

CITY OF FINDLAY

SUPPLEMENTAL REPORTS

DECEMBER 31, 2001



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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Members of Council and Mayor
City of Findlay
Room 313, Municipal Building
Findlay, Ohio 45840

We have reviewed the Independent Auditor's Report of the City of Findlay, Hancock County, prepared by Trimble, Julian & Grube, Inc., for the audit period January 1, 2001 through December 31, 2001. 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 Findlay is responsible for compliance with these laws and regulations.

A handwritten signature in black ink, appearing to read "Jim Petro".

JIM PETRO
Auditor of State

August 1, 2002

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**CITY OF FINDLAY
HANCOCK COUNTY, OHIO**

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TRIMBLE, JULIAN & GRUBE, INC.

"SERVING OHIO LOCAL GOVERNMENTS"

1445 Worthington Woods Boulevard
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Independent Auditors' Report on Supplementary Schedule of Expenditures of Federal Awards

Members of Council and Mayor
City of Findlay
Room 313, Municipal Building
Findlay, OH 45840

Our audit was performed for the purpose of forming an opinion on the general purpose financial statements of the City of Findlay as of and for the year ended December 31, 2001. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the general purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as whole.

Trimble, Julian & Grube, Inc.
April 25, 2002

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

FEDERAL GRANTOR/ SUB GRANTOR/ PROGRAM TITLE	CFDA NUMBER	PASS-THROUGH GRANT NUMBER	CASH FEDERAL RECEIPTS	CASH FEDERAL DISBURSEMENTS
U. S. DEPARTMENT OF TRANSPORTATION FEDERAL AVIATION ADMINISTRATION PASSED THROUGH THE <u>N/A</u>				
Airport Improvement Program	20.106	N/A	\$3,722,695	\$3,722,695
FEDERAL EMERGENCY MANagements AGENCY PASSED THROUGH THE <u>OHIO EMERGENCY MANAGEMENT AGENCY</u>				
Flood Mitigation Assistance Program	83.548	N/A	5,563	5,563
OFFICE OF JUSTICE PROGRAMS PASSED THROUGH <u>N/A</u>				
Bulletproof Vest Partnership Grant Program	16.607	N/A	7,305	7,305
U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT PASSED THROUGH THE <u>OHIO DEPARTMENT OF DEVELOPMENT</u>				
Small Cities Community Development Block Grant Program	14.228 14.228	H583 H095	14,250 3,788	14,250 3,788
Total			<u>18,038</u>	<u>18,038</u>
Total Federal Financial Assistance			<u>\$3,753,601</u>	<u>\$3,753,601</u>

- (A) The accompanying Schedule of Expenditures of Federal Awards (the Schedule) summarizes activity of the City's federal award programs. The schedule has been prepared on the cash basis of accounting.
- (B) The City has established a revolving loan program to provide low-interest loans to businesses that are creating jobs and meet the other program requirements. The Federal Department of Housing and Urban Development (HUD) grants money for these loans to the City passed through the Ohio Department of Development. The initial loan of this money is recorded as a disbursement on the accompanying Schedule of Expenditures of Federal Awards (the Schedule). Loans repaid, including interest, are used to make additional loans. Such subsequent loans are subject to certain compliance requirements imposed by HUD, but are not included as disbursements on the Schedule. These loans are collateralized by mortgages on the property. At December 31, 2001, the gross amount of loans outstanding under this program were \$128,318.
- (C) Certain Federal programs require that the City contribute non-Federal funds (matching funds) to support the Federally-funded programs. The City has complied with the matching requirements. The expenditures of non-Federal matching funds is not included on the Schedule.

TRIMBLE, JULIAN & GRUBE, INC.

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Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of General Purpose Financial Statements Performed in Accordance With *Government Auditing Standards*

Members of Council and Mayor
City of Findlay
Room 313, Municipal Building
Findlay, OH 45840

We have audited the general purpose financial statements of the City of Findlay as of and for the year ended December 31, 2001, and have issued our report thereon dated April 25, 2002. As disclosed in Note 2 to the general purpose financial statements, the City implemented Governmental Accounting Standards Board GASB Statement No. 33, Accounting and Financial Reporting for Nonexchange Transactions and GASB Statement No. 36, Recipient Reporting for Certain Shared Nonexchange Revenues, an amendment of GASB Statement No. 33. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the City of Findlay's general purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance that is required to be reported under *Government Auditing Standards* which is described in the accompanying schedule of findings as item 2001-COF-001. We also noted certain immaterial instances of noncompliance, which we have reported to the management of the City of Findlay in a separate letter dated April 25, 2002.

Members of Council and Mayor
City of Findlay

Internal Control Over Financial Reporting

In planning and performing our audit, we considered City of Findlay's, internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the general purpose 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 operations that we consider to be material weaknesses. However we noted other matters involving the internal control over financial reporting that do not require inclusion in this report that we have reported to the management of the City of Findlay in a separate letter dated April 25, 2002.

This report is intended for the information and use of Council and the management of the City of Findlay, 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.

Trimble, Julian & Grube, Inc.
April 25, 2002

TRIMBLE, JULIAN & GRUBE, INC.

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Report on Compliance With Requirements Applicable to Its Major Federal Program and on Internal Control Over Compliance in Accordance With *OMB Circular A-133*

Members of Council and Mayor
City of Findlay
Room 313, Municipal Building
Findlay, OH 45840

Compliance

We have audited the compliance of the City of Findlay with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133, Compliance Supplement* that are applicable to its major federal program for the year ended December 31, 2001. As disclosed in Note 2 to the general purpose financial statements, the City implemented GASB Statement No. 33, Accounting and Financial Reporting for Nonexchange Transactions and GASB Statement No. 36, Recipient Reporting for Certain Shared Nonexchange Revenues, an amendment of GASB Statement No. 33. The City of Findlay's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of the City of Findlay's management. Our responsibility is to express an opinion on the City of Findlay'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, *Audit of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance occurred with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program. An audit includes examining, on a test basis, evidence about the City of Findlay'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 Findlay's compliance with those requirements.

Members of Council and Mayor
City of Findlay

In our opinion, the City of Findlay complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended December 31, 2001.

Internal Control Over Compliance

The management of the City of Findlay 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 Findlay's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

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

This report is intended for the information and use of Council and the management of the City of Findlay, 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.

Trimble, Julian & Grube, Inc.
April 25, 2002

**CITY OF FINDLAY
HANCOCK COUNTY, OHIO
DECEMBER 31, 2001**

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

1. SUMMARY OF AUDITOR'S RESULTS

<i>(d)(1)(i)</i>	<i>Type of Financial Statement Opinion</i>	Unqualified
<i>(d)(1)(ii)</i>	<i>Were there any material control weakness conditions reported at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(ii)</i>	<i>Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(iii)</i>	<i>Was there any reported non-compliance at the financial statement level (GAGAS)?</i>	Yes
<i>(d)(1)(iv)</i>	<i>Were there any material internal control weakness conditions reported for major federal programs?</i>	No
<i>(d)(1)(iv)</i>	<i>Were there any other reportable internal control weakness conditions reported for major federal programs?</i>	No
<i>(d)(1)(v)</i>	<i>Type of Major Programs' Compliance Opinion</i>	Unqualified
<i>(d)(1)(vi)</i>	<i>Are there any reportable findings under § .510?</i>	No
<i>(d)(1)(vii)</i>	<i>Major Program:</i>	Airport Improvement Program, CFDA #20.106
<i>(d)(1)(viii)</i>	<i>Dollar Threshold: Type A/B Programs</i>	Type A: >\$300,000 Type B: all others
<i>(d)(1)(ix)</i>	<i>Low Risk Auditee?</i>	No

**CITY OF FINDLAY
HANCOCK COUNTY, OHIO
DECEMBER 31, 2001**

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

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

Finding Number	2001-COF-001
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Ohio Revised Code Section 5705.41 (B) requires in part that no subdivision is to expend monies unless it has been appropriated.

It was noted during the audit that the City had expenditures in excess of appropriations in the following funds:

Fund Type Fund	<u>Appropriations</u>	<u>Expenditures</u>	<u>Excess</u>
<u>Special Revenue Funds:</u>			
Police Pension Fund			
Security of Persons & Property	\$ 4,000	\$ 4,165	\$165
Operating Transfers Out	234,791	236,519	1,728
Fire Pension Fund			
Security of Persons & Property	4,000	4,165	165
Operating Transfers Out	234,791	236,519	1,728

With expenditures exceeding appropriations, the City is unlawfully expending monies that have not been approved.

We recommend that the City comply with the Ohio Revised Code and Auditor of State Bulletin 97-010 by monitoring expenditures so they do not exceed lawful appropriations. This may be achieved by monitoring the budget more closely on a continual basis and making appropriation amendments as necessary.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None

**CITY OF FINDLAY
HANCOCK COUNTY, OHIO
DECEMBER 31, 2001**

STATUS OF PRIOR AUDIT FINDINGS

<u>Finding Number</u>	<u>Finding Summary</u>	<u>Fully Corrected?</u>	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain:</i>
2000-COF-001	Ohio Revised Code Section 5705.39	Yes	Finding no longer valid.
2000-COF-002	Ohio Revised Code Section 5705.41(B)	No	The City is attempting to obtain additional appropriation modifications prior to year end.

CITY OF FINDLAY, OHIO

COMPREHENSIVE

ANNUAL FINANCIAL REPORT

For the year ended December 31, 2001

Issued by the City Auditor's Office

INTRODUCTORY SECTION

CITY OF FINDLAY

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2001

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JANET R. WOBSEY
CITY AUDITOR

June 1, 2002

To the Residents of Findlay, Ohio:

The Comprehensive Annual Financial Report (CAFR) of the City of Findlay, Ohio, for the fiscal year ended December 31, 2001, is submitted herewith. The report has been prepared by the Auditor's office for the residents of Findlay, the elected officials, employees, bondholders, investment bankers, rating agencies, and all persons interested in the financial affairs of the City. It also reflects the City's effort to enhance its financial control and accounting through the application of the accrual/modified accrual basis of accounting. This report includes the City's implementation of generally accepted accounting principles (GAAP) set forth by the Governmental Accounting Standards Board (GASB).

Responsibility for both the accuracy of the presented data and the thoroughness of the presentation rests with the City. We believe the data to be accurate in all material respects and to be presented in a manner designed to fairly set forth the financial position and the results of operations of the City as measured by the financial activity of its various funds.

The Comprehensive Annual Financial Report is divided into three sections: the Introductory Section, the Financial Section, and the Statistical Section. The Introductory Section contains letters of transmittal, an organizational chart, a listing of elected and appointed officials and a copy of the Certificate of Achievement awarded to the City for its 2000 CAFR. The Financial Section contains the general purpose financial statements and relevant supplemental information for the 2001 fiscal year, including statements with comparative totals from the prior year. The independent auditor's report is also a part of this section. The Statistical Section provides pertinent and select financial, economic, and demographic information that displays trends for comparative fiscal periods. We have also included in this section the data that meets the disclosure requirements of the Securities and Exchange Commission Rule 15c2-12.

The City is located in the northwestern part of the State of Ohio, is 18.0 square miles in area, and is the county seat and largest city in Hancock County. Findlay is a statutory city operating under the statutes as set forth by the Ohio Revised Code, requiring the elected officials to be Mayor, Council Members, City Auditor, City Treasurer, and Director of Law. The offices of Treasurer and the Director of Law are part-time positions. All officials are elected to four-year terms except the members of Council. Council terms are for a period of two years. There is a President of Council and nine council persons, three of whom are elected at-large and six by the respective wards. A

Service-Safety Director is appointed by the Mayor and has administrative responsibility for the operating departments.

The reported 2000 census population of Findlay was 38,967 residents, for whom the City provides police and fire protection, health services, planning and zoning, street construction and maintenance, parks and recreation facilities, a Municipal Court, a cemetery, and general government services. The City also operates several enterprise activities including water, water pollution control, parking enforcement, airport maintenance and fuel sales, and a swimming pool. Private contractors handle trash removal and ambulance services.

Findlay Municipal Court operates under two elected municipal judges. The jurisdiction of the Court includes the City of Findlay and all of Hancock County except Washington Township and three precincts of a ward within the City of Fostoria, all of which are serviced by the Fostoria Municipal Court. The funding of the Court is borne by the City's General Fund, with reimbursement from the County for a portion of the total costs. The court costs and fines are distributed to the various political jurisdictions as indicated by the various charges filed in the court. As Findlay Municipal Court is financially interdependent on the City, the activity of the Court has been reflected in an Agency Fund in the accompanying financial statements.

ECONOMIC CONDITION AND OUTLOOK

The City of Findlay and Hancock County have not been as severely affected by the national economic recession as other communities in our state.

Retail sales slowed in the last quarter but overall the year-to-date numbers were ahead of the 2000 level. For the past ten years, retail sales in Findlay/Hancock County have been growing about five percent per year. Local auto dealerships recorded strong sales for 2001 and look forward to a good year in 2002. Kroger Co. invested \$2.8 million in their Tiffin Avenue store and added 26,000 square feet and 50 jobs. Another large retailer, Wal-Mart, opened its 80,000 square-foot expansion in May of 2001. The "super center" expansion created about 130 jobs. The Findlay Village Mall has seen some tenants leave the mall, but new retailers have moved in to occupy the available space. A restaurant, a furniture store, a watch and clock maker, and a jewelry store are some of the new additions to the shopping mall. Tractor Supply Company, the nation's largest retail and ranch store chain, purchased the Quality Farm & Fleet store and was open in April 2002. Home Depot has chosen a site to build a home improvement retail store in the City and will be breaking ground in the summer of 2002. This national retailer has not had a presence in our area and will be a welcome addition with the creation of approximately 120 jobs.

The University of Findlay invested in multiple capital improvements in 2001. New apartments for student housing were built because of the increased student enrollment. All the classrooms in Old Main, Brewer Hall, and Frost Halls received makeovers and were modernized. The growing University of Findlay enrollment made it necessary to add modular classrooms on land near Owens Community College. The Croy athletic complex interior was completely redone. Renovation costs for this complex were just less than \$900,000. The school's online MBA program was nationally recognized as being one of the 34 best programs of that type in the

country. After the September 11th tragedy, the Terrorism Preparedness Center received special attention. This center trains people who work in emergency response fields how to deal with chemical and biological attacks in order to save lives and minimize deaths. The University has been fortunate to receive thousands of dollars in national and state funding for this unique and important training program.

The Hancock Park District continues its efforts to create and enhance the recreational opportunities and facilities in our area. The new lodge at Riverbend Recreation Area will be built in 2002 at a cost of over \$418,000. This 5,476 square foot building will have seating for 250 people and include a catering kitchen. Other planned projects include improvements to the Heritage Trail Center, expansion of the Litzenberg farm/park area, and continuation of the upper Blanchard River watershed protection project. This particular project will be funded by a \$650,000 water resource recovery grant.

The new emergency department and cardiology center of Blanchard Valley Regional Health Center opened in May 2002. The new emergency department will be twice as large as the one currently in operation. Outpatient surgery will be housed in this center as well as state of the art MRI and CT scan equipment. The cardiology center is on the second floor and includes a stress testing area as well as a rehabilitation section and will be connected to the Center for Diagnostic Studies. This three-story 92,000 square foot structure represents an investment of \$21.6 million by the Health Association.

A \$25.8 million retirement village on the east side of the community was begun in 2001 and will be substantially completed by the end of 2002. Birchhaven Retirement Village will be the name of the new facility, which replaces the aging Winebrenner Nursing home that is currently located near the University of Findlay. With availability of much more space, Birchhaven Village will include a nursing home and independent living apartments. The concept of "congregate living" will be used in the 100,000 square foot facility and includes the nursing home, independent living, rehab, dietary, chapel, hospice, adult day care, children's day care, bank, beauty shop, diner, and exercise equipment. Ponds and walking paths provide outside recreation and enjoyment. The idea is for individuals to be independent as long as possible by using different levels of care based on each person's limitations and needs.

Business and industrial employers in our area feel that we have weathered the economic downturn well. The reduction in workforce by some employers was offset by the increased employment in other sectors. Intersil Corporation is going through a phased closure of their semiconductor operation and the employee number declined by approximately 100 in 2001. The biggest gains in overall employment came from Lowe's Distribution Center and Marathon Ashland Petroleum. Lowe's opened their new distribution center where 350 jobs will be created by the time they are at full capacity. Marathon Ashland Petroleum added 116 positions, and forecast a stable employment picture for this year.

Significant capital investments were made by several of our corporate citizens. Best Buy Distribution Center spent \$800,000 on additional material handling equipment for its added Internet business. Kohl's completed work on a 103,000 square foot addition to its distribution center. Kuss Corporation, a manufacturer of fuel filters, opened its new 100,000 square foot

plant in the Tall Timbers Industrial Park. Whirlpool Corporation Findlay Division launched a new plastic tub dishwasher line. This division has grown to become the largest dishwasher manufacturing facility in the world. Microsoft Great Plains Business Solutions announced plans to build a \$5.69 million office facility in Findlay Commerce Park on the northwestern edge of the city. The full service office will house software development, technical support, and sales and marketing personnel. Previously Microsoft Great Plains has been leasing space in the Marathon Ashland Petroleum building and studying their relocation options both here and in other cities because the lease expires at the end of 2002. Their decision to stay in the community means the retention of 200 jobs and the addition of 50 new full-time positions within the next three years. The office will be Microsoft's largest operation in Ohio.

MAJOR CAPITAL IMPROVEMENT INITIATIVES

The City used a combination of local revenues and grants and loans to pay for the major capital improvement projects and equipment in 2001. Local dollars came from four sources: the Capital Improvements portion of the income tax, the Water Fund, the Water Pollution Control Fund, and the General Fund. The majority of the grants and loans came from the Ohio Water Development Authority (OWDA), Federal Aviation Administration (FAA), Ohio Department of Transportation (ODOT), and the Community Development Block Grant program (CDBG).

Turn lanes were added at the intersections of Lima Avenue and Main Street and Sandusky Street and Bright Road. These additional lanes allow increased traffic flow and eliminate the congestion that occurred at daily peak travel times on these four streets. Over \$525,000 was appropriated for the annual street resurfacing program and an additional \$250,000 was allocated for repair of curbs and handicap ramps throughout the City. Traffic signals were installed at three intersections and planning was started for the upgrade of four more intersections during 2002. West Front Street Improvement was begun late in 2001 to be finished by July 2002 along with the reconstruction of Beech Avenue.

Parks and recreation projects included more work at Emory Adams Park. Additional acreage has been graded and seeded, plus the addition of 61 new trees along Brookside Drive. Rawson Park received new playground equipment and safety surface. Extensive shelterhouse repairs were done in Riverside Park as well as repair and replacement of all damaged walkways. In 2002 Emory Adams Park will see new parking lots, ballfields, and a bridge across Eagle Creek.

Officials from the City and the County are considering a plan in which the ownership of the Hancock Recreation Center would be transferred to the City of Findlay. The center currently operates primarily as an ice rink. If the center would become an operation owned by the City, there will be consideration given to the possible expansion of the building to provide other recreational services. The City purchased the 20-plus acres surrounding the building in 2001. This acreage will be used for outdoor recreational activities in the near future. If the decision is made to expand the facility, the land will provide the necessary space required on both sides of the current building.

The expansion of the wastewater treatment facility is complete and in service. The major trunk lines and new pump station that were included in this \$32-million project are complete and operational. The original 1932 plant at Broad Avenue has been de-commissioned and razed. The new expansion will bring the treatment process in compliance with present EPA standards. The sewer lines are intended to reduce the stress on the current collection system especially at times of high flow. The final piece to the present plan for sewer line construction is the Bright Road Interceptor. Design for this project was not complete in time for it to be included in the original EPA loan; therefore, it is funded through a separate EPA loan and will be finished in the third quarter of 2002.

Two new storm sewers were built in 2001. The first one was constructed in the area of First, Second, and Third Streets; and the second one in the neighborhood of East Lincoln and Morse Streets. This continues the efforts to separate the combined storm and sanitary sewers to eliminate the storm water from the sanitary sewer collection system. The ongoing manhole rehabilitation program is committed to the reduction of ground water infiltration into the sanitary sewers during times of heavy rainfall. Taking more storm water out of the sanitary system better utilizes the capacity of the treatment facility.

A series of grants from the Federal Aviation Administration has enabled the City to make improvements to the airport over the last several years. During 2001 the north-south runway and taxiway were extended. 1,225 feet of asphalt were added to the south end of the runway. The longer runway allows aircraft to takeoff and land in poor weather conditions with a greater degree of safety. In addition to the extended length, the north end of the runway was raised to improve a pilot's visibility from one end to the other. These improvements provide better service to the many corporate aircraft that utilize the facility on a daily and weekly basis.

After the attack on America on September 11, 2001, we had to deal with the possibility of threats to our drinking water system and other city services. Our City Council allocated money for increased security for our water system and wastewater treatment facility, and other general security measures. The water supply reservoir and treatment plant were evaluated for any potential problem areas. As a result, additional fencing, lighting, and security cameras are being installed to safeguard water supplies. New security procedures have been incorporated into existing facility operating plans. Our police and fire departments have had to re-evaluate their preparedness to deal with the challenges that may be presented to them by future terrorism threats.

FINANCIAL INFORMATION

To aid the reader in understanding the City's financial position, complete financial statements with comparative totals from the prior year have been provided. Financial statements for the General Fund, the individual Special Revenue Funds, and the individual Enterprise Funds are also provided, as these are the major operating funds of the City. Additional information to enable the reader to better understand the City's financial affairs has been incorporated within the Statistical Section of this report.

The City's financial records are maintained and reported according to Generally Accepted Accounting Principles (GAAP). The full accrual basis of accounting is used for all Proprietary Funds and Nonexpendable Trust Funds, and the modified accrual basis of accounting is used in all Governmental Funds and Agency Funds, which provides a more comprehensive financial picture and presentation of financial position than the historical cash accounting method.

Our internal accounting controls are designed to provide reasonable assurance for the safeguard of assets against loss from unauthorized use or disposition, and reliable records as the basis for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of controls should not exceed the benefits likely to be derived from the operation of the system. City-wide internal controls and accounting procedures are evaluated during each official annual audit of the City's financial statements. Additionally, the staff of the Auditor's Office is continually monitoring and evaluating the City's internal controls and reporting procedures, and enhancements are made when deemed necessary.

The individual City funds are grouped within seven generic fund types in the accompanying general purpose financial statements. Refer to the Notes to Combined Financial Statements within the Financial Section of this report for a discussion of each of the generic fund types.

BUDGETARY CONTROL.

As required by the Ohio Revised Code, the annual revenue budget for the City is prepared and filed with the Hancock County Auditor no later than July 20 of each year. The County Budget Commission then certifies to the City the revenue estimates the City has prepared for the upcoming calendar year. These amounts are combined with the year-end available balances and become the total dollars available for appropriation by fund in the next fiscal year. In early December Council members meet with each department head, the Service-Safety Director, and the Auditor to determine the amounts that need to be appropriated by Council Ordinance to each individual department for the upcoming year. The focus of the budget control is by individual line items, then by department and finally, in total, by fund. Transfers within a department's accounts may be made by written approval of the Service-Safety Director. Additional funding can be procured by a written request to Council, consideration by the Finance Committee of Council, and the adoption of an appropriation Ordinance by Council. A similar request, review, and appropriation Ordinance are necessary for each improvement project.

Funds are spent and encumbered by department heads through use of purchase orders for items from individual cost centers and projects. At the end of the year, these outstanding encumbrances are carried forward to the new year if the ordered item has not been received or the project has not been completed. The personnel in the Auditor's Office monitor the available balances and appropriations very carefully.

GENERAL GOVERNMENT FUNCTIONS.

General Fund revenues are primarily from City income tax, property taxes, fines and forfeitures, State levied and locally shared taxes, and interest earned. City income tax revenues are transferred from the City Income Tax Administration (CIT) Fund, a Special Revenue Fund, whose distribution

is based upon Council's legislative restrictions on its use for General Fund operations and capital improvements. The following schedule presents General Fund revenues by source and as a percentage of the total (excludes change in fair value of investments).

<u>Revenues and Other Financing Sources</u>	<u>Amount</u>	<u>Percent of Total</u>
Taxes	\$ 2,395,171	11.60%
Licenses & Permits	256,264	1.24%
Intergovernmental	2,325,189	11.26%
Charges for Services	528,138	2.56%
Interest Earned	761,779	3.68%
Fines and Forfeitures	1,276,923	6.18%
All Other	1,031,766	4.99%
Transfers-In Income Tax	10,631,000	51.46%
Transfers-In Other	<u>1,450,491</u>	<u>7.03%</u>
	<u>\$ 20,656,771</u>	<u>100.00%</u>

General Fund expenditures are primarily for police and fire protection, Municipal Court, health, recreation, parks, cemetery, and general governmental administration. Transfers (subsidies) reflect amounts used to supplement the Street Maintenance & Repair and Swimming Pool Funds. The following schedule shows General Fund expenditures by use and as a percentage of the total.

<u>Expenditures and Other Uses</u>	<u>Amount</u>	<u>Percent of Total</u>
Police, Disaster Services, & Dispatch	\$ 5,879,276	28.44%
Fire	5,037,343	24.37%
Health and Welfare	1,264,665	6.12%
Parks and Recreation	820,908	3.97%
Municipal Court	1,030,214	4.98%
Administration	1,966,417	9.51%
Other Departments	1,805,337	8.74%
Capital Outlay	1,180,430	5.71%
Transfers-Out Subsidies	1,306,000	6.32%
Transfers-Out Other	<u>380,145</u>	<u>1.84%</u>
	<u>\$ 20,670,735</u>	<u>100.00%</u>

A subsidy to the Street Maintenance & Repair Fund is necessary because the State shared portion of the gasoline excise tax and the motor vehicle license tax has not kept pace with our operating costs. This subsidy from General Fund for 2001 was \$1,256,000. In the Swimming Pool Fund, the revenue does not totally support the operations; therefore, the subsidy for 2001 was \$50,000. No operational subsidy was required for the Airport Fund.

The General Fund receives 2.6 mills in real estate tax collections on an annual basis, and there are no voted levies in addition to the allocated millage. Present and past administrations have made a successful effort to manage the City responsibly without having to impose additional real estate levies on the taxpayers. Following are the General Fund real estate tax collections for the past five years, and the percentage of increase between years. The percentage change between 1998 and 1999 is unusually high because the sexennial update of property values occurred for the 1999 collection year.

Real Estate Taxes

<u>Collection Year</u>	<u>Amount</u>	<u>Percent Change from Previous Year</u>
1997	1,272,714	3.40%
1998	1,299,353	2.10%
1999	1,496,383	15.16%
2000	1,527,257	2.06%
2001	1,576,292	3.21%

The City Income tax rate is and has been 1.0% since it was imposed January 1, 1967. At the time the tax was imposed, it was pledged to the taxpayers that a separate fund would be established to record the receipts and expenditures of the tax money. The income tax receipts are allocated between General Fund operations and capital improvement projects. The allocation is determined by ordinance of Council and has been changed, based on need, during the years since 1967. At year end 2001, the allocation was 78% to General Fund and 22% to general capital improvements that are not Enterprise Fund related. The following schedule gives the income tax cash collections for the past five years.

Income Taxes

<u>Collection Year</u>	<u>Amount</u>	<u>Percent Change from Previous Year</u>
1997	\$10,530,692	5.75%
1998	11,720,360	11.30%
1999	13,122,926	11.97%
2000	13,097,275	(0.20%)
2001	14,360,692	9.65%

The abnormally high percentages in 1998 and 1999 are a result of economic growth in the City. The year 2000 shows a decrease in collections when compared to the exceptionally high collection amount of 1999. 2001 collections returned to a positive percentage showing growth over the previous two years.

ENTERPRISE FUNDS.

The City's primary Enterprise Funds are Water and Water Pollution Control. In addition, there are three other enterprise funds. The Airport Fund is responsible for the maintenance of runways and hangars and the sale of fuel to local and transient aircraft owners. The Parking Fund supports the personnel and equipment necessary to collect all rents or fines associated with the metered spaces and surface parking lots in the City. The Swimming Pool Fund represents the operation of the outdoor swimming pool at Riverside Park during the summer months.

Our waterworks system has been municipally owned since it was first developed in 1888. Improvements have been made as needed and are financed from revenues of the system. The current facilities include two upland raw water storage reservoirs with a capacity of 6.4 billion gallons, a raw water pump station located at the reservoir, raw water lines that feed into the lime-soda softening water treatment plant, high service pumps, and a 274-mile distribution system with two elevated storage tanks. There is treated water storage capacity at the plant of 4.5 million gallons plus 2.75 million gallons in the two elevated towers. The plant is able to treat 16 million gallons per day, and can be expanded to 24 million gallons per day when the customer demand for treated water increases to that level.

User charge rates are established to provide revenue for operation and maintenance of the treatment facility, the reservoir, and the distribution system. In addition, the charge rates must also include capital improvements and debt service requirements.

The utility's ten largest customers in 2001 are shown below:

<u>Customer</u>	<u>Billings</u>	<u>Percent of Total</u>
Intersil	\$ 305,587	5.22%
Whirlpool	291,288	4.98%
Ball Metal	202,382	3.46%
Cooper Tire	151,244	2.58%
Hancock County	78,499	1.34%
University of Findlay	69,184	1.18%
Marathon	58,492	1.00%
Findlay City Schools	56,696	0.96%
Blanchard Valley		
Regional Health Center	49,574	0.85%
City Laundry	40,753	0.70%

The water treatment and wastewater facilities serve the population of the City as well as customers in areas contiguous to the City. The residents of the Village of Van Buren have had water service since 2000, and the Village is planning to build a sanitary sewer line to connect on to our wastewater collection system.

In July 2001, the expansion of the wastewater treatment plant on River Road began operation. Since 1988 both the Broad Avenue plant (built in 1932) and the River Road plant (built in 1988) have been used in the treatment process. When the River Road plant was designed and built it was with the intention that eventually additional oxidation ditches would be constructed to increase the capacity of this facility. In 1998 the City began planning for the expansion due to the rate of growth in the system since 1988 and EPA requirements regarding the elimination of combined sewer overflows and the need for increased reserve capacity. The City applied for and received a loan from the EPA water pollution control loan fund in the amount of \$32,470,000. The project could then move forward to the construction phase. The expansion included two new oxidation ditches, three final clarifiers, and an ultraviolet light disinfection unit. Upon EPA approval of the operation of the River Road plant, the original activated sludge facility at Broad Avenue was decommissioned and demolished.

The ten largest customers of the sewerage system in 2001 are shown below:

<u>Customer</u>	<u>Billings</u>	<u>Percent Of Total</u>
Cooper Tire	\$ 86,222	1.55%
Intersil	86,178	1.54%
Whirlpool	82,791	1.49%
University of Findlay	74,031	1.34%
Ball Metal	59,152	1.06%
Findlay City Schools	55,157	0.99%
Marathon Oil Company	52,651	0.95%
Blanchard Valley Regional Health Center	45,583	0.82%
Village of Arcadia	40,627	0.72%
Hancock County	33,610	0.60%

Our industrial pre-treatment program has been established and monitored for several years. Utility lines are examined and needed maintenance is performed on a regular basis. There is an ongoing program to separate the remaining combined storm and sanitary sewers. The City is currently in the early stages of developing a stormwater management plan to comply with EPA guidelines.

The average flow treatment for the last five years is as follows:

<u>Year</u>	<u>Average Daily Flow (MGD)</u>
1997	9.950
1998	9.775
1999	9.103
2000	9.268
2001	9.902

The City has received financial assistance from the Federal Aviation Administration (FAA) and the State of Ohio Department of Transportation Office of Aviation for the improvements that have been made to the Findlay Airport. This multiple-year grant program has provided money for property acquisition, engineering design, and construction costs for the projects. In 2001 the project included lengthening the north/south runway and eliminating the visibility problem from one end of the runway to the other. Nearby properties were purchased and the land was cleared for the actual runway extension as well as maintaining an unobstructed air space for all aircraft using the airport. The improvement cost approximately \$3.5 million. The FAA grant provided 90% of the dollars and the ODOT Office of Aviation provided 5% of the dollars. The City budgets for the remaining 5% in its capital improvement plan.

DEBT ADMINISTRATION.

