u>22,500</u>	<u>22,500</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess revenues over (under) expenditures	85,000	149,181	152,581	0	8,492	8,491
<b>Other financing sources (uses):</b>						
Proceeds from debt issues	0	0	0	0	0	0
Operating transfers out	0	0	0	0	(204,013)	(204,012)
Excess revenues and other sources over (under) expenditures and other uses	85,000	149,181	152,581	0	(195,521)	(195,521)
Encumbrances	0	0	0	0	0	0
Fund balances at beginning of year	261,648	261,648	261,648	195,521	195,521	195,521
Fund balances at end of year	\$ <u>346,648</u>	\$ <u>410,829</u>	\$ <u>414,229</u>	\$ <u>195,521</u>	\$ <u>0</u>	\$ <u>0</u>

<b>Akron Road/Long Road Fund</b>			<b>Downtown Improvement Fund</b>		
<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual Plus Encumbrances</b>	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual Plus Encumbrances</b>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0	0	0
0	2,033	2,033	0	16	16
<u>0</u>	<u>2,033</u>	<u>2,033</u>	<u>0</u>	<u>16</u>	<u>16</u>
0	0	0	0	0	0
0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
0	2,033	2,033	0	16	16
0	0	0	0	0	0
<u>0</u>	<u>(50,811)</u>	<u>(50,811)</u>	<u>0</u>	<u>(692)</u>	<u>(691)</u>
0	(48,778)	(48,778)	0	(676)	(675)
0	0	0	0	0	0
48,778	48,778	48,778	675	675	675
<u>\$ 48,778</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 675</u>	<u>\$ (1)</u>	<u>\$ 0</u>

CITY OF WOOSTER, OHIO  
SCHEDULE OF REVENUES, EXPENSES AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)  
ALL ENTERPRISE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2001

	Wooster Community Hospital			Water		
	Original Budget	Final Budget	Actual Plus Encumbrances	Original Budget	Final Budget	Actual Plus Encumbrances
<b>Revenues :</b>						
Charges for services	\$ 56,483,682	\$ 52,803,026	\$ 54,414,106	\$ 324,575	\$ 3,880,838	\$ 3,916,020
Fines, licenses and permits	0	0	0	0	0	8,219
Interfund services provided	0	0	0	305,339	191,203	0
Interest income	2,003,000	2,259,750	2,637,945	400,000	400,000	597,027
<b>Total Revenues</b>	<b>58,486,682</b>	<b>55,062,776</b>	<b>57,052,051</b>	<b>1,029,914</b>	<b>4,472,041</b>	<b>4,521,266</b>
<b>Expenditures :</b>						
Health and social services	66,095,485	75,949,463	58,005,351	0	0	0
Utility services	0	0	0	10,085,354	12,196,196	8,277,113
<b>Total Expenditures</b>	<b>66,095,485</b>	<b>75,949,463</b>	<b>58,005,351</b>	<b>10,085,354</b>	<b>12,196,196</b>	<b>8,277,113</b>
Excess revenues over (under) expenditures	(7,608,803)	(20,886,687)	(953,300)	(9,055,440)	(7,724,155)	(3,755,847)
<b>Other financing sources (uses):</b>						
Transfers in (out)	0	(1,271,554)	0	0	(121,839)	2,345
Proceeds from debt issues	0	1,900,000	1,900,000	3,626,218	3,626,218	3,626,236
Excess revenues and other sources over (under) expenditures and other uses	(7,608,803)	(20,258,241)	946,700	(5,429,222)	(4,219,776)	(127,266)
Encumbrances	0	0	6,242,952	0	0	607,302
Fund balances at beginning of year	41,137,117	41,137,117	41,137,117	9,286,278	9,286,278	9,286,278
Fund balances at end of year	\$ 33,528,314	\$ 20,878,876	\$ 48,326,769	\$ 3,857,056	\$ 5,066,502	\$ 9,766,314

