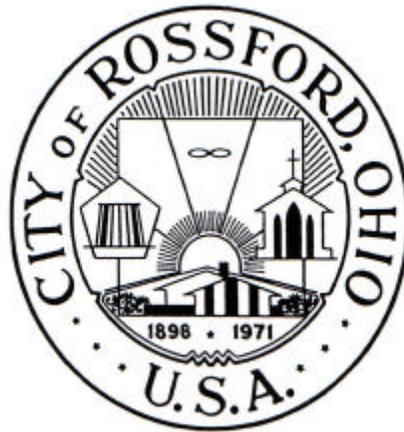


***THE CITY OF  
ROSSFORD, OHIO***  
*Wood County*



COMPREHENSIVE ANNUAL  
FINANCIAL REPORT

FOR THE YEAR ENDED  
DECEMBER 31, 2003





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**Auditor of State  
Betty Montgomery**

City Council  
City of Rossford  
133 Osborne St.  
Rossford, Ohio 43460

We have reviewed the Independent Auditor's Report of the City of Rossford, Wood County, prepared by Clark Johnson & Robson, for the audit period January 1, 2003 through December 31, 2003. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

*Betty Montgomery*

BETTY MONTGOMERY  
Auditor of State

October 22, 2004

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# ***THE CITY OF ROSSFORD, OHIO***

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WOOD COUNTY

COMPREHENSIVE ANNUAL  
FINANCIAL REPORT

FOR THE YEAR ENDED  
DECEMBER 31, 2003

*Prepared by:*  
Laurie Sabin  
Director of Finance



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## *INTRODUCTORY SECTION*

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# City of Rossford, Ohio

133 Osborn Street

Rossford, Ohio 43460-1236

Phone (419) 666-0210

Fax (419) 661-4279

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June 21, 2004

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

We are pleased to present this Comprehensive Annual Financial Report for the City of Rossford, Ohio for the fiscal year ended December 31, 2003. The report has been prepared in conformity with generally accepted accounting principles (GAAP) and guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA).

## INTRODUCTION

This report represents a commitment by the City of Rossford (the "City") to conform to nationally recognized standards of excellence in financial reporting. The City is responsible for both the accuracy of the presented data and the completeness of the presentation, including all disclosures. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and includes all disclosures necessary to illustrate the financial activity of the City in 2003.

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

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

## **The Reporting Entity**

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

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

In May 1997, the Wood County Commissioners approved formation of the Rossford Transportation Improvement District (TID) as permitted under Chapter 5540 of the Ohio Revised Code. The TID is a component unit of Wood County and is governed by a board of trustees consisting of the following members: five members appointed by the board of county commissioners, one nonvoting member appointed by the speaker of the house of representatives of the general assembly and one nonvoting member appointed by the president of the senate of the general assembly. In July 2002, at the request of the Wood County Commissioners, the membership and appointments section of the TID bylaws was amended to eliminate the TID as a component unit of Wood County. The board of trustees consists of the following members: two voting members appointed by Wood County, three voting members appointed by the City of Rossford, two voting members appointed by Perrysburg Township, the Wood County Engineer as a voting member, and two nonvoting members of the general assembly in whose legislative district the TID is located. It is empowered to provide for the construction, improvement, alteration or repair of any road, highway, public place or other infrastructure within the limits of the City and to issue bonds. The debt service for the bonds is to be paid for by special assessments levied by the TID against the parcels of land and lots that are benefited by the project. The initial project, which began in June of 1998, is a four-lane parkway from State Route 795 to State Route 20. As of December 1998, two miles of the parkway from State Route 795 to Deimling Road were completed. The remaining one half mile section was completed in 1999. Water and sewer lines have been extended south along the Parkway. The TID also completed a project to install traffic lights at both ends of the parkway in 1999.

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

In February 1999, the Rossford Arena Amphitheater Authority (RAAA), a component unit of the City of Rossford, Ohio, was created in accordance with Chapter 1702 of the Ohio Revised Code. As a legally separate non-profit corporation, the RAAA's purpose is to further the growth and development at the property located at the intersection of I-75 and I-80/90, which will increase tourism and convention activities in the City and benefit all of Northwestern Ohio. Specifically, its purpose is to finance, construct, own, operate and maintain an arena and amphitheater facility and such other activities as permissible under Ohio law. The trustees and members of the RAAA were set by ordinance to be the Mayor of the City of Rossford, the President of Council of the City of Rossford, the Municipal Administrator of the City of Rossford and the Recreation Director of the City of

Rossford. The City has no ongoing right to add or remove members or appoint other members. The City has indicated its willingness to participate in the arena/amphitheater project by devoting 100% of its admission tax revenues and 25% of its hotel/motel tax, subject to annual appropriation by City Council, to the project. The City has no legal obligation to finance the deficits of or provide support to the RAAA.

### **Historical Information**

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

### **Location**

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

### **Form of Government**

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

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

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

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

## **Basis of Accounting**

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

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

The City's basis of accounting for budgetary purposes differs from generally accepted accounting principles in that revenues are recognized when received, rather than when susceptible to accrual (measurable and available) and encumbrances are recorded as expenditures rather than as reservation of fund balances. A reconciliation of the results of these two methods appears in Note 1. During 2003, all accounting policies were applied consistently with those of 2002. Accounting policies are further explained in Note 1.

## **Economic Outlook**

The City of Rossford annexed 660 acres in August of 1994, 300 acres in May of 1997 and 192 acres in 2000 known locally as the "Crossroads of America." The annexed area is primarily farmland located at the intersection of Interstate I-80/90 and Interstate I-75. State Route 795 provides unlimited direct access to the area. As part of the annexation agreement, the City agreed to provide water and sanitary sewer services to the area. In order to accomplish this, the City entered into a Joint Economic Development Zone (JEDZ) agreement with the City of Toledo, whereby, in exchange for the City of Toledo's agreement to sell water to the area, the City of Rossford would share with the City of Toledo 0.615% of the 2.25% income tax revenue generated as a result of new businesses locating in the JEDZ. When the Crossroads of America area is fully developed, preliminary projections indicate over 1,400 jobs will be created with an estimated annual payroll of \$25 million. Annual tax revenues to cities, county, state and local schools are projected to exceed \$9 million.

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

A combination of sports, leisure activities, entertainment and retail will be featured in the Crossroads of America. Construction was completed during 1997 on a Courtyard by Marriott motel, a BP Mini-mart service station in the Crossroads and a 24 acre private development site north of State Route 795. The RAAA began construction of an arena with athletic event seating of 9,200 and concert seating of 12,000 and an amphitheater with 6,500 fixed seats and 7,500 lawn seats in May 1999. When financing could not be secured, construction was halted in November 1999. In 2003 the RAAA consented to foreclosure.

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

In May 2000 the City entered into a tax increment financing agreement with Ramco-Gershenson, Inc., who proposed the development of a 78.7 acre parcel of property consisting of a commercial shopping center located at the northeast corner of US Route 20 and Parkway Boulevard. Stores in the center include Target, Home Depot, Giant Eagle, Linens ‘N Things, Michaels Arts & Crafts, Shoe Carnival, Payless Shoe Source, Bath & Body Works, The Dress Barn and Fashion Bug. Outlet stores include Pier 1 Imports, Pet Supply Plus, Mattress Firm, Belle Tire, MC Sporting Goods and Chili’s Restaurant. Twelve outlet locations are still available. When all 78.7 acres are developed Ramco-Gershenson projects 960 employees with annual payrolls of \$18 million, annual retail sales of \$96 million and annual tax revenues to cities, county, state and local schools to exceed \$9 million. In 2003, annual payrolls exceeded \$10 million. The service payments made by Ramco-Gershenson will be used to pay all costs of public road and storm drainage improvements including the principal and interest on the \$1,950,000 in bonds the City borrowed to finance the improvements.

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

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

## Employee Relations

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

Employees are represented by the following bargaining units:

<u>Bargaining Unit</u>	<u>Agreement Expiration Date</u>	<u>Number of Employees Covered</u>
AFSCME, Ohio Council 8 Local 2954	August 2003	9
MEBA, District 2A	March 2003	19
MEBA, District 2A-Fire (Volunteers)	December 2003	31
OPBA, Rossford, Ohio Unit: Patrol Officers and Command Officers	December 2003	18

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

## Unemployment Rates

According to the Ohio Bureau of Employment services, the 2003 annual average unemployment rate for Wood County was 5.26%, which was significantly below the state unemployment rate of 6.1% and the national unemployment rate of 6.0%.

## MAJOR CITY INITIATIVES

### Project Funding

During 2003, the City remained focused on improving the quality of life and employment opportunities for its residents and taxpayers. Where possible, the City continues to actively pursue and apply for possible assistance such as State Issue II funds and other federal, state and local grant funds. The City has been very successful in obtaining such funds as evidenced by the State Issue II Grants for Phases I, II, III and IV sewer replacement and the road and bridge widening of Buck Road and I-75, the Ohio Department of Development Community Housing Improvement Program Grant, the Ohio Department of Public Safety Emergency Medical Services Grant, the COPS Fast Grant and the Ohio Department of Natural Resources, Division of Watercraft Waterways Safety Fund Grant and Clean Vessel Act Grant.

### Continuing and Future Projects

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

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

In September 1999, the City was awarded 24 month \$645,000 Grant from the Ohio Department of Development for a Community Housing Improvement Program (CHIP). Program activities include full rehabilitation services to bring houses up to state residential rehab standards in the form of 0% deferred loans, home repair addressing one or two health or safety concerns in the house in the form of grants and home buyer assistance for down payment and closing costs in the form of 0% deferred loans. Program participants must meet certain low to moderate income limits and work is completed solely by program approved contractors. In 2000 five homes were rehabilitated at a cost of \$87,622, three households were assisted with down payments at a cost of \$15,100 and one home received emergency repairs totaling \$4,755. In 2001 eight homes were rehabilitated at a cost of \$142,775 and two home buyers were assisted with down payments totaling \$10,400. An additional 24 month grant was not awarded to the City in 2002. Because four grantees paid off their loans, \$84,917 remains in the CHIP fund and can be used to aide Rossford residents in need of emergency home repairs.

In August 2000, the City entered into a 20 year road improvements lease-purchase agreement with the TID and issued a \$2,550,000 note to finance the first payment, pursuant to the provisions of Article XVII, Section 3 of the Ohio Constitution. Further lease payments are \$1 per year, ending December 1, 2020. The TID constructed a north-south collector boulevard from the intersection of State Route 795 and Simmons Road which extends south beginning at State Route 795 and ending at US 20 (The Parkway) and the east-west road know as Arena Drive. The cost of the roads are to be paid by the levy and collection of special assessments from the property owners who benefited by the improvements. In consideration of the agreement the TID has agreed to assign 35.84% of the assessments and other amounts connected therewith to the City. Proceeds from the assessments, which the City began receiving in 2001, will be used to pay the interest and principal of the \$2,550,000 note. In 2001, 2002 and 2003 assessments received covered note interest and note sale expenses, leaving a \$136,653 fund balance.

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

improvements are to be paid by connection fees, tap-in fees, capacity fees, user fees and other similar fees paid by users of the improvements. In consideration of the agreement the TID has agreed to assign 31.8% of the water and sewer fees and other amounts connected therewith to the City. The City will use these proceeds to pay the interest and principal of the two \$300,000 notes. As of December 31, 2003, the RTID water and sewer lines have generated tap fees of \$37,800. The remainder of note interest and note sale expenses have been paid by the City's Water and Sewer funds.

## **FINANCIAL INFORMATION**

### **Internal Control, Budgetary and the Accounting System**

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

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

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

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

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

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

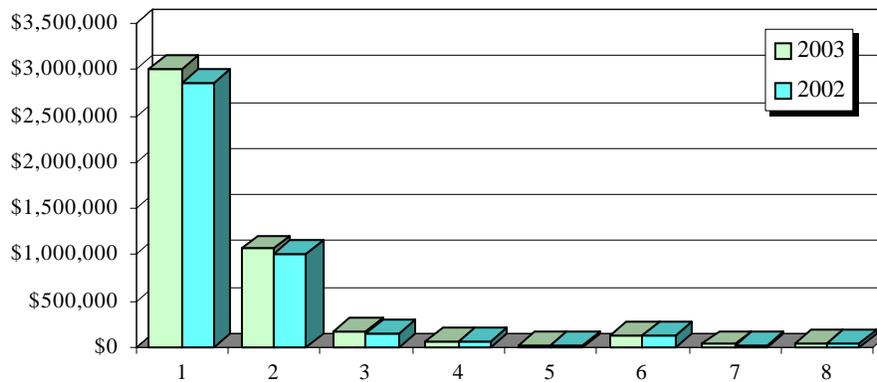
- Personal Services
- Contractual Services
- Other (Miscellaneous)
- Transfers
- Materials and Supplies
- Capital Outlay
- Debt Service:
  - Principal
  - Interest

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

**General Government Functions**

The following schedule presents a summary of general governmental revenues (including general, special revenue and debt service funds) for the years ended December 31, 2003 and 2002, the percentage of total revenues for each year and the amount and percentage of increase/(decrease) in relation to 2002 revenue.

Revenue Source	2003 Total	Percent of Total	2002 Total	Increase (Decrease) over 2002	Percent of Change
1. Taxes	\$2,904,450	65.49%	\$2,852,728	\$51,722	1.81%
2. Intergovernmental Revenues	1,063,829	23.98%	1,009,615	54,214	5.37%
3. Charges for Services	181,948	4.10%	149,742	32,206	21.51%
4. Licenses and Permits	64,071	1.44%	70,198	(6,127)	(8.73%)
5. Investment Earnings	14,427	0.33%	20,852	(6,425)	(30.81%)
6. Special Assessments	134,061	3.02%	130,409	3,652	2.80%
7. Fines and Forfeitures	32,329	0.73%	29,386	2,943	10.01%
8. All Other Revenues	40,489	0.91%	37,069	3,420	9.23%
<b>Total</b>	<b>\$4,435,604</b>	<b>100.00%</b>	<b>\$4,299,999</b>	<b>\$135,605</b>	



**Revenue Narrative**

The City's income tax continues to be its primary source of revenue. Ohio law authorizes a municipal income tax on both corporate profits and employee wages at a rate of up to 1.0% without voter authorization, and above 1.0% with voter authorization. In 1961, City Council imposed an income tax at the rate of 0.5%. Subsequent voter authorizations have increased the tax to 1.0% in 1968, 1.5% in 1976 and to the present rate of 2.25% in 1988. The tax is in effect for a continuing period of time.

The tax could be reduced or terminated by action of the Council, or by vote of the electors initiated by petition of 10% of the number of electors in the City who voted for the Governor at the last preceding general election for the Office of Governor following initiated ordinance procedures, or 10% of the electors of the City following charter amendment procedures.

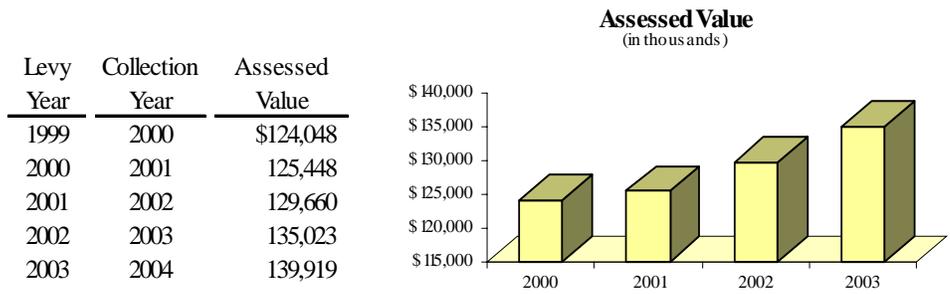
All income tax proceeds are allocated to the General Fund for the current year for general municipal operations and may be allocated to the Capital Improvement Fund or other funds by City Council. Approximately 80% of the City's income tax collected in 2003 was collected through employer withholdings from employee wages. Income tax collections increased 3.8% from 2002 to 2003.

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

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

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

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



Investment earnings as a source of revenue do not lend well to year to year comparisons. Percentage increases or decreases in comparison to previous years are not necessarily indicative of future year estimates. Investment earnings decreased by \$6,425 in 2003 primarily because interest rates dropped substantially during the year. The City's investment policies are discussed in more detail later in this letter under the topic "Cash Management."

Intergovernmental revenues include state levied shared taxes consisting primarily of local government assistance provided by the State of Ohio through reimbursement for real and personal property tax reductions, gasoline tax, state levied motor vehicle license tax, inheritance tax, permissive motor vehicle license tax, local government and revenue assistance allocations. These revenues are collected by the State or County and partially redistributed to the City or other political subdivisions. This revenue category also includes grant funds received from county, state or federal sources. Intergovernmental revenues increased \$54,214 in comparison to 2002 primarily due to a \$60,202 increase in revenue from repayments from participants of the City's previous CHIP Grants, a \$21,036 decrease in Estate/Inheritance Tax and a \$9,389 increase in funds received for gasoline tax in 2003 compared to 2002.

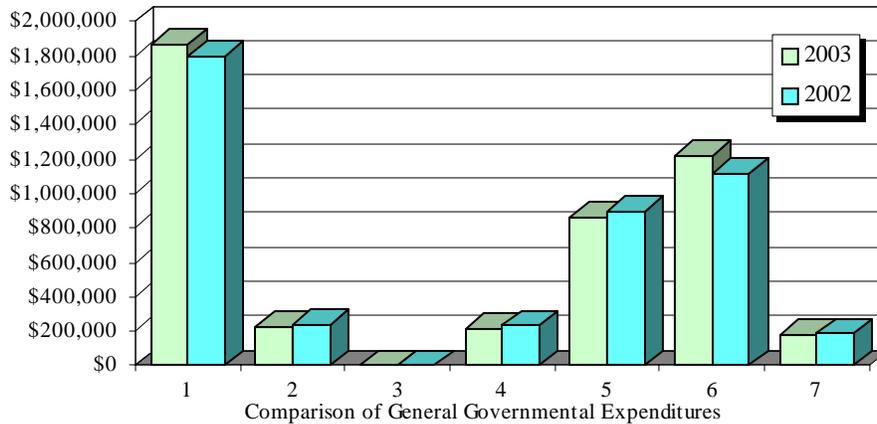
Charges for services include ambulance transports, emergency medical treatment, recreation center membership and program fees, civil service test fees and charges for photocopies. Ambulance fees are billed by an outside collection service and remitted directly to the City. The 2003 increase in charges for services is due to rate increases for emergency medical treatment effective January 2, 2003.

Licenses and permits are fees received for franchise cablevision, building trade licenses, zoning permits and other fees for plan review, easements and parcel splits. License and permit fees decreased \$6,127 from 2002 to 2003 due to a decrease in franchise cablevision fees.

**Expenditure Narrative**

Expenditures for general government purposes (including general, special revenue and debt service funds) totaled \$4,621,792, an increase of \$159,483 from 2002. The following schedule presents a summary of general governmental expenditures for the years ended December 31, 2003 and 2002, the percentage of total expenditures for each year and the amount and percentage of increase/(decrease) in relation to 2002 expenditures.

Function	2003 Total	Percent of Total	2002 Total	Increase (Decrease) over 2002	Percent of Change
1. Security of Persons and Property	\$1,869,529	40.45%	\$1,795,309	\$74,220	4.13%
2. Leisure Time Activities	229,826	4.97%	237,125	(7,299)	(3.08%)
3. Basic Utility Services	218,480	4.73%	232,469	(13,989)	(6.02%)
4. Transportation	863,773	18.69%	898,680	(34,907)	(3.88%)
5. General Government	1,258,426	27.23%	1,112,502	145,924	13.12%
6. Debt Service	181,758	3.93%	186,224	(4,466)	(2.40%)
Total	<u>\$4,621,792</u>	<u>100.00%</u>	<u>\$4,462,309</u>	<u>\$159,483</u>	



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

The majority of the increase in security of persons and property results from an increase in wages and fringe benefits for police and fire personnel. Public health and welfare expenses increased due to the purchase of an additional radio tower to improve police and fire communications in the Crossroads. With no major program changes, leisure time activities expenses remained relatively the same. The main cause of the decrease in transportation expense is that the cost of road salt dropped from \$61.72 per ton in 2002 to \$31.43 in 2003. Increases in general government expenditures were mainly due to increases in legal expenses.