It has long been the policy of the City to borrow money only for those projects that are so costly that they cannot be supported from the current available cash balances. When financing is necessary, careful consideration is given to total construction costs, length of payback period, and available interest rates before debt is actually issued. The City currently maintains an Aa3 credit rating with Moody's Investors Service and a AA- rating from Standard and Poors.

As discussed in the Enterprise Funds section of this letter, the major improvement project that included an expansion of the wastewater treatment facility is substantially complete. The project was funded through a loan from the Water Pollution Control Loan Fund. The maximum amount of the loan is to be \$32,470,000. Our final indebtedness will be determined when all of the construction costs have been approved and paid, and the City has made its final draw from the loan account. The interest rate was set at the time the loan application was approved and will be 4.36% for 20 years. At December 31, 2001 the amount drawn on this loan was \$31,184,073.

In 2001 we received approval for another loan from the Water Pollution Control Loan Fund. This loan is approved for \$3,672,600 and will be used to pay for the construction of the Bright Road Interceptor sanitary sewer, West Front Street sewer separation, and the sewer maintenance storage building. \$650,000 is also included under the Water Resource Restoration Sponsorship Program (WRRSP) and will be used by the Hancock Park District for habitat preservation along the Blanchard River. By including the sponsorship money in the loan amount, the City received a lesser interest rate on the entire loan. The interest rate will be 1.92% for 20 years. The amount drawn as of December 31, 2001 was only \$121,578 since construction started very late in the year.

The City currently has two loans through the Ohio Public Works Commission (OPWC). These loans are for a period of 20 years at a zero percent interest rate. The money from the loans has been used in conjunction with city money to construct replacement waterlines in two areas of the city. These loans make it possible to do projects that otherwise would wait until the City could pay for the entire construction cost. The outstanding loan balances at the end of the year were \$142,620 for Center Street waterline and \$30,598 for First, Second, and Third Street waterline.

When necessary, money is borrowed to pay for the property owners' share of the construction of Special Assessments projects. These costs plus interest are proportioned and assessed against the benefiting properties. The amounts are certified to the County Auditor and placed on the real

estate tax bills for collection for the required number of years. In September of 2001, a bond anticipation note was issued for Hunter's Creek Swale Enclosure in the amount of \$53,000. The residents petitioned to have storm drainage installed in their neighborhood. Also in 2001 the bonds were issued to replace the bond anticipation note issued for the Rockwell Avenue Improvement. Bonds in the amount of \$145,500 were issued for 10 years at an interest rate of 4.70%.

INVESTMENTS.

The provisions of the Codified Ordinances of the City of Findlay and the Ohio Revised Code govern the City's investment policy. These statutes permit the City to invest in certificates of deposit, savings accounts, money market accounts, obligations of the United States Government and certain instrumentalities thereof, obligations of the State of Ohio, internal bond anticipation notes, and repurchase agreements backed by securities of the United States Government or certain agencies thereof.

In accordance with the above-mentioned statutes, public depositories must give security for all public funds on deposit. These institutions may either specifically collateralize individual accounts for amounts in excess of the investments insured by the Federal Deposit Insurance Corporation (FDIC) or Federal Savings and Loan Insurance Corporation (FSLIC), or may pledge a pool of securities valued at no less than 105% of the total value of public monies on deposit at the institution. Repurchase agreements are secured by the specific government security acquired on the repurchase agreement. At December 31, 2001, all investments of the City were secured in accordance with the above statutory provisions and were in conformity with our investment policy as required by the Ohio Revised Code.

RISK MANAGEMENT.

Each year, our risk management consultant reviews our insurance claims and policies to ensure that our risk exposure is adequately contained. The City carries policies for fleet liability insurance, building and contents insurance, public officials' liability, valuable papers insurance, police professional liability, and airport liability insurance. Our consultant assists in the preparation of bid specifications and also evaluates the proposals from each insurance company to make sure the City receives the best coverage possible for the premium paid.

We are self-insured for general municipal liability insurance. Originally, when the decision was made to become self-insured, \$1,000,000 was deposited into the Self Insurance Fund and Council adopted a Self Insurance Plan. All activity of the fund is governed by the plan documents. The money on deposit is invested and the expenses have been paid from the interest earned unless a claim was larger than the amount of interest available. The balance in the fund at December 31, 2001 was \$1,004,170. Through this plan we have been able to avoid paying excessively high insurance premiums and still maintain adequate liability coverage.

In-house risk management is also an important concern. A complete fixed asset record of all City equipment and buildings is maintained and used for property control. An annual tagged inventory is taken in all departments to maintain accuracy of records. In addition, a consistent effort is made to stress safety in the workplace. The City administration and department heads emphasize proper

procedures and use of safety equipment in an effort to reduce on-the-job injuries. This also helps us control the cost of worker's compensation.

OTHER INFORMATION

INDEPENDENT AUDIT.

Trimble, Julian, & Grube, Inc. has audited the general purpose financial statements of the City, and their Auditors' Report is included herein.

In addition to the financial audit, a single audit was performed as required by the Single Audit Act Amendment of 1996 and the provisions of OMB circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. The single audit report is not included in this Comprehensive Annual Financial Report.

AWARDS.

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Findlay for its comprehensive annual financial report (CAFR) for the fiscal year ended December 31, 2000.

In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

ACKNOWLEDGMENTS.

I would like to express my appreciation to our Council members, to the Administration, to our Department Supervisors, and to all our City employees for their continued cooperation in our efforts to improve the financial reporting and record keeping of the City of Findlay. A special word of thanks goes to Ginger Sampson, CPA in the Auditor's Office. Her knowledge and dedication are instrumental in the issuance of this report. An additional word of appreciation is extended to each member of my staff for their support and assistance throughout the year.

Respectfully submitted,



Janet R. Wobser
City Auditor

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Findlay,
Ohio

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

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



Thomas A. Erwin
President

Jeffrey L. Esser
Executive Director

CITY OF FINDLAY, OHIO

DECEMBER 31, 2001

ELECTED PUBLIC OFFICIALS

Mayor
Auditor
Municipal Court Judge
Municipal Court Judge
Treasurer
Law Director

John Stozich
Janet R. Wobser
Kevin C. Smith
Vernon L. Preston
Jim Staschiak II
David A. Hackenberg

Council President

Dale M. Gillespie

At Large
At Large
At Large
First Ward
Second Ward
Third Ward
Fourth Ward
Fifth Ward
Sixth Ward

Marcia A. Barkey
Robert J. Nichols
Robert E. Schuck
G. Max Miles
H. Richard Rowe
K. C. Collette
R. Ronald Monday
Randy C. Ward
James P. Slough

APPOINTED OFFICIALS

Service-Safety Director
City Engineer
City Income Tax Administrator
Municipal Court Clerk

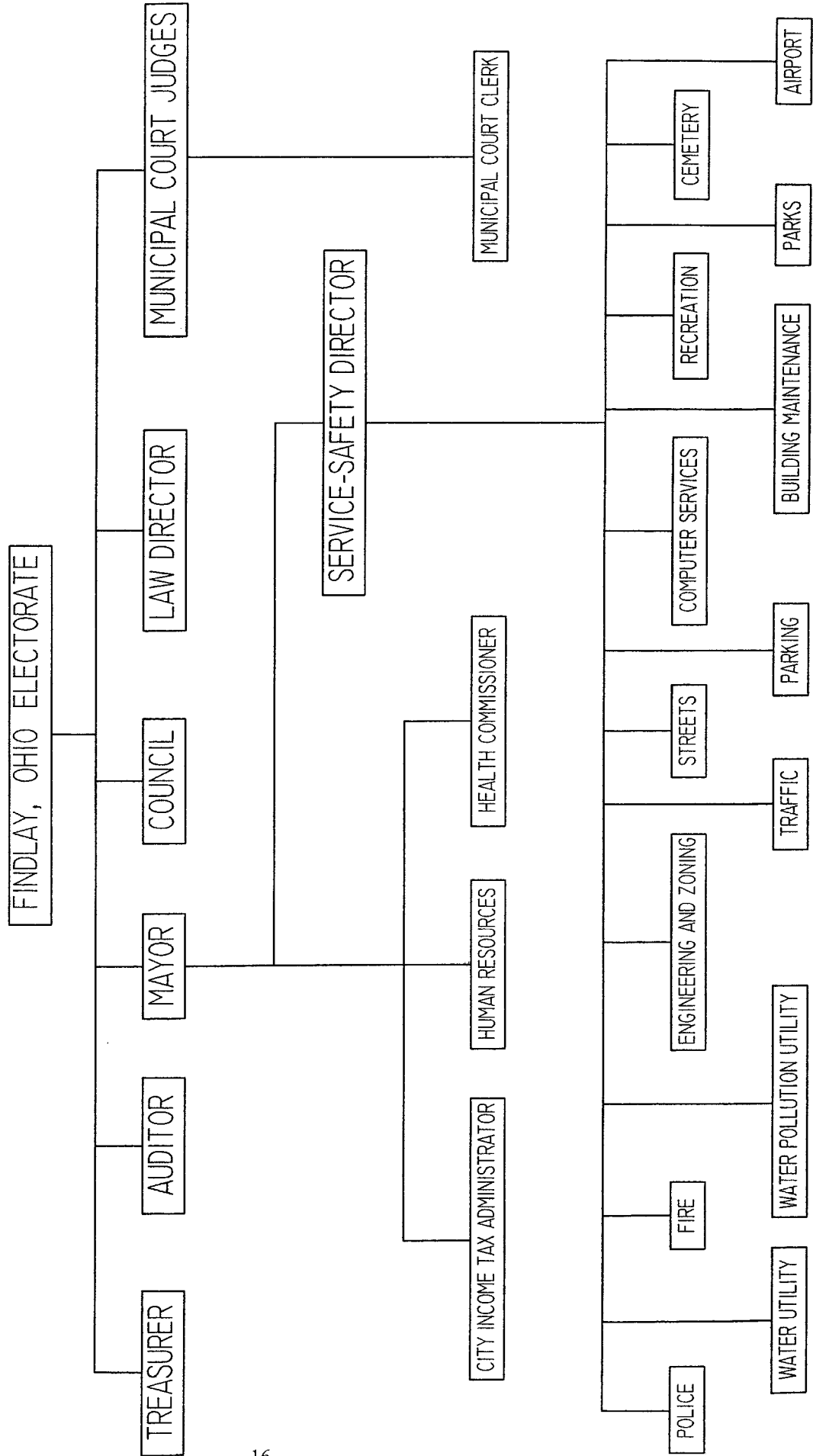
Robert S. Ruse, PE
Bruce D. Cochran, PE
Andrew L. Thomas
Patricia L. Walters

CITY AUDITOR'S OFFICE

City Auditor
Deputy Auditor
Audit Clerk
Audit Clerk
Clerk

Janet R. Wobser
Ginger Sampson, CPA
Carolyn Ehrnschwender
Susan Spangler
Amy Craven

CITY OF FINDLAY ORGANIZATIONAL CHART



FINANCIAL SECTION

TRIMBLE, JULIAN & GRUBE, INC.

"SERVING OHIO LOCAL GOVERNMENTS"

1445 WORTHINGTON WOODS BOULEVARD
SUITE B
WORTHINGTON, OHIO 43085

TELEPHONE 614.846.1899
FACSIMILE 614.846.2799

Independent Auditor's Report

Members of Council and Mayor
City of Findlay
Room 313, Municipal Building
Findlay, Ohio 45840

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

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

As disclosed in Note 2 to the general purpose financial statements, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 33, Accounting and Financial Reporting for Nonexchange Transactions and GASB Statement No. 36, Recipient Reporting for Certain Shared Nonexchange Revenues, an amendment of GASB Statement No. 33.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated April 25, 2002, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

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

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

Trimble, Julian, & Grube, Inc.

Trimble, Julian & Grube, Inc.
April 25, 2002

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CITY OF FINDLAY

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS

December 31, 2001

(With Comparative Totals for 2000)

	Governmental Fund Types										Fiduciary		Account Groups			Totals (Memorandum Only)	
	General	Proprietary Fund Types					Fiduciary		Account Groups			2001	2000	2001	2000		
		Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long-Term Debt	2001	2000						
Assets:																	
Cash and Cash Equivalents (Note 3)	\$ 9,272,272	\$ 2,567,950	\$ 15,733	\$ 443,838	\$ 6,534,354	\$ 533,876	\$ 704,462	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,072,485	\$ 18,305,845	
Cash with Fiduciary Agent	-	204,897	-	-	-	-	-	-	-	-	-	-	-	-	204,897	216,622	
Investments (Note 3)	53,000	-	-	-	-	508,408	790,000	-	-	-	-	-	-	-	1,351,408	1,631,683	
Receivables, Net of Allowance for Uncollectibles (Note 5)	2,195,122	2,741,140	553,000	-	1,511,246	-	-	-	-	-	-	-	-	7,000,508	6,128,447		
Due from Other Governments (Note 5)	625,185	451,078	-	-	546,481	-	-	-	-	-	-	-	-	1,622,744	397,031		
Due from Other Funds (Note 5)	-	-	-	-	293,135	-	-	-	-	-	-	-	-	293,135	254,823		
Supplies Inventory, at Cost	-	154,896	-	-	328,124	7,210	-	-	-	-	-	-	-	490,230	509,860		
Prepays	74,326	15,681	-	-	53,115	16,760	-	-	-	-	-	-	-	159,882	260,264		
Accrued Interest Receivable (Note 5)	158,677	-	-	-	149,494	6,595	8,919	-	-	-	-	-	-	323,685	445,301		
Restricted Assets (Note 11):																	
Cash and Cash Equivalents (Note 3)	-	940,678	-	-	5,899,576	-	-	-	-	-	-	-	-	6,840,254	4,900,785		
Investments (Notes 3)	-	-	-	-	1,985,334	-	-	-	-	-	-	-	-	1,985,334	1,982,825		
Deferred Bond Costs	-	-	-	-	543,542	-	-	-	-	-	-	-	-	543,542	594,067		
Property, Plant and Equipment, Net of Accumulated Depreciation (Note 6)	-	-	-	-	121,063,940	3,751	-	-	-	18,861,091	-	103,121	-	139,928,782	122,442,215		
Amount Available in Debt Service Fund of General Long-Term Debt	-	-	-	-	-	-	-	-	-	-	-	-	-	103,121	101,450		
Total Assets	\$ 12,378,582	\$ 7,076,320	\$ 568,733	\$ 443,838	\$ 138,908,341	\$ 1,076,600	\$ 1,503,381	\$ 18,861,091	\$ 6,628,687	\$ 6,731,808	\$ 6,628,687	\$ 187,548,694	\$ 7,026,653	\$ 187,548,694	\$ 165,197,871		

Continued on Exhibit I, Page 2.

CITY OF FINDLAY
December 31, 2001
COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
(With Comparative Totals for 2000)

	Governmental Fund Types				Proprietary Fund Types			Fiduciary Fund Type			Account Groups		
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long-Term Debt	Totals (Memorandum Only)		2000	
										2001	2000		
Liabilities:													
Accounts Payable and Accruals	\$ 2,318,203	\$ 216,887	\$ -	\$ -	\$ 2,545,509	\$ 130	\$ 1,287	\$ -	\$ -	\$ 5,082,016	\$ 3,550,359		
Accrued Sick Leave Payable	-	-	-	-	543,199	-	-	-	1,305,578	1,848,777	1,789,920		
Due to Other Funds (Note 5)	-	-	-	-	293,135	-	-	-	-	293,135	254,823		
Amounts Held as Fiduciary	-	-	-	-	-	-	288,191	-	-	288,191	134,902		
Deferred Revenues	2,684,510	851,901	465,612	-	-	-	-	-	-	4,002,023	2,772,337		
Special Assessments Debt with Governmental Commitment (Note 9)	-	-	-	-	-	-	-	-	451,000	451,000	351,500		
Capital Lease Obligation (Note 8)	-	-	-	-	-	-	-	-	-	-	2,570		
Bonds and Notes Payable (Note 9)	-	-	-	53,000	66,452,185	-	-	-	3,645,000	70,150,185	59,016,291		
Police and Fire Past Service Liability (Note 13)	-	-	-	-	-	-	-	-	1,330,230	1,330,230	1,347,997		
Total Liabilities	5,002,713	1,068,788	465,612	53,000	69,834,028	130	289,478	-	6,731,808	83,445,557	69,220,699		
Equity and Other Credits:													
Investments in General Fixed Assets	-	-	-	-	-	-	-	18,861,091	-	18,861,091	17,958,395		
Contributed Capital (Note 7)	-	-	-	-	36,217,144	-	-	-	-	36,217,144	36,217,144		
Retained Earnings:													
Reserved for Debt Service	-	-	-	-	2,400,146	-	-	-	-	2,400,146	1,175,365		
Reserved for Capital Improvements	-	-	-	-	2,720,194	-	-	-	-	2,720,194	2,261,804		
Unreserved	-	-	-	-	27,736,829	1,076,470	-	-	-	28,813,299	24,814,676		
Fund Balances:													
Reserved for Encumbrances	1,413,259	558,591	-	1,717	-	-	-	-	-	1,973,567	1,629,775		
Reserved for Inventory (Note 1)	-	154,896	-	-	-	-	-	-	-	154,896	139,473		
Reserved for Debt Service	-	-	103,121	-	-	-	-	-	-	103,121	101,450		
Reserved for Capital Improvements	-	940,678	-	-	-	-	-	-	-	940,678	715,303		
Reserved for Prepaids (Note 1)	74,326	15,681	-	-	-	-	-	-	-	90,007	165,242		
Reserved for Notes Receivable	-	128,318	-	-	-	-	-	-	-	128,318	143,718		
Reserved for Principal	-	-	-	-	-	-	1,119,290	-	-	1,119,290	931,730		
Unreserved:													
Undesignated	5,888,284	4,209,368	-	389,121	-	-	94,613	-	-	10,581,386	9,723,097		
Total Equity and Other Credits	7,375,869	6,007,532	103,121	390,838	69,074,313	1,076,470	1,215,903	18,861,091	-	104,103,137	95,977,172		
Total Liabilities, Equity, and Other Credits	12,378,582	7,076,320	568,733	443,838	138,908,341	1,076,600	1,503,381	18,861,091	6,731,808	187,548,694	165,197,871		

See accompanying notes to combined financial statements.

CITY OF FINDLAY

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES

Year Ended December 31, 2001
(With Comparative Totals for 2000)

	General	Special Revenue	Debt Service	Capital Projects	Totals (Memorandum Only)	
					2001	2000
Revenues:						
Taxes	\$ 2,395,171	\$ 15,287,570	\$ -	\$ -	\$ 17,682,741	\$ 15,882,043
Special Assessments	-	-	326,724	78,520	405,244	290,126
Licenses and Permits	256,264	-	-	-	256,264	262,440
Intergovernmental	2,325,189	2,164,563	-	-	4,489,752	4,303,216
Charges for Services	528,138	-	-	-	528,138	528,254
Investment Earnings	761,779	7,423	-	-	769,202	902,294
Bond Proceeds	-	-	-	145,500	145,500	-
Fines and Forfeitures	1,276,923	102,003	-	80,049	1,458,975	1,531,249
Net Increase (Decrease) in Fair Value of Investments	65,034	-	-	-	65,034	122,288
Reimbursements	823,052	-	-	-	823,052	554,348
All Other Revenues	208,714	99,145	-	-	307,859	269,184
Total Revenues	8,640,264	17,660,704	326,724	304,069	26,931,761	24,645,442
Expenditures:						
Current:						
Security of Persons and Property	10,916,619	684,923	-	-	11,601,542	10,805,889
Public Health and Welfare	1,264,665	-	-	-	1,264,665	1,114,922
Leisure Time Activities	820,908	-	-	-	820,908	674,902
Transportation	-	1,563,537	-	-	1,563,537	1,499,571
General Government	4,801,968	900,152	-	8,111	5,710,231	4,998,973
Capital Outlay	1,180,430	2,765,753	-	31,211	3,977,394	3,391,275
Debt Service:						
Principal Retirement	-	-	541,000	-	541,000	571,000
Interest	-	-	240,045	1,950	241,995	268,718
Total Expenditures	18,984,590	5,914,365	781,045	41,272	25,721,272	23,325,250
Excess (Deficiency) of Revenues over Expenditures	(10,344,326)	11,746,339	(454,321)	262,797	1,210,489	1,320,192

Continued on Exhibit II, Page 2.

CITY OF FINDLAY

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES

Year Ended December 31, 2001
(With Comparative Totals for 2000)

	General	Special Revenue	Debt Service	Capital Projects	Totals (Memorandum Only)	
					2001	2000
Other Financing Sources (Uses):						
Operating Transfers In	12,081,541	4,244,694	613,060	-	16,939,295	15,421,014
Operating Transfers Out	(1,686,145)	(14,829,989)	(157,068)	(52,655)	(16,725,857)	(15,914,105)
Total Other Financing Sources (Uses), Net	10,395,396	(10,585,295)	455,992	(52,655)	213,438	(493,091)
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	51,070	1,161,044	1,671	210,142	1,423,927	827,101
Fund Balances at Beginning of Year, Restated	7,388,171	4,842,928	101,450	180,696	12,513,245	11,729,798
Increase (Decrease) in Reserve for Inventory	-	15,423	-	-	15,423	(55,095)
Increase (Decrease) in Reserve for Prepaids	(63,372)	(11,863)	-	-	(75,235)	11,441
Fund Balances at End of Year	\$ 7,375,869	\$ 6,007,532	\$ 103,121	\$ 390,838	\$ 13,877,360	\$ 12,513,245

See accompanying notes to combined financial statements.

CITY OF FINDLAY

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES - BUDGET (GAAP-BASIS) AND ACTUAL - ALL GOVERNMENTAL FUND TYPES

Year Ended December 31, 2001

	General Fund		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Taxes	\$ 2,282,920	\$ 2,395,171	\$ 112,251
Licenses and Permits	118,100	256,264	138,164
Intergovernmental	2,149,587	2,325,189	175,602
Charges for Services	523,600	528,138	4,538
Investment Earnings	729,000	761,779	32,779
Fines and Forfeitures	1,419,000	1,276,923	(142,077)
Net Increase (Decrease) in Fair Value of Investments	-	65,034	65,034
Reimbursements	609,000	823,052	214,052
All Other Revenues	258,600	208,714	(49,886)
Total Revenues	<u>8,089,807</u>	<u>8,640,264</u>	<u>550,457</u>
Expenditures:			
Current:			
Security of Persons and Property	11,685,263	10,916,619	768,644
Public Health and Welfare	1,389,589	1,264,665	124,924
Leisure Time Activities	892,696	820,908	71,788
Transportation	-	-	-
General Government	5,258,167	4,801,968	456,199
Capital Outlay	<u>2,806,122</u>	<u>1,180,430</u>	<u>1,625,692</u>
Total Expenditures	<u>22,031,837</u>	<u>18,984,590</u>	<u>3,047,247</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(13,942,030)</u>	<u>(10,344,326)</u>	<u>3,597,704</u>
Other Financing Sources (Uses):			
Operating Transfers In	10,844,200	12,081,541	1,237,341
Operating Transfers Out	<u>(1,686,145)</u>	<u>(1,686,145)</u>	<u>-</u>
Total Other Financing Sources (Uses), Net	<u>9,158,055</u>	<u>10,395,396</u>	<u>1,237,341</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	<u>(4,783,975)</u>	<u>51,070</u>	<u>4,835,045</u>
Fund Balances at Beginning of Year, Restated	<u>7,388,171</u>	<u>7,388,171</u>	<u>-</u>
Increase (Decrease) in Reserve for Inventory	-	-	-
Increase (Decrease) in Reserve for Prepaids	<u>-</u>	<u>(63,372)</u>	<u>(63,372)</u>
Fund Balances at End of Year	<u>\$ 2,604,196</u>	<u>\$ 7,375,869</u>	<u>\$ 4,771,673</u>

Continued on Exhibit III, Pages 2, 3, and 4.

CITY OF FINDLAY

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES - BUDGET (GAAP-BASIS) AND ACTUAL - ALL GOVERNMENTAL FUND TYPES

Year Ended December 31, 2001

	Special Revenue Funds		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Taxes	\$ 14,141,366	\$ 15,287,570	\$ 1,146,204
Special Assessments	-	-	-
Licenses and Permits	-	-	-
Intergovernmental	1,438,365	2,164,563	726,198
Charges for Services	-	-	-
Investment Earnings	7,423	7,423	-
Fines and Forfeitures	84,071	102,003	17,932
All Other Revenues	10,000	99,145	89,145
Total Revenues	<u>15,681,225</u>	<u>17,660,704</u>	<u>1,979,479</u>
Expenditures:			
Current:			
Security of Persons and Property	807,102	684,923	122,179
Public Health and Welfare	-	-	-
Leisure Time Activities	-	-	-
Transportation	1,694,589	1,563,537	131,052
General Government	1,051,292	900,152	151,140
Capital Outlay	4,681,577	2,765,753	1,915,824
Debt Service:			
Principal Retirement	-	-	-
Interest	-	-	-
Total Expenditures	<u>8,234,560</u>	<u>5,914,365</u>	<u>2,320,195</u>
Excess (Deficiency) of Revenues over Expenditures	<u>7,446,665</u>	<u>11,746,339</u>	<u>4,299,674</u>
Other Financing Sources (Uses):			
Operating Transfers In	1,250,000	4,244,694	2,994,694
Operating Transfers Out	(14,826,533)	(14,829,989)	(3,456)
Total Other Financing Sources (Uses), Net	<u>(13,576,533)</u>	<u>(10,585,295)</u>	<u>2,991,238</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	<u>(6,129,868)</u>	<u>1,161,044</u>	<u>7,290,912</u>
Fund Balances at Beginning of Year, Restated	4,842,928	4,842,928	-
Increase (Decrease) in Reserve for Inventory	-	15,423	15,423
Increase (Decrease) in Reserve for Prepaids	-	(11,863)	(11,863)
Fund Balances at End of Year	<u>\$ (1,286,940)</u>	<u>\$ 6,007,532</u>	<u>\$ 7,294,472</u>

Continued on Exhibit III, Pages 3 and 4.

CITY OF FINDLAY

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES - BUDGET (GAAP-BASIS) AND ACTUAL - ALL GOVERNMENTAL FUND TYPES

Year Ended December 31, 2001

	Debt Service Funds		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Taxes	\$ -	\$ -	\$ -
Special Assessments	307,265	326,724	19,459
Licenses and Permits	-	-	-
Intergovernmental	-	-	-
Charges for Services	-	-	-
Investment Earnings	-	-	-
Fines and Forfeitures	-	-	-
All Other Revenues	-	-	-
Total Revenues	<u>307,265</u>	<u>326,724</u>	<u>19,459</u>
Expenditures:			
Current:			
Security of Persons and Property	-	-	-
Public Health and Welfare	-	-	-
Leisure Time Activities	-	-	-
Transportation	-	-	-
General Government	-	-	-
Capital Outlay	-	-	-
Debt Service:			
Principal Retirement	541,000	541,000	-
Interest	<u>240,045</u>	<u>240,045</u>	<u>-</u>
Total Expenditures	<u>781,045</u>	<u>781,045</u>	<u>-</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(473,780)</u>	<u>(454,321)</u>	<u>19,459</u>
Other Financing Sources (Uses):			
Operating Transfers In	613,060	613,060	-
Operating Transfers Out	<u>(157,068)</u>	<u>(157,068)</u>	<u>-</u>
Total Other Financing Sources (Uses), Net	<u>455,992</u>	<u>455,992</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	<u>(17,788)</u>	<u>1,671</u>	<u>19,459</u>
Fund Balances at Beginning of Year	101,450	101,450	-
Increase (Decrease) in Reserve for Inventory	-	-	-
Increase (Decrease) in Reserve in Prepaids	-	-	-
Fund Balances at End of Year	<u>\$ 83,662</u>	<u>\$ 103,121</u>	<u>\$ 19,459</u>

Continued on Exhibit III, Page 4.

CITY OF FINDLAY

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES - BUDGET (GAAP-BASIS) AND ACTUAL - ALL GOVERNMENTAL FUND TYPES

Year Ended December 31, 2001

	Capital Projects Funds		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Taxes	\$ -	\$ -	\$ -
Special Assessments	-	78,520	78,520
Licenses and Permits	-	-	-
Intergovernmental	-	-	-
Bond Proceeds	145,500	145,500	-
Fines and Forfeitures	65,000	80,049	15,049
All Other Revenues	-	-	-
Total Revenues	<u>210,500</u>	<u>304,069</u>	<u>93,569</u>
Expenditures:			
Current:			
Security of Persons and Property	-	-	-
Public Health and Welfare	-	-	-
Leisure Time Activities	-	-	-
Transportation	-	-	-
General Government	126,795	8,111	118,684
Capital Outlay	309,641	31,211	278,430
Debt Service:			
Principal Retirement	-	-	-
Interest	1,950	1,950	-
Total Expenditures	<u>438,386</u>	<u>41,272</u>	<u>397,114</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(227,886)</u>	<u>262,797</u>	<u>490,683</u>
Other Financing Sources (Uses):			
Operating Transfers In	-	-	-
Operating Transfers Out	(52,655)	(52,655)	-
Total Other Financing Sources (Uses), Net	<u>(52,655)</u>	<u>(52,655)</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	<u>(280,541)</u>	<u>210,142</u>	<u>490,683</u>
Fund Balances at Beginning of Year	180,696	180,696	-
Increase (Decrease) in Reserve for Inventory	-	-	-
Increase (Decrease) in Reserve in Prepaids	-	-	-
Fund Balances at End of Year	<u>\$ (99,845)</u>	<u>\$ 390,838</u>	<u>\$ 490,683</u>

See accompanying notes to combined financial statements.

CITY OF FINDLAY

COMBINED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS/FUND BALANCES - ALL PROPRIETARY FUND TYPES AND NON-EXPENDABLE TRUST FUNDS

Year Ended December 31, 2001
(With Comparative Totals for 2000)

	Proprietary Fund Types		Fiduciary Fund Type Non-Expendable Trust	Totals (Memorandum Only)	
	Enterprise	Internal Service		2001	2000
Operating Revenues:					
Charges for Services	\$ 12,533,953	\$ 20,870	\$ 26,300	\$ 12,581,123	\$ 11,727,314
Contributions	-	-	2,200	2,200	5,200
Interest Income	-	-	65,893	65,893	61,817
Other Operating Revenues	1,062,866	-	-	1,062,866	1,057,507
Total Operating Revenues	13,596,819	20,870	94,393	13,712,082	12,851,838
Operating Expenses:					
Personal Services	3,602,941	-	-	3,602,941	3,980,255
Contractual Services	536,798	8,552	-	545,350	478,595
Materials and Supplies	1,442,045	15,079	-	1,457,124	1,411,897
Utilities	663,653	-	-	663,653	612,271
Depreciation	2,412,445	2,877	-	2,415,322	2,182,182
Benefit Payments	966,176	-	-	966,176	837,343
Other Operating Expenses	281,450	36,830	-	318,280	338,265
Total Operating Expenses	9,905,508	63,338	-	9,968,846	9,840,808
Operating Income (Loss)	3,691,311	(42,468)	94,393	3,743,236	3,011,030

CITY OF FINDLAY

COMBINED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS/FUND BALANCES - ALL PROPRIETARY FUND TYPES AND NON-EXPENDABLE TRUST FUNDS

Year Ended December 31, 2001
(With Comparative Totals for 2000)

	Proprietary Fund Types		Fiduciary Fund Type		Totals (Memorandum Only)	
	Enterprise	Internal Service	Non-Expendable Trust	Trust	2001	2000
Non-Operating Revenues (Expenses):						
Interest Income	750,148	54,547	-	-	804,695	889,815
Interest Expense including Amortization of Deferred Bond Costs	(2,759,299)	-	-	-	(2,759,299)	(2,121,813)
Net Increase (Decrease) in Fair Value of Investments	-	8,638	-	-	8,638	31,161
Other Non-Operating Revenues	5,986,786	-	-	-	5,986,786	832,356
Other Non-Operating Expenses	(527,476)	-	-	-	(527,476)	(1,031,735)
Loss on Disposal of Asset(s)	(1,269,682)	-	-	-	(1,269,682)	-
Total Non-Operating Revenues (Expenses), Net	2,180,477	63,185	-	-	2,243,662	(1,400,216)
Income (Loss) before Operating Transfers	5,871,788	20,717	94,393	-	5,986,898	1,610,814
Operating Transfers In	791,826	-	-	-	791,826	1,052,236
Operating Transfers Out	(1,002,537)	-	(2,727)	-	(1,005,264)	(559,145)
Net Income (Loss)	5,661,077	20,717	91,666	-	5,773,460	2,103,905
Retained Earnings/Fund Balances at Beginning of Year, as Restated	27,196,092	1,055,753	1,036,543	-	29,288,388	27,184,483
Retained Earnings/Fund Balances at End of Year	\$ 32,857,169	\$ 1,076,470	\$ 1,128,209	\$ -	\$ 35,061,848	\$ 29,288,388

See accompanying notes to combined financial statements.