	Refuse Collection			Economic Development Loans		
	Original Budget	Final Budget	Actual Plus Encumbrances	Original Budget	Final Budget	Actual Plus Encumbrances
<b>Revenues :</b>						
Charges for services	\$ 1,094,855	\$ 1,094,855	\$ 1,053,421	\$ 60,000	\$ 60,000	\$ 51,215
Operating subsidies	20,000	20,000	27,790	0	0	0
Interest income	0	0	(1,332)	5,000	5,501	17,924
<b>Total Revenue</b>	<b>1,114,855</b>	<b>1,114,855</b>	<b>1,079,879</b>	<b>65,000</b>	<b>65,501</b>	<b>69,139</b>
<b>Expenditures :</b>						
Utility services	1,119,162	1,109,162	1,167,718	0	0	0
<b>Total Expenditures</b>	<b>1,119,162</b>	<b>1,109,162</b>	<b>1,167,718</b>	<b>0</b>	<b>0</b>	<b>0</b>
Excess revenues over expenditures	(4,307)	5,693	(87,839)	65,000	65,501	69,139
Encumbrances	0	0	45,059	0	0	0
Fund balances at beginning of year	87,201	87,201	87,201	309,146	309,146	309,146
Fund balances at end of year	\$ 82,894	\$ 92,894	\$ 44,421	\$ 374,146	\$ 374,647	\$ 378,285

Water Pollution Control			Storm Drainage		
Original Budget	Final Budget	Actual Plus Encumbrances	Original Budget	Final Budget	Actual Plus Encumbrances
\$ 3,362,067	\$ 3,546,907	\$ 3,656,512	\$ 1,949,900	\$ 449,900	\$ 503,183
0	20,000	27,708	0	0	234
0	0	0	0	0	0
450,000	538,989	699,101	75,000	75,000	101,164
<u>3,812,067</u>	<u>4,105,896</u>	<u>4,383,321</u>	<u>2,024,900</u>	<u>524,900</u>	<u>604,581</u>
0	0	0	0	0	0
6,279,720	7,794,511	4,259,374	3,230,064	4,874,064	1,020,779
<u>6,279,720</u>	<u>7,794,511</u>	<u>4,259,374</u>	<u>3,230,064</u>	<u>4,874,064</u>	<u>1,020,779</u>
(2,467,653)	(3,688,615)	123,947	(1,205,164)	(4,349,164)	(416,198)
0	0	0	0	0	0
0	0	9,823	0	2,701,967	2,702,039
(2,467,653)	(3,688,615)	133,770	(1,205,164)	(1,647,197)	2,285,841
0	0	623,729	0	0	269,800
11,910,109	11,910,109	11,910,109	1,603,107	1,603,107	1,603,107
<u>\$ 9,442,456</u>	<u>\$ 8,221,494</u>	<u>\$ 12,667,608</u>	<u>\$ 397,943</u>	<u>\$ (44,090)</u>	<u>\$ 4,158,748</u>

Downtown Development Loans		
Original Budget	Final Budget	Actual Plus Encumbrances
\$ 7,500	\$ 7,500	\$ 7,791
0	0	0
2,500	2,585	4,211
<u>10,000</u>	<u>10,085</u>	<u>12,002</u>
0	12,000	12,000
0	12,000	12,000
10,000	(1,915)	2
0	0	0
74,726	74,726	74,726
<u>\$ 84,726</u>	<u>\$ 72,811</u>	<u>\$ 74,728</u>