**Proprietary Operations**

Enterprise Funds

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

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

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

	<u>Total Assets</u>	<u>Total Equity</u>	<u>Net Income (Loss)</u>	<u>Return on Assets</u>	<u>Return on Equity</u>
Water	\$2,403,836	\$302,174	(\$58,388)	(2.43%)	(19.32%)
Sewer	4,949,357	1,276,036	(218,351)	(4.41%)	(17.11%)
Marina	501,141	498,626	338,875	67.62%	67.96%

**Debt Administration**

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

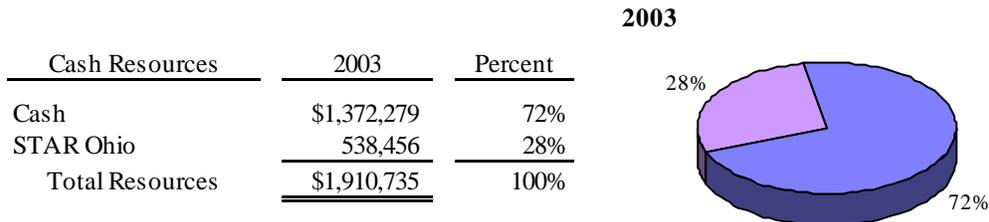
The City's general obligation bond is not rated. The total bonded debt of the City at December 31, 2003 was \$560,000 for the Community Recreation Center, \$1,788,216 for water lines, \$1,499,784 for sewer lines and \$1,887,000 for Capital Projects.

**Cash Management**

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

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

The City's cash resources were invested at December 31, 2003 as follows:



The City earned general governmental interest of \$14,427 on investments for fiscal year 2003. Interest earned was allocated to the General Fund.

At December 31, 2003, the City had deposits of \$1,372,279. Federal depository insurance covered \$200,000 of the bank balance and the rest of the deposits were classified as Category 3. Ohio Law requires that deposits be placed in eligible banks or savings and loan associations located in Ohio. Any public depository in which the City places deposits must pledge as collateral eligible securities of aggregate market value equal to the excess of deposits not insured by the Federal Deposit Insurance Corporation (FDIC). The securities pledged as collateral are pledged to a pool for each individual financial institution in amounts equal to at least 110% of the carrying value of all public deposits held by each institution. Obligations that may be pledged as collateral are limited to obligations of the United States and its agencies and obligations of any state, county, municipal corporation or other legally constituted authority of any other state or any instrumentality of such county, municipal corporation or other authority. Based upon criteria described in GASB Statement No. 3, "*Deposits With Financial Institutions, Investments (including Repurchase Agreements) and Reverse Repurchase Agreements*," collateral held in single financial collateral pools with securities being held by the pledging financial institution's agent in the pool's name are classified as Category 3 (see Note 3 of the financial statements). All deposits are made under contracts with local banking institutions pursuant to statute.

**Risk Management**

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

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

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

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

### **OTHER INFORMATION**

#### **Independent Audit**

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

#### **Awards**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Rossford, Ohio for its comprehensive annual financial report for the fiscal year ended December 31, 2002. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government finance reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. The City of Rossford has received a Certificate of Achievement for the fiscal years ended 1994 - 2002. We believe that this, our tenth Comprehensive Annual Financial Report, meets the high standards set by GFOA for a Certificate of Achievement for Excellence in Financial Reporting, and we are submitting it to GFOA.

**Public Disclosure**

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

**Acknowledgments**

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

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

Finally, special thanks to Mayor William Verbosky Jr., the members of the Rossford City Council and the City Administration whose support is necessary for the City of Rossford to conform to reporting requirements established for municipal governments.

Respectfully,



Edward J. Ciecka  
City Administrator



Laurie W. Sabin  
Finance Director

**THE CITY OF ROSSFORD, OHIO  
LIST OF PRINCIPAL OFFICIALS  
AS OF DECEMBER 31, 2003**

**ELECTED OFFICIAL**

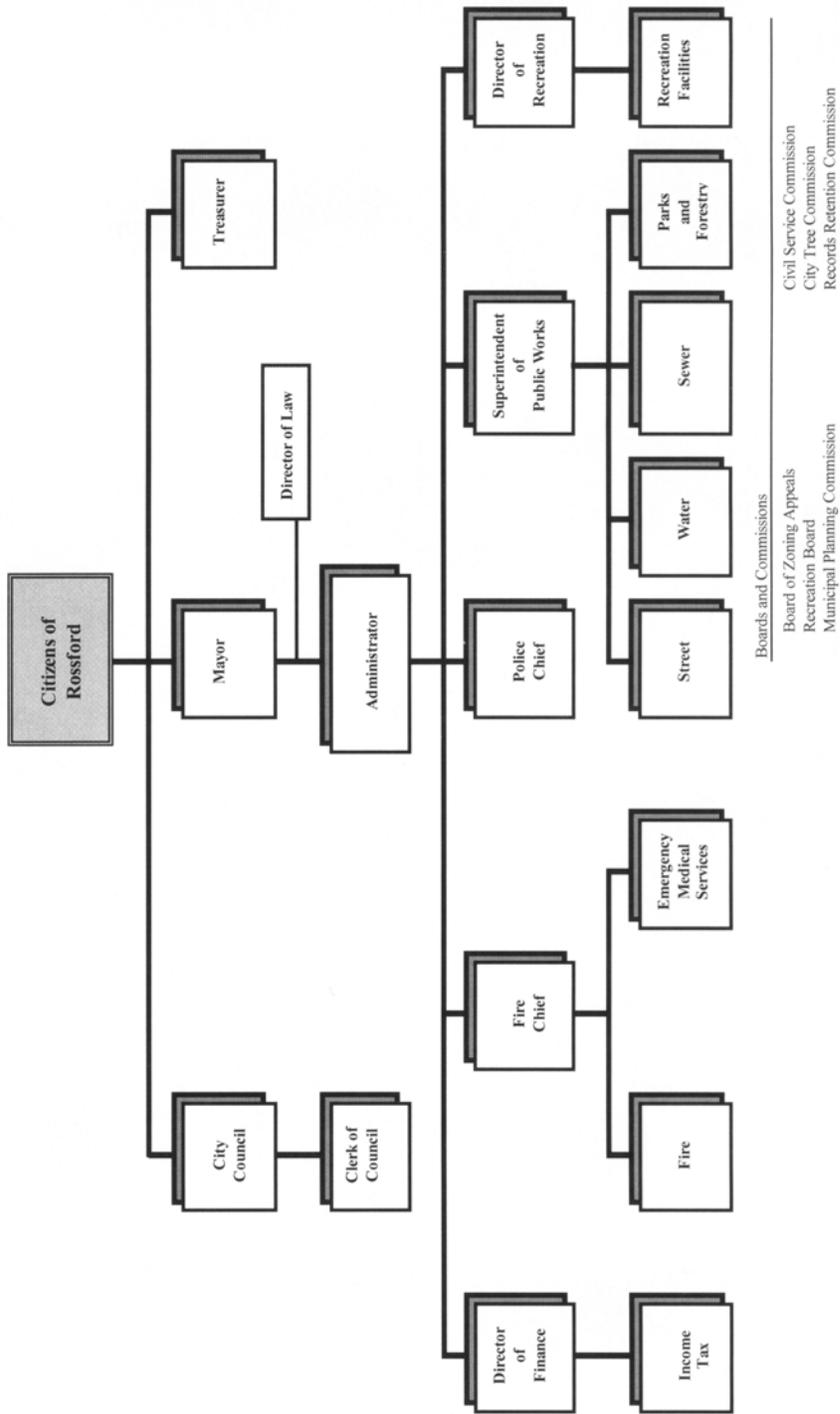
<u>NAME</u>	<u>OFFICE</u>	<u>TERM EXPIRES</u>	<u>YEARS IN OFFICE</u>	<u>SURETY</u>
William Verbosky, Jr.	Mayor	11/30/2007	5	A
James Richards	Council President	11/30/2005	2	A
Kenneth Hermes	Council Member	11/30/2007	6	A
Larry Oberdorf, Sr.	Council Member	11/30/2007	0	A
Molly Jakubec	Council Member	11/30/2005	18	A
Caroline Eckel	Council Member	11/30/2005	0	A
Gregory Marquette	Council Member	11/30/2007	5	A
Richard Kovach	Council Member	11/30/2005	7	A
Mark Radwanski	Treasurer (appointed)	11/30/2005	0	A, B

**ADMINISTRATIVE PERSONNEL**

<u>NAME</u>	<u>OFFICE</u>	<u>TERM EXPIRES</u>	<u>YEARS OF SERVICE</u>	<u>SURETY</u>
vacant **	City Administrator	Indefinite		A, B
Laurie Sabin	Director of Finance/ Acting City Administrator	Indefinite	6	A, B
David Jones	Superintendent of Public Works	Indefinite	23	A
Patricia Sloan	Director of Recreation	Indefinite	23	A
Dennis Foy, Sr.	Police Chief	Indefinite	5	A
James Verbosky	Fire Chief	Indefinite	6	A
Keith Wilkowski	Director of Law	11/30/2007	7	A
Robert Watrol	Clerk of Council	11/30/2007	16	A

# The City of Rossford, Ohio

## Organizational Chart



Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

City of Rossford,  
Ohio

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

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.



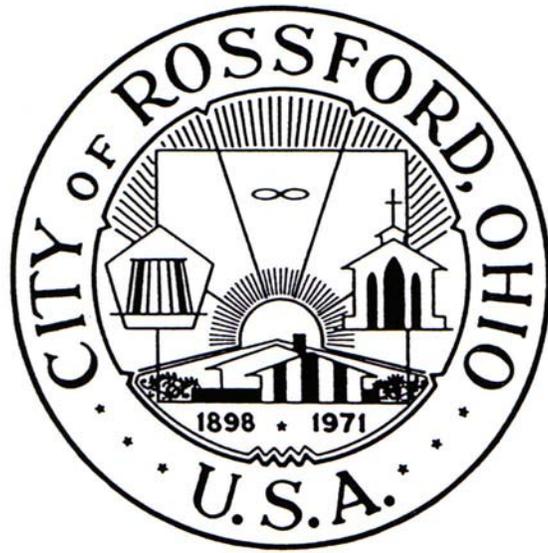
President

Executive Director

## *FINANCIAL SECTION*

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## ***CLARK JOHNSON & ROBSON***

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

### **Independent Auditors' Report**

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

We have audited the accompanying general purpose financial statements of the City of Rossford, Wood County, as of and for the year ended December 31, 2003 as listed in the table of contents. These general purpose financial statements are the responsibility of the City of Rossford's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

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

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the City of Rossford, as of December 31, 2003, and the results of its operations and cash flows of its proprietary fund types for the year then ended in conformity with accounting principles generally accepted in the United States of America .

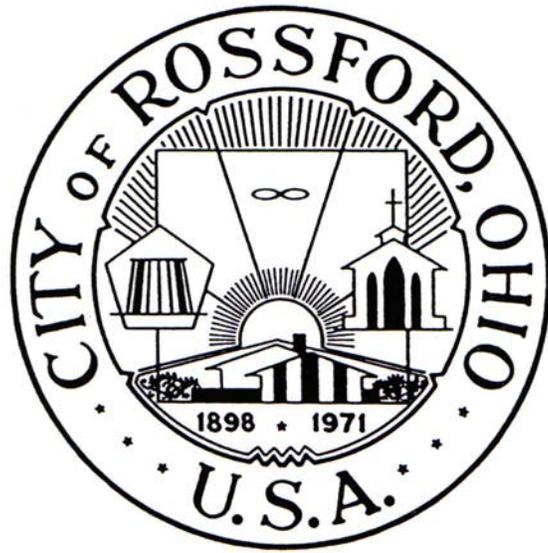
The accompanying financial statements have been prepared assuming the Rossford Arena Amphitheater Authority (a discretely presented component unit) will continue as a going concern. As discussed in Note 2, the Authority has been unable to pay debt obligations when due. Accordingly, there is substantial doubt about its ability to continue as a going concern. Management's plans in regards to these matters are also discussed in Note 2.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining and individual fund and account financial statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the City of Rossford. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

In accordance with *Government Auditing Standards*, we have also issued reports dated June 21, 2004 on our consideration of the City of Rossford's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants. Those reports are an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

We did not audit the introductory and statistical information as listed in the table of contents and therefore express no opinion on either.

Clark Johnson & Robson  
June 21, 2004



## *GENERAL PURPOSE FINANCIAL STATEMENTS*

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*THE FOLLOWING GENERAL PURPOSE FINANCIAL STATEMENTS, ALONG WITH THE NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS, PRESENT AN OVERVIEW OF THE CITY'S FINANCIAL POSITION AT DECEMBER 31, 2003 AND THE RESULTS OF OPERATIONS AND CASH FLOWS OF ITS PROPRIETARY FUNDS FOR THE YEAR THEN ENDED.*

**THE CITY OF ROSSFORD, OHIO**  
**COMBINED BALANCE SHEET**  
**ALL FUND TYPES AND ACCOUNT GROUPS**  
**AND DISCRETELY PRESENTED COMPONENT UNIT**  
**DECEMBER 31, 2003**

	<u>Governmental Fund Types</u>			<u>Proprietary Fund Type</u>	<u>Fiduciary Fund Type</u>	<u>Account Groups</u>		Totals Primary Government (Memorandum Only)	<u>Component Unit</u> Rossford Arena Amphitheater Authority
	General Fund	Special Revenue Funds	Capital Projects Funds	Enterprise Funds	Agency Fund	General Fixed Assets	General Long-Term Obligations		
<b>Assets and Other Debits:</b>									
Assets:									
Cash and Cash Equivalents	\$152,770	\$126,103	\$1,030,403	\$601,283	\$0	\$0	\$0	\$1,910,559	\$4,612
Receivables (net of allowance for doubtful accounts):									
Taxes	620,270	43,911	109,778	0	0	0	0	773,959	0
Accounts	60,176	335	0	0	0	0	0	60,511	0
Special Assessments	157,368	0	2,116,843	0	0	0	0	2,274,211	0
Interfund Loan Receivable	0	0	0	80,000	0	0	0	80,000	0
Intergovernmental Receivables	495,371	107,039	5,325	528,722	0	0	0	1,136,457	0
Inventory of Supplies at Cost	0	10,855	0	0	0	0	0	10,855	0
Prepaid Items	9,345	0	0	0	0	0	0	9,345	0
Restricted Assets:									
Cash and Cash Equivalents	0	0	0	0	176	0	0	176	0
Fixed Assets (net of accumulated depreciation)	0	0	0	6,644,329	0	6,747,964	0	13,392,293	5,691,040
Other Debits:									
Amount to be Provided for General Long-Term Obligations	0	0	0	0	0	0	5,294,174	5,294,174	0
<b>Total Assets and Other Debits</b>	<b>\$1,495,300</b>	<b>\$288,243</b>	<b>\$3,262,349</b>	<b>\$7,854,334</b>	<b>\$176</b>	<b>\$6,747,964</b>	<b>\$5,294,174</b>	<b>\$24,942,540</b>	<b>\$5,695,652</b>

(Continued)

**THE CITY OF ROSSFORD, OHIO**  
**COMBINED BALANCE SHEET**  
**ALL FUND TYPES AND ACCOUNT GROUPS**  
**AND DISCRETELY PRESENTED COMPONENT UNIT**  
**DECEMBER 31, 2003**

	<u>Governmental Fund Types</u>			<u>Proprietary Fund Type</u>	<u>Fiduciary Fund Type</u>	<u>Account Groups</u>		Totals Primary	<u>Component Unit</u>
	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Capital Projects Funds</u>	<u>Enterprise Funds</u>	<u>Agency Fund</u>	<u>General Fixed Assets</u>	<u>General Long-Term Obligations</u>	<u>Government (Memorandum Only)</u>	<u>Rossford Arena Amphitheater Authority</u>
<b>Liabilities, Equity and Other Credits:</b>									
<b>Liabilities:</b>									
Accounts Payable	\$315,231	\$27,128	\$88,684	\$40,177	\$0	\$0	\$0	\$471,220	\$5,885,344
Accrued Wages and Benefits	223,447	23,890	0	6,080	0	0	0	253,417	0
Interfund Loan Payable	80,000	0	0	0	0	0	0	80,000	0
Intergovernmental Payable	30,251	97	0	95	0	0	0	30,443	0
Retainage Payable	0	0	0	0	0	0	0	0	502,492
Due to Others	0	0	0	0	176	0	0	176	0
Accrued Interest Payable	0	0	30,224	21,007	0	0	0	51,231	2,204,632
Deferred Revenue	786,211	115,980	2,231,946	0	0	0	0	3,134,137	0
General Obligation Notes Payable	0	0	2,924,893	815,000	0	0	0	3,739,893	0
Compensated Absences Payable	0	0	0	0	0	0	173,541	173,541	0
Capital Leases Payable	0	0	0	0	0	0	114,896	114,896	0
Loans Payable	0	0	0	0	0	0	0	0	11,030,953
Landfill Postclosure Care	0	0	0	0	0	0	318,737	318,737	0
General Obligation Bonds Payable	0	0	0	3,288,000	0	0	4,472,000	7,760,000	0
Special Assessment Bonds Payable with Governmental Commitment	0	0	0	0	0	0	215,000	215,000	0
Ohio Public Works Commission Loan	0	0	0	75,115	0	0	0	75,115	0
Ohio Water Development Authority Loan Payable	0	0	0	1,532,024	0	0	0	1,532,024	0
<b>Total Liabilities</b>	<b>1,435,140</b>	<b>167,095</b>	<b>5,275,747</b>	<b>5,777,498</b>	<b>176</b>	<b>0</b>	<b>5,294,174</b>	<b>17,949,830</b>	<b>19,623,421</b>
<b>Equity and Other Credits:</b>									
Investment in General Fixed Assets	0	0	0	0	0	6,747,964	0	6,747,964	0
Contributed Capital	0	0	0	3,527,558	0	0	0	3,527,558	0
Retained Earnings/Accumulated Deficit	0	0	0	(1,450,722)	0	0	0	(1,450,722)	(13,927,769)
<b>Fund Balances:</b>									
Reserved for Encumbrances	31,340	5,297	10,495	0	0	0	0	47,132	0
Reserved for Supplies Inventory	0	10,855	0	0	0	0	0	10,855	0
Reserved for Prepaid Items	9,345	0	0	0	0	0	0	9,345	0
Undesignated	19,475	104,996	(2,023,893)	0	0	0	0	(1,899,422)	0
<b>Total Equity and Other Credits</b>	<b>60,160</b>	<b>121,148</b>	<b>(2,013,398)</b>	<b>2,076,836</b>	<b>0</b>	<b>6,747,964</b>	<b>0</b>	<b>6,992,710</b>	<b>(13,927,769)</b>
<b>Total Liabilities, Equity and Other Credits</b>	<b>\$1,495,300</b>	<b>\$288,243</b>	<b>\$3,262,349</b>	<b>\$7,854,334</b>	<b>\$176</b>	<b>\$6,747,964</b>	<b>\$5,294,174</b>	<b>\$24,942,540</b>	<b>\$5,695,652</b>

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



**THE CITY OF ROSSFORD, OHIO**  
**COMBINED STATEMENT OF REVENUES,**  
**EXPENDITURES AND CHANGES IN FUND BALANCES**  
**ALL GOVERNMENTAL FUND TYPES**  
**YEAR ENDED DECEMBER 31, 2003**

