

CITY OF TOLEDO
Toledo, Ohio

**REPORTS ISSUED PURSUANT TO
THE OMB CIRCULAR A-133
December 31, 2001**



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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The Honorable Mayor Jack M. Ford
and Members of City Council
City of Toledo
Toledo, Ohio 43604

We have reviewed the Independent Auditor's Report of the City of Toledo, Lucas County, prepared by Clifton Gunderson LLP, 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 Toledo 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 7, 2002

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**Independent Auditor's Report on Compliance and on Internal Control
Over Financial Reporting based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards***

The Honorable Mayor Jack M. Ford and
Members of City Council
City of Toledo
Toledo, Ohio

We have audited the general-purpose financial statements of the City of Toledo, Ohio (the City) as of and for the year ended December 31, 2001, and have issued our report thereon dated May 24, 2002. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the City's 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 no instances of noncompliance that are required to be reported under *Government Auditing Standards*. We noted certain immaterial instances of noncompliance that we have reported to management of the City in a separate letter dated May 24, 2002.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general-purpose financial statements and not to provide assurance on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the City's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. A reportable condition is described in the accompanying schedule of findings and questioned costs as item 01-1.

The Honorable Mayor Jack M. Ford and
Members of City Council
City of Toledo

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe the reportable condition described above is not a material weakness. We also noted other matters involving the internal control over financial reporting that we have reported to management of the City in a separate letter dated May 24, 2002.

This report is intended solely for the information and use of the Mayor, City Council, management, Audit Committee, others within the organization, 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.

Clifton Gunderson LLP

Toledo, Ohio
May 24, 2002

**Independent Auditor's Report on Compliance with Requirements
Applicable to Each Major Program, Internal Control Over
Compliance and Schedule of Expenditures of Federal Awards
in Accordance With OMB Circular A-133**

The Honorable Mayor Jack M. Ford and
Members of City Council
City of Toledo
Toledo, Ohio

Compliance

We have audited the compliance of the City of Toledo, Ohio (the City) with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended December 31, 2001. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

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

As described in items 01-2 and 01-3 in the accompanying schedule of findings and questioned costs, the City did not comply with requirements regarding cash management and allowable costs/cost principles that are applicable to its Brownfield Pilot Grant and Brownfield Job Training Development Pilot Grant. Compliance with such requirements is necessary, in our opinion, for the City to comply with requirements applicable to that program.

In our opinion, except for the noncompliance described in the preceding paragraph, the City complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2001.

The Honorable Mayor Jack M. Ford and
Members of City Council
City of Toledo
Toledo, Ohio

Internal Control over Compliance

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

We noted certain matters involving the internal control over compliance and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in our judgment, could adversely affect the City's ability to administer a major federal program in accordance with applicable requirements of laws, regulations, contracts and grants. Reportable conditions are described in the accompanying schedule of findings and questioned costs as items 01-2 and 01-3.

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. Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe none of the reportable conditions described above is a material weakness.

Schedule of Expenditures of Federal Awards

We have audited the general-purpose financial statements of the City of Toledo, Ohio as of and for the year ended December 31, 2001, and have issued our report thereon dated May 24, 2002. Our audit was performed for the purpose of forming an opinion on the general-purpose financial statements taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the general-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general-purpose financial statements taken as a whole.

This report is intended solely for the information and use of the Mayor, City Council, management, Audit Committee, others within the organization, 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.