CITY OF WOOSTER, OHIO  
SCHEDULE OF GOVERNMENTAL CAPITAL ASSETS  
BY FUNCTION AND ACTIVITY  
AS OF DECEMBER 31, 2001

Function and Activity:	Total	Land	Buildings	Infrastructure/ Improvements	Equipment	Construction in Progress
<b>Safety Services:</b>						
Police	\$ 1,088,152	\$ 0	\$ 360,698	\$ 50,000	\$ 677,454	\$ 0
Traffic	2,623,335	0	0	2,471,118	152,217	0
Fire	2,831,456	8,513	286,563	33,776	2,502,604	0
Total Safety Services	<u>6,542,943</u>	<u>8,513</u>	<u>647,261</u>	<u>2,554,894</u>	<u>3,332,275</u>	<u>0</u>
<b>Leisure Services:</b>						
Community Center	800,133	0	641,215	35,480	123,438	0
Parks	2,879,606	174,988	1,164,008	1,012,229	465,479	62,902
Pools	1,287,652	0	529,635	479,228	274,134	4,655
Recreation Programs	373,430	0	134,285	77,316	161,829	0
Administration	0	0	0	0	0	0
Total Leisure Services	<u>5,340,821</u>	<u>174,988</u>	<u>2,469,143</u>	<u>1,604,253</u>	<u>1,024,880</u>	<u>67,557</u>
<b>Environment &amp; Development:</b>						
Planning	38,490	0	0	0	38,490	0
Inspections	155,392	0	0	0	155,392	0
Total Environment & Development	<u>193,882</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>193,882</u>	<u>0</u>
<b>Transportation Services:</b>						
Street Cleaning	304,350	0	0	0	304,350	0
Snow Removal	158,164	0	91,184	1,348	65,632	0
Parking	490,367	172,956	0	307,341	10,070	0
Transit System	11,741	0	0	0	11,741	0
Street Construction	57,783,467	0	683,237	54,992,457	1,431,026	676,747
Total Transportation Services	<u>58,748,089</u>	<u>172,956</u>	<u>774,421</u>	<u>55,301,146</u>	<u>1,822,819</u>	<u>676,747</u>
<b>Administrative Services:</b>						
Administration	899,406	203,544	0	114,738	581,124	0
Finance	703,731	0	1,757	0	701,974	0
Law	18,532	0	0	0	18,532	0
Lands & Buildings	2,899,130	1,534,562	1,107,602	19,860	216,972	20,134
Engineer	267,866	0	0	10,000	257,866	0
Total Administrative Services	<u>4,788,665</u>	<u>1,738,106</u>	<u>1,109,359</u>	<u>144,598</u>	<u>1,776,468</u>	<u>20,134</u>
Subtotal	<u>75,614,400</u>	<u>2,094,563</u>	<u>5,000,184</u>	<u>59,604,891</u>	<u>8,150,324</u>	<u>764,438</u>
Internal Service	<u>34,054</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>34,054</u>	<u>0</u>
Governmental Capital Assets	<u>\$ 75,648,454</u>	<u>\$ 2,094,563</u>	<u>\$ 5,000,184</u>	<u>\$ 59,604,891</u>	<u>\$ 8,184,378</u>	<u>\$ 764,438</u>

**CITY OF WOOSTER, OHIO**  
**SCHEDULE OF CHANGES IN GOVERNMENTAL CAPITAL ASSETS**  
**BY FUNCTION AND ACTIVITY**  
**FOR THE YEAR ENDED DECEMBER 31, 2001**

	Governmental Capital Assets 01/01/2001	Additions	Deductions	Net Transfers	Governmental Capital Assets 12/31/2001
<b>Function and Activity:</b>					
<b>Safety Services:</b>					
Police	\$ 1,201,500	\$ 183,391	(296,739)	\$ 0	\$ 1,088,152
Traffic	2,366,808	268,374	(11,847)	0	2,623,335
Fire	2,915,952	112,077	(196,573)	0	2,831,456
Total Safety Services	<u>6,484,260</u>	<u>563,842</u>	<u>(505,159)</u>	<u>0</u>	<u>6,542,943</u>
<b>Leisure Services:</b>					
Community Center	790,665	14,083	(4,615)	0	800,133
Parks	2,719,578	160,028	0	0	2,879,606
Pools	1,178,631	118,727	(9,706)	0	1,287,652
Recreation Programs	352,793	29,945	(9,308)	0	373,430
Administration	8,550	0	(8,550)	0	0
Total Leisure Services	<u>5,050,217</u>	<u>322,783</u>	<u>(32,179)</u>	<u>0</u>	<u>5,340,821</u>
<b>Environment &amp; Development:</b>					
Planning	39,530	5,092	(6,132)	0	38,490
Inspections	152,234	4,566	(1,408)	0	155,392
Total Environment & Development	<u>191,764</u>	<u>9,658</u>	<u>(7,540)</u>	<u>0</u>	<u>193,882</u>
<b>Transportation Services:</b>					
Street Cleaning	367,753	2,200	(65,603)	0	304,350
Snow Removal	158,164	0	0	0	158,164
Parking	846,988	0	(356,621)	0	490,367
Transit System	15,341	0	(3,600)	0	11,741
Street Construction	56,278,608	1,564,023	(59,164)	0	57,783,467
Total Transportation Services	<u>57,666,854</u>	<u>1,566,223</u>	<u>(484,988)</u>	<u>0</u>	<u>58,748,089</u>
<b>Administrative Services:</b>					
Administration	798,749	113,556	(12,899)	0	899,406
Finance	768,780	9,608	(74,657)	0	703,731
Law	19,050	5,455	(5,973)	0	18,532
Lands & Buildings	2,866,053	35,227	(2,150)	0	2,899,130
Engineer	292,686	12,707	(37,527)	0	267,866
Total Administrative Services	<u>4,745,318</u>	<u>176,553</u>	<u>(133,206)</u>	<u>0</u>	<u>4,788,665</u>
Subtotal	<u>74,138,413</u>	<u>2,639,059</u>	<u>(1,163,072)</u>	<u>0</u>	<u>75,614,400</u>
Internal Service	34,053	0	0	0	34,053
Governmental Capital Assets	<u>\$ 74,172,466</u>	<u>\$ 2,639,059</u>	<u>\$ (1,163,072)</u>	<u>\$ 0</u>	<u>\$ 75,648,453</u>