	<b>Governmental Fund Types</b>				Totals (Memorandum Only)
	General Fund	Special Revenue Funds	Debt Service Fund	Capital Projects Funds	
<b>Revenues:</b>					
Taxes	\$2,866,497	\$37,953	\$0	\$94,882	\$2,999,332
Intergovernmental Revenues	754,817	309,012	0	10,500	1,074,329
Charges for Services	95,897	86,051	0	0	181,948
Licenses and Permits	64,071	0	0	0	64,071
Investment Earnings	14,427	0	0	2,089	16,516
Special Assessments	130,289	3,772	0	396,246	530,307
Fines and Forfeitures	30,238	2,091	0	0	32,329
All Other Revenues	20,526	19,963	0	59,018	99,507
Total Revenues	<u>3,976,762</u>	<u>458,842</u>	<u>0</u>	<u>562,735</u>	<u>4,998,339</u>
<b>Expenditures:</b>					
<b>Current:</b>					
Security of Persons and Property	1,866,376	3,153	0	0	1,869,529
Leisure Time Activities	11,082	218,744	0	0	229,826
Basic Utility Services	218,480	0	0	0	218,480
Transportation	527,826	335,947	0	0	863,773
General Government	1,258,426	0	0	0	1,258,426
Capital Outlay	0	0	0	265,170	265,170
<b>Debt Service:</b>					
Principal Retirement	48,073	0	95,000	139,077	282,150
Interest and Fiscal Charges	5,685	0	33,000	260,130	298,815
Total Expenditures	<u>3,935,948</u>	<u>557,844</u>	<u>128,000</u>	<u>664,377</u>	<u>5,286,169</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	40,814	(99,002)	(128,000)	(101,642)	(287,830)
<b>Other Financing Sources (Uses):</b>					
Operating Transfers In	128,772	167,129	128,000	167,845	591,746
Operating Transfers Out	(393,944)	(12,802)	0	(60,000)	(466,746)
Total Other Financing Sources (Uses)	<u>(265,172)</u>	<u>154,327</u>	<u>128,000</u>	<u>107,845</u>	<u>125,000</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(224,358)	55,325	0	6,203	(162,830)
Fund Balance (Deficit) Beginning of Year	284,518	87,213	0	(2,019,601)	(1,647,870)
Decrease in Inventory Reserve	0	(21,390)	0	0	(21,390)
Fund Balance (Deficit) End of Year	<u>\$60,160</u>	<u>\$121,148</u>	<u>\$0</u>	<u>(\$2,013,398)</u>	<u>(\$1,832,090)</u>

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

**THE CITY OF ROSSFORD, OHIO**  
**COMBINED STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**ALL GOVERNMENTAL FUND TYPES**  
**FOR THE YEAR ENDED DECEMBER 31, 2003**

	<i>General Fund</i>			<i>Special Revenue Funds</i>		
	Revised Budget	Actual	Variance: Favorable (Unfavorable)	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<b>Revenues:</b>						
Taxes	\$3,185,614	\$2,860,782	(\$324,832)	\$43,638	\$37,953	(\$5,685)
Intergovernmental Revenues	763,646	754,817	(8,829)	224,600	310,943	86,343
Charges for Services	60,400	87,671	27,271	84,500	86,073	1,573
Licenses and Permits	68,500	75,057	6,557	0	0	0
Investment Earnings	20,000	14,427	(5,573)	0	0	0
Special Assessments	132,000	130,289	(1,711)	0	3,772	3,772
Fines and Forfeitures	28,100	32,032	3,932	1,500	2,141	641
All Other Revenues	114,272	929	(113,343)	37,000	19,628	(17,372)
Total Revenues	<u>4,372,532</u>	<u>3,956,004</u>	<u>(416,528)</u>	<u>391,238</u>	<u>460,510</u>	<u>69,272</u>
<b>Expenditures:</b>						
<b>Current:</b>						
Security of Persons and Property	1,908,972	1,822,743	86,229	3,153	3,153	0
Leisure Time Activities	27,560	13,747	13,813	248,413	219,637	28,776
Basic Utility Services	232,000	232,000	0	0	0	0
Transportation	563,039	539,253	23,786	360,170	349,127	11,043
General Government	1,180,186	1,140,002	40,184	0	0	0
Capital Outlay	0	0	0	0	0	0
<b>Debt Service:</b>						
Principal Retirement	48,073	48,073	0	0	0	0
Interest and Fiscal Charges	5,687	5,685	2	0	0	0
Total Expenditures	<u>3,965,517</u>	<u>3,801,503</u>	<u>164,014</u>	<u>611,736</u>	<u>571,917</u>	<u>39,819</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	407,015	154,501	(252,514)	(220,498)	(111,407)	109,091
<b>Other Financing Sources (Uses):</b>						
Proceeds from General Obligation Notes	0	0	0	0	0	0
Operating Transfers In	75,000	128,772	53,772	177,849	167,129	(10,720)
Operating Transfers Out	(404,579)	(393,944)	10,635	(12,887)	(12,802)	85
Other Financing Sources - Capital Leases	50,000	0	(50,000)	0	0	0
Total Other Financing Sources (Uses)	<u>(279,579)</u>	<u>(265,172)</u>	<u>14,407</u>	<u>164,962</u>	<u>154,327</u>	<u>(10,635)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	127,436	(110,671)	(238,107)	(55,536)	42,920	98,456
Fund Balance at Beginning of Year	77,287	77,287	0	49,708	49,708	0
Prior Year Encumbrances	46,343	46,343	0	13,933	13,933	0
Fund Balance at End of Year	<u>\$251,066</u>	<u>\$12,959</u>	<u>(\$238,107)</u>	<u>\$8,105</u>	<u>\$106,561</u>	<u>\$98,456</u>

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

**THE CITY OF ROSSFORD, OHIO**  
**COMBINED STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**ALL GOVERNMENTAL FUND TYPES**  
**FOR THE YEAR ENDED DECEMBER 31, 2003**

<i>Debt Service Fund</i>			<i>Capital Projects Funds</i>			<i>Totals (Memorandum Only)</i>		
Revised Budget	Actual	Variance: Favorable (Unfavorable)	Revised Budget	Actual	Variance: Favorable (Unfavorable)	Revised Budget	Actual	Variance: Favorable (Unfavorable)
\$0	\$0	\$0	\$109,094	\$94,882	(\$14,212)	\$3,338,346	\$2,993,617	(\$344,729)
0	0	0	6,000	10,500	4,500	994,246	1,076,260	82,014
0	0	0	0	0	0	144,900	173,744	28,844
0	0	0	0	0	0	68,500	75,057	6,557
0	0	0	2,089	2,089	0	22,089	16,516	(5,573)
0	0	0	409,722	396,246	(13,476)	541,722	530,307	(11,415)
0	0	0	0	0	0	29,600	34,173	4,573
0	0	0	59,018	59,018	0	210,290	79,575	(130,715)
0	0	0	585,923	562,735	(23,188)	5,349,693	4,979,249	(370,444)
0	0	0	0	0	0	1,912,125	1,825,896	86,229
0	0	0	0	0	0	275,973	233,384	42,589
0	0	0	0	0	0	232,000	232,000	0
0	0	0	0	0	0	923,209	888,380	34,829
0	0	0	0	0	0	1,180,186	1,140,002	40,184
0	0	0	297,605	270,309	27,296	297,605	270,309	27,296
95,000	95,000	0	2,689,077	2,689,077	0	2,832,150	2,832,150	0
33,000	33,000	0	341,063	258,532	82,531	379,750	297,217	82,533
128,000	128,000	0	3,327,745	3,217,918	109,827	8,032,998	7,719,338	313,660
(128,000)	(128,000)	0	(2,741,822)	(2,655,183)	86,639	(2,683,305)	(2,740,089)	(56,784)
0	0	0	2,550,000	2,924,893	374,893	2,550,000	2,924,893	374,893
128,000	128,000	0	167,847	167,845	(2)	548,696	591,746	43,050
0	0	0	(60,000)	(60,000)	0	(477,466)	(466,746)	10,720
0	0	0	0	0	0	50,000	0	(50,000)
128,000	128,000	0	2,657,847	3,032,738	374,891	2,671,230	3,049,893	378,663
0	0	0	(83,975)	377,555	461,530	(12,075)	309,804	321,879
0	0	0	490,882	490,882	0	617,877	617,877	0
0	0	0	72,143	72,143	0	132,419	132,419	0
\$0	\$0	\$0	\$479,050	\$940,580	\$461,530	\$738,221	\$1,060,100	\$321,879

**THE CITY OF ROSSFORD, OHIO**  
**COMBINED STATEMENT OF REVENUES, EXPENSES**  
**AND CHANGES IN RETAINED EARNINGS/ACCUMULATED DEFICIT**  
**PROPRIETARY FUND TYPE AND DISCRETELY PRESENTED COMPONENT UNIT**  
**FOR THE YEAR ENDED DECEMBER 31, 2003**

	<i>Proprietary Fund Type</i>	<i>Component Unit</i>
	<b>Enterprise Funds</b>	<b>Rossford Arena Amphitheater Authority</b>
<u>Operating Revenues:</u>		
Charges for Services	\$540,775	\$4,800
Other Operating Revenues	4,783	0
Total Operating Revenues	545,558	4,800
<u>Operating Expenses:</u>		
Personal Services	107,863	0
Materials and Supplies	16,350	0
Contractual Services	158,043	0
Depreciation	183,969	0
Other Operating Expenses	1,614	1,804
Total Operating Expenses	467,839	1,804
Operating Income	77,719	2,996
<u>Nonoperating Revenues (Expenses):</u>		
Interest and Fiscal Charges	(237,077)	11
Capital Contributions	346,494	0
Total Nonoperating Revenues (Expenses)	109,417	11
Income Before Operating Transfers	187,136	3,007
<u>Operating Transfers:</u>		
Operating Transfers In	62,118	0
Operating Transfers Out	(187,118)	0
Total Operating Transfers	(125,000)	0
Net Income	62,136	3,007
Retained Earnings/ Accumulated Deficit at Beginning of Year	(1,512,858)	(13,930,776)
Accumulated Deficit at End of Year	(\$1,450,722)	(\$13,927,769)

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

**THE CITY OF ROSSFORD, OHIO**  
**COMBINED STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUND TYPE AND DISCRETELY PRESENTED COMPONENT UNIT**  
**FOR THE YEAR ENDED DECEMBER 31, 2003**

	<i>Proprietary Fund Type</i>	<i>Component Unit</i>
	<b>Enterprise Funds</b>	<b>Rossford Arena Amphitheater Authority</b>
<u>Cash Flows from Operating Activities:</u>		
Cash Received from Customers	\$710,100	\$4,800
Cash Payments for Goods and Services	(159,448)	(1,804)
Cash Payments to Employees	(108,915)	0
Net Cash Provided by Operating Activities	441,737	2,996
<u>Cash Flows from Noncapital Financing Activities:</u>		
Transfers In from Other Funds	62,118	0
Advances Out to Other Funds	(187,118)	0
Net Cash Used by Noncapital Financing Activities	(125,000)	0
<u>Cash Flows from Capital and Related Financing Activities:</u>		
Acquisition and Construction of Assets	(21,031)	0
Proceeds from the General Obligation Notes	815,000	0
Principal Paid on General Obligation Notes	(600,000)	0
Principal Paid on General Obligation Bonds	(32,000)	0
Principal Paid on Ohio Water Development Authority Loans	(84,634)	0
Principal Paid on Ohio Public Works Commission Loan	(4,695)	0
Interest Paid on All Debt	(235,504)	0
Net Cash Used by Capital and Related Financing Activities	(162,864)	0
<u>Cash Flows from Investing Activities:</u>		
Receipts of Interest	0	11
Net Cash Provided by Investing Activities	0	11
Net Increase in Cash and Cash Equivalents	153,873	3,007
Cash and Cash Equivalents at Beginning of Year	447,410	1,605
Cash and Cash Equivalents at End of Year	\$601,283	\$4,612
<u>Reconciliation of Operating Income to Net Cash Provided by Operating Activities:</u>		
Operating Income	\$77,719	\$2,996
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:		
Depreciation Expense	183,969	0
Changes in Assets and Liabilities:		
Decrease in Intergovernmental Receivables	164,542	0
Increase in Accounts Payable	16,559	0
Decrease in Accrued Wages and Benefits	(1,052)	0
Total Adjustments	364,018	0
Net Cash Provided by Operating Activities	\$441,737	\$2,996

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

**THE CITY OF ROSSFORD, OHIO**  
**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2003**

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

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

The accompanying general purpose financial statements of the City present the financial position of the various fund types and account groups, the results of operations of the various fund types and the cash flows of the proprietary funds. The financial statements are presented as of December 31, 2003 and for the year then ended and have been prepared in conformity with generally accepted accounting principles (GAAP) applicable to local governments. The Governmental Accounting Standards Board (the "GASB") is the standard-setting body for establishing governmental accounting and financial reporting principles, which are primarily set forth in the GASB's Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification).

**A. Reporting Entity**

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

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

***Discretely Presented Component Unit*** - The component unit column in the combined financial statements includes the financial data of the City's component unit. It is reported in a separate column to emphasize that it is legally separate from the City. The Rossford Arena Amphitheater Authority (RAAA) is a not-for-profit Ohio corporation incorporated in February 1999 to develop, finance, construct and operate an arena and amphitheater in Rossford, Ohio. The Authority was created under an ordinance passed by the City's Council to further the growth and development of the City and surrounding areas. The ordinance specified that the Trustees of the Authority are to be the City's Mayor, President of Council, City Administrator and the Director of Parks and Recreation. The RAAA is being presented as a part of the City's reporting entity because it would be misleading to exclude it. Complete financial statements for the RAAA may be obtained from the City's offices at 133 Osborn Street, Rossford, Ohio 43460.

## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

**A. Reporting Entity** (Continued)**Jointly Governed Organizations**

***Rossford Transportation Improvement District:*** In May 1997, the Wood County Commissioners approved formation of the Rossford Transportation Improvement District (TID) as permitted under Chapter 5540 of the Ohio Revised Code. In July 2002, at the request of the Wood County Commissioners, the membership and appointments section of the TID bylaws was amended to eliminate the TID as a component unit of Wood County. The board of trustees consists of the following members: two voting members appointed by Wood County, three voting members appointed by the City of Rossford, two voting members appointed by Perrysburg Township, the Wood County Engineer as a voting member, and two nonvoting members of the general assembly in whose legislative district the TID is located. It is empowered to provide for the construction, improvement, alteration or repair of any road, highway, public place or other infrastructure within the limits of the City and to issue bonds. See Note 21 "Jointly Governed Organizations."

***Rossford/Perrysburg Township Joint Economic Development Authority/Port Authority:*** In December 1998, the Rossford/Perrysburg Township Joint Economic Development Authority/Port Authority (JEDA/Port Authority) was created jointly with Perrysburg Township, pursuant to Ohio Revised Code Sections 4582.21 to 4582.59. The JEDA/Port Authority was created for the benefit of the people of the State of Ohio. Its jurisdiction includes all of the area of the City of Rossford and all of the unincorporated area of Perrysburg Township. The JEDA/Port Authority has five directors, two appointed by the City of Rossford, two appointed by Perrysburg Township and one jointly appointed by the City of Rossford and Perrysburg Township. The directors appointed by the City are appointed by the mayor subject to the approval of the Council, but the City's accountability for the JEDA/Port Authority does not extend beyond making the appointments. See Note 21 "Jointly Governed Organizations."

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

**B. Basis of Presentation - Fund Accounting**

The accounting system is organized and operated on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures (expenses). The various funds are summarized by type in the general purpose financial statements. The following fund types and account groups are used by the City:

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

**B. Basis of Presentation - Fund Accounting** (Continued)

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

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

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

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

***Proprietary Funds***

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

***Fiduciary Fund***

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

***Account Groups***

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

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

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

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**C. Basis of Accounting**

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

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

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

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

Special assessment installments which are measurable, but not available at December 31, are recorded as deferred revenue. Property taxes measurable as of December 31, 2003 but which are not intended to finance 2003 operations and delinquent property taxes, whose availability is indeterminate, are recorded as deferred revenue as further described in Note 5, "Taxes."

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

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

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Budgetary Process**

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

All funds other than agency funds are legally required to be budgeted and appropriated; however, only governmental funds are required to be reported. The legal level of budgetary control is by fund at the major object level (personal services, materials and supplies, contractual services, capital outlay and transfers) by department. Budgetary control is maintained by not permitting expenditures to exceed appropriations at the major object level for each department within each fund without the approval of City Council. Administrative control is maintained through the establishment of more detailed line-item budgets. Budgetary modifications may only be made by ordinance of the City Council. During 2003, all appropriations were approved as required and all funds and departments completed the year within the legally authorized appropriations.

**1. Estimated Revenues**

The County Budget Commission reviews estimated revenue and determines if the budget substantiates a need to levy all or part of previously authorized taxes. The Budget Commission then certifies its actions to the City by September 1 of each year. As part of the certification process, the City receives an official certificate of estimated resources stating the projected receipts by fund. Prior to December 31, the City must revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year do not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriations measure. On or about January 1, the certificate of estimated resources is amended to include any unencumbered fund balances from the preceding year. The certificate may be further amended during the year if a new source of revenue is identified or actual receipts exceed current estimates. The amounts reported on the budgetary statement reflect the amounts in the final amended official certificate of estimated resources issued during 2003.

**2. Appropriations**

A temporary appropriation ordinance to control expenditures may be passed on or about January 1 of each year for the period January 1 through March 31. An annual appropriation ordinance must be passed by April 1 of each year for the period January 1 through December 31. The appropriation ordinance establishes spending controls at the fund, department and object level, and may be modified during the year by Ordinance of the City Council. Total fund appropriations may not exceed the current estimated resources as certified by the County Budget Commission. Expenditures may not legally exceed budgeted appropriations at the object level. During the year, appropriation adjustments were necessary to budget for the widening of Buck Road and the I-75 bridge at the Buck Road exit. The supplemental appropriations increased year end appropriations by 2.48% over the appropriation ordinance approved in December, 2002.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Budgetary Process (Continued)**

2. Appropriations (Continued)

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

3. Encumbrances

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

4. Lapsing of Appropriations

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

5. Budgetary Basis of Accounting

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

## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

	Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses			
	General Fund	Special Revenue Funds	Debt Service Fund	Capital Projects Funds
GAAP Basis (as reported)	(\$224,358)	\$55,325	\$0	\$6,203
Increase (Decrease):				
Accrued Revenues at December 31, 2003 received during 2004	(546,974)	(35,305)	0	0
Accrued Revenues at December 31, 2002 received during 2003	526,216	36,973	0	0
Accrued Expenditures at December 31, 2003 paid during 2004	648,929	51,115	0	118,908
Accrued Expenditures at December 31, 2002 paid during 2003	(381,836)	(45,646)	0	(32,626)
2002 Prepays for 2003	16,508	0	0	0
2003 Prepays for 2004	(9,345)	0	0	0
Fund Debt:				
Note Proceeds	0	0	0	2,924,893
Note Retirement	0	0	0	(2,550,000)
Outstanding Encumbrances	(139,811)	(19,542)	0	(89,823)
Budget Basis	<u>(\$110,671)</u>	<u>\$42,920</u>	<u>\$0</u>	<u>\$377,555</u>

**E. Cash and Cash Equivalents**

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

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**E. Cash and Cash Equivalents** (Continued)

The City pools its cash for investment and resource management purposes. Each fund's equity in pooled cash and investments represents the balance on hand as if each fund maintained its own cash and investment account. For purposes of the statement of cash flows, the proprietary funds' shares of equity in pooled certificates of deposit are considered to be cash equivalents. See Note 4, "Cash, Cash Equivalents and Investments."

**F. Investments**

Investment procedures and interest allocations are restricted by provisions of the Ohio Constitution and the Ohio Revised Code. In accordance with GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools", the City records all its investments at fair value except for nonparticipating investment contracts which are reported at cost, which approximates fair value. All investment income, including changes in the fair value of investments, are recognized as revenue in the operating statements. Fair value is determined by quoted market prices. The City deposits interest earned on investments directly into the General Fund. See Note 4, "Cash, Cash Equivalents and Investments."

The City has invested funds in the STAR Ohio during 2003. STAR Ohio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price which is the price the investment could be sold for on December 31, 2003.

**G. Inventory**

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

**H. Fixed Assets and Depreciation**

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

**1. Property, Plant and Equipment - General Governmental Purposes**

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

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

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**H. Fixed Assets and Depreciation (Continued)**

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

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

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

**2. Property, Plant and Equipment - Proprietary Funds**

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

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

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

**I. Long-Term Obligations**

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

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

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**J. Compensated Absences**

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

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

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

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

**K. Pensions**

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

**L. Interfund Transactions**

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

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

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**L. Interfund Transactions (Continued)**

- Residual Equity Transfers are nonroutine or nonrecurring transfers between funds and are reported as additions to or deductions from the fund equity balance. There were no residual equity transfers during 2003.

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

**M. Reservations of Fund Balance**

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

**N. Contributed Capital**

Proprietary fund type contributed capital is recorded at the fair market value of the related assets at the date received. Depreciation on contributed fixed assets resulting from grants, entitlements and shared revenues is recorded as an operating expense and closed along with other operating expenses directly to retained earnings. Capital contributions received after December 31, 2001 are recorded as revenue in the proprietary funds.