Clifton Gunderson LLP

Toledo, Ohio
May 24, 2002

CITY OF TOLEDO, OHIO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2001

Federal Grantor Agency/ Pass-Through Entity/ Cluster Title/ Program Title/ Project Title	CFDA Number	Grantor's Number	Total Cash Non-cash Federal Awards Expended
U.S. Department of Housing and Urban Development (HUD):			
Direct Grants			
Community Development Block Grants/Entitlement Grants	14.218	B-94-MC-39-0021	\$ 331
		B-97-MC-39-0021	13,235
		B-98-MC-39-0021	18,207
		B-99-MC-39-0021	53,293
		B-00-MC-39-0021	919,365
		B-01-MC-39-0021	4,651,617
		B-02-MC-39-0021	5,709,039
Sub-total CFDA 14.218			<u>11,365,087</u>
Special Purpose Grants Program	14.227	OH-12-SPG-25	17,569
Economic Development Initiative Grant		B-98-SP-OH-0111	185,710
		B-99-SP-OH-0111	105,000
		B-00-SP-OH-0111	635,935
		B-01-SP-OH-0111	100,000
			<u>1,044,214</u>
Lead Based Paint Grant		OHLHB014799	88,525
Sub-total CFDA 14.227			<u>1,132,739</u>
Emergency Shelter Grants Program	14.231	S99-MC-30-0021	7,427
		S00-MC-39-0021	221,198
		S01-MC-39-0021	148,407
Sub-total CFDA 14.231			<u>377,032</u>
Supportive Housing Program	14.235	S97-MC-39-0021	412,282
		S98-MC-39-0021	525,985
		S99-MC-39-0021	494,731
		S00-MC-39-0021	12,280
Sub-total CFDA 14.235			<u>1,445,278</u>
Home Investment Partnership Programs	14.239	M-99-MC-39-0021	313,787
		M-00-MC-39-0021	1,582,710
		M-01-MC-39-0021	722,226
Sub-total CFDA 14.239			<u>2,618,723</u>
Passed through			
Lucas County Metropolitan Housing Authority			
Public and Indian Housing Drug Elimination Program	14.854	-	197,477
Total U.S. Department of HUD			<u>17,136,336</u>

This financial schedule should be read only in connection with
the accompanying notes to the schedule of expenditures of federal awards

CITY OF TOLEDO, OHIO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2001

Federal Grantor Agency/ Pass-Through Entity/ Cluster Title/ Program Title/ Project Title	CFDA Number	Grantor's Number	Total Cash Non-cash Federal Awards Expended
U.S. Department of Justice:			
Direct Grants			
Office of Justice Programs			
Domestic Preparedness Equipment Support Program	16.007	-	\$ 99,960
Criminal Justice Coordinating Council			
Juvenile Justice and Delinquency Prevention Program	16.540	00-DG-B01-B1006	10,266
Bureau of Justice Assistance			
Local Law Enforcement Block Grant Programs	16.592		
		98-LB-VX-2545	14,532
		99-LB-VX-8674	635,352
		00-LB-BX-2490	575,229
		01-LB-BX-1785	3,865
Sub-total for CFDA 16.592			<u>1,228,978</u>
Bulletproof Vest Partnership Program	16.607	-	9,605
Bulletproof Vest Partnership Program		-	10,125
Sub-total for CFDA 16.607			<u>19,730</u>
Public Safety Partnership	16.710	-	357,526
Community Policing Grant		97-OC-WX-0093	45,210
Sub-total for CFDA 16.710			<u>402,736</u>
Office of National Drug Control Policy			
High Intensity Drug Trafficking Area Grant (HIDTA)	16.728	-	1,787
Passed through			
Ohio Office of Criminal Justice Services/Criminal Justice Coordinating Council			
JuvenileAccountability Incentive Block Grant	16.523	00-JB-010-C103	29,108
Byrne Memorial State and Local Law Enforcement Assistance Program	16.580		
		00-DG-B01-7631	82,518
		00-DG-B02-B1002	78,405
Sub-total for CFDA 16.580			<u>160,923</u>
Violence Against Women Formula Grant	16.588		
		99-WF-VA3-8841	13,173
		99-WF-VA3-8842	48,365
		00-WF-VA3-8841	12,781
Sub-total for CFDA 16.588			<u>74,319</u>
Organized Neighbors Yielding Excellence (ONYX):			
Weed and Seed Strategy Grant	16.595	-	2,437
Weed and Seed Asset Forfeiture Grant			51
Weed and Seed Asset Forfeiture Grant			26,291
Sub-total for CFDA 16.595			<u>28,779</u>
Total U.S. Department of Justice			<u>2,056,586</u>