COMBINED STATEMENT OF CASH FLOWS -
ALL PROPRIETARY FUND TYPES AND NON-EXPENDABLE TRUST FUNDS

Year Ended December 31, 2001
(With Comparative Totals for 2000)

	Proprietary Fund Types		Fiduciary Fund Type		Totals (Memorandum Only)	
	Enterprise	Internal Service	Non-Expendable Trust	2001	2000	
Cash Flows from Operating Activities:						
Operating Income (Loss)	\$ 3,691,311	\$ (42,468)	\$ 94,393	\$ 3,743,236	\$ 3,514,914	
Adjustments to Reconcile Operating Income (Loss) to Cash Provided by (Used for)						
Operating Activities:						
Depreciation	2,412,445	2,877	-	2,415,322	2,182,182	
Change in Assets and Liabilities:						
Decrease (Increase) in Receivables	(95,396)	1,845	8,231	(85,320)	(81,537)	
Decrease (Increase) in Due from Other Fund	(38,312)	-	-	(38,312)	(32,010)	
Decrease (Increase) in Due from Other Governments	(323,519)	-	-	(323,519)	48,708	
Decrease (Increase) in Supplies Inventory	34,501	552	-	35,053	(26,618)	
Decrease (Increase) in Prepaid Expenses	20,596	4,551	-	25,147	(6,963)	
Decrease (Increase) in Accrued Interest Receivable	64,665	-	-	64,665	(63,839)	
Increase (Decrease) in Accounts Payable	1,251,280	(29)	-	1,251,251	(205,198)	
Increase (Decrease) in Due to Other Fund	38,312	-	-	38,312	32,010	
Interest Reported as Operating Income	-	-	(65,893)	(65,893)	(61,817)	
Increase (Decrease) in Accrued Sick Leave Payable	39,315	-	-	39,315	-	
Total Adjustments	3,403,887	9,796	(57,662)	3,356,021	1,784,918	
Net Cash Provided by (Used for) Operating Activities	7,095,198	(32,672)	36,731	7,099,257	5,299,832	
Cash Flows from Non-Capital Financing Activities:						
Operating Transfers from Other Funds	791,826	-	-	791,826	1,052,236	
Operating Transfers to Other Funds	(1,002,537)	-	(2,727)	(1,005,264)	(559,145)	
Other Non-Operating Revenues	745,173	-	-	745,173	832,356	
Other Non-Operating Expenses	(744,188)	-	-	(744,188)	(1,031,735)	
Net Cash Provided by (Used for) Non-Capital Financing Activities	(209,726)	-	(2,727)	(212,453)	293,712	

Continued on Exhibit V, Page 2.

COMBINED STATEMENT OF CASH FLOWS -
ALL PROPRIETARY FUND TYPES AND NON-EXPENDABLE TRUST FUNDS

Year Ended December 31, 2001
(With Comparative Totals for 2000)

	Proprietary Fund Types		Fiduciary Fund Type		Totals (Memorandum Only)	
	Enterprise	Internal Service	Non-Expendable Trust	2001	2000	
Cash Flows from Capital and Related Financing Activities:						
Acquisition and Construction of Capital Assets	(20,268,876)	-	-	(20,268,876)	(21,956,205)	
Proceeds of Loan Payable	14,152,342	-	-	14,152,342	17,333,684	
Principal Paid on Loan Payable	(7,925)	-	-	(7,925)	(7,925)	
Principal Paid on Bonds	(2,415,293)	-	-	(2,415,293)	(2,316,111)	
Interest Paid on Bonds	(2,652,004)	-	-	(2,652,004)	(2,014,557)	
Capital Contributed	5,458,325	-	-	5,458,325	3,387,594	
Net Cash Provided by (Used for) Capital and Related Financing Activities	(5,733,431)	-	-	(5,733,431)	(5,573,520)	
Cash Flows from Investing Activities:						
Change in Fair Value of Investments	-	-	-	-	31,161	
Purchases of Investment Securities	(1,985,334)	-	(415,000)	(2,400,334)	(3,323,281)	
Sales of Investment Securities	1,982,825	-	372,686	2,355,511	2,891,814	
Earnings on Investments	750,148	54,547	65,893	870,588	951,632	
Net Cash Provided by (Used for) Investing Activities	747,639	54,547	23,579	825,765	551,326	
Net Increase (Decrease) in Cash and Cash Equivalents	1,899,680	21,875	57,583	1,979,138	571,350	
Cash and Cash Equivalents at Beginning of Year	10,534,250	512,001	271,707	11,317,958	10,653,608	
Cash and Cash Equivalents at End of Year	\$ 12,433,930	\$ 533,876	\$ 329,290	\$ 13,297,096	\$ 11,224,958	
Supplemental Disclosure of Cash Flow Information:						
Non-Cash Capital and Related Financing and Investing Activities:						
Equipment Received in Exchange for a Like-Kind Asset	\$ 194,346	\$ -	\$ -	\$ 194,346	\$ 127,859	
On December 31, 2001, the detail of the Fiduciary Fund cash and cash equivalent is:						
Non-Expendable Trust Funds	\$ 329,290					
Agency Funds	375,172					
Total Fiduciary Fund Types	\$ 704,462					

See accompanying notes to combined financial statements.

CITY OF FINDLAY

NOTES TO COMBINED FINANCIAL STATEMENTS DECEMBER 31, 2001

(1) Summary of Significant Accounting Policies

The City of Findlay was incorporated in 1838 under the laws of the State of Ohio. The City of Findlay is a statutory City operating under the Mayor/Council form of municipal government. Services provided include police, fire, recreation programs (including parks and an outdoor swimming pool), street repair and maintenance, water and wastewater treatment, engineering, and general administrative services. Except for water and sewage, the major utilities are provided by private entities.

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

A. Reporting Entity

The financial reporting entity consists of the primary government, as well as its component units, which are legally separate organizations for which the elected officials of the primary government are financially accountable. Financial accountability is defined as appointment of a voting majority of the component unit's board, and either (a) the ability to impose its will by the primary government, or (b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government.

The accompanying financial statements present the City, which has no component units. The City's Municipal Court is not legally separate from the City, nor does it possess separate corporate powers. As such, the financial data of the City's Municipal Court have been included with the financial data of the primary government. The financial data of the Court is included in the City's reporting entity because of the significance of its operational and financial relationships with the City.

Blended Component Unit

A blended component unit is a legally separate entity from the City, but is so intertwined with the City that it is, in substance, the same as the City. It is reported as part of the City and blended into the appropriate funds. The City does not have any blended component units at December 31, 2001.

Discretely Presented Component Unit

A discretely presented component unit is an entity that is legally separate from the City but for which the City is financially accountable, or its relationship with the City is such that exclusion would cause the City's financial statements to be misleading or incomplete. The City has no component units to discretely present.

B. Basis of Presentation

The accounts of the City are maintained on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance/retained earnings, revenues, and expenditures/expenses. Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

Individual funds and account groups summarized in the accompanying combined financial statements are classified as follows:

Governmental Fund Types

Governmental Funds are those through which most governmental functions of the City are financed. The acquisition, use, and balances of the City's expendable financial resources and the related liabilities (except those accounted for in proprietary funds) are accounted for through Governmental Funds. Governmental Funds are accounted for using primarily a current financial resources measurement focus. The following are the City's Governmental Fund Types:

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

Special Revenue Funds -- Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted as to expenditures for specified purposes. In addition, receipts of City income tax and the administrative costs associated with their collection are accounted for in the City Income Tax Administration Fund. The portion of such receipts allocated to the General Fund is treated as transfers to that Fund.

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

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

Proprietary Fund Types

Proprietary Funds are used to account for the City's ongoing activities, which are similar to those often found in the private sector. The measurement focus is upon determination of net income. The following are the City's Proprietary Fund Types:

Enterprise Funds -- Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises where the intent of the City Council is that the cost of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges or (b) where the City Council has decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

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

Fiduciary Fund Types

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

Trust and Agency Funds -- The City has both Nonexpendable Trust Funds and Agency Funds. Nonexpendable Trust Funds are accounted for in essentially the same manner as proprietary fund types since capital maintenance is the principal objective. Disbursements from these Funds are made in accordance with the trust agreement or applicable legislative enactment for the particular Fund. Agency Funds are custodial in nature and do not involve measurement of results of operations.

Account Groups

Account groups are used to establish accounting control and accountability for the City's general fixed assets and general long-term debt. The following are the City's account groups:

General Fixed Assets -- All fixed assets acquired or constructed for general governmental services are accounted for in the General Fixed Assets Account Group. The cost of these assets is recorded as an expenditure in the Fund making the expenditure and capitalized at cost in the General Fixed Assets Account Group.

General Long-Term Debt -- All unmatured long-term indebtedness other than that directly related to and expected to be paid from Enterprise Funds is reported in the General Long-Term Debt Account Group. This debt is secured by the full faith and credit of the City.

C. Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental funds are accounted for using primarily a current financial resources measurement focus. With this measurement focus, only current assets, except for certain miscellaneous receivables and special assessments, and current liabilities are included on the balance sheet. Governmental funds are used to account for all or most of the City's general activities, including the collection and disbursement of earmarked resources and the servicing of long-term debt.

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Governmental and agency funds use the modified accrual basis of accounting. Proprietary and non-expendable trust funds use the accrual basis of accounting. Differences between the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the reporting of expenses and expenditures.

Proprietary and non-expendable trust funds are accounted for on a flow-of-economic-resources measurement focus. All assets and liabilities are included on the balance sheet; with fund equities segregated into contributed capital and retained earnings. Proprietary and non-expendable trust funds account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration.

The modified accrual basis of accounting is followed in the governmental fund types of the City. Revenues are recognized when they become both measurable and available, and expenditures are generally recognized when the related fund liability is incurred, with the exception of unmatured interest on (1) general long-term debt and (2) capital projects debt secured by interest-bearing special assessment levies, which is recognized when due. The modified accrual basis of accounting is also followed in the Agency Funds. Accordingly, the assets and related liabilities are recognized when the asset becomes both measurable and available.

Revenues – Exchange and Non-Exchange Transactions

Revenues resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the City, available means expected to be received within thirty days of year-end.

Nonexchange transactions, in which the City receives value without directly giving equal value in return, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied (Note 4). Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required

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

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: interest, federal and state grants and subsidies, state-levied locally shared taxes (including motor vehicle license fees and gasoline taxes), fines and forfeitures, fees and special assessments.

Deferred Revenue

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

Delinquent property taxes and property taxes for which there is an enforceable legal claim as of December 31, 2001, but which were levied to finance year 2002 operations, have been recorded as deferred revenues. Special assessments not received within the available period and grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

On the modified accrual basis of accounting, receivables that will not be collected within the available period have also been reported as deferred revenue.

D. Budgetary Process

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriation ordinances. The tax budget and certificate of estimated resources are required to be prepared on the cash basis by the County Budget Commission and are prepared solely to satisfy these statutory requirements. The appropriation ordinances, under which the City controls its expenditures, and an internal revenue budget, under which the City measures available resources, are prepared on the accrual/modified accrual basis, as appropriate. The certificate of estimated resources and the appropriation ordinances are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources as certified. The primary level of budgetary control is at the departmental level within each fund. All changes in departmental appropriations require action by the City Council.

Tax Budget -- A budget of estimated cash receipts and disbursements 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.

Estimated Resources -- The County Budget Commission certifies its actions to the City by September 1. As part of this process, the City receives the official certificate of estimated resources that states the projected cash receipts of each Fund. On or about January 1, this certificate is amended to include any unencumbered cash balances from the preceding year.

Appropriations -- At the beginning of the fiscal year, an annual appropriation ordinance is passed for the period January 1 to December 31. Supplemental appropriations were made during the year as new information became available to provide for additional expenditures deemed necessary by the legislative authority.

At the end of the fiscal year, all unexpended and unencumbered balances of operating appropriations lapse and revert to the Funds from which the appropriation was initially made, where they become subject to future appropriation while encumbered balances are carried forward as part of the next year's appropriation. The unexpended balances of capital and special assessment appropriations continue until the project is completed at which time any remaining appropriation reverts to the Fund from which the appropriation was initially made. Annual appropriation ordinances are adopted for all governmental, proprietary, and fiduciary funds. However, budget disclosure is only required for governmental fund types.

E. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the governmental fund types. Encumbrances outstanding at year-end are reported as reservations of fund balances since they do not constitute expenditures or liabilities.

F. Cash, Cash Equivalents, and Investments

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

During 2001, investments were limited to STAR Ohio, federal agency securities, U.S. government money market mutual funds, certificates of deposit, internal bond anticipation notes, and U.S. treasury notes.

Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices. Nonparticipating investment contracts such as certificates of deposit are reported at cost.

The City has invested funds in the State Treasury Asset Reserve of Ohio (STAR Ohio) during 2001. STAR Ohio is an investment pool managed by the State Treasurer's Office that 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, 2001.

Following Ohio statutes, the Council has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the general fund during 2001 amounted to \$761,779, which includes \$244,026 assigned from other City funds.

For purposes of the statement of cash flows and for presentation on the combined balance sheet, investments of the cash management pool and investments with original maturities of three months or less at the time they are purchased by the City are considered to be cash equivalents. Otherwise, investments with an initial maturity of more than three months are reported as investments.

An analysis of the City's investment accounts at year-end is provided in Note 3.

G. Inventory

Supplies inventory is valued at cost in the governmental funds and at the lower of cost (first-in, first-out) or market in the proprietary funds and consists of expendable supplies held for consumption. In the governmental funds, the cost of these consumable supplies is recorded as an expenditure when purchased. Reported supplies inventory is equally offset by a fund balance reserve that indicates that they do not constitute "available spendable resources" even though they are a component of net assets. In the proprietary funds, the cost of consumable supplies is recorded as an expense when used.

H. Prepays

Amounts recorded for prepaid items represent the unamortized portion of insurance policies that expire in 2002 or later. Governmental funds use the purchase method of accounting whereby insurance is recognized as an expenditure when purchased. Proprietary funds recognize insurance expense as it is incurred.

I. Fixed Assets

The fixed asset values were initially determined as of December 31, 1980, assigning historical costs for the majority of assets. For certain assets where the actual historical costs were not practicably determinable, various methods were used to determine the estimated historical costs. During the initial development of the fixed asset records, it was not practical to determine the source of the fixed asset financing, other than for certain capital contributions in the Enterprise Funds (Note 7).

Public domain ("infrastructure") general fixed assets consisting of streets, sidewalks, and storm sewers are not capitalized by the City since they are immovable and of value only to the City. Infrastructure type items such as water lines and sanitary sewers are capitalized in the respective Enterprise Funds because these assets are an integral component of these operations.

The City has elected not to record depreciation in the General Fixed Assets Account Group in accordance with generally accepted accounting principles for governmental entities. Contributed fixed assets are recorded at their fair market value as of the date they were donated. Depreciation is recorded in the proprietary fund types using the straight-line method over the estimated useful lives of the related assets. Depreciable lives used for property items within each property classification are as follows:

<u>Classification</u>	<u>Life</u>
Utility plant in service	50 - 99 Years
Improvements other than buildings	20 - 50 Years
Machinery and Equipment	3 - 20 Years

In accordance with Financial Accounting Standards Board Statement No. 62 *Capitalization of Interest Costs in Situations Involving Certain Tax-Exempt Borrowings and Certain Gifts and Grants*, the City adopted the policy of capitalizing the interest cost of borrowings made to finance fixed assets, net of the related interest earned on interest-bearing investments. For the year ended December 31, 2001, no interest was capitalized.

J. Compensated Absences

Compensated absences of the City consist of vacation leave, sick leave, holivac (for individuals who are required to work holidays and non-standard hours), and compensatory time to the extent that payment to the employee for these absences are attributable to services already rendered and are not contingent on a specific event that is outside the control of the City and the employee.

In accordance with the provisions of GASB statement No. 16, *Accounting for Compensated Absences*, a liability for vacation leave, holivac, and compensatory time is accrued if: a) the employee's rights to payment are attributable to services already rendered; and b) it is probable that the employer will compensate the employees for the benefits through paid time off or other means, such as cash payment at termination or retirement. A liability for sick leave is based on the sick leave accumulated at the balance sheet date by those employees who are currently eligible to receive termination payments, as well as those employees expected to become eligible in the future in accordance with GASB Statement No. 16. Sick leave benefits are accrued using the "vesting" method in accordance with GASB No. 16.

The total liability for vacation leave, sick leave, holivac, and compensatory time has been calculated using the pay rates in effect at the balance sheet date, and reduced to the maximum payment allowed by labor contract and/or City Ordinance, plus applicable additional salary related payments.

Sick leave accumulates at the rate of 4.6 hours of sick leave for 80 hours of work completed. Sick leave may be converted into cash only upon retirement or death with 10 or more years of service with the State or any of its political subdivisions at the rate of one fourth (1/4) the value of the first 960 hours of accrued, unused sick leave credit. If applicable, accrued, unused sick leave will be paid in cash for one-half (1/2) the

value of all accrued sick leave credit in excess of 960 hours. Individuals with accumulated sick leave greater than one thousand nine hundred twenty (1,920) hours receive cash at the rate of one-half (1/2) the total hours accumulated. Individuals leaving the employment of the City prior to retirement or at retirement with less than 10 years of service lose their accumulated sick leave. At December 31, 2001 a liability of \$1,305,578 recognized in the general long-term debt account group that represents the estimated amount that will ultimately be paid to employees upon retirement or death. (Note 9)

Accumulated sick leave of governmental fund type employees meeting the above requirements have been recorded in the appropriate governmental fund as a current liability to the extent that the amounts are expected to be payable within the current available period. The balance of the liability is recorded in the general long-term obligations account group. The liabilities for regular vacation, compensatory time, and holiVac have been recorded within the individual funds in the accompanying combined financial statements because, in the case of governmental funds, they will be liquidated with expendable available resources. Vacation, compensatory time, holiVac, and sick leave benefits for employees meeting the above requirements who are paid from proprietary funds are recorded as an expense when earned and the related liability is reported within the fund.

K. Interfund Transactions

During the course of normal operations, the City has numerous transactions between funds. The most significant include:

1. Transfers of resources from one fund to another fund. The resources transferred are to be expended for operations by the receiving fund and are recorded as operating transfers, with the exception of the agency funds, which do not show transfers of resources as operating transfers.
2. Reimbursements from one fund to another are treated as expenditures/expenses in the reimbursing fund and a reduction in or of expenditures/expenses in the reimbursed fund.
3. Short-term interfund balances, related to charges for goods and services rendered, are reflected as "due to/from other funds".

L. Total Columns on Combined Statements

Total columns on the Combined Statements are captioned "Memorandum Only" to indicate they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations or cash flows in conformity with generally accepted accounting principles, nor are such data comparable to a consolidation.

M. Estimates

The preparation of General Purpose Financial Statements in conformity with GAAP 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.

N. Fund Balance Reserves

Reserved fund balances indicate that portion of fund equity that is not available for current appropriation or use. The unreserved portions of fund equity reflected in the governmental funds are available for use within the specific purposes of the funds.

The City reports amounts representing noncurrent investments, material and supply inventories, available debt service equity, prepayments, encumbrances outstanding, capital improvements, principal, and loans receivable as reservations of fund balance in the governmental funds.

O. Comparative Data/Reclassifications

Comparative total data for the prior year have been presented in selected sections of the accompanying financial statements in order to provide an understanding of the changes in the government's financial position and operations. Also, certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

(2) Change in Accounting Principle

GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions* and GASB Statement No. 36 *Recipient Reporting for Certain Shared Nonexchange Revenues*, an amendment of GASB Statement No. 33 were implemented during fiscal 2001. These statements pertain to the financial reporting of certain types of revenue received by the City for which no value is given in return, including derived tax revenues, imposed nonexchange transactions, government-mandated nonexchange transactions and voluntary nonexchange transactions. The adoption of these statements had no effect on the fund balances as previously reported by the City at December 31, 2000.

(3) Cash, Cash Equivalents and Investments

Monies held by the County are classified by State statute into three categories:

Active deposits are public deposits necessary to meet current demands on the treasury. Such monies must be maintained either as cash in the City Treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive deposits are public deposits that the City has identified as not required for use within the current two year period of designation of depositories. Inactive deposits must be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings deposit accounts including, but not limited to, passbook accounts.

Interim deposits are deposits in interim monies. Interim monies are those monies that are not needed for immediate use but which will be needed before the end of the current period of designation of depositories.

Interim monies may be deposited or invested in the following:

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal or interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, and Federal Home Loan Mortgage Corporation. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions; and
6. The State Treasurer's investment pool (STAR Ohio).

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

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

Investments in stripped principal or interest obligations, reverse repurchase agreements, and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within two years from the date of purchase and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon receipt of confirmation of transfer from the custodian.

The following information classifies deposits and investments by categories of risk as defined in GASB Statement No. 3, *Deposits With Financial Institutions, Investments (including Repurchase Agreements), and Reverse Repurchase Agreements*.

Deposits: At December 31, 2001, the carrying amount of the City's deposits, which includes cash and cash equivalents, cash with fiduciary agent, and nonnegotiable certificates of deposit, was \$27,117,636 and the bank balance was \$27,532,436. Of the bank balance:

1. \$500,000 was covered by federal deposit insurance; and
2. \$27,032,436 was uninsured and uncollateralized as defined by GASB even though it was covered by collateral held by a third party trustee, pursuant to Ohio Revised Code Section 135.181, in collateralized pools securing all public funds on deposits with specific depository institutions. Although all state statutory requirements for the deposit of money had been followed, non-compliance with federal requirements could potentially subject the City to a successful claim by the FDIC.

Investments: The City's investments are required to be categorized to give an indication of the level of risk assumed by the City at year-end. Category 1 includes investments that are insured or registered or for which the securities are held by the City or its agent in the City's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparty's trust department or agent in the City's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty or by its trust department or agent but not in the City's name. STAR Ohio (an investment pool operated by the Ohio State Treasurer) and U.S. government money market mutual funds are unclassified investments since they are not evidenced by securities that exist in physical or book entry form.

The following is a listing of investments, by category, as of December 31, 2001:

	<u>Category 1</u>	<u>Category 3</u>	<u>Fair Value</u>
City of Findlay Bond Anticipation Notes	\$ 53,000	\$ -	\$ 53,000
Federal Agency Securities	-	<u>3,283,742</u>	<u>3,283,742</u>
Total Investments	<u>\$ 53,000</u>	<u>\$3,283,742</u>	<u>\$3,336,742</u>

The total amount of cash, cash equivalents, and investments is reflected in the accompanying financial statements as follows:

<u>Unrestricted</u>	
Cash and Cash Equivalents	\$20,072,485
Cash with Fiduciary Agent	204,897
Investments	1,351,408
<u>Restricted</u>	
Cash and Cash Equivalents	6,840,254
Investments	<u>1,985,334</u>
 Total Cash, Cash Equivalents and Investments	 <u>\$30,454,378</u>

(4) Taxes

A. Property Tax

Property taxes include amounts levied against all real and public utility property, and tangible personal property (used in business) located in the City. Property taxes are levied each October 1 based on the assessed value as of the prior January 1, the lien date. Assessed values are established by the County Auditor at 35% of appraised market value. A revaluation of all property is required to be completed not less than every six years. The most recent revaluation was completed in 1998 which was utilized for 2001 collections. The assessed value upon which the 2001 collections were based was \$752,661,424. The tax rate applicable to the 2001 collections was 3.20 mills.

The Hancock County Treasurer collects property taxes on behalf of all taxing districts within Hancock County including the City of Findlay. Taxes are payable to the County in two equal installments in January and July and, if not paid, become delinquent after December 31 of the year they are due. The Hancock County Auditor periodically remits to the City its portion of the taxes collected.

Collection of delinquent property taxes is the responsibility of the County, and the County Auditor's records as to delinquencies are maintained on a total County basis. The City's portion of delinquent property taxes related to an individual subdivision within the County are not susceptible to accrual in that the taxes collected are not available to the City at year end. Accordingly, delinquent property taxes are not reflected as revenue in the accompanying combined financial statements until they are collected.

B. City Income Tax

The City levies an income tax of 1% on the gross salaries, wages, and other service compensation earned by residents of the City and to the earnings of nonresidents working within the City. This tax also applies to the net income of businesses operating within the City. Residents of the City are granted a credit of 1/2% for taxes paid to other Ohio municipalities. All residents are required to file a City income tax return. The City also requires certain employers to remit withholding taxes on a monthly basis as opposed to a quarterly basis.

The receipts of the City income tax and the administrative costs associated with their collection are accounted for in the Special Revenue Funds. Income tax receipts, net of the related administrative costs, are disbursed, appropriated, and allocated in accordance with City Ordinance by which 78% of such receipts are transferred to the General Fund and 22% retained in the Special Revenue Funds and restricted for capital improvements.

(5) Receivables

A. Due from Outside Parties

The City's receivables from outside parties at December 31, 2001, by fund, are shown on the following table:

	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Enterprise</u>	<u>Internal Service</u>	<u>Trust and Agency</u>
City Income Taxes:						
Current taxes	\$ -	\$ 2,118,820	\$ -	\$ -	\$ -	\$ -
Property Taxes	2,140,676	494,002	-	-	-	-
Hotel/Motel Taxes	54,446	-	-	-	-	-
Economic Development Loans	-	128,318	-	-	-	-
Special Assessments	-	-	82,689	-	-	-
Non-current Receivable	-	-	470,311	-	-	-
Water and Wastewater Services:						
Billed	-	-	-	917,336	-	-
Unbilled	-	-	-	535,168	-	-
Sale of Supplies Inventory	-	-	-	58,742	-	-
Total Receivables, Net of Allowances	2,195,122	2,741,140	553,000	1,511,246	-	-
Due from Other Governments	625,185	451,078	-	546,481	-	-
Accrued Interest - Unrestricted	158,677	-	-	149,494	6,595	8,919
Total Due for Outside Parties	<u>\$2,978,984</u>	<u>\$3,192,218</u>	<u>\$ 553,000</u>	<u>\$2,207,221</u>	<u>\$ 6,595</u>	<u>\$ 8,919</u>

The stated receivable amounts are net of the applicable allowance for uncollectibles. Such allowance balances are not significant in relation to the respective receivable balances.

City income taxes accrued at December 31, 2001, to the extent of employee withholdings for the last quarter of 2001, are due by January 31, 2002. Delinquent income taxes represent interest, penalties, and additional taxes due as a result of audits of returns filed.

Property taxes accrued at December 31, 2001 represent the City's portion of 2001 taxes to be collected by the Hancock County Treasurer during 2002 based on the assessed value of property described in Note 4.

Hotel/Motel taxes accrued at December 31, 2001 represent 2001 transient lodging taxes paid to the City from hotels and motels located within the City's corporation limits subsequent to December 31, 2001 through January 31, 2002.

Economic development loans receivable at December 31, 2001 represents loans to qualified businesses for the purpose of economic development.

Special assessments represent amounts due from taxpayers for certain pavement, sidewalk, and sanitary sewer work performed by the City.

Residents are billed on a bi-monthly basis for water and wastewater service with approximately one-half of the City's customers being billed each month. All service receivables are carried in the Water Fund with an interfund payable being recognized for the portion of the billing related to the Water Pollution Control Fund. Unbilled service receivables are accrued based upon the consumption for the applicable area of the City during the related period.

Sale of supplies inventory represents the amount due from airport customers for primarily fuel and hangar rental.

Due from other governments in the General Fund represents 2001 state taxes and local government monies anticipated to be received by the City from January 1, 2002 through June 30, 2002. Due from other governments in the Special Revenue Funds represents 2001 motor vehicle license fees and gasoline excise taxes anticipated to be received by the City from January 1, 2002 to June 30, 2002.

Accrued Interest represents the amount of interest that has accrued on investments as of December 31, 2001.

(6) Property, Plant and Equipment

A summary of general fixed assets at January 1, 2001, by class, and the changes therein during 2001, are as follows:

	<u>Balance</u> <u>January 1, 2001</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>December 31, 2001</u>
Land	\$ 1,692,325	\$ 175,000	\$ -	\$ 1,867,325
Buildings	8,536,007	-	-	8,536,007
Improvements other than Buildings	312,378	-	-	312,378
Equipment	<u>7,417,685</u>	<u>1,153,908</u>	<u>426,212</u>	<u>8,145,381</u>
	<u>\$17,958,395</u>	<u>\$ 1,328,908</u>	<u>\$ 426,212</u>	<u>\$ 18,861,091</u>

A summary of Enterprise Funds property, plant, and equipment at December 31, 2001 by class and by individual fund follows:

	<u>Water</u>	<u>Water Pollution Control</u>	<u>Swimming Pool</u>	<u>Parking Facilities</u>	<u>Airport</u>	<u>Totals</u>
Land	\$ 909,231	\$ 111,722	\$ 1,631	\$ 94,331	\$ 1,811,000	\$ 2,927,915
Buildings	-	-	-	-	1,621,489	1,621,489
Utility Plant in Service	24,682,883	32,317,682	-	-	-	57,000,565
Utility Lines in Service	27,095,809	42,054,179	-	-	-	69,149,988
Improvements Other than Buildings	1,612,106	-	901,842	222,132	2,861,525	5,597,605
Machinery and Equipment	3,824,604	2,957,696	58,511	61,575	682,817	7,585,203
Construction in Progress	<u>19,695</u>	<u>1,671,917</u>	<u>-</u>	<u>-</u>	<u>5,829,801</u>	<u>7,521,413</u>
Total	58,144,328	79,113,196	961,984	378,038	12,806,632	151,404,178
Less Accumulated Depreciation	<u>15,020,198</u>	<u>12,615,666</u>	<u>400,559</u>	<u>176,046</u>	<u>2,127,769</u>	<u>30,340,238</u>
Net Property, Plant and Equipment	<u>\$43,124,130</u>	<u>\$66,497,530</u>	<u>\$ 561,425</u>	<u>\$ 201,992</u>	<u>\$ 10,678,863</u>	<u>\$121,063,940</u>

Construction in progress at year end consists of the costs associated with the construction of water lines, sanitary sewers, and the airport expansion.

(7) Contributed Capital

Due to the implementation of GASB 33, no additions to contributed capital were recorded in 2001.

(8) Capital Lease

The City was obligated under a certain lease entered into during 1998 and accounted for it as a capital lease. The leased asset and related obligation were accounted for in the General Fixed Assets Account Group and the General Long-Term Debt Account Group, respectively. The following is a schedule of current year capital lease payments:

	<u>General Long-Term Debt Account Group</u>
Capital lease payable as of January 1, 2001	\$ 2,570
Payments/reductions	<u>(2,570)</u>
Capital lease payable as of December 31, 2001	<u>\$ -</u>

(9) Debt Obligations

The following is a summary of transactions, including interfund activity, for special assessment projects of the City for the year ended December 31, 2001:

	<u>Special Assessments</u>
Amounts Payable at January 1, 2001	\$ 561,500
Notes Issued	66,020
Bonds Issued	145,500
Debt Retired	<u>(269,020)</u>
Amounts Payable at December 31, 2001	<u>\$ 504,000</u>

The special assessment debt bears interest rates at December 31, 2001 from approximately 3.95% to 6.35%, has annual maturity requirements ranging from \$60,550 in 2002 to \$14,550 in 2011. The debt is secured by the full faith and credit of the City.

The notes issued are internal City of Findlay Bond Anticipation Notes (BAN) representing amounts borrowed from the General Fund. The BAN in the amount of \$53,000 was issued for a special assessment project in Hunter's Creek. This BAN is structured in essentially the same manner as BANs with outside institutions.