**O. Total Columns on Combined Financial Statements - Overview**

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

**NOTE 2 – DISCRETELY PRESENTED COMPONENT UNIT**

**Organization (Rossford Arena Amphitheater Authority)**

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

**NOTE 2 – DISCRETELY PRESENTED COMPONENT UNIT (Continued)****A. Basis of Accounting**

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

**B. Revenue Sources**

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

**C. Going Concern**

The Authority's financial statements are presented on the basis that the Authority is a going concern. Going concern contemplates the realization of assets and the satisfaction of liabilities in the normal course of business over a reasonable length of time. As more fully described in paragraphs F and H, the Authority's loan agreements require periodic interest payments with principal to be paid from the proceeds of an anticipated debt issue. Through June 21, 2004, management has been unable to obtain the financing on terms sufficiently favorable to help insure the financial success of the project. As a result, construction of the facilities was stopped in November 1999 and the Authority has been unable to make its semiannual interest payments of \$200,000 on its loan payable to Perrysburg Township. In 2001, the Township trustees passed a motion calling the loan and accrued interest and filed a lawsuit against the authority and the City of Rossford. In February 2003, the lawsuit was dismissed and the township is appealing. The case is now pending before the Ohio Supreme Court. In March 2000, the Authority was unable to pay off its loan from the Rossford, Ohio Transportation Improvement District and its terms were extended indefinitely. In May 2000, the Authority was unable to commence monthly interest payments on the debt described in paragraph F.

The authority has, in 2003, been served with notice of forfeiture legal action by several of its debtors. The authority has initiated legal action against its financial consultant who advised it regarding the feasibility of the project. The outcome of these lawsuits is unknown.

While management continues efforts to obtain financing to complete the project or a portion of the project and pay off its loans, efforts are being made to sell the project in part or in entirety. As a result of the uncertainty, management has written down the value of the project, leaving only the original cost of the land remaining.

**NOTE 2 – DISCRETELY PRESENTED COMPONENT UNIT (Continued)**

**D. Cash**

At year end, the carrying amount of the Authority's deposits was \$4,612 and the bank balance was \$4,612. Federal depository insurance covered \$4,612 of the bank balance.

**E. Fixed Assets**

Summary by Category at December 31, 2003:

	<u>Component Unit</u>
	Rossford Arena Amphitheater Authority
Land	\$5,691,040

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## NOTE 2 – DISCRETELY PRESENTED COMPONENT UNIT (Continued)

**F. Loans Payable**

Loans payable consist of amounts borrowed temporarily to purchase land and fund construction project costs. The loans were intended to be repaid from the proceeds of a \$48 million bond issue. At December 31, 2003, the loans payable comprised the following:

Rossford, Ohio Transportation Improvement District promissory note dated December 1999, originally due March 1, 2000 (extended by the holder), with interest at 6% per annum, secured by a second mortgage on approximately 19 acres of land.	\$250,000
FirstEnergy Corp. promissory note due July 1, 2004 or before based on the sale of property purchased in 2000 (see paragraph H) noninterest bearing, secured by a mortgage, dated in 2000, on approximately 73 acres of land.	550,000
Perrysburg, Ohio Township loan, payable through the Rossford/Perrysburg Township Joint Economic Development Authority/Port Authority, dated June 1999, originally due June 2001 or when proceeds of bond issue are received, with interest at 8% per annum, payable semiannually, starting in December 1999.	5,000,000
Northwest Ohio District Council of Carpenters Pension Fund promissory note (administered by the Leader Mortgage Company) dated March 1999, originally due February 2001, with interest at 7% per annum payable quarterly starting in July 1999, secured by a mortgage on approximately 60 acres of land and buildings and improvements thereon.	2,400,000
Brimacombe Family promissory note, dated September 1999. \$566,000 due when proceeds of bond issue are received and \$471,040 due July 2002, with interest at 7% per annum, payable quarterly starting in October 1999, secured by a mortgage on approximately 48 acres of land.	1,037,040
Carpenter Success promissory note, dated March 2000. Principal payable upon demand, with interest at prime plus one percent, payable monthly, starting May 2000, secured by a mortgage on approximately 55 acres of land.	1,704,000
Advances from the REGC (\$5,000) and the City of Rossford (\$84,913), payable upon securing financing.	89,913
Total loans payable	<u><u>\$11,030,953</u></u>

**NOTE 2 – DISCRETELY PRESENTED COMPONENT UNIT (Continued)**

**F. Loans Payable** (Continued)

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

**G. Risk Management**

The Authority maintained commercial insurance coverage against most normal hazards, through September 2003. There have been no claims against that coverage. Effective in September 2003, the coverage was not renewed. The Authority has no employees at this point, so there is no health care workers compensation coverage.

**H. Commercial Development Property**

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

**NOTE 3 - COMPLIANCE AND ACCOUNTABILITY**

**A. Fund/Retained Earnings Deficits**

The fund deficits at December 31, 2003 of \$9,454 in the Recreation Fund (special revenue fund), \$3,159 in the Landfill Closure Fund and \$24,299 in the Fire Capital Improvement Fund (capital projects funds) were created by the recognition of expenditures on the modified accrual basis which are greater than expenditures on a budgetary basis. The fund deficit of \$2,458,818 in the TID Road Acquisition Fund (capital projects fund) was created by the recognition of notes payable within the funds and expenditures on the modified accrual basis which are greater than expenditures on a budgetary basis. Deficits do not exist under the budgetary basis of accounting. The retained earnings deficits at December 31, 2003 of \$1,370,094 in the Water Fund and \$579,254 in the Sewer Fund (enterprise funds) were created by the recognition of notes payable and the recognition of expenses on the accrual basis which are greater than expenses on a cash basis. Deficits do not exist under the cash basis of accounting. The General Fund provides operating transfers when cash is required, not when accruals occur.

**B. Excess of Appropriations Over Estimated Resources**

For the year ended December 31, 2003 appropriations exceeded estimated resources in the State Highway Fund, Street Construction, Maintenance and Repair Fund, Recreation Fund, Downtown Streetscape Fund, Landfill Closure Fund, Fire Capital Improvement Fund and the Electrical Industrial Court Fund.

**NOTE 4 - CASH, CASH EQUIVALENTS AND INVESTMENTS**

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

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

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

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

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

**NOTE 4 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)**

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

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

*Deposits:*

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

*Investments:*

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

**A. Deposits**

At year end the carrying amount of the City's deposits was \$1,372,279 and the bank balance was \$1,389,100. The Federal Deposit Insurance Corporation (FDIC) covered \$200,000 of the bank balance. All remaining deposits were classified as Category 3. In addition, the City had \$300 petty cash on hand.

Investment earnings of \$13,273 earned by other funds were credited to the General Fund as required by state statute.

**NOTE 4 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)**

**B. Investments**

The City's investments at December 31, 2003 are summarized below:

<u>Non-Categorized Investments</u>	<u>Carrying Amount</u>	<u>Fair Value</u>
STAR Ohio	\$538,456	\$538,456
Total Investments	<u>\$538,456</u>	<u>\$538,456</u>

**C. Reconciliation of Cash, Cash Equivalents and Investments**

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

	<u>Cash and Cash Equivalents *</u>	<u>Investments</u>
Per Combined Balance Sheet	\$1,910,735	\$0
Investments:		
STAR Ohio	(538,456)	538,456
Per GASB Statement No. 3	<u>\$1,372,279</u>	<u>\$538,456</u>

\* Includes Petty Cash

**NOTE 5 - TAXES**

**A. Property Taxes**

Property taxes include amounts levied against all real estate and public utility property, and tangible personal property used in business and located in the City. Real property taxes (other than public utility) collected during 2003 were levied after October 1, 2002 on assessed values as of January 1, 2002, the lien date. Assessed values were established by the County Auditor at 35 percent of appraised market value. All property is required to be revalued every six years and equalization adjustments made in the third year following reappraisal. The last revaluation was completed in 1999 and the last equalization adjustment was completed in 2003. Real property taxes are payable annually or semi-annually. The first payment is due January 20; the remainder is payable by June 20.

**NOTE 5 – TAXES (Continued)**

**A. Property Taxes (Continued)**

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

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

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

The full property tax rate for all City operations for the year ended December 31, 2003 was \$3.20 per \$1,000 of assessed value. The assessed value upon which the 2003 tax receipts were based was \$135,023,357. This amount constitutes \$118,762,310 in real property assessed value, \$3,140,820 in public utility assessed value and \$13,120,227 in tangible personal property assessed value.

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

**B. Income Tax**

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

**NOTE 6 - RECEIVABLES**

Receivables at December 31, 2003 consisted of taxes, interest, special assessments, accounts receivable, interfund receivables and intergovernmental receivables.

**NOTE 7 - INTERFUND BALANCES**

The following is a summary of interfund receivables and payables for all funds for 2003:

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

**NOTE 8 - FIXED ASSETS**

**A. General Fixed Assets**

Summary by category of changes in general fixed assets:

Category	December 31, 2002	Additions	Deletions	December 31, 2003
Land	\$324,152	\$29,500	\$0	\$353,652
Buildings	3,187,714	74,275	0	3,261,989
Improvements Other than Buildings	148,970	0	(360)	148,610
Machinery and Equipment	2,920,750	158,228	(95,265)	2,983,713
Totals	<u>\$6,581,586</u>	<u>\$262,003</u>	<u>(\$95,625)</u>	<u>\$6,747,964</u>

Schedule of General Fixed Assets at December 31, 2003:

General Fixed Assets		Investment in General Fixed Assets	
Land	\$353,651	Acquired Prior to 1994	\$4,522,125
Buildings	3,261,989	General Fund	747,829
Improvements Other than Buildings	148,610	Special Revenue Funds	321,907
Machinery and Equipment	2,983,714	Capital Projects Funds	1,109,557
Total	<u>\$6,747,964</u>	Proprietary Funds	1,546
		Donated	45,000
		Total	<u>\$6,747,964</u>

**B. Proprietary Fixed Assets**

Summary by Category at December 31, 2003:

Category	Historic Cost	Accumulated Depreciation	Book Value
Land	\$6,261	\$0	\$6,261
Buildings	297,324	(127,705)	169,619
Infrastructure	9,067,507	(2,629,703)	6,437,804
Machinery and Equipment	239,051	(208,406)	30,645
Property, Plant and Equipment	<u>\$9,610,143</u>	<u>(\$2,965,814)</u>	<u>\$6,644,329</u>

**NOTE 9 – DEFINED BENEFIT PENSION PLANS**

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

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

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

All employees of the City, except full-time uniformed police officers and full-time firefighters, participate in one of the three pension plans administered by the Ohio PERS: the Traditional Pension Plan (TP), the Member-Directed Plan (MD), and the Combined Plan (CO). The TP Plan is a cost-sharing multiple employer defined benefit pension plan. The MD Plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20% per year). Under the MD Plan members accumulate retirement assets equal to the value of member and (vested) employer contributions plus any investment earnings thereon. The CO Plan is a cost-sharing multiple-employer defined benefit pension plan. Under the CO Plan employer contributions are invested by the retirement system to provide a formula retirement benefit similar in nature to the TP Plan. Member contributions, the investment of which is self-directed by the members, accumulate retirement assets in a manner similar to the MD Plan.

The Ohio PERS provides retirement, disability, survivor and death benefits and annual cost-of-living adjustments to members of the TP Plan and CO Plan. Members of the MD Plan do not qualify for ancillary benefits. Chapter 145 of the Ohio Revised Code provides statutory authority to establish and amend benefits. The Ohio Public Employees Retirement System issues a stand-alone financial report that includes financial statements and required supplementary information for the Ohio PERS. Interested parties may obtain a copy by making a written request to 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-6705 or 1-800-222-7377.

The Ohio Revised Code provides statutory authority for employee and employer contributions. For 2003, employee and employer contribution rates were consistent across all three plans (TP, MD and CO). The employee contribution rate is 8.5%. The 2003 employer contribution rate for local government employer units was 13.55%, of covered payroll, 8.55% to fund the pension and 5.0% to fund health care. The contribution requirements of plan members and the City are established and may be amended by the Public Employees Retirement Board. Total required employer contributions for all plans (TP, MD and CO) are equal to 100% of employer charges and must be extracted from employer’s records. The City’s contributions to the Ohio PERS for the years ending December 31, 2003, 2002 and 2001 were \$141,832, \$140,672 and \$81,693, respectively, which were equal to the required contributions for each year.

**NOTE 9 – DEFINED BENEFIT PENSION PLANS (Continued)**

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

The Ohio PERS provides postemployment health care benefits to age and service retirants with ten or more years of qualifying Ohio service credit and to primary survivor recipients of such retirants. Health care coverage for disability recipients is also available. The health care coverage provided by the Ohio PERS is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 12. A portion of each employer's contribution to the Ohio PERS is set aside for the funding of post retirement health care. The Ohio Revised Code provides statutory authority requiring public employers to fund postemployment health care through their contributions to the Ohio PERS. The portion of the 2003 employer contribution rate (identified above) that was used to fund health care for the year 2003 was 5.0% of covered payroll which amounted to \$52,337.

The significant actuarial assumptions and calculations relating to postemployment health care benefits were based on the Ohio Public Employees Retirement System's latest actuarial review performed as of December 31, 2002. An entry age normal actuarial cost method of valuation is used in determining the present value of OPEB. The difference between assumed and actual experience (actuarial gains and losses) becomes part of unfunded actuarial accrued liability. All investments are carried at market value. For actuarial valuation purposes, a smoothed market approach is used. Under this approach assets are adjusted annually to reflect 25% of unrealized market appreciation or depreciation on investment assets. The investment assumption rate for 2002 was 8.0%. An annual increase of 4.0% compounded annually, is the base portion of the individual pay increase assumption. This assumes no change in the number of active employees. Additionally, annual pay increases, over and above the 4.0% base increase, were assumed to range from 0.5% to 6.3%. Health care costs were assumed to increase 4.0% annually.

Benefits are advanced-funded on an actuarially determined basis. The number of active contributing participants was 364,881. The actuarial value of the Ohio PERS net assets available for OPEB at December 31, 2002 is \$10.0 billion. The actuarially accrued liability and the unfunded actuarial accrued liability, based on the actuarial cost method used, were \$18.7 billion and \$8.7 billion, respectively.

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

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

**NOTE 9 – DEFINED BENEFIT PENSION PLANS (Continued)**

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

Plan members are required to contribute 10.0% of their annual covered salary, while employers are required to contribute 19.5%. The City's contributions to the OP&F Fund for the years ending December 31, 2003, 2002 and 2001 were \$150,929, \$148,875 and \$145,299, which were equal to the required contributions for each year.

The OP&F Fund provides postemployment health care coverage to any person who received or is eligible to receive a monthly benefit check or is a spouse or eligible dependent child of such person. An eligible dependent child is any child under the age of 18 whether or not the child is attending school, or under the age of 22 if attending school on a full-time or two-thirds basis. The health care coverage provided by the OP&F Fund is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 12. The Ohio Revised Code provides that health care costs paid from the funds of the OP&F Fund shall be included in the employer's contribution rate. The Ohio Revised Code also provides statutory authority allowing the Fund's Board of Trustees to provide postemployment health care coverage to all eligible individuals from the employer's contributions to the OP&F Fund.

The portion of the 2003 covered payroll that was used to fund postemployment health care benefits was \$59,985 representing 7.75% of covered payroll. Health care funding and accounting was on a pay-as-you-go basis. In addition, since July 1, 1992 most retirees have been required to contribute a portion of the cost of their health care coverage through a deduction from their monthly benefit payment. Beginning in 2001, all retirees and survivors have monthly health care contributions. As of December 31, 2002, the date of the last actuarial evaluation available, the number of participants eligible to receive health care benefits was 13,527 for police. The OP&F Fund does not provide separate data on the funded status and funding progress of postemployment health care benefits. The Fund's total health care expenses for the year ended December 31, 2002 were \$141,028,006, which was net of member contributions of \$12,623,875.

**NOTE 10 - COMPENSATED ABSENCES**

The City provides a liability for accumulated unpaid sick leave benefits when earned by employees. Accrued employee benefits for governmental funds not currently due and payable at year end are recorded in the General Long-Term Obligations Account Group. The liability decreased \$18,856 from the beginning of the year balance of \$192,397 to a year end balance of \$173,541.

At December 31, 2003, the total accumulated unpaid sick leave time recorded in the General Long-Term Obligations Account Group was as follows:

	<u>Hours</u>	<u>Amount</u>
Sick Leave	<u>9,008</u>	<u>\$173,541</u>
Total	<u><u>9,008</u></u>	<u><u>\$173,541</u></u>

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

**NOTE 11 - OPERATING TRANSFERS**

Following is a summary of operating transfers in and out for all funds for 2003:

Fund	Transfer In	Transfer Out
General Fund	\$128,772	\$393,944
Special Revenue Funds:		
State Highway Fund	0	7,253
Street Construction, Maintenance and Repair Fund	94,465	0
Enforcement and Education Fund	1,777	0
Law Enforcement Trust Fund	0	1,777
Recreation Fund	70,887	0
Downtown Streetscape Fund	0	3,772
Total Special Revenue Funds	<u>167,129</u>	<u>12,802</u>
Debt Service Fund:		
General Obligation Debt Service Fund	128,000	0
Capital Projects Funds:		
Landfill Closure Fund	70,301	0
Capital Improvement Fund	89,143	0
Permanent Recreation Improvement Fund	0	60,000
Arena Drainage Ditch Fund	8,401	0
Total Capital Projects Funds	<u>167,845</u>	<u>60,000</u>
Enterprise Funds:		
Water Fund	62,118	83,925
Sewer Fund	0	53,193
Marina Fund	0	50,000
Total Enterprise Funds	<u>62,118</u>	<u>187,118</u>
Total All Funds	<u><u>\$653,864</u></u>	<u><u>\$653,864</u></u>

**NOTE 12 - NOTES PAYABLE**

The Ohio Revised Code provides that notes including renewal notes issued in anticipation of the issuance of general obligation bonds may be issued and outstanding from time to time up to a maximum period of 20 years from the date of issuance of the original notes. The maximum maturity for notes anticipating general obligation bonds payable from special assessments is five years. Any period in excess of five years must be deducted from the permitted maximum maturity of the bonds anticipated, and portions of the principal amount of notes outstanding for more than five years must be retired in amounts at least equal to, and payable no later than, those principal maturities required if the bonds had been issued at the expiration of the initial five year period. The following general obligation notes were payable at December 31, 2003:

	Issue Date	Balance January 1, 2003	Issued (Retired)	Balance December 31, 2003
<b>Capital Projects Notes Payable:</b>				
2.75% T.I.D. Road Improvements	07/30/02	\$2,550,000	(\$2,550,000)	\$0
2.00% T.I.D. Road Improvements	06/23/03	0	2,539,893	2,539,893
2.00% Fire Improvement	06/23/03	0	385,000	385,000
Total Capital Projects Notes Payable		2,550,000	374,893	2,924,893
<b>Enterprise Notes Payable:</b>				
2.75% T.I.D. Water System	07/30/02	300,000	(300,000)	0
2.00% T.I.D. Water System	06/23/03	0	300,000	300,000
Total Water Fund Notes Payable		300,000	0	300,000
2.75% T.I.D. Sewer System	07/30/02	300,000	(300,000)	0
2.00% T.I.D. Sewer System	06/23/03	0	300,000	300,000
2.00% Hillside Drive Sewer System	06/23/03	0	215,000	215,000
Total Sewer Fund Notes Payable		300,000	215,000	515,000
Total Enterprise Notes Payable		600,000	215,000	815,000
Total Notes Payable		\$3,150,000	\$589,893	\$3,739,893

**NOTE 13 - LONG-TERM DEBT OBLIGATIONS**

Long-term debt and other long-term obligations of the City at December 31, 2003 were as follows:

	Balance January 1, 2003	Issued (Retired)	Balance December 31, 2003
<b>Enterprise Funds:</b>			
General Obligation Bonds:			
2.80% SR 795 to Perrysburg Waterline	\$1,417,500	(\$7,500)	\$1,410,000
2.80% Interstate Brands Waterline	223,686	(2,979)	220,707
2.80% Wales/Fairfield Water	159,554	(2,090)	157,464
2.80% Crossroads Sewerline	860,000	(10,000)	850,000
2.80% Interstate Brands Sewerline	162,680	(2,021)	160,659
2.80% Wales/Fairfield Sewer	184,580	(2,410)	182,170
2.80% Glenwood Road Sewer Phase III	312,000	(5,000)	307,000
Total General Obligation Bonds	3,320,000	(32,000)	3,288,000
4.12% Ohio Water Development Authority Loan	1,616,658	(84,634)	1,532,024
0.00% Ohio Public Works Commission Loan	79,810	(4,695)	75,115
Total Enterprise Long-Term Debt	<u>\$5,016,468</u>	<u>(\$121,329)</u>	<u>\$4,895,139</u>
<b>General Long-Term Debt:</b>			
General Obligation Bonds:			
4.83% Community Center Construction	\$655,000	(\$95,000)	\$560,000
2.80% Landfill Improvement	272,000	(5,000)	267,000
2.80% Lewis Street Repaving	82,000	(2,000)	80,000
2.80% Buck Road Widening	238,000	(5,000)	233,000
2.80% Buck Road Improvements	971,000	(10,000)	961,000
2.80% Public Works Building	157,000	(2,000)	155,000
2.80% Rinker Point Court	175,000	(5,000)	170,000
2.80% Arena Drainage Ditch	105,000	(4,000)	101,000
2.00% US Route 20	1,995,000	(50,000)	1,945,000
Total General Obligation Bonds	4,650,000	(178,000)	4,472,000
Special Assessment Bond:			
2.00% Street Construction	240,000	(25,000)	215,000
<b>Other Long-Term Obligations:</b>			
Landfill Postclosure Care Liability	369,758	(51,021)	318,737
Compensated Absences Payable	192,397	(18,856)	173,541
Capital Leases Payable	194,046	(79,150)	114,896
Total Other Long-Term Obligations	756,201	(149,027)	607,174
Total General Long-Term Debt and Other Long-Term Obligations	<u>\$5,646,201</u>	<u>(\$352,027)</u>	<u>\$5,294,174</u>

**NOTE 13 - LONG-TERM DEBT OBLIGATIONS (Continued)**

The principal amount of the City's special assessment debt outstanding at December 31, 2003, \$215,000, is general obligation debt (backed by the full faith and credit of the City) that is being retired with the proceeds from special assessments levied against benefited property owners. The City is obligated to repay the debt irrespective of the amount of special assessments collected from property owners.

