

**CITY OF OREGON, OHIO**

**SINGLE AUDIT REPORT**

**DECEMBER 31, 2004**





**Auditor of State  
Betty Montgomery**

City Council  
City of Oregon  
5330 Seaman Road  
Oregon, Ohio 43616

We have reviewed the *Independent Auditor's Report* of the City of Oregon, Lucas County, prepared by James G. Zupka, C.P.A., Inc., for the audit period January 1, 2004 through December 31, 2004. 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 Oregon is responsible for compliance with these laws and regulations.

A handwritten signature in cursive script that reads "Betty Montgomery".

BETTY MONTGOMERY  
Auditor of State

July 14, 2005

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**CITY OF OREGON, OHIO  
AUDIT REPORT  
FOR THE YEAR ENDED DECEMBER 31, 2004**

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**JAMES G. ZUPKA, C.P.A., INC.**

*Certified Public Accountants*

*5240 East 98<sup>th</sup> Street*

*Garfield Hts., Ohio 44125*

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Member American Institute of Certified Public Accountants

(216) 475 - 6136

Ohio Society of Certified Public Accountants

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON  
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF  
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
*GOVERNMENT AUDITING STANDARDS***

Honorable Mayor, Finance Director,  
and Members of City Council  
City of Oregon, Ohio

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented components units, each major fund, and the aggregate remaining fund information of the City of Oregon, Ohio, as of and for the year ended December 31, 2004, which collectively comprise the City of Oregon, Ohio's basic financial statements and have issued our report thereon dated May 18, 2005. We conducted our audit in accordance with auditing standards generally accepted in the United States of American and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the City of Oregon, Ohio's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide an opinion 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 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 caused by an error or fraud 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.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City of Oregon, Ohio's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance that we must report under *Government Auditing Standards* which are described in the accompanying Schedule of Findings and Questioned Costs as Item 2004-1. We also noted certain matters that we have reported to management of the City of Oregon, Ohio in a separate letter dated May 18, 2005.

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

James G. Zupka  
Certified Public Accountant

May 18, 2005

**JAMES G. ZUPKA, C.P.A., INC.**

*Certified Public Accountants*

*5240 East 98<sup>th</sup> Street*

*Garfield Hts., Ohio 44125*

---

Member American Institute of Certified Public Accountants

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Ohio Society of Certified Public Accountants

**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO  
EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE  
IN ACCORDANCE WITH OMB CIRCULAR A-133**

Honorable Mayor, Finance Director,  
and Members of City Council  
City of Oregon, Ohio

**Compliance**

We have audited the compliance of the City of Oregon, Ohio, with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended December 31, 2004. The City of Oregon, Ohio's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the City of Oregon, Ohio's management. Our responsibility is to express an opinion on the City of Oregon, Ohio's compliance based on our audit.

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

In our opinion, the City of Oregon, Ohio, complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2004.



### **Internal Control Over Compliance**

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

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants caused by error or fraud that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

### **Schedule of Expenditures of Federal Awards**

We have audited the basic financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Oregon, Ohio, as of and for the year ended December 31, 2004, and have issued our report thereon dated May 18, 2005. Our audit was performed for the purpose of forming opinions on the basic financial statements that collectively comprise the City of Oregon's basic financial statements taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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

James G. Zupka  
Certified Public Accountant

May 18, 2005

**CITY OF OREGON, OHIO**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2004**

<b>Federal Grantor/ Pass Through Grantor/ Program Title</b>	<b>CFDA Number</b>	<b>Grant Number</b>	<b>Expenditures/ Disbursements</b>
<b><u>United States Department of Housing and Urban Development</u></b>			
<i>Passed through the Ohio Department of Development</i>			
CHIP Grant - 2002	14.239	A-C-02-161-1 and 2	\$ 380,620
Total CHIP Grant			<u>380,620</u>
Community Development Block Grant - 2003	14.219	A-F-03-161-1	73,500
Total Community Development Block Grant			<u>73,500</u>
Community Development Block Grant - Economic Development Program	14.228	A-E-02-161-1	4,815
Total Community Development Block Grant			<u>4,815</u>
<b>Total United States Department of Housing and Urban Development</b>			<u>458,935</u>
<b><u>United States Department of Justice</u></b>			
<i>Direct Payment to City</i>			
JJDP	16.540	JJ-DP2-0314	13,606
Total JJDP			<u>13,606</u>
Local Law Enforcement Block Grant	16.592	2003-LB-LEB-3519	19,000
Local Law Enforcement Block Grant	16.592	2002-LBBX0952	2,620
Total Local Law Enforcement Block Grant			<u>21,620</u>
FY 03 Bulletproof Vest Grant	16.607	04021657	3,768
Total Bulletproof Vest Grant			<u>3,768</u>
<i>Passed through the State of Ohio</i>			
FY 02 Byrne Grant/Achievement Program	16.579	02-DG-G01-9144	35,000
FY 03 Byrne Grant/Achievement Program	16.579	03-DG-B02-B1000	46,456
FY 00 Byrne Grant/Achievement Program	16.579	00-DG-BO2-B1000	3,156
Total Byrne Grant/Achievement Program			<u>84,612</u>
<b>Total United States Department of Justice</b>			<u>123,606</u>
<b>Total Expenditures of Federal Awards</b>			<u>\$ 582,541</u>

See accompanying notes to the Schedule of Expenditures of Federal Awards.

**CITY OF OREGON, OHIO**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2004**

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NOTE 1: **GENERAL**

The accompanying Schedule of Expenditures of Federal Awards of the City of Oregon, Ohio, presents the activity of all federal financial assistance programs of the City. The City's reporting entity is defined in Note 1 to the City's general purpose financial statements. Federal financial assistance received directly from federal agencies as well as financial assistance passed through other government agencies are included on this schedule.

NOTE 2: **BASIS OF ACCOUNTING**

The accompanying Schedule of Expenditures of Federal Awards is presented on the accrual basis of accounting and has been reconciled to the program's federal financial reports. The following is a reconciliation by grant from the cash basis to the accrual basis at December 31, 2004.

	<u>Program Expenditures</u>
<u>Department of HUD</u>	
Cash Basis	\$ 458,935
Accrual Adjustment	<u>0</u>
Department of HUD - Accrual Basis	<u>\$ 458,935</u>
<u>Department of Justice</u>	
Cash Basis	\$ 123,606
Accrual Adjustment	<u>0</u>
Department of Justice - Accrual Basis	<u>\$ 123,606</u>

**CITY OF OREGON  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
OMB CIRCULAR A-133 & .505  
DECEMBER 31, 2004**

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**1. SUMMARY OF AUDITOR'S RESULTS**

2004(i)	Type of Financial Statement Opinion	Unqualified
2004(ii)	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
2004(ii)	Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?	No
2004(iii)	Was there any reported noncompliance at the financial statement level (GAGAS)?	No
2004(iv)	Were there any material internal control weakness conditions reported for major federal programs?	No
2004(iv)	Were there any other reportable internal control weakness conditions reported for major federal programs?	No
2004(v)	Type of Major Programs' Compliance Opinions	Unqualified
2004(vi)	Are there any reportable findings under .510?	No
2004(vii)	Major Programs (list):	CFDA #14.239 - CHIP Grant
2004(viii)	Dollar Threshold: A/B Programs	Type A: \$300,000 Type B: All Others
2004(ix)	Low Risk Auditee?	Yes

**CITY OF OREGON  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
OMB CIRCULAR A-133 & .505  
DECEMBER 31, 2004  
(CONTINUED)**

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

**2004-1 - Appropriations Exceed Estimated Revenues**

**Criteria**

Ohio Revised Code Section 5705.39 states that total appropriations from each fund shall not exceed total estimated revenue. The City's appropriations exceeded estimated resources in the following funds at December 31, 2004:

	Total Certificate of Estimated Resources	Total Final Appropriations	Variance
Fund 229 Police Grants Fund	\$ 55,525	\$ 83,237	\$ (27,712)
Fund 240 Recreation Operating Levy	154,489	166,000	(11,511)
Fund 241 Citizens Recreation Advisory Committee	403,538	426,242	(22,704)
Fund 242 ASA Tournament	1,885	11,000	(9,115)
Fund 243 South Shore Community Building	17,284	19,000	(1,716)
Fund 250 Community Development Block Grant	75,389	155,540	(80,151)
Fund 253 Local Law Enforcement Block Grant	18,766	24,750	(5,984)
Fund 260 Municipal Income Tax	1,730,897	1,843,158	(112,261)
Fund 303 Fire Truck	355,330	356,043	(713)
Fund 359 Street Construction	1,257,593	1,547,175	(289,582)
Fund 530 S.A. Sewer Maintenance	193,081	201,783	(8,702)
Fund 610 Water Revenue	2,913,008	3,111,138	(198,130)
Fund 840 State Building Standards	2,224	3,000	(776)

**Cause/Effect**

The failure to limit appropriations to estimated revenue could result in expenditures exceeding available resources.

**Recommendation**

We recommend that the City review estimated resources prior to appropriating the funds, in order to be in compliance with Ohio Revised Code Section 5705.39.

**3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS**

None.

**CITY OF OREGON, OHIO**  
**STATUS OF PRIOR CITATIONS AND RECOMMENDATIONS**  
**FOR THE YEAR ENDED DECEMBER 31, 2004**

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The prior audit report, as of December 31, 2003, included no citations. Management letter recommendations have been corrected, repeated, or procedures instituted to prevent occurrences in this audit period.

*Lucas County, Ohio*



*City of Opportunity*

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COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED  
DECEMBER 31, 2004







*City of Opportunity*

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COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED  
DECEMBER 31, 2004

**James Austermiller**  
Director of Finance

Prepared by:  
**The Finance Department**

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**Cheryl L. Kneisley**  
Payroll Manager

**Susan M. Hopkins**  
Payroll Assistant

**Jacqueline Holzhauer**  
Staff Accountant

**Deborah Levy**  
Staff Accountant

**Kathleen Hufford**  
Deputy Finance Director

**DarLynn M. Huntermark**  
Accounts Payable Supervisor

**Vicki A. Schwamberger**  
Accounts Payable Supervisor

City Address:

City of Oregon

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LUCAS COUNTY, OHIO

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## Introductory Section

You do not have to travel far to find leisure activities, no matter what your preference. Whether it is a stroll through the park or along the Boardwalk, boating or fishing, camping or sports.

The Coontz Recreation Complex offers lighted diamonds for Softball and Baseball, basketball courts and skateboarding equipment. Soccer fields are being developed and are expected to be in use in the Fall of 2005





*City of Opportunity*



*City of Opportunity*

## CITY OF OREGON

5330 Seaman Road • Oregon, Ohio 43616  
James Austermiller, Director of Finance

phone (419) 698-7000

fax (419)-691-6303

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June 22, 2005

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

We are pleased to submit the twelfth Comprehensive Annual Financial Report of the City of Oregon, Ohio for the fiscal year ended December 31, 2004. The report has been prepared in accordance with Generally Accepted Accounting Principles (GAAP) established by statements of the Governmental Accounting Standards Board (GASB), other authoritative pronouncements and guidelines recommended by the Government Finance Officers Association (GFOA) of the United States and Canada, and audited in accordance with Generally Accepted Auditing Standards (GAAS) by James G. Zupka, CPA, Inc. GAAP requires a narrative introduction, overview, and analysis called the Management's Discussion and Analysis (MD&A) to accompany the basic financial statements. This Letter of Transmittal (LOT) is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditors.

### INTRODUCTION

While there is no legal requirement for the preparation of this report, it represents a commitment by the City of Oregon (the "City") to conform to nationally recognized standards of excellence in financial reporting. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of my knowledge and belief, the enclosed data, as presented, is accurate in all material respects; is presented in a manner designed to fairly set forth the financial position and results of operations of the City; and includes all disclosures necessary to enable the reader to gain an understanding of the City's financial activity.

### **The Report**

The 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 represents the City's organization, operational structure and accomplishments; an organizational chart, and a list of elected officials.
2. *The Financial Section* contains the Independent Auditors' Report, Management's Discussion and Analysis, basic financial statements and notes that provide an overview of the City's financial position and operating results, the combining statements for nonmajor funds and other schedules that provide detailed information relative to the basic financial statements.
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.

***Letter of Transmittal***

***For the Year Ended December 31, 2004***

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**The Reporting Entity**

The accompanying basic financial statements comply with the provisions of the Governmental Accounting Standards Board (the "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 financial benefit to, or impose a financial burden on the City.

Based on the foregoing, the City's financial reporting entity has no component units but includes all funds, account groups, agencies, boards and commissions that are part of the primary government, which includes the following services as authorized by its Charter: police and fire protection, emergency medical services, parks and recreation, planning, zoning, street maintenance, and other governmental services. In addition, the City owns and operates a water treatment and distribution system and a wastewater treatment and collection system, each of which is reported as an enterprise fund.

**Historical Information**

Oregon, on the shores of Maumee Bay, was once part of the Great Black Swamp. Settlements were established as the sawmills were built to harvest the vast variety of trees in the area. The harvested forests created rich farmland, but the area remained swampy and in need of drainage. Ditches, draining into Maumee Bay, were constructed along the roadways that followed the path of the old Indian trails. These ditches remain today.

In 1838, the first government was formed as Oregon Township. In 1856 the township took ownership of two cemeteries that are still owned by the City today. The same area that was Oregon Township is now the City of Oregon. The City is bounded on the west by the City of Toledo, on the north by Maumee Bay/Lake Erie, on the east by Jerusalem Township (Lucas County), and on the south by the City of Northwood (Wood County).

The 1800's and 1900's saw the development of an extensive rail system. In the early 1800's, the Port of Toledo began operations. Port operations in Oregon began in 1955 in the northwest corner of the City. These operations have grown and continue today.

Around the turn of the century, two major oil refineries, British Petroleum (BP) and Sun Marketing, located in Oregon. These two refineries took advantage of the water, rail, pipeline and surface transportation available in the City, and have historically been two of the City's largest employers.

Northwestern Oregon grew as an industrial center with a coal powered electrical generating facility, the refinery, and several chemical plants. Pipelines were laid to carry petroleum products to and from the port facilities and other states East of the Mississippi. Buckeye Pipeline has the largest pipeline distribution system in Oregon.

As industrialization continued, commercial and residential growth followed. Generally, urban growth continued eastward from Interstate 280. Recently, residential growth has also occurred south of Maumee Bay in the waterfront areas and in the more rural areas of the City's perimeter.

## ***CITY OF OREGON, OHIO***

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### ***Letter of Transmittal***

***For the Year Ended December 31, 2004***

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In 1954 Oregon Township trustees sought to zone the area. At about the same time, City of Toledo officials sought to annex the northwest industrial area of Oregon Township. The annexation failed, and in 1957 there was an election for Oregon to become an incorporated City. The vote was 3,660 in favor and 2,925 opposed. A key issue in incorporation was to have Oregon own and operate a water and a wastewater plant.

The City of Oregon adopted a home rule Charter in 1958. The City's slogan was "City of Opportunity," which was amended in the 1980's to, *Oregon on the Bay, City of Opportunity*. In 1959 voters approved a municipal income tax. The City's first major project was a seven million-gallon per day regional water plant constructed with federal and local funds in 1964. The treated water coming from Lake Erie, services over 90% of the land in Oregon and also provides water to surrounding communities. A multi-phase \$17.9 million expansion to double the capacity of the water plant is now underway. The water plant expansion is being financed through a combination of grants, loans and debt. The City also has a wastewater treatment plant, constructed in 1977 with local and federal funds, which can process up to eight million gallons per day. In 1997 a major upgrade to the wastewater plant was completed. Sanitary sewer lines service approximately one-third of the land in the City. The City's water and wastewater operations also service portions of Jerusalem Township, northern Wood County and northwest Ottawa County.

### **Form of Government**

The original Charter adopted in 1958 called for a Mayor/Council form of government. The City was divided into five wards, each represented by a councilman, and there were two at-large members for a total of seven councilmen. The Charter named the Mayor as the Administrator. The Mayor and Council were elected for two-year terms. In 1968, the Charter was amended to elect all councilmen at large and to eliminate the ward system. In 1988, the Charter was amended to change the term of the Mayor from two to four years. Five years later, in 1993, there were two charter changes: The first created the position of City Administrator, who reports to the Mayor, the second created the positions of Finance Director and Clerk of Council. Other technical charter changes, such as reading the title of an ordinance instead of the entire ordinance, have been periodically approved by the voters.

### **Location**

The City of Oregon is located in northwestern Ohio in the Toledo Metropolitan area. Oregon is Lucas County's largest suburb with 28.5 square miles and a population of 19,355. The City has approximately five miles of shoreline along Maumee Bay/Lake Erie. The City's elevation is approximately 606 feet above sea level. Local temperatures average 73 degrees in the summer and 25 degrees in the winter. The City has approximately 120 miles of roads with I-280 (linking east - west to the Ohio Turnpike, I-80/90 and linking north-south to I-75), State Route 2 (Lake Erie access road) and State Route 51 (Wood County and Ottawa County access road). The port facilities service foreign and domestic cargo shipments in the Saint Lawrence Seaway and the Great Lakes.

***Letter of Transmittal***

***For the Year Ended December 31, 2004***

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The City of Oregon provides a variety of recreational opportunities for residents, workers, and visitors to the area. The City is home to Pearson Metropark, Maumee Bay State Park, South Shore Park, South Shore Boardwalk, and the Koontz Recreational Complex. Maumee Bay State Park has over 1,800 acres, with one mile of Lake Erie shoreline, and over one million visitors annually. Maumee Bay is a full service state park that includes the eighteen-hole Arthur Hill's golf course. Pearson Metropark has 320 acres for biking, a nature center, fishing, picnicking, and paddleboats. There are two municipal parks: Koontz Park with eight-lit ball fields and South Shore Park (across the street from the Maumee Bay shoreline) with a sledding hill, picnic area, and a fitness trail. The South Shore Boardwalk is a landscaped walkway along the shoreline.

Oregon schools offer a full range of programs from advanced placement courses to vocational education. The Oregon City School District includes a high school, two middle schools, and four elementary schools, one of which is located in Jerusalem Township. As well, there is a private coeducational parochial school, Cardinal Stritch High School. In addition to Oregon City Schools, the region is serviced by the University of Toledo, Bowling Green State University, Medical College of Ohio, Lourde's College, and Michael J. Owen's Technical College, a leading two-year college. All of these schools are within approximately one-half hour drive time of the City.

**Municipal Services**

The City provides a wide variety of services authorized by its Charter and administrative codes. City services include police and fire protection, emergency medical service, municipal court, planning and engineering, zoning, code enforcement, street maintenance, traffic control, parks and recreation, building inspection, cemetery, community development, curbside recycling, solid waste collection and disposal and general administrative services. The City does not operate hospitals, schools or landfills. In 2004, the City continued to receive federal funding for persons, with qualifying income levels, to rehabilitate and/or receive down payments to purchase homes.

The City also operates two enterprise activities: water treatment and distribution, and wastewater collection and treatment. The enterprise funds are used to account for activities operated in a manner similar to a private business. The intent of the City is that the costs of providing the services to the general public on a continuing basis be financed primarily through user charges. The cost of capitalizing the water and wastewater plants is subsidized with a voter-approved designation of approximately twenty percent of income tax revenues for said purpose.

The City's enterprise activities are not subject to rate review or determination by the Public Utilities Commission of Ohio or any similar regulatory body. The City Council has the necessary authority to establish and to amend appropriate user rates as required. The rates are monitored on an ongoing basis to insure their adequacy to meet operational and maintenance needs. The rates remain competitive in northwest Ohio. Responsibility for the frequency and amount of rate change lies solely with the City Council.

***Letter of Transmittal  
For the Year Ended December 31, 2004***

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**Basis of Accounting**

Except for that used for budgetary purposes, the basis of accounting used by the City is in conformity with generally accepted accounting principles (GAAP) as applicable to governmental units and is consistent with GASB Codified Section 1600, "Basis of Accounting." All governmental and expendable trust funds are accounted for using current financial resources (current assets and current liabilities) measurement focus. The modified accrual basis of accounting is utilized for governmental, expendable trust and agency funds.

Under the modified accrual basis of accounting 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 economic resources (all assets and 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). A reconciliation of the results of this method appears in Note 1. Accounting policies were applied consistently with those of 2003. Accounting policies are further stated in Note 1.

**ECONOMIC CONDITION AND OUTLOOK**

**Local Economy**

The City of Oregon is located in the eastern Toledo Metropolitan Statistical Area (MSA) in Lucas County, and is the largest in the M.S.A. area. According to the World Almanac, the Toledo MSA is the 67<sup>th</sup> largest MSA in the United States and lists Lucas County as the sixth most populous of the 88 counties in the State of Ohio. The Toledo area is a key intermodal transportation hub with one-half of the United States population living within one day's driving time. The following are the primary transportation routes within the City of Oregon: I-280 connecting with I-75 and I-80/90 and State Routes 2 and 51; rail access from the CSX, Norfolk and Southern and Conrail lines; and the Lucas County Port general cargo and loading docks.

The City's largest employer is St. Charles Hospital. St. Charles Hospital, owned by the Sisters of Mercy, is a regional hospital serving the eastern suburbs. St. Charles has 1,025 full time positions and 294 part time positions. A second hospital, Bay Park Community Hospital is complete and has 325 full-time positions and 98 part-time jobs. Oregon City Schools has 442 full time positions and 50 part-time positions.

The City maintains a solid manufacturing base with two major refineries, British Petroleum (BP) and Sun Marketing and Refining. These two employers provided 16% of the income tax revenue in 2004. Both B.P. and Sun Petroleum continue to invest in upgrading the refineries, primarily to meet environmental requirements.

## ***CITY OF OREGON, OHIO***

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### ***Letter of Transmittal***

***For the Year Ended December 31, 2004***

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The City has a 500-acre industrial park with infrastructure in place for businesses to locate. The City works with the Oregon on the Bay regional Economic Development Foundation to attract and retain industry in the City.

The City offers economic incentives to businesses that locate in the industrial area. These include municipal link deposits, an enterprise zone, a community reinvestment area, and an approved foreign trade zone. For businesses receiving real and personal property tax abatement, the City requires a contract for direct payment to the schools in lieu of all or a portion of the abated school taxes.

Major transportation improvements continue in the community. The regional \$227 million Maumee River Crossing continues in 2004 with the northern touchdown in Toledo and the southern touchdown in Oregon. This project is the State of Ohio's largest bridge project and first ever signature bridge. The project is scheduled for completion in 2007. The State Route 2, \$27 million project, including an overpass and four miles of widening, on the seven mile City stretch, was completed in 2001 and is spurring interest in retail establishments. Wall Mart, Gordon Foods and Tractor Supply opened in 2004. Several other big box users continue to have an interest in Oregon locations. In addition 3.9 miles of new sewer lines are or will be under construction in the next several years providing opportunities for additional development.

A major coking company has tentatively planned to build a \$300 million facility creating 125 jobs. Ground breaking is expected in 2005 with completion in 2006.

### **Unemployment Rate**

The 2004 unemployment rate for Lucas County was 6.6% compared to 7.3% in 2003. The Toledo Metropolitan area rates were about the same as the national and state unemployment rates of 5.5% and 5.8% respectively. There are no statistics specifically for the City of Oregon, because statistics are not kept for communities with a population of less than 50,000. As in 2003, the estimate for unemployment in the City of Oregon is estimated to be below the Toledo Metropolitan area average.

### **Employee Relations**

At the end of 2004, the City had 191 full-time employees and 1 regular part time employee, approximately 75% of which are represented by a bargaining unit. The number of employees in each group are as follows with a total of 141 employees in unions: The American Federation of State, County and Municipal Employees (AFSCME) Local 755 Ohio Council 8, 76 employees; Oregon Police Command Officers, Fraternal Order of Police, Inc. (FOP), 11 employees; Oregon Patrolman's Association (OPPA) 46 employees; Full-Time Firefighters; 10 employees; Oregon Part-Time Firefighters 87 part-time firefighters; and non-bargaining employees, 48.



***Letter of Transmittal***

***For the Year Ended December 31, 2004***

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The current City contracts were negotiated in 2000 for three year terms and extended with annual wage openers to June 30, 2005. No contracts have been agreed to for the period after June 30, 2005. Health Insurance continues to be the most expensive escalating personnel cost. The City's contract for health insurance was renewed with the same carriers at the end of 2003. In 2004, the City paid \$1,300,881 for health insurance, a 3.6 % increase from 2003. The benefit level for prescription drugs remained at a \$10 co-pay for generics and \$20 for name brands. The employees family premium share remained at \$30 in 2004. The per family cost in 2004 was \$792.74. This excludes the F.O.P. bargaining unit, which has a slightly richer health benefit. There is a Health Insurance Committee working to find ways to improve the health of employees and their families and to find ways to control costs. Health insurance premiums are the second in employee benefit cost, the first is the employer paid pension share. Because of rising health care costs and a tight budget, the administration states that there are no funds available for raises.

**MAJOR CITY INITIATIVES**

The City continues its largest capital investment with the completion of Phase 3 of the water treatment plant expansion, doubling the treatment capacity. The total project cost is \$17.9 million over five phases with completion in 2006. An additional four million gallons of capacity is now available. Another major improvement is a \$4.9 million sewer trunk line and local lines that will service an area of about three square miles including the high school, school administration offices, the City complex, a county school, fire station and several churches. The trunk line is financed through grants and debt, while the service to parcels is financed through assessments. Two additional miles of sewer lines have been petitioned for. This will increase the amount of land that can be developed from 50% to 75% of the total land area in the City with sewers.

The new I-280 Maumee River crossing is the State of Ohio's largest bridge project, and will be a signature bridge, connecting the Eastern Toledo and Oregon area with downtown Toledo and I-75 North. This new Maumee River project also eliminates one of the nation's last interstate drawbridges - even though the existing bridge will remain for local traffic. The \$227 million river crossing project is financed with federal and state funds. The construction bid was awarded in 2001. The City of Oregon is not a financial participant in the River Crossing. All of these key transportation improvement projects will enhance development and the quality of life for all who live and/or work in Oregon.

**Infrastructure Improvements**

In addition to transportation projects, the City continues to upgrade and add infrastructure. Sanitary sewers and water extensions continue to be located in needed areas, usually requested by petition and funded through assessments.

***Letter of Transmittal***

***For the Year Ended December 31, 2004***

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The annual estimated income tax allocation for water and sewer capital improvements is fully committed to the debt of these projects and some reserves may be required to cover a portion of the debt over the next four years. Until the debt is paid or additional resources are found, major new projects will require a new source of funding for the next decade or longer. Capital projects for water and sewer improvements are City financed projects derived from income tax, not user fees. Therefore, under current funding policies, increases in water use will not provide additional revenue for debt. If there are increased jobs within the City, then the water and sewer allocation of the income tax will increase, allowing for funding of new projects.

**Water Plant Improvements**

The water plant began improvements to double the capacity and to upgrade the plant in 1999. This \$19.4 million expansion project is being conducted in five phases. The City received a \$12.58 million EPA loan in 2001 for Phases One and Two of the project. Other Sources of funding for Phases One and Two include \$556,000 in grants from O.P.W.C. and \$1.064 million in zero percent loans from O.P.W.C. The City will finance the loans from a designated portion of the income tax. There is some offset from outside users; the Wood County Regional Water and Sewer Authority, the Village of Genoa in Ottawa County and Jerusalem Township in Lucas County, estimated at 15% of the total project cost. Of the current \$19.4 million estimate for the water plant expansion, \$1.6 million is projected from grants, \$2.6 million from O.P.W.C. zero percent loans, \$3.4 million from outside users and the remaining \$11.8 from E.P.A. loans. Debt repayment for Phases One and Two began in July 2002. The primary source of repayment will be from an allocation of the income tax revenues.

**Streets**

The City utilizes funding from the General Fund, Street Construction, Maintenance and Repair Fund, State Highway Improvement Fund and Capital Improvement Fund for its street projects. The City traditionally repairs several miles of the estimated 120 miles of streets each year, but as the budget is tightening, the amount of roads repaved is decreasing.

An important regional project for the City is a new river crossing that will improve I-280. This is a \$227 million project. Construction continues in 2004. The new river crossing is a signature bridge with a unique architecture. No City funds are part of this project. Construction should be complete by 2007.

**Police and Fire Departments**

The fire department maintains an ISO (insurance) rating of 4, which is the lowest possible rating for a part-time department. This rating lowers insurance costs for all types of buildings and operations in the City. The fire department also operates a fire training center, which is financed by the refineries and the electrical company.

**Parks and Recreation**

The Parks and Recreation Department continues to recruit state, regional and national baseball and softball tournaments and the soccer program continues to expand. Recreation department programs include basketball, baseball, football, volleyball, senior activities and summer theatre programs. In addition, there are summer playground programs, golf lessons, senior exercise and swimming at the YMCA.

***Letter of Transmittal  
For the Year Ended December 31, 2004***

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The Oregon Senior Center, located at the northeastern edge of South Shore Park, across the street from Maumee Bay, leases a City owned building. The Senior Center continues to expand senior programs including nutritional lunches during the week.

**Continuing and Future Projects**

The City continues to plan for projects that improve infrastructure and the quality of life for Oregon residents along with improved municipal operations to better serve the citizens. Major improvements such as the water plant expansion, additional water and sewer lines, overpasses and the new river crossing should aid in economic development efforts. Quality of life continues to improve with the addition of bikeways, additions to Pearson Metropark and the continuing designation as Tree City. Funding is very limited for future improvements to the water and wastewater plants and related projects. Debt financing in other areas is not at the maximum.

Planning continues for bikeway connections that link Pearson Metropark, South Shore Park and Boardwalk, Maumee Bay State Park, the Coontz Complex and the high school. The City received a grant for fifty percent of the costs for the next phase along Stadium Road. A grant has also been awarded for the Municipal Connector portion of the projects.

**FINANCIAL INFORMATION**

**Internal Control, Budgetary Control and 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 and other unauthorized use or disposition; and
2. Reliable financial reports for preparing financial statements and providing accountability for assets are maintained.

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

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

***Letter of Transmittal  
For the Year Ended December 31, 2004***

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All internal control evaluations occur within this framework. It is the belief of the administration 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. Administrative policies 59 and 60 provide the policies for purchase requisitions and invoice approval. These policies are reviewed annually to determine if there are better methods available, which will improve efficiency and reduce redundancy, as well as lower the overall cost of purchases. The Finance Department is responsible for the auditing and analysis of all purchase orders and vouchers of the City. Finance Department personnel review and process requisitions, purchase orders and vouchers. Personnel responsibilities are carefully managed to ensure the availability of moneys 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 fixed assets, accounting and payroll. These systems, coupled with the review and examination performed by the Finance Department, ensure that the financial information generated is both accurate and reliable.

Budgetary control is maintained at the objective level for each function within each fund via legislation approved by City Council. The various object levels are:

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

Lower levels within each object are accounted for and reported internally. 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 for vendors. Encumbrances in excess of the available object level appropriations are not approved unless additional appropriations are authorized. Unencumbered appropriations at year-end return (lapse) to the unappropriated balances in the individual funds at the end of each fiscal year that coincides with the calendar year.

**Debt Administration**

The debt service funds accumulate resources for the payment of principal, interest and associated administrative costs on the City's general and special assessment long-term debt. In 1998 the City received a Moody's rating of Aaa - one step above its previous rating. Resources to pay debt are derived from property taxes (real and personal), special assessments, income taxes, and operating transfers. The City's general obligation notes were funded by National City Bank with an interest rate of 2.89% on various improvement notes totaling \$1,040,000.

## ***CITY OF OREGON, OHIO***

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### ***Letter of Transmittal For the Year Ended December 31, 2004***

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The total long-term debt of the City as of December 31, 2004 consisted of the following:

Ohio Public Works Commission Loans	\$2,341,149
Ohio Water Development Authority Loans	19,314,977
Special Assessment Bonds with Governmental Commitment	1,464,514
General Obligation Bonds	<u>3,535,000</u>
Total	<u>\$26,655,640</u>

The City has loans obtained from the Ohio Water Development Authority (OWDA), which have been used to finance water and wastewater plants and distribution and collection systems. The loans are being repaid from the water and wastewater income tax allocation, and from areas outside the City in Wood and Lucas Counties that have tapped into the City water and/or wastewater systems.

The ratio of property tax supported general bond debt to assessed value and the amount of bond debt per capita are considered to be good indicators to municipal managers, citizens and investors in general government debt of the City's debt position. The City's debt position as of December 31, 2004 was as follows:

Ratio of Net General Obligation Bonded Debt to Assessed Value	.16%
Net General Obligation Bonded Debt per Capita	\$50.53
Net General Obligation Bonded Debt	\$977,985

A more thorough presentation of the calculation of these figures is located in the statistical section of this report.

### **Cash Management**

Cash Management is a vital component of the City of Oregon's financial strategy. The primary objective of the City's investments was to maximize the rate of return while preserving the investment principal. The City pooled its cash for maximizing investment efficiency, except for that held by law in trusts and perpetual care funds, fiscal and escrow agents and certain debt service and trust and agency funds.

Public funds were invested to achieve the maximum return on the portfolio without assuming unreasonable risk. The City purchases investments only through member banks of the Federal Reserve System or broker-dealers registered with the U.S. Securities and Exchange Commission. Investments are diversified to avoid incurring unreasonable risks relating to a specific type of security or to a particular type of financial institution. Portfolio investments remain sufficiently liquid to ensure that all operating requirements are satisfied in a timely manner.

## CITY OF OREGON, OHIO

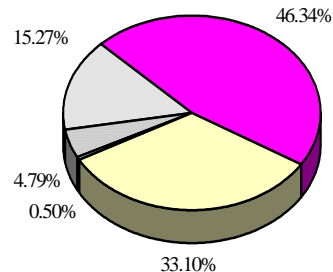
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### Letter of Transmittal For the Year Ended December 31, 2004

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The City's cash resources were invested on December 31, 2004 as follows:

Cash Resources	2004	Percent of Total
Cash	\$3,251,761	15.27%
Certificates of Deposit	9,871,869	46.34%
US Government Securities	7,049,157	33.10%
STAR Ohio	105,467	0.50%
City of Oregon SA Bonds	1,019,713	4.79%
Total Resources	<u>\$21,297,967</u>	<u>100.00%</u>



The City earned \$375,503 on investments for fiscal year 2004, which was credited to the governmental funds. The permanent funds also received investment earnings totaling \$886 in 2004, as required by the trust instruments.