The following is a summary of loans payable transactions of the City for the year ended December 31, 2001:

	<u>Enterprise Funds</u>
Loans Payable at January 1, 2001	\$ 17,334,483
WPCLFA Draws (1998 Loan)	14,000,166
WPCLFA Draws (2001 Loan)	121,578
Issue 2 Loan	30,598
Debt Retired	<u>(7,925)</u>
Loans Payable at December 31, 2001	<u>\$ 31,478,900</u>

The City is eligible to borrow funds under the Water Pollution Control Loan Fund Agreement (WPCLFA) with the Ohio Water Development Authority to pay the approved eligible project costs of designing improvements to and extensions of the City's municipal sewerage system, including main sewer lines and additions to the City's water pollution control plant.

On October 28, 1999, the City entered into a financing agreement under the WPCLFA to borrow up to \$32,470,000. The loan bears interest at 4.36 percent, with principal payments due semi-annually on January 1, and July 1 of each year. The term of the loan is 20 years. The City has drawn \$31,184,074 as of December 31, 2001.

On August 30, 2001, the City entered into an additional financing agreement under the WPCLFA to borrow up to \$3,672,600. The loan bears interest at 1.92%, with principal payments due semi-annually on January 1, and July 1 of each year. The term of the loan is 20 years. The City has drawn \$121,578 as of December 31, 2001.

In 2001, the City entered into a loan agreement with Ohio Public Works Commission for a State Issue 2 loan up to \$300,000 for a term of 20 years at 0% interest.

The following is a summary of the bond transactions of the City for the year ended December 31, 2001:

	General Long- Term Debt <u>Account Group</u>	<u>Enterprise Fund</u>	<u>Total</u>
Bonds Payable at January 1, 2001	\$ 4,140,000	\$ 37,833,276	\$ 41,973,276
Bonds Retired	<u>(495,000)</u>	<u>(2,415,293)</u>	<u>(2,910,293)</u>
Bonds Payable at December 31, 2001	3,645,000	35,417,983	39,062,983
Deferred Bond Costs - 1995 Waterworks System Refunding Bonds	<u>-</u>	<u>(444,698)</u>	<u>(444,698)</u>
Net Bonds Payable at December 31, 2001	<u>\$ 3,645,000</u>	<u>\$ 34,973,285</u>	<u>\$ 38,618,285</u>

Bonds payable at December 31, 2001, are comprised of the following issues, of which the 1994 Western Avenue Relocation Bonds and 1996 Various Purpose Bonds for the Fire Station Projects, and the City-wide Radio System Project totaling \$3,645,000 are accounted for in the General Long-Term Debt Account Group and the remaining bonds totaling \$35,005,737 are accounted for in the Enterprise Funds.

	<u>Original Issuance</u>	<u>Bonds Outstanding at December 31, 2001</u>
General Obligation Bonds:		
1973 Sewer Improvement Bonds, due in annual installments of \$110,000 thereafter through 2003 (except for \$100,000 in 2002), interest at 5.00% (the bonds that matured in 1999 and thereafter are subject to call for redemption in whole or in part)	\$ 3,400,000	\$ 210,000
1993 Sewerage System Bond - Ohio Water Pollution Control Loan Fund, due in amounts increasing from \$ 94,680 in 2002 to \$145,093 in 2011, with interest at 4.8%	1,829,711	1,182,983
1993 Sewerage System Refunding Bonds, due in amounts increasing from \$465,000 in 2002 to \$740,000 in 2011, with interest from 2.25% to 5.5% over the life of the bonds	9,395,000	5,890,000

1993 Water System Improvement Bonds, due in amounts increasing from \$150,000 in 2002 to \$350,000 in 2018 with interest from 2.25% to 5.55% over the life of the bonds	5,000,000	4,000,000
1994 Western Avenue Relocation Project – PILOT Funded Bonds, due in amounts ranging from a high of \$145,000 in 2002 and decreasing to the final principal payment of \$80,000 in 2004, interest from 3.85% to 5.25% over the life of the bonds	1,205,000	300,000
1996 Various Purpose Bonds, due in annual installments ranging from \$625,000 in 2002 to a high of \$1,040,000 in 2016 and decreasing to the final installment of \$720,000 in 2017, with interest from 3.85% to 5.875% over the life of the bonds	16,420,000	13,370,000
1998 Waterworks Improvement Limited Tax Bonds, due in amounts increasing from \$130,000 in 2002 to \$265,000 in 2018 with interest from 3.65% to 4.90% over the life of the bonds	<u>3,565,000</u>	<u>3,200,000</u>
Total General Obligation Bonds	<u>\$ 40,814,711</u>	<u>\$ 28,152,983</u>

Revenue Bonds:

1995 Waterworks System Mortgage Revenue Refunding Bonds, due in annual installments ranging from \$1,145,000 in 2002 to a final installment of \$1,615,000 in 2009	<u>\$16,515,000</u>	<u>\$10,910,000</u>
Total Revenue Bonds	<u>\$16,515,000</u>	<u>\$10,910,000</u>
Deferred Bonds Costs - 1995 Waterworks System Bonds	<u>-</u>	<u>(444,698)</u>
Accumulated Sick Leave	<u>-</u>	<u>1,305,578</u>
	<u>\$57,329,711</u>	<u>\$39,923,863</u>

1994 Western Avenue Relocation Bonds - PILOT Funded Bonds

These bonds were issued for the purpose of providing the funds necessary to pay the costs of relocating Western Avenue between West Hobart Street and Lake Cascades Parkway. The bonds are backed by the full faith and credit of the City of Findlay. Funds for debt service will be provided through payments in lieu of taxes (PILOT). Interest on the bonds is payable semiannually at rates set forth by the original purchaser and approved by the City. The average interest rate on the bonds is 4.87%.

1995 Waterworks System Mortgage Revenue Refunding Bonds

On September 6, 1995, these bonds were issued for the purpose of current refunding the issuers 1986 Waterworks System Mortgage Revenue Refunding Bonds. The City exercised its option to call the 1986 bonds on the November 1, 1995 interest payment date using the proceeds from the 1995 issuance held by

National City Bank as Escrow Trustee. Excess earnings on the 1995 Refunding Bonds were transferred to Firststar Bank, Trustee, to finance the interest costs thereon. Interest on these bonds is payable semiannually at the rate recommended by the original purchaser (A.G. Edwards & Sons, Inc.), and approved by the City. The interest rate on these bonds varies according to the maturity dates. The average interest rate over the lives of the bonds is approximately 5.09%.

The refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of approximately \$804,000. This difference, which amounted to \$444,398 at December 31, 2001, is reported in the accompanying financial statements as a deduction from bonds payable. It is being charged to operations through the year 2009 using the straight-line method.

The indenture agreement requires the City to maintain certain accounts within the Water Fund to segregate certain assets for specific purposes. The Bond Reserve Fund held by Firststar Bank, as Trustee, is for the benefit of the Bondholders in an amount equal to the Bond Reserve Requirement. The Bond Service Fund, also held by Firststar Bank, as Trustee, is used for the payment of principal and interest on the 1995 bonds. Assets in each of these accounts are restricted for their specific purpose and, accordingly, have been included in restricted assets in the accompanying combined financial statements (Note 10). The City was in compliance with all other significant financial bond covenants in 2001.

1996 Various Purpose Bonds

On July 1, 1996, these bonds were issued for various purposes including: Water Pump Station Project (accounted for in the water fund), Northern Corridor Sewer Project (accounted for in the water pollution control fund), Bright Road Improvement Project, Fire Station Projects, City-wide Radio System Project (all accounted for in the GLTDAG), and Aircraft Fueling System (accounted for in the airport fund). These general obligation bonds are backed by the full faith and credit of the City. Interest on these bonds is payable semiannually and the interest rate varies according to the maturity dates. The average interest rate over the lives of the bonds is approximately 5.64%. The City was in compliance with all significant bond covenants in 2001.

1998 Waterworks Improvement Limited Tax Bonds

On September 1, 1998, these bonds were issued for the purpose of providing funds to pay the costs of improving the City’s municipal water system. The bonds are backed by the full faith and credit of the City of Findlay. Interest on the bonds is payable semiannually. Interest rates range from 3.65% to 4.90%.

Maturities

The annual requirements to amortize all bonded debt outstanding including interest are presented in the following table:

<u>Year Ending December 31,</u>	<u>General Obligation</u>	<u>Revenue</u>	<u>Total</u>
2002	3,212,825	1,708,115	4,920,940
2003	3,144,845	1,708,728	4,853,573
2004	3,025,411	1,705,528	4,730,939
2005	2,951,535	1,703,404	4,654,939
2006	2,946,070	1,706,998	4,653,068
2007 – 2009	8,838,481	5,123,592	13,962,073
2010 – 2014	11,320,731	-	11,320,731
2015 – 2019	<u>5,270,300</u>	<u>-</u>	<u>5,270,300</u>
	40,710,198	13,656,365	54,366,563
Less-amount representing Interest	<u>(12,557,215)</u>	<u>(2,746,365)</u>	<u>(15,303,580)</u>
	<u>\$ 28,152,983</u>	<u>\$ 10,910,000</u>	<u>\$ 39,062,983</u>

Accumulated Sick Leave

	<u>General Long-Term Debt Account Group</u>
Accumulated Sick Leave as of January 1, 2001 (Restated)	\$ 1,286,036
Add: Increase in Accumulated Sick Leave	351,969
Less: Amount of Sick Leave Paid during 2001	<u>332,427</u>
Accumulated Sick Leave as of December 31, 2001	<u>\$ 1,305,578</u>

Past Service Liability

The City's past service liability for PFDPF in the amount of \$1,330,230 is listed in the General Long Term Debt Account Group and in Note 13.

(10) Segment Information for Enterprise Funds

The City maintains five Enterprise Funds, which provide water and wastewater treatment services, swimming, and parking facilities, and account for the acquisition of the airport facilities to provide for hangar rentals, fuel sales, and all other operations of the airport in the future. The operations of these Funds are accounted for, financed, and recorded in a manner similar to that of private enterprises whereby it is the City's intent that the costs of providing these goods or services be financed primarily through user charges.

Segment information for the year ended December 31, 2001 is as follows:

	<u>Water Fund</u>	<u>Water Pollution Control Fund</u>	<u>Swimming Pool</u>	<u>Parking Facilities Fund</u>	<u>Airport Fund</u>	<u>Total Enterprise Fund</u>
Operating Revenues	\$6,347,843	\$6,271,097	\$ 57,697	\$ 97,456	\$ 822,726	\$ 13,596,819
Depreciation Expense	988,490	1,100,223	20,090	18,656	284,986	2,412,445
Operating Income (Loss)	1,521,882	2,792,658	(49,147)	(392)	(573,690)	3,691,311
Operating Transfers- In	270,968	322,358	50,000	-	148,500	791,826
Out	(243,307)	(758,665)	-	-	(565)	(1,002,537)
Net Income (Loss)	1,230,014	663,195	853	(10,388)	3,777,403	5,661,077
Property, Plant, and Equipment Additions (Deductions), Net	586,204	10,540,517	(994)	(953)	4,226,629	15,351,403
Net Working Capital	1,380,043	724,182	50,518	143,267	178,909	2,476,919
Total Assets	50,320,480	76,086,671	612,273	361,121	11,527,796	138,908,341
Bonds and Long -Term Liabilities Payable from Operating Revenues or Operating Transfers	18,069,860	48,007,490	-	-	380,000	66,457,350
Total Equity	29,527,523	28,079,181	611,943	345,259	10,510,407	69,074,313

(11) Restricted Assets

Restricted assets are specifically restricted for capital improvements or debt service by either the City's designation or by applicable bond indentures (Note 9). Restricted cash, cash equivalents, and investments designated by the City or provided by operations are equally offset by a fund balance/retained earnings reserve.

Restricted assets at December 31, 2001 are comprised of the following:

	Cash, Cash Equivalents and <u>Investments</u>	Deferred Bond <u>Costs</u>	<u>Total</u>
Special Revenue Funds:			
City Income Tax Administration Fund:			
Restricted for Capital Improvements	\$ 940,678	\$ -	\$ 940,678
Enterprise Funds:			
Water Fund:			
Bond Fund Account	330,698	-	330,698
Bond Reserve Fund Account	1,654,636	-	1,654,636
Designated for Capital Improvements to Utility Lines	480,269	-	480,269
Designated for Debt Service	295,331	-	295,331
Deferred Bond Costs	-	332,276	332,276
	<u>2,760,934</u>	<u>332,276</u>	<u>3,093,210</u>
Water Pollution Control Fund:			
Improvement and Replacement Fund Account			
Designated for Capital Improvements to Utility Lines	779,236	-	779,236
Designated for Debt Service	2,239,925	-	2,239,925
Deferred Bond Costs	2,078,645	-	2,078,645
	-	204,801	204,801
	<u>5,097,806</u>	<u>204,801</u>	<u>5,302,607</u>
Airport Fund:			
Designated for Debt Service	26,170	-	26,170
Deferred Bond Costs	-	6,465	6,465
	<u>26,170</u>	<u>6,465</u>	<u>32,635</u>
Enterprise Fund Totals	<u>7,884,910</u>	<u>543,542</u>	<u>8,428,452</u>
Totals	<u>\$ 8,825,588</u>	<u>\$ 543,542</u>	<u>\$ 9,369,130</u>

Deferred Bond Costs represent the costs associated with the issuance of the 1998 Waterworks Improvement Limited Tax Bonds, the 1996 Various Purpose General Obligation Bonds, the 1995 Waterworks System Mortgage Revenue Refunding Bonds, the 1993 Water System Improvement Bonds, and the 1993 Sewerage System General Obligation Refunding Bonds (Note 9). These costs are being amortized on a straight-line basis over periods ranging from 14 to 23 years, the lives of the issues.

(12) PERS Retirement Commitments

The employees of the City are covered by either the Public Employees Retirement System of Ohio (PERS) or the Ohio Police and Fire Pension Fund (OP&F), (Note 13). The State of Ohio accounts for the activities of these cost-sharing multiple-employer retirement systems, and only the City's contributions to these systems are reflected in the accompanying combined financial statements. Of the City's total 2001 payroll of \$15,656,533, \$9,153,731 was for PERS employees, \$6,243,056 for OP&F employees, and \$259,746 for non-covered employees. All employees are required to be members of PERS or OP&F, except for elected officials who have an option to exclude themselves from membership.

The City contributes to the Public Employees Retirement System of Ohio (PERS), a cost-sharing multiple-employer defined benefit pension plan. PERS provides retirement and disability benefits, annual cost of living adjustments and death benefits to plan members and beneficiaries. The authority to establish and amend benefits is provided by state statute per Chapter 145 of the Ohio Revised Code. The PERS issues a stand-alone financial report. This report may be obtained by writing to 277 East Town Street, Columbus, Ohio, 43215-4642 or by calling 800-222-7377.

Plan members are required to contribute 8.5% of their annual covered salary and the City is required to contribute 13.55% of annual covered salary; however, the Retirement Board instituted a temporary employer contribution rate rollback for the calendar year 2000. The rate rollback was 20% for state and local government divisions. The 2000 employer contribution rate for local government employer units was 10.84% of covered payroll. The Ohio Revised Code provides statutory authority to employee and employer contributions. The City's contributions to PERS for the years ending December 31, 2001, 2000, and 1999 were \$1,240,269, \$922,088, and \$1,117,491, respectively, equal to the required employer contribution which is 100% of the dollar amount billed by PERS.

In addition to the pension benefits described above, PERS provides post-retirement health care coverage to age and service retirees with 10 or more years of qualifying Ohio service credit. Health care coverage for disability recipients and primary survivor recipients is available. The health care coverage provided by the retirement system is considered an Other Post-employment Benefit (OPEB) as described in GASB Statement No. 12. A portion of each employer's contribution to PERS is set aside for the funding of post retirement health care. The Ohio Revised Code provides the statutory authority requiring public employers to fund post-retirement health care coverage through their contributions to PERS. For the City, 4.30% was the portion used to fund health care for 2001.

PERS has provided the following information regarding the Summary of Assumptions:

Actuarial Review – The assumptions and calculations below were based on the System's latest Actuarial Review performed as of December 31, 2000.

Funding Method – 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.

Assets Valuation Method – 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.

Investment Return – The investment assumption rate for 2000 was 7.75%.

Active Employee Total Payroll – An annual increase of 4.75% compounded annually, is the base portion of the individual pay increase assumption. This assumes no change in the number of active employees. Additionally, annual pay increases, over and above the 4.75% base increase, were assumed to range from 0.54% to 5.1%.

Health Care – Health care costs were assumed to increase 4.75% annually.

OPEBs are advance-funded on an actuarially determined basis. The number of active contributing participants was 411,076. The rates stated are the actuarially determined contribution requirements for PERS. The City's employer contributions that were used to fund post-employment benefits were \$393,537. \$11,735.9 million represents the actuarial value of the Retirement System's net assets available for OPEB at December 31, 2000. The actuarially accrued liability and the unfunded actuarial accrued liability based on the actuarial cost method used, were \$14,364.6 million and \$2,628.7 million, respectively.

The Retirement Board initiated significant policy changes during 2000. The decision to rollback rates was based on the December 31, 1998 actuarial study, which indicated that the actuarial assets exceeded actuarial liabilities. The Board reallocated employer contributions from 4.20% to 4.30% at the beginning of the year to improve health care financing. The proportion of contributions dedicated to funding OPEB increased during the year for those reasons.

(13) OP&F Retirement Commitments

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

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 OP&F for the years ending December 31, 2001, 2000, and 1999, were \$1,362,885 , \$1,269,972, and \$1,226,804, respectively, equal to the required contributions for each year.

The OP&F provides post-retirement health care coverage to any OP&F person who receives or is eligible to receive a monthly benefit check or is a spouse or eligible dependent child of such person. An eligible dependent child is any child under the age of 18 whether or not the child is attending school or under the age of 22 if attending school full-time or on a 2/3 basis. The health care coverage provided by the retirement system is considered an Other Post-employment Benefit (OPEB) as described in GASB Statement No. 12. The Ohio Revised Code provides that health care cost paid from funds of OP&F shall be included in the employer's contribution rate.

These post-retirement health care benefits are funded and accounted for on a pay-as-you-go basis. A percentage of covered payroll, as defined by the Board, is used to pay retiree health care expenses. The Board defined allocation was 7.25% and 7.5% of covered payroll in 2000 and 2001, respectively. The allocation is 7.75% in 2002. In addition, since July 1, 1992, most retirees have been required to contribute a portion of the cost of their health care coverage through a deduction from their monthly benefit payment.

As of December 31, 2000 (the latest information available), there were 12,853 police officers and 10,037 firefighters eligible to receive health care benefits. The Fund's total health care expenses for the year ending December 31, 2000, the date of the last actuarial valuation available, was \$106,160,054, which was net of member contributions of \$5,657,431. The portion of total contributions made by the City to the OP&F to cover health care costs was approximately \$468,835 for 2001. The Ohio Revised Code provides the statutory authority allowing OP&F's Board of Trustees to provide health care coverage to all eligible individuals.

The City's accrued past service liability to PFDPF was determined and became a legal obligation to the State at the date the City became a participant in PFDPF. The City pays this liability in semiannual installments of \$37,435 each, including principal and interest, through the year 2035. This liability has been recorded in the General Long Term Debt Account Group using an implicit interest rate of approximately 4.3%. An analysis of the change in this liability during 2001 is as follows:

Accrued liability at January 1, 2001	\$ 1,347,997
Principal Retired	<u>(17,767)</u>
Accrued liability at December 31, 2001	<u>\$ 1,330,230</u>

(14) Self Insurance Fund

During July, 1987 the City established a Self-Insurance Fund (the Fund), which has been recorded as part of the Internal Service Funds. This Self-Insurance Fund serves the purpose of handling, processing, and paying general municipality liability insurance claims in lieu of purchasing general municipality liability insurance. The City's plan covers a limit of \$1,000,000 per occurrence for bodily injury liability and \$1,000,000 aggregate for property damage liability.

There have been no significant reductions in insurance coverage. No settlements have exceeded insurance coverage for 2001, 2000, or 1999. The City is fully insured through premium-based insurance policies for all other types of insurance including worker's compensation, public officials' liability, etc.

The City's policy for reporting a claims liability is based on the requirements of Financial Accounting Standards Board Statement No. 5, which requires that a liability for claims to be reported if information prior to the issuance of the combined financial statements indicates that it is probable that a liability has been incurred at the date of the combined financial statements and the amount of the loss can be reasonably estimated. It is the opinion of the City's legal counsel that, as of December 31, 2001, there were no material outstanding claims pending.

	<u>2001</u>	<u>2000</u>
Claims payable, beginning of the year	\$ -	\$ -
Current year claims and changes in estimates	1,844	11,094
Claim payments	<u>(1,844)</u>	<u>(11,094)</u>
Claims payable, end of year	<u>\$ -</u>	<u>\$ -</u>

(15) Individual Fund Deficits

The accumulated deficit in the Swimming Pool Enterprise Fund, of \$322,439 is the result of the City maintaining user charges at rates sufficient to only cover all direct operating costs of the pool. Such rates are not intended to fully cover indirect costs, such as depreciation expense, resulting in the accumulated deficit in the Fund.

(16) Compliance & Accountability

Compliance

The City had the following expenditures in excess of appropriations in noncompliance with the Ohio Revised Code Section 5705.41(B) in the following funds.

	<u>Excess</u>
Special Revenue Funds:	
Police & Fire Pension Funds	
Security of Persons and Property	\$ 165
Transfers Out	1,728

Accountability

Fund balances/retained earnings at December 31, 2001 included the following individual fund deficit:

	<u>Deficit Fund Balance/ Retained Earnings</u>
<u>Capital Projects Fund</u>	
Capital Improvement	\$(47,803)

This deficit, caused by the application of generally accepted accounting principles, will be funded by anticipated future intergovernmental revenues or other subsidies not recognized and recorded at

December 31. The General fund provides transfers for deficit balances; however, transfers are made when cash is needed rather than when accruals occur.

(17) Contractual Commitments and Contingencies

As of December 31, 2001, the City had approximately \$7,175,413 open on outstanding purchase orders and contracts. Of this amount, \$6,753,723 related to ongoing capital projects, and the remaining amount was for various departmental purchase orders outstanding at year-end.

There are several lawsuits pending in which the City is involved. City management estimates that the potential claims against the City would not materially affect the combined financial statements of the City.

Under the terms of federal and state grants, periodic audits are required and certain costs may be questioned as not being appropriate expenditures under the terms of the grants. Such audits could lead to reimbursement to the grantor agencies. City management believes disallowances, if any, will be immaterial.

The City had no material operating lease commitments at December 31, 2001.

(18) Restatement of Prior Year Activity

Restatements occurred due to the following:

Permissive Vehicle License Tax money being held with Hancock County was not previously recorded in the City's financial statements.

The Enterprise Funds have now been allocated with their portion of the Compensated Absences that was previously all recorded in the General Long Term Debt Account Group.

The General Long Term Debt Account Group now includes all employees who meet GASB No. 16 requirements for compensated absences.

Investment income is now being recorded in the nonexpendable trust fund to follow principal.

	<u>General Fund</u>	Special Revenue <u>Funds</u>	Proprietary <u>Funds</u>	Nonexpendable <u>Trust Fund</u>	General Long Term Debt <u>Account Group</u>
Balance at December 31, 2000	\$ 7,443,827	\$ 4,626,306	\$ 27,699,975	\$ 980,887	\$ 6,811,021
Compensated Absences	-	-	(503,884)	-	317,082
Cash with Fiduciary Agent	-	216,622	-	-	-
Allocation of Interest	(55,656)	-	-	55,656	-
Restated Balance at December 31, 2000	<u>\$ 7,388,171</u>	<u>\$ 4,842,928</u>	<u>\$ 27,196,091</u>	<u>\$ 1,036,543</u>	<u>\$ 7,128,103</u>

GENERAL FUND

This Fund accounts for all financial transactions not properly accounted for in any other funds. This includes, but is not limited to, police and fire protection, public health activities, cemetery, all recreation activities (other than the swimming pool), and the general administration of City functions.

CITY OF FINDLAY
GENERAL FUND
BALANCE SHEET

December 31, 2001
(With Comparative Totals for December 31, 2000)

	<u>2001</u>	<u>2000</u>
Assets:		
Cash and Cash Equivalents	\$ 9,272,272	\$ 8,722,524
Investments	53,000	210,000
Receivables, Net of allowance for uncollectibles	2,195,122	2,020,127
Due from Other Governments	625,185	81,040
Due from Other Funds	-	-
Prepays	74,326	137,698
Accrued Interest Receivable	<u>158,677</u>	<u>205,552</u>
 Total Assets	 <u>\$ 12,378,582</u>	 <u>\$ 11,376,941</u>
Liabilities:		
Accounts Payable and Accruals	\$ 2,318,203	\$ 2,031,850
Deferred Revenues	<u>2,684,510</u>	<u>1,956,920</u>
 Total Liabilities	 <u>5,002,713</u>	 <u>3,988,770</u>
Fund Balance:		
Reserved for Encumbrances	1,413,259	441,968
Reserved for Prepays	74,326	137,698
Unreserved-Undesignated (Restated)	<u>5,888,284</u>	<u>6,808,505</u>
 Total Fund Balance	 <u>7,375,869</u>	 <u>7,388,171</u>
 Total Liabilities and Fund Balance	 <u>\$ 12,378,582</u>	 <u>\$ 11,376,941</u>

CITY OF FINDLAY
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP-BASIS) AND ACTUAL

Year Ended December 31, 2001
(With Comparative Actual Amounts for 2000)

	2001			2000 <u>Actual</u>
	<u>Revised Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)	
Revenues:				
Taxes	\$ 2,282,920	\$ 2,395,171	\$ 112,251	\$ 2,228,256
Licenses and Permits	118,100	256,264	138,164	262,440
Intergovernmental	2,149,587	2,325,189	175,602	2,364,290
Charges for Services	523,600	528,138	4,538	528,254
Investment Earnings	729,000	761,779	32,779	893,811
Fines and Forfeitures	1,419,000	1,276,923	(142,077)	1,342,104
Net Increase (Decrease) in Fair Value of Investments	-	65,034	65,034	122,288
Reimbursements	609,000	823,052	214,052	554,348
All Other Revenues	<u>258,600</u>	<u>208,714</u>	<u>(49,886)</u>	<u>245,287</u>
Total Revenues	<u>8,089,807</u>	<u>8,640,264</u>	<u>550,457</u>	<u>8,541,078</u>
Expenditures:				
Current:				
Security of Persons and Property:				
Police Department	5,772,297	5,302,722	469,575	4,968,666
Disaster Services	25,111	21,633	3,478	10,077
Fire Department	5,245,007	5,037,343	207,664	4,790,853
Dispatch	<u>642,848</u>	<u>554,921</u>	<u>87,927</u>	<u>418,147</u>
Total of Security of Persons and Property	<u>11,685,263</u>	<u>10,916,619</u>	<u>768,644</u>	<u>10,187,743</u>
Public Health and Welfare:				
Planning & Zoning	112,508	106,953	5,555	89,372
Public Health Department	700,815	656,560	44,255	578,115
Building Department	225,500	193,323	32,177	184,159
Cemetery Department	<u>350,766</u>	<u>307,829</u>	<u>42,937</u>	<u>263,276</u>
Total Public Health and Welfare	<u>1,389,589</u>	<u>1,264,665</u>	<u>124,924</u>	<u>1,114,922</u>
Leisure Time Activities:				
Park Maintenance	591,395	543,012	48,383	416,169
Reservoir Boating	8,901	3,655	5,246	5,333
Recreation Department	<u>292,400</u>	<u>274,241</u>	<u>18,159</u>	<u>253,400</u>
Total Leisure Time Activities	<u>892,696</u>	<u>820,908</u>	<u>71,788</u>	<u>674,902</u>

Continued on Exhibit A-2, Page 2.

CITY OF FINDLAY
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP-BASIS) AND ACTUAL

Year Ended December 31, 2001
(With Comparative Actual Amounts for 2000)

	2001		Variance Favorable (Unfavorable)	2000 Actual
	Revised Budget	Actual		
General Government:				
Council	\$ 158,303	\$ 157,529	\$ 774	\$ 143,228
Mayors Office	175,595	168,646	6,949	154,829
Auditor/Treasurer	683,821	654,129	29,692	577,929
Law Director	369,156	342,039	27,117	315,810
Municipal Court	1,148,982	1,030,214	118,768	961,914
Civil Service	44,225	30,878	13,347	38,482
Computer Services	357,213	327,847	29,366	299,968
Service/Safety Director	590,348	526,527	63,821	492,277
Engineering Department	1,072,433	1,032,950	39,483	934,665
Shade Tree Program	51,765	21,299	30,466	14,998
Human Resources	190,735	117,547	73,188	57,988
Public Building Department	415,591	392,363	23,228	381,558
Total General Government	<u>5,258,167</u>	<u>4,801,968</u>	<u>456,199</u>	<u>4,373,646</u>
Capital Outlay:				
Security of Persons and Property	561,846	537,039	24,807	211,843
Public Health and Welfare	16,325	16,325	-	51,072
Leisure Time Activities	634,098	405,186	228,912	343,753
General Government	1,593,853	221,880	1,371,973	670,699
Total Capital Outlay	<u>2,806,122</u>	<u>1,180,430</u>	<u>1,625,692</u>	<u>1,277,367</u>
Total Expenditures	<u>22,031,837</u>	<u>18,984,590</u>	<u>3,047,247</u>	<u>17,628,580</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(13,942,030)</u>	<u>(10,344,326)</u>	<u>3,597,704</u>	<u>(9,087,502)</u>
Other Financing Sources (Uses):				
Operating Transfers In	10,844,200	12,081,541	1,237,341	11,293,941
Operating Transfers Out	(1,686,145)	(1,686,145)	-	(1,689,446)
Total Other Financing Sources (Uses)	<u>9,158,055</u>	<u>10,395,396</u>	<u>1,237,341</u>	<u>9,604,495</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures	<u>(4,783,975)</u>	<u>51,070</u>	<u>4,835,045</u>	<u>516,993</u>
Fund Balance at Beginning of Year (Restated)	7,388,171	7,388,171	-	6,863,651
Increase (Decrease) in Reserve for Prepaids	-	(63,372)	(63,372)	7,527
Fund Balance (Deficit) at End of Year	<u>\$ 2,604,196</u>	<u>\$ 7,375,869</u>	<u>\$ 4,771,673</u>	<u>\$ 7,388,171</u>

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SPECIAL REVENUE FUNDS

Special Revenue Funds are established to account for revenues from specific sources that legally are restricted to expenditures for specified purposes. A description of the City's Special Revenue Funds follows.

Street Maintenance and Repair - this Fund is used to account for 92.5% of the City's share of gasoline taxes and motor vehicle license fees as required by state statute.

State Highway - this Fund is used to account for the remaining 7.5% of the City's share of gasoline taxes and motor vehicle license fees as required by state statute.

County Permissive MVL Tax - this Fund accounts for the receipt and expenditures of all money the City receives as its portion of a \$5.00 fee imposed by the County on the purchase of each motor vehicle license.

City Income Tax Administration - this Fund accounts for the receipts from the assessment of a 1% income tax and the cost of operating our own collection department. The use of this money is determined by Council. At present, 78% is transferred to General Fund and the remaining 22% is used for capital improvements as recommended by the administration and appropriated by Council.

Drug Law Enforcement - this Fund receives mandatory fines levied in felonious drug trafficking cases. The funds can only be used by the City in drug enforcement activities.

Law Enforcement Trust - this Fund accounts for funds received as a result of a seizure of contraband. The receipts can be expended only for a law enforcement activity.

Indigent Alcohol Treatment - this Fund accounts for a portion of the fines collected by Municipal Court in OMVI cases. The fund is used to pay for Court ordered treatment if the individual is determined to be indigent.

Enforcement and Education - this Fund receives a portion of fines imposed under the law. Expenditures are authorized only for enforcement and education relating to laws governing operation of a motor vehicle while under the influence of alcohol.

Police Pension - this Fund accounts for a 0.3 mill real estate tax levy.

Fire Pension - this Fund accounts for a 0.3 mill real estate tax levy.