During 1996 the Ohio Water Development Authority (OWDA) approved a loan to the City to finance a portion of Phases I and IA of the Sanitary Sewer Improvements Project. The OWDA committed up to \$2,048,160 at a 4.12% interest rate for twenty years. As of December 31, 2003, the City had received \$2,025,175 against this commitment.

The final payment schedule will be determined when the total loan is disbursed or the project is completed, whichever is earlier. The preliminary semi-annual payment amount assuming full disbursement of the loan commitment is \$75,663, due July 1 and January 1. The City made two payments during 2003 totaling \$84,634 towards the principal and \$66,692 in interest expense.

**A Principal and Interest Requirements**

A summary of the City's future long-term debt funding requirements including principal and interest payments as of December 31, 2003 follows:

Years	General Obligation Bonds		Capital Leases Payable		Special Assessment Bond	
	Principal	Interest	Principal	Interest	Principal	Interest
2004	\$235,000	\$354,736	\$83,984	\$5,014	\$25,000	\$7,310
2005	255,000	346,329	30,912	932	25,000	6,748
2006	325,000	336,655	0	0	25,000	6,060
2007	360,000	324,100	0	0	25,000	5,310
2008	365,000	309,538	0	0	25,000	4,485
2009-2013	1,410,000	1,361,242	0	0	90,000	7,275
2014-2018	1,755,000	1,156,941	0	0	0	0
2019-2027	3,055,000	600,260	0	0	0	0
Totals	<u>\$7,760,000</u>	<u>\$4,789,801</u>	<u>\$114,896</u>	<u>\$5,946</u>	<u>\$215,000</u>	<u>\$37,188</u>

Years	OWDA Loan Payable		OPWC Loan Payable		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2004	\$88,160	\$63,166	\$4,694	\$0	\$436,838	\$430,226
2005	91,830	59,497	4,694	0	407,436	413,506
2006	95,652	55,674	4,695	0	450,347	398,389
2007	99,634	51,692	4,695	0	489,329	381,102
2008	103,780	47,546	4,695	0	498,475	361,569
2009-2013	587,410	169,220	23,475	0	2,110,885	1,537,737
2014-2018	465,558	41,137	28,167	0	2,248,725	1,198,078
2019-2027	0	0	0	0	3,055,000	600,260
Totals	<u>\$1,532,024</u>	<u>\$487,932</u>	<u>\$75,115</u>	<u>\$0</u>	<u>\$9,697,035</u>	<u>\$5,320,867</u>

**NOTE 14 - CAPITALIZED LEASES**

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

The following is a schedule of future minimum lease payments under the capital leases together with the present value of the net minimum lease payments as of December 31, 2003:

<u>Year Ending December 31,</u>	<u>Capital Leases</u>
2004	\$88,998
2005	31,844
Minimum Lease Payments	120,842
Less amount representing interest at the City's incremental borrowing rate of interest	<u>(5,946)</u>
Present value of minimum lease payments	<u><u>\$114,896</u></u>

**NOTE 15 - SEGMENT INFORMATION FOR ENTERPRISE FUNDS**

Included in the services provided by the City financed primarily by user charges are water treatment and distribution, sewer collection and treatment and the marina. The key financial information for the year ended December 31, 2003 for these enterprise activities is as follows:

	<u>Water</u>	<u>Sewer</u>	<u>Marina</u>	<u>Total</u>
Operating Revenues	\$125,236	\$317,001	\$103,321	\$545,558
Depreciation	59,597	119,509	4,863	183,969
Operating Income (Loss)	54,500	(19,162)	42,381	77,719
Net Income (Loss)	(58,388)	(218,351)	338,875	62,136
Total Assets	2,403,836	4,949,357	501,141	7,854,334
Net Working Capital	26,140	(110,909)	412,415	327,646
Notes, Bonds and Loans Payable	2,088,171	3,621,968	0	5,710,139
Total Equity	302,174	1,276,036	498,626	2,076,836

**NOTE 16 - CONTRIBUTED CAPITAL**

During 2003, there were no changes to contributed capital reported by the City:

	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Total</u>
Balance December 31, 2003	\$1,672,268	\$1,855,290	\$3,527,558

**NOTE 17 - INSURANCE AND RISK MANAGEMENT**

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

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

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

**NOTE 18 - SOLID WASTE LANDFILL POSTCLOSURE CARE COSTS**

The City owns a former landfill site known as the Wales Road Landfill. The facility's operation predates most modern regulatory and recordkeeping requirements. The exact date for commencement of waste placement activities is unknown, but in the mid 1960's waste placement activities were modified to follow the layered approach to sanitary landfill operations. The landfill reached its capacity and ceased accepting waste at the 19.71 acre facility in 1990. The Ohio Environmental Protection Agency acting in accordance with applicable state and federal laws required the City to complete final closure of the site during 1994. The approximate total cost of closure was \$482,456. State and federal laws require that the City monitor and maintain the site for thirty years after closure. The City estimates that the total postclosure liability associated with monitoring and maintaining the landfill site for the next twenty-one years is \$318,737. The estimated costs of postclosure care are subject to changes corresponding to the effects of inflation, revision of laws and other variables. A portion of postclosure care costs are to be paid from an annual county grant specifically designated for said purpose. The balance of any postclosure care costs not covered by the county grant will be paid from the general tax revenues of the City.

**NOTE 19 - CONTINGENCIES**

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

**NOTE 20 - SIGNIFICANT TAXPAYER**

Libbey-Owens-Ford Company provided approximately \$368,450 of the City's income tax withholdings, \$26,000 of the City's personal property taxes and \$8,000 of the City's real property taxes in 2003.

**NOTE 21 – JOINTLY GOVERNED ORGANIZATIONS**

**Rossford Transportation Improvement District:** In May 1997, the Wood County Commissioners approved formation of the Rossford Transportation Improvement District (TID) as permitted under Chapter 5540 of the Ohio Revised Code. In July 2002, at the request of the Wood County Commissioners, the membership and appointments section of the TID bylaws was amended to eliminate the TID as a component unit of Wood County. The board of trustees consists of the following members: two voting members appointed by Wood County, three voting members appointed by the City of Rossford, two voting members appointed by Perrysburg Township, the Wood County Engineer as a voting member, and two nonvoting members of the general assembly in whose legislative district the TID is located. It is empowered to provide for the construction, improvement, alteration or repair of any road, highway, public place or other infrastructure within the limits of the City and to issue bonds. During 2002, the City of Rossford issued \$3,150,000 of special assessment notes on behalf of the TID. These notes were retired and \$3,139,893 were reissued during 2003. The debt service for the notes is to be paid for by special assessments levied by the TID against the parcels of land and lots that are benefited by the project. In the event that the TID is unable to make payments on the principal and interest associated with these notes, the City of Rossford is responsible for making these payments.

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



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

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

***GENERAL FUND***

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

**THE CITY OF ROSSFORD, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**FOR THE YEAR ENDED DECEMBER 31, 2003**

**GENERAL FUND**

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<b>Revenues:</b>			
Taxes	\$3,185,614	\$2,860,782	(\$324,832)
Intergovernmental Revenues	763,646	754,817	(8,829)
Charges for Services	60,400	87,671	27,271
Licenses and Permits	68,500	75,057	6,557
Investment Earnings	20,000	14,427	(5,573)
Special Assessments	132,000	130,289	(1,711)
Fines and Forfeitures	28,100	32,032	3,932
All Other Revenues	114,272	929	(113,343)
Total Revenues	4,372,532	3,956,004	(416,528)
<b>Expenditures:</b>			
<b>Security of Persons and Property:</b>			
Police:			
Personal Services	1,214,127	1,161,522	52,605
Contractual Services	71,544	65,746	5,798
Materials and Supplies	33,783	30,376	3,407
Capital Outlay	8,584	7,796	788
Total Police	1,328,038	1,265,440	62,598
Fire:			
Personal Services	333,293	333,103	190
Contractual Services	89,396	86,553	2,843
Materials and Supplies	20,167	15,512	4,655
Capital Outlay	2,578	1,581	997
Total Fire	445,434	436,749	8,685
Civil Defense:			
Contractual Services	3,500	3,254	246
Total Civil Defense	3,500	3,254	246
Street Lighting:			
Contractual Services	132,000	117,300	14,700
Total Street Lighting	132,000	117,300	14,700
Total Security of Persons and Property	1,908,972	1,822,743	86,229
<b>Leisure Time Activities:</b>			
Parks:			
Personal Services	3,560	769	2,791
Contractual Services	12,000	8,202	3,798
Materials and Supplies	6,000	3,643	2,357
Capital Outlay	6,000	1,133	4,867
Total Parks	27,560	13,747	13,813
Total Leisure Time Activities	27,560	13,747	13,813

(Continued)

**THE CITY OF ROSSFORD, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**FOR THE YEAR ENDED DECEMBER 31, 2003**

**GENERAL FUND**

	<u>Revised Budget</u>	<u>Actual</u>	Variance: Favorable (Unfavorable)
Basic Utility Services:			
Refuse Pick-up/Curbside Recycling:			
Contractual Services	232,000	232,000	0
Total Basic Utility Services	<u>232,000</u>	<u>232,000</u>	<u>0</u>
Transportation:			
Public Works:			
Personal Services	416,145	399,006	17,139
Contractual Services	91,216	86,389	4,827
Materials and Supplies	20,168	19,864	304
Capital Outlay	<u>35,510</u>	<u>33,994</u>	<u>1,516</u>
Total Public Works	<u>563,039</u>	<u>539,253</u>	<u>23,786</u>
Total Transportation	<u>563,039</u>	<u>539,253</u>	<u>23,786</u>
General Government:			
City Council:			
Personal Services	29,530	28,814	716
Contractual Services	<u>500</u>	<u>327</u>	<u>173</u>
Total City Council	30,030	29,141	889
Mayor:			
Personal Services	57,385	54,910	2,475
Contractual Services	<u>500</u>	<u>131</u>	<u>369</u>
Total Mayor	57,885	55,041	2,844
Administrator:			
Personal Services	131,699	129,500	2,199
Contractual Services	<u>1,021</u>	<u>1,021</u>	<u>0</u>
Total Administrator	132,720	130,521	2,199
General Government:			
Personal Services	27,395	25,255	2,140
Contractual Services	301,827	293,033	8,794
Materials and Supplies	12,180	10,325	1,855
Other Expenses	2,877	1,311	1,566
Capital Outlay	<u>4,000</u>	<u>3,428</u>	<u>572</u>
Total General Government	348,279	333,352	14,927
Building and Occupancy:			
Personal Services	10,085	9,299	786
Contractual Services	287,367	286,499	868
Materials and Supplies	<u>25,684</u>	<u>25,080</u>	<u>604</u>
Total Building and Occupancy	323,136	320,878	2,258

(Continued)

**THE CITY OF ROSSFORD, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**FOR THE YEAR ENDED DECEMBER 31, 2003**

**GENERAL FUND**

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Finance/Tax:			
Personal Services	96,736	91,925	4,811
Contractual Services	500	82	418
Materials and Supplies	6,120	3,921	2,199
Capital Outlay	500	0	500
Total Finance/Tax	<u>103,856</u>	<u>95,928</u>	<u>7,928</u>
Treasurer:			
Personal Services	1,195	1,161	34
Total Treasurer	<u>1,195</u>	<u>1,161</u>	<u>34</u>
Law:			
Contractual Services	183,085	173,980	9,105
Total Law	<u>183,085</u>	<u>173,980</u>	<u>9,105</u>
Total General Government	<u>1,180,186</u>	<u>1,140,002</u>	<u>40,184</u>
Debt Service:			
Principal Retirement	48,073	48,073	0
Interest and Fiscal Charges	5,687	5,685	2
Total Debt Service	<u>53,760</u>	<u>53,758</u>	<u>2</u>
Total Expenditures	<u>3,965,517</u>	<u>3,801,503</u>	<u>164,014</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	407,015	154,501	(252,514)
<u>Other Financing Sources (Uses):</u>			
Operating Transfers In	75,000	128,772	53,772
Operating Transfers Out	(404,579)	(393,944)	10,635
Other Financing Sources - Capital Leases	50,000	0	(50,000)
Total Other Financing Sources (Uses)	<u>(279,579)</u>	<u>(265,172)</u>	<u>14,407</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	127,436	(110,671)	(238,107)
Fund Balance at Beginning of Year	77,287	77,287	0
Prior Year Encumbrances	46,343	46,343	0
Fund Balance at End of Year	<u>\$251,066</u>	<u>\$12,959</u>	<u>(\$238,107)</u>

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***SPECIAL REVENUE FUNDS***

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

**State Highway Fund**

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

**Street Construction, Maintenance and Repair Fund**

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

**Drug Fine Fund**

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

**Enforcement and Education Fund**

To account for financial resources used to educate and treat persons with alcohol related problems and to enhance law enforcement activities as a deterrent to the operation of motor vehicles while under the influence of alcohol. (The Balance Sheet is not presented because there are no assets or liabilities at year end.)

**Law Enforcement Trust Fund**

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

**Community Oriented Policing Services (COPS) Fast Grant Fund**

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

**Recreation Fund**

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

(Continued)

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***SPECIAL REVENUE FUNDS***

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**Free Community Entertainment Fund**

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

**Block Grant Fund**

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

**Downtown Streetscape Fund**

To account for the revenues from Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA) grants and assessments. Expenditures are to be used for Downtown Streetscape projects. (The Balance Sheet is not presented because there are no assets or liabilities at year end.)

**THE CITY OF ROSSFORD, OHIO**  
**COMBINING BALANCE SHEET**  
**SPECIAL REVENUE FUNDS**  
**DECEMBER 31, 2003**

	<u>State Highway</u>	<u>Street Construction, Maintenance and Repair</u>	<u>Drug Fine</u>	<u>Enforcement and Education</u>
<b><u>Assets:</u></b>				
Cash and Cash Equivalents	\$1,040	\$15,443	\$6,186	\$0
Receivables (net of allowances for doubtful accounts):				
Taxes	0	0	0	0
Accounts	0	0	0	0
Intergovernmental Receivables	7,868	97,041	0	0
Inventory of Supplies at Cost	<u>0</u>	<u>10,855</u>	<u>0</u>	<u>0</u>
Total Assets	<u><u>\$8,908</u></u>	<u><u>\$123,339</u></u>	<u><u>\$6,186</u></u>	<u><u>\$0</u></u>
<b><u>Liabilities and Fund Equity:</u></b>				
Liabilities:				
Accounts Payable	\$493	\$24,340	\$0	\$0
Accrued Wages and Benefits	0	13,100	0	0
Intergovernmental Payable	0	0	0	0
Deferred Revenue	<u>5,245</u>	<u>64,694</u>	<u>0</u>	<u>0</u>
Total Liabilities	<u>5,738</u>	<u>102,134</u>	<u>0</u>	<u>0</u>
Fund Equity:				
Reserved for Encumbrances	0	2,455	0	0
Reserved for Supplies Inventory	0	10,855	0	0
Unreserved	<u>3,170</u>	<u>7,895</u>	<u>6,186</u>	<u>0</u>
Total Fund Equity	<u>3,170</u>	<u>21,205</u>	<u>6,186</u>	<u>0</u>
Total Liabilities and Fund Equity	<u><u>\$8,908</u></u>	<u><u>\$123,339</u></u>	<u><u>\$6,186</u></u>	<u><u>\$0</u></u>

**THE CITY OF ROSSFORD, OHIO  
 COMBINING BALANCE SHEET  
 SPECIAL REVENUE FUNDS  
 DECEMBER 31, 2003**

Law Enforcement Trust	COPS Fast Grant	Recreation	Free Community Entertainment	Block Grant	Downtown Streetscape	Totals
\$6,398	\$7	\$3,703	\$8,409	\$84,917	\$0	\$126,103
0	0	43,911	0	0	0	43,911
0	0	0	335	0	0	335
0	0	2,130	0	0	0	107,039
0	0	0	0	0	0	10,855
<u>\$6,398</u>	<u>\$7</u>	<u>\$49,744</u>	<u>\$8,744</u>	<u>\$84,917</u>	<u>\$0</u>	<u>\$288,243</u>
\$0	\$0	\$2,270	\$25	\$0	\$0	\$27,128
0	0	10,790	0	0	0	23,890
0	0	97	0	0	0	97
0	0	46,041	0	0	0	115,980
<u>0</u>	<u>0</u>	<u>59,198</u>	<u>25</u>	<u>0</u>	<u>0</u>	<u>167,095</u>
0	0	2,842	0	0	0	5,297
0	0	0	0	0	0	10,855
6,398	7	(12,296)	8,719	84,917	0	104,996
<u>6,398</u>	<u>7</u>	<u>(9,454)</u>	<u>8,719</u>	<u>84,917</u>	<u>0</u>	<u>121,148</u>
<u>\$6,398</u>	<u>\$7</u>	<u>\$49,744</u>	<u>\$8,744</u>	<u>\$84,917</u>	<u>\$0</u>	<u>\$288,243</u>

**THE CITY OF ROSSFORD, OHIO**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2003**

	State Highway	Street Construction, Maintenance and Repair	Drug Fine	Enforcement and Education
<b>Revenues:</b>				
Taxes	\$0	\$0	\$0	\$0
Intergovernmental Revenues	18,346	226,264	0	0
Charges for Services	0	0	0	0
Special Assessments	0	0	0	0
Fines and Forfeitures	0	0	765	1,326
All Other Revenues	0	0	0	0
<b>Total Revenues</b>	<b>18,346</b>	<b>226,264</b>	<b>765</b>	<b>1,326</b>
<b>Expenditures:</b>				
Current:				
Security of Persons and Property	0	0	0	3,153
Leisure Time Activities	0	0	0	0
Transportation	12,712	323,235	0	0
<b>Total Expenditures</b>	<b>12,712</b>	<b>323,235</b>	<b>0</b>	<b>3,153</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	5,634	(96,971)	765	(1,827)
<b>Other Financing Sources (Uses):</b>				
Operating Transfers In	0	94,465	0	1,777
Operating Transfers Out	(7,253)	0	0	0
<b>Total Other Financing Sources (Uses)</b>	<b>(7,253)</b>	<b>94,465</b>	<b>0</b>	<b>1,777</b>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(1,619)	(2,506)	765	(50)
Restated Fund Balance (Deficit) at Beginning of Year	4,789	45,101	5,421	50
Increase in Inventory Reserve	0	(21,390)	0	0
<b>Fund Balance (Deficit) at End of Year</b>	<b>\$3,170</b>	<b>\$21,205</b>	<b>\$6,186</b>	<b>\$0</b>