At December 31, 2004, the City had bank deposits of \$14,782,890. Federal depository insurance covered \$300,000 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 loans associations in Ohio. Any public depository in which the City places its deposits must pledge as collateral eligible securities of aggregate market value equal to the excess of the 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 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 instrumentality of such county, municipal corporation or other authority. Based upon criteria 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.

### Risk Management

The City provides a self-funded insurance program for its employees, which is funded through the City's self-insurance internal service fund. The City also participated in the Ohio Bureau of Workers' Compensation (Bureau) Retrospective Rating Program for premium periods (calendar years) 1996 and 1997 and joined the Ohio Municipal League Joint Self-Insurance Pool (the "Pool") in 1999, an insurance purchasing pool. See Note 15 to the basic financial statements for additional information. The City had a contract with the Ohio Municipal League Joint Self-Insurance Pool, until August 2004, for losses relating to general liability, law enforcement liability, public officials liability and emergency medical services liability coverage. Deductibles have been selected so as not to expose the City to excessive "first dollars" in claims.

In August 2004, 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. This plan provides comparable coverage as the Ohio Municipal League Joint Self-Insurance Pool.

## ***CITY OF OREGON, OHIO***

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### ***Letter of Transmittal For the Year Ended December 31, 2004***

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Deductibles for property damage coverages are as follows:

<u>Liability Coverage</u>	<u>Occurrence Limits</u>	<u>Aggregate Limits</u>	<u>Deductible</u>
Bodily Injury	\$5,000,000	\$7,000,000	
Property Damage	Included		
Personal Injury	Included		
Governmental Medical Service Liability	Included		
Fire Department Errors and Omissions	Included		
Public Officials Wrongful Act Liability	\$5,000,000	\$7,000,000	\$5,000 per Occurrence
Law Enforcement Agency Officers	\$5,000,000	\$7,000,000	\$5,000 per Occurrence
Employee Benefits Liability	\$1,000,000	\$3,000,000	
Automobile Liability	\$5,000,000		
Police			\$500 Comprehensive \$500 Collision
All Other			\$100 Comprehensive \$250 Collision
Premises	\$10,000		
Legal Liability - Real Property	\$1,000,000		

All claims are handled by the Finance Department, which is in direct contact with the insurance company. All claims are reviewed by the administration's legal counsel who is consulted on a regular basis.

There are periodic reviews of the City's claims and evaluations of acquisitions and disposals of fixed assets. All vehicle changes are reported within thirty days of the purchase and/or disposal.

### **OTHER INFORMATION**

#### **Independent Audit**

The basic financial statements of the City of Oregon were audited by James G. Zupka, CPA, Inc., who was approved by the State Auditor's office to conduct the audit. The auditor's unqualified opinion has been included in this report.

#### **Awards**

The Government Finance Officers Association of the United States and Canada (GFOA) awards a Certificate of Achievement for excellence in Financial Reporting to those governmental entities that qualify. To be awarded the Certificate of Achievement, a governmental unit must prepare an easily readable and efficiently organized Comprehensive Annual Financial Report whose contents satisfy all program standards. The report must satisfy both generally accepted accounting principles (GAAP) and applicable legal requirements respective to the reporting entity. A certificate of Achievement is valid for a period of one year. The City received Certificates of Achievement for fiscal years 1993 through 2003. I believe that this, our twelfth 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 the report to GFOA.

**Letter of Transmittal  
For the Year Ended December 31, 2004**

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**Public Disclosure**

The publication of this Comprehensive Financial Report is indicative of the City's commitment to provide significantly enhanced financial information and accountability to its citizens. In addition to the citizens of Oregon, the recipients of this report 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 an example of the City's continued efforts to improve its overall financial accounting, management and reporting capabilities.

**Acknowledgments**

The City of Oregon is pleased to be submitting the GAAP financial report utilizing the guidelines recommended by the GFOA. This report is the result of the continued cooperation and combined services of the Mayor, City Council, Judge, and administrative officials of the City of Oregon, the Lucas County Auditor's Office, independent auditors, James G. Zupka, Inc., Certified Public Accounts and the State Auditor.

In addition, a special thank you to Donald J. Schonhardt and Associates, Inc. who provided the expertise, professionalism and guidance to complete this report. The Schonhardt firm was knowledgeable, kind and cooperative in working with the Finance Department staff.

Finance Department personnel are dedicated, professional, experienced accountants who work hard to provide excellent service to the financial operations of the City. Each of them substantively contributes to the information contained in this publication. The Finance Department Staff is:

<hr/> <p>Payroll</p> <p>Cheryl Kneisley Susan Hopkins</p>	<hr/> <p>General Ledger/Grants/Payables</p> <p>Vicki Schwamberger DarLynn Huntermark Deborah Levy</p>
<hr/> <p>Assessments/Grants/Investments/Debt</p> <p>Kathleen Hufford</p>	<hr/> <p>Receivables/Grants/Risk Management/CAFR</p> <p>Jacqueline Holzauer</p>

Sincerely,



James Auster Miller  
Finance Director



**CITY OF OREGON, OHIO**

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**List of Principal Officials  
For the Year Ended December 31, 2004**

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**Elected Officials**

<u>Name</u>	<u>Office</u>	<u>Term Expires</u>	<u>Surety</u>
Marge Brown	Mayor	11/30/05	A,C
Donald Petroff	Municipal Judge	12/31/05	A,B,C
Mathew Szollosi	City Council	11/30/05	A,C
James Seaman	City Council	11/30/05	A,C
Jerry Peach	City Council	11/30/05	A,C
Jeffrey Keller	City Council	11/30/05	A,C
Michael Seferian	City Council	11/30/05	A,C
Sharon Rudess	City Council	11/30/05	A,C
Michael Sheehy	City Council, President	11/30/05	A,C

**Administrators**

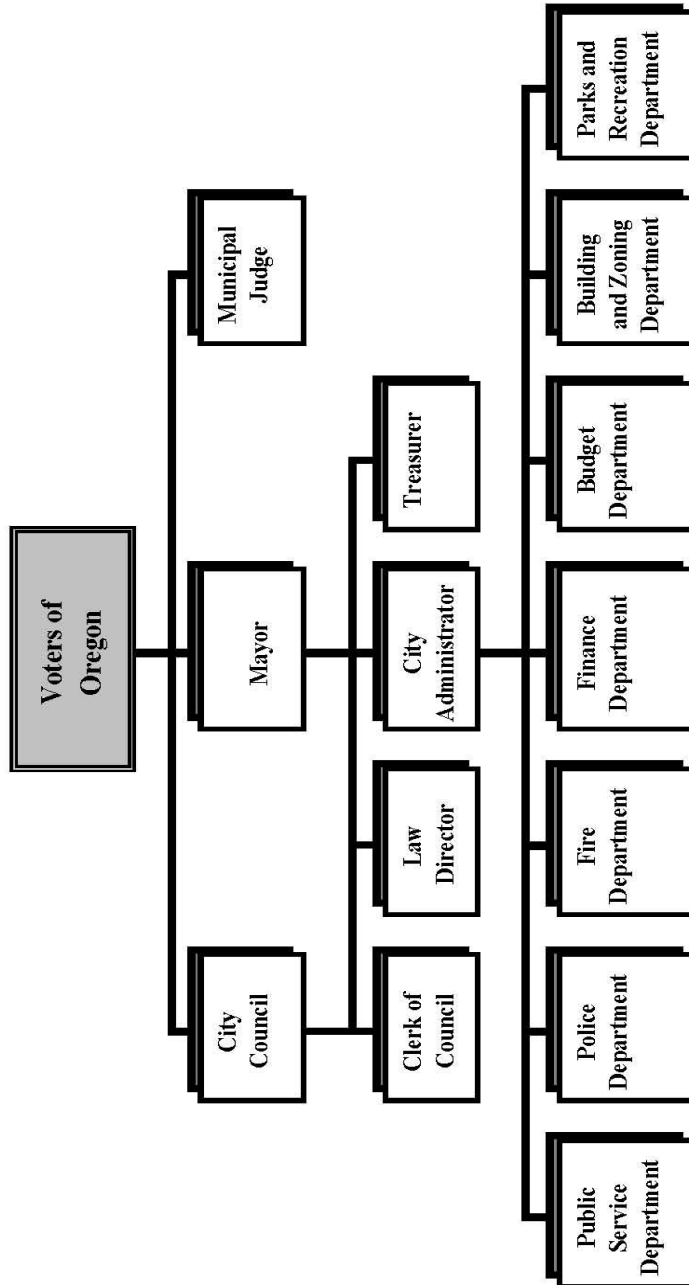
<u>Name</u>	<u>Office</u>	<u>Term Expires</u>	<u>Surety</u>
Paul Goldberg	Director of Law	06/03/06	A,C
James Zsigray	Treasurer	Indefinite	\$25,000 Bond A,C
Kenneth Filipiak	City Administrator	Indefinite	A,B,C
Paul Roman	Director of Public Service	Indefinite	A,B,C
James Austermler	Director of Finance	Indefinite	A,B,C
Thomas Gulch	Chief of Police	Indefinite	A,B,C
Raymond Walendzak	Chief of Fire	Indefinite	A,B,C
Michael Rudey	Commissioner of Building and Zoning	Indefinite	A,B,C
Joseph Wasserman	Commissioner of Parks and Recreation	Indefinite	A,B,C
Patricia Wast	Commissioner of Taxation	Indefinite	A,B,C
Stacy A. DeShetler	Clerk of Courts	Indefinite	\$10,000 Bond A,B,C

Applies to All Elected Officials

- A. Public Officials \$5 Million/occurrence.
- B. In addition to individual bonds, there is a \$250,000 blanket bond for those administrators and employees who receive cash, and or receipt revenues.
- C. Insurance Term: August 15, 2004 thru August 14, 2005.

City Organizational Chart  
For the Year Ended December 31, 2004

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Certificate of  
Achievement  
for Excellence  
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City of Oregon,  
Ohio

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2003

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*Nancy L. Zjelke*

President

*Jeffrey R. Emery*

Executive Director



*City of Opportunity*

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# Financial Section





*City of Opportunity*

# JAMES G. ZUPKA, C.P.A., INC.

*Certified Public Accountants  
5240 East 98th Street  
Garfield Heights, Ohio 44125*

Member American Institute of Certified Public Accountants

(216) 475-6136

Ohio Society of Certified Public Accountants

## INDEPENDENT AUDITOR'S REPORT

The Honorable Marge Brown, Mayor  
and Members of City Council  
City of Oregon, Ohio

The Honorable Betty Montgomery  
Auditor of State  
State of Ohio

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Oregon, Ohio, as of and for the year ended December 31, 2004, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

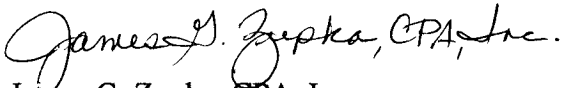
In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Oregon, Ohio, as of December 31, 2004, and the respective changes in financial position and cash flows, where applicable, thereof, and the respective budgetary comparison for the general fund, the special assessment street light special revenue fund, and the special assessment sewer maintenance special revenue fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 2, during the year ended December 31, 2004, the City restated its capital assets and various loans payable.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 18, 2005 on our consideration of the City of Oregon, Ohio's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The Management's Discussion and Analysis is not a required part of the basic financial statements, but is required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Oregon, Ohio's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. We subjected the combining and individual nonmajor fund statements and schedules to the auditing procedures applied in the audit of the basic financial statements. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole. We did not subject the introductory section and statistical tables to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we express no opinion on them.

  
James G. Zupka, CPA, Inc.  
Certified Public Accountants

May 18, 2005



The discussion and analysis of the City of Oregon's financial performance provides an overall review of the City's financial activities for the fiscal year ended December 31, 2004. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the transmittal letter, notes to the basic financial statements and financial statements to enhance their understanding of the City's financial performance.

## **FINANCIAL HIGHLIGHTS**

Key financial highlights for 2004 are as follows:

- ❑ In total, net assets increased \$1,121,665. Net assets of governmental activities decreased \$551,663, which represents a 1.1% decrease from 2003. Net assets of business-type activities increased \$1.7 million or 3.8% from 2003.
- ❑ General revenues accounted for \$20 million in revenue or 67% of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for 33% of total revenues of \$29,781,011 million.
- ❑ The City had \$21.4 million in expenses related to governmental activities; only \$4 million of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily taxes) of \$16.8 million were adequate to provide for these programs.
- ❑ Among major funds, the general fund had \$14.3 million in revenues and \$12.3 million in expenditures. The general fund's fund balance increased \$635,492 to \$7,174,169 million.
- ❑ Net assets for enterprise funds increased by \$1,664,335.

## **OVERVIEW OF THE FINANCIAL STATEMENTS**

This annual report consists of four parts – *management's discussion and analysis*, the *basic financial statements*, *required supplementary information*, and an optional section that presents *combining statements* for nonmajor governmental funds and internal service funds. The basic financial statements include two kinds of statements that present different views of the City:

These statements are as follows:

1. *The Government-Wide Financial Statements* – These statements provide both long-term and short-term information about the City's overall financial status.
2. *The Fund Financial Statements* – These statements focus on individual parts of the City, reporting the City's operations in more detail than the government-wide statements.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements.

### **Government-wide Statements**

The government-wide statements report information about the City as a whole using accepting methods similar to those used by private-sector companies. The statement of net assets includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the City's net assets and how they have changed. Net-assets (the difference between the City's assets and liabilities) is one way to measure the City's financial health or position.

- Over time, increases or decreases in the City's net assets are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the City you need to consider additional nonfinancial factors such as property tax base, current property tax laws, conditions of the City's infrastructure and continued growth within the City.

The government-wide financial statements of the City are divided into two categories:

- *Governmental Activities* – Most of the City's programs and services are reported here including security of persons and property, public health and welfare services, leisure time activities, community environment, transportation and general government.
- *Business-Type Activities* – These services are provided on a charge for goods or services basis to recover all of the expenses of the goods or services provided. The City's water and sewer services are reported as business-type activities.

### **Fund Financial Statements**

The fund financial statements provide more detailed information about the City's most significant funds, not the City as a whole. Funds are accounting devices that the City uses to keep track of specific sources of funding and spending for particular purposes.

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

**CITY OF OREGON, OHIO**

**Management's Discussion and Analysis  
For the Year Ended December 31, 2004**

**Unaudited**

Proprietary Funds – Proprietary funds use the same basis of accounting as business-type activities; therefore, these statements will essentially match.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the City's programs. All of the City's fiduciary activities are reported in separate Statements of Fiduciary Net Assets.

**FINANCIAL ANALYSIS OF THE CITY AS A WHOLE**

The following table provides a comparison of net assets between 2004 and 2003:

	Governmental Activities		Business-type Activities		Total	
	2004	2003	2004	2003	2004	2003
Current and other assets	\$35,610,238	\$34,660,635	\$4,978,747	\$4,376,307	\$40,588,985	\$39,036,942
Capital assets, Net	34,218,634	35,357,876	53,416,202	50,484,601	87,634,836	85,842,477
Total assets	<u>69,828,872</u>	<u>70,018,511</u>	<u>58,394,949</u>	<u>54,860,908</u>	<u>128,223,821</u>	<u>124,879,419</u>
Long-term debt outstanding	17,176,743	16,202,412	11,808,603	9,904,197	28,985,346	26,106,609
Other liabilities	4,224,076	4,836,883	373,028	416,221	4,597,104	5,253,104
Total liabilities	<u>21,400,819</u>	<u>21,039,295</u>	<u>12,181,631</u>	<u>10,320,418</u>	<u>33,582,450</u>	<u>31,359,713</u>
Net assets						
Invested in capital assets, net of related debt	18,802,014	20,152,188	42,177,182	41,151,810	60,979,196	61,303,998
Restricted	22,714,153	22,058,267	0	0	22,714,153	22,058,267
Unrestricted	6,911,886	6,768,761	4,036,136	3,388,680	10,948,022	10,157,441
Total net assets	<u>\$48,428,053</u>	<u>\$48,979,216</u>	<u>\$46,213,318</u>	<u>\$44,540,490</u>	<u>\$94,641,371</u>	<u>\$93,519,706</u>

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**CITY OF OREGON, OHIO**

**Management's Discussion and Analysis  
For the Year Ended December 31, 2004**

**Unaudited**

Changes in Net Assets – The following table shows the changes in net assets for the fiscal year 2004 and 2003:

	Governmental Activities		Business-type Activities		Total	
	2004	2003	2004	2003	2004	2003
<b>Revenues</b>						
Program Revenues:						
Charges for Services and Sales	\$1,406,552	\$1,373,993	\$5,562,722	\$5,020,877	\$6,969,274	\$6,394,870
Operating Grants and Contributions	1,832,654	1,912,280	0	0	1,832,654	1,912,280
Capital Grants and Contributions	839,977	1,297,270	67,882	1,075,582	907,859	2,372,852
General revenues:			0		0	
Property Taxes	1,690,044	1,635,896	0	0	1,690,044	1,635,896
Income Taxes	12,364,427	11,778,804	0	0	12,364,427	11,778,804
Shared Revenues	2,654,456	3,006,677	0	0	2,654,456	3,006,677
Investment Earnings	419,313	472,004	12,760	16,416	432,073	488,420
Miscellaneous	2,930,224	2,121,568	0	0	2,930,224	2,121,568
Total Revenues	<u>24,137,647</u>	<u>23,598,492</u>	<u>5,643,364</u>	<u>6,112,875</u>	<u>29,781,011</u>	<u>29,711,367</u>
<b>Program Expenses</b>						
Security of Persons and Property	9,280,955	8,446,756	0	0	9,280,955	8,446,756
Public Health and Welfare Services	366,014	382,521	0	0	366,014	382,521
Leisure Time Activities	729,521	766,960	0	0	729,521	766,960
Community Environment	977,922	1,188,162	0	0	977,922	1,188,162
Basic Utility Services	466,381	329,707	0	0	466,381	329,707
Transportation	4,118,313	3,269,862	0	0	4,118,313	3,269,862
General Government	4,962,259	4,100,040	0	0	4,962,259	4,100,040
Interest and Fiscal Charges	519,607	681,499	0	0	519,607	681,499
Water	0	0	2,958,136	2,925,956	2,958,136	2,925,956
Sewer	0	0	4,280,238	3,792,953	4,280,238	3,792,953
Total Expenses	<u>21,420,972</u>	<u>19,165,507</u>	<u>7,238,374</u>	<u>6,718,909</u>	<u>28,659,346</u>	<u>25,884,416</u>
Excess (Deficiency) Before Transfers	2,716,675	4,432,985	(1,595,010)	(606,034)	1,121,665	3,826,951
Transfers In (Out)	<u>(3,267,838)</u>	<u>(2,570,961)</u>	<u>3,267,838</u>	<u>2,570,961</u>	<u>0</u>	<u>0</u>
Total Change in Net Assets	(551,163)	1,862,024	1,672,828	1,964,927	1,121,665	3,826,951
Beginning Net Assets - Restated	48,979,216	47,117,192	44,540,490	42,575,563	93,519,706	89,692,755
Ending Net Assets	<u>\$48,428,053</u>	<u>\$48,979,216</u>	<u>\$46,213,318</u>	<u>\$44,540,490</u>	<u>\$94,641,371</u>	<u>\$93,519,706</u>

**CITY OF OREGON, OHIO**

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**Management's Discussion and Analysis  
For the Year Ended December 31, 2004**

**Unaudited**

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**Governmental Activities**

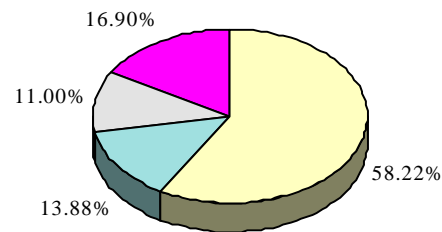
Net assets of the City's governmental activities decreased by \$551,163. This was due primarily to an increase in operating expenses due to increased personnel costs.

The unique nature of property taxes in Ohio creates the need to routinely seek voter approval for operating funds. In general, the overall revenue generated by the levy will not increase solely as a result of inflation. As an example, a homeowner with a home valued at \$100,000 and taxed at 1.0 mill would pay \$35.00 annually in taxes. If three years later the home were reappraised and increased to \$200,000 (and this inflationary increase in value is comparable to other property owners) the effective tax rate would become .5 mills and the owner would still pay \$35.00.

The City also receives an income tax, which is based on 2.25% of all salaries, wages, commissions and other compensation earned from residents living within the City and from nonresidents for work done or services performed or rendered in the City.

Property taxes and income taxes made up 7% and 51% respectively of revenues for governmental activities for the City in fiscal year 2004. The City's reliance upon tax revenues is demonstrated by the following graph indicating 58.22% of total revenues from general tax revenues:

<u>Revenue Sources</u>	<u>2004</u>	<u>Percent of Total</u>
General Shared Revenues	\$2,654,456	11.00%
Program Revenues	4,079,183	16.90%
General Tax Revenues	14,054,471	58.22%
General Other	3,349,537	13.88%
Total Revenue	<u>\$24,137,647</u>	<u>100.00%</u>



**Business-Type Activities**

Net assets of the business-type activities increased by \$1,672,828. This increase was due to increased water rates in October and transfers from capital project funds.

**FINANCIAL ANALYSIS OF THE CITY'S FUNDS**

The City's governmental funds reported a combined fund balance of \$17,238,446, which is a decrease from last year's balance of \$18,391,028. The schedule below indicates the fund balance and the total change in fund balance by fund type as of December 31, 2004 and 2003:

	Fund Balance December 31, 2004	Restated Fund Balance December 31, 2003	Increase (Decrease)
General	\$7,174,169	\$6,538,677	\$635,492
Special Assessment Street Light	196,511	159,346	37,165
Special Assessment Sewer Maintenance	(296)	42,298	(42,594)
Special Assessment Bond Retirement	112,577	156,702	(44,125)
Water Project	511,407	1,954,469	(1,443,062)
Other Governmental	9,244,078	9,539,536	(295,458)
<b>Total</b>	<b>\$17,238,446</b>	<b>\$18,391,028</b>	<b>(\$1,152,582)</b>

General Fund – The City's General Fund balance increase is due to many factors. The tables that follow assist in illustrating the financial activities and balance of the General Fund:

	2004 Revenues	2003 Revenues	Increase (Decrease)
Taxes	\$11,544,443	\$10,663,656	\$880,787
Intergovernmental Revenue	1,402,919	1,270,951	131,968
Charges for Services	314,618	280,173	34,445
Fines, Licenses and Permits	547,588	551,790	(4,202)
Investment Earnings	375,371	579,554	(204,183)
Special Assessments	12,409	9,528	2,881
All Other Revenue	70,529	53,844	16,685
<b>Total</b>	<b>\$14,267,877</b>	<b>\$13,409,496</b>	<b>\$858,381</b>

General Fund revenues in 2004 increased approximately 6.4% compared to revenues in fiscal year 2003. The most significant factor contributing to this increase was an increase in income taxes.

	2004 Expenditures	2003 Expenditures	Increase (Decrease)
Security of Persons and Property	\$6,657,007	\$6,716,155	(\$59,148)
Public Health and Welfare Services	348,108	368,088	(19,980)
Leisure Time Activities	2,500	7,040	(4,540)
Community Environment	505,799	553,109	(47,310)
Transportation	2,058,708	2,091,219	(32,511)
General Government	2,767,244	2,807,872	(40,628)
<b>Total</b>	<b>\$12,339,366</b>	<b>\$12,543,483</b>	<b>(\$204,117)</b>

**Management's Discussion and Analysis  
For the Year Ended December 31, 2004**

**Unaudited**

General Fund expenditures decreased by \$204,117 or 1.6% compared to the prior year mostly due to a decrease in the cost of maintenance.

The City's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund.

During the course of fiscal year 2004 the City amended its General Fund budget several times, none significant.

For the General Fund, final budget basis revenue of \$12.4 million did not significantly change over the original budget estimates of \$13 million. The General Fund had an adequate fund balance to cover expenditures.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets**

At the end of fiscal 2004 the City had \$87,634,836 net of accumulated depreciation invested in land, improvements, infrastructure, buildings, machinery and equipment and construction in progress. Of this total, \$34,218,634 was related to governmental activities and \$53,416,202 to the business-type activities. The following table shows fiscal year 2004 and 2003 balances:

	Governmental Activities		Increase (Decrease)
	2004	2003	
Land	\$5,279,762	\$5,230,927	\$48,835
Buildings and Improvements	7,347,608	7,287,555	60,053
Infrastructure	39,083,281	38,917,183	166,098
Machinery and Equipment	3,600,382	4,188,177	(587,795)
Vehicles	5,954,005	5,136,326	817,679
Construction in Progress	923,459	767,762	155,697
Less: Accumulated Depreciation	(27,969,863)	(26,170,054)	(1,799,809)
Totals	<u>\$34,218,634</u>	<u>\$35,357,876</u>	<u>(\$1,139,242)</u>

	Business-Type Activities		Increase (Decrease)
	2004	2003	
Land	\$1,737,645	\$1,737,645	\$0
Buildings and Distribution	50,670,462	50,653,625	16,837
Machinery and Equipment	23,611,846	23,533,543	78,303
Vehicles	842,761	775,593	67,168
Construction in Progress	17,108,824	12,113,834	4,994,990
Less: Accumulated Depreciation	(40,555,336)	(38,329,639)	(2,225,697)
Totals	<u>\$53,416,202</u>	<u>\$50,484,601</u>	<u>\$2,931,601</u>

**CITY OF OREGON, OHIO**

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**Management's Discussion and Analysis  
For the Year Ended December 31, 2004**

**Unaudited**

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The primary increases occurred in vehicles and construction in progress.

As of December 31, 2004, the City has contractual commitments of \$2,189,078 for various projects. Included in these projects are the design of the water treatment plant expansion, street improvements, water mains and sanitary sewer trunk lines. Additional information on the City's capital assets can be found in Note 9.

**Debt**

At December 31, 2004, the City had \$5 million in bonds outstanding, \$419,561 due within one year. The following table summarizes the City's debt outstanding as of December 31, 2004 and 2003:

	<u>2004</u>	<u>2003</u>
Governmental Activities:		
General Obligation Bonds	\$980,000	\$1,150,000
Special Assessment Bonds	1,464,514	1,568,820
OWDA Loans Payable	10,630,957	10,216,497
OPWC Loans Payable	2,341,149	1,727,611
Pension Liability	56,456	57,350
Compensated Absences	1,703,667	1,482,133
Total Governmental Activities	<u>17,176,743</u>	<u>16,202,411</u>
Business-Type Activities:		
General Obligation Bonds	\$2,555,000	\$2,685,000
OWDA Loans Payable	8,684,020	6,645,438
OPWC Loans Payable	0	5,353
Compensated Absences	569,583	568,406
Total Business-Type Activities	<u>11,808,603</u>	<u>9,904,197</u>
Totals	<u>\$28,985,346</u>	<u>\$26,106,608</u>

State statutes limit the amount of unvoted general obligation debt the City may issue. The aggregate amount of the City's unvoted debt is also subject to overlapping debt restrictions with other political subdivisions. The actual aggregate amount of the City's unvoted debt, when added to that of other political subdivisions within the respective counties in which Oregon lies, is limited to ten mills. At December 31, 2004, the City's outstanding debt was below the legal limit. Additional information on the City's long-term debt can be found in Note 12.



**ECONOMIC FACTORS**

The City's original budget for 2004 utilized conservative revenue estimates with limited increases in base operating costs. However, due to projected declines in certain revenues, expenditures were projected to exceed revenues in some of the funds, including the General Fund. City Council decided they wanted to maintain current service levels to the residents of the City by utilizing reserve fund balances. Original General Fund revenues were projected to be at the same level as actual receipts for 2003. This was due to a projected decrease in interest income because of the low interest rates on investments and uncertainty in the amount of actual municipal income taxes to be collected due to uncertain economic conditions.

General Fund expenditures were originally budgeted at 13% more than 2004 actual expenditures. No additional personnel were added in the final approved budget. Department requests were reduced from original submissions; certain requested capital projects and capital acquisitions were eliminated or reduced; and only those items that management and City Council determined necessary were appropriated.

City Council continues to pursue new revenue sources, while reviewing the possibility of increasing existing sources, in addition to a continued review of reducing expenditures. A close watch of current economic conditions is ongoing to determine if increased revenues, or further reductions in expenditures, are necessary in order to maintain fiscal stability.

**REQUESTS FOR INFORMATION**

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information contact the Finance Department by calling 419-698-7000 or writing to City of Oregon Finance Department, 5330 Seaman Road, Oregon, Ohio 43616.



*City of Opportunity*

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**CITY OF OREGON, OHIO**

**Statement of Net Assets  
December 31, 2004**

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>Assets:</b>			
Cash and Cash Equivalents	\$ 3,162,109	\$ 111,359	\$ 3,273,468
Investments	14,282,940	3,657,799	17,940,739
Receivables:			
Taxes	3,789,893	0	3,789,893
Accounts	96,010	776,938	872,948
Intergovernmental	1,842,018	0	1,842,018
Interest	93,512	0	93,512
Special Assessments	11,848,364	0	11,848,364
Intergovernmental Loan	0	113,670	113,670
Internal Balances	(62,767)	62,767	0
Inventory of Supplies at Cost	439,665	174,431	614,096
Prepaid Items	118,494	81,783	200,277
Capital Assets:			
Capital Assets Not Being Depreciated	6,203,221	18,846,469	25,049,690
Capital Assets Being Depreciated, Net	28,015,413	34,569,733	62,585,146
<b>Total Assets</b>	<b>69,828,872</b>	<b>58,394,949</b>	<b>128,223,821</b>
<b>Liabilities:</b>			
Accounts Payable	501,419	157,745	659,164
Accrued Wages and Benefits	869,735	208,363	1,078,098
Intergovernmental Payable	43,661	0	43,661
Workers Compensation Liability	236,983	0	236,983
Unearned Revenue	1,516,993	0	1,516,993
Accrued Interest Payable	15,285	6,920	22,205
General Obligation Notes Payable	1,040,000	0	1,040,000
Noncurrent liabilities:			
Due within one year	1,612,444	880,166	2,492,610
Due in more than one year	15,564,299	10,928,437	26,492,736
<b>Total Liabilities</b>	<b>21,400,819</b>	<b>12,181,631</b>	<b>33,582,450</b>
<b>Net Assets:</b>			
Invested in Capital Assets, Net of Related Debt	18,802,014	42,177,182	60,979,196
Restricted For:			
Capital Projects	5,574,403	0	5,574,403
Debt Service	7,851,616	0	7,851,616
Street Construction, Maintenance and Repair	740,655	0	740,655
Housing Assistance	866,464	0	866,464
Solid Waste	447,982	0	447,982
Storm Sewer Project	1,451,340	0	1,451,340
Hazardous Waste Landfill	367,505	0	367,505
Perpetual Care:			
Nonexpendable	78,359	0	78,359
Other Purposes	5,335,829	0	5,335,829
Unrestricted (Deficit)	6,911,886	4,036,136	10,948,022
<b>Total Net Assets</b>	<b>\$ 48,428,053</b>	<b>\$ 46,213,318</b>	<b>\$ 94,641,371</b>

See accompanying notes to the basic financial statements

**CITY OF OREGON, OHIO**

**Statement of Activities  
For the Year Ended December 31, 2004**

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
<b>Governmental Activities:</b>				
Current:				
Security of Persons and Property	\$ 9,280,955	\$ 312,570	\$ 214,124	\$ 455,857
Public Health and Welfare Services	366,014	58,646	0	0
Leisure Time Activities	729,521	175,276	0	0
Community Environment	977,922	332,805	417,648	0
Basic Utility Services	466,381	0	0	368,330
Transportation	4,118,313	32,557	1,200,882	15,790
General Government	4,962,259	494,698	0	0
Interest and Fiscal Charges	519,607	0	0	0
<b>Total Governmental Activities</b>	<b>21,420,972</b>	<b>1,406,552</b>	<b>1,832,654</b>	<b>839,977</b>
<b>Business-Type Activities:</b>				
Water	2,958,136	2,555,603	0	0
Sewer	4,280,238	3,007,119	0	67,882
<b>Total Business-Type Activities</b>	<b>7,238,374</b>	<b>5,562,722</b>	<b>0</b>	<b>67,882</b>
<b>Totals</b>	<b>\$ 28,659,346</b>	<b>\$ 6,969,274</b>	<b>\$ 1,832,654</b>	<b>\$ 907,859</b>

**General Revenues**

Property Taxes  
Municipal Income Taxes  
Grants and Entitlements not Restricted to Specific Programs  
Investment Earnings  
Miscellaneous  
Transfers  
Total General Revenues and Transfers  
Change in Net Assets  
Net Assets Beginning of Year - Restated  
Net Assets End of Year

See accompanying notes to the basic financial statements

**CITY OF OREGON, OHIO**

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Net (Expense) Revenue and Changes in Net Assets		
Governmental Activities	Business-Type Activities	Total
\$ (8,298,404)	\$ 0	\$ (8,298,404)
(307,368)	0	(307,368)
(554,245)	0	(554,245)
(227,469)	0	(227,469)
(98,051)	0	(98,051)
(2,869,084)	0	(2,869,084)
(4,467,561)	0	(4,467,561)
(519,607)	0	(519,607)
<u>(17,341,789)</u>	<u>0</u>	<u>(17,341,789)</u>
0	(402,533)	(402,533)
0	<u>(1,205,237)</u>	<u>(1,205,237)</u>
0	<u>(1,607,770)</u>	<u>(1,607,770)</u>
<u>(17,341,789)</u>	<u>(1,607,770)</u>	<u>(18,949,559)</u>
1,690,044	0	1,690,044
12,364,427	0	12,364,427
2,654,456	0	2,654,456
419,313	12,760	432,073
2,930,224	0	2,930,224
<u>(3,267,838)</u>	<u>3,267,838</u>	<u>0</u>
<u>16,790,626</u>	<u>3,280,598</u>	<u>20,071,224</u>
(551,163)	1,672,828	1,121,665
<u>48,979,216</u>	<u>44,540,490</u>	<u>93,519,706</u>
<u>\$ 48,428,053</u>	<u>\$ 46,213,318</u>	<u>\$ 94,641,371</u>