**CITY OF WOOSTER, OHIO**  
**COMBINING STATEMENT OF ASSETS & LIABILITIES**  
**AGENCY FUNDS**  
**DECEMBER 31, 2001**

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	<u>Guaranteed Deposit</u>	<u>Clearing Fund</u>	<u>Recreation Supplement</u>	<u>Wooster Growth Corporation</u>	<u>Total Agency Funds</u>
<b>Assets:</b>					
Equity in city treasury cash	\$ 65,043	\$ 13,365	\$ 55,515	\$ 355,549	\$ 489,472
Accrued interest receivable	<u>0</u>	<u>0</u>	<u>408</u>	<u>201</u>	<u>609</u>
<b>Total assets</b>	<b><u>65,043</u></b>	<b><u>13,365</u></b>	<b><u>55,923</u></b>	<b><u>355,750</u></b>	<b><u>490,081</u></b>
 <b>Liabilities:</b>					
Accounts payable	5,400	63	0	0	5,463
Accrued wages and benefits	0	446	0	0	446
Due to agency recipient	<u>59,643</u>	<u>12,856</u>	<u>55,923</u>	<u>355,750</u>	<u>484,172</u>
<b>Total liabilities</b>	<b><u>\$ 65,043</u></b>	<b><u>\$ 13,365</u></b>	<b><u>\$ 55,923</u></b>	<b><u>\$ 355,750</u></b>	<b><u>\$ 490,081</u></b>

## **Statistical Section**



City of Wooster, Ohio  
General Revenue by Source and  
General Expenditures by Function  
Last Ten Years All Governmental Funds  
(\$000 omitted)