**THE CITY OF ROSSFORD, OHIO**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2003**

Law Enforcement Trust	COPS Fast Grant	Recreation	Free Community Entertainment	Block Grant	Downtown Streetscape	Totals
\$0	\$0	\$37,953	\$0	\$0	\$0	\$37,953
0	0	4,200	0	60,202	0	309,012
0	0	86,051	0	0	0	86,051
0	0	0	0	0	3,772	3,772
0	0	0	0	0	0	2,091
652	0	12,937	6,374	0	0	19,963
652	0	141,141	6,374	60,202	3,772	458,842
0	0	0	0	0	0	3,153
0	0	214,566	4,178	0	0	218,744
0	0	0	0	0	0	335,947
0	0	214,566	4,178	0	0	557,844
652	0	(73,425)	2,196	60,202	3,772	(99,002)
0	0	70,887	0	0	0	167,129
(1,777)	0	0	0	0	(3,772)	(12,802)
(1,777)	0	70,887	0	0	(3,772)	154,327
(1,125)	0	(2,538)	2,196	60,202	0	55,325
7,523	7	(6,916)	6,523	24,715	0	87,213
0	0	0	0	0	0	(21,390)
<u>\$6,398</u>	<u>\$7</u>	<u>(\$9,454)</u>	<u>\$8,719</u>	<u>\$84,917</u>	<u>\$0</u>	<u>\$121,148</u>

**THE CITY OF ROSSFORD, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2003**

**STATE HIGHWAY FUND**

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental Revenues	\$20,000	\$18,491	(\$1,509)
Total Revenues	20,000	18,491	(1,509)
<u>Expenditures:</u>			
Transportation:			
Materials and Supplies	23,074	16,187	6,887
Total Expenditures	23,074	16,187	6,887
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,074)	2,304	5,378
<u>Other Financing Sources (Uses):</u>			
Operating Transfers Out	(7,253)	(7,253)	0
Total Other Financing Sources (Uses)	(7,253)	(7,253)	0
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(10,327)	(4,949)	5,378
Fund Balance at Beginning of Year	5,519	5,519	0
Prior Year Encumbrances	74	74	0
Fund Balance at End of Year	(\$4,734)	\$644	\$5,378

**THE CITY OF ROSSFORD, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2003**

**STREET CONSTRUCTION, MAINTENANCE AND REPAIR FUND**

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental Revenues	\$201,000	\$228,050	\$27,050
Total Revenues	201,000	228,050	27,050
<u>Expenditures:</u>			
Transportation:			
Personal Services	167,812	165,289	2,523
Contractual Services	80,803	79,690	1,113
Materials and Supplies	81,659	81,139	520
Capital Outlay	6,822	6,822	0
Total Expenditures	337,096	332,940	4,156
Excess (Deficiency) of Revenues Over (Under) Expenditures	(136,096)	(104,890)	31,206
<u>Other Financing Sources (Uses):</u>			
Operating Transfers In	102,666	94,465	(8,201)
Total Other Financing Sources (Uses)	102,666	94,465	(8,201)
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(33,430)	(10,425)	23,005
Fund Balance at Beginning of Year	0	0	0
Prior Year Encumbrances	10,425	10,425	0
Fund Balance at End of Year	(\$23,005)	\$0	\$23,005

**THE CITY OF ROSSFORD, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2003**

**DRUG FINE FUND**

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Fines and Forfeitures	\$0	\$765	\$765
Total Revenues	0	765	765
<u>Expenditures:</u>			
Total Expenditures	0	0	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	765	765
Fund Balance at Beginning of Year	5,421	5,421	0
Fund Balance at End of Year	<u>\$5,421</u>	<u>\$6,186</u>	<u>\$765</u>

**THE CITY OF ROSSFORD, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2003**

**ENFORCEMENT AND EDUCATION FUND**

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Fines and Forfeitures	\$1,500	\$1,376	(\$124)
Total Revenues	1,500	1,376	(124)
<u>Expenditures:</u>			
Security of Persons and Property:			
Materials and Supplies	3,153	3,153	0
Total Expenditures	3,153	3,153	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,653)	(1,777)	(124)
<u>Other Financing Sources (Uses):</u>			
Operating Transfers In	1,862	1,777	(85)
Total Other Financing Sources (Uses)	1,862	1,777	(85)
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	209	0	(209)
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	\$209	\$0	(\$209)

**THE CITY OF ROSSFORD, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2003**

**LAW ENFORCEMENT TRUST FUND**

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
All Other Revenues	\$1,500	\$652	(\$848)
Total Revenues	<u>1,500</u>	<u>652</u>	<u>(848)</u>
<u>Expenditures:</u>			
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,500	652	(848)
<u>Other Financing Sources (Uses):</u>			
Operating Transfers Out	<u>(1,862)</u>	<u>(1,777)</u>	<u>85</u>
Total Other Financing Sources (Uses)	<u>(1,862)</u>	<u>(1,777)</u>	<u>85</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(362)	(1,125)	(763)
Fund Balance at Beginning of Year	<u>7,523</u>	<u>7,523</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$7,161</u></u>	<u><u>\$6,398</u></u>	<u><u>(\$763)</u></u>

**THE CITY OF ROSSFORD, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2003**

**COPS FAST GRANT FUND**

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

**THE CITY OF ROSSFORD, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2003**

**RECREATION FUND**

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Taxes	\$43,638	\$37,953	(\$5,685)
Intergovernmental Revenues	3,600	4,200	600
Charges for Services	84,500	86,073	1,573
All Other Revenues	27,500	12,937	(14,563)
Total Revenues	159,238	141,163	(18,075)
<u>Expenditures:</u>			
Leisure Time Activities:			
Personal Services	157,507	148,270	9,237
Contractual Services	48,085	43,087	4,998
Materials and Supplies	32,621	23,126	9,495
Other Expenditures	1,200	1,001	199
Capital Outlay	1,000	0	1,000
Total Expenditures	240,413	215,484	24,929
Excess (Deficiency) of Revenues Over (Under) Expenditures	(81,175)	(74,321)	6,854
<u>Other Financing Sources (Uses):</u>			
Operating Transfers In	73,321	70,887	(2,434)
Total Other Financing Sources (Uses)	73,321	70,887	(2,434)
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(7,854)	(3,434)	4,420
Fund Balance at Beginning of Year	0	0	0
Prior Year Encumbrances	3,434	3,434	0
Fund Balance at End of Year	(\$4,420)	\$0	\$4,420

**THE CITY OF ROSSFORD, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2003**

**FREE COMMUNITY ENTERTAINMENT FUND**

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
All Other Revenues	\$8,000	\$6,039	(\$1,961)
Total Revenues	<u>8,000</u>	<u>6,039</u>	<u>(1,961)</u>
<u>Expenditures:</u>			
Leisure Time Activities:			
Contractual Services	<u>8,000</u>	<u>4,153</u>	<u>3,847</u>
Total Expenditures	<u>8,000</u>	<u>4,153</u>	<u>3,847</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	1,886	1,886
Fund Balance at Beginning of Year	<u>6,523</u>	<u>6,523</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$6,523</u></u>	<u><u>\$8,409</u></u>	<u><u>\$1,886</u></u>

**THE CITY OF ROSSFORD, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2003**

**BLOCK GRANT FUND**

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental Revenues	\$0	\$60,202	\$60,202
Total Revenues	0	60,202	60,202
<u>Expenditures:</u>			
Community Environment:			
Capital Outlay	0	0	0
Total Expenditures	0	0	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	60,202	60,202
Fund Balance at Beginning of Year	24,715	24,715	0
Fund Balance at End of Year	\$24,715	\$84,917	\$60,202

**THE CITY OF ROSSFORD, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2003**

**DOWNTOWN STREETSCAPE FUND**

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Special Assessments	\$0	\$3,772	\$3,772
Total Revenues	0	3,772	3,772
<u>Expenditures:</u>			
Total Expenditures	0	0	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	3,772	3,772
<u>Other Financing Sources (Uses):</u>			
Operating Transfers Out	(3,772)	(3,772)	0
Total Other Financing Sources (Uses)	(3,772)	(3,772)	0
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(3,772)	0	3,772
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	(\$3,772)	\$0	\$3,772

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***CAPITAL PROJECTS FUNDS***

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

**Landfill Closure Fund**

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

**Lewis Street Paving and Curbs Fund**

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

**Capital Improvement Fund**

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

**Fire Capital Improvement Fund**

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

**Permanent Recreation Improvement Fund**

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

**Arena Drainage Ditch Fund**

To account for financial resources received to improve storm water drainage by constructing drainage swales and extending the arena drainage ditch. (The Balance Sheet is not presented because there are no assets or liabilities at year end.)

**Electrical Industrial Court Fund**

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

(Continued)

***CAPITAL PROJECTS FUNDS***

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**TIF Ramco Gershenson Fund**

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

**TID Road Acquisition Fund**

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

**TIF Henry Court Road Construction Fund**

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

**THE CITY OF ROSSFORD, OHIO**  
**COMBINING BALANCE SHEET**  
**CAPITAL PROJECTS FUNDS**  
**DECEMBER 31, 2003**

	<u>Landfill Closure</u>	<u>Lewis Street Paving and Curbs</u>	<u>Capital Improvement</u>	<u>Fire Capital Improvement</u>
<u>Assets:</u>				
Cash and Cash Equivalents	\$13,560	\$13,763	\$10,496	\$436,714
Receivables (net of allowances for doubtful accounts):				
Taxes	0	0	0	65,867
Special Assessments	0	0	0	0
Intergovernmental Receivables	<u>0</u>	<u>0</u>	<u>0</u>	<u>3,195</u>
Total Assets	<u>\$13,560</u>	<u>\$13,763</u>	<u>\$10,496</u>	<u>\$505,776</u>
<u>Liabilities and Fund Equity:</u>				
Liabilities:				
Accounts Payable	\$16,719	\$0	\$0	\$71,965
Accrued Interest Payable	0	0	0	3,978
Deferred Revenue	0	0	0	69,062
General Obligation Notes Payable	<u>0</u>	<u>0</u>	<u>0</u>	<u>385,000</u>
Total Liabilities	<u>16,719</u>	<u>0</u>	<u>0</u>	<u>530,005</u>
Fund Equity:				
Reserved for Encumbrances	0	0	10,495	0
Unreserved	<u>(3,159)</u>	<u>13,763</u>	<u>1</u>	<u>(24,229)</u>
Total Fund Equity	<u>(3,159)</u>	<u>13,763</u>	<u>10,496</u>	<u>(24,229)</u>
Total Liabilities and Fund Equity	<u>\$13,560</u>	<u>\$13,763</u>	<u>\$10,496</u>	<u>\$505,776</u>

**THE CITY OF ROSSFORD, OHIO  
COMBINING BALANCE SHEET  
CAPITAL PROJECTS FUNDS  
DECEMBER 31, 2003**

Permanent Recreation Improvement	Electrical Industrial Court	TIF Ramco Gershenson	TID Road Acquisition	TIF Henry Court Road Construction	Totals
\$13,213	\$37,895	\$394,941	\$107,321	\$2,500	\$1,030,403
43,911	0	0	0	0	109,778
0	128,904	0	1,987,939	0	2,116,843
2,130	0	0	0	0	5,325
<u>\$59,254</u>	<u>\$166,799</u>	<u>\$394,941</u>	<u>\$2,095,260</u>	<u>\$2,500</u>	<u>\$3,262,349</u>
\$0	\$0	\$0	\$0	\$0	\$88,684
0	0	0	26,246	0	30,224
46,041	128,904	0	1,987,939	0	2,231,946
0	0	0	2,539,893	0	2,924,893
<u>46,041</u>	<u>128,904</u>	<u>0</u>	<u>4,554,078</u>	<u>0</u>	<u>5,275,747</u>
0	0	0	0	0	10,495
13,213	37,895	394,941	(2,458,818)	2,500	(2,023,893)
<u>13,213</u>	<u>37,895</u>	<u>394,941</u>	<u>(2,458,818)</u>	<u>2,500</u>	<u>(2,013,398)</u>
<u>\$59,254</u>	<u>\$166,799</u>	<u>\$394,941</u>	<u>\$2,095,260</u>	<u>\$2,500</u>	<u>\$3,262,349</u>

**THE CITY OF ROSSFORD, OHIO**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**CAPITAL PROJECTS FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2003**

	<u>Landfill Closure</u>	<u>Lewis Street Paving and Curbs</u>	<u>Capital Improvement</u>	<u>Fire Capital Improvement</u>
<b>Revenues:</b>				
Taxes	\$0	\$0	\$0	\$56,929
Intergovernmental Revenues	0	0	0	6,300
Investment Earnings	0	0	0	0
Special Assessments	0	7,061	0	0
All Other Revenues	0	0	0	51,207
Total Revenues	<u>0</u>	<u>7,061</u>	<u>0</u>	<u>114,436</u>
<b>Expenditures:</b>				
Capital Outlay	65,625	0	0	142,846
Debt Service:				
Principal Retirement	5,000	2,000	22,000	31,077
Interest and Fiscal Charges	11,629	3,270	67,143	8,142
Total Expenditures	<u>82,254</u>	<u>5,270</u>	<u>89,143</u>	<u>182,065</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(82,254)	1,791	(89,143)	(67,629)
<b>Other Financing Sources (Uses):</b>				
Operating Transfers In	70,301	0	89,143	0
Operating Transfers Out	0	0	0	0
Total Other Financing Sources (Uses)	<u>70,301</u>	<u>0</u>	<u>89,143</u>	<u>0</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(11,953)	1,791	0	(67,629)
Fund Balance (Deficit) at Beginning of Year	<u>8,794</u>	<u>11,972</u>	<u>10,496</u>	<u>43,400</u>
Fund Balance (Deficit) at End of Year	<u><u>(\$3,159)</u></u>	<u><u>\$13,763</u></u>	<u><u>\$10,496</u></u>	<u><u>(\$24,229)</u></u>

**THE CITY OF ROSSFORD, OHIO**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**CAPITAL PROJECTS FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2003**

Permanent Recreation Improvement	Arena Drainage Ditch	Electrical Industrial Court	TIF Ramco Gershenson	TID Road Acquisition	TIF Henry Court Road Construction	Totals
\$37,953	\$0	\$0	\$0	\$0	\$0	\$94,882
4,200	0	0	0	0	0	10,500
0	0	0	2,089	0	0	2,089
0	0	36,126	238,548	114,511	0	396,246
<u>7,811</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>59,018</u>
49,964	0	36,126	240,637	114,511	0	562,735
56,699	0	0	0	0	0	265,170
0	4,000	25,000	50,000	0	0	139,077
<u>0</u>	<u>4,401</u>	<u>7,812</u>	<u>90,183</u>	<u>67,550</u>	<u>0</u>	<u>260,130</u>
56,699	8,401	32,812	140,183	67,550	0	664,377
(6,735)	(8,401)	3,314	100,454	46,961	0	(101,642)
0	8,401	0	0	0	0	167,845
<u>(60,000)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(60,000)</u>
(60,000)	8,401	0	0	0	0	107,845
(66,735)	0	3,314	100,454	46,961	0	6,203
<u>79,948</u>	<u>0</u>	<u>34,581</u>	<u>294,487</u>	<u>(2,505,779)</u>	<u>2,500</u>	<u>(2,019,601)</u>
<u>\$13,213</u>	<u>\$0</u>	<u>\$37,895</u>	<u>\$394,941</u>	<u>(\$2,458,818)</u>	<u>\$2,500</u>	<u>(\$2,013,398)</u>

**THE CITY OF ROSSFORD, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**CAPITAL PROJECTS FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2003**

**LANDFILL CLOSURE FUND**

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Total Revenues	\$0	\$0	\$0
<u>Expenditures:</u>			
Capital Outlay	74,571	64,581	9,990
Debt Service:			
Principal Retirement	5,000	5,000	0
Interest and Fiscal Charges	11,629	11,629	0
Total Debt Service	16,629	16,629	0
Total Expenditures	91,200	81,210	9,990
Excess (Deficiency) of Revenues Over (Under) Expenditures	(91,200)	(81,210)	9,990
<u>Other Financing Sources (Uses):</u>			
Operating Transfers In	70,301	70,301	0
Total Other Financing Sources (Uses)	70,301	70,301	0
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(20,899)	(10,909)	9,990
Fund Balance at Beginning of Year	1	1	0
Prior Year Encumbrances	10,908	10,908	0
Fund Balance at End of Year	(\$9,990)	\$0	\$9,990

**THE CITY OF ROSSFORD, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**CAPITAL PROJECTS FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2003**

**LEWIS STREET PAVING AND CURBS FUND**

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Special Assessments	\$7,700	\$7,061	(\$639)
Total Revenues	<u>7,700</u>	<u>7,061</u>	<u>(639)</u>
<u>Expenditures:</u>			
Debt Service:			
Principal Retirement	2,000	2,000	0
Interest and Fiscal Charges	<u>3,270</u>	<u>3,270</u>	<u>0</u>
Total Debt Service	<u>5,270</u>	<u>5,270</u>	<u>0</u>
Total Expenditures	<u>5,270</u>	<u>5,270</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,430	1,791	(639)
Fund Balance at Beginning of Year	<u>11,972</u>	<u>11,972</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$14,402</u></u>	<u><u>\$13,763</u></u>	<u><u>(\$639)</u></u>

**THE CITY OF ROSSFORD, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**CAPITAL PROJECTS FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2003**

**CAPITAL IMPROVEMENT FUND**

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Total Revenues	\$0	\$0	\$0
<u>Expenditures:</u>			
Capital Outlay	10,495	10,495	0
Debt Service:			
Principal Retirement	22,000	22,000	0
Interest and Fiscal Charges	67,145	67,143	2
Total Debt Service	89,145	89,143	2
Total Expenditures	99,640	99,638	2
Excess (Deficiency) of Revenues Over (Under) Expenditures	(99,640)	(99,638)	2
<u>Other Financing Sources (Uses):</u>			
Operating Transfers In	89,145	89,143	(2)
Total Other Financing Sources (Uses)	89,145	89,143	(2)
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(10,495)	(10,495)	0
Fund Balance at Beginning of Year	1	1	0
Prior Year Encumbrances	10,495	10,495	0
Fund Balance at End of Year	\$1	\$1	\$0

**THE CITY OF ROSSFORD, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**CAPITAL PROJECTS FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2003**

**FIRE CAPITAL IMPROVEMENT FUND**

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Taxes	\$65,456	\$56,929	(\$8,527)
Intergovernmental Revenues	4,000	6,300	2,300
All Other Revenues	51,207	51,207	0
Total Revenues	<u>120,663</u>	<u>114,436</u>	<u>(6,227)</u>
<u>Expenditures:</u>			
Capital Outlay	155,378	138,534	16,844
Debt Service:			
Principal Retirement	31,077	31,077	0
Interest and Fiscal Charges	4,164	4,164	0
Total Debt Service	<u>35,241</u>	<u>35,241</u>	<u>0</u>
Total Expenditures	<u>190,619</u>	<u>173,775</u>	<u>16,844</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(69,956)	(59,339)	10,617
<u>Other Financing Sources (Uses):</u>			
Proceeds from General Obligation Notes	0	385,000	385,000
Total Other Financing Sources (Uses)	<u>0</u>	<u>385,000</u>	<u>385,000</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(69,956)	325,661	395,617
Fund Balance at Beginning of Year	34,995	34,995	0
Prior Year Encumbrances	10,290	10,290	0
Fund Balance at End of Year	<u>(\$24,671)</u>	<u>\$370,946</u>	<u>\$395,617</u>

**THE CITY OF ROSSFORD, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**CAPITAL PROJECTS FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2003**

**PERMANENT RECREATION IMPROVEMENT FUND**

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Taxes	\$43,638	\$37,953	(\$5,685)
Intergovernmental Revenues	2,000	4,200	2,200
All Other Revenues	7,811	7,811	0
Total Revenues	53,449	49,964	(3,485)
<u>Expenditures:</u>			
Capital Outlay	57,161	56,699	462
Total Expenditures	57,161	56,699	462
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,712)	(6,735)	(3,023)
<u>Other Financing Sources (Uses):</u>			
Operating Transfers Out	(60,000)	(60,000)	0
Total Other Financing Sources (Uses)	(60,000)	(60,000)	0
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(63,712)	(66,735)	(3,023)
Fund Balance at Beginning of Year	39,498	39,498	0
Prior Year Encumbrances	40,450	40,450	0
Fund Balance at End of Year	\$16,236	\$13,213	(\$3,023)