**CITY OF OREGON, OHIO**

**Balance Sheet  
Governmental Funds  
December 31, 2004**

	General	Special Assessment Street Light	Special Assessment Sewer Maintenance	Special Assessment Bond Retirement
<b>Assets:</b>				
Cash and Cash Equivalents	\$ 162,782	\$ 218,239	\$ 0	\$ 112,577
Investments	5,346,881	0	0	0
Receivables:				
Taxes	2,816,703	0	0	0
Accounts	66,278	0	0	0
Intergovernmental	725,575	0	0	0
Interest	93,022	0	0	0
Special Assessments	124,839	2,153,912	1,828,653	7,740,960
Inventory of Supplies, at Cost	439,665	0	0	0
Prepaid Items	111,441	0	0	0
<b>Total Assets</b>	<b>\$ 9,887,186</b>	<b>\$ 2,372,151</b>	<b>\$ 1,828,653</b>	<b>\$ 7,853,537</b>
<b>Liabilities:</b>				
Accounts Payable	67,018	21,728	296	0
Accrued Wages and Benefits Payable	636,387	0	0	0
Intergovernmental Payable	40,243	0	0	0
Deferred Revenue	1,969,369	2,153,912	1,828,653	7,740,960
Accrued Interest Payable	0	0	0	0
General Obligation Notes Payable	0	0	0	0
<b>Total Liabilities</b>	<b>2,713,017</b>	<b>2,175,640</b>	<b>1,828,949</b>	<b>7,740,960</b>
<b>Fund Balances:</b>				
Reserved for Encumbrances	309,866	822	0	0
Reserved for Prepaid Items	111,441	0	0	0
Reserved for Supplies Inventory	439,665	0	0	0
Reserved for Debt Service	0	0	0	112,577
Reserved for Endowments	0	0	0	0
Undesignated/Unreserved in:				
General Fund	6,313,197	0	0	0
Special Revenue Funds	0	195,689	(296)	0
Capital Projects Funds	0	0	0	0
<b>Total Fund Balances</b>	<b>7,174,169</b>	<b>196,511</b>	<b>(296)</b>	<b>112,577</b>
<b>Total Liabilities and Funds Balances</b>	<b>\$ 9,887,186</b>	<b>\$ 2,372,151</b>	<b>\$ 1,828,653</b>	<b>\$ 7,853,537</b>

See accompanying notes to the basic financial statements

**CITY OF OREGON, OHIO**

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Water Project	Other Governmental Funds	Total Governmental Funds
\$ 18,923	\$ 2,031,058	\$ 2,543,579
621,551	8,314,508	14,282,940
0	973,190	3,789,893
0	29,732	96,010
0	1,116,443	1,842,018
0	490	93,512
0	0	11,848,364
0	0	439,665
0	3,193	114,634
<u>\$ 640,474</u>	<u>\$ 12,468,614</u>	<u>\$ 35,050,615</u>
129,067	283,310	501,419
0	233,348	869,735
0	3,418	43,661
0	1,653,111	15,346,005
0	11,349	11,349
0	1,040,000	1,040,000
<u>129,067</u>	<u>3,224,536</u>	<u>17,812,169</u>
1,180,930	593,108	2,084,726
0	3,193	114,634
0	0	439,665
0	2,015	114,592
0	78,359	78,359
0	0	6,313,197
0	3,656,817	3,852,210
(669,523)	4,910,586	4,241,063
<u>511,407</u>	<u>9,244,078</u>	<u>17,238,446</u>
<u>\$ 640,474</u>	<u>\$ 12,468,614</u>	<u>\$ 35,050,615</u>

***Reconciliation Of Total Governmental Fund Balances  
To Net Assets Of Governmental Activities  
December 31, 2004***

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<b>Total Governmental Fund Balances</b>	\$ 17,238,446
<b><i>Amounts reported for governmental activities in the statement of net assets are different because</i></b>	
Capital Assets used in governmental activities are not resources and therefore are not reported in the funds.	34,218,634
Other long-term assets are not available to pay for current- period expenditures and therefore are deferred in the funds.	13,829,012
Internal service funds are used by management to charge the costs of services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.	322,640
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	<u>(17,180,679)</u>
<b><i>Net Assets of Governmental Funds</i></b>	<b><u><u>\$ 48,428,053</u></u></b>

See accompanying notes to the basic financial statements





*City of Opportunity*

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**CITY OF OREGON, OHIO**

**Statement of Revenues, Expenditures and Changes in Fund Balances  
Governmental Funds  
For the Year Ended December 31, 2004**

	General	Special Assessment Street Light	Special Assessment Sewer Maintenance	Special Assessment Bond Retirement
<b>Revenues:</b>				
Property Taxes	\$ 948,937	\$ 0	\$ 0	\$ 0
Municipal Income Taxes	10,595,506	0	0	0
Intergovernmental Revenues	1,402,919	0	0	0
Charges for Services	314,618	0	0	0
Licenses, Permits and Fees	235,056	0	0	0
Investment Earnings	375,371	0	0	0
Special Assessments	12,409	222,572	152,446	283,051
Fines and Forfeitures	312,532	0	0	0
All Other Revenue	70,529	0	0	0
<b>Total Revenue</b>	<b>14,267,877</b>	<b>222,572</b>	<b>152,446</b>	<b>283,051</b>
<b>Expenditures:</b>				
Current:				
Security of Persons and Property	6,657,007	185,407	0	0
Public Health and Welfare Services	348,108	0	0	0
Leisure Time Activities	2,500	0	0	0
Community Environment	505,799	0	0	0
Basic Utility Services	0	0	195,040	0
Transportation	2,058,708	0	0	0
General Government	2,767,244	0	0	0
Capital Outlay	0	0	0	0
Debt Service:				
Principal Retirement	0	0	0	408,496
Interest & Fiscal Charges	0	0	0	452,440
<b>Total Expenditures</b>	<b>12,339,366</b>	<b>185,407</b>	<b>195,040</b>	<b>860,936</b>
Excess (Deficiency) of Revenues				
Over Expenditures	1,928,511	37,165	(42,594)	(577,885)
<b>Other Financing Sources (Uses):</b>				
Sale of Capital Assets	0	0	0	0
Issuance of OPWC Loans	0	0	0	0
Issuance of OWDA Loans	0	0	0	0
Transfers In	978,629	0	0	533,760
Transfers Out	(2,215,167)	0	0	0
<b>Total Other Financing Sources (Uses)</b>	<b>(1,236,538)</b>	<b>0</b>	<b>0</b>	<b>533,760</b>
Net Change in Fund Balances	691,973	37,165	(42,594)	(44,125)
<b>Fund Balances at Beginning of Year-Restated</b>	<b>6,538,677</b>	<b>159,346</b>	<b>42,298</b>	<b>156,702</b>
Increase (Decrease) in Inventory Reserve	(56,481)	0	0	0
<b>Fund Balances End of Year</b>	<b>\$ 7,174,169</b>	<b>\$ 196,511</b>	<b>\$ (296)</b>	<b>\$ 112,577</b>

See accompanying notes to the basic financial statements

**CITY OF OREGON, OHIO**

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Water Project	Other Governmental Funds	Total Governmental Funds
\$ 0	\$ 610,682	\$ 1,559,619
0	2,150,983	12,746,489
917,087	2,115,009	4,435,015
0	489,554	804,172
0	0	235,056
0	1,018	376,389
0	2,294	672,772
0	145,194	457,726
0	174,734	245,263
<u>917,087</u>	<u>5,689,468</u>	<u>21,532,501</u>
0	1,822,381	8,664,795
0	5,892	354,000
0	574,017	576,517
0	456,766	962,565
0	271,341	466,381
0	863,263	2,921,971
0	1,484,949	4,252,193
1,128,130	292,293	1,420,423
0	333,356	741,852
0	67,687	520,127
<u>1,128,130</u>	<u>6,171,945</u>	<u>20,880,824</u>
(211,043)	(482,477)	651,677
0	24,517	24,517
776,894	0	776,894
718,649	0	718,649
0	3,207,425	4,719,814
<u>(2,727,562)</u>	<u>(3,044,923)</u>	<u>(7,987,652)</u>
<u>(1,232,019)</u>	<u>187,019</u>	<u>(1,747,778)</u>
(1,443,062)	(295,458)	(1,096,101)
1,954,469	9,539,536	18,391,028
<u>0</u>	<u>0</u>	<u>(56,481)</u>
<u>\$ 511,407</u>	<u>\$ 9,244,078</u>	<u>\$ 17,238,446</u>

***Reconciliation Of The Statement Of Revenues, Expenditures  
And Changes In Fund Balances Of Governmental Funds  
To The Statement Of Activities  
For the Year Ended December 31, 2004***

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**Net Change in Fund Balances - Total Governmental Funds** \$ (1,096,101)

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlay in the current period. (1,139,242)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. 2,580,629

The issuance of long-term debt provides current financial resources to governmental funds, but has no effect on net assets. In addition, repayment of bond and capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. (752,797)

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. 520

Some expenses reported in the statement of activities, such as compensated absences and intergovernmental payable which represents contractually required pension contributions, do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds. (278,015)

The internal service funds are used by management to charge the costs of services to individual funds is not reported in the statement of activities. Governmental fund expenditures and related internal service fund revenues are eliminated. The net revenue (expense) of the internal service funds are allocated among the governmental activities. 133,843

***Change in Net Assets of Governmental Activities*** \$ (551,163)

See accompanying notes to the basic financial statements

**CITY OF OREGON, OHIO**

**Statement of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
General Fund  
For the Year Ended December 31, 2004**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Property Taxes	\$ 886,780	\$ 810,100	\$ 948,937	\$ 138,837
Municipal Income Taxes	10,540,409	9,329,132	10,397,445	1,068,313
Intergovernmental Revenue	1,108,418	1,201,141	1,377,351	176,210
Charges for Services	14,000	194,500	312,310	117,810
Licenses, Permits and Fees	0	190,100	235,056	44,956
Investment Earnings	400,000	300,000	370,940	70,940
Special Assessments	0	5,000	12,409	7,409
Fines and Forfeitures	0	292,100	308,529	16,429
All Other Revenues	40,300	86,500	66,967	(19,533)
Total Revenues	<u>12,989,907</u>	<u>12,408,573</u>	<u>14,029,944</u>	<u>1,621,371</u>
<b>Expenditures:</b>				
Current:				
Security of Persons and Property	6,785,188	7,093,884	7,008,226	85,658
Public Health and Welfare Services	370,190	374,529	349,708	24,821
Leisure Time Activities	0	5,500	4,200	1,300
Community Environment	569,440	564,199	547,431	16,768
Transportation	2,288,795	2,306,365	2,236,613	69,752
General Government	3,297,211	3,187,307	3,053,350	133,957
Total Expenditures	<u>13,310,824</u>	<u>13,531,784</u>	<u>13,199,528</u>	<u>332,256</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(320,917)	(1,123,211)	830,416	1,953,627
<b>Other Financing Sources (Uses):</b>				
Sale of Capital Assets	10,000	0	0	0
Transfers In	1,356,613	1,917,551	978,629	(938,922)
Transfers Out	(3,461,469)	(2,225,203)	(2,215,167)	10,036
Total Other Financing Sources (Uses):	<u>(2,094,856)</u>	<u>(307,652)</u>	<u>(1,236,538)</u>	<u>(928,886)</u>
Net Change In Fund Balance	(2,415,773)	(1,430,863)	(406,122)	1,024,741
Fund Balance at Beginning of Year	5,207,879	5,207,879	5,207,879	0
Prior Year Encumbrances	363,499	363,499	363,499	0
Fund Balance at End of Year	<u>\$ 3,155,605</u>	<u>\$ 4,140,515</u>	<u>\$ 5,165,256</u>	<u>\$ 1,024,741</u>

See accompanying notes to the basic financial statements

**CITY OF OREGON, OHIO**

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**Statement of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Special Revenue Fund – Special Assessment Street Lighting Fund  
For the Year Ended December 31, 2004**

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	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Special Assessments	\$ 197,000	\$ 194,000	\$ 222,572	\$ 28,572
Total Revenues	<u>197,000</u>	<u>194,000</u>	<u>222,572</u>	<u>28,572</u>
<b>Expenditures:</b>				
Current:				
Security of Persons and Property	<u>206,800</u>	<u>206,800</u>	<u>196,032</u>	<u>10,768</u>
Total Expenditures	<u>206,800</u>	<u>206,800</u>	<u>196,032</u>	<u>10,768</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(9,800)	(12,800)	26,540	39,340
Fund Balance at Beginning of Year	<u>190,877</u>	<u>190,877</u>	<u>190,877</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 181,077</u>	<u>\$ 178,077</u>	<u>\$ 217,417</u>	<u>\$ 39,340</u>

See accompanying notes to the basic financial statements

**CITY OF OREGON, OHIO**

**Statement of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Special Revenue Fund – Special Assessment Sewer Maintenance Fund  
For the Year Ended December 31, 2004**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Special Assessments	\$ 151,000	\$ 151,000	\$ 152,446	\$ 1,446
Total Revenues	<u>151,000</u>	<u>151,000</u>	<u>152,446</u>	<u>1,446</u>
<b>Expenditures:</b>				
Current:				
Basic Utility Services	151,000	202,583	195,327	7,256
Total Expenditures	<u>151,000</u>	<u>202,583</u>	<u>195,327</u>	<u>7,256</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	(51,583)	(42,881)	8,702
Fund Balance at Beginning of Year	42,081	42,081	42,081	0
Prior Year Encumbrances	800	800	800	0
Fund Balance at End of Year	<u>\$ 42,881</u>	<u>\$ (8,702)</u>	<u>\$ 0</u>	<u>\$ 8,702</u>

See accompanying notes to the basic financial statements

**CITY OF OREGON, OHIO**

**Statement of Net Assets  
Proprietary Funds  
December 31, 2004**

	Business-Type Activities Enterprise Funds			Governmental Activities - Internal Service Funds
	Water	Sewer	Total	
<b>ASSETS</b>				
Current assets:				
Cash and Cash Equivalents	\$ 19,394	\$ 91,965	\$ 111,359	\$ 618,530
Investments	637,034	3,020,765	3,657,799	0
Accounts receivable (net of allow for uncollectibles)	341,606	435,332	776,938	0
Intergovernmental Loan receivable	0	113,670	113,670	0
Inventory of Supplies at Cost	152,824	21,607	174,431	0
Prepaid Items	42,984	38,799	81,783	3,860
Total current assets	<u>1,193,842</u>	<u>3,722,138</u>	<u>4,915,980</u>	<u>622,390</u>
Noncurrent assets:				
Capital assets:				
Property, Plant and Equipment	27,538,657	49,324,057	76,862,714	0
Construction in Progress	809,381	16,299,443	17,108,824	0
Less accumulated depreciation	(16,151,417)	(24,403,919)	(40,555,336)	0
Total capital assets (net of accumulated depr)	<u>12,196,621</u>	<u>41,219,581</u>	<u>53,416,202</u>	<u>0</u>
Total noncurrent assets	<u>12,196,621</u>	<u>41,219,581</u>	<u>53,416,202</u>	<u>0</u>
Total assets	<u>13,390,463</u>	<u>44,941,719</u>	<u>58,332,182</u>	<u>622,390</u>
<b>LIABILITIES</b>				
Current liabilities:				
Accounts Payable	37,882	119,863	157,745	0
Accrued Wages and Benefits	95,004	113,359	208,363	0
Workers Compensation Liability	0	0	0	236,983
Accrued Interest Payable	0	6,920	6,920	0
General Obligation Bonds Payable - Current	0	135,000	135,000	0
OWDA Loans Payable - Current	0	574,101	574,101	0
Total Current Liabilities	<u>132,886</u>	<u>949,243</u>	<u>1,082,129</u>	<u>236,983</u>
Noncurrent Liabilities:				
General Obligation Bonds Payable	0	2,420,000	2,420,000	0
OWDA Loans Payable	0	8,109,919	8,109,919	0
Compensated Absences Payable	360,294	209,289	569,583	0
Total noncurrent liabilities	<u>360,294</u>	<u>10,739,208</u>	<u>11,099,502</u>	<u>0</u>
<b>Total Liabilities</b>	<u>493,180</u>	<u>11,688,451</u>	<u>12,181,631</u>	<u>236,983</u>
<b>NET ASSETS</b>				
Invested in Capital Assets, Net of Related Debt	12,196,621	29,980,561	42,177,182	0
Unrestricted	700,662	3,272,707	3,973,369	385,407
Total Net Assets	<u>\$ 12,897,283</u>	<u>\$ 33,253,268</u>	<u>\$ 46,150,551</u>	<u>\$ 385,407</u>
Adjustment to reflect the consolidation of internal service fund activities related to the enterprise funds.			62,767	
Net Assets of Business-type Activities			<u>\$ 46,213,318</u>	

See accompanying notes to the basic financial statements



**CITY OF OREGON, OHIO**

**Statement of Revenues, Expenses and Changes in Fund Net Assets  
Proprietary Funds  
For the Year Ended December 31, 2004**

	Business-Type Activities Enterprise Funds			Governmental Activities - Internal Service Funds
	Water	Sewer	Total	
<b>Operating Revenues:</b>				
Charges for Services	\$ 2,531,598	\$ 2,836,361	\$ 5,367,959	\$ 49,451
Other Charges for Services	4,907	0	4,907	0
Other Operating Revenues	2,848	11,565	14,413	128,432
<b>Total Operating Revenues</b>	<b>2,539,353</b>	<b>2,847,926</b>	<b>5,387,279</b>	<b>177,883</b>
<b>Operating Expenses:</b>				
Personal Services	1,542,343	1,093,037	2,635,380	35,547
Contractual Services	76,490	807,890	884,380	0
Materials and Supplies	359,420	60,914	420,334	0
Utilities	266,062	372,700	638,762	0
Depreciation	713,715	1,515,369	2,229,084	0
<b>Total Operating Expenses</b>	<b>2,958,030</b>	<b>3,849,910</b>	<b>6,807,940</b>	<b>35,547</b>
<b>Operating Income (Loss)</b>	<b>(418,677)</b>	<b>(1,001,984)</b>	<b>(1,420,661)</b>	<b>142,336</b>
<b>Non-Operating Revenue (Expenses):</b>				
Interest Income	0	12,760	12,760	0
Interest and Fiscal Charges	0	(438,927)	(438,927)	0
Sale of Capital Assets	16,250	0	16,250	0
Other Nonoperating Revenue	0	159,193	159,193	0
<b>Total Non-Operating Revenues (Expenses)</b>	<b>16,250</b>	<b>(266,974)</b>	<b>(250,724)</b>	<b>0</b>
<b>Income(Loss) Before Contributions and Transfers</b>	<b>(402,427)</b>	<b>(1,268,958)</b>	<b>(1,671,385)</b>	<b>142,336</b>
Capital Contributions	0	67,882	67,882	0
Transfers In	209,337	4,190,115	4,399,452	0
Transfers Out	(447,147)	(684,467)	(1,131,614)	0
<b>Change in Net Assets</b>	<b>(640,237)</b>	<b>2,304,572</b>	<b>1,664,335</b>	<b>142,336</b>
Net Assets Beginning of Year-Restated	13,537,520	30,948,696	44,486,216	243,071
<b>Net Assets End of Year</b>	<b>\$ 12,897,283</b>	<b>\$ 33,253,268</b>	<b>\$ 46,150,551</b>	<b>\$ 385,407</b>
Change in Net Assets - Total Enterprise Funds			1,664,335	
Adjustment to reflect the consolidation of internal service fund activities related to the enterprise funds.			8,493	
Change in Net Assets - Business-type Activities			<u>\$ 1,672,828</u>	

See accompanying notes to the basic financial statements

**CITY OF OREGON, OHIO**

**Statement of Cash Flows  
Proprietary Funds  
For the Year Ended December 31, 2004**

	Business-Type Activities Enterprise Funds			Governmental Activities Internal Service Funds
	Water	Sewer	Totals	
<u>Cash Flows from Operating Activities:</u>				
Cash Received from Customers	\$2,508,157	\$2,866,788	\$5,374,945	\$177,883
Cash Payments for Goods and Services	(658,750)	(1,035,616)	(1,694,366)	0
Cash Payments to Employees	(1,553,126)	(1,092,245)	(2,645,371)	(38,607)
Net Cash Provided by Operating Activities	296,281	738,927	1,035,208	139,276
<u>Cash Flows from Noncapital Financing Activities:</u>				
Transfers In from Other Funds	209,337	4,636,687	4,846,024	0
Transfers Out to Other Funds	(447,147)	(684,467)	(1,131,614)	0
Net Cash Provided (Used) by Noncapital Financing Activities	(237,810)	3,952,220	3,714,410	0
<u>Cash Flows from Capital and Related Financing Activities:</u>				
Intergovernmental Grants	0	67,882	67,882	0
Acquisition and Construction of Assets	(304,781)	(4,918,359)	(5,223,140)	0
Principal Paid on General Obligation Bonds	0	(130,000)	(130,000)	0
Proceeds from Ohio Water Development Authority Loans	0	2,525,428	2,525,428	0
Principal Paid on Ohio Water Development Authority Loans	0	(486,846)	(486,846)	0
Principal Paid on Ohio Public Works Commission Loan	0	(5,353)	(5,353)	0
Interest Paid on All Debt	0	(885,851)	(885,851)	0
Net Cash Used for Capital and Related Financing Activities	(304,781)	(3,833,099)	(4,137,880)	0
<u>Cash Flows from Investing Activities:</u>				
Sale of Investments	1,143	0	1,143	0
Purchase of Investments	0	(1,390,921)	(1,390,921)	0
Receipts of Interest	0	12,760	12,760	0
Net Cash Provided (Used) by Investing Activities	1,143	(1,378,161)	(1,377,018)	0
Net Increase (Decrease) in Cash and Cash Equivalents	(245,167)	(520,113)	(765,280)	139,276
Cash and Cash Equivalents at Beginning of Year	264,561	612,078	876,639	479,254
Cash and Cash Equivalents at End of Year	\$19,394	\$91,965	\$111,359	\$618,530

(Continued)

**CITY OF OREGON, OHIO**

	Business-Type Activities Enterprise Funds			Governmental Activities Internal Service Funds
	Water	Sewer	Totals	
<u>Reconciliation of Operating Income (Loss) to Net Cash</u>				
<u>Provided by Operating Activities:</u>				
Operating Income (Loss)	(\$418,677)	(\$1,001,984)	(\$1,420,661)	\$142,336
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:				
Miscellaneous Nonoperating Income	16,250	159,193	175,443	0
Depreciation Expense	713,715	1,515,369	2,229,084	0
Changes in Assets and Liabilities:				
Decrease (Increase) in Accounts Receivable	(31,196)	18,862	(12,334)	0
Decrease (Increase) in Inventory	58,558	(562)	57,996	0
Increase in Prepaid Items	(5,166)	(9,945)	(15,111)	(3,060)
Increase (Decrease) in Accounts Payable	(26,172)	57,376	31,204	0
Increase (Decrease) in Accrued Wages and Benefits	(31,257)	19,667	(11,590)	0
Increase (Decrease) in Compensated Absences	20,226	(19,049)	1,177	0
Total Adjustments	714,958	1,740,911	2,455,869	(3,060)
Net Cash Provided by Operating Activities	<u>\$296,281</u>	<u>\$738,927</u>	<u>\$1,035,208</u>	<u>\$139,276</u>

Schedule of Noncash Investing, Capital and Financing Activities:

As of December 31, 2004, the Sewer Fund had an outstanding liability of \$7,990 for the purchase of certain capital assets.

In addition, the Sewer Fund received capital assets from various sources in the amount of \$67,882.

See accompanying notes to the basic financial statements

**CITY OF OREGON, OHIO**

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**Statement of Net Assets  
Fiduciary Funds  
December 31, 2004**

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	<u>Private Purpose Trust</u>	
	<u>Unclaimed Monies Fund</u>	<u>Agency</u>
<b>Assets:</b>		
Cash and Cash Equivalents	\$ 27,038	\$ 56,722
<b>Total Assets</b>	<u>27,038</u>	<u>56,722</u>
<b>Liabilities:</b>		
Intergovernmental Payable	0	27,791
Due to Others	0	28,931
<b>Total Liabilities</b>	<u>0</u>	<u>56,722</u>
Unrestricted	<u>27,038</u>	<u>0</u>
<b>Total Net Assets</b>	<u>\$ 27,038</u>	<u>\$ 0</u>

See accompanying notes to the basic financial statements

**CITY OF OREGON, OHIO**

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***Statement of Changes in Net Assets  
Fiduciary Funds  
For the Year Ended December 31, 2004***

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	<u>Private Purpose Trust</u>	<u>Unclaimed Monies Fund</u>
<b>Additions:</b>		
Contributions:		
Private Donations	\$ 3,923	
Total Additions	<u>3,923</u>	
<b>Deductions:</b>		
Total Deductions	<u>0</u>	
Change in Net Assets	3,923	
Net Assets at Beginning of Year	<u>23,115</u>	
Net Assets End of Year	<u>\$ 27,038</u>	

See accompanying notes to the basic financial statements

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2004***

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

The City of Oregon, 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/Council form of government, was adopted in 1958 and has been amended several times, most recently in 1993.

**A. Reporting Entity**

The accompanying basic financial statements of the City present the financial position of the various fund types, 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, 2004 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).

The accompanying basic financial statements comply with the provisions of the 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 entity has no component units but includes all funds, agencies, boards and commissions that are part of the primary government, which includes the following services: police and fire protection, emergency medical, parks, recreation, cemetery, planning, zoning, street maintenance, judicial administration and other governmental services. In addition, the City owns and operates a water treatment and distribution system and a wastewater treatment and collection system which are reported as enterprise funds.

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, 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 basic financial statements. The following fund types are used by the City:

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2004***

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

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

***Governmental Funds*** - Governmental funds are those funds through which most governmental functions are typically financed. 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 major governmental funds:

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.

Special Assessment - Street Light Fund - This fund is used to account for revenues from general fund transfers and from assessments on real property. Expenditures may only be used to pay for street light operations, including capital improvements.

Special Assessment - Sewer Maintenance Fund - This fund is used to account for revenues from real and personal property taxes and for general fund transfers. Expenditures may only be used for sanitary sewer maintenance costs.

Special Assessment Bond Retirement Fund - This fund is used to accumulate special assessment revenues collected by the County Treasurer and remitted to the City by the County Auditor for payment of assessment bonds.

Water Project Fund - This fund is used to account for revenues and expenditures designated for construction of City waterlines.

***Proprietary Funds*** - All proprietary funds are accounted for on an "economic resources" measurement focus. This measurement focus provides that all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Proprietary fund type operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net total assets.

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 City's major enterprise funds are:

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2004***

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

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

Water Fund – This fund is used to account for the operation of the City’s water service.

Sewer Fund – This fund is used to account for the operation of the City’s sanitary sewer service.

Internal Service Funds - These funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City, or to other governments, on a cost-reimbursement basis. The City has three internal service funds, the Self Insurance Dental / Emergency Room Fund, the Workers’ Compensation Fund and the Medical Spending Fund. These funds are used to account for monies received from city departments to cover the costs related to the self insurance program, potential liabilities for workers’ compensation and for deposits from the employees into the medical cafeteria plan.

***Fiduciary Funds*** - Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations or other governments and therefore not available to support the City’s own programs. The City’s only trust fund is a private purpose trust that accounts for unclaimed monies. The agency funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operation. These funds operate on an accrual basis of accounting.

**C. Basis of Presentation – Financial Statements**

***Government-wide Financial Statements*** – The statement of net assets and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the City that are governmental and those that are considered business-type activities. The activity of the internal service funds is eliminated to avoid “doubling up” revenues and expenses.

The government-wide statements are prepared using the economic resources measurement focus and the accrual basis of accounting. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.



***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2004***

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

**C. Basis of Presentation – Financial Statements (Continued)**

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

**Fund Financial Statements** – Fund financial statements report detailed information about the City. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by fund type.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds are a balance sheet, which generally includes only current assets and current liabilities, and a statement of revenues, expenditures and changes in fund balances, which reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

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

**D. 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.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2004***

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

**D. Basis of Accounting** (Continued)

The modified accrual basis of accounting is followed by the governmental funds. 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, special assessment, and state levied locally shared taxes (including motor vehicle license fees, and local government assistance). Other revenues, including licenses, permits, certain charges for services and miscellaneous revenues, are recorded as revenues when received in cash because generally these revenues are not measurable until actually 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, 2004, but which are not intended to finance 2004 operations and delinquent property taxes, whose availability is indeterminate, are recorded as deferred revenue as further described in Note 6.

The accrual basis of accounting is utilized for reporting purposes by the proprietary funds and fiduciary funds. Revenues are recognized when they are earned and expenses are recognized when they are incurred. Government-Wide Statements are also prepared using the accrual basis of accounting.

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. The City has elected not to apply FASB statements and interpretations issued after November 30, 1989 to its business-type activities and enterprise funds.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2004***

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

**E. 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 appropriation ordinance, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriation ordinance 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. Budgetary control is maintained by not permitting expenditures to exceed appropriations by fund at the major object level (personal services, materials and supplies, contractual services, capital outlay, and transfers) by department without the approval of City Council. Budgetary modifications above the major object level by fund may only be made by ordinance of the City Council.

**1. Tax Budget**

The Finance Director submits an annual tax budget for the following fiscal year to City Council by July 15 for consideration and passage. The adopted budget is submitted to the County Auditor, as Secretary of the County Budget Commission, by July 20 of each year for the period January 1 to December 31 of the following year.

**2. Estimated Resources**

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 if 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 2004

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2004***

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

**E. Budgetary Process** (Continued)

**3. 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. The appropriation ordinance may be amended during the year as additional information becomes available, provided that total fund appropriations do not exceed the current estimated resources as certified. The allocation of appropriations among departments and objects within a fund may be modified during the year by an ordinance of City Council. During the year several supplemental appropriations were necessary to budget the use of contingency funds, major capital improvement projects and intergovernmental grant proceeds. Administrative control is maintained through the establishment of more detailed line-item budgets. The Finance Director may transfer appropriations among line items within a department, within a major object.

**4. 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 basic financial statements.

**5. 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.

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**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2004**

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

**E. Budgetary Process (Continued)**

6. 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 the 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.

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the general fund and the major special revenue funds:

	Net Change In Fund Balance		
	General Fund	Special Assessment Street Lighting Fund	Special Assessment Sewer Maintenance Fund
GAAP Basis (as reported)	\$691,973	\$37,165	(\$42,594)
Increase (Decrease):			
Accrued Revenues at December 31, 2004 received during 2005	(1,857,048)	0	0
Accrued Revenues at December 31, 2003 received during 2004	1,619,115	0	0
Accrued Expenditures at December 31, 2004 paid during 2005	743,648	21,728	296
Accrued Expenditures at December 31, 2003 paid during 2004	(1,245,266)	(31,531)	(583)
2003 Prepays for 2004	97,304	0	0
2004 Prepays for 2005	(111,441)	0	0
Outstanding Encumbrances	(344,407)	(822)	0
Budget Basis	<u>(\$406,122)</u>	<u>\$26,540</u>	<u>(\$42,881)</u>

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2004***

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

**F. Cash and Cash Equivalents**

Cash and cash equivalents include amounts in demand deposits, short-term certificates of deposit and the State Treasury Asset Reserve (STAR Ohio). STAR Ohio is a very liquid investment and is reported as a cash equivalent in the basic financial statements. The certificates of deposit are considered cash equivalents because they are highly liquid investments with original maturity dates of three months or less.

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

**G. Investments**

Investment procedures and interest allocations are restricted by provisions of the Ohio Constitution, the Ohio Revised Code and the Oregon Municipal 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 (certificates of deposit) 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. See Note 5, "Cash, Cash Equivalents and Investments."

The City has invested funds in the STAR Ohio during 2004. 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, 2004.

**H. 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 and as expenses in the proprietary funds when used.

**I. Prepaid Items**

Payments made to vendors for services that will benefit periods beyond December 31, 2004, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2004***

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

**J. Capital Assets and Depreciation**

Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000.

**1. Property, Plant and Equipment - Governmental Activities**

Governmental activities capital assets are those not directly related to the business type funds. These generally are acquired or constructed for governmental activities and are recorded as expenditures in the governmental funds and are capitalized at cost (or estimated historical cost for assets not purchased in recent years). These assets are reported in the Governmental Activities column of the Government-wide Statement of Net Assets, but they are not reported in the Fund Financial Statements.

**2. Property, Plant and Equipment – Business Type Activities**

Contributed capital assets are recorded at fair market value at the date received. Capital assets include land, buildings, building improvements, machinery, equipment and infrastructure. Infrastructure is defined as long-lived capital assets that normally are stationary in nature and normally can be preserved for a significant number of years. Examples of infrastructure include roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems. Estimated historical costs for governmental activities capital asset values were initially determined by identifying historical costs when such information was available. In cases where information supporting original cost was not obtainable, estimated historical costs were developed. For certain capital assets, the estimates were arrived at by indexing estimated current costs back to the estimated year of acquisition.

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 where applicable. Contributed capital assets are recorded at fair market value at the date received. These assets are reported in both the Business-Type Activities column of the Government-wide Statement of Net Assets and in the respective funds.

**3. Depreciation**

All capital assets are depreciated, excluding land and construction in progress. Depreciation has been provided using the straight-line method over the following estimated useful lives:

<u>Description</u>	<u>Governmental and Business-Type Activities Estimated Lives (in years)</u>
Buildings	20 - 40
Improvements other than Buildings/Infrastructure	10 - 50
Machinery, Equipment, Furniture and Fixtures	5 - 10

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2004***

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

**K. Long-Term Obligations**

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

<u>Obligation</u>	<u>Fund</u>
General Obligation Bonds	General Obligation Bond Retirement Fund Sewer Fund
Special Assessment Bonds	Special Assessment Bond Retirement Fund
Ohio Water Development Authority Loans	Special Assessment Bond Retirement Fund Sewer Fund
Ohio Public Works Commission Loan	General Obligation Bond Retirement Fund Sewer Fund
Promissory Notes	General Obligation Bond Retirement Fund
Police and Firemen's Pension Accrued Liability	General Fund
Compensated Absences	General Fund Emergency Medical Services Operating Fund Recreation Fund, Water Fund, Sewer Fund

**L. Compensated Absences**

All full-time City employees earn vacation at varying rates based upon length of service. Carryovers are allowed by contracts up to 40 hours for bargaining contracts and 120 hours for non-bargaining legislation. Any additions require legislative approval. Upon separation from the City, the employee (or his estate) is paid for his accumulated unused vacation leave balance.