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
<b>Revenues:</b>										
Taxes	\$ 7,854	\$ 7,770	\$ 9,071	\$ 10,226	\$ 9,826	\$ 10,693	\$ 11,765	\$ 11,927	\$ 10,941	\$ 10,647
Intergovernmental	1,310	1,658	1,839	1,952	1,507	1,607	2,163	3,062	2,837	2,977
Charges for service	1,147	1,187	1,321	1,338	1,365	1,451	1,562	797	770	773
Special assessments	173	29	244	190	158	218	191	241	233	202
Fines, licenses, permits	279	300	328	452	429	510	441	451	477	532
Interfund services provided	701	646	655	644	563	706	750	829	2,527	1,006
Interest income	333	268	198	524	548	745	826	859	1,297	1,112
Miscellaneous	452	235	614	302	325	353	597	236	334	191
<b>Total revenues</b>	<b>12,249</b>	<b>12,093</b>	<b>14,270</b>	<b>15,628</b>	<b>14,721</b>	<b>16,283</b>	<b>18,295</b>	<b>18,402</b>	<b>19,416</b>	<b>17,440</b>
<b>Expenditures:</b>										
Safety services	5,236	5,464	5,531	5,417	5,510	6,307	6,200	6,786	7,095	7,286
Health & social services	127	105	92	104	106	111	131	133	136	142
Leisure services	1,344	1,367	1,329	1,151	1,094	1,291	1,285	1,416	1,631	1,651
Environment & development	544	552	465	986	432	478	561	560	689	692
Utility services	731	750	802	833	860	788	893	65	0	0
Transportation services	1,292	1,352	1,406	1,064	1,109	996	1,049	1,335	1,941	1,510
Administrative services	1,991	2,057	2,052	2,016	1,990	2,241	2,184	2,314	3,001	2,317
Capital expenditures	1,324	2,943	837	594	1,213	2,724	3,081	2,669	3,396	1,891
Debt service:										
Principal	6,606	4	2,453	1,652	194	194	342	547	229	1,138
Interest	141	175	198	181	158	155	171	185	165	156
<b>Total expenditures</b>	<b>19,336</b>	<b>14,769</b>	<b>15,165</b>	<b>13,998</b>	<b>12,666</b>	<b>15,285</b>	<b>15,897</b>	<b>16,010</b>	<b>18,283</b>	<b>16,783</b>
<b>Excess of revenues over (under) expenditures</b>	<b>(7,087)</b>	<b>(2,676)</b>	<b>(895)</b>	<b>1,630</b>	<b>2,055</b>	<b>998</b>	<b>2,398</b>	<b>2,392</b>	<b>1,133</b>	<b>657</b>
<b>Other financing sources:</b>	<b>8,203</b>	<b>500</b>	<b>1,800</b>	<b>589</b>	<b>0</b>	<b>990</b>	<b>13</b>	<b>405</b>	<b>1,199</b>	<b>1,563</b>
<b>Excess of revenues &amp; other sources over (under) expenditures &amp; other uses</b>	<b>1,116</b>	<b>(2,176)</b>	<b>905</b>	<b>2,219</b>	<b>2,055</b>	<b>1,988</b>	<b>2,411</b>	<b>2,797</b>	<b>2,332</b>	<b>2,220</b>
Beginning fund balances	5,857	6,973	4,050	4,955	7,174	9,223	11,211	a 15,031	17,828	b 18,423
Residual equity transfers	0	0	0	0	0	0	0	0	0	0
<b>Fund balances at year end</b>	<b>\$ 6,973</b>	<b>\$ 4,797</b>	<b>\$ 4,955</b>	<b>\$ 7,174</b>	<b>\$ 9,229</b>	<b>\$ 11,211</b>	<b>\$ 13,622</b>	<b>\$ 17,828</b>	<b>\$ 20,160</b>	<b>\$ 20,643</b>

a Restatement due to GASB 34 along with Interpretation 6 for Compensated Absences and elimination of the effect of Internal Service Fund Activity.

b Restatement due to GASB 36 and reclassification of several special revenue funds as agency funds.

Table 2

City of Wooster, Ohio  
 Schedule of Property Tax, Tangible Tax, Special Assessments,  
 Levied/Billed and Collections,  
 and Economic Indicators  
 (\$ 000 omitted)