Revolving Loan - this Fund accounts for monies received as development grants that become loans to a qualified business or industry for the purpose of economic development. As the initial loans are repaid, the money is perpetually "re-loaned" to stimulate growth in the community.

Court Computerization - this Fund accounts for an additional court cost that is levied in Municipal Court to provide for the purchase and maintenance of computer systems for the Court.

Legal Research - this Fund accounts for specific court costs that are designated only for the purchase of computer equipment and services in the area of legal research for Municipal Court.

Mediation Services - this Fund accounts for specific court costs that are designated to pay for the costs of promoting, establishing, maintaining, and improving court mediation programs.

CITY OF FINDLAY
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET

December 31, 2001
(With Comparative Totals for December 31, 2000)

	Street Maintenance and Repair	State Highway	County Permissive MVL Tax	City Income Tax Administration	Drug Law Enforcement	Law Enforcement Trust	Indigent Alcohol Treatment
Assets:							
Cash and Cash Equivalents	\$ 1,858,159	\$ 103,955	\$ 700	\$ 174,442	\$ 6,045	\$ 8,024	\$ 50,385
Cash with Fiduciary Agent	-	-	204,897	-	-	-	-
Receivables-Net of allowance for uncollectibles	-	-	-	2,118,820	-	-	-
Due from Other Governments	417,247	33,831	-	-	-	-	-
Supplies Inventory, at cost	154,896	-	-	-	-	-	-
Prepaid Items	14,819	-	-	862	-	-	-
Restricted Assets:							
Cash and Cash Equivalents	-	-	-	940,678	-	-	-
Total Assets	<u>\$ 2,445,121</u>	<u>\$ 137,786</u>	<u>\$ 205,597</u>	<u>\$ 3,234,802</u>	<u>\$ 6,045</u>	<u>\$ 8,024</u>	<u>\$ 50,385</u>
Liabilities:							
Accounts Payable and Accruals	\$ 199,541	\$ 2,333	\$ -	\$ 14,115	\$ -	\$ -	\$ 898
Deferred Revenues	331,056	26,843	-	-	-	-	-
Total Liabilities	<u>530,597</u>	<u>29,176</u>	<u>-</u>	<u>14,115</u>	<u>-</u>	<u>-</u>	<u>898</u>
Fund Balances:							
Reserved for Encumbrances	538,092	-	-	20,499	-	-	-
Reserved for Inventory	154,896	-	-	-	-	-	-
Reserved for Capital Improvements	-	-	-	940,678	-	-	-
Reserved for Prepaids	14,819	-	-	862	-	-	-
Reserved for Notes Receivables	-	-	-	-	-	-	-
Unreserved-Undesignated	1,206,717	108,610	205,597	2,258,648	6,045	8,024	49,487
Total Fund Balances	<u>1,914,524</u>	<u>108,610</u>	<u>205,597</u>	<u>3,220,687</u>	<u>6,045</u>	<u>8,024</u>	<u>49,487</u>
Total Liabilities and Fund Balances	<u>\$ 2,445,121</u>	<u>\$ 137,786</u>	<u>\$ 205,597</u>	<u>\$ 3,234,802</u>	<u>\$ 6,045</u>	<u>\$ 8,024</u>	<u>\$ 50,385</u>

Exhibit B-1

Enforcement and Education	Police Pension	Fire Pension	Revolving Loan	Court Computerization	Legal Research	Mediation Services	Totals	
							2001	2000
\$ 30,808	\$ -	\$ -	\$ 143,897	\$ 112,623	\$ 44,793	\$ 34,119	\$ 2,567,950	\$ 2,057,067
-	-	-	-	-	-	-	204,897	216,622
-	247,001	247,001	128,318	-	-	-	2,741,140	2,264,220
-	-	-	-	-	-	-	451,078	93,029
-	-	-	-	-	-	-	154,896	139,473
-	-	-	-	-	-	-	15,681	27,544
-	-	-	-	-	-	-	940,678	715,303
<u>\$ 30,808</u>	<u>\$ 247,001</u>	<u>\$ 247,001</u>	<u>\$ 272,215</u>	<u>\$ 112,623</u>	<u>\$ 44,793</u>	<u>\$ 34,119</u>	<u>\$ 7,076,320</u>	<u>\$ 5,513,258</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 216,887	\$ 218,734
-	247,001	247,001	-	-	-	-	851,901	451,596
-	247,001	247,001	-	-	-	-	1,068,788	670,330
-	-	-	-	-	-	-	558,591	1,164,536
-	-	-	-	-	-	-	154,896	139,473
-	-	-	-	-	-	-	940,678	715,303
-	-	-	-	-	-	-	15,681	27,544
-	-	-	128,318	-	-	-	128,318	143,718
30,808	-	-	143,897	112,623	44,793	34,119	4,209,368	2,652,354
<u>30,808</u>	<u>-</u>	<u>-</u>	<u>272,215</u>	<u>112,623</u>	<u>44,793</u>	<u>34,119</u>	<u>6,007,532</u>	<u>4,842,928</u>
<u>\$ 30,808</u>	<u>\$ 247,001</u>	<u>\$ 247,001</u>	<u>\$ 272,215</u>	<u>\$ 112,623</u>	<u>\$ 44,793</u>	<u>\$ 34,119</u>	<u>\$ 7,076,320</u>	<u>\$ 5,513,258</u>

CITY OF FINDLAY
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

Year Ended December 31, 2001
(With Comparative Totals for December 31, 2000)

	Street Maintenance and Repair	State Highway	County Permissive MVL Tax	City Income Tax Administration	Drug Law Enforcement	Law Enforcement Trust	Indigent Alcohol Treatment
Revenues:							
Taxes	\$ -	\$ -	\$ -	\$ 14,806,202	\$ -	\$ -	\$ -
Intergovernmental	1,844,122	101,641	218,800	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	6,000	-	25,310
All Other Revenues	36,720	5,404	-	57,021	-	-	-
Total Revenues	<u>1,880,842</u>	<u>107,045</u>	<u>218,800</u>	<u>14,863,223</u>	<u>6,000</u>	<u>-</u>	<u>25,310</u>
Expenditures:							
Current:							
Security of Persons and Property	664,571	-	-	-	11,307	715	-
Transportation	1,531,732	31,805	-	-	-	-	-
General Government	-	-	-	694,322	-	-	33,709
Capital Outlay	2,765,753	-	-	-	-	-	-
Total Expenditures	<u>4,962,056</u>	<u>31,805</u>	<u>-</u>	<u>694,322</u>	<u>11,307</u>	<u>715</u>	<u>33,709</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(3,081,214)</u>	<u>75,240</u>	<u>218,800</u>	<u>14,168,901</u>	<u>(5,307)</u>	<u>(715)</u>	<u>(8,399)</u>
Other Financing Sources (Uses):							
Operating Transfers In	3,975,996	-	-	268,698	-	-	-
Operating Transfers Out	(403,651)	-	(230,525)	(13,722,775)	-	-	-
Total Other Financing Sources (Uses), Net	<u>3,572,345</u>	<u>-</u>	<u>(230,525)</u>	<u>(13,454,077)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	<u>491,131</u>	<u>75,240</u>	<u>(11,725)</u>	<u>714,824</u>	<u>(5,307)</u>	<u>(715)</u>	<u>(8,399)</u>
Fund Balance at Beginning of Year	1,418,956	33,370	217,322	2,506,740	11,352	8,739	57,886
Increase (Decrease) in Reserve for Inventory	15,423	-	-	-	-	-	-
Increase (Decrease) in Reserve for Prepaids	(10,986)	-	-	(877)	-	-	-
Fund Balances at End of Year	<u>\$ 1,914,524</u>	<u>\$ 108,610</u>	<u>\$ 205,597</u>	<u>\$ 3,220,687</u>	<u>\$ 6,045</u>	<u>\$ 8,024</u>	<u>\$ 49,487</u>

Enforcement and Education	Police Pension	Fire Pension	Revolving Loan	Court Computerization	Legal Research	Mediation Services	Totals	
							2001	2000
\$ -	\$ 240,684	\$ 240,684	\$ -	\$ -	\$ -	\$ -	\$ 15,287,570	\$ 13,653,787
-	-	-	-	-	-	-	2,164,563	1,938,926
-	-	-	7,423	-	-	-	7,423	8,483
3,562	-	-	-	45,975	10,852	10,304	102,003	95,694
-	-	-	-	-	-	-	99,145	23,897
<u>3,562</u>	<u>240,684</u>	<u>240,684</u>	<u>7,423</u>	<u>45,975</u>	<u>10,852</u>	<u>10,304</u>	<u>17,660,704</u>	<u>15,720,787</u>
-	4,165	4,165	-	-	-	-	684,923	618,146
-	-	-	-	-	-	-	1,563,537	1,499,571
-	-	-	161,821	10,000	-	300	900,152	581,562
-	-	-	-	-	-	-	2,765,753	1,624,862
-	<u>4,165</u>	<u>4,165</u>	<u>161,821</u>	<u>10,000</u>	<u>-</u>	<u>300</u>	<u>5,914,365</u>	<u>4,324,141</u>
<u>3,562</u>	<u>236,519</u>	<u>236,519</u>	<u>(154,398)</u>	<u>35,975</u>	<u>10,852</u>	<u>10,004</u>	<u>11,746,339</u>	<u>11,396,646</u>
-	-	-	-	-	-	-	4,244,694	3,123,500
-	<u>(236,519)</u>	<u>(236,519)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(14,829,989)</u>	<u>(14,066,287)</u>
-	<u>(236,519)</u>	<u>(236,519)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(10,585,295)</u>	<u>(10,942,787)</u>
<u>3,562</u>	<u>-</u>	<u>-</u>	<u>(154,398)</u>	<u>35,975</u>	<u>10,852</u>	<u>10,004</u>	<u>1,161,044</u>	<u>453,859</u>
27,246	-	-	426,613	76,648	33,941	24,115	4,842,928	4,440,250
-	-	-	-	-	-	-	15,423	(55,095)
-	-	-	-	-	-	-	(11,863)	3,914
<u>\$ 30,808</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 272,215</u>	<u>\$ 112,623</u>	<u>\$ 44,793</u>	<u>\$ 34,119</u>	<u>\$ 6,007,532</u>	<u>\$ 4,842,928</u>

CITY OF FINDLAY
STREET MAINTENANCE AND REPAIR FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP-BASIS) AND ACTUAL

Year Ended December 31, 2001
(With Comparative Actual Amounts for 2000)

	2001		Variance Favorable (Unfavorable)	2000 Actual
	Revised Budget	Actual		
Revenues:				
Intergovernmental	\$ 1,245,000	\$ 1,844,122	\$ 599,122	\$ 1,432,355
All Other Revenues	10,000	36,720	26,720	15,601
Total Revenues	<u>1,255,000</u>	<u>1,880,842</u>	<u>625,842</u>	<u>1,447,956</u>
Expenditures:				
Current:				
Security of Persons and Property				
Traffic-Signs	302,951	277,330	25,621	239,385
Traffic-Lights	474,888	387,241	87,647	365,742
Total Security of Persons and Property	<u>777,839</u>	<u>664,571</u>	<u>113,268</u>	<u>605,127</u>
Transportation:				
Street Department	1,657,809	1,531,732	126,077	1,466,419
Capital Outlay:				
Street Improvements	2,713,822	1,408,291	1,305,531	645,596
Storm Sewers	1,617,104	1,035,157	581,947	604,010
Street Department Equipment	323,151	322,305	846	375,256
Total Capital Outlay	<u>4,654,077</u>	<u>2,765,753</u>	<u>1,888,324</u>	<u>1,624,862</u>
Total Expenditures	<u>7,089,725</u>	<u>4,962,056</u>	<u>2,127,669</u>	<u>3,696,408</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(5,834,725)</u>	<u>(3,081,214)</u>	<u>2,753,511</u>	<u>(2,248,452)</u>
Other Financing Sources (Uses):				
Operating Transfers In	1,250,000	3,975,996	2,725,996	3,067,750
Operating Transfers Out	(403,651)	(403,651)	-	(262,044)
Total Other Financing Sources (Uses), Net	<u>846,349</u>	<u>3,572,345</u>	<u>2,725,996</u>	<u>2,805,706</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	<u>(4,988,376)</u>	<u>491,131</u>	<u>5,479,507</u>	<u>557,254</u>
Fund Balance at Beginning of Year	1,418,956	1,418,956	-	912,883
Increase (Decrease) in Reserve for Inventory	-	15,423	15,423	(55,095)
Increase (Decrease) in Reserve for Prepaids	-	(10,986)	(10,986)	3,914
Fund Balance (Deficit) at End of Year	<u>\$ (3,569,420)</u>	<u>\$ 1,914,524</u>	<u>\$ 5,483,944</u>	<u>\$ 1,418,956</u>

CITY OF FINDLAY
STATE HIGHWAY FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP-BASIS) AND ACTUAL

Year Ended December 31, 2001
(With Comparative Actual Amounts for 2000)

	2001			2000 <u>Actual</u>
	<u>Revised Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)	
Revenues:				
Intergovernmental	\$ 99,000	\$ 101,641	\$ 2,641	\$ 99,171
Other Revenues	-	5,404	5,404	-
Total Revenues	<u>99,000</u>	<u>107,045</u>	<u>8,045</u>	<u>99,171</u>
Expenditures:				
Current:				
Transportation:				
Street Department	36,780	31,805	4,975	33,152
Total Expenditures	<u>36,780</u>	<u>31,805</u>	<u>4,975</u>	<u>33,152</u>
Excess of Revenues over Expenditures	<u>62,220</u>	<u>75,240</u>	<u>13,020</u>	<u>66,019</u>
Other Financing Sources (Uses):				
Operating Transfers Out	-	-	-	(100,000)
Total Other Financing Sources (Uses), Net	<u>-</u>	<u>-</u>	<u>-</u>	<u>(100,000)</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	62,220	75,240	13,020	(33,981)
Fund Balance at Beginning of Year	<u>33,370</u>	<u>33,370</u>	<u>-</u>	<u>67,351</u>
Fund Balance at End of Year	<u>\$ 95,590</u>	<u>\$ 108,610</u>	<u>\$ 13,020</u>	<u>\$ 33,370</u>

CITY OF FINDLAY
COUNTY PERMISSIVE MVL TAX FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP-BASIS) AND ACTUAL

Year Ended December 31, 2001
(With Comparative Actual Amounts for 2000)

	2001		Variance Favorable (Unfavorable)	2000 Actual
	Revised Budget	Actual		
Revenues:				
Intergovernmental	\$ 94,365	\$ 218,800	\$ 124,435	\$ 407,400
Total Revenues	<u>94,365</u>	<u>218,800</u>	<u>124,435</u>	<u>407,400</u>
Other Financing Sources (Uses):				
Operating Transfers Out	(230,525)	(230,525)	-	(196,778)
Total Other Financing Sources (Uses), Net	<u>(230,525)</u>	<u>(230,525)</u>	<u>-</u>	<u>(196,778)</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	(136,160)	(11,725)	124,435	210,622
Fund Balance at Beginning of Year	<u>217,322</u>	<u>217,322</u>	<u>-</u>	<u>6,700</u>
Fund Balance at End of Year (Restated)	<u>\$ 81,162</u>	<u>\$ 205,597</u>	<u>\$ 124,435</u>	<u>\$ 217,322</u>

CITY OF FINDLAY
CITY INCOME TAX ADMINISTRATION FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP-BASIS) AND ACTUAL

Year Ended December 31, 2001
(With Comparative Actual Amounts for 2000)

	2001		Variance Favorable (Unfavorable)	2000 Actual
	Revised Budget	Actual		
Revenues:				
Taxes	\$ 13,660,000	\$ 14,806,202	\$ 1,146,202	\$ 13,210,815
All Other Revenues	-	57,021	57,021	8,296
Total Revenues	<u>13,660,000</u>	<u>14,863,223</u>	<u>1,203,223</u>	<u>13,219,111</u>
Expenditures:				
Current:				
General Government	721,700	694,322	27,378	508,153
Total Expenditures	<u>721,700</u>	<u>694,322</u>	<u>27,378</u>	<u>508,153</u>
Excess (Deficiency) of Revenues over Expenditures	<u>12,938,300</u>	<u>14,168,901</u>	<u>1,230,601</u>	<u>12,710,958</u>
Other Financing Sources (Uses):				
Operating Transfers In	-	268,698	268,698	55,750
Operating Transfers Out	<u>(13,722,775)</u>	<u>(13,722,775)</u>	<u>-</u>	<u>(13,072,191)</u>
Total Other Financing Sources (Uses), Net	<u>(13,722,775)</u>	<u>(13,454,077)</u>	<u>268,698</u>	<u>(13,016,441)</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	(784,475)	714,824	1,499,299	(305,483)
Fund Balance at Beginning of Year	2,506,740	2,506,740	-	2,812,223
Increase (Decrease) in Reserve for Prepaids	-	(877)	(877)	-
Fund Balance at End of Year	<u>\$ 1,722,265</u>	<u>\$ 3,220,687</u>	<u>\$ 1,498,422</u>	<u>\$ 2,506,740</u>

CITY OF FINDLAY
 DRUG LAW ENFORCEMENT FUND
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET (GAAP-BASIS) AND ACTUAL

Year Ended December 31, 2001
 (With Comparative Actual Amounts for 2000)

	2001		Variance Favorable (Unfavorable)	2000 Actual
	Revised Budget	Actual		
Revenues:				
Fines and Forfeitures	\$ 12,971	\$ 6,000	\$ (6,971)	\$ 3,211
Total Revenues	<u>12,971</u>	<u>6,000</u>	<u>(6,971)</u>	<u>3,211</u>
Expenditures:				
Security of Persons and Property	<u>12,957</u>	<u>11,307</u>	<u>1,650</u>	<u>3,983</u>
Total Expenditures	<u>12,957</u>	<u>11,307</u>	<u>1,650</u>	<u>3,983</u>
Excess (Deficiency) of Revenues over Expenditures	14	(5,307)	(5,321)	(772)
Fund Balance at Beginning of Year	<u>11,352</u>	<u>11,352</u>	-	<u>12,124</u>
Fund Balance at End of Year	<u><u>\$ 11,366</u></u>	<u><u>\$ 6,045</u></u>	<u><u>\$ (5,321)</u></u>	<u><u>\$ 11,352</u></u>

CITY OF FINDLAY
LAW ENFORCEMENT TRUST FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP-BASIS) AND ACTUAL

Year Ended December 31, 2001
(With Comparative Actual Amounts for 2000)

	2001			2000 Actual
	Revised Budget	Actual	Variance Favorable (Unfavorable)	
Revenues:				
Fines and Forfeitures	\$ -	\$ -	\$ -	\$ 3,122
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,122</u>
Expenditures:				
Security of Persons and Property	8,306	715	7,591	1,338
Total Expenditures	<u>8,306</u>	<u>715</u>	<u>7,591</u>	<u>1,338</u>
Excess (Deficiency) of Revenues over Expenditures	(8,306)	(715)	7,591	1,784
Fund Balance at Beginning of Year	<u>8,739</u>	<u>8,739</u>	<u>-</u>	<u>6,955</u>
Fund Balance at End of Year	<u>\$ 433</u>	<u>\$ 8,024</u>	<u>\$ 7,591</u>	<u>\$ 8,739</u>

CITY OF FINDLAY
INDIGENT ALCOHOL TREATMENT FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP-BASIS) AND ACTUAL

Year Ended December 31, 2001
(With Comparative Actual Amounts for 2000)

	2001			2000 Actual
	Revised Budget	Actual	Variance Favorable (Unfavorable)	
Revenues:				
Fines and Forfeitures	\$ 15,000	\$ 25,310	\$ 10,310	\$ 22,056
Total Revenues	<u>15,000</u>	<u>25,310</u>	<u>10,310</u>	<u>22,056</u>
Expenditures:				
General Government	50,000	33,709	16,291	24,280
Total Expenditures	<u>50,000</u>	<u>33,709</u>	<u>16,291</u>	<u>24,280</u>
Excess (Deficiency) of Revenues over Expenditures	(35,000)	(8,399)	26,601	(2,224)
Fund Balance at Beginning of Year	<u>57,886</u>	<u>57,886</u>	-	<u>60,110</u>
Fund Balance at End of Year	<u><u>\$ 22,886</u></u>	<u><u>\$ 49,487</u></u>	<u><u>\$ 26,601</u></u>	<u><u>\$ 57,886</u></u>

CITY OF FINDLAY
 ENFORCEMENT AND EDUCATION FUND
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET (GAAP-BASIS) AND ACTUAL

Year Ended December 31, 2001
 (With Comparative Actual Amounts for 2000)

	2001			2000 Actual
	Revised Budget	Actual	Variance Favorable (Unfavorable)	
Revenues:				
Fines and Forfeitures	\$ 3,100	\$ 3,562	\$ 462	\$ 3,654
Total Revenues	<u>3,100</u>	<u>3,562</u>	<u>462</u>	<u>3,654</u>
Expenditures:				
General Government	29,571	-	29,571	-
Total Expenditures	<u>29,571</u>	<u>-</u>	<u>29,571</u>	<u>-</u>
Excess (Deficiency) of Revenues over Expenditures	(26,471)	3,562	30,033	3,654
Fund Balance at Beginning of Year	<u>27,246</u>	<u>27,246</u>	<u>-</u>	<u>23,592</u>
Fund Balance at End of Year	<u>\$ 775</u>	<u>\$ 30,808</u>	<u>\$ 30,033</u>	<u>\$ 27,246</u>

CITY OF FINDLAY
POLICE PENSION FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP-BASIS) AND ACTUAL

Year Ended December 31, 2001
(With Comparative Actual Amounts for 2000)

	2001		Variance Favorable (Unfavorable)	2000 Actual
	Revised Budget	Actual		
Revenues:				
Taxes	\$ 240,683	\$ 240,684	\$ 1	\$ 221,486
Total Revenues	<u>240,683</u>	<u>240,684</u>	<u>1</u>	<u>221,486</u>
Expenditures:				
Security of Persons and Property	4,000	4,165	(165)	3,849
Total Expenditures	<u>4,000</u>	<u>4,165</u>	<u>(165)</u>	<u>3,849</u>
Excess (Deficiency) of Revenues over Expenditures	<u>236,683</u>	<u>236,519</u>	<u>(164)</u>	<u>217,637</u>
Other Financing Uses:				
Operating Transfers Out	<u>(234,791)</u>	<u>(236,519)</u>	<u>(1,728)</u>	<u>(217,637)</u>
Excess (Deficiency) of Revenues over Expenditures and Other Uses	1,892	-	(1,892)	-
Fund Balance at Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 1,892</u>	<u>\$ -</u>	<u>\$ (1,892)</u>	<u>\$ -</u>

CITY OF FINDLAY
FIRE PENSION FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP-BASIS) AND ACTUAL

Year Ended December 31, 2001
(With Comparative Actual Amounts for 2000)

	2001		Variance Favorable (Unfavorable)	2000 Actual
	Revised Budget	Actual		
Revenues:				
Taxes	\$ 240,683	\$ 240,684	\$ 1	\$ 221,486
Total Revenues	<u>240,683</u>	<u>240,684</u>	<u>1</u>	<u>221,486</u>
Expenditures:				
Security of Persons and Property	4,000	4,165	(165)	3,849
Total Expenditures	<u>4,000</u>	<u>4,165</u>	<u>(165)</u>	<u>3,849</u>
Excess (Deficiency) of Revenues over Expenditures	<u>236,683</u>	<u>236,519</u>	<u>(164)</u>	<u>217,637</u>
Other Financing Uses:				
Operating Transfers Out	<u>(234,791)</u>	<u>(236,519)</u>	<u>(1,728)</u>	<u>(217,637)</u>
Excess (Deficiency) of Revenues over Expenditures and Other Uses	1,892	-	(1,892)	-
Fund Balance at Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 1,892</u>	<u>\$ -</u>	<u>\$ (1,892)</u>	<u>\$ -</u>

CITY OF FINDLAY
 REVOLVING LOAN
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET (GAAP-BASIS) AND ACTUAL

Year Ended December 31, 2001
 (With Comparative Actual Amounts for 2000)

	2001		Variance Favorable (Unfavorable)	2000 Actual
	Revised Budget	Actual		
Revenues:				
Investment Earnings	\$ 7,423	\$ 7,423	\$ -	\$ 8,483
Total Revenues	<u>7,423</u>	<u>7,423</u>	<u>-</u>	<u>8,483</u>
Expenditures:				
General Government	<u>161,821</u>	<u>161,821</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>161,821</u>	<u>161,821</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues over Expenditures	(154,398)	(154,398)	-	8,483
Fund Balance at Beginning of Year	<u>426,613</u>	<u>426,613</u>	<u>-</u>	<u>418,130</u>
Fund Balance at End of Year	<u>\$ 272,215</u>	<u>\$ 272,215</u>	<u>\$ -</u>	<u>\$ 426,613</u>

CITY OF FINDLAY
 COURT COMPUTERIZATION
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET (GAAP-BASIS) AND ACTUAL

Year Ended December 31, 2001
 (With Comparative Actual Amounts for 2000)

	2001			2000 Actual
	Revised Budget	Actual	Variance Favorable (Unfavorable)	
Revenues:				
Fines and Forfeitures	\$ 40,000	\$ 45,975	\$ 5,975	\$ 43,553
Total Revenues	<u>40,000</u>	<u>45,975</u>	<u>5,975</u>	<u>43,553</u>
Expenditures:				
General Government	68,600	10,000	58,600	48,035
Capital Outlay	12,500	-	12,500	-
Total Expenditures	<u>81,100</u>	<u>10,000</u>	<u>71,100</u>	<u>48,035</u>
Excess (Deficiency) of Revenues over Expenditures	(41,100)	35,975	77,075	(4,482)
Fund Balance at Beginning of Year	<u>76,648</u>	<u>76,648</u>	<u>-</u>	<u>81,130</u>
Fund Balance at End of Year	<u>\$ 35,548</u>	<u>\$ 112,623</u>	<u>\$ 77,075</u>	<u>\$ 76,648</u>

CITY OF FINDLAY
LEGAL RESEARCH
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP-BASIS) AND ACTUAL

Year Ended December 31, 2001
(With Comparative Actual Amounts for 2000)

	2001			2000 Actual
	Revised Budget	Actual	Variance Favorable (Unfavorable)	
Revenues:				
Fines and Forfeitures	\$ 8,000	\$ 10,852	\$ 2,852	\$ 10,278
Total Revenues	<u>8,000</u>	<u>10,852</u>	<u>2,852</u>	<u>10,278</u>
Expenditures:				
General Government	4,600	-	4,600	1,094
Capital Outlay	15,000	-	15,000	-
Total Expenditures	<u>19,600</u>	<u>-</u>	<u>19,600</u>	<u>1,094</u>
Excess (Deficiency) of Revenues over Expenditures	(11,600)	10,852	22,452	9,184
Fund Balance at Beginning of Year	<u>33,941</u>	<u>33,941</u>	<u>-</u>	<u>24,757</u>
Fund Balance at End of Year	<u>\$ 22,341</u>	<u>\$ 44,793</u>	<u>\$ 22,452</u>	<u>\$ 33,941</u>

CITY OF FINDLAY
MEDIATION SERVICES
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP-BASIS) AND ACTUAL

Year Ended December 31, 2001
(With Comparative Actual Amounts for 2000)

	2001			2000 Actual
	Revised Budget	Actual	Variance Favorable (Unfavorable)	
Revenues:				
Fines and Forfeitures	\$ 5,000	\$ 10,304	\$ 5,304	\$ 9,820
Total Revenues	<u>5,000</u>	<u>10,304</u>	<u>5,304</u>	<u>9,820</u>
Expenditures:				
General Government	15,000	300	14,700	-
Total Expenditures	<u>15,000</u>	<u>300</u>	<u>14,700</u>	<u>-</u>
Excess (Deficiency) of Revenues over Expenditures	(10,000)	10,004	20,004	9,820
Fund Balance at Beginning of Year	<u>24,115</u>	<u>24,115</u>	<u>-</u>	<u>14,295</u>
Fund Balance at End of Year	<u>\$ 14,115</u>	<u>\$ 34,119</u>	<u>\$ 20,004</u>	<u>\$ 24,115</u>

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DEBT SERVICE FUNDS

Debt Service Funds are established to account for the accumulation of resources that support the principal and interest payments of general obligation bonds.

Western Avenue Pilot Debt Service - this Fund accounts for the monies received by the City as “payment in lieu of taxes” (PILOT) from certain property owners. These PILOTS are designated to be used for the payment of principal and interest for the general obligation Western Avenue Relocation Bonds.

Sixth Street Pilot Debt Service - this Fund accounts for the monies received by the City as “payment in lieu of taxes” (PILOT) from certain property owners. These PILOTS are designated to be used only for the payment of principal and interest for the general obligation Sixth Street Extension Bonds.

Debt Service - this Fund accounts for the general obligation bond principal and interest that is paid from governmental revenues of the City. It also accounts for the special assessment bond principal and interest payments that are provided through the special assessment levies against certain properties in the City.