All full-time City employees earn sick leave at the rate of 1.25 days per calendar month of active service. Upon retirement from the City's service, an employee receives one hour of monetary compensation for each two hours of unused sick leave. The monetary compensation is equal to the hourly rate of compensation of the employee 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, that portion of unpaid compensated absences that has matured and is 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 in the account "Compensated Absences Payable." In the government wide statement of net assets, "Compensated Absences Payable" is recorded within the "Due within one year" account and the long-term portion of the liability is recorded within the "Due in more than one year" account. Compensated absences are expensed in the proprietary funds when earned and the related liability is reported within the fund.



***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2004***

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

**M. Net Assets**

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

The City applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

**N. Pensions**

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

**O. Interfund Activity**

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

**P. 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 and materials, prepaid expenditures, endowments, debt service and encumbered amounts which have not been accrued at year end.

**Q. Estimates**

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

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2004**

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

**R. Operating Revenues and Expenses**

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for services for water treatment and distribution, wastewater collection and treatment, maintenance of storm water collection systems and collection of solid waste refuse. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**S. Extraordinary and Special Items**

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the City Council and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during fiscal year 2004.

**NOTE 2 – RESTATEMENT OF FUND BALANCES**

**Prior Period Adjustments** - During the year ended December 31, 2003, it was determined that OWDA Loans payable, OPWC Loans payable and Special Assessment Bonds payable were misstated in the Governmental Activities. It was also determined that monies (proceeds) related to the OWDA Loans payable and the OPWC Loans payable were also misstated. It was also determined that grants receivable were misstated. In addition, construction in progress related to capital assets in the Water and Sewer Funds was restated. The adjustments had the following effect on fund balances:

	All Other Major Governmental Funds	Special Assessment Bond Retirement Fund	Water Project Fund	Other Governmental Funds	Total
Fund Balance at December 31, 2003 as reported	\$6,740,321	\$142,238	\$2,408,618	\$9,474,756	\$18,765,933
Correction of Accounting Error for loan proceeds	0	14,464	(454,149)	64,780	(374,905)
Fund Balance at December 31, 2003 as restated	<u>\$6,740,321</u>	<u>\$156,702</u>	<u>\$1,954,469</u>	<u>\$9,539,536</u>	<u>\$18,391,028</u>

	Water Fund	Sewer Fund	Total
Net Assets at December 31, 2003 as reported	\$20,313,705	\$21,993,206	\$42,306,911
Correction of Accounting Error for loan proceeds	0	(42,539)	(42,539)
Restate Capital Assets	(6,776,185)	8,998,029	2,221,844
Net Assets at December 31, 2003 as restated	<u>\$13,537,520</u>	<u>\$30,948,696</u>	<u>\$44,486,216</u>

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2004**

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**NOTE 2 – RESTATEMENT OF FUND BALANCES (Continued)**

The changes to the beginning fund balances had the following effect on the governmental activities and the business-type activities beginning net assets:

	<u>Governmental Activities</u>	<u>Business Type Activities</u>
Net Assets December 31, 2003 as reported	\$48,931,119	\$42,361,185
Adjustments:		
Correction of Accounting Error for loan proceeds	(374,905)	(42,539)
Correction of Accounting Error for long-term debt	542,759	0
Correction of Accounting Error for grant receivable	(119,757)	0
Restate Capital Assets	<u>0</u>	<u>2,221,844</u>
Net Assets December 31, 2003 as restated	<u>\$48,979,216</u>	<u>\$44,540,490</u>

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

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

The governmental fund balance sheet includes a reconciliation between fund balance – total governmental funds and net assets of governmental funds as reported in the government-wide statement of net assets. The following is a detailed listing of those reconciling items that are net adjustments or a combination of several transactions:

*Other long-term assets not available to pay for current-period expenditures:*

Delinquent Income Tax Revenue	\$133,739
Delinquent Property Tax Revenue	375,500
Shared Revenues	1,386,475
Interest Revenues	84,934
Special Assessment Revenue	<u>11,848,364</u>
	\$13,829,012

*Long-Term liabilities not reported in the funds:*

Special Assessment Bonds Payable	(\$1,464,515)
General Obligation Bonds Payable	(980,000)
OPWC Loans Payable	(2,341,149)
OWDA Loans Payable	(10,630,956)
Accrued Pension Liability	(56,456)
Accrued Interest on Long-Term Debt	(3,936)
Compensated Absences Payable	<u>(1,703,667)</u>
	(\$17,180,679)

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2004***

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

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

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net assets of governmental activities as reported in the government – wide statement of activities. The following is a detailed listing of those reconciling items that are net adjustments or a combination of several transactions:

*Amount by which depreciation exceeded capital outlay in the current period:*

Capital Outlay	\$829,971
Depreciation Expense	<u>(1,969,213)</u>
	(\$1,139,242)

*Governmental revenues not reported in the funds:*

Decrease in Delinquent Income Tax Revenue	(\$382,022)
Increase in Delinquent Property Tax	130,425
Increase in Shared Revenue	67,845
Increase in Interest Revenue	42,924
Increase in Special Assessment Revenue	<u>2,721,457</u>
	\$2,580,629

*Expenses not requiring the use of current financial resources:*

Increase in Compensated Absences Payable	(\$221,534)
Decrease in supplies inventory	<u>(56,481)</u>
	(\$278,015)

**NOTE 4 - COMPLIANCE AND ACCOUNTABILITY**

**A. Fund Deficits**

The fund deficit at December 31, 2004 of \$34,456 in the Police Fund arose from the recognition of expenditures on the modified accrual basis of accounting which are greater than expenditures recognized on the budgetary basis. The fund deficits at December 31, 2004 of \$242,619 in the Fire Pumper Equipment Fund, \$201,831 in the Street Construction Fund and \$222,359 in the Parkland Acquisition Fund (capital projects funds) were created from recording notes payable amounts in the individual fund balance sheets. Deficits do not exist under the cash basis of accounting. The general fund provides operating transfers when cash is required, not when accruals occur.

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2004**

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**NOTE 4 - COMPLIANCE AND ACCOUNTABILITY (Continued)**

**B. Expenditures Exceeding Appropriations**

Section 5704.41 (B), Ohio Revised Code, states no subdivision shall make any expenditure of money unless it has been appropriated. Section 5704.41 (D), Ohio Revised Code, states in part that encumbrances should be charged against proper appropriations and actual disbursements plus outstanding encumbrances should not be greater than the total appropriations. The following fund had expenditures in excess of appropriations:

<u>Fund</u>	<u>Final Appropriations</u>	<u>Expenditures</u>	<u>Variance</u>
General Fund:			
General Government:			
Mayor's Office:			
Contractual Services	\$81,313	\$84,526	(\$3,213)
Non-Departmental:			
Contractual Services	144,699	146,473	(1,774)

**C. Appropriations Exceeding Estimated Resources**

The following funds had final appropriations exceeding estimated resources contrary to Ohio Revised Code Section 5705.39:

<u>Fund</u>	<u>Estimated Resources</u>	<u>Appropriations</u>	<u>Excess</u>
<u>Special Revenue Funds:</u>			
Special Assessment -			
Sewer Maintenance	\$193,081	\$201,783	(\$8,702)
Recreation	577,197	622,242	(45,045)
Community Development			
Block Grant	75,389	155,540	(80,151)
Solid Waste, Bonds and CIP	1,730,897	1,843,158	(112,261)
Local Law Enforcement Block Grant	18,766	24,750	(5,984)
Police Grants	55,525	83,237	(27,712)
<u>Capital Projects Funds:</u>			
Fire Pumper Equipment	355,330	356,043	(713)
Street Construction	1,257,592	1,547,175	(289,583)

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2004***

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**NOTE 4 - COMPLIANCE AND ACCOUNTABILITY (Continued)**

**D. Negative Cash Fund Balance**

The following funds had negative cash fund balances at year end, contrary to Ohio Revised Code Section 5705.10:

<u>Fund</u>	<u>Cash Fund Balance</u>
<u>Special Revenue Funds:</u>	
Community Development	
Block Grant	(\$7,499)
Solid Waste, Bonds and CIP	(78,790)
<u>Capital Projects Fund:</u>	
Water Project	(621,727)

**NOTE 5 - CASH, CASH EQUIVALENTS AND INVESTMENTS**

Cash resources of several individual funds are combined to form a pool of cash, cash equivalents and investments. In addition, investments are separately held by a number of individual funds. 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 or 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;

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2004***

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

- 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).

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

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 Uncollateralized with securities held by the pledging financial institution's trust department or agent, but not in the City's name.

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2004**

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

*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 \$13,123,630 and the bank balance was \$14,782,890. The Federal Deposit Insurance Corporation (FDIC) covered \$300,000 of the bank balance. All remaining deposits were classified as Category 3.

Investment earnings of \$242,380 earned by other funds were credited to the general fund as required by local statute.

**B. Investments**

The City's investments at December 31, 2004 are summarized below:

<u>Categorized Investments</u>	<u>Category 1</u>	<u>Category 2</u>	<u>Fair Value</u>
U.S. Government Securities	\$0	\$7,049,157	\$7,049,157
City of Oregon Special Assessment Bonds	1,019,713	0	1,019,713
Total Categorized Investments	1,019,713	7,049,157	8,068,870
<u>Non-Categorized Investments</u>			
STAR Ohio	N/A	N/A	105,467
Total Investments	\$1,019,713	\$7,049,157	\$8,174,337



**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2004**

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

**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. 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	\$3,357,228	\$17,940,739
Certificates of Deposit (with maturities of more than 3 months)	9,871,869	(9,871,869)
Investments:		
STAR Ohio	(105,467)	105,467
Per GASB Statement No. 3	<u>\$13,123,630</u>	<u>\$8,174,337</u>

\* Includes cash with fiscal agent.

**NOTE 6 - TAXES**

**A. Property Taxes**

Property taxes include amounts levied against all real estate and public utility property, and tangible personal property used in business and located in the City. Real property taxes (other than public utility) collected during 2004 were levied after October 1, 2003 on assessed values as of January 1, 2003, the lien date. Assessed values were established by the County Auditor at 35% of appraised market value. All property is required to be revalued every six years. The last revaluation was completed in 2000 and the equalization adjustment was completed in 2004. Real property taxes are payable annually or semi-annually. The first payment is due January 20; the remainder is payable by June 20.

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% 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 is payable by September 20.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2004***

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**NOTE 6 - TAXES (Continued)**

**A. Property Taxes (Continued)**

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 100% of its true value. Public utility property taxes are payable on the same dates as real property described previously.

The County Treasurer collects property taxes on behalf of all taxing districts in the County including the City of Oregon. 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, 2004 was \$3.50 per \$1,000 of assessed value. The assessed value upon which the 2004 tax receipts were based was \$578,661,914. This amount constitutes \$420,220,590 in real property assessed value, \$41,743,480 in public utility assessed value and \$116,697,844 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 0.350% (3.50 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 either monthly or quarterly, as required. Corporations and other individual taxpayers are required to pay their estimated tax quarterly and file a declaration annually.

**NOTE 7 - RECEIVABLES**

Receivables at December 31, 2004 consisted of taxes, interest, interfund receivables, accounts receivable, special assessments and intergovernmental receivables.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2004***

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**NOTE 8 - TRANSFERS**

Following is a summary of operating transfers in and out for all funds for 2004:

Fund	Transfer In	Transfer Out
Governmental Activities:		
General Fund	\$978,629	\$2,215,167
Special Assessment Bond Retirement Fund	533,760	0
Water Project Fund	0	2,727,562
Other Governmental Funds	3,207,425	3,044,923
Total Governmental Transfers	<u>4,719,814</u>	<u>7,987,652</u>
Business Type Activities:		
Water Fund	209,337	447,147
Sewer Fund	4,190,115	684,467
Total Business Type Transfers	<u>4,399,452</u>	<u>1,131,614</u>
Totals	<u><u>\$9,119,266</u></u>	<u><u>\$9,119,266</u></u>

GAAP basis transfers were made from the Water Project Fund to the Sewer Fund for capital expenditures made during the year because the money for these capital expenditures was receipted into the capital projects funds. These transfers amounted to \$2,727,562.

Transfers of \$3,267,838 on the government-wide financial statements were made to provide additional resources for current operations. Transfers of \$5,851,428 were eliminated since they were within the governmental and business-type activities.

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**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2004**

**NOTE 9 - CAPITAL ASSETS**

**A. Governmental Activities Capital Assets**

Summary by category of changes in governmental activities capital assets at December 31, 2004:

**Historical Cost:**

Class	December 31, 2003	Additions	Deletions	Transfers	December 31, 2004
<i>Capital assets not being depreciated:</i>					
Land	\$5,230,927	\$50,632	(\$1,797)	\$0	\$5,279,762
Construction in Progress	767,762	155,697	0	0	923,459
Subtotal	5,998,689	206,329	(1,797)	0	6,203,221
<i>Capital assets being depreciated:</i>					
Buildings and Improvements	7,287,555	60,053	0	0	7,347,608
Machinery and Equipment	4,188,177	116,074	(52,869)	(651,000)	3,600,382
Vehicles	5,136,326	316,743	(150,064)	651,000	5,954,005
Infrastructure	38,917,183	166,098	0	0	39,083,281
Subtotal	55,529,241	658,968	(202,933)	0	55,985,276
Total Cost	\$61,527,930	\$865,297	(\$204,730)	\$0	\$62,188,497

**Accumulated Depreciation:**

Class	December 31, 2003	Additions	Deletions	Deletions	December 31, 2004
Buildings and Improvements	(\$4,464,889)	(\$299,320)	\$1,797	\$0	(\$4,762,412)
Machinery and Equipment	(2,449,897)	(273,354)	41,423	162,750	(2,519,078)
Vehicles	(3,657,107)	(452,959)	126,184	(162,750)	(4,146,632)
Infrastructure	(15,598,161)	(943,580)	0	0	(16,541,741)
Total Depreciation	(\$26,170,054)	(\$1,969,213) *	\$169,404	\$0	(\$27,969,863)
<b>Net Value:</b>	\$35,357,876				\$34,218,634

\* Depreciation expenses were charged to governmental functions as follows:

Security of Persons and Property	\$481,612
Public Health and Welfare Services	9,523
Leisure Time Activities	144,734
Community Environment	5,260
Transportation	1,149,761
General Government	178,323
Total Depreciation Expense	\$1,969,213

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2004**

**NOTE 9 - CAPITAL ASSETS (continued)**

**B. Business-Type Activities Capital Assets**

Summary by Category at December 31, 2004:

<i>Historical Cost:</i>	Restated December 31, 2003	Additions	Deletions	December 31, 2004
Class				
<i>Capital assets not being depreciated:</i>				
Land	\$1,737,645	\$0	\$0	\$1,737,645
Construction in Progress	12,113,834	4,994,990	0	17,108,824
Subtotal	13,851,479	4,994,990	0	18,846,469
<i>Capital assets being depreciated:</i>				
Buildings and Distributions	50,653,625	20,224	(3,387)	50,670,462
Machinery and Equipment	23,533,543	78,303	0	23,611,846
Vehicles	775,593	67,168	0	842,761
Subtotal	74,962,761	165,695	(3,387)	75,125,069
Total Cost	\$88,814,240	\$5,160,685	(\$3,387)	\$93,971,538
<i>Accumulated Depreciation:</i>				
Class	December 31, 2003	Additions	Deletions	December 31, 2004
Buildings and Distributions	(\$25,734,268)	(\$1,632,452)	\$0	(\$27,366,720)
Machinery and Equipment	(11,919,056)	(549,312)	3,387	(12,464,981)
Vehicles	(676,315)	(47,320)	0	(723,635)
Total Depreciation	(\$38,329,639)	(\$2,229,084)	\$3,387	(\$40,555,336)
<i>Net Value:</i>	\$50,484,601			\$53,416,202

**NOTE 10 – DEFINED BENEFIT PENSION PLANS**

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

**A. 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.”

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2004***

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**NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)**

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

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 that has elements of both a defined benefit and defined contribution 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) 222-6701 or 1-800-222-7377.

The Ohio Revised Code provides statutory authority for employee and employer contributions. For 2004, employee and employer contribution rates were consistent across all three plans (TP, MD and CO). The employee contribution rate is 8.5%. The 2004 employer contribution rate for local government employer units was 13.55%, of covered payroll, 9.55% to fund the pension and 4.0% 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. The City's contributions to the Ohio PERS for the years ending December 31, 2004, 2003 and 2002 were \$958,792, \$862,181 and \$917,237, respectively, which were equal to the required contributions for each year.

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 2004 employer contribution rate (identified above) that was used to fund health care for the year 2004 was 4.0% of covered payroll which amounted to \$283,038.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2004***

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**NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)**

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

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, 2003. 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 2003 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 plus an additional factor ranging from 1% to 6% for the next 8 years. In subsequent years (9 and beyond) health care costs were assumed to increase 4% (the projected wage inflation rate).

Benefits are advanced-funded on an actuarially determined basis. The number of active contributing participants was 369,885. The actuarial value of the Ohio PERS net assets available for OPEB at December 31, 2003 is \$10.5 billion. The actuarially accrued liability and the unfunded actuarial accrued liability, based on the actuarial cost method used, were \$26.9 billion and \$16.4 billion, respectively.

On September 9, 2004, the OPERS Retirement Board adopted a Health Care Preservation Plan (HCPP) with an effective date of January 1, 2007. The HCPP restructures Ohio PERS’ health care coverage to improve the financial solvency of the fund in response to skyrocketing health care costs.

Under the HCPP, retirees eligible for health care coverage will receive a graded monthly allocation based on their years of service at retirement. The Plan incorporates a cafeteria approach, offering a broad range of health care options that allow benefit recipients to use their monthly allocation to purchase health care coverage customized to meet their individual needs. If the monthly allocation exceeds the cost of the options selected, the excess is deposited into a Retiree Medical Account that can be used to fund future health care expenses.

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

All City full-time police officers and full-time firefighters 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.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2004***

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**NOTE 10 – 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% and 24.0% respectively for police officers and firefighters. The City's contributions to the OP&F Fund for the years ending December 31, 2004, 2003 and 2002 were \$518,697, \$502,470 and \$482,638 for police and \$159,758, \$154,065 and \$148,692 for firefighters, respectively, 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 2004 covered payroll that was used to fund postemployment health care benefits was \$206,149 representing 7.75% of covered payroll for police and \$51,589 representing 7.75% of covered payroll for fire. 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, 2003, the date of the last actuarial evaluation available, the number of participants eligible to receive health care benefits was 13,662 for police and 10,474 for firefighters. 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, 2003 were \$150,853,148, which was net of member contributions of \$17,207,506.

**NOTE 11 - COMPENSATED ABSENCES**

In accordance with GASB Statement No. 16, "*Accounting for Compensated Absences*," vacation and compensatory time are accrued as liabilities when an employee's right to receive compensation is attributable to services already rendered and it is probable that the employee will be compensated through paid time off or some other means, such as cash payments at termination or retirement. Leave time that has been earned but is unavailable for use as paid time off or as some other form of compensation because an employee has not met the minimum service time requirement, is accrued to the extent that it is considered to be probable that the conditions for compensation will be met in the future.



**CITY OF OREGON, OHIO**

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2004**

**NOTE 11 - COMPENSATED ABSENCES (Continued)**

Sick leave is accrued using the vesting method, whereby the liability is recorded on the basis of leave accumulated by employees who are eligible to receive termination payments as of the balance sheet date, and on leave balances accumulated by other employees who are expected to become eligible in the future to receive such payments.

At December 31, 2004, the City's accumulated, unpaid compensated absences amounted to \$2,273,250, of which \$1,703,667 is recorded as a liability of the Governmental Activities and \$569,583 is recorded as a liability of the Business-Type Activities.

**NOTE 12 - LONG-TERM DEBT**

Long-term debt of the City at December 31, 2004 was as follows:

	Restated Balance December 31, 2003	Issued	(Retired)	Balance December 31, 2004	Amount Due Within One Year
<b>Governmental Activities Long-Term Debt:</b>					
General Obligation Bond:					
3.20% Court Administration Building	\$1,150,000	\$0	(\$170,000)	\$980,000	\$175,000
Special Assessment Bonds Payable with Governmental Commitment:					
6.95% Wynnscape/Lallendorf	208,100	0	(20,300)	187,800	21,700
6.75% Lallendorf/Dustin	51,300	0	(8,100)	43,200	8,650
5.50% Pickle Road Sewer Construction	15,814	0	(965)	14,849	1,018
5.62% Coy Road Sanitary Sewer	64,323	0	(3,491)	60,832	3,687
5.25% York Street Waterline	271,000	0	(14,000)	257,000	14,000
5.00% Lallendorf Road Sanitary Sewer	15,884	0	(1,213)	14,671	1,306
5.00% Corduroy Road Waterline	83,151	0	(5,834)	77,317	6,129
5.00% Shore/Yarrow Waterline Ext.	41,075	0	(2,571)	38,504	2,701
5.50% Navarre Sanitary Sewer	129,013	0	(7,839)	121,174	8,276
5.50% Spartan Infrastructure	269,176	0	(16,355)	252,821	17,267
5.03% Lallendorf Sewer Phase 1	144,384	0	(8,136)	136,248	8,545
5.03% Lallendorf Sewer Phase 2	36,813	0	(2,074)	34,739	2,179
5.03% Lallendorf Sewer Phase 3	43,173	0	(2,433)	40,740	2,555
5.03% Stadium Road Waterline	145,431	0	(8,195)	137,236	8,607
5.03% Sugarbush Waterline	38,421	0	(2,165)	36,256	2,274
4.90% Seaman Road Sewer Phase 1	11,762	0	(635)	11,127	667
Total Special Assessment Bonds Payable with Governmental Commitment	1,568,820	0	(104,306)	1,464,514	109,561

(Continued)

**CITY OF OREGON, OHIO**

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2004**

**NOTE 12 - LONG-TERM DEBT (Continued)**

	Restated Balance December 31, 2003	Issued	(Retired)	Balance December 31, 2004	Amount Due Within One Year	
<b>Governmental Activities Long-Term Debt:</b>						
Ohio Public Works Commission Loans:						
0.00%	Sanitary Sewer Reconstruction	31,399	0	(7,850)	23,549	7,850
0.00%	Lallendorf Road Storm Sewer Improvements	187,285	0	(46,821)	140,464	46,821
0.00%	Raw Water Intake Rehabilitation	152,768	0	(25,461)	127,307	25,461
0.00%	Zebra Mussel Control - Raw Water Intake	278,446	0	(15,470)	262,976	15,470
0.00%	Water Plant Renovations - Phase I	377,480	0	(19,867)	357,613	19,867
0.00%	Water Treatment Plant Improvements - Phase II	392,106	0	(20,108)	371,998	20,108
0.00%	Bayshore Bridge	25,007	0	(2,779)	22,228	2,779
0.00%	Water Treatment Plant Improvements - Phase III	283,120	216,880	(25,000)	475,000	25,000
0.00%	Water Treatment Plant Improvements - Phase IV	0	560,014	0	560,014	30,700
	<b>Total Ohio Public Works Commission Loans</b>	<b>1,727,611</b>	<b>776,894</b>	<b>(163,356)</b>	<b>2,341,149</b>	<b>194,056</b>
Ohio Water Development Authority Loans:						
2.00%	Oakdale Sanitary Sewer	31,972	0	(4,301)	27,671	4,387
7.36%	Norden/Cedar Point Waterline	43,598	0	(9,767)	33,831	10,486
8.35%	Brown Road Waterline	6,592	0	(1,270)	5,322	1,376
4.28%	Waterplant Renovation - Phase I & II	8,897,290	0	(212,817)	8,684,473	434,395
3.65%	Waterplant Renovation - Phase III	1,237,045	718,650	(76,035)	1,879,660	75,835
	<b>Total Ohio Water Development Authority Loans Payable</b>	<b>10,216,497</b>	<b>718,650</b>	<b>(304,190)</b>	<b>10,630,957</b>	<b>526,479</b>
	Compensated Absences	1,482,133	1,703,667	(1,482,133)	1,703,667	606,415
	Police and Firemen's Pension Accrued Liability	57,350	0	(894)	56,456	933
	<b>Total Governmental Activities Long-Term Debt</b>	<b>\$16,202,411</b>	<b>\$3,199,211</b>	<b>(\$2,224,879)</b>	<b>\$17,176,743</b>	<b>\$1,612,444</b>
<b>Business-Type Long-Term Debt:</b>						
General Obligation Bond:						
3.25%	Sewer Improvement	\$2,685,000	\$0	(\$130,000)	\$2,555,000	\$135,000
Ohio Public Works Commission Loan:						
0.00%	Sanitary Sewer Reconstruction	5,353	0	(5,353)	0	0
Ohio Water Development Authority Loans:						
7.51%	Bayshore Sewer (1063)	1,661,412	0	(189,015)	1,472,397	203,210
8.35%	Chlorination (0954)	340,656	0	(65,622)	275,034	71,102
2.20%	North Oregon Sewer (SRFA)	359,063	0	(29,189)	329,874	29,835
4.80%	North Oregon Sewer (SRFB)	259,395	0	0	259,395	0
3.80%	Seaman Road Trunk Sewer - Phase I	1,421,359	0	(61,094)	1,360,265	63,437
3.95%	Seaman Road Trunk Sewer - Phase II	2,144,436	120,602	(83,097)	2,181,941	86,411
3.50%	Stadium Road Sewer	459,117	2,404,826	(58,829)	2,805,114	120,106
	<b>Total Ohio Water Development Authority Loans</b>	<b>6,645,438</b>	<b>2,525,428</b>	<b>(486,846)</b>	<b>8,684,020</b>	<b>574,101</b>
	Compensated Absences	568,406	569,583	(568,406)	569,583	171,065
	<b>Total Business-Type Activities Long-Term Debt</b>	<b>\$9,904,197</b>	<b>\$3,095,011</b>	<b>(\$1,190,605)</b>	<b>\$11,808,603</b>	<b>\$880,166</b>

**CITY OF OREGON, OHIO**

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2004**

**NOTE 12 - LONG-TERM DEBT (Continued)**

Long-term debt of the City at December 31, 2004 was as follows:

	Date of Issue	Original Issue	Final Maturity Date	
<b>Governmental Activities Long-Term Debt:</b>				
General Obligation Bond:				
3.20%	Court Administration Building	1998	\$1,800,000	2009
Special Assessment Bonds Payable with Governmental Commitment:				
6.95%	Wynnscape/Lallendorf	1993	360,900	2011
6.75%	Lallendorf/Dustin	1993	108,770	2013
5.50%	Pickle Road Sewer Construction	1995	21,928	2015
5.62%	Coy Road Sanitary Sewer	1996	84,085	2016
5.25%	York Street Waterline	1997	332,000	2017
5.00%	Lallendorf Road Sanitary Sewer	1998	20,542	2013
5.00%	Corduroy Road Waterline	1998	103,807	2014
5.00%	Shore/Yarrow Waterline Ext.	2001	48,068	2015
5.50%	Navarre Sanitary Sewer	2000	150,133	2015
5.50%	Spartan Infrastructure	2000	313,240	2015
5.03%	Lallendorf Sewer Phase 1	2001	155,817	2016
5.03%	Lallendorf Sewer Phase 2	2001	39,727	2016
5.03%	Lallendorf Sewer Phase 3	2001	46,591	2016
5.03%	Stadium Road Waterline	2001	156,948	2016
5.03%	Sugarbush Waterline	2001	41,464	2016
5.03%	Seaman Road Sewer Phase 1	2003	11,762	2017
Total Special Assessment Bonds Payable with Governmental Commitment			1,995,782	
Ohio Public Works Commission Loans:				
0.00%	Sanitary Sewer Reconstruction	1997	78,499	2008
0.00%	Lallendorf Road Storm Sewer Improvements	1998	468,212	2008
0.00%	Raw Water Intake Rehabilitation	2000	254,612	2010
0.00%	Zebra Mussel Control - Raw Water Intake	1999	309,384	2022
0.00%	Water Plant Renovations - Phase I	1999	556,627	2023
0.00%	Water Treatment Plant Improvements - Phase II	2001	430,371	2023
0.00%	Bayshore Bridge	2003	27,785	2013
0.00%	Water Treatment Plant Improvements - Phase III	2003	500,000	2024
0.00%	Water Treatment Plant Improvements - Phase IV	2004	560,014	2025
Total Ohio Public Works Commission Loans			3,185,504	
Ohio Water Development Authority Loans:				
2.00%	Oakdale Sanitary Sewer	1993	74,064	2010
7.36%	Norden/Cedar Point Waterline	1993	155,545	2007
8.35%	Brown Road Waterline	1993	15,511	2008
4.28%	Waterplant Renovation - Phase I & II	2002	9,709,603	2022
3.65%	Waterplant Renovation - Phase III	2003	1,237,045	2024
Total Ohio Water Development Authority Loans Payable			11,191,768	
Police and Firemen's Pension Accrued Liability		1968	66,448	2035
Total Governmental Activities Long-Term Debt			\$18,239,502	

(Continued)

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2004**

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**NOTE 12 - LONG-TERM DEBT (Continued)**

**Business-Type Long-Term Debt:**

General Obligation Bond:				
3.25%	Sewer Improvement	1998	\$3,270,000	2018
Ohio Public Works Commission Loan:				
0.00%	Sanitary Sewer Reconstruction	1994	107,041	2004
Ohio Water Development Authority Loans:				
7.51%	Bayshore Sewer (1063)	1993	3,043,455	2010
8.35%	Chlorination (0954)	1993	801,280	2008
2.20%	North Oregon Sewer (SRFA)	1995	594,919	2015
4.80%	North Oregon Sewer (SRFB)	1995	503,343	2015
3.80%	Seaman Road Trunk Sewer - Phase I	2001	1,478,707	2022
3.95%	Seaman Road Trunk Sewer - Phase II	2002	2,265,038	2023
3.50%	Stadium Road Sewer	2003	2,863,943	2023
Total Ohio Water Development Authority Loans			<u>11,550,685</u>	
Total Business-Type Activities Long-Term Debt			<u>\$14,927,726</u>	

**A. Special Assessments**

The principal amount of the City's special assessment debt outstanding at December 31, 2004 \$1,464,514, 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. The fund balance of \$112,577 in the Special Assessment Bond Retirement Fund at December 31, 2004 is reserved for the retirement of outstanding special assessment bonds. Delinquent special assessments at year end were \$118,311.

**B. Ohio Water Development Authority Loans**

The following are the significant ongoing projects being funded through OWDA:

In 2001, the City entered into an agreement with the OWDA, as administrator for the U. S. Environmental Protection Agency (EPA), for the City to receive two loans of \$12,175,838 and \$1,664,972, respectively. The amounts are subject to change and have not been finalized. The interest rates on the loans are 4.28% and 3.8%, respectively, per annum. These loans are payable from sewer charges and are received by the City in increments as the projects are completed. As of December 31, 2004, the City had received \$9,709,843 towards the first loan from OWDA and \$1,536,860 towards the second loan from OWDA. Subsequent amounts will be received in future years. An estimate of future financing requirements has been made based on the loan balances of \$8,684,473 and \$1,360,265 at December 31, 2004.

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2004**

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**NOTE 12 - LONG-TERM DEBT (Continued)**

**B. Ohio Water Development Authority Loans (Continued)**

In 2003, the City entered into an agreement with the OWDA, as administrator for the U. S. Environmental Protection Agency (EPA), for the City to receive a loan of \$2,386,204. The amount is subject to change and has not been finalized. The interest rate on the loan is 3.95% per annum. The loan is payable from sewer charges and is received by the City in increments as the project is completed. As of December 31, 2004, the City had received \$2,265,038 towards this loan from OWDA. Subsequent amounts will be received in future years. An estimate of future financing requirements has been made based on the loan balance of \$2,181,941 at December 31, 2004.

In 2004, the City entered into an agreement with the OWDA, as administrator for the U. S. Environmental Protection Agency (EPA), for the City to receive two loans of \$2,191,197 and \$3,344,197, respectively. The amounts are subject to change and have not been finalized. The interest rates on the loans are 3.65% and 3.50%, respectively, per annum. These loans are payable from sewer charges and are received by the City in increments as the projects are completed. As of December 31, 2004, the City had received \$1,955,694 towards the first loan from OWDA and \$2,863,943 towards the second loan from OWDA. Subsequent amounts will be received in future years. An estimate of future financing requirements has been made based on the loan balances of \$1,879,659 and \$2,805,114 at December 31, 2004.

**C. Police and Firemen's Pension Fund**

The City's liability for past service costs relating to the Police and Firemen's Pension Fund at December 31, 2004 was \$56,456 in principal and \$44,728 in interest payments through the year 2035. Only the principal amount is included in the Governmental Activities Long-Term Debt.