**THE CITY OF ROSSFORD, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**CAPITAL PROJECTS FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2003**

**ARENA DRAINAGE DITCH FUND**

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Total Revenues	\$0	\$0	\$0
<u>Expenditures:</u>			
Debt Service:			
Principal Retirement	4,000	4,000	0
Interest and Fiscal Charges	4,401	4,401	0
Total Debt Service	8,401	8,401	0
Total Expenditures	8,401	8,401	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	(8,401)	(8,401)	0
<u>Other Financing Sources (Uses):</u>			
Operating Transfers In	8,401	8,401	0
Total Other Financing Sources (Uses)	8,401	8,401	0
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	0	0	0
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	\$0	\$0	\$0

**THE CITY OF ROSSFORD, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**CAPITAL PROJECTS FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2003**

**ELECTRICAL INDUSTRIAL COURT FUND**

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Special Assessments	\$32,492	\$36,126	\$3,634
Total Revenues	32,492	36,126	3,634
<u>Expenditures:</u>			
Debt Service:			
Principal Retirement	25,000	25,000	0
Interest and Fiscal Charges	7,812	7,812	0
Total Debt Service	32,812	32,812	0
Total Expenditures	32,812	32,812	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	(320)	3,314	3,634
Fund Balance at Beginning of Year	34,581	34,581	0
Fund Balance at End of Year	\$34,261	\$37,895	\$3,634

**THE CITY OF ROSSFORD, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**CAPITAL PROJECTS FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2003**

**TIF RAMCO GERSHENSON FUND**

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Investment Earnings	\$2,089	\$2,089	\$0
Special Assessments	167,811	238,548	70,737
Total Revenues	<u>169,900</u>	<u>240,637</u>	<u>70,737</u>
<u>Expenditures:</u>			
Debt Service:			
Principal Retirement	50,000	50,000	0
Interest and Fiscal Charges	90,401	90,183	218
Total Debt Service	<u>140,401</u>	<u>140,183</u>	<u>218</u>
Total Expenditures	<u>140,401</u>	<u>140,183</u>	<u>218</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	29,499	100,454	70,955
Fund Balance at Beginning of Year	294,487	294,487	0
Fund Balance at End of Year	<u><u>\$323,986</u></u>	<u><u>\$394,941</u></u>	<u><u>\$70,955</u></u>

**THE CITY OF ROSSFORD, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**CAPITAL PROJECTS FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2003**

**TID ROAD ACQUISITION FUND**

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Special Assessments	\$201,719	\$114,511	(\$87,208)
Total Revenues	201,719	114,511	(87,208)
<u>Expenditures:</u>			
Debt Service:			
Principal Retirement	2,550,000	2,550,000	0
Interest and Fiscal Charges	152,241	69,930	82,311
Total Debt Service	2,702,241	2,619,930	82,311
Total Expenditures	2,702,241	2,619,930	82,311
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,500,522)	(2,505,419)	(4,897)
<u>Other Financing Sources (Uses):</u>			
Proceeds from General Obligation Notes	2,550,000	2,539,893	(10,107)
Total Other Financing Sources (Uses)	2,550,000	2,539,893	(10,107)
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	49,478	34,474	(15,004)
Fund Balance at Beginning of Year	72,847	72,847	0
Fund Balance at End of Year	\$122,325	\$107,321	(\$15,004)

**THE CITY OF ROSSFORD, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**CAPITAL PROJECTS FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2003**

**TIF HENRY COURT ROAD CONSTRUCTION FUND**

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Total Revenues	\$0	\$0	\$0
<u>Expenditures:</u>			
Total Expenditures	0	0	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0
Fund Balance at Beginning of Year	2,500	2,500	0
Fund Balance at End of Year	<u>\$2,500</u>	<u>\$2,500</u>	<u>\$0</u>

## ***ENTERPRISE FUNDS***

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

### **Water Fund**

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

### **Sewer Fund**

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

### **Marina Fund**

To account for the operation of the City owned marina.

**THE CITY OF ROSSFORD, OHIO**  
**COMBINING BALANCE SHEET**  
**ENTERPRISE FUNDS**  
**DECEMBER 31, 2003**

	<u>Water</u>	<u>Sewer</u>	<u>Marina</u>	<u>Totals</u>
<u>Assets:</u>				
Cash and Cash Equivalents	\$198,627	\$334,220	\$68,436	\$601,283
Interfund Loan Receivable	80,000	0	0	80,000
Intergovernmental Receivables	61,004	121,224	346,494	528,722
Property, Plant and Equipment	3,289,693	6,195,754	124,696	9,610,143
Less Accumulated Depreciation	<u>(1,225,488)</u>	<u>(1,701,841)</u>	<u>(38,485)</u>	<u>(2,965,814)</u>
Net Fixed Assets	<u>2,064,205</u>	<u>4,493,913</u>	<u>86,211</u>	<u>6,644,329</u>
Total Assets	<u>\$2,403,836</u>	<u>\$4,949,357</u>	<u>\$501,141</u>	<u>\$7,854,334</u>
<u>Liabilities and Fund Equity:</u>				
Liabilities:				
Accounts Payable	\$3,530	\$35,919	\$728	\$40,177
Accrued Wages and Benefits	0	4,388	1,692	6,080
Intergovernmental Payable	0	0	95	95
Accrued Interest Payable	9,961	11,046	0	21,007
General Obligation Notes Payable	300,000	515,000	0	815,000
General Obligation Bonds Payable	1,788,171	1,499,829	0	3,288,000
Ohio Public Works Commission Loan	0	75,115	0	75,115
Ohio Water Development Authority Loan Payable	<u>0</u>	<u>1,532,024</u>	<u>0</u>	<u>1,532,024</u>
Total Liabilities	<u>2,101,662</u>	<u>3,673,321</u>	<u>2,515</u>	<u>5,777,498</u>
Fund Equity:				
Contributed Capital	1,672,268	1,855,290	0	3,527,558
Retained Earnings (Accumulated Deficit): Unreserved	<u>(1,370,094)</u>	<u>(579,254)</u>	<u>498,626</u>	<u>(1,450,722)</u>
Total Fund Equity	<u>302,174</u>	<u>1,276,036</u>	<u>498,626</u>	<u>2,076,836</u>
Total Liabilities and Fund Equity	<u>\$2,403,836</u>	<u>\$4,949,357</u>	<u>\$501,141</u>	<u>\$7,854,334</u>

**THE CITY OF ROSSFORD, OHIO**  
**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS**  
**ENTERPRISE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2003**

	<u>Water</u>	<u>Sewer</u>	<u>Marina</u>	<u>Totals</u>
<u>Operating Revenues:</u>				
Charges for Services	\$120,453	\$317,001	\$103,321	\$540,775
Other Operating Revenues	4,783	0	0	4,783
Total Operating Revenues	<u>125,236</u>	<u>317,001</u>	<u>103,321</u>	<u>545,558</u>
<u>Operating Expenses:</u>				
Personal Services	0	66,939	40,924	107,863
Materials and Supplies	0	16,350	0	16,350
Contractual Services	11,139	133,365	13,539	158,043
Depreciation	59,597	119,509	4,863	183,969
Other Operating Expenses	0	0	1,614	1,614
Total Operating Expenses	<u>70,736</u>	<u>336,163</u>	<u>60,940</u>	<u>467,839</u>
Operating Income (Loss)	54,500	(19,162)	42,381	77,719
<u>Nonoperating Revenues (Expenses):</u>				
Interest and Fiscal Charges	(91,081)	(145,996)	0	(237,077)
Capital Contributions	0	0	346,494	346,494
Total Nonoperating Revenues (Expenses)	<u>(91,081)</u>	<u>(145,996)</u>	<u>346,494</u>	<u>109,417</u>
Income (Loss) Before Operating Transfers	(36,581)	(165,158)	388,875	187,136
<u>Operating Transfers:</u>				
Operating Transfers In	62,118	0	0	62,118
Operating Transfers Out	(83,925)	(53,193)	(50,000)	(187,118)
Total Operating Transfers	<u>(21,807)</u>	<u>(53,193)</u>	<u>(50,000)</u>	<u>(125,000)</u>
Net Income (Loss)	(58,388)	(218,351)	338,875	62,136
Retained Earnings (Accumulated Deficit) at Beginning of Year	<u>(1,311,706)</u>	<u>(360,903)</u>	<u>159,751</u>	<u>(1,512,858)</u>
Retained Earnings (Accumulated Deficit) at End of Year	<u><u>(\$1,370,094)</u></u>	<u><u>(\$579,254)</u></u>	<u><u>\$498,626</u></u>	<u><u>(\$1,450,722)</u></u>

**THE CITY OF ROSSFORD, OHIO**  
**COMBINING STATEMENT OF CASH FLOWS**  
**ENTERPRISE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2003**

	Water	Sewer	Marina	Totals
<u>Cash Flows from Operating Activities:</u>				
Cash Received from Customers	\$175,942	\$430,837	\$103,321	\$710,100
Cash Payments for Goods and Services	(11,033)	(133,080)	(15,335)	(159,448)
Cash Payments to Employees	0	(67,816)	(41,099)	(108,915)
Net Cash Provided by Operating Activities	<u>164,909</u>	<u>229,941</u>	<u>46,887</u>	<u>441,737</u>
<u>Cash Flows from Noncapital Financing Activities:</u>				
Transfers In from Other Funds	62,118	0	0	62,118
Advances Out to Other Funds	(83,925)	(53,193)	(50,000)	(187,118)
Net Cash Used by Noncapital Financing Activities	<u>(21,807)</u>	<u>(53,193)</u>	<u>(50,000)</u>	<u>(125,000)</u>
<u>Cash Flows from Capital and Related Financing Activities:</u>				
Acquisition and Construction of Assets	0	0	(21,031)	(21,031)
Proceeds from General Obligation Notes	300,000	515,000	0	815,000
Principal Paid on General Obligation Notes	(300,000)	(300,000)	0	(600,000)
Principal Paid on General Obligation Bonds	(12,569)	(19,431)	0	(32,000)
Principal Paid on Ohio Water Development Authority Loans	0	(84,634)	0	(84,634)
Principal Paid on Ohio Public Works Commission Loan	0	(4,695)	0	(4,695)
Interest Paid on All Debt	(91,395)	(144,109)	0	(235,504)
Net Cash Used by Capital and Related Financing Activities	<u>(103,964)</u>	<u>(37,869)</u>	<u>(21,031)</u>	<u>(162,864)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	39,138	138,879	(24,144)	153,873
Cash and Cash Equivalents at Beginning of Year	159,489	195,341	92,580	447,410
Cash and Cash Equivalents at End of Year	<u>\$198,627</u>	<u>\$334,220</u>	<u>\$68,436</u>	<u>\$601,283</u>
<u>Reconciliation of Operating Income to Net Cash Provided by Operating Activities:</u>				
Operating Income (Loss)	\$54,500	(\$19,162)	\$42,381	\$77,719
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:				
Depreciation Expense	59,597	119,509	4,863	183,969
Changes in Assets and Liabilities:				
Decrease in Intergovernmental Receivables	50,706	113,836	0	164,542
Increase (Decrease) in Accounts Payable	106	16,635	(182)	16,559
Decrease in Accrued Wages and Benefits	0	(877)	(175)	(1,052)
Total Adjustments	<u>110,409</u>	<u>249,103</u>	<u>4,506</u>	<u>364,018</u>
Net Cash Provided by Operating Activities	<u>\$164,909</u>	<u>\$229,941</u>	<u>\$46,887</u>	<u>\$441,737</u>

***FIDUCIARY FUND TYPE***

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

***AGENCY FUND***

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**Cafeteria Plan Fund**

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

**THE CITY OF ROSSFORD, OHIO**  
**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**AGENCY FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2003**

	Balance December 31, 2002	Additions	Deductions	Balance December 31, 2003
<u>Cafeteria Plan</u>				
Assets:				
Restricted Assets:				
Cash and Cash Equivalents	\$757	\$3,037	(\$3,618)	\$176
Total Assets	<u>\$757</u>	<u>\$3,037</u>	<u>(\$3,618)</u>	<u>\$176</u>
Liabilities:				
Due to Others	\$757	\$3,037	(\$3,618)	\$176
Total Liabilities	<u>\$757</u>	<u>\$3,037</u>	<u>(\$3,618)</u>	<u>\$176</u>

***GENERAL FIXED ASSETS ACCOUNT GROUP***

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

**THE CITY OF ROSSFORD, OHIO**  
**SCHEDULE OF GENERAL FIXED ASSETS**  
**BY SOURCE**  
**DECEMBER 31, 2003**

<u>General Fixed Assets</u>	
Land	\$353,651
Buildings	3,261,989
Improvements Other Than Buildings	148,610
Machinery and Equipment	<u>2,983,714</u>
Total General Fixed Assets	<u><u>\$6,747,964</u></u>
<u>Investment in General Fixed Assets</u>	
Acquired Prior to 1994	\$4,522,125
General Fund	747,829
Special Revenue Funds	321,907
Capital Projects Funds	1,109,557
Proprietary Funds	1,546
Donated	<u>45,000</u>
Total Investment in General Fixed Assets	<u><u>\$6,747,964</u></u>

**THE CITY OF ROSSFORD, OHIO**  
**SCHEDULE OF GENERAL FIXED ASSETS**  
**BY CATEGORY**  
**DECEMBER 31, 2003**

<u>Function and Activity</u>	<u>Land</u>	<u>Buildings</u>	<u>Improvements Other Than Buildings</u>	<u>Machinery and Equipment</u>	<u>Total</u>
<u>General Government:</u>					
Council	\$0	\$0	\$0	\$700	\$700
Mayor	0	0	0	1,748	1,748
Administrator	0	0	0	5,208	5,208
Finance/Tax	0	0	0	87,868	87,868
Prosecutor	0	0	0	2,898	2,898
General Government	324,151	2,955,591	76,920	41,602	3,398,264
Civil Defense	0	0	0	34,411	34,411
Total	<u>324,151</u>	<u>2,955,591</u>	<u>76,920</u>	<u>174,435</u>	<u>3,531,097</u>
<u>Security of Persons and Property:</u>					
Police	0	0	0	533,124	533,124
Fire	29,500	0	0	1,261,868	1,291,368
Total	<u>29,500</u>	<u>0</u>	<u>0</u>	<u>1,794,992</u>	<u>1,824,492</u>
<u>Transportation:</u>					
Public Works	0	224,089	15,550	700,926	940,565
<u>Leisure Time Activities:</u>					
Park	0	82,309	56,140	313,361	451,810
Total General Fixed Assets	<u>\$353,651</u>	<u>\$3,261,989</u>	<u>\$148,610</u>	<u>\$2,983,714</u>	<u>\$6,747,964</u>

**THE CITY OF ROSSFORD, OHIO**  
**SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS**  
**BY FUNCTION AND ACTIVITY**  
**FOR THE YEAR ENDED DECEMBER 31, 2003**

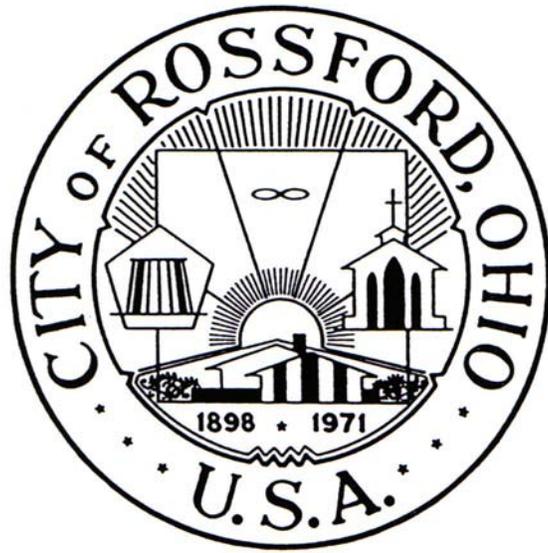
<u>Function and Activity</u>	December 31, 2002	Additions	Deletions	December 31, 2003
<u>General Government:</u>				
Council	\$700	\$0	\$0	\$700
Mayor	2,116	0	(368)	1,748
Administrator	5,576	0	(368)	5,208
Finance/Tax	88,168	0	(300)	87,868
Prosecutor	2,898	0	0	2,898
General Government	3,393,554	5,135	(425)	3,398,264
Civil Defense	34,411	0	0	34,411
Total	<u>3,527,423</u>	<u>5,135</u>	<u>(1,461)</u>	<u>3,531,097</u>
<u>Security of Persons and Property:</u>				
Police	535,466	2,067	(4,409)	533,124
Fire	1,180,137	118,971	(7,740)	1,291,368
Total	<u>1,715,603</u>	<u>121,038</u>	<u>(12,149)</u>	<u>1,824,492</u>
<u>Transportation:</u>				
Public Works	976,118	43,618	(79,171)	940,565
<u>Leisure Time Activities:</u>				
Park	362,442	92,212	(2,844)	451,810
Total General Fixed Assets	<u><u>\$6,581,586</u></u>	<u><u>\$262,003</u></u>	<u><u>(\$95,625)</u></u>	<u><u>\$6,747,964</u></u>



*STATISTICAL SECTION*

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*STATISTICAL TABLES*

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

**THE CITY OF ROSSFORD, OHIO**

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**GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION (1)  
LAST TEN YEARS**

<u>Year</u>	<u>Security of Persons and Property</u>	<u>Leisure Time Activities</u>	<u>Community Environment</u>	<u>Basic Utility Services</u>	<u>Trans- portation</u>	<u>General Government</u>	<u>Capital Outlay</u>	<u>Debt Service</u>	<u>Total</u>
1994	\$1,120,538	\$169,387	\$21,621	\$211,644	\$631,096	\$865,997	\$0	\$132,280	\$3,152,563
1995	1,243,534	183,371	95,586	190,473	662,982	868,922	0	164,091	3,408,959
1996	1,255,367	199,096	188,221	205,528	552,698	865,592	0	168,865	3,435,367
1997	1,351,688	177,616	10,314	210,245	586,279	987,399	0	165,031	3,488,572
1998	1,375,385	192,506	223,475	210,169	781,844	1,013,058	0	245,097	4,041,534
1999	1,599,527	208,846	258,382	208,283	789,415	866,887	0	194,173	4,125,513
2000	1,544,121	199,381	181,898	214,569	918,062	1,059,887	0	235,467	4,353,385
2001	1,887,972	236,888	240,586	208,181	897,282	1,067,504	0	171,304	4,709,717
2002	1,795,309	237,125	0	232,469	898,680	1,112,502	0	186,224	4,462,309
2003	1,869,529	229,826	0	218,480	863,773	1,258,426	0	181,758	4,621,792

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

**THE CITY OF ROSSFORD, OHIO**

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**GENERAL GOVERNMENTAL REVENUES BY SOURCE (1)  
LAST TEN YEARS**

<u>Year</u>	<u>Taxes</u>	<u>Inter-Governmental Revenues</u>	<u>Charges for Services</u>	<u>Licenses and Permits</u>	<u>Investment Earnings</u>	<u>Special Assessments</u>	<u>Fines and Forfeitures</u>	<u>All Other</u>	<u>Total</u>
1994	\$1,846,861	\$751,660	\$35,642	\$84,872	\$80,253	\$92,807	\$36,206	\$19,161	\$2,947,462
1995	1,936,184	724,148	90,064	26,153	121,335	111,270	57,614	48,977	3,115,745
1996	2,097,353	969,792	96,434	26,647	79,919	111,430	39,867	44,092	3,465,534
1997	2,268,951	818,327	97,779	24,668	59,669	135,035	37,813	88,458	3,530,700
1998	2,373,203	1,180,873	102,258	41,233	72,647	129,868	36,614	78,268	4,014,964
1999	2,363,444	1,216,585	110,081	43,163	45,357	132,689	30,877	80,789	4,022,985
2000	2,519,617	1,194,098	126,297	73,834	49,941	125,604	32,431	56,713	4,178,535
2001	2,876,327	1,265,406	139,019	201,775	36,700	123,844	30,495	61,521	4,735,087
2002	2,852,728	1,009,615	149,742	70,198	20,852	130,409	29,386	37,069	4,299,999
2003	2,904,450	1,063,829	181,948	64,071	14,427	134,061	32,329	40,489	4,435,604