CITY OF FINDLAY
DEBT SERVICE FUNDS
COMBINING BALANCE SHEET

December 31, 2001
(With Comparative Totals for December 31, 2000)

	Western Ave Pilot Debt Service	Sixth Street Pilot Debt Service	Debt Service	Totals	
				2001	2000
Assets:					
Cash and Cash Equivalents	\$ -	\$ 6	\$ 15,727	\$ 15,733	\$ 37,021
Receivables	-	-	553,000	553,000	428,250
Total Assets	\$ -	\$ 6	\$ 568,727	\$ 568,733	\$ 465,271
Liabilities:					
Deferred Revenues	-	-	465,612	465,612	363,821
Total Liabilities	-	-	465,612	465,612	363,821
Fund Balances:					
Reserved for Debt Service	-	6	103,115	103,121	101,450
Total Fund Balances	-	6	103,115	103,121	101,450
Total Liabilities and Fund Balances	\$ -	\$ 6	\$ 568,727	\$ 568,733	\$ 465,271

CITY OF FINDLAY
DEBT SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE

Year Ended December 31, 2001
(With Comparative Totals for December 31, 2000)

	Western Ave Pilot Debt Service	Sixth Street Pilot Debt Service	Debt Service	Totals
				2001
				2000
Revenues:				
Special Assessments	-	\$ 244,010	\$ 82,714	\$ 290,126
Total Revenues	-	244,010	82,714	290,126
Expenditures:				
Debt Service:				
Principal Retirement	135,000	85,000	321,000	541,000
Interest	22,068	2,762	215,215	268,718
Total Expenditures	157,068	87,762	536,215	839,718
Excess (Deficiency) of Revenues over Expenditures	(157,068)	156,248	(453,501)	(549,592)
Other Financing Sources (Uses):				
Operating Transfers In	157,068	825	455,167	613,060
Operating Transfers Out	-	(157,068)	-	(157,068)
Total Other Financing Sources, Net	157,068	(156,243)	455,167	455,992
Excess (Deficiency) of Revenues and Other Sources over Expenditures	-	5	1,666	24,900
Fund Balances at Beginning of Year	-	1	101,449	76,550
Fund Balances at End of Year	-	6	\$ 103,115	\$ 101,450

CITY OF FINDLAY
WESTERN AVENUE PILOT DEBT SERVICE FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP-BASIS) AND ACTUAL

Year Ended December 31, 2001
(With Comparative Actual Amounts for 2000)

	2001		Variance Favorable (Unfavorable)	2000 Actual
	Revised Budget	Actual		
Revenues:				
Special Assessments	\$ -	\$ -	\$ -	\$ -
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:				
Debt Service:				
Principal Retirement	135,000	135,000	-	130,000
Interest	<u>22,068</u>	<u>22,068</u>	<u>-</u>	<u>28,373</u>
Total Expenditures	<u>157,068</u>	<u>157,068</u>	<u>-</u>	<u>158,373</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(157,068)</u>	<u>(157,068)</u>	<u>-</u>	<u>(158,373)</u>
Other Financing Sources:				
Operating Transfers In	<u>157,068</u>	<u>157,068</u>	<u>-</u>	<u>158,373</u>
Total Other Financing Sources	<u>157,068</u>	<u>157,068</u>	<u>-</u>	<u>158,373</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures	-	-	-	-
Fund Balance at Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF FINDLAY
SIXTH STREET PILOT DEBT SERVICE FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP-BASIS) AND ACTUAL

Year Ended December 31, 2001
(With Comparative Actual Amounts for 2000)

	2001			2000 Actual
	Revised Budget	Actual	Variance Favorable (Unfavorable)	
Revenues:				
Special Assessments	\$ 244,010	\$ 244,010	\$ -	\$ 227,994
Investment Earnings	-	-	-	-
Total Revenues	<u>244,010</u>	<u>244,010</u>	<u>-</u>	<u>227,994</u>
Expenditures:				
Debt Service:				
Principal Retirement	85,000	85,000	-	80,000
Interest	<u>2,762</u>	<u>2,762</u>	<u>-</u>	<u>8,085</u>
Total Expenditures	<u>87,762</u>	<u>87,762</u>	<u>-</u>	<u>88,085</u>
Excess (Deficiency) of Revenues over Expenditures	<u>156,248</u>	<u>156,248</u>	<u>-</u>	<u>139,909</u>
Other Financing Sources (Uses):				
Operating Transfer In	825	825	-	14,351
Operating Transfers Out	<u>(157,068)</u>	<u>(157,068)</u>	<u>-</u>	<u>(158,372)</u>
Total Other Financing Sources (Uses)	<u>(156,243)</u>	<u>(156,243)</u>	<u>-</u>	<u>(144,021)</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures	5	5	-	(4,112)
Fund Balance at Beginning of Year	<u>1</u>	<u>1</u>	<u>-</u>	<u>4,113</u>
Fund Balance at End of Year	<u>\$ 6</u>	<u>\$ 6</u>	<u>\$ -</u>	<u>\$ 1</u>

CITY OF FINDLAY
DEBT SERVICE FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP-BASIS) AND ACTUAL

Year Ended December 31, 2001
(With Comparative Actual Amounts for 2000)

	2001		Variance Favorable (Unfavorable)	2000 Actual
	Revised Budget	Actual		
Revenues:				
Special Assessments	\$ 63,255	\$ 82,714	\$ 19,459	\$ 62,132
Total Revenues	<u>63,255</u>	<u>82,714</u>	<u>19,459</u>	<u>62,132</u>
Expenditures:				
Debt Service:				
Principal Retirement	321,000	321,000	-	361,000
Interest	<u>215,215</u>	<u>215,215</u>	<u>-</u>	<u>232,260</u>
Total Expenditures	<u>536,215</u>	<u>536,215</u>	<u>-</u>	<u>593,260</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(472,960)</u>	<u>(453,501)</u>	<u>19,459</u>	<u>(531,128)</u>
Other Financing Sources (Uses):				
Operating Transfers In	<u>455,167</u>	<u>455,167</u>	<u>-</u>	<u>560,140</u>
Total Other Financing Sources, Net	<u>455,167</u>	<u>455,167</u>	<u>-</u>	<u>560,140</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures	(17,793)	1,666	19,459	29,012
Fund Balance at Beginning of Year	<u>101,449</u>	<u>101,449</u>	<u>-</u>	<u>72,437</u>
Fund Balance at End of Year	<u>\$ 83,656</u>	<u>\$ 103,115</u>	<u>\$ 19,459</u>	<u>\$ 101,449</u>

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CAPITAL PROJECTS FUNDS

Capital Project Funds are established to account for the revenues and expenditures necessary in the acquisition or construction of major capital assets.

Municipal Court Improvements - this Fund receives the additional court cost levied on traffic and criminal cases through the City's Municipal Court. Revenues are used exclusively for Court capital improvements and related equipment purchases.

Capital Improvement Projects - this Fund accounts for major construction projects. Financing sources can include debt proceeds, grants, private contributions, and City capital improvement dollars.

CITY OF FINDLAY
 CAPITAL PROJECTS FUNDS
 COMBINING BALANCE SHEET

December 31, 2001
 (With Comparative Totals for December 31, 2000)

	Municipal Court Improvement	Capital Improvement Projects	<u>Totals</u>	
			<u>2001</u>	<u>2000</u>
Assets:				
Cash and Cash Equivalents	\$ 438,641	\$ 5,197	\$ 443,838	\$ 390,696
Total Assets	<u>\$ 438,641</u>	<u>\$ 5,197</u>	<u>\$ 443,838</u>	<u>\$ 390,696</u>
Liabilities:				
Notes Payable	\$ -	\$ 53,000	\$ 53,000	\$ 210,000
Total Liabilities	<u>-</u>	<u>53,000</u>	<u>53,000</u>	<u>210,000</u>
Fund Balances (Deficit):				
Reserved for Encumbrances	-	1,717	1,717	23,271
Unreserved	438,641	(49,520)	389,121	157,425
Total Fund Balance (Deficit)	<u>438,641</u>	<u>(47,803)</u>	<u>390,838</u>	<u>180,696</u>
Total Liabilities and Fund Balances	<u>\$ 438,641</u>	<u>\$ 5,197</u>	<u>\$ 443,838</u>	<u>\$ 390,696</u>

CITY OF FINDLAY
CAPITAL PROJECTS FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES

Year Ended December 31, 2001
(With Comparative Totals for December 31, 2000)

	Municipal Court Improvement	Capital Improvement Projects	Totals	
			2001	2000
Revenues:				
Special Assessments	\$ -	\$ 78,520	\$ 78,520	\$ -
Bond Proceeds	-	145,500	145,500	-
Fines and Forfeitures	80,049	-	80,049	93,451
Total Revenues	80,049	224,020	304,069	93,451
Expenditures:				
Current:				
General Government	8,111	-	8,111	43,765
Interest	-	1,950	1,950	-
Capital Outlay	-	31,211	31,211	489,046
Total Expenditures	8,111	33,161	41,272	532,811
Excess (Deficiency) of Revenues over Expenditures	71,938	190,859	262,797	(439,360)
Other Financing Sources (Uses):				
Operating Transfers In	-	-	-	270,709
Operating Transfers Out	-	(52,655)	(52,655)	-
Total Other Financing Sources, Net	-	(52,655)	(52,655)	270,709
Excess (Deficiency) of Revenues and Other Sources over Expenditures	71,938	138,204	210,142	(168,651)
Fund Balance at Beginning of Year	366,703	(186,007)	180,696	349,347
Fund Balance (Deficit) at End of Year	\$ 438,641	\$ (47,803)	\$ 390,838	\$ 180,696

CITY OF FINDLAY
MUNICIPAL COURT IMPROVEMENT FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP-BASIS) AND ACTUAL

Year Ended December 31, 2001
(With Comparative Totals for December 31, 2000)

	2001		Variance Favorable (Unfavorable)	2000 Actual
	Revised Budget	Actual		
Revenues:				
Fines and Forfeitures	\$ 65,000	\$ 80,049	\$ 15,049	\$ 93,451
Total Revenues	<u>65,000</u>	<u>80,049</u>	<u>15,049</u>	<u>93,451</u>
Expenditures:				
Current:				
General Government	126,795	8,111	118,684	43,765
Capital Outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>32,330</u>
Total Expenditures	<u>126,795</u>	<u>8,111</u>	<u>118,684</u>	<u>76,095</u>
Excess (Deficiency) of Revenues over Expenditures	(61,795)	71,938	133,733	17,356
Other Financing Uses:				
Operating Transfers Out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues & Other Sources over Expenditures	(61,795)	71,938	133,733	17,356
Fund Balance at Beginning of Year	<u>366,703</u>	<u>366,703</u>	<u>-</u>	<u>349,347</u>
Fund Balance (Deficit) at End of Year	<u>\$ 304,908</u>	<u>\$ 438,641</u>	<u>\$ 133,733</u>	<u>\$ 366,703</u>

CITY OF FINDLAY
 CAPITAL IMPROVEMENT PROJECTS FUND
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET (GAAP-BASIS) AND ACTUAL

Year Ended December 31, 2001
 (With Comparative Totals for December 31, 2000)

	2001		Variance Favorable (Unfavorable)	2000 Actual
	Revised Budget	Actual		
Revenues:				
Special Assessments	\$ -	\$ 78,520	\$ 78,520	\$ -
Bond Proceeds	145,500	145,500	-	-
Total Revenues	<u>145,500</u>	<u>224,020</u>	<u>78,520</u>	<u>-</u>
Expenditures:				
Capital Outlay	309,641	31,211	278,430	456,716
Interest	1,950	1,950	-	-
Total Expenditures	<u>311,591</u>	<u>33,161</u>	<u>278,430</u>	<u>456,716</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(166,091)</u>	<u>190,859</u>	<u>356,950</u>	<u>(456,716)</u>
Other Financing Sources (Uses):				
Operating Transfers In	-	-	-	270,709
Operating Transfers Out	<u>(52,655)</u>	<u>(52,655)</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses), Net	<u>(52,655)</u>	<u>(52,655)</u>	<u>-</u>	<u>270,709</u>
Excess (Deficiency) of Revenues and Other sources over Expenditures and Other Uses	(218,746)	138,204	356,950	(186,007)
Fund Balance at Beginning of Year	<u>(186,007)</u>	<u>(186,007)</u>	<u>-</u>	<u>-</u>
Fund Balance (Deficit) at End of Year	<u>\$ (404,753)</u>	<u>\$ (47,803)</u>	<u>\$ 356,950</u>	<u>\$ (186,007)</u>

ENTERPRISE FUNDS

Enterprise Funds are established to account for operations where the intention is to finance such operations primarily through user charges. By state statute, Enterprise Funds cannot be profit making operations to the extent of benefiting other operations of the City.

The City has five Enterprise Funds, which are described below.

Water - this Fund accounts for the operations of the City's water utility. Revenues are from user customers, based on the rates set by the Service-Safety Director. Major construction and renovation projects are accounted for and financed in this fund.

Water Pollution Control - this Fund accounts for the operation of the City's sewer utility. Revenues are from user charges, based on rates set by City Council. Major construction and renovation projects are accounted for and financed in this fund.

Swimming Pool - this Fund accounts for the operation of the swimming pool complex at Riverside Park. These rates are set by the Service-Safety Director and the Parks & Recreation Board.

Parking Facilities - this Fund accounts for the operation of the Parking Department, which includes maintenance and rental of lots, collection of meter and fine revenue, and the monitoring of all on-street and off-street parking zones.

Airport - this Fund accounts for the operations of the City's Airport facility including hangar rentals, fuel sales, runway maintenance, and other operations of the airport.

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CITY OF FINDLAY
ENTERPRISE FUNDS
COMBINING BALANCE SHEET

December 31, 2001
(With Comparative Totals for December 31, 2000)

	<u>Water</u>	Water Pollution <u>Control</u>
Assets:		
Current Assets:		
Cash and Cash Equivalents	\$ 2,570,788	\$ 3,581,135
Investments	-	-
Receivables, Net of Allowance for Uncollectibles	1,168,719	283,785
Due from Other Governments	-	-
Due from Other Fund	-	293,135
Supplies Inventory, at cost	296,236	5,606
Prepays	22,713	18,063
Accrued Interest Receivable	44,684	104,810
Total Current Assets	4,103,140	4,286,534
Restricted Assets:		
Cash and Cash Equivalents	775,600	5,097,806
Investments	1,985,334	-
Deferred Bond Costs	332,276	204,801
Total Restricted Assets	3,093,210	5,302,607
Property, Plant, and Equipment:		
Land	909,231	111,722
Buildings	-	-
Utility Plant in Service	24,682,883	32,317,682
Utility Lines in Service	27,095,809	42,054,179
Improvements Other than Buildings	1,612,106	-
Machinery and Equipment	3,824,604	2,957,696
Construction in Progress	19,695	1,671,917
Total Property, Plant, and Equipment	58,144,328	79,113,196
Less Accumulated Depreciation	15,020,198	12,615,666
Net Property, Plant, and Equipment	43,124,130	66,497,530
Total Assets	\$ 50,320,480	\$ 76,086,671
Liabilities and Fund Equity:		
Current Liabilities:		
Accounts Payable and Accruals	\$ 601,321	\$ 1,328,720
Accrued Sick Leave Payable	314,951	220,135
Due to Other Fund	293,135	-
Loans Payable, Current Portion	8,690	1,033,815
Current Portion of Long-Term Debt	1,505,000	979,680
Total Current Liabilities	2,723,097	3,562,350
Long-Term Liabilities:		
Loans Payable	164,558	30,271,837
Bonds Payable	18,350,000	14,173,303
Less Deferred Amount of Refunding	444,698	-
Net Bonds and Notes Payable	18,069,860	44,445,140
Total Liabilities	20,792,957	48,007,490
Fund Equity:		
Contributed Capital	12,193,740	19,192,915
Retained Earnings (Deficit):		
Reserved for Debt Service	295,331	2,078,645
Reserved for Capital Improvements	480,269	2,239,925
Unreserved	16,558,183	4,567,696
Total Retained Earnings (Deficit)	17,333,783	8,886,266
Total Fund Equity	29,527,523	28,079,181
Total Liabilities and Fund Equity	\$ 50,320,480	\$ 76,086,671

			Totals	
<u>Swimming Pool</u>	<u>Parking Facilities</u>	<u>Airport</u>	<u>2001</u>	<u>2000</u>
\$ 50,103	\$ 157,878	\$ 174,450	\$ 6,534,354	\$ 6,348,768
-	-	-	-	-
-	-	58,742	1,511,246	1,415,850
-	-	546,481	546,481	222,962
-	-	-	293,135	254,823
-	-	26,282	328,124	362,625
745	1,251	10,343	53,115	73,711
-	-	-	149,494	214,159
<u>50,848</u>	<u>159,129</u>	<u>816,298</u>	<u>9,415,949</u>	<u>8,892,898</u>
-	-	26,170	5,899,576	4,185,482
-	-	-	1,985,334	1,982,825
-	-	6,465	543,542	594,067
-	-	32,635	8,428,452	6,762,374
1,631	94,331	1,811,000	2,927,915	2,929,029
-	-	1,621,489	1,621,489	1,621,489
-	-	-	57,000,565	41,547,609
-	-	-	69,149,988	55,478,319
901,842	222,132	2,861,525	5,597,605	5,597,606
58,511	61,575	682,817	7,585,203	8,941,679
-	-	5,829,801	7,521,413	19,937,044
961,984	378,038	12,806,632	151,404,178	136,052,775
400,559	176,046	2,127,769	30,340,238	31,575,583
561,425	201,992	10,678,863	121,063,940	104,477,192
<u>\$ 612,273</u>	<u>\$ 361,121</u>	<u>\$ 11,527,796</u>	<u>\$ 138,908,341</u>	<u>\$ 120,132,464</u>
\$ 330	\$ 7,749	\$ 607,389	\$ 2,545,509	\$ 1,294,230
-	8,113	-	543,199	503,884
-	-	-	293,135	254,823
-	-	-	1,042,505	7,925
-	-	30,000	2,514,680	2,416,364
<u>330</u>	<u>15,862</u>	<u>637,389</u>	<u>6,939,028</u>	<u>4,477,226</u>
-	-	-	30,436,395	17,326,557
-	-	380,000	32,903,303	35,416,913
-	-	-	444,698	501,468
-	-	380,000	62,895,000	52,242,002
<u>330</u>	<u>15,862</u>	<u>1,017,389</u>	<u>69,834,028</u>	<u>56,719,228</u>
934,382	312,124	3,583,983	36,217,144	36,217,144
-	-	26,170	2,400,146	1,175,365
-	-	-	2,720,194	2,261,804
(322,439)	33,135	6,900,254	27,736,829	23,758,923
(322,439)	33,135	6,926,424	32,857,169	27,196,092
611,943	345,259	10,510,407	69,074,313	63,413,236
<u>\$ 612,273</u>	<u>\$ 361,121</u>	<u>\$ 11,527,796</u>	<u>\$ 138,908,341</u>	<u>\$ 120,132,464</u>

CITY OF FINDLAY
ENTERPRISE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN RETAINED EARNINGS

Year Ended December 31, 2001
(With Comparative Totals for December 31, 2000)

	<u>Water</u>	<u>Water Pollution Control</u>
Operating Revenues:		
Charges for Services	\$ 6,254,556	\$ 6,108,923
Other Operating Revenues	<u>93,287</u>	<u>162,174</u>
Total Operating Revenues	<u>6,347,843</u>	<u>6,271,097</u>
Operating Expenses:		
Personal Services	1,941,572	1,336,461
Contractual Services	179,020	59,877
Materials and Supplies	804,544	204,122
Utilities	278,081	363,328
Depreciation	988,490	1,100,223
Benefit Payments	520,015	362,756
Other Operating Expenses	<u>114,239</u>	<u>51,672</u>
Total Operating Expenses	<u>4,825,961</u>	<u>3,478,439</u>
Operating Income (Loss)	<u>1,521,882</u>	<u>2,792,658</u>
Non-Operating Revenues (Expenses):		
Interest Income	300,623	449,525
Interest Expense including Amortization of Deferred Bond Costs	(1,166,135)	(1,569,601)
Net Increase (Decrease) in Fair Value of Investments	-	-
Other Non-Operating Revenues	715,367	526,289
Other Non-Operating Expenses	-	-
Loss on Disposal of Asset(s)	<u>(169,384)</u>	<u>(1,099,369)</u>
Total Non-Operating Revenues (Expenses), Net	<u>(319,529)</u>	<u>(1,693,156)</u>
Income (Loss) Before Operating Transfers	1,202,353	1,099,502
Operating Transfers In	270,968	322,358
Operating Transfers Out	<u>(243,307)</u>	<u>(758,665)</u>
Net Income (Loss)	<u>1,230,014</u>	<u>663,195</u>
Retained Earnings (Deficit) at Beginning of Year, as Restated	<u>16,103,769</u>	<u>8,223,071</u>
Retained Earnings (Deficit) at End of Year	<u>\$ 17,333,783</u>	<u>\$ 8,886,266</u>

<u>Swimming Pool</u>	<u>Parking Facilities</u>	<u>Airport</u>	<u>Totals</u>	
			<u>2001</u>	<u>2000</u>
\$ 53,904	\$ 96,612	\$ 19,958	\$ 12,533,953	\$ 11,634,772
3,793	844	802,768	1,062,866	1,057,507
<u>57,697</u>	<u>97,456</u>	<u>822,726</u>	<u>13,596,819</u>	<u>12,692,279</u>
56,593	56,020	212,295	3,602,941	3,980,255
265	3,907	293,729	536,798	466,014
14,336	1,133	417,910	1,442,045	1,397,238
4,130	346	17,768	663,653	612,271
20,090	18,656	284,986	2,412,445	2,179,298
10,190	14,241	58,974	966,176	837,343
1,240	3,545	110,754	281,450	291,591
<u>106,844</u>	<u>97,848</u>	<u>1,396,416</u>	<u>9,905,508</u>	<u>9,764,010</u>
<u>(49,147)</u>	<u>(392)</u>	<u>(573,690)</u>	<u>3,691,311</u>	<u>2,928,269</u>
-	-	-	750,148	826,965
-	-	(23,563)	(2,759,299)	(2,121,813)
-	-	-	-	31,161
-	-	4,745,130	5,986,786	832,356
-	(9,996)	(517,480)	(527,476)	(1,031,735)
-	-	(929)	(1,269,682)	-
<u>-</u>	<u>(9,996)</u>	<u>4,203,158</u>	<u>2,180,477</u>	<u>(1,463,066)</u>
(49,147)	(10,388)	3,629,468	5,871,788	1,465,203
50,000	-	148,500	791,826	1,051,569
-	-	(565)	(1,002,537)	(548,156)
<u>853</u>	<u>(10,388)</u>	<u>3,777,403</u>	<u>5,661,077</u>	<u>1,968,616</u>
<u>(323,292)</u>	<u>43,523</u>	<u>3,149,021</u>	<u>27,196,092</u>	<u>25,227,476</u>
<u>\$ (322,439)</u>	<u>\$ 33,135</u>	<u>\$ 6,926,424</u>	<u>\$ 32,857,169</u>	<u>\$ 27,196,092</u>

CITY OF FINDLAY
ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS

Year Ended December 31, 2001
(With Comparative Totals for December 31, 2000)

	<u>Water</u>	<u>Water Pollution Control</u>
Cash Flows from Operating Activities:		
Operating Income (Loss)	\$ 1,521,882	\$ 2,792,658
Adjustments to Reconcile Operating Income (Loss) to Net		
Cash Provided by (Used for) Operating Activities:		
Depreciation	988,490	1,100,223
Change in Assets and Liabilities:		
Decrease (Increase) in Receivables	(59,992)	(35,246)
Decrease (Increase) in Due from Other Fund	-	(38,312)
Decrease (Increase) in Due from Other Governments	222,962	-
Decrease (Increase) in Supplies Inventory	23,611	1,088
Decrease (Increase) in Prepaids	11,652	8,755
Decrease (Increase) in Accrued Interest Receivable	58,391	6,274
Increase (Decrease) in Accounts Payable	(5,821)	718,446
Increase (Decrease) in Accrued Sick Leave Payable	10,203	27,572
Increase in Due to Other Fund	38,312	-
Total Adjustments	<u>1,287,808</u>	<u>1,788,800</u>
Net Cash Provided by (Used for) Operating Activities	<u>2,809,690</u>	<u>4,581,458</u>
Cash Flows from Non-Capital Financing Activities:		
Operating Transfers from Other Funds	270,968	322,358
Operating Transfers to Other Funds	(243,307)	(758,665)
Other Non-Operating Revenues	155,980	1,191
Other Non-Operating Expenses	-	(216,712)
Net Cash Provided by (Used for) Non-Capital Financing Activities	<u>183,641</u>	<u>(651,828)</u>
Cash Flows from Capital and Related Financing Activities:		
Acquisition and Construction of Capital Assets	(886,743)	(15,203,188)
Proceeds of Loan Payable	30,598	14,121,744
Principal Paid on Loan Payable	(7,925)	-
Principal Paid on Bonds	(1,440,001)	(950,292)
Interest Paid on Bonds	(1,075,908)	(1,553,149)
Capital Contributed	559,387	741,810
Net Cash Provided by (Used for) Capital and Related Financing Activities	<u>(2,820,592)</u>	<u>(2,843,075)</u>
Cash Flows from Investing Activities:		
Change in Fair Value of Investments	-	-
Purchases of Investment Securities	(1,985,334)	-
Sales of Investment Securities	1,982,825	-
Earnings on Investments	300,623	449,525
Net Cash Provided by (Used for) Investing Activities	<u>298,114</u>	<u>449,525</u>
Net Increase (Decrease) in Cash and Cash Equivalents	470,853	1,536,080
Cash and Cash Equivalents at Beginning of Year	<u>2,875,535</u>	<u>7,142,861</u>
Cash and Cash Equivalents at End of Year	<u>\$ 3,346,388</u>	<u>\$ 8,678,941</u>
Supplemental Disclosure of Cash Flow Information:		
Non-Cash Capital and Related Financing and Investing Activities:		
Equipment Received in Exchange for a Like-Kind Asset	<u>\$ 194,346</u>	<u>\$ -</u>

Swimming Pool	Parking Facilities	Airport	Totals	
			2001	2000
\$ (49,147)	\$ (392)	\$ (573,690)	\$ 3,691,311	\$ 3,432,153
20,090	18,656	284,986	2,412,445	2,179,298
-	-	(158)	(95,396)	(80,617)
-	-	-	(38,312)	(32,010)
-	-	(546,481)	(323,519)	48,708
-	-	9,802	34,501	(26,089)
(451)	(455)	1,095	20,596	(3,845)
-	-	-	64,665	(46,789)
(597)	1,785	537,467	1,251,280	(205,329)
-	1,540	-	39,315	-
-	-	-	38,312	32,010
19,042	21,526	286,711	3,403,887	1,865,337
(30,105)	21,134	(286,979)	7,095,198	5,297,490
50,000	-	148,500	791,826	1,051,569
-	-	(565)	(1,002,537)	(548,156)
-	-	588,002	745,173	832,356
-	(9,996)	(517,480)	(744,188)	(1,031,735)
50,000	(9,996)	218,457	(209,726)	304,034
-	-	(4,178,945)	(20,268,876)	(21,956,205)
-	-	-	14,152,342	17,333,684
-	-	-	(7,925)	(7,925)
-	-	(25,000)	(2,415,293)	(2,316,111)
-	-	(22,947)	(2,652,004)	(2,014,557)
-	-	4,157,128	5,458,325	3,387,594
-	-	(69,764)	(5,733,431)	(5,573,520)
-	-	-	-	31,161
-	-	-	(1,985,334)	(1,982,825)
-	-	-	1,982,825	2,891,814
-	-	-	750,148	826,965
-	-	-	747,639	1,767,115
19,895	11,138	(138,286)	1,899,680	1,795,119
30,208	146,740	338,906	10,534,250	8,739,131
\$ 50,103	\$ 157,878	\$ 200,620	\$ 12,433,930	\$ 10,534,250
\$ -	\$ -	\$ -	\$ 194,346	\$ 127,859

CITY OF FINDLAY
WATER FUND
BALANCE SHEET

Exhibit E-4

December 31, 2001
(With Comparative Totals for December 31, 2000)

	<u>2001</u>	<u>2000</u>
Assets:		
Current Assets:		
Cash and Cash Equivalents	\$ 2,570,788	\$ 2,130,973
Investments	-	-
Receivables, Net of Allowance for Uncollectibles	1,168,719	1,108,727
Due from Other Governments	-	222,962
Supplies Inventory, at cost	296,236	319,847
Prepays	22,713	34,365
Accrued Interest Receivable	44,684	103,075
Total Current Assets	<u>4,103,140</u>	<u>3,919,949</u>
Restricted Assets:		
Cash and Cash Equivalents	775,600	744,562
Investments	1,985,334	1,982,825
Deferred Bond Costs	332,276	365,733
Total Restricted Assets	<u>3,093,210</u>	<u>3,093,120</u>
Property, Plant, and Equipment:		
Land	909,231	909,231
Utility Plant in Service	24,682,883	24,682,883
Utility Lines in Service	27,095,809	26,252,861
Improvements Other than Buildings	1,612,106	1,612,107
Machinery and Equipment	3,824,604	3,813,952
Construction in Progress	19,695	287,090
Total Property, Plant, and Equipment	<u>58,144,328</u>	<u>57,558,124</u>
Less Accumulated Depreciation	<u>15,020,198</u>	<u>14,162,864</u>
Net Property, Plant, and Equipment	<u>43,124,130</u>	<u>43,395,260</u>
Total Assets	<u>\$ 50,320,480</u>	<u>\$ 50,408,329</u>
Liabilities and Fund Equity:		
Current Liabilities:		
Accounts Payable and Accruals	\$ 601,321	\$ 607,142
Accrued Sick Leave Payable	314,951	304,748
Due to Other Fund	293,135	254,823
Loans Payable, Current Portion	8,690	7,925
Current Portion of Long-Term Debt	1,505,000	1,440,000
Total Current Liabilities	<u>2,723,097</u>	<u>2,614,638</u>
Long-Term Liabilities:		
Loans Payable	164,558	142,649
Bonds Payable	18,350,000	19,855,001
Less Deferred Amount on Refunding	444,698	501,468
Net Bonds and Notes Payable	<u>18,069,860</u>	<u>19,496,182</u>
Total Liabilities	<u>20,792,957</u>	<u>22,110,820</u>
Fund Equity:		
Contributed Capital	12,193,740	12,193,740
Retained Earnings:		
Reserved for Debt Service	295,331	295,552
Reserved for Capital Improvements	480,269	449,010
Unreserved	16,558,183	15,359,207
Total Retained Earnings	<u>17,333,783</u>	<u>16,103,769</u>
Total Fund Equity	<u>29,527,523</u>	<u>28,297,509</u>
Total Liabilities and Fund Equity	<u>\$ 50,320,480</u>	<u>\$ 50,408,329</u>

CITY OF FINDLAY
WATER FUND
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN RETAINED EARNINGS

Year ended December 31, 2001
(With Comparative Totals for December 31, 2000)

	<u>2001</u>	<u>2000</u>
Operating Revenues:		
Charges for Services	\$ 6,254,556	\$ 6,153,598
Other Operating Revenues	<u>93,287</u>	<u>80,398</u>
Total Operating Revenues	<u>6,347,843</u>	<u>6,233,996</u>
Operating Expenses:		
Personal Services	1,941,572	2,189,403
Contractual Services	179,020	164,825
Materials and Supplies	804,544	694,816
Utilities	278,081	281,470
Depreciation	988,490	984,812
Benefit Payments	520,015	461,930
Other Operating Expenses	<u>114,239</u>	<u>140,622</u>
Total Operating Expenses	<u>4,825,961</u>	<u>4,917,878</u>
Operating Income (Loss)	<u>1,521,882</u>	<u>1,316,118</u>
Non-Operating Revenues (Expenses):		
Interest Income	300,623	410,629
Interest Expense including Amortization of Deferred Bond Costs	(1,166,135)	(1,228,999)
Net Increase (Decrease) in Fair Value of Investments	-	14,752
Other Non-Operating Revenues	715,367	58,971
Loss on Disposal of Asset(s)	<u>(169,384)</u>	<u>-</u>
Total Non-Operating Expenses, Net	<u>(319,529)</u>	<u>(744,647)</u>
Income (Loss) Before Operating Transfers	1,202,353	571,471
Operating Transfers In	270,968	458,786
Operating Transfers Out	<u>(243,307)</u>	<u>(142,459)</u>
Net Income	<u>1,230,014</u>	<u>887,798</u>
Retained Earnings at Beginning of Year	<u>16,103,769</u>	<u>15,215,971</u>
Retained Earnings at End of Year	<u>\$ 17,333,783</u>	<u>\$ 16,103,769</u>

CITY OF FINDLAY
WATER FUND
STATEMENT OF CASH FLOWS

Year Ended December 31, 2001
(With Comparative Totals for December 31, 2000)

	<u>2001</u>	<u>2000</u>
Cash Flows from Operating Activities:		
Operating Income (Loss)	\$ 1,521,882	\$ 1,620,866
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:		
Depreciation	988,490	984,812
Change in Assets and Liabilities:		
Decrease (Increase) in Receivables	(59,992)	(53,496)
Decrease (Increase) in Due from Other Governments	222,962	48,708
Decrease (Increase) in Supplies Inventory	23,611	(19,053)
Decrease (Increase) in Prepays	11,652	(2,500)
Decrease (Increase) in Accrued Interest Receivable	58,391	16,823
Increase (Decrease) in Accounts Payable	(5,821)	(170,017)
Increase (Decrease) in Accrued Sick Leave Payable	10,203	-
Increase in Due to Other Fund	38,312	32,010
Total Adjustments	<u>1,287,808</u>	<u>837,287</u>
Net Cash Provided by (Used for) Operating Activities	<u>2,809,690</u>	<u>2,458,153</u>
Cash Flows from Non-Capital Financing Activities:		
Operating Transfers from Other Funds	270,968	458,786
Operating Transfers to Other Funds	(243,307)	(142,459)
Other Non-Operating Revenues	<u>155,980</u>	<u>58,971</u>
Net Cash Provided by (Used for) Non-Capital Financing Activities	<u>183,641</u>	<u>375,298</u>
Cash Flows from Capital and Related Financing Activities:		
Acquisition and Construction of Capital Assets	(886,743)	(3,751,477)
Proceeds of Loan Payable	30,598	149,775
Principal Paid on Loan Payable	(7,925)	(7,925)
Principal Paid on Bonds	(1,440,001)	(1,375,001)
Interest Paid on Bonds	(1,075,908)	(1,138,811)
Capital Contributed	<u>559,387</u>	<u>1,838,544</u>
Net Cash Provided by (Used for) Capital and Related Financing Activities	<u>(2,820,592)</u>	<u>(4,284,895)</u>
Cash Flows from Investing Activities:		
Change in Fair Value of Investments	-	14,752
Purchases of Investment Securities	(1,985,334)	(1,982,825)
Sales of Investment Securities	1,982,825	2,411,916
Earnings on Investments	<u>300,623</u>	<u>410,629</u>
Net Cash Provided by (Used for) Investing Activities	<u>298,114</u>	<u>854,472</u>
Net Increase (Decrease) in Cash and Cash Equivalents	470,853	(596,972)
Cash and Cash Equivalents at Beginning of Year	<u>2,875,535</u>	<u>3,472,507</u>
Cash and Cash Equivalents at End of Year	<u>\$ 3,346,388</u>	<u>\$ 2,875,535</u>
Supplemental Disclosure of Cash Flow Information:		
Non-Cash Capital and Related Financing and Investing Activities:		
Equipment Received in Exchange for a Like-Kind Asset	<u>\$ 194,346</u>	<u>\$ 127,859</u>