**D. 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, 2004, follows:

Years	<u>Governmental Activities</u>			
	<u>General Obligation Bonds</u>		<u>Special Assessment Bonds</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2005	\$175,000	\$41,148	\$109,561	\$80,211
2006	190,000	34,147	116,166	73,938
2007	195,000	26,358	123,027	67,277
2008	205,000	17,957	130,188	60,218
2009	215,000	9,138	127,353	52,743
2010-2014	0	0	635,239	154,451
2015-2018	0	0	222,980	17,580
Totals	<u>\$980,000</u>	<u>\$128,748</u>	<u>\$1,464,514</u>	<u>\$506,418</u>

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2004**

**NOTE 12 - LONG-TERM DEBT (Continued)**

**D. Principal and Interest Requirements (Continued)**

Years	OWDA Loans		OPWC Loans		Police/Firemen's Pension Accrued Liability	
	Principal	Interest	Principal	Interest	Principal	Interest
2005	\$500,369	\$509,703	194,056	\$0	\$933	\$2,390
2006	522,285	487,787	194,049	0	973	2,349
2007	545,179	464,893	194,049	0	1,015	2,308
2008	555,200	440,986	139,378	0	1,058	2,264
2009	627,496	444,965	139,384	0	1,104	2,219
2010-2014	2,407,192	2,186,119	589,520	0	6,272	10,339
2015-2019	2,930,464	866,848	557,114	0	7,741	8,873
2020-2024	2,542,772	193,813	312,376	0	9,551	7,061
2025-2035	0	0	21,223	0	27,809	6,925
Totals	<u>\$10,630,957</u>	<u>\$5,595,114</u>	<u>\$2,341,149</u>	<u>\$0</u>	<u>\$56,456</u>	<u>\$44,728</u>

**Business-Type Activities**

Years	General Obligation Bonds		OWDA Loans	
	Principal	Interest	Principal	Interest
2005	\$135,000	\$115,474	\$574,101	\$404,596
2006	140,000	110,074	606,080	372,619
2007	145,000	104,404	667,400	350,729
2008	155,000	98,386	657,900	313,196
2009	870,000	377,694	646,844	275,222
2010-2014	1,110,000	157,945	2,290,975	975,601
2015-2019	0	0	2,102,695	566,886
2020-2024	0	0	1,138,025	164,031
Totals	<u>\$2,555,000</u>	<u>\$963,977</u>	<u>\$8,684,020</u>	<u>\$3,422,880</u>

**E. Defeasance of General Obligation Debt**

In December 1998, the City defeased \$1,810,000 of General Obligation Bonds for Municipal Building Improvements dated June 1, 1989 (the "1989 Bonds") through the issuance of \$1,800,000 of General Obligation Bonds for Municipal Building Improvements (the "1998 Bonds"). The net proceeds of the 1998 Bonds have been invested in obligations guaranteed as to both principal and interest by the United States and placed in irrevocable escrow accounts which, including interest earned, will be used to pay the principal and interest on the refunded bonds. The refunded bonds, which have an outstanding balance of \$1,000,000 at December 31, 2004 are not included in the City's outstanding debt since the City has in-substance satisfied its obligations through the advance refunding.

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2004**

**NOTE 13 - NOTES PAYABLE**

The Ohio Revised Code provides that notes and 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 the 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, 2004:

	Maturity Date	Balance December 31, 2003	Issued (Retired)	Balance December 31, 2004
Capital Projects Notes Payable:				
1.48% Fire Equipment	2004	\$350,000	(\$350,000)	\$0
1.48% Seaman Road Overpass	2004	250,000	(250,000)	0
1.48% Bay Shore Bridge Replacement	2004	230,000	(230,000)	0
1.48% Pickle/Wheeling Intersection Imp.	2004	400,000	(400,000)	0
1.48% Parks and Recreation	2004	270,000	(270,000)	0
2.89% Fire Equipment	2005	0	240,000	240,000
2.89% Seaman Road Overpass	2005	0	150,000	150,000
2.89% Bay Shore Bridge Replacement	2005	0	130,000	130,000
2.89% Pickle/Wheeling Intersection Imp.	2005	0	300,000	300,000
2.89% Parks and Recreation	2005	0	220,000	220,000
Total Notes Payable		<u>\$1,500,000</u>	<u>(\$460,000)</u>	<u>\$1,040,000</u>

**NOTE 14 - CONSTRUCTION COMMITMENTS**

As of December 31, 2004, the City had the following commitments with respect to capital projects:

Capital Projects	Remaining Construction Commitment	Expected Date of Completion
Water Treatment Plant, Phase III	\$80,358	January 2005
Water Treatment Plant, Phase IV	380,713	January 2005
Water Treatment Plant, Phase V	340,019	February 2005
Stadium Road Sanitary Sewer	231,888	June 2005
Eastwyck Pumping Station	578,050	June 2005
Wheeling Street Improvements	578,050	December 2007
Total	<u>\$2,189,078</u>	

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2004***

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**NOTE 15 - 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 1999 the City joined the Ohio Municipal League Joint Self-Insurance Pool (the "Pool"). The Pool was established in 1987 and is administered under contract by the Ohio Municipal League to provide a program of property and casualty insurance for its member organizations throughout the State of Ohio.

The Pool's general objectives are to formulate, develop and administer a program of insurance, to obtain lower costs for that coverage, and to develop a comprehensive loss control program on behalf of the member political subdivisions. Political subdivisions joining the Pool may withdraw at the end of any coverage period upon 60 days prior written notice to the Pool. Under agreement, members who terminate participation in the Pool, as well as current members, are subject to a supplemental assessment or a refund, at the discretion of the Board of Trustees, depending on the ultimate loss experience of all the entities it insures for each coverage year. To date there have been no assessments or refunds due to the limited period of time that the Pool has been in existence and the nature of the coverage that is afforded to the participants.

The City of Oregon obtained insurance coverage from the Pool until August 2004 for losses relating to general liability, law enforcement liability, public officials liability and emergency medical services liability coverage.

In August 2004, 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 claims in excess of a member's deductible through commercial insurance and reinsurance companies.



**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2004**

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**NOTE 15 - INSURANCE AND RISK MANAGEMENT (Continued)**

The City participates in the Ohio Rural Water Association Group Rating Plan (the ORWA), an insurance purchasing pool. The group rating plan for workers' compensation was established under Section 4123.29 of the Ohio Revised Code. The intent of the ORWA is to achieve the benefit of a reduced premium for the City by virtue of its grouping and representation with other participants in the ORWA. The workers' compensation experience of the participating entities is calculated as one experience and a common premium rate is applied to all participants in the ORWA. Each participant pays its workers' compensation premium to the State based on the rate for the ORWA rather than its individual rate. Total savings are then calculated and each participant's individual performance is compared to the overall savings percentage of the ORWA. A participant will then either receive money from or be required to contribute to the "Equity Pooling Fund". This "equity pooling" arrangement insures that each participant shares equally in the overall performance of the ORWA. Participation in the ORWA is limited to entities that can meet the ORWA's selection criteria. The firm of CompManagement Inc. provides administrative, cost control and actuarial services to the ORWA.

The City continues to carry commercial insurance for other risks of loss, including employee health and life insurance. There has been no significant reduction in insurance coverages from coverages in the prior year. In addition, settled claims resulting from these risks have not exceeded commercial insurance coverages in any of the past three fiscal years.

**A. Dental / Emergency Room Self Insurance Fund**

The City established an internal service fund, the Self Insurance Dental / Emergency Room Fund, to receive payments from each fund based upon employee participation, to cover the cost of participant and dependent coverage under the plan. GASB Statement No. 10, "Accounting and Financial Reporting for Risk Financing and Related Insurance Issues," as amended by GASB Statement No. 30 "Risk Management Omnibus," requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Claims incurred but not reported at year end were determined to be immaterial, therefore no liability has been recorded. Changes in the fund's claims liability amount for the past two years are as follows:

Fiscal Year	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claims Payments	Balance at Fiscal Year End
2003	\$0	\$11,554	(\$11,554)	\$0
2004	0	3,726	(3,726)	0

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2004**

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**NOTE 15 - INSURANCE AND RISK MANAGEMENT (Continued)**

**B. Workers' Compensation Internal Service Fund**

The City previously participated in the Ohio Bureau of Workers' Compensation (Bureau) Retrospective Rating Program for premium periods 1996 and 1997. Retrospective (Retro) Rating is best described as a quasi self-insured program, which shifts a selected level of risk to the employer in return for a reduction in premium. Under the Retro plan employers are responsible for actual claims cost on all claims occurring within the program period. Retro claims have a ten-year life commencing with the date of injury. Claims cost for Retro claims incurred beyond ten years from the date of injury will be assumed by the Bureau. The City has a claims limit of \$250,000 per claim with a billable ceiling of \$600,867 for 1996 and \$524,238 for 1997. Changes in the Workers' Compensation Internal Service Fund's claims liability amount in fiscal 2004 were as follows:

<u>Fiscal Year</u>	<u>Beginning of Fiscal Year Liability</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claims Payments</u>	<u>Balance at Fiscal Year End</u>
2003	\$237,001	\$18,447	(\$18,465)	\$236,983
2004	236,983	18,447	(18,447)	236,983

**NOTE 16 - 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.

The City has received several federal and state grants for specific purposes which are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursements to grantor agencies for expenditures disallowed under the terms of the grant. Based upon prior experience, City management believes such disallowances, if any, will be immaterial.

*COMBINING AND INDIVIDUAL FUND  
STATEMENTS AND SCHEDULES*

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*THE FOLLOWING COMBINING STATEMENTS AND SCHEDULES INCLUDE  
THE MAJOR AND NONMAJOR GOVERNMENTAL FUNDS, AND  
FIDUCIARY FUNDS.*

***Nonmajor Governmental Funds***

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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.

**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 for street construction and maintenance.

**State Highway Improvement Fund**

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

**Permissive Auto Tax Fund**

To account for revenues received from motor vehicle taxes. Expenditures may only be used for street construction, maintenance and repair.

**Police Fund**

To account for revenues received from real and personal property taxes. Expenditures may only be used for police department operations and police pension.

**Drug Law Enforcement Fund**

To account for revenues from municipal court fines as defined in the Ohio Revised Code. Expenditures may only be used by the police department for drug related programs.

**DUI and Seatbelt Grant Fund**

To account for revenues received from grants. Expenditures may only be used for DUI and seatbelt enforcement.

**D.A.R.E. Program Fund**

To account for revenues received from D.A.R.E. activities and transfers from the General Fund. Expenditures may only be used for D.A.R.E. activities. (The Balance Sheet is not presented because there are no assets or liabilities at year end.)

**Fire Fund**

To account for revenues received from real and personal property taxes. Expenditures may only be used for fire department operations and fire pension.

**Emergency Medical Services (EMS) Operating Fund**

To account for revenues received from Lucas County and transfers from the General Fund. Expenditures may only be used for Emergency Medical Services operations, including capital improvements.

(Continued)

***Special Revenue Funds***

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**Electronic Monitor Device Fund**

To account for revenues received and specially designated according to the Ohio Revised Code from municipal court fines. Expenditures may only be used by the municipal court for electronic device use.

**Indigent Drivers Alcohol Treatment Fund**

To account for the revenues from fines as established by the state to pay for alcohol treatment related training programs for indigent persons.

**Recreation Fund**

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

**Legal Computer Research and Equipment Fund**

To account for revenues from a \$3.00 surcharge on municipal court fines. Expenditures may only be used for data processing equipment and training for the municipal court.

**Community Development Block Grant (CDBG) Fund**

To account for federal and state grants which are designated for community and environmental improvements.

**Solid Waste, Bonds and C.I.P. Fund**

To account for revenues from income tax designated for expenditures for solid waste programs, the transfers for payment of debt on the municipal complex and capital improvements.

**Oregon Hazardous Waste Landfill Environment Fund**

There is a privately owned and operated hazardous waste disposal landfill in the City of Oregon. The City receives funds from a 10% surcharge levied by the State of Ohio on waste disposal fees. The money received by the City may only be used for monitoring the private waste facility, permit review and training for City firefighting personnel in hazardous waste emergency response.

**Revolving Loan Fund**

To account for monies received from the Ohio Department of Development (ODOD) through the Community Development Block Grant (CDBG) program. Funds are loaned to businesses for development in the community.

**Court Special Projects Fund**

To account for revenues received from the Oregon Municipal Court as authorized by the Ohio Revised Code. Expenditures are restricted to court facility rehabilitation, hiring staff, community service programs and mediation.

(Continued)

***Special Revenue Funds***

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**Housing Assistance Fund**

To account for revenues received from state and federal grants for housing assistance and local fund transfers and revenues from loan payments. Expenditures are restricted to professional services, personnel costs, grants and loans for the housing assistance program. Expenditures from grant monies must meet the grant requirements.

**Local Law Enforcement Block Grant Fund**

To account for revenues received from local law enforcement grants from the US Department of Justice for Law Enforcement. Expenditures are restricted to law enforcement including restricted personnel costs and equipment as defined in the grants.

**Storm Sewer Project Fund**

To account for revenues from the allocated portion of the local income tax as approved by the voters. Expenditures for this fund are restricted to storm drainage improvement projects.

**Cedar Point Development Fund**

To account for revenues from state grants, sale of notes, sale of land and local funds transfers. Expenditures for this fund are restricted to cost associated with the development of the industrial park.

**Probation Services Fund**

To account for revenues from probation service fees. Expenditures for this fund are restricted to specialized programs for victims and offenders and other similar probation related services.

**Drug Law Enforcement and Education Fund**

To account for revenues received from drug law enforcement. Expenditures are restricted to drug law enforcement including restricted personnel costs and equipment.

**Police Grants Fund**

To account for revenues, including transfers for police department grants. Expenditures may only be used for police grant purposes as stated in the individual grants.

***Debt Service Fund***

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The Debt Service Funds are used to account for the accumulation of resources and payment of general obligation bond principal and interest from governmental resources and special assessment levies when the government is obligated in some manner for the payment.

**General Obligation Bond Retirement Fund**

To account for the accumulation of resources for the payments of general obligation long-term debt of the City including self-supporting obligations not otherwise paid from proprietary funds

(Continued)

***Capital Projects Funds***

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

**Fire Pumper Equipment Fund**

To account for revenues and expenditures designated for major capital improvements in the fire department.

**Street / Recreation Building Fund**

To account for revenues and expenditures designated for constructing new operations and storage areas for the street and recreation departments.

**Municipal Improvements Fund**

To account for revenues and expenditures designated for right of way acquisitions and easements for construction of a bikeway and streetscape projects.

**Water Construction Fund**

To account for revenues and expenditures designated for the construction and acquisition of capital water projects.

**Sewer Construction Fund**

To account for revenues and expenditures designated for the construction and acquisition of capital sewer projects.

**Storm Sewer Construction Fund**

To account for revenues and expenditures designated for the construction and acquisition of capital storm sewer projects.

**Street Construction Fund**

To account for revenues and expenditures designated for the improvement of City streets.

**Special Assessment - Dustin Road Improvement Fund**

To account for revenues and expenditures designated for the improvement project of Dustin Road.

**Economic Development Assessment Fund**

To account for revenues and expenditures designated for economic development in the industrial park.

**Parkland Acquisition Fund**

To account for revenues, including transfers for the acquisition of Parkland.

(Continued)

***Permanent Fund***

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The Permanent Fund is used to account for the financial resources that are legally restricted in that only the earnings, not the principal, may be used to support the City's programs.

**Perpetual Care Fund**

To account for the endowment principal and interest. Yields may only be used for maintenance and repair at the North Oregon and Willow Cemeteries.

**Dunbar Trust Fund**

To account for the endowment principal and interest. Yields may only be used for maintenance and repair of a one family mausoleum at Willow Cemetery.





*City of Opportunity*

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**CITY OF OREGON, OHIO**

**Combining Balance Sheet  
Nonmajor Governmental Funds  
December 31, 2004**

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Nonmajor Debt Service Funds	Nonmajor Permanent Funds	Total Nonmajor Governmental Funds
<b>Assets:</b>					
Cash and Cash Equivalents	\$ 1,832,466	\$ 196,577	\$ 2,015	\$ 0	\$ 2,031,058
Investments	2,304,200	5,932,439	0	77,869	8,314,508
Receivables (net of allowance for doubtful accounts):					
Taxes	973,190	0	0	0	973,190
Accounts	29,732	0	0	0	29,732
Intergovernmental	1,116,443	0	0	0	1,116,443
Interest	0	0	0	490	490
Prepaid Items	3,193	0	0	0	3,193
<b>Total Assets</b>	<b>\$ 6,259,224</b>	<b>\$ 6,129,016</b>	<b>\$ 2,015</b>	<b>\$ 78,359</b>	<b>\$ 12,468,614</b>
<b>Liabilities:</b>					
Accounts Payable	\$ 268,639	\$ 14,671	\$ 0	\$ 0	\$ 283,310
Accrued Wages and Benefits Payable	233,348	0	0	0	233,348
Intergovernmental Payable	3,418	0	0	0	3,418
Deferred Revenue	1,653,111	0	0	0	1,653,111
Accrued Interest Payable	0	11,349	0	0	11,349
General Obligation Notes Payable	0	1,040,000	0	0	1,040,000
<b>Total Liabilities</b>	<b>2,158,516</b>	<b>1,066,020</b>	<b>0</b>	<b>0</b>	<b>3,224,536</b>
<b>Fund Balances:</b>					
Reserved for Encumbrances	440,698	152,410	0	0	593,108
Reserved for Prepaid Items	3,193	0	0	0	3,193
Reserved for Debt Service	0	0	2,015	0	2,015
Reserved for Endowments	0	0	0	78,359	78,359
Undesignated/Unreserved in:					
Special Revenue Funds	3,656,817	0	0	0	3,656,817
Capital Projects Funds	0	4,910,586	0	0	4,910,586
<b>Total Fund Balances</b>	<b>4,100,708</b>	<b>5,062,996</b>	<b>2,015</b>	<b>78,359</b>	<b>9,244,078</b>
<b>Total Liabilities and Funds Balances</b>	<b>\$ 6,259,224</b>	<b>\$ 6,129,016</b>	<b>\$ 2,015</b>	<b>\$ 78,359</b>	<b>\$ 12,468,614</b>

**CITY OF OREGON, OHIO**

**Combining Statement of Revenues, Expenditures and Changes in Fund Balance  
Nonmajor Governmental Funds  
For the Year Ended December 31, 2004**

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Nonmajor Debt Service Funds	Nonmajor Permanent Funds	Total Nonmajor Governmental Funds
<b>Revenues:</b>					
Property Taxes	\$ 610,682	\$ 0	\$ 0	\$ 0	\$ 610,682
Municipal Income Taxes	2,150,983	0	0	0	2,150,983
Intergovernmental Revenues	2,115,009	0	0	0	2,115,009
Charges for Services	489,554	0	0	0	489,554
Investment Earnings	132	0	0	886	1,018
Special Assessments	2,294	0	0	0	2,294
Fines and Forfeitures	145,194	0	0	0	145,194
All Other Revenue	89,346	85,388	0	0	174,734
<b>Total Revenue</b>	<b>5,603,194</b>	<b>85,388</b>	<b>0</b>	<b>886</b>	<b>5,689,468</b>
<b>Expenditures:</b>					
Current:					
Security of Persons and Property	1,822,381	0	0	0	1,822,381
Public Health and Welfare Services	1,119	0	0	4,773	5,892
Leisure Time Activities	574,017	0	0	0	574,017
Community Environment	456,766	0	0	0	456,766
Basic Utility Services	271,341	0	0	0	271,341
Transportation	863,263	0	0	0	863,263
General Government	1,484,949	0	0	0	1,484,949
Capital Outlay	0	292,293	0	0	292,293
Debt Service:					
Principal Retirement	0	0	333,356	0	333,356
Interest & Fiscal Charges	0	18,626	49,061	0	67,687
<b>Total Expenditures</b>	<b>5,473,836</b>	<b>310,919</b>	<b>382,417</b>	<b>4,773</b>	<b>6,171,945</b>
Excess (Deficiency) of Revenues Over Expenditures	129,358	(225,531)	(382,417)	(3,887)	(482,477)
<b>Other Financing Sources (Uses):</b>					
Sale of Capital Assets	3,000	21,517	0	0	24,517
Transfers In	515,167	2,309,840	382,418	0	3,207,425
Transfers Out	(893,093)	(2,151,830)	0	0	(3,044,923)
<b>Total Other Financing Sources (Uses)</b>	<b>(374,926)</b>	<b>179,527</b>	<b>382,418</b>	<b>0</b>	<b>187,019</b>
Net Change In Fund Balance	(245,568)	(46,004)	1	(3,887)	(295,458)
<b>Fund Balances at Beginning of Year</b>	<b>4,346,276</b>	<b>5,109,000</b>	<b>2,014</b>	<b>82,246</b>	<b>9,539,536</b>
<b>Fund Balances End of Year</b>	<b>\$ 4,100,708</b>	<b>\$ 5,062,996</b>	<b>\$ 2,015</b>	<b>\$ 78,359</b>	<b>\$ 9,244,078</b>

**CITY OF OREGON, OHIO**

**Combining Balance Sheet  
Nonmajor Special Revenue Funds  
December 31, 2004**

	Street Construction, Maintenance and Repair	State Highway Improvement	Permissive Auto Tax	Police	Drug Law Enforcement
<b>Assets:</b>					
Cash and Cash Equivalents	\$ 12,130	\$ 48,127	\$ 1,479	\$ 120,253	\$ 88,150
Investments	398,427	0	48,581	0	0
Receivables (net of allowance for doubtful accounts):					
Taxes	0	0	0	397,759	0
Accounts	0	0	0	0	1,765
Intergovernmental	362,694	29,408	71,642	11,109	0
Prepaid Items	0	0	0	0	0
<b>Total Assets</b>	<b>\$ 773,251</b>	<b>\$ 77,535</b>	<b>\$ 121,702</b>	<b>\$ 529,121</b>	<b>\$ 89,915</b>
<b>Liabilities:</b>					
Accounts Payable	\$ 32,596	\$ 0	\$ 0	\$ 0	\$ 8
Accrued Wages and Benefits Payable	0	0	0	154,709	0
Intergovernmental Payable	0	0	0	0	0
Deferred Revenue	241,796	19,605	47,761	408,868	0
<b>Total Liabilities</b>	<b>274,392</b>	<b>19,605</b>	<b>47,761</b>	<b>563,577</b>	<b>8</b>
<b>Fund Balances:</b>					
Reserved for Encumbrances	85,506	0	16,576	423	0
Reserved for Prepaid Items	0	0	0	0	0
Undesignated/Unreserved	413,353	57,930	57,365	(34,879)	89,907
<b>Total Fund Balances</b>	<b>498,859</b>	<b>57,930</b>	<b>73,941</b>	<b>(34,456)</b>	<b>89,907</b>
<b>Total Liabilities and Funds Balances</b>	<b>\$ 773,251</b>	<b>\$ 77,535</b>	<b>\$ 121,702</b>	<b>\$ 529,121</b>	<b>\$ 89,915</b>

**CITY OF OREGON, OHIO**

DUI and Seatbelt Grant	Fire	E.M.S. Operating	Electronic Monitor Device	Indigent Drivers Alcohol Treatment	Recreation	Legal Computer Research and Equipment
\$ 8,311 0	\$ 143,057 0	\$ 141,683 0	\$ 22,279 0	\$ 69,332 0	\$ 812 26,658	\$ 163,424 0
0	178,758	0	0	0	178,758	0
0	0	0	240	241	1,768	3,599
0	3,416	0	0	0	3,416	0
0	0	150	0	0	0	1,837
<u>\$ 8,311</u>	<u>\$ 325,231</u>	<u>\$ 141,833</u>	<u>\$ 22,519</u>	<u>\$ 69,573</u>	<u>\$ 211,412</u>	<u>\$ 168,860</u>
\$ 0	\$ 8	\$ 2,563	\$ 0	\$ 230	\$ 2,665	\$ 2,830
0	0	60,093	0	0	18,546	0
0	0	0	0	0	0	0
0	182,174	0	0	0	182,174	0
0	182,182	62,656	0	230	203,385	2,830
0	433	1,005	0	0	250	17,170
0	0	150	0	0	0	1,837
8,311	142,616	78,022	22,519	69,343	7,777	147,023
8,311	143,049	79,177	22,519	69,343	8,027	166,030
<u>\$ 8,311</u>	<u>\$ 325,231</u>	<u>\$ 141,833</u>	<u>\$ 22,519</u>	<u>\$ 69,573</u>	<u>\$ 211,412</u>	<u>\$ 168,860</u>

(Continued)

**CITY OF OREGON, OHIO**

**Combining Balance Sheet  
Nonmajor Special Revenue Funds  
December 31, 2004**

	Community Development Block Grant	Solid Waste, Bonds and C.I.P.	Oregon Hazardous Waste Landfill Environment	Revolving Loan	Court Special Projects
<b>Assets:</b>					
Cash and Cash Equivalents	\$ 200	\$ 10,002	\$ 369,429	\$ 7,517	\$ 181,143
Investments	0	422,074	0	0	0
Receivables (net of allowance for doubtful accounts):					
Taxes	0	217,915	0	0	0
Accounts	1,000	0	16,657	0	3,254
Intergovernmental	70,429	0	0	0	0
Prepaid Items	0	0	568	0	175
<b>Total Assets</b>	<u>\$ 71,629</u>	<u>\$ 649,991</u>	<u>\$ 386,654</u>	<u>\$ 7,517</u>	<u>\$ 184,572</u>
<b>Liabilities:</b>					
Accounts Payable	\$ 226	\$ 202,009	\$ 19,149	\$ 0	\$ 558
Accrued Wages and Benefits Payable	0	0	0	0	0
Intergovernmental Payable	0	0	0	0	0
Deferred Revenue	0	15,733	0	0	0
<b>Total Liabilities</b>	<u>226</u>	<u>217,742</u>	<u>19,149</u>	<u>0</u>	<u>558</u>
<b>Fund Balances:</b>					
Reserved for Encumbrances	7,473	226,996	3,396	413	109
Reserved for Prepaid Items	0	0	568	0	175
Undesignated/Unreserved	63,930	205,253	363,541	7,104	183,730
<b>Total Fund Balances</b>	<u>71,403</u>	<u>432,249</u>	<u>367,505</u>	<u>7,517</u>	<u>184,014</u>
<b>Total Liabilities and Funds Balances</b>	<u>\$ 71,629</u>	<u>\$ 649,991</u>	<u>\$ 386,654</u>	<u>\$ 7,517</u>	<u>\$ 184,572</u>

**CITY OF OREGON, OHIO**

Housing Assistance	Local Law Enforcement Block Grant	Storm Sewer Project	Cedar Point Development	Probation Services	Drug Law Enforcement and Education	Police Grants	Total Nonmajor Special Revenue Funds
\$ 317,619	\$ 0	\$ 42,880	\$ 22,057	\$ 23,538	\$ 22,978	\$ 16,066	\$ 1,832,466
0	0	1,408,460	0	0	0	0	2,304,200
0	0	0	0	0	0	0	973,190
0	0	0	0	958	250	0	29,732
555,000	0	0	0	0	0	9,329	1,116,443
0	463	0	0	0	0	0	3,193
<u>\$ 872,619</u>	<u>\$ 463</u>	<u>\$ 1,451,340</u>	<u>\$ 22,057</u>	<u>\$ 24,496</u>	<u>\$ 23,228</u>	<u>\$ 25,395</u>	<u>\$ 6,259,224</u>
\$ 2,737	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 3,060	\$ 268,639
0	0	0	0	0	0	0	233,348
3,418	0	0	0	0	0	0	3,418
555,000	0	0	0	0	0	0	1,653,111
<u>561,155</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3,060</u>	<u>2,158,516</u>
7,465	0	69,922	0	3,544	0	17	440,698
0	463	0	0	0	0	0	3,193
303,999	0	1,381,418	22,057	20,952	23,228	22,318	3,656,817
<u>311,464</u>	<u>463</u>	<u>1,451,340</u>	<u>22,057</u>	<u>24,496</u>	<u>23,228</u>	<u>22,335</u>	<u>4,100,708</u>
<u>\$ 872,619</u>	<u>\$ 463</u>	<u>\$ 1,451,340</u>	<u>\$ 22,057</u>	<u>\$ 24,496</u>	<u>\$ 23,228</u>	<u>\$ 25,395</u>	<u>\$ 6,259,224</u>

**CITY OF OREGON, OHIO**

***Combining Statement of Revenues, Expenditures and Changes in Fund Balance  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2004***

	Street Construction, Maintenance and Repair	Street Highway Improvement	Permissive Auto Tax	Police	Drug Law Enforcement
<b>Revenues:</b>					
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 314,224	\$ 0
Municipal Income Taxes	0	0	0	0	0
Intergovernmental Revenues	722,361	57,634	156,354	21,457	0
Charges for Services	21,270	0	0	0	0
Investment Earnings	127	0	0	0	0
Special Assessments	0	0	0	0	0
Fines and Forfeitures	0	0	0	0	15,881
All Other Revenue	10,150	0	0	0	8,394
<b>Total Revenue</b>	<u>753,908</u>	<u>57,634</u>	<u>156,354</u>	<u>335,681</u>	<u>24,275</u>
<b>Expenditures:</b>					
Current:					
Security of Persons and Property	0	0	0	451,062	96,057
Public Health and Welfare Services	0	0	0	0	0
Leisure Time Activities	0	0	0	0	0
Community Environment	0	0	0	0	0
Basic Utility Services	0	0	0	0	0
Transportation	674,573	34,680	154,010	0	0
General Government	0	0	0	0	0
<b>Total Expenditures</b>	<u>674,573</u>	<u>34,680</u>	<u>154,010</u>	<u>451,062</u>	<u>96,057</u>
Excess (Deficiency) of Revenues					
Over Expenditures	79,335	22,954	2,344	(115,381)	(71,782)
<b>Other Financing Sources (Uses):</b>					
Proceeds from the Sale of Capital Assets	0	0	0	0	0
Transfers In	0	0	0	1,164	0
Transfers Out	0	0	0	0	0
<b>Total Other Financing Sources (Uses)</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,164</u>	<u>0</u>
Net Change In Fund Balance	79,335	22,954	2,344	(114,217)	(71,782)
<b>Fund Balances at Beginning of Year</b>	<u>419,524</u>	<u>34,976</u>	<u>71,597</u>	<u>79,761</u>	<u>161,689</u>
<b>Fund Balances (Deficit) End of Year</b>	<u>\$ 498,859</u>	<u>\$ 57,930</u>	<u>\$ 73,941</u>	<u>\$ (34,456)</u>	<u>\$ 89,907</u>



**CITY OF OREGON, OHIO**

DUI and Seatbelt Grant	D.A.R.E. Program	Fire	E.M.S. Operating	Electronic Monitor Device	Indigent Drivers Alcohol Treatment	Recreation	Legal Computer Research and Equipment
\$ 0	\$ 0	\$ 148,229	\$ 0	\$ 0	\$ 0	\$ 148,229	\$ 0
0	0	0	0	0	0	0	0
13,575	0	6,505	637,061	0	0	6,505	0
0	0	0	0	0	0	162,477	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	2,158	9,583	0	52,024
0	0	25,920	0	0	0	13,551	0
<u>13,575</u>	<u>0</u>	<u>180,654</u>	<u>637,061</u>	<u>2,158</u>	<u>9,583</u>	<u>330,762</u>	<u>52,024</u>
25,406	526	100,401	797,445	0	0	0	0
0	0	0	0	0	1,119	0	0
0	0	0	0	0	0	574,017	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	62,175
<u>25,406</u>	<u>526</u>	<u>100,401</u>	<u>797,445</u>	<u>0</u>	<u>1,119</u>	<u>574,017</u>	<u>62,175</u>
(11,831)	(526)	80,253	(160,384)	2,158	8,464	(243,255)	(10,151)
0	0	3,000	0	0	0	0	0
0	0	0	254,759	0	0	227,575	0
0	0	(115,180)	(46,352)	0	0	0	0
<u>0</u>	<u>0</u>	<u>(112,180)</u>	<u>208,407</u>	<u>0</u>	<u>0</u>	<u>227,575</u>	<u>0</u>
(11,831)	(526)	(31,927)	48,023	2,158	8,464	(15,680)	(10,151)
<u>20,142</u>	<u>526</u>	<u>174,976</u>	<u>31,154</u>	<u>20,361</u>	<u>60,879</u>	<u>23,707</u>	<u>176,181</u>
<u>\$ 8,311</u>	<u>\$ 0</u>	<u>\$ 143,049</u>	<u>\$ 79,177</u>	<u>\$ 22,519</u>	<u>\$ 69,343</u>	<u>\$ 8,027</u>	<u>\$ 166,030</u>

(Continued)

**CITY OF OREGON, OHIO**

**Combining Statement of Revenues, Expenditures and Changes in Fund Balance  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2004**

	Community Development Block Grant	Solid Waste, Bonds and C.I.P.	Oregon Hazardous Waste Landfill Environment	Revolving Loan	Court Special Projects
<b>Revenues:</b>					
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Municipal Income Taxes	0	1,442,382	0	0	0
Intergovernmental Revenues	73,561	0	0	10,000	0
Charges for Services	0	0	196,963	0	0
Investment Earnings	0	0	0	0	0
Special Assessments	0	2,294	0	0	0
Fines and Forfeitures	0	0	0	0	47,747
All Other Revenue	1,000	13,627	0	16,704	0
<b>Total Revenue</b>	<u>74,561</u>	<u>1,458,303</u>	<u>196,963</u>	<u>26,704</u>	<u>47,747</u>
<b>Expenditures:</b>					
Current:					
Security of Persons and Property	0	0	244,346	0	0
Public Health and Welfare Services	0	0	0	0	0
Leisure Time Activities	0	0	0	0	0
Community Environment	79,851	0	0	12,815	0
Basic Utility Services	0	0	0	0	0
Transportation	0	0	0	0	0
General Government	0	1,400,302	0	0	13,431
<b>Total Expenditures</b>	<u>79,851</u>	<u>1,400,302</u>	<u>244,346</u>	<u>12,815</u>	<u>13,431</u>
Excess (Deficiency) of Revenues					
Over Expenditures	(5,290)	58,001	(47,383)	13,889	34,316
<b>Other Financing Sources (Uses):</b>					
Proceeds from the Sale of Capital Assets	0	0	0	0	0
Transfers In	5,000	0	0	0	0
Transfers Out	0	(465,153)	0	(10,000)	0
<b>Total Other Financing Sources (Uses)</b>	<u>5,000</u>	<u>(465,153)</u>	<u>0</u>	<u>(10,000)</u>	<u>0</u>
Net Change In Fund Balance	(290)	(407,152)	(47,383)	3,889	34,316
<b>Fund Balances at Beginning of Year</b>	<u>71,693</u>	<u>839,401</u>	<u>414,888</u>	<u>3,628</u>	<u>149,698</u>
<b>Fund Balances (Deficit) End of Year</b>	<u>\$ 71,403</u>	<u>\$ 432,249</u>	<u>\$ 367,505</u>	<u>\$ 7,517</u>	<u>\$ 184,014</u>