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
<b>PROPERTY TAX LEVY &amp; COLLECTIONS</b>										
Real and public property:										
Net tax levy	\$ 888	\$ 911	\$ 957	\$ 1,149	\$ 1,236	\$ 1,419	\$ 1,547	\$ 1,659	\$ 1,641	\$ 1,741
Current collections	\$ 860	\$ 882	\$ 949	\$ 1,087	\$ 1,165	\$ 1,398	\$ 1,448	\$ 1,501	\$ 1,594	\$ 1,625
Percentage of current collection to net levy	97%	97%	99%	95%	94%	99%	94%	90%	97%	93%
Prior year collections	\$ 25	\$ 25	\$ 11	\$ 12	\$ 21	\$ 18	\$ 23	\$ 30	\$ 24	\$ 26
Total Collections	\$ 885	\$ 907	\$ 960	\$ 1,099	\$ 1,186	\$ 1,416	\$ 1,471	\$ 1,531	\$ 1,618	\$ 1,651
Percentage of total collections to net levy	100%	100%	100%	96%	96%	100%	95%	92%	99%	95%
<b>TANGIBLE TAX</b>										
Billed	\$ 303	\$ 314	\$ 311	\$ 363	\$ 425	\$ 474	\$ 480	\$ 520	\$ 518	\$ 515
Collected	\$ 301	\$ 306	\$ 298	\$ 359	\$ 416	\$ 458	\$ 471	\$ 506	\$ 514	\$ 513
Percentage collected	99%	97%	96%	99%	98%	97%	98%	97%	99%	99%
Delinquent	\$ 2	\$ 8	\$ 13	\$ 4	\$ 9	\$ 16	\$ 7	\$ 13	\$ 4	\$ 13
<b>SPECIAL ASSESSMENTS</b>										
Billed	\$ 36	\$ 15	\$ 23	\$ 93	\$ 165	\$ 200	\$ 165	\$ 274	\$ 330	\$ 361
Collected	\$ 34	\$ 14	\$ 19	\$ 92	\$ 162	\$ 197	\$ 156	\$ 253	\$ 329	\$ 304
Percentage collected	94%	93%	83%	99%	98%	99%	95%	92%	100%	84%
Delinquent	\$ 5	\$ 1	\$ 4	\$ 1	\$ 2	\$ 2	\$ 9	\$ 21	\$ 1	\$ 58
<b>COMMUNITY ECONOMIC INDICATORS</b>										
(in millions of dollars)										
Building permits issued	34	31	41	55	53	45	36	38	40	74
Employment (Wayne County)	49,100	51,700	53,000	55,000	54,800	54,400	55,100	54,800	56,000	56,200
Registered Voters:										
November Elections	13,377	12,963	13,210	13,368	14,222	14,418	15,027	14,074	15,137	14,082

Local financial deposit information no longer available due to merger of local financial institutions.

Sources: Wayne County Auditor, Wayne County Board of Elections, Ohio Bureau of Employment Services

City of Wooster, Ohio  
 Schedule of Assessed Valuation, Estimated True Value and  
 Property Tax Rates - Direct and Overlapping Governments  
 (\$ 000 omitted)

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
<b>ASSESSED VALUATION</b>										
Real Property	\$ 224,878	\$ 251,813	\$ 257,920	\$ 272,513	\$ 337,862	\$ 336,429	\$ 352,489	\$ 376,452	\$ 383,712	\$ 392,592
Public Utility Property	14,410	15,600	16,171	15,515	15,359	15,712	16,077	14,373	15,113	10,291
Tangible Personal Property	82,114	73,954	72,926	87,250	99,645	105,015	114,342	123,488	128,468	123,315
<b>Total</b>	<b>\$ 321,402</b>	<b>\$ 341,367</b>	<b>\$ 347,017</b>	<b>\$ 375,278</b>	<b>\$ 452,866</b>	<b>\$ 457,156</b>	<b>\$ 482,908</b>	<b>\$ 514,313</b>	<b>\$ 527,293</b>	<b>\$ 526,198</b>
<b>ESTIMATED TRUE VALUE</b>										
Real Property	\$ 642,509	\$ 719,466	\$ 736,914	\$ 778,609	\$ 965,320	\$ 961,225	\$ 1,007,111	\$ 1,075,577	\$ 1,096,320	\$ 1,121,690

**PROPERTY TAX RATES - ALL DIRECT AND OVERLAPPING GOVERNMENTS (Mills per \$1.00 valuation)**

County levy	7.45	7.35	8.35	8.35	8.35	8.35	8.35	8.75	8.75	8.75
School levy	52.90	62.15	62.15	62.15	62.15	62.15	59.15	65.20	65.20	65.20
Vocational school	4.10	4.10	4.10	4.10	4.10	4.10	4.10	4.10	4.10	4.10
Mental Health	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
City levy	4.20	4.20	4.20	4.20	4.20	4.20	4.20	4.20	4.20	4.20
Library	0.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
<b>Total levy</b>	<b>69.65</b>	<b>79.80</b>	<b>80.80</b>	<b>80.80</b>	<b>80.80</b>	<b>80.80</b>	<b>77.80</b>	<b>84.25</b>	<b>84.25</b>	<b>84.25</b>
<b>Debt service:</b>										
Included in city levy	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Included in total levy	6.90	6.90	6.80	6.80	6.80	6.80	3.80	0.00	0.00	0.00