This financial schedule should be read only in connection with
the accompanying notes to the schedule of expenditures of federal awards

CITY OF TOLEDO, OHIO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2001

Federal Grantor Agency/ Pass-Through Entity/ Cluster Title/ Program Title/ Project Title	CFDA Number	Grantor's Number	Total Cash Non-cash Federal Awards Expended
U.S. Department of Transportation:			
Passed through			
Ohio Department of Transportation			
Highway Planning and Construction Grants	20.205		
Jeep Transportation		-	\$ 152,933
Widening and Reconstruction of Lewis Avenue		-	724,786
Manhattan Reconstruction		-	2,782
Summit Street Enhancement		-	1,471
Lagrange Street Enhancement		-	276,783
Improvement of Holland-Sylvania Road		-	760,033
Sub-total for CFDA 20.205			<u>1,918,788</u>
Ohio Department of Highway Safety - Office of the Governor's Highway Safety Representative:	20.600		
Selective Traffic Enforcement Program Grant		-	79,524
Responsible Educated Driver Project		-	24,819
Sub-total for CFDA 20.600			<u>104,343</u>
Total U.S. Department of Transportation			<u>2,023,131</u>
U.S. Environmental Protection Agency (EPA):			
Direct Grants			
Brownfield Pilot Grant	66.811		91,728
Brownfield Job Training Development Pilot Grant		-	81,618
Sub-total for CFDA 66.811			<u>173,346</u>
Passed through			
State of Ohio Environmental Protection Agency/Division of Environmental Services	66.001		
1998 Air Pollution Control Program Support		BG985692-98	857
1999 Air Pollution Control Program Support		BG985692-99	3,727
Air Pollution Control Program		-	124,297
Air Pollution Control Program		-	191,234
Air Pollution Control Program		-	51,019
International Council for Local Environmental Initiatives			
Climate Protection Program	66.001	-	4,715
Sub-total for CFDA 66.001			<u>375,849</u>
Total U.S. EPA			<u>549,195</u>

This financial schedule should be read only in connection with
the accompanying notes to the schedule of expenditures of federal awards

CITY OF TOLEDO, OHIO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2001

Federal Grantor Agency/ Pass-Through Entity/ Cluster Title/ Program Title/ Project Title	CFDA Number	Grantor's Number	Total Cash Non-cash Federal Awards Expended
U.S. Department of Health and Human Services:			
Passed through			
State Department of Health			
Preventative Health and Health Services Block Grant	93.991	-	\$ 40,568
Total U.S. Department of Health and Human Services			<u>40,568</u>
Corporation for National and Community Service:			
Direct Grant			
Rebuild America	94.004	DE-FG-45-96R530327	100,000
Martin Luther King Student Day and the P.E.A.C.E. Day Conference		-	<u>92</u>
Total Corporation for National and Community Service			<u>100,092</u>
Total Federal Awards Expended			<u><u>\$21,905,908</u></u>

This financial schedule should be read only in connection with
the accompanying notes to the schedule of expenditures of federal awards

CITY OF TOLEDO, OHIO
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the year ended December 31, 2001

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the City of Toledo and is presented on the modified accrual basis of accounting, which is described in Note 1(c) to the City of Toledo, Ohio's (the City) general-purpose financial statements. The information in this schedule is presented in accordance with requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the general-purpose financial statements.