**CITY OF OREGON, OHIO**

Housing Assistance	Local Law Enforcement Block Grant	Storm Sewer Project	Cedar Point Development	Probation Services	Drug Law Enforcement and Education	Police Grants	Total Nonmajor Special Revenue Funds
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 610,682
0	0	708,601	0	0	0	0	2,150,983
342,947	0	0	0	0	0	67,049	2,115,009
96,746	12,098	0	0	0	0	0	489,554
0	5	0	0	0	0	0	132
0	0	0	0	0	0	0	2,294
0	0	0	0	14,474	3,327	0	145,194
0	0	0	0	0	0	0	89,346
<u>439,693</u>	<u>12,103</u>	<u>708,601</u>	<u>0</u>	<u>14,474</u>	<u>3,327</u>	<u>67,049</u>	<u>5,603,194</u>
0	19,688	0	0	0	1,300	86,150	1,822,381
0	0	0	0	0	0	0	1,119
0	0	0	0	0	0	0	574,017
364,100	0	0	0	0	0	0	456,766
0	0	271,341	0	0	0	0	271,341
0	0	0	0	0	0	0	863,263
0	0	0	0	9,041	0	0	1,484,949
<u>364,100</u>	<u>19,688</u>	<u>271,341</u>	<u>0</u>	<u>9,041</u>	<u>1,300</u>	<u>86,150</u>	<u>5,473,836</u>
75,593	(7,585)	437,260	0	5,433	2,027	(19,101)	129,358
0	0	0	0	0	0	0	3,000
0	1,819	0	0	0	0	24,850	515,167
0	0	(256,408)	0	0	0	0	(893,093)
<u>0</u>	<u>1,819</u>	<u>(256,408)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>24,850</u>	<u>(374,926)</u>
75,593	(5,766)	180,852	0	5,433	2,027	5,749	(245,568)
<u>235,871</u>	<u>6,229</u>	<u>1,270,488</u>	<u>22,057</u>	<u>19,063</u>	<u>21,201</u>	<u>16,586</u>	<u>4,346,276</u>
<u>\$ 311,464</u>	<u>\$ 463</u>	<u>\$ 1,451,340</u>	<u>\$ 22,057</u>	<u>\$ 24,496</u>	<u>\$ 23,228</u>	<u>\$ 22,335</u>	<u>\$ 4,100,708</u>

**CITY OF OREGON, OHIO**

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**Combining Balance Sheet  
Nonmajor Capital Projects Funds  
December 31, 2004**

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	Fire Pumper Equipment	Street / Recreation Building	Municipal Improvement	Water Construction	Sewer Construction
<b>Assets:</b>					
Cash and Cash Equivalents	\$ 0	\$ 4,626	\$ 36,978	\$ 76,373	\$ 56,861
Investments	0	151,987	0	2,873,779	2,428,765
<b>Total Assets</b>	<b>\$ 0</b>	<b>\$ 156,613</b>	<b>\$ 36,978</b>	<b>\$ 2,950,152</b>	<b>\$ 2,485,626</b>
<b>Liabilities:</b>					
Accounts Payable	\$ 0	\$ 4,741	\$ 0	\$ 3,015	\$ 1,023
Accrued Interest Payable	2,619	0	0	0	0
General Obligation Notes Payable	240,000	0	0	0	0
<b>Total Liabilities</b>	<b>242,619</b>	<b>4,741</b>	<b>0</b>	<b>3,015</b>	<b>1,023</b>
<b>Fund Balances:</b>					
Reserved for Encumbrances	0	43,005	0	33,994	40,968
Undesignated/Unreserved	(242,619)	108,867	36,978	2,913,143	2,443,635
<b>Total Fund Balances</b>	<b>(242,619)</b>	<b>151,872</b>	<b>36,978</b>	<b>2,947,137</b>	<b>2,484,603</b>
<b>Total Liabilities and Funds Balances</b>	<b>\$ 0</b>	<b>\$ 156,613</b>	<b>\$ 36,978</b>	<b>\$ 2,950,152</b>	<b>\$ 2,485,626</b>

**CITY OF OREGON, OHIO**

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<u>Storm Sewer Construction</u>	<u>Street Construction</u>	<u>Special Assessment - Dustin Road Improvement</u>	<u>Economic Development Assessment</u>	<u>Parkland Acquisition</u>	<u>Total Nonmajor Capital Projects Funds</u>
\$ 3,016	\$ 11,534	\$ 1,402	\$ 5,745	\$ 42	\$ 196,577
99,052	378,856	0	0	0	5,932,439
<u>\$ 102,068</u>	<u>\$ 390,390</u>	<u>\$ 1,402</u>	<u>\$ 5,745</u>	<u>\$ 42</u>	<u>\$ 6,129,016</u>
\$ 0	\$ 5,892	\$ 0	\$ 0	\$ 0	\$ 14,671
0	6,329	0	0	2,401	11,349
0	580,000	0	0	220,000	1,040,000
<u>0</u>	<u>592,221</u>	<u>0</u>	<u>0</u>	<u>222,401</u>	<u>1,066,020</u>
0	34,443	0	0	0	152,410
<u>102,068</u>	<u>(236,274)</u>	<u>1,402</u>	<u>5,745</u>	<u>(222,359)</u>	<u>4,910,586</u>
<u>102,068</u>	<u>(201,831)</u>	<u>1,402</u>	<u>5,745</u>	<u>(222,359)</u>	<u>5,062,996</u>
<u>\$ 102,068</u>	<u>\$ 390,390</u>	<u>\$ 1,402</u>	<u>\$ 5,745</u>	<u>\$ 42</u>	<u>\$ 6,129,016</u>

**CITY OF OREGON, OHIO**

**Combining Statement of Revenues, Expenditures and Changes in Fund Balance  
Nonmajor Capital Projects Funds  
For the Year Ended December 31, 2004**

	Fire Pumper Equipment	Street / Recreation Building	Municipal Improvement	Water Construction	Sewer Construction
<b>Revenues:</b>					
All Other Revenue	\$ 0	\$ 250	\$ 0	\$ 27,970	\$ 32,168
<b>Total Revenue</b>	<b>0</b>	<b>250</b>	<b>0</b>	<b>27,970</b>	<b>32,168</b>
<b>Expenditures:</b>					
Current:					
Capital Outlay	345	5,079	0	50,165	199,232
Debt Service:					
Interest & Fiscal Charges	4,316	0	0	0	0
<b>Total Expenditures</b>	<b>4,661</b>	<b>5,079</b>	<b>0</b>	<b>50,165</b>	<b>199,232</b>
Excess (Deficiency) of Revenues					
Over Expenditures	(4,661)	(4,829)	0	(22,195)	(167,064)
<b>Other Financing Sources (Uses):</b>					
Proceeds from the Sale of Capital Assets	0	0	0	0	21,517
Transfers In	115,180	24,236	0	850,000	850,000
Transfers Out	0	0	(24,236)	(1,122,950)	(1,004,644)
<b>Total Other Financing Sources (Uses)</b>	<b>115,180</b>	<b>24,236</b>	<b>(24,236)</b>	<b>(272,950)</b>	<b>(133,127)</b>
Net Change In Fund Balance	110,519	19,407	(24,236)	(295,145)	(300,191)
<b>Fund Balances at Beginning of Year</b>	<b>(353,138)</b>	<b>132,465</b>	<b>61,214</b>	<b>3,242,282</b>	<b>2,784,794</b>
<b>Fund Balances (Deficits) End of Year</b>	<b>\$ (242,619)</b>	<b>\$ 151,872</b>	<b>\$ 36,978</b>	<b>\$ 2,947,137</b>	<b>\$ 2,484,603</b>

**CITY OF OREGON, OHIO**

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<u>Storm Sewer Construction</u>	<u>Street Construction</u>	<u>Special Assessment - Dustin Road Improvement</u>	<u>Economic Development Assessment</u>	<u>Parkland Acquisition</u>	<u>Total Nonmajor Capital Project Funds</u>
\$ 25,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 85,388
<u>25,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>85,388</u>
0	37,472	0	0	0	292,293
<u>0</u>	<u>10,599</u>	<u>0</u>	<u>0</u>	<u>3,711</u>	<u>18,626</u>
<u>0</u>	<u>48,071</u>	<u>0</u>	<u>0</u>	<u>3,711</u>	<u>310,919</u>
25,000	(48,071)	0	0	(3,711)	(225,531)
0	0	0	0	0	21,517
0	416,428	0	0	53,996	2,309,840
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(2,151,830)</u>
<u>0</u>	<u>416,428</u>	<u>0</u>	<u>0</u>	<u>53,996</u>	<u>179,527</u>
25,000	368,357	0	0	50,285	(46,004)
<u>77,068</u>	<u>(570,188)</u>	<u>1,402</u>	<u>5,745</u>	<u>(272,644)</u>	<u>5,109,000</u>
<u>\$ 102,068</u>	<u>\$ (201,831)</u>	<u>\$ 1,402</u>	<u>\$ 5,745</u>	<u>\$ (222,359)</u>	<u>\$ 5,062,996</u>

**CITY OF OREGON, OHIO**

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**Combining Balance Sheet  
Nonmajor Permanent Funds  
December 31, 2004**

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	<u>Perpetual Care Fund</u>	<u>Dunbar Trust Fund</u>	<u>Total Nonmajor Permanent Funds</u>
<b>Assets:</b>			
Investments	\$ 73,691	\$ 4,178	\$ 77,869
Receivables (net of allowance for doubtful accounts):			
Interest	465	25	490
<b>Total Assets</b>	<u>\$ 74,156</u>	<u>\$ 4,203</u>	<u>\$ 78,359</u>
<b>Liabilities:</b>			
<b>Total Liabilities</b>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reserved for Endowments	74,156	4,203	78,359
<b>Total Fund Balances</b>	<u>74,156</u>	<u>4,203</u>	<u>78,359</u>
<b>Total Liabilities and Funds Balances</b>	<u>\$ 74,156</u>	<u>\$ 4,203</u>	<u>\$ 78,359</u>



**CITY OF OREGON, OHIO**

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**Combining Statement of Revenues, Expenditures and Changes in Fund Balance  
Nonmajor Permanent Funds  
For the Year Ended December 31, 2004**

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	<u>Perpetual Care Fund</u>	<u>Dunbar Trust Fund</u>	<u>Total Nonmajor Permanent Funds</u>
<b>Revenues:</b>			
Investment Earnings	\$ 821	\$ 65	\$ 886
<b>Total Revenue</b>	<u>821</u>	<u>65</u>	<u>886</u>
<b>Expenditures:</b>			
Public Health and Welfare Services	<u>4,773</u>	<u>0</u>	<u>4,773</u>
<b>Total Expenditures</b>	<u>4,773</u>	<u>0</u>	<u>4,773</u>
Excess (Deficiency) of Revenues Over Expenditures	(3,952)	65	(3,887)
<b>Fund Balances at Beginning of Year</b>	<u>78,108</u>	<u>4,138</u>	<u>82,246</u>
<b>Fund Balances End of Year</b>	<u>\$ 74,156</u>	<u>\$ 4,203</u>	<u>\$ 78,359</u>

**CITY OF OREGON, OHIO**

**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds – General Fund  
For the Year Ended December 31, 2004**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Property Taxes	\$ 886,780	\$ 810,100	\$ 948,937	\$ 138,837
Municipal Income Taxes	10,540,409	9,329,132	10,397,445	1,068,313
Intergovernmental Revenues	1,108,418	1,201,141	1,377,351	176,210
Charges for Services	14,000	194,500	312,310	117,810
Licenses, Permits and Fees	0	190,100	235,056	44,956
Investment Earnings	400,000	300,000	370,940	70,940
Special Assessments	0	5,000	12,409	7,409
Fines and Forfeitures	0	292,100	308,529	16,429
All Other Revenues	40,300	86,500	66,967	(19,533)
Total Revenues	<u>12,989,907</u>	<u>12,408,573</u>	<u>14,029,944</u>	<u>1,621,371</u>
<b>Expenditures:</b>				
Security of Persons and Property:				
Prisoner Care:				
Contractual Services	892,851	917,588	895,998	21,590
Total Prisoner Care	<u>892,851</u>	<u>917,588</u>	<u>895,998</u>	<u>21,590</u>
Police:				
Personal Services	4,417,200	4,506,272	4,497,049	9,223
Materials and Supplies	125,295	137,977	129,823	8,154
Contractual Services	258,726	258,631	245,559	13,072
Capital Outlay	4,100	49,221	45,595	3,626
Total Police	<u>4,805,321</u>	<u>4,952,101</u>	<u>4,918,026</u>	<u>34,075</u>
Fire:				
Personal Services	913,400	1,011,518	989,929	21,589
Materials and Supplies	28,600	33,795	30,445	3,350
Contractual Services	139,279	150,519	148,323	2,196
Capital Outlay	0	22,626	20,441	2,185
Total Fire	<u>1,081,279</u>	<u>1,218,458</u>	<u>1,189,138</u>	<u>29,320</u>
Non-Departmental:				
Contractual Services	5,737	5,737	5,064	673
Total Non-Departmental	<u>5,737</u>	<u>5,737</u>	<u>5,064</u>	<u>673</u>
Total Security of Persons and Property	<u>6,785,188</u>	<u>7,093,884</u>	<u>7,008,226</u>	<u>85,658</u>

(Continued)

**CITY OF OREGON, OHIO**

**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds – General Fund  
For the Year Ended December 31, 2004**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Public Health and Welfare Services:				
Cemetery Maintenance:				
Personal Services	188,296	188,296	181,019	7,277
Materials and Supplies	5,850	6,513	5,802	711
Contractual Services	26,950	27,327	22,971	4,356
Capital Outlay	2,000	5,299	894	4,405
Total Cemetery Maintenance	<u>223,096</u>	<u>227,435</u>	<u>210,686</u>	<u>16,749</u>
Non-Departmental:				
Contractual Services	147,094	147,094	139,022	8,072
Total Non-Departmental	<u>147,094</u>	<u>147,094</u>	<u>139,022</u>	<u>8,072</u>
Total Public Health and Welfare Services	<u>370,190</u>	<u>374,529</u>	<u>349,708</u>	<u>24,821</u>
Leisure Time Activities:				
Non-Departmental:				
Contractual Services	0	5,500	4,200	1,300
Total Leisure Time Activities	<u>0</u>	<u>5,500</u>	<u>4,200</u>	<u>1,300</u>
Community Environment:				
Building and Zoning Inspection:				
Personal Services	458,100	458,100	454,791	3,309
Materials and Supplies	15,945	18,395	15,226	3,169
Contractual Services	27,895	27,704	24,608	3,096
Capital Outlay	7,500	7,500	306	7,194
Total Building and Zoning Inspection	<u>509,440</u>	<u>511,699</u>	<u>494,931</u>	<u>16,768</u>
Non-Departmental:				
Contractual Services	60,000	52,500	52,500	0
Total Non-Departmental	<u>60,000</u>	<u>52,500</u>	<u>52,500</u>	<u>0</u>
Total Community Environment	<u>569,440</u>	<u>564,199</u>	<u>547,431</u>	<u>16,768</u>
Transportation:				
Service-Administration:				
Personal Services	422,000	436,000	435,827	173
Materials and Supplies	10,300	9,904	6,312	3,592
Contractual Services	49,000	55,451	51,793	3,658
Capital Outlay	1,700	9,700	9,348	352
Total Service-Administration	<u>483,000</u>	<u>511,055</u>	<u>503,280</u>	<u>7,775</u>

(Continued)

**CITY OF OREGON, OHIO**

**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds – General Fund  
For the Year Ended December 31, 2004**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Street Maintenance:</b>				
Personal Services	1,374,227	1,236,227	1,233,664	2,563
Materials and Supplies	93,820	106,573	86,111	20,462
Contractual Services	282,083	284,989	262,639	22,350
Capital Outlay	11,800	21,300	12,305	8,995
Total Street Maintenance	1,761,930	1,649,089	1,594,719	54,370
<b>Tree Commission:</b>				
Personal Services	5,090	5,090	0	5,090
Materials and Supplies	4,000	0	0	0
Contractual Services	34,775	28,298	26,014	2,284
Capital Outlay	0	112,833	112,600	233
Total Tree Commission	43,865	146,221	138,614	7,607
Total Transportation	2,288,795	2,306,365	2,236,613	69,752
<b>General Government:</b>				
<b>Legislative/City Council:</b>				
Personal Services	129,895	134,395	134,185	210
Materials and Supplies	4,400	4,978	4,227	751
Contractual Services	3,100	2,960	1,843	1,117
Capital Outlay	0	292	292	0
Total Legislative/City Council	137,395	142,625	140,547	2,078
<b>Mayor's Office:</b>				
Personal Services	21,139	21,139	21,041	98
Materials and Supplies	7,130	7,664	2,654	5,010
Contractual Services	7,000	81,313	84,526	(3,213)
Capital Outlay	0	25,000	25,000	0
Total Mayor's Office	35,269	135,116	133,221	1,895
<b>Administrator's Office:</b>				
Personal Services	190,336	198,336	194,829	3,507
Materials and Supplies	6,550	8,184	5,075	3,109
Contractual Services	22,950	17,834	12,517	5,317
Capital Outlay	0	2,529	2,529	0
Total Administrator's Office	219,836	226,883	214,950	11,933

(Continued)

**CITY OF OREGON, OHIO**

**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds – General Fund  
For the Year Ended December 31, 2004**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Civil Service:				
Personal Services	3,833	3,833	2,888	945
Materials and Supplies	4,250	4,374	3,188	1,186
Contractual Services	5,900	9,320	8,567	753
Capital Outlay	0	1,048	1,048	0
Total Civil Service	<u>13,983</u>	<u>18,575</u>	<u>15,691</u>	<u>2,884</u>
Finance/Clerk Auditor:				
Personal Services	504,506	507,406	505,899	1,507
Materials and Supplies	46,476	53,894	45,073	8,821
Contractual Services	144,730	154,997	153,599	1,398
Capital Outlay	0	3,000	2,573	427
Total Finance/Clerk Auditor	<u>695,712</u>	<u>719,297</u>	<u>707,144</u>	<u>12,153</u>
Law Director:				
Personal Services	160,900	174,900	171,990	2,910
Materials and Supplies	0	1,300	879	421
Contractual Services	<u>201,500</u>	<u>147,200</u>	<u>134,260</u>	<u>12,940</u>
Total Law Director	<u>362,400</u>	<u>323,400</u>	<u>307,129</u>	<u>16,271</u>
Data Processing:				
Personal Services	144,636	144,636	141,064	3,572
Materials and Supplies	39,250	26,147	23,242	2,905
Contractual Services	37,841	32,920	27,732	5,188
Capital Outlay	<u>5,800</u>	<u>32,187</u>	<u>28,457</u>	<u>3,730</u>
Total Data Processing	<u>227,527</u>	<u>235,890</u>	<u>220,495</u>	<u>15,395</u>
Municipal Court:				
Personal Services	715,000	720,000	686,184	33,816
Materials and Supplies	35,740	47,823	44,268	3,555
Contractual Services	<u>128,750</u>	<u>125,240</u>	<u>101,769</u>	<u>23,471</u>
Total Municipal Court	<u>879,490</u>	<u>893,063</u>	<u>832,221</u>	<u>60,842</u>

(Continued)

**CITY OF OREGON, OHIO**

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds – General Fund  
For the Year Ended December 31, 2004***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Income Tax:</b>				
Personal Services	261,400	271,900	270,231	1,669
Materials and Supplies	25,700	34,471	31,843	2,628
Contractual Services	258,275	32,750	24,767	7,983
Capital Outlay	0	1,000	1,000	0
Total Income Tax	<u>320,375</u>	<u>340,121</u>	<u>327,841</u>	<u>12,280</u>
<b>Non-Departmental:</b>				
Contractual Services	180,224	144,699	146,473	(1,774)
Capital Outlay	0	7,638	7,638	0
Total Non-Departmental	<u>180,224</u>	<u>152,337</u>	<u>154,111</u>	<u>(1,774)</u>
Total General Government	<u>3,297,211</u>	<u>3,187,307</u>	<u>3,053,350</u>	<u>133,957</u>
Total Expenditures	<u>13,310,824</u>	<u>13,531,784</u>	<u>13,199,528</u>	<u>332,256</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(320,917)	(1,123,211)	830,416	1,953,627
<b>Other Financing Sources (Uses):</b>				
Proceeds from the Sale of Capital Assets	10,000	0	0	0
Transfers In	1,356,613	1,917,551	978,629	(938,922)
Transfers Out	(3,461,469)	(2,225,203)	(2,215,167)	10,036
Total Other Financing Sources (Uses)	<u>(2,094,856)</u>	<u>(307,652)</u>	<u>(1,236,538)</u>	<u>(928,886)</u>
Net Change In Fund Balance	(2,415,773)	(1,430,863)	(406,122)	1,024,741
Fund Balance at Beginning of Year	5,207,879	5,207,879	5,207,879	0
Prior Year Encumbrances	363,499	363,499	363,499	0
Fund Balance at End of Year	<u>\$ 3,155,605</u>	<u>\$ 4,140,515</u>	<u>\$ 5,165,256</u>	<u>\$ 1,024,741</u>

**CITY OF OREGON, OHIO**

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**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds – Special Revenue Funds  
For the Year Ended December 31, 2004**

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	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Special Assessments	\$ 197,000	\$ 194,000	\$ 222,572	\$ 28,572
Total Revenues	<u>197,000</u>	<u>194,000</u>	<u>222,572</u>	<u>28,572</u>
<b>Expenditures:</b>				
Security of Persons and Property:				
Materials and Supplies	4,400	4,400	1,000	3,400
Contractual Services	<u>202,400</u>	<u>202,400</u>	<u>195,032</u>	<u>7,368</u>
Total Expenditures	<u>206,800</u>	<u>206,800</u>	<u>196,032</u>	<u>10,768</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(9,800)	(12,800)	26,540	39,340
Fund Balance at Beginning of Year	190,877	190,877	190,877	0
Fund Balance at End of Year	<u>\$ 181,077</u>	<u>\$ 178,077</u>	<u>\$ 217,417</u>	<u>\$ 39,340</u>

**CITY OF OREGON, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds – Special Revenue Funds  
For the Year Ended December 31, 2004***

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	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Special Assessments	\$ 151,000	\$ 151,000	\$ 152,446	\$ 1,446
Total Revenues	<u>151,000</u>	<u>151,000</u>	<u>152,446</u>	<u>1,446</u>
<b>Expenditures:</b>				
Basic Utility Services:				
Personal Services	113,000	174,000	168,919	5,081
Materials and Supplies	4,000	4,000	2,789	1,211
Contractual Services	<u>34,000</u>	<u>24,583</u>	<u>23,619</u>	<u>964</u>
Total Expenditures	<u>151,000</u>	<u>202,583</u>	<u>195,327</u>	<u>7,256</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	(51,583)	(42,881)	8,702
Fund Balance at Beginning of Year	42,081	42,081	42,081	0
Prior Year Encumbrances	<u>800</u>	<u>800</u>	<u>800</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 42,881</u>	<u>\$ (8,702)</u>	<u>\$ 0</u>	<u>\$ 8,702</u>



**CITY OF OREGON, OHIO**

**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds – Debt Service Fund  
For the Year Ended December 31, 2004**

	SPECIAL ASSESSMENT BOND RETIREMENT FUND			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Special Assessments	\$ 551,506	\$ 384,095	\$ 435,650	\$ 51,555
Total Revenues	<u>551,506</u>	<u>384,095</u>	<u>435,650</u>	<u>51,555</u>
<b>Expenditures:</b>				
Debt Service:				
Principal Retirement	203,788	256,788	255,984	804
Interest and Fiscal Charges	180,309	224,609	223,791	818
Total Expenditures	<u>384,097</u>	<u>481,397</u>	<u>479,775</u>	<u>1,622</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	167,409	(97,302)	(44,125)	53,177
Fund Balance at Beginning of Year	142,238	142,238	142,238	0
Fund Balance at End of Year	<u>\$ 309,647</u>	<u>\$ 44,936</u>	<u>\$ 98,113</u>	<u>\$ 53,177</u>

**CITY OF OREGON, OHIO**

**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds – Capital Project Funds  
For the Year Ended December 31, 2004**

<b>WATER PROJECT FUND</b>				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Intergovernmental Revenues	\$ 5,179,792	\$ 2,933,211	\$ 996,955	\$ (1,936,256)
Total Revenues	<u>5,179,792</u>	<u>2,933,211</u>	<u>996,955</u>	<u>(1,936,256)</u>
<b>Expenditures:</b>				
Capital Outlay	972,500	5,326,033	5,043,351	282,682
Total Expenditures	<u>972,500</u>	<u>5,326,033</u>	<u>5,043,351</u>	<u>282,682</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	4,207,292	(2,392,822)	(4,046,396)	(1,653,574)
<b>Other Financing Sources (Uses):</b>				
OPWC Loans Issuance	0	794,017	776,894	(17,123)
OWDA Loans Issuance	0	0	638,781	638,781
Transfers In	0	63,500	0	(63,500)
Total Other Financing Sources (Uses)	<u>0</u>	<u>857,517</u>	<u>1,415,675</u>	<u>558,158</u>
Net Change in Fund Balance	4,207,292	(1,535,305)	(2,630,721)	(1,095,416)
Fund Balance at Beginning of Year	(2,686,180)	(2,686,180)	(2,686,180)	0
Prior Year Encumbrances	4,695,174	4,695,174	4,695,174	0
Fund Balance at End of Year	<u>\$ 6,216,286</u>	<u>\$ 473,689</u>	<u>\$ (621,727)</u>	<u>\$ (1,095,416)</u>

**CITY OF OREGON, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2004***

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	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Intergovernmental Revenues	\$ 595,000	\$ 515,000	\$ 699,621	\$ 184,621
Charges for Services	0	13,000	21,270	8,270
Investment Earnings	0	0	127	127
All Other Revenues	0	10,000	10,150	150
Total Revenues	<u>595,000</u>	<u>538,000</u>	<u>731,168</u>	<u>193,168</u>
<b>Expenditures:</b>				
Transportation:				
Personal Services	351,000	351,000	310,350	40,650
Materials and Supplies	<u>157,000</u>	<u>144,000</u>	<u>126,789</u>	<u>17,211</u>
Contractual Services	111,500	163,002	125,081	37,921
Capital Outlay	<u>0</u>	<u>211,556</u>	<u>209,535</u>	<u>2,021</u>
Total Expenditures	<u>619,500</u>	<u>869,558</u>	<u>771,755</u>	<u>97,803</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(24,500)	(331,558)	(40,587)	290,971
Fund Balance at Beginning of Year	214,639	214,639	214,639	0
Prior Year Encumbrances	<u>120,085</u>	<u>120,085</u>	<u>120,085</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 310,224</u>	<u>\$ 3,166</u>	<u>\$ 294,137</u>	<u>\$ 290,971</u>

**CITY OF OREGON, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2004***

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	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Intergovernmental Revenues	\$ 46,000	\$ 41,000	\$ 55,790	\$ 14,790
Total Revenues	<u>46,000</u>	<u>41,000</u>	<u>55,790</u>	<u>14,790</u>
<b>Expenditures:</b>				
Transportation:				
Personal Services	39,780	39,780	34,680	<u>5,100</u>
Total Expenditures	<u>39,780</u>	<u>39,780</u>	<u>34,680</u>	<u>5,100</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	6,220	1,220	21,110	19,890
Fund Balance at Beginning of Year	<u>27,017</u>	<u>27,017</u>	<u>27,017</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 33,237</u>	<u>\$ 28,237</u>	<u>\$ 48,127</u>	<u>\$ 19,890</u>

**CITY OF OREGON, OHIO**

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**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2004**

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	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Intergovernmental Revenues	\$ 150,000	\$ 140,000	\$ 155,416	\$ 15,416
Total Revenues	<u>150,000</u>	<u>140,000</u>	<u>155,416</u>	<u>15,416</u>
<b>Expenditures:</b>				
Transportation:				
Capital Outlay	<u>0</u>	<u>173,000</u>	<u>170,586</u>	<u>2,414</u>
Total Expenditures	<u>0</u>	<u>173,000</u>	<u>170,586</u>	<u>2,414</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	150,000	(33,000)	(15,170)	17,830
Fund Balance at Beginning of Year	44,341	44,341	44,341	0
Prior Year Encumbrances	<u>4,313</u>	<u>4,313</u>	<u>4,313</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 198,654</u>	<u>\$ 15,654</u>	<u>\$ 33,484</u>	<u>\$ 17,830</u>

**CITY OF OREGON, OHIO**

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2004***

	POLICE FUND			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Property Taxes	\$ 327,400	\$ 308,000	\$ 314,224	\$ 6,224
Intergovernmental Revenues	0	18,000	21,457	3,457
Total Revenues	<u>327,400</u>	<u>326,000</u>	<u>335,681</u>	<u>9,681</u>
<b>Expenditures:</b>				
Security of Persons and Property:				
Personal Services	297,030	297,030	297,030	0
Contractual Services	1,500	1,500	560	940
Total Expenditures	<u>298,530</u>	<u>298,530</u>	<u>297,590</u>	<u>940</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	28,870	27,470	38,091	10,621
<b>Other Financing Sources (Uses):</b>				
Transfers In	0	1,100	1,164	64
Total Other Financing Sources (Uses)	<u>0</u>	<u>1,100</u>	<u>1,164</u>	<u>64</u>
Net Change In Fund Balance	28,870	28,570	39,255	10,685
Fund Balance at Beginning of Year	80,142	80,142	80,142	0
Prior Year Encumbrances	433	433	433	0
Fund Balance at End of Year	<u>\$ 109,445</u>	<u>\$ 109,145</u>	<u>\$ 119,830</u>	<u>\$ 10,685</u>

**CITY OF OREGON, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2004***

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	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Fines and Forfeitures	\$ 15,734	\$ 7,000	\$ 16,969	\$ 9,969
All Other Revenues	0	0	8,394	8,394
Total Revenues	<u>15,734</u>	<u>7,000</u>	<u>25,363</u>	<u>18,363</u>
<b>Expenditures:</b>				
Security of Persons and Property:				
Contractual Services	14,950	15,997	11,170	4,827
Capital Outlay	0	100,918	98,569	2,349
Total Expenditures	<u>14,950</u>	<u>116,915</u>	<u>109,739</u>	<u>7,176</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	784	(109,915)	(84,376)	25,539
Fund Balance at Beginning of Year	148,570	148,570	148,570	0
Prior Year Encumbrances	<u>23,956</u>	<u>23,956</u>	<u>23,956</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 173,310</u>	<u>\$ 62,611</u>	<u>\$ 88,150</u>	<u>\$ 25,539</u>

**CITY OF OREGON, OHIO**

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**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2004**

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	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Intergovernmental Revenues	\$ 6,000	\$ 13,500	\$ 13,575	\$ 75
Total Revenues	<u>6,000</u>	<u>13,500</u>	<u>13,575</u>	<u>75</u>
<b>Expenditures:</b>				
Security of Persons and Property:				
Personal Services	<u>16,734</u>	<u>26,734</u>	<u>25,406</u>	<u>1,328</u>
Total Expenditures	<u>16,734</u>	<u>26,734</u>	<u>25,406</u>	<u>1,328</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(10,734)	(13,234)	(11,831)	1,403
Fund Balance at Beginning of Year	<u>20,142</u>	<u>20,142</u>	<u>20,142</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 9,408</u>	<u>\$ 6,908</u>	<u>\$ 8,311</u>	<u>\$ 1,403</u>



**CITY OF OREGON, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2004***

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<b>D.A.R.E. PROGRAM FUND</b>				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
<b>Expenditures:</b>				
Security of Persons and Property:				
Materials and Supplies	0	0	526	(526)
Total Expenditures	0	0	526	(526)
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	(526)	(526)
Fund Balance at Beginning of Year	526	526	526	0
Fund Balance at End of Year	\$ 526	\$ 526	\$ 0	\$ (526)

**CITY OF OREGON, OHIO**

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2004***

	<b>FIRE FUND</b>			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Property Taxes	\$ 151,000	\$ 145,000	\$ 148,229	\$ 3,229
Intergovernmental Revenues	24,000	6,000	6,505	505
All Other Revenues	0	24,700	25,920	1,220
Total Revenues	<u>175,000</u>	<u>175,700</u>	<u>180,654</u>	<u>4,954</u>
<b>Expenditures:</b>				
Security of Persons and Property:				
Personal Services	1,500	1,500	780	720
Materials and Supplies	11,500	10,096	6,072	4,024
Contractual Services	13,100	15,610	13,722	1,888
Capital Outlay	0	98,461	80,886	17,575
Total Expenditures	<u>26,100</u>	<u>125,667</u>	<u>101,460</u>	<u>24,207</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	148,900	50,033	79,194	29,161
<b>Other Financing Sources (Uses):</b>				
Sale of Capital Assets	0	0	3,000	3,000
Transfers Out	<u>(115,180)</u>	<u>(115,180)</u>	<u>(115,180)</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>(115,180)</u>	<u>(115,180)</u>	<u>(112,180)</u>	<u>3,000</u>
Net Change in Fund Balance	33,720	(65,147)	(32,986)	32,161
Fund Balance at Beginning of Year	173,612	173,612	173,612	0
Prior Year Encumbrances	1,998	1,998	1,998	0
Fund Balance at End of Year	<u>\$ 209,330</u>	<u>\$ 110,463</u>	<u>\$ 142,624</u>	<u>\$ 32,161</u>

**CITY OF OREGON, OHIO**

**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2004**

	<b>EMS OPERATING FUND</b>			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Intergovernmental Revenues	\$ 822,061	\$ 625,173	\$ 637,061	\$ 11,888
Total Revenues	<u>822,061</u>	<u>625,173</u>	<u>637,061</u>	<u>11,888</u>
<b>Expenditures:</b>				
Security of Persons and Property:				
Personal Services	785,800	785,800	776,215	9,585
Materials and Supplies	13,080	13,438	10,517	2,921
Contractual Services	32,700	32,700	28,622	4,078
Capital Outlay	2,000	2,000	1,098	902
Total Expenditures	<u>833,580</u>	<u>833,938</u>	<u>816,452</u>	<u>17,486</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(11,519)	(208,765)	(179,391)	29,374
<b>Other Financing Sources (Uses):</b>				
Transfers In	0	254,759	254,759	0
Transfers Out	(57,871)	(46,352)	(46,352)	0
Total Other Financing Sources (Uses)	<u>(57,871)</u>	<u>208,407</u>	<u>208,407</u>	<u>0</u>
Net Change in Fund Balance	(69,390)	(358)	29,016	29,374
Fund Balance at Beginning of Year	110,273	110,273	110,273	0
Prior Year Encumbrances	1,389	1,389	1,389	0
Fund Balance at End of Year	<u>\$ 42,272</u>	<u>\$ 111,304</u>	<u>\$ 140,678</u>	<u>\$ 29,374</u>