CITY OF FINDLAY
WATER POLLUTION CONTROL FUND
BALANCE SHEET

Exhibit E-7

December 31, 2001
(With Comparative Totals for December 31, 2000)

	<u>2001</u>	<u>2000</u>
Assets:		
Current Assets:		
Cash and Cash Equivalents	\$ 3,581,135	\$ 3,726,217
Investments	-	-
Receivables, Net of Allowance for Uncollectibles	283,785	248,539
Due from Other Fund	293,135	254,823
Supplies Inventory, at cost	5,606	6,694
Prepays	18,063	26,818
Accrued Interest Receivable	104,810	111,084
Total Current Assets	<u>4,286,534</u>	<u>4,374,175</u>
Restricted Assets:		
Cash and Cash Equivalents	5,097,806	3,416,644
Deferred Bond Costs	204,801	221,253
Total Restricted Assets	<u>5,302,607</u>	<u>3,637,897</u>
Property, Plant, and Equipment:		
Land	111,722	112,836
Utility Plant in Service	32,317,682	16,864,726
Utility Lines in Service	42,054,179	29,225,458
Machinery and Equipment	2,957,696	4,435,193
Construction in Progress	1,671,917	17,934,466
Total Property, Plant, and Equipment	79,113,196	68,572,679
Less Accumulated Depreciation	<u>12,615,666</u>	<u>15,078,744</u>
Net Property, Plant, and Equipment	<u>66,497,530</u>	<u>53,493,935</u>
Total Assets	<u>\$ 76,086,671</u>	<u>\$ 61,506,007</u>
Liabilities and Fund Equity:		
Current Liabilities:		
Accounts Payable and Accruals	\$ 1,328,720	\$ 610,274
Accrued Sick Leave Payable	220,135	192,563
Loan Payable, Current Portion	1,033,815	-
Current Portion of Long-Term Debt	979,680	951,364
Total Current Liabilities	<u>3,562,350</u>	<u>1,754,201</u>
Long-Term Liabilities:		
Loan Payable	30,271,837	17,183,908
Bonds Payable	14,173,303	15,151,912
Total Liabilities	<u>48,007,490</u>	<u>34,090,021</u>
Fund Equity:		
Contributed Capital	19,192,915	19,192,915
Retained Earnings:		
Reserved for Debt Service	2,078,645	855,537
Reserved for Capital Improvements	2,239,925	1,812,794
Unreserved	4,567,696	5,554,740
Total Retained Earnings	<u>8,886,266</u>	<u>8,223,071</u>
Total Fund Equity	<u>28,079,181</u>	<u>27,415,986</u>
Total Liabilities and Fund Equity	<u>\$ 76,086,671</u>	<u>\$ 61,506,007</u>

CITY OF FINDLAY
WATER POLLUTION CONTROL FUND
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN RETAINED EARNINGS

Year ended December 31, 2001
(With Comparative Totals for December 31, 2000)

	<u>2001</u>	<u>2000</u>
Operating Revenues:		
Charges for Services	\$ 6,108,923	\$ 5,326,725
Other Operating Revenues	<u>162,174</u>	<u>60,678</u>
Total Operating Revenues	<u>6,271,097</u>	<u>5,387,403</u>
Operating Expenses:		
Personal Services	1,336,461	1,486,424
Contractual Services	59,877	73,366
Materials and Supplies	204,122	187,527
Utilities	363,328	308,538
Depreciation	1,100,223	872,104
Benefit Payments	362,756	304,540
Other Operating Expenses	<u>51,672</u>	<u>54,879</u>
Total Operating Expenses	<u>3,478,439</u>	<u>3,287,378</u>
Operating Income (Loss)	<u>2,792,658</u>	<u>2,100,025</u>
Non-Operating Revenues (Expenses):		
Interest Income	449,525	416,336
Interest Expense including Amortization of Deferred Bond Costs	(1,569,601)	(868,051)
Net Increase (Decrease) in Fair Value of Investments	-	16,409
Other Non-Operating Revenues	526,289	1,887
Other Non-Operating Expenses	-	(327,787)
Loss on Disposal of Asset	<u>(1,099,369)</u>	<u>-</u>
Total Non-Operating Revenues (Expenses), Net	<u>(1,693,156)</u>	<u>(761,206)</u>
Income (Loss) Before Operating Transfers	1,099,502	1,338,819
Operating Transfers In	322,358	349,796
Operating Transfers Out	<u>(758,665)</u>	<u>(396,581)</u>
Net Income (Loss)	<u>663,195</u>	<u>1,292,034</u>
Retained Earnings (Deficit) at Beginning of Year as restated	<u>8,223,071</u>	<u>6,931,037</u>
Retained Earnings (Deficit) at End of Year	<u>\$ 8,886,266</u>	<u>\$ 8,223,071</u>

CITY OF FINDLAY
WATER POLLUTION CONTROL FUND
STATEMENT OF CASH FLOWS

Year Ended December 31, 2001
(With Comparative Totals for December 31, 2000)

	<u>2001</u>	<u>2000</u>
Cash Flows from Operating Activities:		
Operating Income (Loss)	\$ 2,792,658	\$ 2,292,588
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:		
Depreciation	1,100,223	872,104
Change in Assets and Liabilities:		
Decrease (Increase) in Receivables	(35,246)	(36,362)
Increase in Due from Other Fund	(38,312)	(32,010)
Decrease (Increase) in Supplies Inventory	1,088	998
Decrease (Increase) in Prepays	8,755	(1,138)
Decrease (Increase) in Accrued Interest Receivable	6,274	(63,612)
Increase (Decrease) in Accounts Payable	718,446	(40,925)
Increase (Decrease) in Accrued Sick Leave Payable	27,572	-
Total Adjustments	<u>1,788,800</u>	<u>699,055</u>
Net Cash Provided by (Used for) Operating Activities	<u>4,581,458</u>	<u>2,991,643</u>
Cash Flows from Non-Capital Financing Activities:		
Operating Transfers from Other Funds	322,358	349,796
Operating Transfers to Other Funds	(758,665)	(396,581)
Other Non-Operating Revenues	1,191	1,887
Other Non-Operating Expenses	<u>(216,712)</u>	<u>(327,787)</u>
Net Cash Provided by (Used for) Non-Capital Financing Activities	<u>(651,828)</u>	<u>(372,685)</u>
Cash Flows from Capital and Related Financing Activities:		
Acquisition and Construction of Capital Assets	(15,203,188)	(17,205,069)
Proceeds of Note Payable	14,121,744	17,183,909
Principal Paid on Bonds	(950,292)	(916,110)
Interest Paid on Bonds	(1,553,149)	(851,599)
Capital Contributed	<u>741,810</u>	<u>630,366</u>
Net Cash Provided by (Used for) Capital and Related Financing Activities	<u>(2,843,075)</u>	<u>(1,158,503)</u>
Cash Flows from Investing Activities:		
Change in Fair Value of Investments	-	16,409
Sale of Investment Securities	-	479,898
Earnings on Investments	<u>449,525</u>	<u>416,336</u>
Net Cash Provided by (Used for) Investing Activities	<u>449,525</u>	<u>912,643</u>
Net Increase in Cash and Cash Equivalents	1,536,080	2,373,098
Cash and Cash Equivalents at Beginning of Year	<u>7,142,861</u>	<u>4,769,763</u>
Cash and Cash Equivalents at End of Year	<u>\$ 8,678,941</u>	<u>\$ 7,142,861</u>

CITY OF FINDLAY
SWIMMING POOL FUND
BALANCE SHEET

December 31, 2001
(With Comparative Totals for December 31, 2000)

	<u>2001</u>	<u>2000</u>
Assets:		
Current Assets:		
Cash and Cash Equivalents	\$ 50,103	\$ 30,208
Prepays	745	294
Total Current Assets	<u>50,848</u>	<u>30,502</u>
Property, Plant, and Equipment:		
Land	1,631	1,631
Improvements Other than Buildings	901,842	901,842
Machinery and Equipment	58,511	59,505
Total Property, Plant, and Equipment	<u>961,984</u>	<u>962,978</u>
Less Accumulated Depreciation	400,559	381,462
Net Property, Plant, and Equipment	<u>561,425</u>	<u>581,516</u>
Total Assets	<u>\$ 612,273</u>	<u>\$ 612,018</u>
Liabilities and Fund Equity:		
Liabilities:		
Accounts Payable and Accruals	\$ 330	\$ 928
Total Liabilities	<u>330</u>	<u>928</u>
Fund Equity:		
Contributed Capital	934,382	934,382
Retained Earnings (Deficit)	<u>(322,439)</u>	<u>(323,292)</u>
Total Fund Equity	<u>611,943</u>	<u>611,090</u>
Total Liabilities and Fund Equity	<u>\$ 612,273</u>	<u>\$ 612,018</u>

CITY OF FINDLAY
SWIMMING POOL FUND
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN RETAINED EARNINGS

Year ended December 31, 2001
(With Comparative Totals for December 31, 2000)

	<u>2001</u>	<u>2000</u>
Operating Revenues:		
Charges for Services	\$ 53,904	\$ 39,153
Other Operating Revenues	<u>3,793</u>	<u>2,859</u>
Total Operating Revenues	<u>57,697</u>	<u>42,012</u>
Operating Expenses:		
Personal Services	56,593	49,890
Contractual Services	265	265
Materials and Supplies	14,336	19,354
Utilities	4,130	3,819
Depreciation	20,090	19,820
Benefit Payments	10,190	6,988
Other Operating Expenses	<u>1,240</u>	<u>886</u>
Total Operating Expenses	<u>106,844</u>	<u>101,022</u>
Operating Loss Before Operating Transfers	<u>(49,147)</u>	<u>(59,010)</u>
Operating Transfers In	50,000	55,700
Operating Transfers Out	<u>-</u>	<u>(1,665)</u>
Net Income (Loss)	<u>853</u>	<u>(4,975)</u>
Accumulated Deficit at Beginning of Year	<u>(323,292)</u>	<u>(318,317)</u>
Accumulated Deficit at End of Year	<u>\$ (322,439)</u>	<u>\$ (323,292)</u>

CITY OF FINDLAY
SWIMMING POOL FUND
STATEMENT OF CASH FLOWS

Year Ended December 31, 2001
(With Comparative Totals for December 31, 2000)

	<u>2001</u>	<u>2000</u>
Cash Flows from Operating Activities:		
Operating Income (Loss)	\$ (49,147)	\$ (59,010)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:		
Depreciation	20,090	19,820
Change in Assets and Liabilities:		
Decrease (Increase) in Prepays	(451)	(47)
Increase (Decrease) in Accounts Payable	(597)	(1,643)
Total Adjustments	<u>19,042</u>	<u>18,130</u>
Net Cash Provided by (Used for) Operating Activities	<u>(30,105)</u>	<u>(40,880)</u>
Cash Flows from Non-Capital Financing Activities:		
Operating Transfers from Other Funds	50,000	55,700
Operating Transfers to Other Funds	<u>-</u>	<u>(1,665)</u>
Net Cash Provided by (Used for) Non-Capital Financing Activities	<u>50,000</u>	<u>54,035</u>
Cash Flows from Capital and Related Financing Activities:		
Acquisition of Capital Assets	<u>-</u>	<u>(4,035)</u>
Net Cash Provided by (used for) Capital and Related Financing Activities	<u>-</u>	<u>(4,035)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	19,895	9,120
Cash and Cash Equivalents at Beginning of Year	<u>30,208</u>	<u>21,088</u>
Cash and Cash Equivalents at End of Year	<u>\$ 50,103</u>	<u>\$ 30,208</u>

CITY OF FINDLAY
PARKING FACILITIES FUND
BALANCE SHEET

December 31, 2001
(With Comparative Totals for December 31, 2000)

	<u>2001</u>	<u>2000</u>
Assets:		
Current Assets:		
Cash and Cash Equivalents	\$ 157,878	\$ 146,740
Prepays	<u>1,251</u>	<u>796</u>
Total Current Assets	<u>159,129</u>	<u>147,536</u>
Property, Plant, and Equipment:		
Land	94,331	94,331
Improvements Other than Buildings	222,132	222,132
Machinery and Equipment	<u>61,575</u>	<u>62,528</u>
Total Property, Plant, and Equipment	378,038	378,991
Less Accumulated Depreciation	<u>176,046</u>	<u>158,343</u>
Net Property, Plant, and Equipment	<u>201,992</u>	<u>220,648</u>
Total Assets	<u>\$ 361,121</u>	<u>\$ 368,184</u>
Liabilities and Fund Equity:		
Liabilities:		
Accounts Payable and Accruals	\$ 7,749	\$ 5,964
Accrued Sick Leave Payable	<u>8,113</u>	<u>6,573</u>
Total Liabilities	<u>15,862</u>	<u>12,537</u>
Fund Equity:		
Contributed Capital	312,124	312,124
Retained Earnings (Deficit)	<u>33,135</u>	<u>43,523</u>
Total Fund Equity	<u>345,259</u>	<u>355,647</u>
Total Liabilities and Fund Equity	<u>\$ 361,121</u>	<u>\$ 368,184</u>

CITY OF FINDLAY
PARKING FACILITIES FUND
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN RETAINED EARNINGS

Year ended December 31, 2001
(With Comparative Totals for December 31, 2000)

	<u>2001</u>	<u>2000</u>
Operating Revenues:		
Charges for Services	\$ 96,612	\$ 92,938
Other Operating Revenues	<u>844</u>	<u>2</u>
Total Operating Revenues	<u>97,456</u>	<u>92,940</u>
Operating Expenses:		
Personal Services	56,020	51,357
Contractual Services	3,907	292
Materials and Supplies	1,133	2,460
Utilities	346	371
Depreciation	18,656	18,209
Benefit Payments	14,241	11,290
Other Operating Expenses	<u>3,545</u>	<u>2,882</u>
Total Operating Expenses	<u>97,848</u>	<u>86,861</u>
Operating Income (Loss)	<u>(392)</u>	<u>6,079</u>
Non-Operating Revenues (Expenses):		
Other Non-Operating Expenses	<u>(9,996)</u>	<u>-</u>
Net Income (Loss)	(10,388)	6,079
Retained Earnings (Deficit) at Beginning of Year	<u>43,523</u>	<u>37,444</u>
Retained Earnings at End of Year	<u>\$ 33,135</u>	<u>\$ 43,523</u>

CITY OF FINDLAY
PARKING FACILITIES FUND
STATEMENT OF CASH FLOWS

Year Ended December 31, 2001
(With Comparative Totals for December 31, 2000)

	<u>2001</u>	<u>2000</u>
Cash Flows from Operating Activities:		
Operating Income (Loss)	\$ (392)	\$ 12,652
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:		
Depreciation	18,656	18,209
Change in Assets and Liabilities:		
Decrease (Increase) in Prepaids	(455)	419
Increase (Decrease) in Accounts Payable	1,785	(1,099)
Increase (Decrease) in Accrued Sick Leave Payable	1,540	-
Total Adjustments	<u>21,526</u>	<u>17,529</u>
Net Cash Provided by (Used for) Operating Activities	<u>21,134</u>	<u>30,181</u>
Cash Flows from Non-Capital Financing Activities:		
Other Non-Operating Expenses	<u>(9,996)</u>	<u>-</u>
Net Cash Provided by Non-Cash Financing Activities	<u>(9,996)</u>	<u>-</u>
Cash Flows from Capital and Related Financing Activities:		
Acquisition of Capital Assets	<u>-</u>	<u>(39,994)</u>
Net Cash Used for Capital and Related Financing	<u>-</u>	<u>(39,994)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	11,138	(9,813)
Cash and Cash Equivalents at Beginning of Year	<u>146,740</u>	<u>156,553</u>
Cash and Cash Equivalents at End of Year	<u>\$ 157,878</u>	<u>\$ 146,740</u>

CITY OF FINDLAY
AIRPORT FUND
BALANCE SHEET

December 31, 2001
(With Comparative Totals for December 31, 2000)

	<u>2001</u>	<u>2000</u>
Assets:		
Current Assets:		
Cash and Cash Equivalents	\$ 174,450	\$ 314,630
Receivables, Net of Allowance for Uncollectibles	58,742	58,584
Due from Other Governments	546,481	-
Supplies Inventory, at cost	26,282	36,084
Prepays	10,343	11,438
Total Current Assets	<u>816,298</u>	<u>420,736</u>
Restricted Assets:		
Cash and Cash Equivalents	26,170	24,276
Deferred Bond Costs	6,465	7,081
Total Restricted Assets	<u>32,635</u>	<u>31,357</u>
Property, Plant, and Equipment:		
Land	1,811,000	1,811,000
Buildings	1,621,489	1,621,489
Improvements Other than Buildings	2,861,525	2,861,525
Machinery and Equipment	682,817	570,501
Construction in Progress	5,829,801	1,715,488
Total Property, Plant, and Equipment	<u>12,806,632</u>	<u>8,580,003</u>
Less Accumulated Depreciation	<u>2,127,769</u>	<u>1,794,170</u>
Net Property, Plant, and Equipment	<u>10,678,863</u>	<u>6,785,833</u>
Total Assets	<u>\$ 11,527,796</u>	<u>\$ 7,237,926</u>
Liabilities and Fund Equity:		
Current Liabilities:		
Accounts Payable and Accruals	\$ 607,389	\$ 69,922
Current Portion of Long-Term Debt	<u>30,000</u>	<u>25,000</u>
Total Current Liabilities	<u>637,389</u>	<u>94,922</u>
Long-Term Liabilities:		
Bonds Payable	<u>380,000</u>	<u>410,000</u>
Total Long-Term Liabilities	<u>380,000</u>	<u>410,000</u>
Total Liabilities	<u>1,017,389</u>	<u>504,922</u>
Fund Equity:		
Contributed Capital	3,583,983	3,583,983
Retained Earnings:		
Reserved for Debt Service	26,170	24,276
Unreserved	6,900,254	3,124,745
Total Retained Earnings	<u>6,926,424</u>	<u>3,149,021</u>
Total Fund Equity	<u>10,510,407</u>	<u>6,733,004</u>
Total Liabilities and Fund Equity	<u>\$ 11,527,796</u>	<u>\$ 7,237,926</u>

CITY OF FINDLAY
AIRPORT FUND
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN RETAINED EARNINGS

Year ended December 31, 2001
(With Comparative Totals for December 31, 2000)

	<u>2001</u>	<u>2000</u>
Operating Revenues:		
Charges for Services	\$ 19,958	\$ 22,358
Other Operating Revenues	<u>802,768</u>	<u>913,570</u>
Total Operating Revenues	<u>822,726</u>	<u>935,928</u>
Operating Expenses:		
Personal Services	212,295	203,181
Contractual Services	293,729	227,266
Materials and Supplies	417,910	493,081
Utilities	17,768	18,073
Depreciation	284,986	284,353
Benefit Payments	58,974	52,595
Other Operating Expenses	<u>110,754</u>	<u>92,322</u>
Total Operating Expenses	<u>1,396,416</u>	<u>1,370,871</u>
Operating Income (Loss)	<u>(573,690)</u>	<u>(434,943)</u>
Non-Operating Revenues (Expenses):		
Interest Expense including Amortization of Deferred Bond Costs	(23,563)	(24,763)
Other Non-Operating Revenues	4,745,130	771,498
Other Non-Operating Expenses	(517,480)	(703,948)
Loss on Disposal of Asset(s)	<u>(929)</u>	<u>-</u>
Total Non-Operating Revenues (Expenses), Net	<u>4,203,158</u>	<u>42,787</u>
Income (Loss) Before Operating Transfers	3,629,468	(392,156)
Operating Transfers In	148,500	187,287
Operating Transfers Out	<u>(565)</u>	<u>(7,451)</u>
Net Income (Loss)	<u>3,777,403</u>	<u>(212,320)</u>
Retained Earnings (Deficit) at Beginning of Year	<u>3,149,021</u>	<u>3,361,341</u>
Retained Earnings (Deficit) at End of Year	<u>\$ 6,926,424</u>	<u>\$ 3,149,021</u>

CITY OF FINDLAY
AIRPORT FUND
STATEMENT OF CASH FLOWS

Year Ended December 31, 2001
(With Comparative Totals for December 31, 2000)

	<u>2001</u>	<u>2000</u>
Cash Flows from Operating Activities:		
Operating Income (Loss)	\$ (573,690)	\$ (434,943)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:		
Depreciation	284,986	284,353
Change in Assets and Liabilities:		
Decrease (Increase) in Receivables	(158)	9,241
Decrease (Increase) in Due from Other Governments	(546,481)	-
Decrease (Increase) in Supplies Inventory	9,802	(8,034)
Decrease (Increase) in Prepaids	1,095	(579)
Increase (Decrease) in Accounts Payable	537,467	8,355
Total Adjustments	<u>286,711</u>	<u>293,336</u>
Net Cash Provided by (Used for) Operating Activities	<u>(286,979)</u>	<u>(141,607)</u>
Cash Flows from Non-Capital Financing Activities:		
Operating Transfers from Other Funds	148,500	187,287
Operating Transfers to Other Funds	(565)	(7,451)
Other Non-Operating Revenues	588,002	771,498
Other Non-Operating Expenses	<u>(517,480)</u>	<u>(703,948)</u>
Net Cash Provided by Non-Capital Financing Activities	<u>218,457</u>	<u>247,386</u>
Cash Flows from Capital and Related Financing Activities:		
Acquisition and Construction of Capital Assets	(4,178,945)	(955,630)
Principal Paid on Bonds	(25,000)	(25,000)
Interest Paid on Bonds	(22,947)	(24,147)
Capital Contributed	<u>4,157,128</u>	<u>918,684</u>
Net Cash Provided by (Used for) Capital and Related Financing Activities	<u>(69,764)</u>	<u>(86,093)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(138,286)	19,686
Cash and Cash Equivalents at Beginning of Year	<u>338,906</u>	<u>319,220</u>
Cash and Cash Equivalents at End of Year	<u>\$ 200,620</u>	<u>\$ 338,906</u>

INTERNAL SERVICE FUNDS

Internal Service Funds account for some of the items or services used by most of the departments and purchased in large quantities.

Central Stores - is the accounting for the central purchase of various office supplies in large quantities at a lesser price with the subsequent charge to the various user departments.

Self Insurance - accounts for processing and paying general municipal liability insurance claims in lieu of purchasing general municipal liability insurance.

CITY OF FINDLAY
INTERNAL SERVICE FUNDS
COMBINING BALANCE SHEET

December 31, 2001
(With Comparative Totals for December 31, 2000)

	<u>Central Stores</u>	<u>Self Insurance</u>	<u>Totals</u>	
			<u>2001</u>	<u>2000</u>
Assets:				
Current Assets:				
Cash and Cash Equivalents	\$ 38,114	\$ 495,762	\$ 533,876	\$ 512,001
Investments	-	508,408	508,408	499,770
Supplies Inventory, at Cost	7,210	-	7,210	7,762
Prepays	-	16,760	16,760	21,311
Accrued Interest Receivable	-	6,595	6,595	8,440
Total Current Assets	<u>45,324</u>	<u>1,027,525</u>	<u>1,072,849</u>	<u>1,049,284</u>
Equipment:				
Equipment	16,223	-	16,223	16,223
Less Accumulated Depreciation	<u>(12,472)</u>	<u>-</u>	<u>(12,472)</u>	<u>(9,595)</u>
Net Equipment	<u>3,751</u>	<u>-</u>	<u>3,751</u>	<u>6,628</u>
Total Assets	<u>\$ 49,075</u>	<u>\$ 1,027,525</u>	<u>\$ 1,076,600</u>	<u>\$ 1,055,912</u>
Liabilities and Retained Earnings:				
Liabilities:				
Accounts Payable and Accruals	\$ 130	\$ -	\$ 130	\$ 159
Retained Earnings	<u>48,945</u>	<u>1,027,525</u>	<u>1,076,470</u>	<u>1,055,753</u>
Total Liabilities and Retained Earnings	<u>\$ 49,075</u>	<u>\$ 1,027,525</u>	<u>\$ 1,076,600</u>	<u>\$ 1,055,912</u>

CITY OF FINDLAY
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN RETAINED EARNINGS

Year Ended December 31, 2001
(With Comparative Totals for 2000)

	<u>Central Stores</u>	<u>Self Insurance</u>	<u>Totals</u>	
			<u>2001</u>	<u>2000</u>
Operating Revenues:				
Charges for Services	\$ 20,870	\$ -	\$ 20,870	\$ 20,492
Total Operating Revenues	<u>20,870</u>	<u>-</u>	<u>20,870</u>	<u>20,492</u>
Operating Expenses:				
Contractual Services	-	8,552	8,552	12,581
Materials and Supplies	15,079	-	15,079	14,659
Depreciation	2,877	-	2,877	2,884
Other Operating Expenses	-	36,830	36,830	46,674
Total Operating Expenses	<u>17,956</u>	<u>45,382</u>	<u>63,338</u>	<u>76,798</u>
Operating Income (Loss)	<u>2,914</u>	<u>(45,382)</u>	<u>(42,468)</u>	<u>(56,306)</u>
Non-Operating Revenues (Expenses):				
Interest Income	-	54,547	54,547	62,850
Net Increase in Fair Value of Investment	-	8,638	8,638	-
Operating Transfers In	-	-	-	667
Operating Transfers Out	<u>-</u>	<u>-</u>	<u>-</u>	<u>(6,500)</u>
Total Non-Operating Revenues, Net	<u>-</u>	<u>63,185</u>	<u>63,185</u>	<u>57,017</u>
Net Income (Loss)	2,914	17,803	20,717	711
Retained Earnings at Beginning of Year	<u>46,031</u>	<u>1,009,722</u>	<u>1,055,753</u>	<u>1,055,042</u>
Retained Earnings at End of Year	<u>\$ 48,945</u>	<u>\$ 1,027,525</u>	<u>\$ 1,076,470</u>	<u>\$ 1,055,753</u>

CITY OF FINDLAY
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS

Year Ended December 31, 2001
(With Comparative Totals for 2000)

	<u>Central Stores</u>	<u>Self Insurance</u>	<u>Totals</u>	
			<u>2001</u>	<u>2000</u>
Cash Flows from Operating Activities:				
Operating Income (Loss)	\$ 2,914	\$ (45,382)	\$ (42,468)	\$ (56,306)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:				
Depreciation	2,877	-	2,877	2,884
Change in Assets and Liabilities:				
Decrease (Increase) in Receivables	-	1,845	1,845	(920)
Decrease (Increase) in Supplies Inventory	552	-	552	(529)
Decrease (Increase) in Prepays	-	4,551	4,551	(3,118)
Increase (Decrease) in Accounts Payable	(29)	-	(29)	131
Total Adjustments	<u>3,400</u>	<u>6,396</u>	<u>9,796</u>	<u>(1,552)</u>
Net Cash Provided by (Used for) Operating Activities	<u>6,314</u>	<u>(38,986)</u>	<u>(32,672)</u>	<u>(57,858)</u>
Cash Flows from Non-Capital Financing Activities:				
Operating Transfers from Other Funds	-	-	-	667
Operating Transfers to Other Funds	-	-	-	(6,500)
Net Cash Used for Non-Capital Financing Activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>(5,833)</u>
Cash Flows from Investing Activities:				
Purchase of Investments	-	-	-	(499,770)
Earning on Investments	-	54,547	54,547	62,850
Net Cash Provided by Investing Activities	<u>-</u>	<u>54,547</u>	<u>54,547</u>	<u>(436,920)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	6,314	15,561	21,875	(500,611)
Cash and Cash Equivalents at Beginning of Year	<u>31,800</u>	<u>480,201</u>	<u>512,001</u>	<u>1,012,612</u>
Cash and Cash Equivalents at End of Year	<u>\$ 38,114</u>	<u>\$ 495,762</u>	<u>\$ 533,876</u>	<u>\$ 512,001</u>

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TRUST AND AGENCY FUNDS

The two Trust Funds are used for the accounting of monies received for a specific purpose, and only the income generated by that money may be spent.

Cemetery Trust - when cemetery lots are sold, a portion of the sales price is deposited in this Fund, subsequently invested, and the interest earned is deposited into General Fund to help defray the cost of the Cemetery Department.

Private Trust - at times individuals will contribute, by gift or will, amounts of money to be held in trust and invested by the City. The interest earnings from these investments are used to care for certain cemetery lots in a manner specified by the contributor.

Agency Funds have been established to report monies received by the City that are earmarked to be transferred to another City fund, paid to another government, or returned to an individual.

Guaranteed Deposits - deposits are required to guarantee the satisfactory completion of a job or project. These monies are returned to the depositor or used to pay any charges after the job or project has been accepted by the City Engineering Department or Fire Department.

Municipal Court - reports the receipts and disbursements from the daily operation of the Court.