NOTE 2 – SUBRECIPIENTS

The City provided federal awards to various subrecipients on a pass through basis as follows:

<u>Program</u>	<u>CFDA Number</u>	<u>Amount</u>
U.S. Department of Housing and Urban Development		
Community Development Block Grant/Entitlement Grant	14.218	\$ 3,038,566
Economic Development Initiative	14.227	288,970
Special Purpose Grants	14.227	203,279
Emergency Shelter Grants	14.231	377,032
Supportive Housing Grants	14.235	1,445,278
Home Investment Partnership Program	14.239	2,172,895
Department of Justice/Ohio Office of Criminal Justice		
Services/ Criminal Justice Coordinating Council		
Juvenile Justice and Delinquency Prevention	16.540	<u>10,266</u>
	Total Passed Through	<u>\$ 7,536,286</u>

NOTE 3 – LOANS OUTSTANDING

The City had loan balances outstanding to Federal Agencies at December 31, 2001, which had continuing compliance requirements as follows:

<u>Outstanding Loan Balances</u>	<u>Amount</u>
JEEP Project 108 Loan Guaranteed Fixed Note	\$ 22,655,000
PICO-NIP	<u>925,000</u>
Total	<u>\$ 23,580,000</u>

This information is an integral part of the accompanying schedule.

CITY OF TOLEDO, OHIO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year ended December 31, 2001

SUMMARY

1. The auditor's report expresses an unqualified opinion on the general-purpose financial statements of the City.
2. One reportable condition relating to the audit of the financial statements is reported in the *Report of Compliance and Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements of the City were disclosed during the audit.
4. The auditor's report on compliance for the major Federal award programs for the City expresses an unqualified opinion.
5. Two audit findings relative to a major Federal award program for the City are reported in the Findings and Questioned Costs – Single Audit section of this schedule.
6. The following programs were tested as major programs:

Community Development Block Grants/Entitlement Grants	14.218
Brownfield Pilot Grant	66.811
Brownfield Job Training Development Pilot Grant	66.811
7. The threshold for distinguishing Type A and B programs was \$657,177. The HUD 108 loan guarantee notes, which occur rarely, were excluded for the purpose of the threshold calculation since inclusion of this amount would have distorted the normally occurring activity of the City.
8. The City was not determined to be a low-risk auditee.

FINANCIAL STATEMENT AUDIT

Reference 01-1 – Investment Portfolio

Criteria

The City manages an investment portfolio of approximately \$210 million.

CITY OF TOLEDO, OHIO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year ended December 31, 2001

FINANCIAL STATEMENT AUDIT (CONTINUED)

Reference 01-1 – Investment Portfolio, Continued

Condition

The City has a concentration of duties with respect to the investment responsibilities and authority. Presently, the Cash Management Officer has responsibilities including: the selecting of investment securities, authorizing investment transaction with financial institutions, journalizing the investment activity in the general ledger and performing the wire transfers. This individual is also responsible for investment activity compliance with the municipal code and for verifying financial institutions have appropriate collateralization of the City's investment holdings. The Cash Management Officer prepares an investment authorization form daily; however, it appears the Commissioner of Treasury and Taxation and the Director of Finance do not approve this form until several days after the transaction.

Effect

This condition increases the possibility that errors or irregularities may occur and not be detected in a timely manner.

Recommendation

We recommend a detective control be implemented whereby the trade confirmations be mailed directly from the financial institution to an individual outside of the Treasury department. This individual would compare the trade confirmation to the investment activity recorded by the Cash Management Officer. When a lack of segregation of duties condition exists, management's, as well as the City's investment committee's, close supervision and review of accounting information is one of the best means of presenting and detecting errors and irregularities.

We also recommend the City cross-train another individual in Treasury to management the investment portfolio. Presently, there is no individual familiar with the responsibilities to perform this function efficiently, other than the current Cash Management Officer.

City Response

Management concurs with the recommendation to have the investment confirmation sent to a designated individual in the Division of Accounts who is associated with the bank reconciliation process. This is already happening with wire transfer confirmations. This will allow additional verification of investment transactions by someone not directly involved in their purchase.

Management also agrees that there is a need for additional training of a second individual in the investment function to provide effective backup for the Cash Management Officer. In light of some upcoming retirements in the Division of Taxation and Treasury, this becomes even more critical.