**CITY OF OREGON, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2004***

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	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Fines and Forfeitures	\$ 3,200	\$ 2,000	\$ 2,020	\$ 20
Total Revenues	<u>3,200</u>	<u>2,000</u>	<u>2,020</u>	<u>20</u>
<b>Expenditures:</b>				
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,200	2,000	2,020	20
Fund Balance at Beginning of Year	<u>20,259</u>	<u>20,259</u>	<u>20,259</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 23,459</u>	<u>\$ 22,259</u>	<u>\$ 22,279</u>	<u>\$ 20</u>

**CITY OF OREGON, OHIO**

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**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2004**

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<b>INDIGENT DRIVERS ALCOHOL TREATMENT FUND</b>				Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
<b>Revenues:</b>				
Fines and Forfeitures	\$ 12,000	\$ 6,600	\$ 9,662	\$ 3,062
Total Revenues	<u>12,000</u>	<u>6,600</u>	<u>9,662</u>	<u>3,062</u>
<b>Expenditures:</b>				
Public Health and Welfare Services:				
Contractual Services	20,000	20,296	1,415	18,881
Total Expenditures	<u>20,000</u>	<u>20,296</u>	<u>1,415</u>	<u>18,881</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(8,000)	(13,696)	8,247	21,943
Fund Balance at Beginning of Year	60,559	60,559	60,559	0
Prior Year Encumbrances	296	296	296	0
Fund Balance at End of Year	<u>\$ 52,855</u>	<u>\$ 47,159</u>	<u>\$ 69,102</u>	<u>\$ 21,943</u>

**CITY OF OREGON, OHIO**

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2004***

<b>RECREATION FUND</b>				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Property Taxes	\$ 527,000	\$ 145,000	\$ 148,229	\$ 3,229
Intergovernmental Revenues	0	6,000	6,505	505
Charges for Services	0	151,000	162,477	11,477
All Other Revenues	0	2,000	11,783	9,783
Total Revenues	<u>527,000</u>	<u>304,000</u>	<u>328,994</u>	<u>24,994</u>
<b>Expenditures:</b>				
Leisure Time Activities:				
Personal Services	352,800	362,121	340,074	22,047
Materials and Supplies	126,850	134,146	127,960	6,186
Contractual Services	128,425	130,802	112,795	18,007
Capital Outlay	1,500	12,016	10,985	1,031
Total Expenditures	<u>609,575</u>	<u>639,085</u>	<u>591,814</u>	<u>47,271</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(82,575)	(335,085)	(262,820)	72,265
<b>Other Financing Sources (Uses):</b>				
Transfers In	0	227,575	227,575	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>227,575</u>	<u>227,575</u>	<u>0</u>
Net Change in Fund Balance	(82,575)	(107,510)	(35,245)	72,265
Fund Balance at Beginning of Year	45,622	45,622	45,622	0
Prior Year Encumbrances	16,843	16,843	16,843	0
Fund Balance at End of Year	<u>\$ (20,110)</u>	<u>\$ (45,045)</u>	<u>\$ 27,220</u>	<u>\$ 72,265</u>

**CITY OF OREGON, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2004***

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	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Fines and Forfeitures	\$ 48,000	\$ 48,000	\$ 51,564	\$ 3,564
Total Revenues	<u>48,000</u>	<u>48,000</u>	<u>51,564</u>	<u>3,564</u>
<b>Expenditures:</b>				
General Government:				
Contractual Services	<u>165,000</u>	<u>188,936</u>	<u>78,735</u>	<u>110,201</u>
Total Expenditures	<u>165,000</u>	<u>188,936</u>	<u>78,735</u>	<u>110,201</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(117,000)	(140,936)	(27,171)	113,765
Fund Balance at Beginning of Year	142,089	142,089	142,089	0
Prior Year Encumbrances	<u>28,506</u>	<u>28,506</u>	<u>28,506</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 53,595</u>	<u>\$ 29,659</u>	<u>\$ 143,424</u>	<u>\$ 113,765</u>

**CITY OF OREGON, OHIO**

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2004***

**COMMUNITY DEVELOPMENT BLOCK GRANT FUND**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Intergovernmental Revenues	\$ 73,500	\$ 65,500	\$ 68,082	\$ 2,582
All Other Revenues	0	3,500	1,609	(1,891)
Total Revenues	<u>73,500</u>	<u>69,000</u>	<u>69,691</u>	<u>691</u>
<b>Expenditures:</b>				
Community Environment:				
Materials and Supplies	0	298	298	0
Contractual Services	12,561	28,766	25,305	3,461
Capital Outlay	0	63,500	63,500	0
Total Expenditures	<u>12,561</u>	<u>92,564</u>	<u>89,103</u>	<u>3,461</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(60,939)	(23,564)	(19,412)	4,152
<b>Other Financing Sources (Uses):</b>				
Transfers In	0	0	5,000	5,000
Transfers Out	(63,500)	(63,500)	0	63,500
Total Other Financing Sources (Uses)	<u>(63,500)</u>	<u>(63,500)</u>	<u>5,000</u>	<u>68,500</u>
Net Change in Fund Balance	(2,561)	(87,064)	(14,412)	72,652
Fund Balance at Beginning of Year	6,389	6,389	6,389	0
Prior Year Encumbrances	524	524	524	0
Fund Balance at End of Year	<u>\$ 4,352</u>	<u>\$ (80,151)</u>	<u>\$ (7,499)</u>	<u>\$ 72,652</u>



**CITY OF OREGON, OHIO**

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2004***

	<b>SOLID WASTE, BONDS AND C.I.P. FUND</b>			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Municipal Income Taxes	\$ 1,295,352	\$ 1,399,577	\$ 1,415,910	\$ 16,333
Special Assessments	0	0	2,294	2,294
All Other Revenues	0	0	13,627	13,627
Total Revenues	<u>1,295,352</u>	<u>1,399,577</u>	<u>1,431,831</u>	<u>32,254</u>
<b>Expenditures:</b>				
General Government:				
Contractual Services	672,720	742,165	741,749	416
Capital Outlay	800	939,900	939,099	801
Total Expenditures	<u>673,520</u>	<u>1,682,065</u>	<u>1,680,848</u>	<u>1,217</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	621,832	(282,488)	(249,017)	33,471
<b>Other Financing Sources (Uses):</b>				
Transfers Out	(465,153)	(465,153)	(465,153)	0
Total Other Financing Sources (Uses)	<u>(465,153)</u>	<u>(465,153)</u>	<u>(465,153)</u>	<u>0</u>
Net Change in Fund Balance	156,679	(747,641)	(714,170)	33,471
Fund Balance at Beginning of Year	331,320	331,320	331,320	0
Prior Year Encumbrances	304,060	304,060	304,060	0
Fund Balance at End of Year	<u>\$ 792,059</u>	<u>\$ (112,261)</u>	<u>\$ (78,790)</u>	<u>\$ 33,471</u>

**CITY OF OREGON, OHIO**

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2004***

**OREGON HAZARDOUS WASTE LANDFILL ENVIRONMENT FUND**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Charges for Services	\$ 0	\$ 180,000	\$ 197,263	\$ 17,263
Total Revenues	<u>0</u>	<u>180,000</u>	<u>197,263</u>	<u>17,263</u>
<b>Expenditures:</b>				
Security of Persons and Property:				
Personal Services	3,500	3,500	207	3,293
Contractual Services	<u>96,262</u>	<u>251,262</u>	<u>240,039</u>	<u>11,223</u>
Total Expenditures	<u>99,762</u>	<u>254,762</u>	<u>240,246</u>	<u>14,516</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(99,762)	(74,762)	(42,983)	31,779
Fund Balance at Beginning of Year	396,371	396,371	396,371	0
Prior Year Encumbrances	<u>7,375</u>	<u>7,375</u>	<u>7,375</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 303,984</u>	<u>\$ 328,984</u>	<u>\$ 360,763</u>	<u>\$ 31,779</u>

**CITY OF OREGON, OHIO**

**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2004**

	REVOLVING LOAN FUND			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Intergovernmental Revenues	\$ 32,500	\$ 10,000	\$ 10,000	\$ 0
All Other Revenues	0	16,000	16,704	704
Total Revenues	<u>32,500</u>	<u>26,000</u>	<u>26,704</u>	<u>704</u>
<b>Expenditures:</b>				
Community Environment:				
Contractual Services	10,000	5,228	5,228	0
Capital Outlay	0	8,000	8,000	0
Total Expenditures	<u>10,000</u>	<u>13,228</u>	<u>13,228</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	22,500	12,772	13,476	704
<b>Other Financing Sources (Uses):</b>				
Transfers Out	0	(10,000)	(10,000)	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>(10,000)</u>	<u>(10,000)</u>	<u>0</u>
Net Change in Fund Balance	22,500	2,772	3,476	704
Fund Balance at Beginning of Year	0	0	0	0
Prior Year Encumbrances	3,628	3,628	3,628	0
Fund Balance at End of Year	<u>\$ 26,128</u>	<u>\$ 6,400</u>	<u>\$ 7,104</u>	<u>\$ 704</u>

**CITY OF OREGON, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2004***

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	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Fines and Forfeitures	\$ 44,000	\$ 45,000	\$ 47,241	\$ 2,241
Total Revenues	<u>44,000</u>	<u>45,000</u>	<u>47,241</u>	<u>2,241</u>
<b>Expenditures:</b>				
General Government:				
Contractual Services	<u>95,000</u>	<u>90,000</u>	<u>13,380</u>	<u>76,620</u>
Total Expenditures	<u>95,000</u>	<u>90,000</u>	<u>13,380</u>	<u>76,620</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(51,000)	(45,000)	33,861	78,861
Fund Balance at Beginning of Year	<u>146,782</u>	<u>146,782</u>	<u>146,782</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 95,782</u>	<u>\$ 101,782</u>	<u>\$ 180,643</u>	<u>\$ 78,861</u>

**CITY OF OREGON, OHIO**

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2004***

<b>HOUSING ASSISTANCE FUND</b>				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Intergovernmental Revenues	\$ 323,000	\$ 178,621	\$ 400,459	\$ 221,838
Charges for Services	0	79,793	96,746	16,953
Total Revenues	<u>323,000</u>	<u>258,414</u>	<u>497,205</u>	<u>238,791</u>
<b>Expenditures:</b>				
Community Environment:				
Personal Services	8,602	8,702	8,675	27
Materials and Supplies	1,000	1,000	416	584
Contractual Services	34,605	58,107	55,553	2,554
Capital Outlay	<u>310,000</u>	<u>362,320</u>	<u>329,720</u>	<u>32,600</u>
Total Expenditures	<u>354,207</u>	<u>430,129</u>	<u>394,364</u>	<u>35,765</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(31,207)	(171,715)	102,841	274,556
Fund Balance at Beginning of Year	162,799	162,799	162,799	0
Prior Year Encumbrances	<u>44,514</u>	<u>44,514</u>	<u>44,514</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 176,106</u>	<u>\$ 35,598</u>	<u>\$ 310,154</u>	<u>\$ 274,556</u>

**CITY OF OREGON, OHIO**

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2004***

**LOCAL LAW ENFORCEMENT BLOCK GRANT FUND**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Charges for Services	\$ 0	\$ 10,681	\$ 12,098	\$ 1,417
Investment Earnings	0	500	5	(495)
Total Revenues	<u>0</u>	<u>11,181</u>	<u>12,103</u>	<u>922</u>
<b>Expenditures:</b>				
Security of Persons and Property:				
Personal Services	20,000	24,750	19,688	5,062
Total Expenditures	<u>20,000</u>	<u>24,750</u>	<u>19,688</u>	<u>5,062</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(20,000)	(13,569)	(7,585)	5,984
<b>Other Financing Sources (Uses):</b>				
Transfers In	0	1,819	1,819	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>1,819</u>	<u>1,819</u>	<u>0</u>
Net Change in Fund Balance	(20,000)	(11,750)	(5,766)	5,984
Fund Balance at Beginning of Year	5,766	5,766	5,766	0
Fund Balance at End of Year	<u>\$ (14,234)</u>	<u>\$ (5,984)</u>	<u>\$ 0</u>	<u>\$ 5,984</u>

**CITY OF OREGON, OHIO**

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2004***

	<b>STORM SEWER PROJECT FUND</b>			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Municipal Income Taxes	\$ 643,848	\$ 636,331	\$ 708,601	\$ 72,270
Total Revenues	<u>643,848</u>	<u>636,331</u>	<u>708,601</u>	<u>72,270</u>
<b>Expenditures:</b>				
Basic Utility Services:				
Personal Services	175,500	175,500	175,500	0
Contractual Services	20,000	92,000	89,874	2,126
Capital Outlay	0	204,400	76,007	128,393
Total Expenditures	<u>195,500</u>	<u>471,900</u>	<u>341,381</u>	<u>130,519</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	448,348	164,431	367,220	202,789
<b>Other Financing Sources (Uses):</b>				
Transfers Out	(298,004)	(298,004)	(256,408)	41,596
Total Other Financing Sources (Uses)	<u>(298,004)</u>	<u>(298,004)</u>	<u>(256,408)</u>	<u>41,596</u>
Net Change in Fund Balance	150,344	(133,573)	110,812	244,385
Fund Balance at Beginning of Year	1,169,206	1,169,206	1,169,206	0
Prior Year Encumbrances	101,400	101,400	101,400	0
Fund Balance at End of Year	<u>\$ 1,420,950</u>	<u>\$ 1,137,033</u>	<u>\$ 1,381,418</u>	<u>\$ 244,385</u>

**CITY OF OREGON, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2004***

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	CEDAR POINT DEVELOPMENT FUND			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
<b>Expenditures:</b>				
Total Expenditures	0	0	0	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0	0
Fund Balance at Beginning of Year	22,057	22,057	22,057	0
Fund Balance at End of Year	<u>\$ 22,057</u>	<u>\$ 22,057</u>	<u>\$ 22,057</u>	<u>\$ 0</u>



**CITY OF OREGON, OHIO**

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2004***

<b>PROBATION SERVICES FUND</b>				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Fines and Forfeitures	\$ 14,000	\$ 13,000	\$ 14,364	\$ 1,364
Total Revenues	<u>14,000</u>	<u>13,000</u>	<u>14,364</u>	<u>1,364</u>
<b>Expenditures:</b>				
General Government:				
Contractual Services	20,000	20,345	12,930	7,415
Total Expenditures	<u>20,000</u>	<u>20,345</u>	<u>12,930</u>	<u>7,415</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(6,000)	(7,345)	1,434	8,779
Fund Balance at Beginning of Year	18,215	18,215	18,215	0
Prior Year Encumbrances	345	345	345	0
Fund Balance at End of Year	<u>\$ 12,560</u>	<u>\$ 11,215</u>	<u>\$ 19,994</u>	<u>\$ 8,779</u>

**CITY OF OREGON, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2004***

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	<b>DRUG LAW ENFORCEMENT AND EDUCATION FUND</b>			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Fines and Forfeitures	\$ 4,000	\$ 3,400	\$ 3,430	\$ 30
Total Revenues	<u>4,000</u>	<u>3,400</u>	<u>3,430</u>	<u>30</u>
<b>Expenditures:</b>				
Security of Persons and Property:				
Contractual Services	10,000	10,000	1,300	8,700
Total Expenditures	<u>10,000</u>	<u>10,000</u>	<u>1,300</u>	<u>8,700</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(6,000)	(6,600)	2,130	8,730
Fund Balance at Beginning of Year	<u>20,848</u>	<u>20,848</u>	<u>20,848</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$ 14,848</u></u>	<u><u>\$ 14,248</u></u>	<u><u>\$ 22,978</u></u>	<u><u>\$ 8,730</u></u>

**CITY OF OREGON, OHIO**

**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2004**

	<b>POLICE GRANTS FUND</b>			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Intergovernmental Revenues	\$ 49,700	\$ 25,000	\$ 65,063	\$ 40,063
Total Revenues	<u>49,700</u>	<u>25,000</u>	<u>65,063</u>	<u>40,063</u>
<b>Expenditures:</b>				
Security of Persons and Property:				
Personal Services	3,000	4,100	4,077	23
Contractual Services	46,700	57,531	56,995	536
Capital Outlay	0	37,150	37,071	79
Total Expenditures	<u>49,700</u>	<u>98,781</u>	<u>98,143</u>	<u>638</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	(73,781)	(33,080)	40,701
<b>Other Financing Sources (Uses):</b>				
Transfers In	0	24,850	24,850	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>24,850</u>	<u>24,850</u>	<u>0</u>
Net Change in Fund Balance	0	(48,931)	(8,230)	40,701
Fund Balance at Beginning of Year	5,674	5,674	5,674	0
Prior Year Encumbrances	15,545	15,545	15,545	0
Fund Balance at End of Year	<u>\$ 21,219</u>	<u>\$ (27,712)</u>	<u>\$ 12,989</u>	<u>\$ 40,701</u>

**CITY OF OREGON, OHIO**

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**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Debt Service Fund  
For the Year Ended December 31, 2004**

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	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
<b>Expenditures:</b>				
Debt Service:				
Principal Retirement	300,000	300,000	300,000	0
Interest and Fiscal Charges	169,606	169,606	169,605	1
Total Expenditures	469,606	469,606	469,605	1
Excess (Deficiency) of Revenues Over (Under) Expenditures	(469,606)	(469,606)	(469,605)	1
<b>Other Financing Sources (Uses):</b>				
Transfers In	469,608	469,606	469,606	0
Total Other Financing Sources (Uses)	469,608	469,606	469,606	0
Net Change in Fund Balance	2	0	1	1
Fund Balance at Beginning of Year	2,014	2,014	2,014	0
Fund Balance at End of Year	<u>\$ 2,016</u>	<u>\$ 2,014</u>	<u>\$ 2,015</u>	<u>\$ 1</u>

**CITY OF OREGON, OHIO**

**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Capital Projects Funds  
For the Year Ended December 31, 2004**

	<b>FIRE PUMPER EQUIPMENT FUND</b>			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Intergovernmental Revenues	\$ 350,000	\$ 0	\$ 0	\$ 0
Total Revenues	<u>350,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Expenditures:</b>				
Capital Outlay	0	863	345	518
Debt Service:				
Principal Retirement	350,000	350,000	350,000	0
Interest and Fiscal Charges	<u>5,180</u>	<u>5,180</u>	<u>5,165</u>	<u>15</u>
Total Expenditures	<u>355,180</u>	<u>356,043</u>	<u>355,510</u>	<u>533</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,180)	(356,043)	(355,510)	533
<b>Other Financing Sources (Uses):</b>				
Sale of General Obligation Notes	0	240,000	240,000	0
Transfers In	<u>0</u>	<u>115,000</u>	<u>115,180</u>	<u>180</u>
Total Other Financing Sources (Uses)	<u>0</u>	<u>355,000</u>	<u>355,180</u>	<u>180</u>
Net Change in Fund Balance	(5,180)	(1,043)	(330)	713
Fund Balance at Beginning of Year	<u>330</u>	<u>330</u>	<u>330</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ (4,850)</u>	<u>\$ (713)</u>	<u>\$ 0</u>	<u>\$ 713</u>

**CITY OF OREGON, OHIO**

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Capital Projects Funds  
For the Year Ended December 31, 2004***

<b>STREET / RECREATION BUILDING FUND</b>				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Intergovernmental Revenues	\$ 0	\$ 0	\$ 2,498	\$ 2,498
All Other Revenues	50	0	250	250
Total Revenues	<u>50</u>	<u>0</u>	<u>2,748</u>	<u>2,748</u>
<b>Expenditures:</b>				
Capital Outlay	0	48,704	48,084	620
Total Expenditures	<u>0</u>	<u>48,704</u>	<u>48,084</u>	<u>620</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	50	(48,704)	(45,336)	3,368
<b>Other Financing Sources (Uses):</b>				
Transfers In	0	24,236	24,236	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>24,236</u>	<u>24,236</u>	<u>0</u>
Net Change in Fund Balance	50	(24,468)	(21,100)	3,368
Fund Balance at Beginning of Year	122,312	122,312	122,312	0
Prior Year Encumbrances	7,655	7,655	7,655	0
Fund Balance at End of Year	<u>\$ 130,017</u>	<u>\$ 105,499</u>	<u>\$ 108,867</u>	<u>\$ 3,368</u>

**CITY OF OREGON, OHIO**

**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Capital Projects Funds  
For the Year Ended December 31, 2004**

<b>MUNICIPAL IMPROVEMENTS FUND</b>				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
<b>Expenditures:</b>				
Total Expenditures	0	0	0	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0	0
<b>Other Financing Sources (Uses):</b>				
Transfers Out	(24,237)	(24,237)	(24,236)	1
Total Other Financing Sources (Uses)	(24,237)	(24,237)	(24,236)	1
Net Change in Fund Balance	(24,237)	(24,237)	(24,236)	1
Fund Balance at Beginning of Year	61,214	61,214	61,214	0
Fund Balance at End of Year	<u>\$ 36,977</u>	<u>\$ 36,977</u>	<u>\$ 36,978</u>	<u>\$ 1</u>

**CITY OF OREGON, OHIO**

**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Capital Projects Funds  
For the Year Ended December 31, 2004**

	WATER CONSTRUCTION FUND			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
All Other Revenues	\$ 1,100,000	\$ 0	\$ 27,970	\$ 27,970
Total Revenues	<u>1,100,000</u>	<u>0</u>	<u>27,970</u>	<u>27,970</u>
<b>Expenditures:</b>				
Capital Outlay	0	204,302	59,261	145,041
Total Expenditures	<u>0</u>	<u>204,302</u>	<u>59,261</u>	<u>145,041</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,100,000	(204,302)	(31,291)	173,011
<b>Other Financing Sources (Uses):</b>				
Transfers In	0	850,000	850,000	0
Transfers Out	(1,234,496)	(1,234,496)	(1,122,950)	111,546
Total Other Financing Sources (Uses)	<u>(1,234,496)</u>	<u>(384,496)</u>	<u>(272,950)</u>	<u>111,546</u>
Net Change in Fund Balance	(134,496)	(588,798)	(304,241)	284,557
Fund Balance at Beginning of Year	2,815,114	2,815,114	2,815,114	0
Prior Year Encumbrances	37,112	37,112	37,112	0
Fund Balance at End of Year	<u>\$ 2,717,730</u>	<u>\$ 2,263,428</u>	<u>\$ 2,547,985</u>	<u>\$ 284,557</u>



**CITY OF OREGON, OHIO**

**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Capital Projects Funds  
For the Year Ended December 31, 2004**

	SEWER CONSTRUCTION FUND			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
All Other Revenues	\$ 1,020,000	\$ 1,000	\$ 32,168	\$ 31,168
Total Revenues	<u>1,020,000</u>	<u>1,000</u>	<u>32,168</u>	<u>31,168</u>
<b>Expenditures:</b>				
Capital Outlay	0	216,449	174,856	41,593
Total Expenditures	<u>0</u>	<u>216,449</u>	<u>174,856</u>	<u>41,593</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,020,000	(215,449)	(142,688)	72,761
<b>Other Financing Sources (Uses):</b>				
Sale of Capital Assets	0	0	21,517	21,517
Transfers In	0	850,000	850,000	0
Transfers Out	(1,004,644)	(1,004,644)	(1,004,644)	0
Total Other Financing Sources (Uses)	<u>(1,004,644)</u>	<u>(154,644)</u>	<u>(133,127)</u>	<u>21,517</u>
Net Change in Fund Balance	15,356	(370,093)	(275,815)	94,278
Fund Balance at Beginning of Year	2,154,445	2,154,445	2,154,445	0
Prior Year Encumbrances	3,948	3,948	3,948	0
Fund Balance at End of Year	<u>\$ 2,173,749</u>	<u>\$ 1,788,300</u>	<u>\$ 1,882,578</u>	<u>\$ 94,278</u>

**CITY OF OREGON, OHIO**

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**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Capital Projects Funds  
For the Year Ended December 31, 2004**

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<b>STORM SEWER CONSTRUCTION FUND</b>				Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
All Other Revenues	\$ 0	\$ 25,000	\$ 25,000	\$ 0
Total Revenues	<u>0</u>	<u>25,000</u>	<u>25,000</u>	<u>0</u>
<b>Expenditures:</b>				
Capital Outlay	0	50,000	0	50,000
Total Expenditures	<u>0</u>	<u>50,000</u>	<u>0</u>	<u>50,000</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	(25,000)	25,000	50,000
Fund Balance at Beginning of Year	77,068	77,068	77,068	0
Fund Balance at End of Year	<u>\$ 77,068</u>	<u>\$ 52,068</u>	<u>\$ 102,068</u>	<u>\$ 50,000</u>

**CITY OF OREGON, OHIO**

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**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Capital Projects Funds  
For the Year Ended December 31, 2004**

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	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
<b>Expenditures:</b>				
Capital Outlay	65,000	718,599	80,423	638,176
Debt Service:				
Principal Retirement	880,000	880,000	880,000	0
Interest and Fiscal Charges	13,023	13,023	12,989	34
Total Expenditures	958,023	1,611,622	973,412	638,210
Excess (Deficiency) of Revenues Over (Under) Expenditures	(958,023)	(1,611,622)	(973,412)	638,210
<b>Other Financing Sources (Uses):</b>				
Sale of General Obligation Notes	580,000	580,000	580,000	0
Transfers In	300,000	415,000	416,428	1,428
Total Other Financing Sources (Uses)	880,000	995,000	996,428	1,428
Net Change in Fund Balance	(78,023)	(616,622)	23,016	639,638
Fund Balance at Beginning of Year	262,592	262,592	262,592	0
Prior Year Encumbrances	64,447	64,447	64,447	0
Fund Balance at End of Year	\$ 249,016	\$ (289,583)	\$ 350,055	\$ 639,638

**CITY OF OREGON, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Capital Projects Funds  
For the Year Ended December 31, 2004***

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**SPECIAL ASSESSMENT - DUSTIN ROAD IMPROVEMENT FUND**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>				
Total Revenues	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<b>Expenditures:</b>				
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0	0
Fund Balance at Beginning of Year	<u>1,402</u>	<u>1,402</u>	<u>1,402</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$ 1,402</u></u>	<u><u>\$ 1,402</u></u>	<u><u>\$ 1,402</u></u>	<u><u>\$ 0</u></u>

**CITY OF OREGON, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Capital Projects Funds  
For the Year Ended December 31, 2004***

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	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
<b>Expenditures:</b>				
Total Expenditures	0	0	0	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0	0
Fund Balance at Beginning of Year	5,745	5,745	5,745	0
Fund Balance at End of Year	<u>\$ 5,745</u>	<u>\$ 5,745</u>	<u>\$ 5,745</u>	<u>\$ 0</u>

**CITY OF OREGON, OHIO**

**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Capital Projects Funds  
For the Year Ended December 31, 2004**

<b>PARKLAND ACQUISITION FUND</b>				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
<b>Expenditures:</b>				
Debt Service:				
Principal Retirement	270,000	270,000	270,000	0
Interest and Fiscal Charges	3,996	3,996	3,985	11
Total Expenditures	<u>273,996</u>	<u>273,996</u>	<u>273,985</u>	<u>11</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(273,996)	(273,996)	(273,985)	11
<b>Other Financing Sources (Uses):</b>				
Sale of General Obligation Notes	220,000	220,000	220,000	0
Transfers In	50,000	53,996	53,996	0
Total Other Financing Sources (Uses)	<u>270,000</u>	<u>273,996</u>	<u>273,996</u>	<u>0</u>
Net Change in Fund Balance	(3,996)	0	11	11
Fund Balance at Beginning of Year	<u>31</u>	<u>31</u>	<u>31</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$ (3,965)</u></u>	<u><u>\$ 31</u></u>	<u><u>\$ 42</u></u>	<u><u>\$ 11</u></u>

**CITY OF OREGON, OHIO**

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**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Permanent Funds  
For the Year Ended December 31, 2004**

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	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Investment Earnings	\$ 3,000	\$ 500	\$ 744	\$ 244
Total Revenues	<u>3,000</u>	<u>500</u>	<u>744</u>	<u>244</u>
<b>Expenditures:</b>				
Public Health and Welfare Services:				
Contractual Services	<u>0</u>	<u>5,000</u>	<u>4,773</u>	<u>227</u>
Total Expenditures	<u>0</u>	<u>5,000</u>	<u>4,773</u>	<u>227</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,000	(4,500)	(4,029)	471
Fund Balance at Beginning of Year	<u>77,720</u>	<u>77,720</u>	<u>77,720</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 80,720</u>	<u>\$ 73,220</u>	<u>\$ 73,691</u>	<u>\$ 471</u>

**CITY OF OREGON, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Permanent Funds  
For the Year Ended December 31, 2004***

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	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Investment Earnings	\$ 190	\$ 200	\$ 40	\$ (160)
Total Revenues	<u>190</u>	<u>200</u>	<u>40</u>	<u>(160)</u>
<b>Expenditures:</b>				
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	190	200	40	(160)
Fund Balance at Beginning of Year	<u>4,138</u>	<u>4,138</u>	<u>4,138</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 4,328</u>	<u>\$ 4,338</u>	<u>\$ 4,178</u>	<u>\$ (160)</u>



***Internal Service Funds***

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

**Self Insurance Dental / Emergency Room Fund**

To account for funds designated for payment, by contract, of administration, claims and reserves for the self insurance program.

**Workers' Compensation Fund**

To account for funds reserved for potential liability for workers' compensation and payment of actual workers' compensation claims.

**Medical Spending Fund**

To account for deposits from employees for the Flex Benefit/Cafeteria Plan and reimbursements to employees for said purposes.

***Combining Statement of Net Assets  
Internal Service Funds  
December 31, 2004***

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	Self-Insurance Dental / Emergency Room	Workers' Compensation Internal Service	Medical Spending	Total
<b>Assets:</b>				
<i>Current Assets:</i>				
Cash and Cash Equivalents	\$ 59,101	\$ 552,972	\$ 6,457	\$ 618,530
Prepaid Items	0	3,860	0	3,860
<b>Total Assets</b>	<u>59,101</u>	<u>556,832</u>	<u>6,457</u>	<u>622,390</u>
<b>Liabilities:</b>				
<i>Current Liabilities:</i>				
Workers Compensation Liability	0	236,983	0	236,983
<b>Total Liabilities</b>	<u>0</u>	<u>236,983</u>	<u>0</u>	<u>236,983</u>
<b>Net Assets:</b>				
Unrestricted	59,101	319,849	6,457	385,407
<b>Total Net Assets</b>	<u>\$ 59,101</u>	<u>\$ 319,849</u>	<u>\$ 6,457</u>	<u>\$ 385,407</u>

***Combining Statement of Revenues, Expenses and Changes in Fund Net Assets  
Internal Service Funds  
For the Year Ended December 31, 2004***

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	Self-Insurance Dental / Emergency Room	Workers' Compensation Internal Service	Medical Spending	Total
<b>Operating Revenues:</b>				
Charges for Services	\$ 23,810	\$ 0	\$ 25,641	\$ 49,451
Other Operating Revenue	0	128,432	0	128,432
<b>Total Operating Revenues</b>	<u>23,810</u>	<u>128,432</u>	<u>25,641</u>	<u>177,883</u>
<b>Operating Expenses:</b>				
Personal Services	3,726	5,147	26,674	35,547
<b>Total Operating Expenses</b>	<u>3,726</u>	<u>5,147</u>	<u>26,674</u>	<u>35,547</u>
Change in Net Assets	20,084	123,285	(1,033)	142,336
Net Assets Beginning of Year	39,017	196,564	7,490	243,071
Net Assets End of Year	<u>\$ 59,101</u>	<u>\$ 319,849</u>	<u>\$ 6,457</u>	<u>\$ 385,407</u>

**CITY OF OREGON, OHIO**

***Combining Statement of Cash Flows  
Internal Service Funds  
For the Year Ended December 31, 2004***

	Self- Insurance Dental / Emergency Room	Workers' Compensation	Medical Spending	Totals
<u>Cash Flows from Operating Activities:</u>				
Cash Received from Customers	\$23,810	\$128,432	\$25,641	\$177,883
Cash Payments to Employees	(3,726)	(8,207)	(26,674)	(38,607)
Net Cash Provided (Used) by Operating Activities	<u>20,084</u>	<u>120,225</u>	<u>(1,033)</u>	<u>139,276</u>
Net Increase (Decrease) in Cash and Cash Equivalents	20,084	120,225	(1,033)	139,276
Cash and Cash Equivalents at Beginning of Year	39,017	432,747	7,490	479,254
Cash and Cash Equivalents at End of Year	<u>\$59,101</u>	<u>\$552,972</u>	<u>\$6,457</u>	<u>\$618,530</u>
<u>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</u>				
Operating Income (Loss)	\$20,084	\$123,285	(\$1,033)	\$142,336
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Changes in Assets and Liabilities:				
Increase in Prepaid Items	0	(3,060)	0	(3,060)
Total Adjustments	<u>0</u>	<u>(3,060)</u>	<u>0</u>	<u>(3,060)</u>
Net Cash Provided (Used) by Operating Activities	<u>\$20,084</u>	<u>\$120,225</u>	<u>(\$1,033)</u>	<u>\$139,276</u>

***Fiduciary Funds***

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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 Funds***

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**Ohio Board of Building Standards Assessment Fund**

To account for funds from the three percent (3%) fees as required by Ohio Revised Code.

**Income Tax Joint District Fund**

To account for income tax funds to be distributed between the City of Oregon and the City of Northwood.

**Lucas County Water Collection Fund**

To account for a portion of the revenue from Lucas County (outside Oregon) users of Oregon water. Expenditures may only be used for contractually agreed upon payment to Lucas County and for contractually agreed upon payment for capitalization costs of the Water Plant Construction Fund.

**Municipal Court Fund**

To account for funds that flow through the municipal court office.