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

**THE CITY OF ROSSFORD, OHIO**

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**PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN YEARS**

<u>Collection Year</u>	<u>Total Tax Levy</u>	<u>Current Tax Collections</u>	<u>Delinquent Tax Collections</u>	<u>Total Tax Collections</u>	<u>Percent of Total Tax Collections To Tax Levy</u>	<u>Accumulated Outstanding Delinquent Taxes</u>	<u>Percentage of Accumulated Delinquent Taxes to Total Tax Levy</u>
1994	\$168,743	\$155,916	\$3,519	\$159,435	94.48%	\$12,485	7.40%
1995	186,698	176,745	not available	176,745	94.67%	38,269	20.50%
1996	203,632	185,458	not available	185,458	91.08%	18,174	8.92%
1997	194,611	187,125	not available	187,125	96.15%	7,486	3.85%
1998	195,756	182,350	7,754	190,104	97.11%	5,647	2.88%
1999	268,751	250,351	10,646	260,997	97.11%	7,753	2.88%
2000	301,217	284,157	10,865	295,022	97.94%	6,195	2.06%
2001	302,645	284,060	8,231	292,291	96.58%	10,354	3.42%
2002	259,979	236,163	6,960	243,123	93.52%	16,857	6.48%
2003	400,832	364,624	13,267	377,891	94.28%	22,942	5.72%

Source: Wood County Auditor

**THE CITY OF ROSSFORD, OHIO**

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**TANGIBLE TAX COLLECTED  
LAST TEN YEARS**

<u>Year Paid</u>	<u>Amount</u>
1994	\$32,788
1995	31,930
1996	35,223
1997	33,849
1998	37,792
1999	44,233
2000	40,015
2001	38,267
2002	35,658
2003	56,457

**THE CITY OF ROSSFORD, OHIO**

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**ASSESSED VALUATIONS AND ESTIMATED TRUE VALUES  
OF TAXABLE PROPERTY  
LAST TEN YEARS**

<b>Tax Year</b>	<b>Real Property</b>		<b>Public Utility Personal</b>		<b>Tangible Personal Property</b>		<b>Total</b>		<b>Assessed Value as a Percent of Actual Value</b>
	<b>Assessed</b>	<b>Actual</b>	<b>Assessed</b>	<b>Actual</b>	<b>Assessed</b>	<b>Actual</b>	<b>Assessed</b>	<b>Actual</b>	
1994	\$68,410,000	\$195,240,209	\$4,195,900	\$4,850,466	\$10,178,579	\$40,714,316	\$82,784,479	\$240,804,991	34.38%
1995	69,343,250	198,113,665	3,976,650	4,518,920	9,051,856	36,207,424	82,371,756	238,840,009	34.49%
1996	76,524,260	218,629,811	3,903,660	4,435,977	10,787,221	43,148,884	91,215,141	266,214,672	34.26%
1997	78,758,890	225,014,149	4,482,260	5,093,477	10,553,975	42,215,900	93,795,125	272,323,526	34.44%
1998	81,548,500	232,984,065	4,713,020	5,355,705	12,296,174	49,184,696	98,557,694	287,524,466	34.28%
1999	105,623,040	301,765,025	4,595,930	5,222,648	13,828,807	55,315,228	124,047,777	362,302,901	34.24%
2000	108,311,790	309,446,784	4,461,040	5,069,364	12,675,581	50,702,324	125,448,411	365,218,472	34.35%
2001	111,281,150	317,946,143	3,129,510	3,556,262	15,249,573	60,998,292	129,660,233	382,500,697	33.90%
2002	118,762,310	339,236,028	3,140,820	3,577,243	13,120,227	52,481,119	135,023,357	395,294,390	34.16%
2003	119,779,670	342,227,628	3,165,640	3,597,318	16,973,384	67,893,536	139,918,694	413,718,482	33.82%

Source: Wood County Auditor

**THE CITY OF ROSSFORD, OHIO**

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

Collection Year	City of Rossford					Rossford Exempted Village School District	Wood County Penta Joint Vocational School District	Wood County	Special Taxing District	Total
	General Fund	Permanent Recreation Improvement Fund	Recreation Fund	Fire Capital Fund	Total City					
1994	1.80	0.40	0.40	0.60	3.20	45.60	2.20	11.90	2.50	65.40
1995	1.80	0.40	0.40	0.60	3.20	45.30	2.20	11.90	2.50	65.10
1996	1.80	0.40	0.40	0.60	3.20	45.15	2.20	11.90	2.50	64.95
1997	1.80	0.40	0.40	0.60	3.20	45.15	2.20	11.90	2.50	64.95
1998	1.80	0.40	0.40	0.60	3.20	45.40	2.20	11.90	2.50	65.20
1999	1.80	0.40	0.40	0.60	3.20	47.40	2.20	12.10	2.50	67.40
2000	1.80	0.40	0.40	0.60	3.20	46.40	2.20	12.80	2.50	67.10
2001	1.80	0.40	0.40	0.60	3.20	46.40	2.20	14.10	2.50	68.40
2002	1.80	0.40	0.40	0.60	3.20	54.30	2.20	14.40	3.50	77.60
2003	1.80	0.40	0.40	0.60	3.20	52.30	3.20	14.40	3.50	76.60

Source: Wood County Auditor  
Wood County Treasurer

**THE CITY OF ROSSFORD, OHIO**

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**SPECIAL ASSESSMENT BILLINGS AND COLLECTIONS (1)  
LAST TEN YEARS**

<u>Collection Year</u>	<u>Amount Billed</u>	<u>Amount Collected</u>	<u>Percent Collected</u>
1994	\$101,804	\$92,807	91.16%
1995	120,271	109,965	91.43%
1996	119,334	110,111	92.27%
1997	125,854	118,009	93.77%
1998	130,754	127,477	97.49%
1999	130,983	128,323	97.97%
2000	133,394	133,231	99.88%
2001	133,393	135,090	101.27%
2002	176,273	175,796	99.73%
2003	180,340	176,920	98.10%

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

Source: Wood County Auditor

**THE CITY OF ROSSFORD, OHIO**

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**COMPUTATION OF LEGAL DEBT MARGIN  
DECEMBER 31, 2003**

	<u><b>Total Debt</b></u>	<u><b>Unvoted Debt</b></u>
Net Assessed Valuation	\$139,918,694	\$139,918,694
Legal Debt Limitation (%) (1)	10.50%	5.50%
Legal Debt Limitation (\$) (1)	14,691,463	7,695,528
Applicable City Debt Outstanding (2)	5,586,893	5,586,893
Less: Applicable Debt Service Fund Amounts	0	0
Net Indebtedness Subject to Limitation	<u>5,586,893</u>	<u>5,586,893</u>
Legal Debt Margin	<u><u>\$9,104,570</u></u>	<u><u>\$2,108,635</u></u>

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

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

**THE CITY OF ROSSFORD, OHIO**

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**RATIO OF NET GENERAL OBLIGATION DEBT TO ASSESSED  
VALUE AND NET GENERAL OBLIGATION DEBT PER CAPITA  
LAST TEN YEARS**

<b>Year</b>	<b>Population (1)</b>	<b>Assessed Value (2)</b>	<b>Gross General Obligation Debt (3)</b>	<b>Debt Service Funds Available</b>	<b>Net Bonded Debt</b>	<b>Ratio of General Obligation Debt to Assessed Valuation</b>	<b>Net General Obligation Debt Per Capita</b>
1994	5,861	\$82,784,479	\$1,305,000	\$3,720	\$1,301,280	1.57%	\$222.02
1995	5,861	82,371,756	1,585,000	0	1,585,000	1.92%	270.43
1996	5,861	91,215,141	1,525,000	5	1,524,995	1.67%	260.19
1997	5,861	93,795,125	1,810,000	0	1,810,000	1.93%	308.82
1998	5,861	98,557,694	1,730,000	0	1,730,000	1.76%	295.17
1999	5,861	124,047,777	1,601,500	0	1,601,500	1.29%	273.25
2000	6,406	125,448,411	5,744,568	0	5,744,568	4.58%	896.75
2001	6,406	129,660,233	6,150,000	0	6,150,000	4.74%	960.04
2002	6,406	135,023,357	5,250,000	0	5,250,000	3.89%	819.54
2003	6,406	139,918,694	5,586,893	0	5,586,893	3.99%	872.13

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

(2) Source: Wood County Auditor

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

**THE CITY OF ROSSFORD, OHIO**

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**RATIO OF ANNUAL DEBT SERVICE EXPENDITURES  
FOR GENERAL OBLIGATION BONDED DEBT TO TOTAL GENERAL GOVERNMENTAL EXPENDITURES  
LAST TEN YEARS**

<b>Year</b>	<b>Debt Principal</b>	<b>Debt Interest</b>	<b>Total Debt Service</b>	<b>Total General Governmental Expenditures</b>	<b>Ratio of Tax Debt Service to General Governmental Expenditures</b>
1994	\$70,000	\$62,280	\$132,280	\$3,152,563	4.20%
1995	70,000	60,120	130,120	3,408,959	3.82%
1996	75,000	58,045	133,045	3,435,367	3.87%
1997	75,000	55,270	130,270	3,488,572	3.73%
1998	80,000	52,270	132,270	4,041,534	3.27%
1999	80,000	48,910	128,910	4,125,513	3.12%
2000	85,000	45,430	130,430	4,353,385	3.00%
2001	90,000	41,605	131,605	4,709,717	2.79%
2002	95,000	37,465	132,465	4,462,309	2.97%
2003	95,000	33,000	128,000	4,621,792	2.77%

**THE CITY OF ROSSFORD, OHIO**

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**COMPUTATION OF ALL DIRECT AND OVERLAPPING GOVERNMENTAL DEBT  
DECEMBER 31, 2003**

<u>Jurisdiction</u>	<u>Net Debt Outstanding</u>	<u>Percentage Applicable to City of Rossford</u>	<u>Amount Applicable to City of Rossford</u>
<b>Direct:</b>			
City of Rossford	\$4,986,893	100.00%	\$4,986,893
<b>Overlapping Subdivisions:</b>			
Wood County	12,890,144	5.45%	<u>702,513</u>
		Subtotal	<u>702,513</u>
		Total	<u><u>\$5,689,406</u></u>

Source: Wood County

## *THE CITY OF ROSSFORD, OHIO*

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### DEMOGRAPHIC STATISTICS LAST TEN YEARS

<u>Year</u>	<u>City of Rossford Population (1)</u>	<u>Wood County Population (1)</u>	<u>Unemployment Rate County Area (2)</u>	<u>Per Capita Income County Area (2)</u>	<u>School Enrollment (3)</u>
1994	5,861	116,200	4.40%	22,135	2,322
1995	5,861	116,820	3.95%	22,469	2,276
1996	5,861	116,820	3.68%	23,541	2,183
1997	5,861	116,820	3.50%	24,801	2,190
1998	5,861	116,820	3.38%	25,892	2,127
1999	5,861	116,820	3.41%	26,737	2,172
2000	6,406	116,820	3.20%	N/A	2,084
2001	6,406	116,820	3.52%	N/A	2,038
2002	6,406	116,820	4.63%	N/A	2,026
2003	6,406	116,820	5.26%	N/A	2,059

Source: (1) U.S. Bureau of Census of Population: Federal 2000 Census  
(2) Ohio Department of Development, Office of Strategic Research  
(3) Rossford City School District, Board of Education

**THE CITY OF ROSSFORD, OHIO**

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**PROPERTY VALUE AND CONSTRUCTION PERMITS  
LAST TEN YEARS**

<b>Year</b>	<b>Residential</b>		<b>Commercial</b>	
	<b>Number of Permits</b>	<b>Property Value</b>	<b>Number of Permits</b>	<b>Property Value</b>
1994	43	\$2,500,670	9	\$1,510,940
1995	67	4,202,250	4	225,280
1996	59	4,116,975	12	7,415,760
1997	39	1,607,500	22	7,173,800
1998	12	1,358,215	1	60,000
1999	46	1,589,265	11	42,392,086
2000	54	2,121,225	35	22,632,480
2001	43	1,926,855	31	16,020,400
2002	47	2,584,875	17	2,763,520
2003	38	2,037,960	15	7,641,200

Source: Wood County Building Inspection Department

**THE CITY OF ROSSFORD, OHIO**

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**PRINCIPAL TAXPAYERS (PERSONAL PROPERTY TAX)  
DECEMBER 31, 2003**

	<u>Taxpayer</u>	<u>Type of Business</u>	<u>Assessed Valuation (Tax Duplicate)</u>	<u>Percentage of Total Assessed Valuation</u>
1	Libbey-Owens-Ford Company	Float Glass Manufacturer	\$6,937,070	40.87%
2	TamarkinCompany	Grocery Store	1,760,410	10.37%
3	Home Depot USA Inc.	Home Improvement Retailer	1,489,420	8.78%
4	Target Corporation	General Merchandise Retailer	1,009,400	5.95%
5	Hammill Manufacturing Corporation	Tool and Die Manufacturer	894,800	5.27%
6	National City Leasing	Leasing Company	558,770	3.29%
7	Block Communications Inc.	Newspaper/Television/Cable	466,120	2.75%
8	LNT Inc.	Housewares Retailer	430,320	2.54%
9	Seaway Food Town Inc.	Grocery Store	240,650	1.42%
10	Interstate Lanes	Bowling Lanes	103,780	0.61%
		Sub-Total	13,890,740	81.84%
		All Others	3,082,644	18.15%
		Total	\$16,973,384	100.00%

Based on 2001 Property Tax Assessed Valuations  
Source: Wood County Auditor - Land and Buildings

**THE CITY OF ROSSFORD, OHIO**

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**PRINCIPAL TAXPAYERS (REAL PROPERTY TAX)  
DECEMBER 31, 2003**

	<u>Taxpayer</u>	<u>Type of Business</u>	<u>Assessed Valuation (Tax Duplicate)</u>	<u>Percentage of Total Assessed Valuation</u>
1	Libbey-Owens-Ford Company	Float Glass Manufacturer	\$2,798,370	2.34%
2	JG Rossford Hotel North & South LTD	Hotels	1,705,210	1.42%
3	Rossford Arena Amphitheater Authority	Sports Facility	1,277,270	1.07%
4	NCCF Support Inc.	Nonprofit Organization	1,018,890	0.85%
5	Toledo Edison	Utility Company - Electric	1,018,410	0.85%
6	Hunger US Special Hydraulic Cylinders Corporation	Hydraulic Cylinder Manufacturer	874,280	0.73%
7	Port Lawrence Title	Apartments	713,350	0.60%
8	Hammill Manufacturing Corp.	Tool and Die Manufacturer	650,760	0.54%
9	Toledo Terminal Railroad	Railroad	618,230	0.52%
10	Port Lawrence Agency	Medical Center/Housing	593,150	0.49%
		Sub-Total	<u>11,267,920</u>	<u>9.41%</u>
		All Others	<u>108,511,750</u>	<u>90.59%</u>
		Total	<u><u>\$119,779,670</u></u>	<u><u>100.00%</u></u>

Based on 2001 Property Tax Assessed Valuations  
Source: Wood County Auditor - Land and Buildings

**THE CITY OF ROSSFORD, OHIO**

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**PRINCIPAL TAXPAYERS (INCOME TAX)  
DECEMBER 31, 2003**

	<u>Taxpayer</u>	<u>Type of Business</u>	<u>Amount of Tax Paid in 2003</u>	<u>Percentage of Total</u>
1	Libbey-Owens-Ford Company	Float Glass Manufacturer	\$368,451	14.78%
2	Rossford Board of Education	Education	220,281	8.84%
3	Tamarkin Company	Giant Eagle Grocery Stores	63,020	2.53%
4	Home Depot USA	Home Improvement Retailer	60,524	2.43%
5	Hammill Manufacturing Corp.	Tool and Die Manufacturer	51,824	2.08%
6	City of Rossford	Local Government	46,721	1.87%
7	Chrysler Corporation	Automobile Parts Manufacturer	45,625	1.83%
8	Target Corporation	General Merchandise Retailer	44,963	1.80%
9	Adecco USA Inc	Emploment Agency	38,229	1.53%
10	Electro Prime Inc.	Specialty Machining Manufacturer	37,276	1.49%
		Sub-Total	976,914	39.18%
		All Others	1,516,638	60.82%
		Total	\$2,493,552	100.00%

Source: Finance Department

**THE CITY OF ROSSFORD, OHIO**

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**PRINCIPAL EMPLOYERS  
DECEMBER 31, 2003**

	<b>Employer</b>	<b>Type of Business</b>	<b>Number of Employees</b>
1	Libbey-Owens Ford Company	Float Glass Manufacturer	339
2	Rossford Board of Education	Education	289
3	Target Corporation	General Merchandise Retailer	205
4	Tamarken Company	Giant Eagle Grocery Stores	173
5	Home Depot USA	Home Improvement Retailer	153
6	Adecco Employment Services	Employment Agency	139
7	JCIA Enterprises	Labor Union	115
8	Hammill Manufacturing Corp.	Tool and Die Manufacturer	74
9	IBEW Local 8 - Electrical	Labor Union	67
10	Courtyard By Marriott	Motel	49

Source: City of Rossford Income Tax Department

## ***THE CITY OF ROSSFORD, OHIO***

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### **MISCELLANEOUS STATISTICS DECEMBER 31, 2003**

Date of Incorporation	1939			Location:	Northwest Ohio
Charter Adopted	1970	Population:	6,406		Wood County
Form of Government	Council / Mayor	Area (square miles)	4.2	Major Highway:	I-75
		Education:		Water System:	
Facilities and Services:		Elementary Schools	3	Miles of Water Service Line	33.5
Miles of Streets	27	Elementary School Students	1,086	Number of Fire Hydrants	277
Number of Street Lights	799	Pupil / Teacher Ratio	14 / 1	Number of Service	
		Middle Schools	1	Connections	2,217
Police Services:		Middle School Students	334	Sewerage System:	
Number of Stations	1	Pupil / Teacher Ratio	21 / 1	Miles of Sanitary Sewers	29
Number of Uniformed Police		High Schools	1	Miles of Storm Sewers	16
Personnel and Officers	17	High School Students	639		
Number of Patrol Units	13	Pupil / Teacher Ratio	16 / 1	Recreation and Culture:	
Criminal/Juvenile Citations	258			Community Center	
Traffic Citations Issued	1,144	Number of Libraries	1	(square feet)	21,500
Parking Tickets Written	83			Number of Parks	3
Fire/Emergency Medical Services:		Number of Cemeteries	1	Park Area (acres)	21
Number of Stations	1	Cemetery Area (acres)	1	Number of Ball Fields:	
Number of Officers and				Lighted	2
Fire Personnel - Volunteers	35			Number of Tennis Courts:	
Number of Calls Answered	625			Lighted	2
Number of Inspections	50			Marina:	
				Number of Dock Spaces	250

*THE CITY OF ROSSFORD, OHIO*

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**CITY OF ROSSFORD**

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

**2003**

***CLARK JOHNSON & ROBSON***

Certified Public Accountants

## **CLARK JOHNSON & ROBSON**

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

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

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

We have audited the general purpose financial statements of the City of Rossford, Ohio, as of and for the year ended December 31, 2003, and have issued our report thereon dated June 21, 2004. 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 general purpose financial statements are free of material misstatement, we performed tests of the City's compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement results. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

The accompanying financial statements have been prepared assuming the Rossford Arena Amphitheater Authority ( a discretely presented component unit) will continue as a going concern. As discussed in Note 2, the Authority has been unable to pay debt obligations when due. Accordingly, there is substantial doubt about its ability to continue as a going concern. Management's plans in regards to these matters are also discussed in Note 2.

#### **Internal Control Over Financial Reporting**

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

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

Clark Johnson & Robson  
June 21, 2004

**CITY OF ROSSFORD  
OHIO**

STATUS OF PRIOR AUDIT'S CITATIONS AND RECOMMENDATIONS

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

RECOMMENDATIONS

There were no recommendations in the prior year.	N/A	N/A
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**Auditor of State  
Betty Montgomery**

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Telephone 614-466-4514  
800-282-0370

Facsimile 614-466-4490

**CITY OF ROSSFORD**

**WOOD COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
NOVEMBER 16, 2004**