CITY OF TOLEDO, OHIO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended December 31, 2001

FINDINGS – SINGLE AUDIT

Reference 01-2 – Allowable Costs/Cost Principles for the Brownfield Pilot Grant and Job Training Development Pilot Grant

Grant from the U.S. Environmental Protection Agency
Brownfield Pilot Grant
Brownfield Job Training Development Pilot Grant
CFDA 66.811

Criteria

Federal awards are to be expended only for allowable activities and that the costs of goods and services charged to Federal awards are in accordance with the program requirements.

Condition

The City does not maintain adequate supporting documentation for salary expenditures charged to the program.

Effect

Supporting documentation must be maintained for all expenditures charged to federal programs. Budgeted amounts submitted to federal agencies for funding must be supported by adequate documentation.

Recommendation

Program personnel should maintain sufficient records supporting expenditures charged to the program.

City Response

Upon review of current practices and discussions with the auditors, the Division of Environmental Services will adopt payroll accounting procedures similar to those in use for the Ohio EPA Annual Operating Grants. Hours spent on these projects will be maintained so as to be in compliance with the recommendations of the auditors and in compliance with Federal EPA reporting guidelines.

CITY OF TOLEDO, OHIO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended December 31, 2001

FINDINGS – SINGLE AUDIT (CONTINUED)

Reference 01-3 – Cash Management for the Brownfield Pilot Grant and the Brownfield Job Training Development Pilot Grant

Grant from the U.S. Environmental Protection Agency
Brownfield Pilot Grant
Brownfield Job Training Development Pilot Grant
CFDA 66.811

Criteria

Cash management requires the draw down of federal cash be only for the immediate needs relating to the program.

Condition

The programs do not maintain adequate supporting documentation for draw-downs from the U.S. Environmental Protection Agency.

Effect

Schedules must be maintained documenting the cash draw-downs, including the date and amount and all supporting expenses to substantiate the request from the U.S. Environmental Protection Agency.

Recommendation

We recommend program personnel maintain sufficient documentation regarding the cash draw-downs.

City Response

Current practice will be changed and cash draw-down requests will now be structured as reimbursements as per our discussion with the auditors. The Division of Environmental Services will maintain time and cost accounting procedures as they are maintained for reporting on the Ohio EPA Annual Operating Grants. Documentation of draw-down requests will be maintained to be in compliance with Federal EPA reporting guidelines.

CITY OF TOLEDO, OHIO
SUMMARY OF PRIOR AUDIT FINDINGS
Year Ended December 31, 2001

FINANCIAL STATEMENT AUDIT

Reference 00-1 – Computer System Back-Ups

Criteria

The City requires computer systems which efficiently and effectively process data.

Condition

The Alpha server, which processes Oracle-based systems, including the ROSS financial system, requires a two-step process to complete a back-up of data and indexes. However, due to performance limits of the current tape back-up equipment, full back-ups of the Oracle data tables occur only every three months.

Back-ups are performed nightly for the Municipal Income Tax Information System (MITIS) income tax system and secured off-site on a weekly schedule.

Effect

The speed of current tape back-up equipment prevents the City from completing thorough back-ups in a timely manner. Timely and thorough back-ups are required to minimize the risks of loss of data. The current equipment also causes the restore process for back-up data to require significant time to complete.

In the event of a disaster in the computer room, there is a risk of loss of data.

Recommendation

We recommend that the City prioritize implementation of the City's Information Services Strategic Plan. Based on discussions with Information Services management, we understand that plans for this back-up upgrade are in a preliminary stage and completion of the upgrade is planned in 2001. This plan proposes to standardize all hardware and operating systems and includes performing back-ups through an "enterprise wide" tape back-up unit.

We recommend that the City consider rotating back-ups to an off-site location more than one per week.

City Response

Since last year's review, the City has acquired a new tape backup system to improve its backup capabilities. This has increased the systems ability to provide complete backups more timely and to provide the ability to support plans for expanded backup procedures in the future. In addition, backup procedures have been documented to include the frequency, type of backup, on-site and off-site cycles, and off-site locations.