CITY OF FINDLAY
TRUST AND AGENCY FUNDS
COMBINING BALANCE SHEET

December 31, 2001
(With Comparative Totals for December 31, 2000)

	Nonexpendable Trust Funds		Agency Funds		Totals	
	Cemetery Trust	Private Trust	Guaranteed Deposits	Municipal Court	2001	2000
Assets:						
Cash and Cash Equivalents	\$ 177,194	\$ 152,096	\$ 289,478	\$ 85,694	\$ 704,462	\$ 237,768
Investments	790,000	-	-	-	790,000	921,913
Interest Receivable	8,725	194	-	-	8,919	17,150
Total Assets	\$ 975,919	\$ 152,290	\$ 289,478	\$ 85,694	\$ 1,503,381	\$ 1,176,831
Liabilities:						
Accounts Payable	\$ -	\$ -	\$ 1,287	\$ -	\$ 1,287	\$ 5,386
Amounts Held as Fiduciary	-	-	288,191	-	288,191	134,902
Total Liabilities	-	-	289,478	-	289,478	140,288
Fund Equity:						
Reserved for Principal	967,194	152,096	-	-	1,119,290	931,730
Unreserved-Undesignated	8,725	194	-	85,694	94,613	104,813
Total Fund Equity	975,919	152,290	-	85,694	1,213,903	1,036,543
Total Liabilities and Fund Equity	\$ 975,919	\$ 152,290	\$ 289,478	\$ 85,694	\$ 1,503,381	\$ 1,176,831

CITY OF FINDLAY
NONEXPENDABLE TRUST FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND BALANCES

Year Ended December 31, 2001
(With Comparative Totals for 2000)

	Cemetery Trust	Private Trust	<u>Totals</u>	
			<u>2001</u>	<u>2000</u>
Operating Revenues:				
Charges for Services	\$ 26,300	\$ -	\$ 26,300	\$ 72,050
Contributions	-	2,200	2,200	5,200
Interest Income	<u>61,380</u>	<u>4,513</u>	<u>65,893</u>	<u>61,817</u>
Total Operating Revenues	<u>87,680</u>	<u>6,713</u>	<u>94,393</u>	<u>139,067</u>
Operating Income	<u>87,680</u>	<u>6,713</u>	<u>94,393</u>	<u>139,067</u>
Non-Operating Revenues (Expenses):				
Operating Transfers Out	<u>-</u>	<u>(2,727)</u>	<u>(2,727)</u>	<u>(4,489)</u>
Total Non-Operating Revenues, Net	<u>-</u>	<u>(2,727)</u>	<u>(2,727)</u>	<u>(4,489)</u>
Net Income	87,680	3,986	91,666	134,578
Fund Equity at Beginning of Year (Restated)	<u>888,239</u>	<u>148,304</u>	<u>1,036,543</u>	<u>901,965</u>
Fund Equity at End of Year	<u>\$ 975,919</u>	<u>\$ 152,290</u>	<u>\$ 1,128,209</u>	<u>\$ 1,036,543</u>

CITY OF FINDLAY
NONEXPENDABLE TRUST FUNDS
COMBINING STATEMENT OF CASH FLOWS

Year Ended December 31, 2001
(With Comparative Totals for 2000)

	Cemetery <u>Trust</u>	Private <u>Trust</u>	<u>Totals</u>	
			<u>2001</u>	<u>2000</u>
Cash Flows from Operating Activities:				
Operating Income	\$ 87,680	\$ 6,713	\$ 94,393	\$ 139,067
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:				
Change in Assets and Liabilities:				
Decrease (Increase) in Interest Receivable	4,113	4,118	8,231	(17,050)
Interest Reported as Operating Income	(61,380)	(4,513)	(65,893)	(61,817)
Total Adjustments	(57,267)	(395)	(57,662)	(78,867)
Net Cash Provided by Operating Activities	30,413	6,318	36,731	60,200
Cash Flows from Non-Capital Financing Activities:				
Operating Transfers to Other Funds	-	(2,727)	(2,727)	(4,489)
Net Cash Used for Non-Capital Financing Activities	-	(2,727)	(2,727)	(4,489)
Cash Flows from Investing Activities:				
Sale of Investments	372,686	-	372,686	-
Purchase of Investments	(415,000)	-	(415,000)	(840,686)
Earnings on Investments	61,380	4,513	65,893	61,817
Net Cash Provided by Investing Activities	19,066	4,513	23,579	(778,869)
Net Increase in Cash and Cash Equivalents	49,479	8,104	57,583	(723,158)
Cash and Cash Equivalents at Beginning of Year (Restated)	127,715	143,992	271,707	901,865
Cash and Cash Equivalents at End of Year	\$ 177,194	\$ 152,096	\$ 329,290	\$ 178,707

CITY OF FINDLAY
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

Year Ended December 31, 2001

	Balance January 1, 2001	Additions	Deductions	Balance December 31, 2001
<u>Guaranteed Deposits Fund</u>				
Assets:				
Cash and Cash Equivalents	\$ 81,227	\$ 448,160	\$ (239,909)	\$ 289,478
Total Assets	<u>\$ 81,227</u>	<u>\$ 448,160</u>	<u>\$ (239,909)</u>	<u>\$ 289,478</u>
Liabilities:				
Accounts Payable	\$ 5,386	\$ 1,711	\$ (5,810)	\$ 1,287
Amounts Held as Fiduciary	75,841	448,160	(235,810)	288,191
Total Liabilities	<u>\$ 81,227</u>	<u>\$ 449,871</u>	<u>\$ (241,620)</u>	<u>\$ 289,478</u>
 <u>Municipal Court Fund</u>				
Assets:				
Cash and Cash Equivalents	\$ 59,061	\$ 3,535,714	\$ (3,509,081)	\$ 85,694
Liabilities:				
Due to Other Governments	\$ -	\$ 1,096,533	\$ (1,096,533)	\$ -
Due to Other Fund	-	1,509,039	(1,509,039)	-
Amounts Held as Fiduciary	59,061	930,142	(903,509)	85,694
Total Liabilities	<u>\$ 59,061</u>	<u>\$ 3,535,714</u>	<u>\$ (3,509,081)</u>	<u>\$ 85,694</u>
 <u>Totals - All Agency Funds</u>				
Assets:				
Cash and Cash Equivalents	\$ 59,061	\$ 3,535,714	\$ (3,509,081)	\$ 85,694
Investments	81,227	448,160	(239,909)	289,478
Total Assets	<u>\$ 140,288</u>	<u>\$ 3,983,874</u>	<u>\$ (3,748,990)</u>	<u>\$ 375,172</u>
Liabilities:				
Accounts Payable	\$ 5,386	\$ 1,711	\$ (5,810)	\$ 1,287
Amounts Held as Fiduciary	134,902	1,378,302	(1,139,319)	373,885
Total Liabilities	<u>\$ 140,288</u>	<u>\$ 1,380,013</u>	<u>\$ (1,145,129)</u>	<u>\$ 375,172</u>

GENERAL FIXED ASSETS ACCOUNT GROUP

General Fixed Assets Account Group accounts for all Fixed Inventory in the Governmental Funds. Streets, sidewalks, and storm sewers are not included in this account group, as the City does not capitalize these infrastructure items.

CITY OF FINDLAY
SCHEDULE OF GENERAL FIXED ASSETS
BY SOURCE

December 31, 2001

	<u>2001</u>
General Fixed Assets	
Land	\$ 1,867,325
Buildings	8,536,007
Improvements Other Than Buildings	312,378
Equipment	<u>8,145,381</u>
Total General Fixed Assets	<u>\$ 18,861,091</u>
Investments in General Fixed Assets from:	
Capital Projects Funds-General Obligation Bonds	\$ 7,994,617
City Income Tax Revenues designated for Capital Improvements	5,044,341
Gifts	818,397
General Fixed Assets from prior to 1983 not Identifiable by Source	<u>5,003,736</u>
Total Investment in General Fixed Assets	<u>\$ 18,861,091</u>

CITY OF FINDLAY
SCHEDULE OF GENERAL FIXED ASSETS
BY FUNCTION AND ACTIVITY

December 31, 2001

<u>Function and Activity</u>	<u>Total</u>	<u>Land</u>	<u>Buildings</u>	<u>Improvements Other than Buildings</u>	<u>Equipment</u>
Security of Persons and Property:					
Police Department/Dispatch	\$ 1,610,610	\$ -	\$ 40,603	\$ -	\$ 1,570,007
Disaster Services	117,129	-	-	-	117,129
Fire Department	2,914,997	31,765	387,938	26,845	2,468,449
Street Signs	130,538	2,431	4,022	-	124,085
Street Lights	<u>354,632</u>	<u>2,952</u>	<u>15,453</u>	<u>-</u>	<u>336,227</u>
Total Security of Persons and Property	<u>5,127,906</u>	<u>37,148</u>	<u>448,016</u>	<u>26,845</u>	<u>4,615,897</u>
Public Health and Welfare:					
Public Health Department	79,042	-	-	12,000	67,042
Cemetery Department	<u>362,760</u>	<u>33,306</u>	<u>117,034</u>	<u>52,587</u>	<u>159,833</u>
Total Public Health and Welfare	<u>441,802</u>	<u>33,306</u>	<u>117,034</u>	<u>64,587</u>	<u>226,875</u>
Leisure Time Activities:					
Park Maintenance	2,074,037	864,685	139,240	138,199	931,913
Reservoir Boating	21,512	-	-	-	21,512
Recreation Department	<u>80,440</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>80,440</u>
Total Leisure Time Activities	<u>2,175,989</u>	<u>864,685</u>	<u>139,240</u>	<u>138,199</u>	<u>1,033,865</u>
Transportation:					
Street Department	<u>1,964,886</u>	<u>1,378</u>	<u>409,245</u>	<u>-</u>	<u>1,554,263</u>
General Government:					
Council	8,452,664	930,808	7,422,472	82,747	16,637
Mayors Office	14,292	-	-	-	14,292
Auditor/Treasurer	8,835	-	-	-	8,835
Municipal Court	112,423	-	-	-	112,423
Civil Services	374	-	-	-	374
Human Resources Department	4,576	-	-	-	4,576
Computer Services	204,973	-	-	-	204,973
Service/Safety Director	24,445	-	-	-	24,445
Engineering Department	262,419	-	-	-	262,419
Building and Zoning	23,431	-	-	-	23,431
City Income Tax Department	26,795	-	-	-	26,795
Public Building Department	<u>15,281</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,281</u>
Total General Government	<u>9,150,508</u>	<u>930,808</u>	<u>7,422,472</u>	<u>82,747</u>	<u>714,481</u>
Total General Fixed Assets	<u>\$ 18,861,091</u>	<u>\$ 1,867,325</u>	<u>\$ 8,536,007</u>	<u>\$ 312,378</u>	<u>\$ 8,145,381</u>

CITY OF FINDLAY
SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS
BY FUNCTION AND ACTIVITY

Year Ended December 31, 2001

<u>Function and Activity</u>	<u>General Fixed Assets 1/1/01</u>	<u>Additions</u>	<u>Deductions</u>	<u>General Fixed Assets 12/31/01</u>
Security of Persons and Property:				
Police Department/Dispatch	\$ 1,477,116	\$ 227,238	\$ 93,744	\$ 1,610,610
Disaster Services	118,227	-	1,098	117,129
Fire Department	2,753,756	198,537	37,296	2,914,997
Street Signs	126,811	5,296	1,569	130,538
Street Lights	347,329	12,065	4,762	354,632
Total Security of Persons and Property	<u>4,823,239</u>	<u>443,136</u>	<u>138,469</u>	<u>5,127,906</u>
Public Health and Welfare:				
Public Health Department	83,965	-	4,923	79,042
Cemetery Department	363,290	15,391	15,921	362,760
Total Public Health and Welfare	<u>447,255</u>	<u>15,391</u>	<u>20,844</u>	<u>441,802</u>
Leisure Time Activities:				
Park Maintenance	1,599,894	508,603	34,460	2,074,037
Reservoir Boating	21,512	-	-	21,512
Recreation Department	84,056	-	3,616	80,440
Total Leisure Time Activities	<u>1,705,462</u>	<u>508,603</u>	<u>38,076</u>	<u>2,175,989</u>
Transportation:				
Street Department	<u>1,760,754</u>	<u>315,549</u>	<u>111,417</u>	<u>1,964,886</u>
General Government:				
Council	8,457,173	-	4,509	8,452,664
Mayors Office	25,267	-	10,975	14,292
Auditor/Treasurer	19,735	-	10,900	8,835
Law Director	182	-	182	-
Municipal Court	138,235	-	25,812	112,423
Civil Services	1,529	-	1,155	374
Human Resources Department	4,576	-	-	4,576
Computer Services	220,518	13,071	28,616	204,973
Service/Safety Director	32,441	-	7,996	24,445
Engineering Department	253,455	23,208	14,244	262,419
Building and Zoning	13,731	9,950	250	23,431
City Income Tax Department	30,405	-	3,610	26,795
Public Building Department	24,438	-	9,157	15,281
Total General Government	<u>9,221,685</u>	<u>46,229</u>	<u>117,406</u>	<u>9,150,508</u>
Total General Fixed Assets	<u>\$ 17,958,395</u>	<u>\$ 1,328,908</u>	<u>\$ 426,212</u>	<u>\$ 18,861,091</u>

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STATISTICAL SECTION

CITY OF FINDLAY

GENERAL GOVERNMENT EXPENDITURES AND OTHER USES (1)

Last Ten Fiscal Years

FISCAL YEAR	SECURITY OF PERSONS AND PROPERTY	HEALTH AND WELFARE	LEISURE TIME ACTIVITIES	TRANSPORTATION	GENERAL GOVERNMENT	CAPITAL OUTLAY	TOTAL	TRANSFERS OUT (2)
1992	\$ 7,132,720	\$ 821,957	\$ 508,117	\$ 919,420	\$ 3,137,311	\$ 1,208,986	\$ 13,728,511	676,795
1993	7,483,499	827,259	447,703	989,401	3,145,488	1,386,243	14,279,593	817,210
1994	7,475,461	803,212	497,804	1,040,651	3,600,899	2,026,603	15,444,630	974,461
1995	7,922,548	874,953	553,429	1,116,682	3,800,206	2,835,646	17,103,464	935,207
1996	8,563,774	970,508	598,474	1,173,431	4,026,826	3,631,190	18,964,203	1,509,139
1997	9,501,196	1,014,831	661,609	1,288,336	4,336,992	4,937,050	21,740,014	1,424,643
1998	9,817,349	1,030,722	654,402	1,221,917	4,420,483	1,985,443	19,130,316	1,268,077
1999	10,387,007	1,128,912	696,805	1,379,006	4,612,742	2,973,670	21,178,142	2,324,070
2000	10,805,889	1,114,922	674,902	1,499,571	4,955,208	2,902,229	21,952,721	1,835,276
2001	11,601,542	1,264,665	820,908	1,563,537	5,702,120	3,946,183	24,898,955	1,067,639

(1) Includes General and Special Revenue Funds.

(2) Transfers are only those from the General and Special Revenue funds to the other City Funds.

CITY OF FINDLAY
GENERAL GOVERNMENT REVENUES AND OTHER FINANCING SOURCES (1)

Fiscal Year	City Income Tax (3)	Other Local Taxes	Licenses and Permits	Inter-Governmental	Charges for Services	Investment Earnings	Fines		All Others	Total	Transfers In (2)
							Forfeitures	Others			
1992	\$ 7,741,004	\$ 1,678,834	\$ 48,679	\$ 2,708,177	\$ 246,073	\$ 195,319	\$ 918,866	\$ 615,827	\$ 14,152,779	\$ 164,086	
1993	8,059,578	1,852,309	70,198	3,450,930	430,604	194,002	892,019	748,781	15,698,421	234,852	
1994	8,844,417	1,865,727	72,459	3,855,446	514,029	264,070	1,066,451	720,710	17,203,309	343,892	
1995	9,516,934	2,022,747	87,440	4,029,631	570,123	546,674	1,116,847	777,739	18,668,135	204,796	
1996	9,881,857	2,146,679	82,631	3,778,635	474,630	629,300	1,231,933	1,132,455	19,358,120	754,656	
1997	10,612,877	2,286,406	102,034	3,642,035	470,116	725,230	1,263,007	954,200	20,055,905	404,086	
1998	11,971,583	2,421,604	110,535	4,009,104	523,498	580,976	1,407,323	1,248,658	22,273,281	327,989	
1999	13,039,592	2,670,514	96,613	4,358,959	466,650	688,561	1,441,953	904,049	23,666,891	346,356	
2000	13,210,815	2,671,228	104,710	4,086,594	528,254	957,950	1,437,798	981,262	23,978,611	322,537	
2001	14,806,202	2,876,539	256,264	4,489,752	528,138	769,202	1,378,926	1,130,911	26,235,934	683,384	

(1) Includes General and Special Revenue Funds.

(2) Transfers are only those from other City Funds to General and Special Revenue Funds.

(3) The amount of cash collected in 2001, 2000, 1999, 1998, 1997, 1996, 1995, 1994, 1993, and 1992 was \$14,360,692, \$13,097,275, \$13,122,926, \$11,720,360, \$10,530,692, \$9,958,154, \$9,447,944, \$9,367,598, \$8,061,146, and \$7,507,002, respectively. The difference between the amount collected and the revenues recognized is the change in receivables for income taxes withheld in the fourth quarter and remitted to the City in the first quarter of the following year.

CITY OF FINDLAY
 PROPERTY TAX LEVIES AND COLLECTIONS
 REAL ESTATE AND PUBLIC UTILITY
 Last Ten Fiscal Years

COLLECTION YEAR	BILLED (1)	COLLECTED (2)	% COLLECTED
1992	\$ 1,163,535	\$ 1,171,864	100.7%
1993	1,366,334	1,337,032	97.9%
1994	1,380,583	1,346,776	97.6%
1995	1,419,700	1,384,231	97.5%
1996	1,564,762	1,514,910	96.8%
1997	1,608,999	1,565,917	97.3%
1998	1,634,566	1,599,203	97.8%
1999	1,896,708	1,841,703	97.1%
2000	1,949,594	1,879,701	96.4%
2001	1,992,482	1,956,575	98.2%

Source: Hancock County Auditor

- (1) The amounts shown as billed are inclusive of outstanding delinquencies billed and the state reimbursement (rollback) amounts. The amounts are exclusive of any special assessments.
- (2) The collected amounts in the above table include the collection of delinquent taxes, which amounts cannot be segregated from current year collections based upon the County Auditor's records. The outstanding delinquencies as they relate to the City also could not be determined from the County Auditor's records as delinquencies are kept on the County Auditor's records in a total amount for the entire county.

CITY OF FINDLAY
 PERSONAL PROPERTY TAX LEVIES AND COLLECTIONS
 Last Ten Fiscal Years

COLLECTION YEAR	BILLED (1)	COLLECTED (2)	% COLLECTED
1992	\$ 329,609	\$ 343,069	104.1%
1993	336,773	335,484	99.6%
1994	365,618	335,152	91.7%
1995	384,440	429,696	111.8%
1996	429,149	421,722	98.3%
1997	433,622	479,082	110.5%
1998	502,047	516,610	102.9%
1999	527,992	516,903	97.9%
2000	486,134	476,429	98.0%
2001	613,077	614,527	100.2%

Source: Hancock County Auditor

- (1) The amounts shown as billed are the totals of the tax bills as mailed to the taxpayers by the County Treasurer.
- (2) The collected amounts in the above table include the collection of delinquent taxes, which amounts cannot be segregated from current year collections based upon the County Auditor's records. The outstanding delinquencies as they relate to the City also could not be determined from the County Auditor's records as delinquencies are kept on the County Auditor's records in a total amount for the entire county.

CITY OF FINDLAY
 ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 Last Ten Fiscal Years

CALENDAR YEAR (1)	REAL ESTATE OTHER THAN PUBLIC UTILITY (2)		PUBLIC UTILITY REAL AND TANGIBLE PERSONAL PROPERTY (3)		TANGIBLE PERSONAL PROPERTY OTHER THAN PUBLIC UTILITY (4)		TOTAL	ESTIMATED ACTUAL VALUE (5)
	PUBLIC UTILITY (2)	REAL AND TANGIBLE PERSONAL PROPERTY (3)	PUBLIC UTILITY (3)	REAL AND TANGIBLE PERSONAL PROPERTY (3)	TANGIBLE PERSONAL PROPERTY OTHER THAN PUBLIC UTILITY (4)	TANGIBLE PERSONAL PROPERTY OTHER THAN PUBLIC UTILITY (4)		
1993 (6)	\$ 383,589,810	\$ 31,810,230	\$ 103,002,863	\$ 518,402,903	\$ 1,481,151,151			
1994	391,700,050	30,175,890	105,241,494	527,117,434	1,506,049,811			
1995	403,778,590	30,201,300	114,255,574	548,235,464	1,566,387,040			
1996	448,014,540	28,350,120	120,137,602	596,502,262	1,704,292,177			
1997	460,980,100	28,205,530	134,109,133	623,294,763	1,934,109,760			
1998	472,667,350	28,093,070	153,103,629	653,864,049	2,043,158,573			
1999 (6)	551,462,520	28,395,260	156,889,861	736,747,641	2,284,295,958			
2000	564,268,950	25,705,800	164,997,670	754,972,420	2,345,632,822			
2001	574,141,030	26,603,490	151,916,904	752,661,424	2,324,080,530			
2002	611,410,130	20,339,970	191,586,739	823,336,839	2,571,347,241			

Source: Hancock County Auditor

- (1) Valuations are amounts for collection year.
- (2) Real property taxes collected in a calendar year are levied as of January 1 of that year based on the assessed values as of January 1 of the preceding year.
- (3) Public utility real and tangible personal property taxes collected in a calendar year are levied in the preceding calendar year based on assessed values determined as of December 31 of the second preceding year.
- (4) Tangible personal property taxes collected in a calendar year are levied in the same calendar year as assessed on values at the close of the most recent fiscal year of the taxpayer (ending on or before March 31st of such calendar year) at tax rates determined in the preceding year.
- (5) Real Estate assessed value is 35% of appraised value and Tangible Personal Property assessed value is 25% of appraised value by state statute.
- (6) Sexennial update of property values, effective in tax collection year 1993 and 1999.

CITY OF FINDLAY
 PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
 (per \$1,000 Assessed Valuation)

Last Ten Fiscal Years

CALENDAR YEAR COLLECTED (1)	CITY	HANCOCK COUNTY	HANCOCK COUNTY PARK DISTRICT	FINDLAY CITY SCHOOL DISTRICT	TOTAL
1993	3.20	4.98	0.80	48.75	57.73
1994	3.20	4.95	0.80	48.65	57.60
1995	3.20	4.91	0.80	53.35	62.26
1996	3.20	4.90	0.80	53.35	62.25
1997	3.20	5.18	0.80	53.35	62.53
1998	3.20	5.18	0.80	53.35	62.53
1999	3.20	5.14	0.80	53.35	62.49
2000	3.20	5.15	0.80	53.35	62.50
2001	3.20	5.14	0.80	53.35	62.49
2002	3.20	5.12	0.80	53.35	62.47

Source: Hancock County Auditor

(1) Property tax rates are the rates for the respective years of collection.

CITY OF FINDLAY
 PRINCIPAL TAXPAYERS
 REAL ESTATE AND PUBLIC UTILITY

DECEMBER 31, 2001

TAXPAYER	ASSESSED VALUES	PERCENTAGE OF TOTAL ASSESSED VALUATION
Ohio Power Company	\$ 12,581,480	1.53%
Marathon Oil/Petroleum Company	11,616,120	1.41%
Cooper Tire & Rubber Company	7,798,280	0.95%
Findlay Shopping Center, Inc.	5,830,950	0.71%
Ohio Bell Telephone Company	5,580,600	0.68%
Logistics Solutions of Ohio	3,588,720	0.44%
Best Buy Distribution Center	2,768,240	0.34%
GE Subsidiary, Inc. 50 (Intersil)	2,388,040	0.29%
Lowe's Home Centers Inc. (Retail Store)	2,384,000	0.29%
LP Investment Company	<u>2,343,930</u>	<u>0.28%</u>
	<u>\$ 56,880,360</u>	<u>6.92%</u>

Source: Hancock County Auditor

CITY OF FINDLAY
SPECIAL ASSESSMENT COLLECTIONS
Last Ten Fiscal Years

FISCAL YEAR	CURRENT ASSESSMENTS DUE	TOTAL ASSESSMENTS COLLECTED (1)	RATE OF COLLECTIONS TO AMOUNT DUE	TOTAL OUTSTANDING ASSESSMENTS
1992	\$ 34,227	\$ 54,042	157.9%	\$ 59,785
1993	37,437	37,456	100.1%	25,177
1994	24,631	24,214	98.3%	189,102
1995	26,927	27,254	101.2%	416,837
1996	57,010	58,498	102.6%	358,339
1997	51,674	57,380	111.0%	300,959
1998	37,087	36,649	98.8%	573,398
1999	75,427	76,569	101.5%	492,933
2000	64,044	64,683	101.0%	428,250
2001	81,631	77,017	94.3%	573,926

Source: Hancock County Auditor

(1) The collected amounts in the above table include the collection of delinquent assessments and the collection of assessments paid in advance of the actual due date.

CITY OF FINDLAY
 COMPUTATION OF LEGAL DEBT MARGINS
 DECEMBER 31, 2001

DIRECT DEBT LIMITATION		
Assessed Valuation		<u>\$ 823,336,839</u>
Overall Debt Limitation (10 1/2% of assessed valuation)		\$ 86,450,368
TOTAL INDEBTEDNESS:	\$ 70,992,883	
Less Debt outside Limitations (1) -		
Water General Obligation Bonds	\$ 8,945,000	
Sewer General Obligation Bonds	13,970,000	
OEPA Loans	32,488,635	
Ohio Public Works Commission Loan	173,248	
Water Refunding Bonds - 1995 Issue	10,910,000	
Airport General Obligation Bonds	410,000	
Special Assessment Bonds	<u>451,000</u>	
Total Outside Limits	<u>67,347,883</u>	
Debt subject to 10 1/2% Limitation	3,645,000	
Less:		
Debt Service Fund Balance	<u>103,115</u>	
Net Debt Subject to 10 1/2% Limitation		<u>3,541,885</u>
Legal Debt Margin Within 10 1/2% Limitation		<u>\$ 82,908,483</u>
INDIRECT DEBT LIMITATION		
Unvoted Debt Limitation (5 1/2% of assessed valuation)		\$ 45,283,526
TOTAL INDEBTEDNESS:	\$ 70,992,883	
Less Debt Outside Limitations (1) -	<u>67,347,883</u>	
Debt subject to 5 1/2% Limitation	3,645,000	
Less:		
Debt Service Fund Balance	<u>103,115</u>	
Net Debt Service subject to 5 1/2% Limitation		<u>3,541,885</u>
Legal Debt Margin within 5 1/2% Limitation		<u>\$ 41,741,641</u>

(1) The above debt limitations are established by Section 133.03 of the Ohio Revised Code. Excluded from these limitations are special assessment bonds and notes because they are supported by levies against specifically benefited properties. Also excluded from these limitations is Enterprise Fund debt to the extent the related debt service costs are supported by the net operating revenues of the individual funds. All Airport, Water, and Water Pollution Control debt is self-supporting and therefore not subject to the debt limitations established by Section 133.03 of the Ohio Revised Code.

CITY OF FINDLAY

COMPUTATION OF DIRECT AND OVERLAPPING DEBT

DECEMBER 31, 2001

JURISDICTION	ASSESSED VALUATION	GENERAL OBLIGATION DEBT	PERCENT APPLICABLE TO CITY OF FINDLAY (1)	AMOUNT APPLICABLE TO CITY OF FINDLAY
City of Findlay	\$ 823,336,839	\$ -	- (2)	\$ -
Hancock County	1,489,422,468	11,652,000	54.23%	6,318,879
Findlay City School District	779,493,726	-	93.67%	-
Liberty-Benton Local School District	128,931,262	5,528,427	17.55%	970,238
Van Buren Local School District	218,691,220	<u>11,325,000</u>	20.50%	<u>2,321,625</u>
		\$ <u>28,505,427</u>		\$ <u>9,610,742</u>

(1) Source: Ohio Municipal Advisory Council

(2) The City has no General Obligation Debt which is supported by general property tax receipts.

CITY OF FINDLAY

DEBT SERVICE COVERAGE FOR ENTERPRISE FUND DEBT (1)

Last Ten Fiscal Years

FISCAL YEAR	GROSS REVENUES	DIRECT OPERATING EXPENSES (2)	NET REVENUE AVAILABLE FOR DEBT SERVICE	DEBT SERVICE REQUIREMENTS (3)			TOTAL	COVERAGE
				PRINCIPAL	INTEREST	TOTAL		
1992	\$ 9,114,100	\$ 5,089,127	\$ 4,024,973	\$ 920,000	\$ 2,605,744	\$ 3,525,744	1.14	
1993	10,348,042	5,149,271	5,198,771	1,030,128	2,786,573	3,816,701	1.36	
1994	10,780,490	5,303,846	5,476,644	1,229,782	2,542,752	3,772,534	1.45	
1995	11,225,536	5,431,484	5,794,052	1,247,929	2,537,844	3,785,773	1.53	
1996	10,721,445	5,841,884	4,879,561	1,516,228	2,002,443	3,518,671	1.39	
1997	11,482,769	6,473,213	5,009,556	1,589,689	2,162,064	3,751,753	1.34	
1998	13,008,877	6,831,392	6,177,485	2,083,317	2,139,558	4,222,875	1.46	
1999	13,303,935	7,134,087	6,169,848	2,217,121	2,137,338	4,354,459	1.42	
2000	14,380,162	7,484,038	6,896,124	2,320,073	2,014,519	4,334,592	1.59	
2001	14,934,831	8,330,582	6,604,249	2,423,218	2,652,004	5,075,222	1.30	

(1) Water Fund, Water Pollution Control Fund, and Airport Fund.

(2) Depreciation expense and the loss on disposal of fixed assets have not been included in direct operating expenses in the above table as they do not require the outlay of working capital.

(3) Represents debt service payments made in the respective year.

CITY OF FINDLAY
PROPERTY VALUE, CONSTRUCTION, AND BANK DEPOSITS
Last Ten Fiscal Years

FISCAL YEAR	PROPERTY VALUE	COMMERCIAL		RESIDENTIAL		CONSTRUCTION VALUE (1)	CONSTRUCTION VALUE (1)	BANK DEPOSITS (2)
		NUMBER OF UNITS	NUMBER OF UNITS	NUMBER OF UNITS	NUMBER OF UNITS			
1992	\$ 954,970,800	137	361	\$ 12,709,907	\$ 13,683,850	\$ 716,662,000		
1993	1,095,970,885	123	367	16,045,106	23,706,705	655,619,000		
1994	1,119,143,000	127	325	15,708,458	13,745,571	676,286,000		
1995	1,153,653,114	99	392	32,092,584	21,094,213	677,990,000		
1996	1,280,041,542	102	377	16,832,097	21,463,137	666,501,000		
1997	1,317,086,000	117	562	28,332,110	27,885,972	708,092,000		
1998	1,350,478,142	163	657	34,823,784	37,219,838	725,770,000		
1999	1,575,607,200	137	540	32,084,295	25,894,507	736,464,000		
2000	1,612,197,000	111	525	78,267,638	24,194,546	796,580,000		
2001	1,640,402,942	97	649	19,521,233	41,728,176	804,542		

(1) Source: City of Findlay Engineering Department

(2) Source: FDIC Market Share Report for all of Hancock County as of June 30 of each year

CITY OF FINDLAY
 FIFTEEN LARGEST EMPLOYERS
 DECEMBER 31, 2001

EMPLOYER	BUSINESS	NUMBER OF EMPLOYEES
Whirlpool Corporation	Home Appliances	2,000 (1)
Cooper Tire & Rubber Company	General Offices & Tire Manufacturing	1,994
Blanchard Valley Hospital	Hospital Service	1,288
Marathon Ashland Petroleum LLC	Petroleum Products	1,283
Kohl's Distribution Center	Retail Distribution Center	932
Findlay City Schools	Education	791
Hancock County	County Government	626
Findlex Corporation	Automotive & Recreational Vehicle Brake Components	584
University of Findlay	Education	519
HiSan Corporation	Automotive - Small Tubing	480
Ball Metal Container Group	Beverage Cans	457 (1)
Meijer	Department Store	432
Wal-Mart	Department Store	424
Best Buy Company	Distribution Center	403
Intersil Corporation	Semi-Conductors	399

(1) Located outside City limits, but major source of employment for Findlay residents.

CITY OF FINDLAY
 MISCELLANEOUS STATISTICS
 DECEMBER 31, 2001

Founded in 1812 as Fort Findlay	
Form of Government	Mayor-Council
Area in Square Miles	18.0076
Miles of Streets	179.29
Population (2000 census)	38,967
Unemployment Rate	3.08%
Number of Full-time Employees (including Police & Fire)	364
FIRE PROTECTION:	
Number of Stations	4
Number of Firefighters	73
POLICE PROTECTION:	
Number of Stations	1
Number of Police Officers	69
Number of Auxiliary Police Officers	20
WATER AND WASTEWATER UTILITIES:	
Number of Accounts	16,330
Average Daily Water Consumption (gallons)	6,406,000
Reservoir Capacity (gallons)	6.4 billion
Miles of Water Mains	274.5
Water Treatment Plants	1
Miles of Sanitary Sewer Lines	261.7
Sewerage Treatment Plants	1
RECREATION:	
Number of Parks	17 (318.1 acres)
Findlay Reservoir (Boating and Fishing)	775 acres
Ballfields (Baseball and Softball)	28
Tennis Courts, Volleyball & Basketball	26 (2 lighted)
Soccer Fields	23
Swimming Pool	1
EDUCATION ENROLLMENT:	
Findlay City School District (grades K-12)	6,428
St. Michael's Catholic School (grades K-8)	545
University of Findlay	4,889
Winebrenner Theological Seminary	119
Owens Community College	2,158
Southern Ohio College	241

CITY OF FINDLAY
COMPLIANCE INFORMATION
SECURITIES AND EXCHANGE COMMISSION RULE
15c2-12

In compliance with the S.E.C. rule, the City of Findlay submits the following regarding its outstanding obligations.

Description of Material Events

1. There were no delinquencies of principal and/or interest payments.
2. There were no non-payment related defaults.
3. There were no unscheduled draws on debt service reserves reflecting financial difficulties.
4. There were no unscheduled draws on credit enhancements reflecting financial difficulties.
5. There was no substitution of credit or liquidity providers, nor was there a failure to perform.
6. There have been no adverse tax opinions affecting the tax exempt status of any of the City's outstanding obligations.
7. There were no modifications to rights of bond holders.
8. There were no calls of the City's outstanding obligations during 2001.
9. The City did not defease any bonds in 2001.
10. The City did not release, substitute or sell any property securing repayment of its obligations.
11. The City has a credit rating for General Obligation bonds from Moody's Investors Services, Inc. of Aa3. The City also has a rating from Standard and Poors Corporation of AA-.

In order to provide full disclosure, this Comprehensive Annual Financial Report will be sent to the Municipal Securities Rulemaking Board, all nationally recognized municipal securities information repositories (NRMSIRS), and to the Ohio Municipal Advisory Council.

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STATE OF OHIO
OFFICE OF THE AUDITOR

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CITY OF FINDLAY
HANCOCK 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 22, 2002**