Sources: Wayne County Auditor

Schedule of Legal Debt Margin, Computation of Direct and Overlapping Debt,  
and Ratio of Net Bonded Debt to Assessed Value and Net Bonded Debt Per Capita  
(\$ 000 omitted)

	2000	2001
<b>LEGAL DEBT MARGIN</b>		
Overall debt limitation - 10.5% of assessed valuation	\$ 55,366	\$ 55,251
Gross indebtedness	18,467	19,595
Less debt outside limitations	17,084	17,271
Debt within 10.5% limitations	1,383	2,324
Less amount available in debt service funds applicable to debt margin	197	478
Net debt within 10.5% limitation	1,186	1,846
Legal debt margin within 10.5% limitation	\$ 54,180	\$ 53,405
Unvoted debt limitation 5.5% of assessed valuation	\$ 29,001	\$ 28,941
Gross indebtedness	18,467	19,595
Less debt outside limitations:		
Debt within 5.5% limitations	1,383	2,324
Less amount available in debt service funds applicable to debt margin	197	478
Net debt within 5.5% limitation	1,186	1,846
Legal debt margin within 5.5% limitation	\$ 27,815	\$ 27,095
<b>COMPUTATION OF DIRECT AND OVERLAPPING DEBT</b>		
	Assessed	
	Valuation (1)	
City of Wooster	\$ 526,199	
Wooster City Schools	595,944	
Wayne County	1,797,608	
Total		
	Net General Tax	Net Tax Supported
	Supported Debt (2)	Overall Debt
	\$ 2,324	\$ 2,324
	27,668	24,430
	10,649	3,117
	\$ 40,641	\$ 29,871
	Percent	
	Overlapping	
	100.00%	
	88.30%	
	29.27%	

**RATIO OF NET BONDED DEBT TO ASSESSED VALUE AND NET BONDED DEBT PER CAPITA**

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Net general debt	\$ 3,473	\$ 3,374	\$ 3,026	\$ 1,589	\$ 1,404	\$ 1,241	\$ 1,081	\$ 1,576	\$ 1,383	\$ 2,324
Assessed value	321,402	341,362	347,017	375,278	452,866	457,156	482,908	514,313	527,294	526,199
Population	22,440	22,947	23,204	23,465	23,728	23,994	24,264	24,536	24,811	25,002
Ratio of net bonded debt to assessed value	1.08%	0.99%	0.87%	0.42%	0.31%	0.27%	0.22%	0.31%	0.26%	0.44%
Net bonded debt per capita (full \$)	\$ 155	\$ 147	\$ 130	\$ 68	\$ 59	\$ 52	\$ 45	\$ 64	\$ 56	\$ 93

Sources (1) Wayne County, Ohio; County Auditor (2) Fiscal Offices of Subdivision

Table 5

City of Wooster, Ohio  
 Ratio of Annual Debt Service for General Obligation Debt to Total General Expenditures and Revenue Bond Coverage  
 (\$ '000 omitted)