**CITY OF OREGON, OHIO**

**Combining Statement of Changes in Assets and Liabilities  
Agency Funds  
For the Year Ended December 31, 2004**

	Balance December 31, 2003	Additions	Deductions	Balance December 31, 2004
<u>Ohio Board of Building Standards Assessment</u>				
Restricted Assets:				
Cash and Cash Equivalents	\$225	\$2,125	(\$2,302)	\$48
Total Assets	<u>\$225</u>	<u>\$2,125</u>	<u>(\$2,302)</u>	<u>\$48</u>
Liabilities:				
Intergovernmental Payables	\$225	\$2,125	(\$2,302)	\$48
Total Liabilities	<u>\$225</u>	<u>\$2,125</u>	<u>(\$2,302)</u>	<u>\$48</u>
<u>Income Tax Joint District Fund</u>				
Restricted Assets:				
Cash and Cash Equivalents	\$16,954	\$25,636	(\$26,900)	\$15,690
Total Assets	<u>\$16,954</u>	<u>\$25,636</u>	<u>(\$26,900)</u>	<u>\$15,690</u>
Liabilities:				
Intergovernmental Payables	\$16,954	\$25,636	(\$26,900)	\$15,690
Total Liabilities	<u>\$16,954</u>	<u>\$25,636</u>	<u>(\$26,900)</u>	<u>\$15,690</u>
<u>Lucas County Water Collection Fund</u>				
Restricted Assets:				
Cash and Cash Equivalents	\$14,299	\$34,598	(\$36,844)	\$12,053
Total Assets	<u>\$14,299</u>	<u>\$34,598</u>	<u>(\$36,844)</u>	<u>\$12,053</u>
Liabilities:				
Intergovernmental Payables	\$14,299	\$34,598	(\$36,844)	\$12,053
Total Liabilities	<u>\$14,299</u>	<u>\$34,598</u>	<u>(\$36,844)</u>	<u>\$12,053</u>
<u>Municipal Court Fund</u>				
Restricted Assets:				
Cash and Cash Equivalents	\$23,874	\$1,015,284	(\$1,010,227)	\$28,931
Total Assets	<u>\$23,874</u>	<u>\$1,015,284</u>	<u>(\$1,010,227)</u>	<u>\$28,931</u>
Liabilities:				
Due to Others	\$23,874	\$1,015,284	(\$1,010,227)	\$28,931
Total Liabilities	<u>\$23,874</u>	<u>\$1,015,284</u>	<u>(\$1,010,227)</u>	<u>\$28,931</u>
<u>Totals - All Agency Funds</u>				
Restricted Assets:				
Cash and Cash Equivalents	\$55,352	\$1,077,643	(\$1,076,273)	\$56,722
Total Assets	<u>\$55,352</u>	<u>\$1,077,643</u>	<u>(\$1,076,273)</u>	<u>\$56,722</u>
Liabilities:				
Intergovernmental Payables	\$31,478	\$62,359	(\$66,046)	\$27,791
Due to Others	23,874	1,015,284	(1,010,227)	28,931
Total Liabilities	<u>\$55,352</u>	<u>\$1,077,643</u>	<u>(\$1,076,273)</u>	<u>\$56,722</u>

*CAPITAL ASSETS USED IN THE  
OPERATION OF GOVERNMENTAL FUNDS*

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*City of Opportunity*

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**CITY OF OREGON, OHIO**

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***Capital Assets Used in the Operation of Governmental Funds  
Schedule by Source  
December 31, 2004***

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<u>Capital Assets</u>	
Land	\$5,279,762
Buildings and Improvements	7,347,608
Machinery and Equipment	3,600,382
Vehicles	5,954,005
Infrastructure	39,083,281
Construction in Progress	923,459
Total Capital Assets	<u>\$62,188,497</u>
<u>Investment in Capital Assets</u>	
General Fund	\$10,296,809
Special Revenue Funds	3,448,290
Capital Projects Funds	46,888,757
Proprietary Funds	454,006
Grants	589,457
Donations	511,178
Total Investment in Capital Assets	<u>\$62,188,497</u>

***Capital Assets Used in the Operation of Governmental Funds  
Schedule by Function and Activity  
December 31, 2004***

<u>Function and Activity</u>	<u>Land</u>	<u>Buildings and Improvements</u>	<u>Machinery and Equipment</u>
<u>General Government:</u>			
Municipal Complex	\$304,937	\$3,068,006	\$195
Council	0	0	1,158
Mayor / Civil Service Administrator	0	0	1,198
Finance Director	635,362	0	8,975
Income Tax	0	5,930	145,490
Data Processing	0	3,899	42,328
Municipal Court	0	639,468	272,752
Miscellaneous	274,187	65,912	214,513
Total	<u>1,214,486</u>	<u>3,783,215</u>	<u>1,261,652</u>
<u>Security of Persons and Property:</u>			
Police	1,600	280,384	875,023
Fire	48,139	1,460,442	299,506
Total	<u>49,739</u>	<u>1,740,826</u>	<u>1,174,529</u>
<u>Transportation:</u>			
Service Director	0	1,028	138,082
Street	1,605,685	698,746	502,119
Total	<u>1,605,685</u>	<u>699,774</u>	<u>640,201</u>
<u>Leisure Time Activities:</u>			
Parks and Recreation	<u>2,302,961</u>	<u>949,824</u>	<u>342,867</u>
<u>Community Environment:</u>			
Inspection	0	92,714	16,114
Tree Commission	100,441	0	3,024
Total	<u>100,441</u>	<u>92,714</u>	<u>19,138</u>
<u>Public Health and Welfare:</u>			
Cemetery	6,450	81,255	161,995
Total Capital Assets	<u>\$5,279,762</u>	<u>\$7,347,608</u>	<u>\$3,600,382</u>

**CITY OF OREGON, OHIO**

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Vehicles	Infrastructure	Construction in Progress	Total
\$0	\$0	\$120,564	\$3,493,702
0	0	0	1,158
0	0	0	1,198
0	0	0	8,975
0	0	0	780,852
0	0	0	48,258
0	0	0	276,651
0	0	0	853,981
0	0	334,166	1,249,308
0	0	454,730	6,714,083
817,490	0	0	1,974,497
3,285,840	0	19,450	5,113,377
4,103,330	0	19,450	7,087,874
343,659	0	1,800	484,569
1,280,695	39,083,281	80,078	43,250,604
1,624,354	39,083,281	81,878	43,735,173
77,670	0	357,095	4,030,417
96,976	0	0	205,804
2,897	0	0	106,362
99,873	0	0	312,166
48,778	0	10,306	308,784
<u>\$5,954,005</u>	<u>\$39,083,281</u>	<u>\$923,459</u>	<u>\$62,188,497</u>

**CITY OF OREGON, OHIO**

***Capital Assets Used in the Operation of Governmental Funds  
Schedule Changes by Function and Activity  
For Year Ended December 31, 2004***

Function and Activity	December 31, 2003	Additions	Deletions	December 31, 2004
<u>General Government:</u>				
Municipal Complex	\$3,373,138	\$120,564	\$0	\$3,493,702
Council	1,158	0	0	1,158
Mayor / Civil Service	1,198	0	0	1,198
Administrator	8,975	0	0	8,975
Finance Director	780,852	0	0	780,852
Income Tax	51,793	0	(3,535)	48,258
Data Processing	270,471	6,180	0	276,651
Municipal Court	829,815	24,166	0	853,981
Miscellaneous	1,249,308	0	0	1,249,308
Total	6,566,708	150,910	(3,535)	6,714,083
<u>Security of Persons and Property:</u>				
Police	1,875,967	201,931	(103,401)	1,974,497
Fire	5,031,993	128,022	(46,638)	5,113,377
Total	6,907,960	329,953	(150,039)	7,087,874
<u>Transportation:</u>				
Service Director	394,367	123,267	(33,065)	484,569
Street	43,041,263	209,341	0	43,250,604
Total	43,435,630	332,608	(33,065)	43,735,173
<u>Leisure Time Activities:</u>				
Parks and Recreation	3,996,682	51,826	(18,091)	4,030,417
<u>Community Environment:</u>				
Inspection	205,804	0	0	205,804
Tree Commission	106,362	0	0	106,362
Total	312,166	0	0	312,166
<u>Public Health and Welfare:</u>				
Cemetery	308,784	0	0	308,784
Total Capital Assets	\$61,527,930	\$865,297	(\$204,730)	\$62,188,497

# Statistical Section

The James Haley Boardwalk was dedicated in August, 1999





*City of Opportunity*

*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.*

**CITY OF OREGON, OHIO**

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

<b>Year</b>	<b>Security of Persons and Property</b>	<b>Public Health and Welfare Services</b>	<b>Leisure Time Activities</b>	<b>Community Environment</b>	<b>Basic Utility Services</b>	<b>Trans- portation</b>	<b>General Government</b>	<b>Debt Service</b>	<b>Total</b>
1995	\$5,647,996	\$277,473	\$473,047	\$1,032,051	\$140,847	\$3,056,061	\$2,663,379	\$522,549	\$13,813,403
1996	6,170,972	362,120	446,946	419,396	144,538	3,057,246	3,122,224	369,848	14,093,290
1997	7,098,292	391,833	541,330	734,679	143,831	3,278,845	3,050,147	352,676	15,591,633
1998	6,522,915	395,950	522,753	1,502,212	371,875	2,996,623	2,789,600	469,671	15,571,599
1999	6,860,675	388,490	555,226	1,457,666	194,758	2,926,273	3,002,537	523,200	15,908,825
2000	6,957,408	321,370	754,951	905,692	151,747	3,134,325	3,481,355	554,476	16,261,324
2001	7,513,265	380,507	657,027	737,466	427,119	3,368,708	3,537,508	605,949	17,227,549
2002	8,277,181	353,550	689,201	847,210	139,851	3,380,881	3,730,573	1,560,687	18,979,134
2003	8,213,280	371,624	631,629	1,179,300	329,707	2,749,407	4,013,125	1,583,427	19,071,499
2004	8,664,795	354,000	576,517	962,565	466,381	2,921,971	4,252,193	1,243,353	19,441,775

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



**CITY OF OREGON, OHIO**

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

<b>Year</b>	<b>Taxes</b>	<b>Inter- Governmental Revenues</b>	<b>Charges for Services</b>	<b>Fines and Forfeitures/ Licenses, Permits and Fees</b>	<b>Investment Earnings</b>	<b>Special Assessments</b>	<b>All Other</b>	<b>Total</b>
1995	\$10,375,709	\$3,086,515	\$348,908	\$504,217	\$752,477	\$585,386	\$58,805	\$15,712,017
1996	10,418,179	2,579,640	481,663	514,958	897,970	458,949	108,615	15,459,974
1997	11,005,965	2,753,923	796,900	528,829	1,008,928	475,607	81,171	16,651,323
1998	12,373,636	3,104,223	949,862	663,463	871,315	562,715	165,158	18,690,372
1999	13,035,879	3,559,490	562,785	706,976	983,567	484,113	91,746	19,424,556
2000	12,448,957	3,341,693	627,286	635,435	1,083,496	457,923	75,110	18,669,900
2001	17,118,366	3,275,389	689,601	693,642	1,096,332	487,447	129,541	23,490,318
2002	13,006,783	3,440,070	615,488	844,311	873,423	502,159	84,086	19,366,320
2003	13,325,719	3,461,617	670,731	744,142	580,183	681,163	118,801	19,582,356
2004	14,306,108	3,517,928	804,172	692,782	376,389	672,772	159,875	20,530,026

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

**CITY OF OREGON, OHIO**

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

<b>Collection Year</b>	<b>Total Tax Levy</b>	<b>Current Tax Collections</b>	<b>Delinquent Tax Collections</b>	<b>Total Tax Collections</b>	<b>Percent of Total Tax Collections To Tax Levy</b>	<b>Accumulated Outstanding Delinquent Taxes</b>	<b>Percentage of Accumulated Delinquent Taxes to Total Tax Levy</b>
1995	\$864,000	\$815,148	\$47,799	\$862,947	99.88%	\$56,904	6.59%
1996	863,997	867,445	12,782	880,227	101.88%	39,725	4.60%
1997	1,224,000	1,214,550	31,405	1,245,955	101.79%	42,333	3.46%
1998	1,364,916	1,340,215	34,136	1,374,351	100.69%	30,225	2.21%
1999	1,378,000	1,361,901	154,179	1,516,080	110.02%	30,091	2.18%
2000	1,402,500	1,381,205	48,976	1,430,181	101.97%	29,889	2.13%
2001	1,973,000	1,441,216	144,183	1,585,399	80.35%	52,567	2.66%
2002	1,446,409	1,379,930	30,319	1,410,249	97.50%	72,320	5.00%
2003	1,421,373	1,407,160	112,828	1,519,988	106.94%	115,522	8.13%
2004	1,532,690	1,497,850	31,775	1,529,625	99.80%	153,758	10.03%

Source: Lucas County Auditor

***CITY OF OREGON, OHIO***

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***TANGIBLE TAX COLLECTED  
LAST TEN YEARS***

<u>Year Paid</u>	<u>Amount</u>
1995	\$314,317
1996	331,448
1997	342,350
1998	375,235
1999	502,731
2000	417,687
2001	466,655
2002	392,175
2003	492,682
2004	419,003

Source: Lucas County Auditor

**CITY OF OREGON, OHIO**

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

Tax Year	Real Property		Public Utility Personal		Tangible Personal Property		Total		Assessed Value as a Percent of Actual Value
	Assessed	Actual	Assessed	Actual	Assessed	Actual	Assessed	Actual	
1995	\$227,618,400	\$650,338,286	\$89,269,180	\$101,442,250	\$89,493,915	\$344,207,365	\$406,381,495	\$1,095,987,901	37.08%
1996	232,962,860	665,608,171	95,241,070	108,228,489	96,804,733	387,218,932	425,008,663	1,161,055,592	36.61%
1997	267,195,920	763,416,914	90,991,610	103,399,557	102,404,075	409,616,300	460,591,605	1,276,432,771	36.08%
1998	274,967,220	785,620,629	91,808,030	104,327,307	107,685,579	430,742,316	474,460,829	1,320,690,252	35.93%
1999	283,472,680	826,246,686	87,082,370	92,464,443	90,095,364	360,381,456	460,650,414	1,279,092,585	36.01%
2000	344,472,900	984,208,286	87,399,690	99,317,830	119,988,283	479,953,132	551,860,873	1,563,479,248	35.30%
2001	362,119,680	1,034,627,657	43,975,230	49,971,852	126,532,646	506,130,584	532,627,556	1,590,730,093	33.48%
2002	373,201,700	1,066,290,571	43,878,130	49,861,511	114,530,269	458,121,076	531,610,099	1,574,273,158	33.77%
2003	420,220,590	1,200,630,257	41,743,480	47,435,773	116,697,844	466,791,376	578,661,914	1,714,857,406	33.74%
2004	432,314,260	1,235,183,600	41,952,900	47,673,750	121,690,213	486,760,852	595,957,373	1,769,618,202	33.68%

Source: Lucas County Auditor

**CITY OF OREGON, OHIO**

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

<b>Collection Year</b>	<b>City of Oregon</b>					<b>Oregon School District</b>	<b>Lucas County</b>	<b>Total</b>
	<b>General Fund</b>	<b>Police Fund</b>	<b>Fire Fund</b>	<b>Recreation Fund</b>	<b>Total City</b>			
1995	1.70	0.80	0.50	0.50	3.50	45.80	17.20	66.50
1996	1.70	0.80	0.50	0.50	3.50	49.20	17.35	70.05
1997	1.70	0.80	0.50	0.50	3.50	49.20	17.35	70.05
1998	1.70	0.80	0.50	0.50	3.50	49.20	17.35	70.05
1999	1.70	0.80	0.50	0.50	3.50	49.20	17.75	70.45
2000	1.70	0.80	0.50	0.50	3.50	49.20	17.95	70.65
2001	1.70	0.80	0.50	0.50	3.50	49.20	17.80	70.50
2002	1.70	0.80	0.50	0.50	3.50	49.20	17.80	70.50
2003	1.70	0.80	0.50	0.50	3.50	55.10	18.30	76.90
2004	1.70	0.80	0.50	0.50	3.50	55.10	18.30	76.90

Source: Lucas County Auditor  
Lucas County Treasurer

**CITY OF OREGON, OHIO**

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**SPECIAL ASSESSMENT BILLINGS AND COLLECTIONS  
LAST TEN YEARS**

<b>Collection Year</b>	<b>Amount Billed</b>	<b>Amount Collected</b>	<b>Percent Collected</b>
1995	\$567,487	\$547,309	96.44%
1996	493,228	496,142	100.59%
1997	534,784	515,998	96.49%
1998	349,049	606,233	173.68%
1999	307,780	528,201	171.62%
2000	313,544	505,981	161.37%
2001	350,380	529,180	151.03%
2002	401,487	548,148	136.53%
2003	472,394	575,139	121.75%
2004	564,720	665,439	117.84%

Uncollected as of 12/31/04 - \$151,793

Source: Lucas County Auditor.

**COMPUTATION OF LEGAL DEBT MARGIN  
DECEMBER 31, 2004**

	<u><b>Total Debt</b></u>	<u><b>Unvoted Debt</b></u>
Net Assessed Valuation	\$595,957,373	\$595,957,373
Legal Debt Limitation (%) (1)	10.50%	5.50%
Legal Debt Limitation (\$) (1)	62,575,524	32,777,656
Applicable City Debt Outstanding (2)	980,000	980,000
Less: Applicable Debt Service Fund Amounts	0	0
Net Indebtedness Subject to Limitation	<u>980,000</u>	<u>980,000</u>
Legal Debt Margin	<u><u>\$61,595,524</u></u>	<u><u>\$31,797,656</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 Bonds Only.  
Enterprise Debt is Not Considered in the Computation of the Legal Debt Margin.

**CITY OF OREGON, OHIO**

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

<b>Year</b>	<b>Population (1)</b>	<b>Assessed Value (2)</b>	<b>Gross General Obligation Bonded Debt (3)</b>	<b>Debt Service Funds Available</b>	<b>Net General Obligation Bonded Debt</b>	<b>Ratio of Net General Obligation Bonded Debt to Assessed Valuation</b>	<b>Net General Obligation Bonded Debt Per Capita</b>
1995	18,326	\$406,381,495	\$2,170,000	\$25	\$2,169,975	0.53%	\$118
1996	18,326	425,008,663	2,010,000	32	2,009,968	0.47%	109.68
1997	18,326	460,591,605	1,915,000	40	1,914,960	0.42%	104.49
1998	18,326	474,460,829	1,805,000	91,627	1,713,373	0.36%	93.49
1999	18,326	460,650,414	1,775,000	1,000	1,774,000	0.39%	96.80
2000	19,355	551,860,873	1,630,000	1,244	1,628,756	0.30%	84.15
2001	19,355	532,627,556	1,475,000	1,423	1,473,577	0.28%	76.13
2002	19,355	531,610,099	1,315,000	1,699	1,313,301	0.25%	67.85
2003	19,355	578,661,914	1,150,000	2,014	1,147,986	0.20%	59.31
2004	19,355	595,957,373	980,000	2,015	977,985	0.16%	50.53

- (1) U.S. Department of Commerce;  
1994; the 1990 Census of Population and Housing.  
1995 to 1999; Population Estimates Branch, Population Division of the U.S. Department of Commerce  
2000 to 2003; the 2000 Census of Population and Housing.
- (2) Source: Lucas County Auditor.
- (3) Includes all general obligation bonded debt supported by property taxes.



**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>
1995	\$85,000	\$151,087	\$236,087	\$13,813,403	1.71%
1996	90,000	145,223	235,223	14,093,290	1.67%
1997	95,000	139,013	234,013	15,591,633	1.50%
1998	110,000	132,458	242,458	15,571,599	1.56%
1999	25,000	72,724	97,724	15,908,825	0.61%
2000	145,000	71,911	216,911	16,261,324	1.33%
2001	155,000	66,910	221,910	17,227,549	1.29%
2002	160,000	61,251	221,251	18,979,134	1.17%
2003	165,000	55,331	220,331	19,071,499	1.16%
2004	170,000	49,061	219,061	19,441,775	1.13%

**CITY OF OREGON, OHIO**

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**COMPUTATION OF ALL DIRECT AND OVERLAPPING GOVERNMENTAL DEBT  
DECEMBER 31, 2004**

<u>Jurisdiction</u>	<u>Net Debt Outstanding</u>	<u>Percentage Applicable to City of Oregon</u>	<u>Amount Applicable to City of Oregon</u>
<b>Direct</b>			
City of Oregon	\$977,985	100.00%	\$977,985
<b>Overlapping Subdivisions</b>			
Oregon City School District	105,000	90.40%	94,920
Lucas County	5,613,500	6.75%	<u>378,911</u>
		Subtotal	<u>473,831</u>
		Total	<u><u>\$1,451,816</u></u>

Source: Lucas County Auditor

***CITY OF OREGON, OHIO***

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***DEMOGRAPHIC STATISTICS  
DECEMBER 31, 2004***

<b><u>Year</u></b>	<b><u>City of Oregon Population (1)</u></b>	<b><u>Lucas County Population (2)</u></b>	<b><u>Unemployment Rate County Area (3)</u></b>	<b><u>Per Capita Income County Area (2)</u></b>	<b><u>School Enrollment (4)</u></b>
1995	18,276	455,018	4.9%	\$13,778	3,742
1996	18,326	452,691	5.1%	13,778	3,846
1997	18,326	452,691	5.2%	13,778	3,760
1998	18,326	452,691	5.5%	13,778	4,168
1999	18,326	446,871	5.2%	20,786	4,212
2000	19,355	455,054	4.7%	24,630	4,132
2001	19,355	455,054	5.1%	27,707	4,151
2002	19,355	455,054	7.6%	27,707	4,221
2003	19,355	455,054	7.3%	27,707	4,230
2004	19,355	455,054	6.6%	27,707	4,159

Source: (1) U.S. Department of Commerce;  
1994; the 1990 Census of Population and Housing.  
1995 to 1999; Population Estimates Branch, Population Division of the U.S. Department of Commerce  
2000 to 2003; the 2000 Census of Population and Housing.  
(2) Lucas County Auditor, Toledo Metropolitan Area Council of Governments.  
(3) Ohio Bureau of Employment Services.  
(4) Oregon School District, Board of Education and Cardinal Stritch High School.

(Continued)

**CITY OF OREGON, OHIO**

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**DEMOGRAPHIC STATISTICS  
DECEMBER 31, 2004**

<b>2004 Median Family Income (2)</b>		<b>Year</b>	<b>Sales within City (2)</b>	<b>County Average Price (2)</b>	<b>City Average Price (2)</b>
City of Oregon	\$46,887	1997	241	\$79,200	\$89,000
Lucas County	38,004	1998	236	80,893	104,141
State of Ohio	40,956	1999	225	100,520	114,340
United States	35,225	2000	238	97,500	118,100
		2001	238	108,400	121,350
		2002	236	120,600	139,821
		2003	354	119,656	119,517
		2004	222	126,900	140,500

**Average Federal AGI for  
Ohio School Districts - 2004 (4)**

Oregon City School District	\$37,130
All Lucas County Districts	38,798
All State of Ohio School Distri	42,238

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

<b>Year</b>	<b>Residential (1)</b>			<b>Commercial (1)</b>	
	<b>Number of Permits</b>	<b>Single Family Housing Units</b>	<b>Project Value</b>	<b>Number of Permits</b>	<b>Project Value</b>
1995	278	88	\$15,026,610.0	40	\$6,989,693.0
1996	312	89	15,688,121	69	4,654,116
1997	252	69	10,790,431	51	7,332,505
1998	323	101	17,062,321	39	197,473,704
1999	328	85	16,414,218	52	63,262,560
2000	321	64	14,384,243	46	10,532,110
2001	277	66	11,679,498	46	24,131,251
2002	368	74	14,421,163	47	14,475,780
2003	318	81	12,758,963	44	12,689,868
2004	392	76	11,852,526	46	13,282,789

(1) Source: City of Oregon Building Department.

**CITY OF OREGON, OHIO**

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**PRINCIPAL TAXPAYERS (PUBLIC UTILITY AND PERSONAL PROPERTY TAX)  
DECEMBER 31, 2004**

	<u>Taxpayer</u>	<u>Type of Business</u>	<u>2004 Assessed Valuation (Tax Duplicate)</u>	<u>Percentage of Total Assessed Valuation</u>
1	Sun Co., Inc.	Refinery and Related Activities	\$46,541,630	28.44%
2	BP Oil Company	Refinery and Related Activities	27,428,030	16.76%
3	Marsulex Inc.	Refinery Related	7,530,993	4.60%
4	Reiter Automotive of North America	Automobile Parts Manufacturer	3,107,860	1.90%
5	E.S. Wagner	Excavating	2,988,050	1.83%
6	Dunn Chevrolet Olds Inc.	Automobile Parts Manufacturer	2,679,310	1.64%
7	Oregon Ford Inc.	Automobile Dealership	2,625,270	1.60%
8	AK Steel Corporation	Steel Manufacturer	2,373,980	1.45%
9	Midwest Electrical Supply	Public Utility - Electric	2,248,660	1.37%
10	Meijer Properties, Inc.	Retail Sales	1,800,270	1.10%
		Sub-Total	99,324,053	60.69%
		All Others	64,319,060	39.31%
		Total	\$163,643,113	100.00%

Based on valuation of property taxes levied in 2004.  
Source: Lucas County Auditor - Land and Buildings.

**CITY OF OREGON, OHIO**

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**PRINCIPAL TAXPAYERS (REAL PROPERTY TAX)  
DECEMBER 31, 2004**

	<u>Taxpayer</u>	<u>Type of Business</u>	<u>2004 Assessed Valuation (Tax Duplicate)</u>	<u>Percentage of Total Assessed Valuation</u>
1	Bay Park Community Hospital	Health Care Facility	\$13,574,060	3.23%
2	Toledo Edison	Public Utility - Electric	9,551,170	2.27%
3	Little Sisters of the Poor	Nursing Home	6,931,370	1.65%
4	Environsafe Services	Environmental Services	4,395,840	1.05%
5	Wal-Mart Real Estate Business Trust	Real Estate	3,591,480	0.85%
6	Sun Co., Inc.	Refinery and Related Activities	3,507,470	0.83%
7	B P Oil Company	Refinery and Related Activities	3,219,550	0.77%
8	Meijer Properties, Inc.	Retail Sales	2,660,000	0.63%
9	Robert Lloyd Trustee	Apartment Complex	2,567,400	0.61%
10	St. Charles Hospital	Health Care Facility	2,355,840	0.56%
		Sub-Total	52,354,180	12.45%
		All Others	367,866,410	87.55%
		Total	\$420,220,590	100.00%

Based on valuation of property taxes levied in 2004.  
Source: Lucas County Auditor - Land and Buildings.

**CITY OF OREGON, OHIO**

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**PRINCIPAL TAXPAYERS (INCOME TAX)  
DECEMBER 31, 2004**

	<u>Taxpayer</u>	<u>Type of Business</u>	<u>Amount of Tax Paid in 2004</u>	<u>Percentage of Total</u>
1	St. Charles Hospital	Hospital / Health Care	\$1,120,676	10.34%
2	Sun Co, Inc.	Refinery and Related Activities	901,523	8.32%
3	BP Oil Company	Refinery and Related Activities	866,979	8.00%
4	Oregon Board of Education	Education	481,505	4.44%
5	Bay Park Community Hospital	Hospital / Health Care	372,830	3.44%
6	Washington Ohio Services LLC	Construction Contractor	297,678	2.75%
7	First Energy Generation Corp.	Electric Utility	287,192	2.65%
8	City of Oregon	Local Government	257,059	2.37%
9	CSX Transportation	Railroad	256,939	2.37%
10	RMF Nooter	Construction Contractor	203,000	1.87%
		Sub-Total	5,045,381	46.55%
		All Others	5,789,537	53.45%
		Total	\$10,834,918	100.00%

Source: City of Oregon - Finance Department



**CITY OF OREGON, OHIO**

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**PRINCIPAL EMPLOYERS  
DECEMBER 31, 2004**

		<b>Number of Employees</b>		
<b>Employer</b>	<b>Type of Business</b>	<b>Full-Time</b>	<b>Part-Time</b>	<b>Total</b>
1	St. Charles Hospital	1,025	294	1,319
2	Oregon Board of Education	442	50	492
3	Sunoco Mid-America Marketing	471	0	471
4	B P Oil Company	467	0	467
5	Bay Park Hospital	325	98	423
6	Meijer Properties, Inc.	135	181	316
7	City of Oregon	198	88	286
8	WalMart	162	76	238
9	First Energy Corporation	178	2	180
10	A.A. Boos and Son	110	0	110

Source: City of Oregon Chamber of Commerce / Each Employer's Personnel Department.

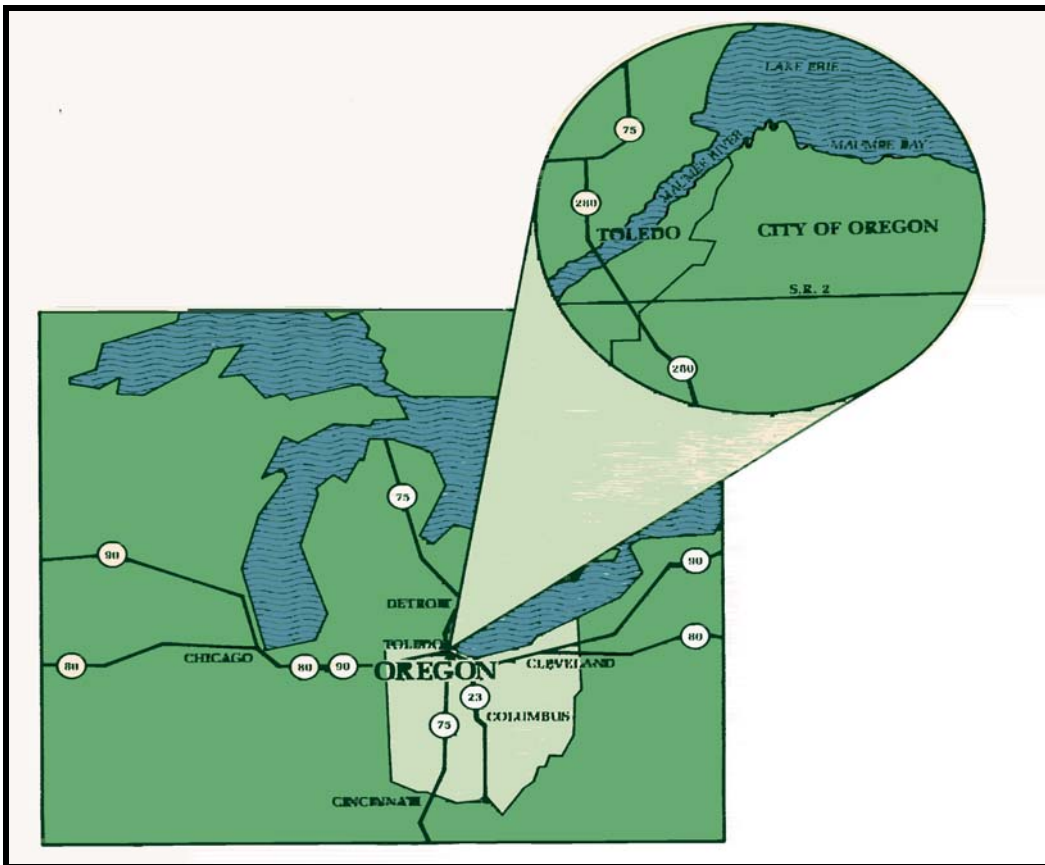
\*Prior years reported regional employment

# CITY OF OREGON, OHIO

## MISCELLANEOUS STATISTICS DECEMBER 31, 2004

Date of Incorporation	1958	Police Services:	Water System:
Form of Government	Charter	Number of Stations	Number of Purification Plants
Area (square miles)	28.5	Number of Police Personnel and Officers	Miles of Water Mains
Facilities and Services:		Number of Patrol Units	Number of Fire Hydrants
Miles of Streets	148	Number of Law Violations:	Number of Service Connections
Number of Street Lights	1,424	Juvenile Citations	Average Daily Consumption (gallons)
Recreation and Culture:		Criminal Juvenile Arrests	Maximum Daily Capacity of Plant (gallons)
Number of Parks	4	Total Number of Criminal Arrests	
Park Area (acres)	2,216	Traffic Citations Issued	Sewerage System:
Number of Ball Fields:		Parking Tickets Written	Number of Treatment Plants
Lighted	6	Fire/Emergency Medical Services:	Miles of Sanitary Sewers
Unlighted	13	Number of Stations	Miles of Storm Sewers
Number of Tennis Courts:		Number of Fire Officers and Fire Personnel	Average Daily Treatment (gallons)
Lighted	18	Number of Calls Answered	Maximum Daily Capacity of Treatment (gallons)
Boat Ramp	1	Fire	Number of Service Connections
Bike Path (miles)	1.5	EMS	Education:
Bike Lanes (miles)	2.0	Life Squad	Public Elementary Schools
Land Usage - Percent by Area:		Number of Inspections	Public Elementary School Students
Residential	29.00%	Number of Hospitals	Public Elementary School Instructors
Commercial/Industrial	27.00%	Number of Patient Beds	Public Secondary Schools
Public Utility	4.00%	Number of Bassinets	Public Secondary School Students
Governmental (including parks) and Other Tax Exempt	8.00%	Number of Cemeteries	Public Secondary School Instructors
Agricultural and Undeveloped	32.00%	Cemetery Area (acres)	Private Secondary Schools Students
Building Permits Issued in 2004	439	Number of Libraries	Private Secondary Schools Instructors
			Charter Schools ( Special Education)
			Charter School Students
			Charter School Instructors
			Charter School Teacher's Assistants

## Oregon, Ohio



Oregon is located East of Toledo in Lucas County with Lake Erie at it's Northern Border. Oregon is served by Ohio state routes 2 and 51 and Interstate 280. The City is within 15 miles of where I75 (north/south) and I80/90 (east/west) cross. Connecting us to one-third of the U.S. population within four hours drive time.





**Auditor of State  
Betty Montgomery**

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800-282-0370

Facsimile 614-466-4490

**CITY OF OREGON**

**LUCAS COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
AUGUST 4, 2005**