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
<b>RATIO OF ANNUAL DEBT SERVICE FOR GENERAL OBLIGATION DEBT TO TOTAL GENERAL EXPENDITURES</b>										
Debt Service on general obligation debt	\$ 6,747	\$ 179	\$ 2,651	\$ 1,833	\$ 352	\$ 349	\$ 512	\$ 609	\$ 230	\$ 1,124
General Expenditures	19,336	14,770	15,165	13,998	12,666	14,990	15,897	16,010	18,283	16,743
Ratio	34.89%	1.21%	17.48%	13.09%	2.78%	2.33%	3.22%	3.80%	1.26%	6.71%
<b>REVENUE BOND COVERAGE</b>										
<b>Water:</b>										
Direct Revenue	\$ 3,053	\$ 3,356	\$ 3,478	\$ 3,422	\$ 4,887	\$ 5,145	\$ 4,872	\$ 4,353	\$ 4,464	\$ 4,521
Operating Expense	1,970	1,969	1,964	1,906	1,822	1,928	2,188	2,296	2,107	2,262
Net Available	1,083	1,387	1,514	1,516	3,065	3,217	2,684	2,057	2,357	2,259
Principal	0	150	153	170	193	588	631	666	706	3,748
Interest	108	107	169	257	551	678	637	581	580	561
Total debt service	108	257	322	427	744	1,266	1,268	1,247	1,286	4,309
Coverage	10.03	5.40	4.70	3.55	4.12	2.54	2.12	1.65	1.83	0.52
<b>Water Pollution Control:</b>										
Direct revenue	\$ 3,373	\$ 3,933	\$ 3,632	\$ 3,577	\$ 4,189	\$ 4,519	\$ 3,749	\$ 3,928	\$ 4,136	\$ 4,356
Operating expenses	2,160	2,210	2,019	1,995	2,063	2,364	2,107	2,167	2,275	2,561
Net available	1,213	1,723	1,613	1,582	2,126	2,155	1,642	1,761	1,861	1,795
Principal	270	264	255	247	269	259	260	262	253	264
Interest	170	152	138	123	107	93	78	62	49	33
Total debt service	440	416	393	370	376	352	338	324	302	297
Coverage	2.76	4.14	4.10	4.28	5.65	6.12	4.86	5.44	6.16	6.04
<b>Hospital:</b>										
Direct revenue	\$ 30,013	\$ 31,973	\$ 32,623	\$ 37,199	\$ 41,559	\$ 45,131	\$ 45,630	\$ 45,350	\$ 51,632	\$ 57,771
Operating expenses	26,447	27,083	28,361	30,199	32,153	34,137	35,563	36,515	40,371	46,262
Net available	3,566	4,890	4,262	7,000	9,406	10,994	10,067	8,835	11,261	11,509
Principal	215	230	240	260	280	300	320	340	365	2,250
Interest	321	305	287	272	255	236	217	195	173	169
Total debt service	536	535	527	532	535	536	537	535	538	2,419
Coverage	6.65	9.14	8.09	13.16	17.58	20.51	18.75	16.51	20.93	4.76

City of Wooster, Ohio  
Schedules of Principal Taxpayers,  
Miscellaneous Statistics and Demographic Statistics

Table 6

PRINCIPAL TAXPAYERS REAL ESTATE & PUBLIC UTILITY	TAXABLE VALUATION (\$000 omitted)		MISCELLANEOUS STATISTICS	
Ohio Power	\$ 8,999	22.13%	Date of incorporation	1817
Newell/Rubbermaid	7,676	18.88%	Form of government	Mayor-Council
Gerstenslager	3,839	9.44%	Area	15.857 square miles
Luk	3,569	8.78%	Miles of streets	120.41 miles
United Telephone	3,542	8.71%	Number of street lights	1,892
Wooster Brush	3,537	8.70%	Fire protection:	
Wooster Associates	3,268	8.04%	Number of stations	2
Buehlers	2,176	5.35%	Number of firemen and officers	42
K-Mart	2,035	5.00%	Police protection:	
East Ohio Gas	2,020	4.97%	Number of stations	1
Total of Above	\$ 40,661	100.00%	Number of policemen and officers	41
			Parking lots	6/119,923 sq ft
			Traffic lights	47
Total Assessed Valuation of City	\$ 526,198			

	Total Population	Population in Group Quarters	Total Dwelling Units	Occupied Dwelling Units/ Households	Persons Per Household	Owner	
						Occupied Housing Units %	Median Family Income
1950	14,005	1,039	4,330	4,218	3.10	59.20%	\$ 3,432
1960	17,046	1,205	5,504	5,284	3.00	61.50%	6,425
1970	18,703	1,627	6,410	6,088	2.80	60.20%	10,880
1980	19,289	1,871	7,626	7,105	2.45	58.10%	21,116
1990	22,191	1,720	8,989	8,568	2.39	57.50%	32,500
2000	24,811	1,967	10,674	10,040	2.28	59.37%	42,674
2001	25,002	1,737	10,759	10,120	2.28	59.70%	43,965

Sources: U.S. Censuses 1950, 1960, 1970, 1980, 1990, 2000, Wooster Planning Department 2001



STATE OF OHIO  
OFFICE OF THE AUDITOR  

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JIM PETRO, AUDITOR OF STATE

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

**CITY OF WOOSTER**

**WAYNE COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
JULY 25, 2002**