CITY OF TOLEDO, OHIO
SUMMARY OF PRIOR AUDIT FINDINGS
Year Ended December 31, 2001

SINGLE AUDIT

Reference No. 98-1 – U.S. Environmental Protection Agency (EPA) Construction Grants for Wastewater Treatment Works

U.S. Environmental Protection Agency
Passed through the State of Ohio Environmental Protection Agency/Division
Construction Grant for Wastewater Treatment Works
CFDA 66.001

Criteria

Pollutants are not to be discharged from the City's wastewater treatment plant in violation of permit limits.

Condition

EPA filed a complaint against the City for alleged discharge of pollutants from the City's wastewater treatment plant in violation of their permit limits.

Effect

The City was alleged to be in violation of its discharge permit as noted in the prior single audit reports since 1991. This issue has not been resolved.

City response

The City, the United States and Ohio have negotiated a proposed settlement of the Clean Water Act enforcement case. Due to the City's charter requirements, the settlement must be approved by the voters at an election to be held on July 9, 2002. If the voters approve the settlement, the United States will publish the consent decree in the Federal Register and receive comments for 30 days. After responding to the comments, the United States will request the federal court to approve the settlement. The consent decree requires the payment of a \$500,000 civil penalty and the performance of a supplemental environmental project in the amount of \$1,000,000. In addition, the City is obligated to make long-term improvements to its wastewater treatment plant and sanitary sewer system. If the voters do not approve the settlement, the City will be obligated to litigate the Clean Water Act enforcement case in federal court.

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INTRODUCTORY SECTION

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**CITY OF TOLEDO, OHIO
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE PERIOD ENDED DECEMBER 31, 2001
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CITY OF TOLEDO, OHIO

Jack Ford, Mayor

**FINANCE
DEPARTMENT**

John E. Bibish
Acting Finance Director

May 29, 2002

Honorable Mayor Jack M. Ford, Peter Ujvagi, President
and Members of City Council and Citizens of the City of Toledo, Ohio

We are pleased to submit the 2001 Comprehensive Annual Financial Report of the City of Toledo, for the year ended December 31, 2001. The responsibility for both the accuracy of the presented data and the completeness and fairness of the presentations including all disclosure rests with the City. We believe the data is presented in a manner which fairly presents in all material respects the financial position and results of operations of the City, with all the necessary disclosures. Furthermore, we believe the accompanying financial statements, which are presented in conformity with Generally Accepted Accounting Principles (GAAP) and the Ohio Revised Code, contain financial, operating and budgetary information for the year 2001 that will be informative to a variety of users, including taxpayers, citizens and other resource providers.

The Comprehensive Annual Financial Report (CAFR) is prepared by the Department of Finance, Accounts Division and is presented in three sections: Introductory, Financial, and Statistical. The Introductory section includes the table of contents, this transmittal letter, the GFOA Certificate of Achievement, a list of principal officials and an organization chart of the City. The Financial section, prepared in conformity with GAAP as prescribed by the Governmental Accounting Standards Board (GASB), includes the General Purpose Financial Statements (GPFS), the combining and account group financial statements, and the report of independent auditors on the GPFS. The Statistical section contains pertinent financial and general information about the City over the last ten years.

This report includes all the funds, account groups, agencies, boards and commissions over which the City is financially accountable. The City provides a full range of municipal services. These services include public safety, highways and streets, water and sanitation, health and social services, culture and recreation, public improvements and planning and zoning. General Administrative Services are not applicable to any particular program and are categorized as such in the financial statements. The City has included in its financial statements the operations and balances of the Clerk of Courts. It has excluded various autonomous entities such as the Toledo City School District, the Toledo Area Regional Transit Authority, the Toledo-Lucas County Port Authority, the Toledo Zoo, the Toledo Hospital, the Toledo Metropolitan Park District and The University of Toledo.

ECONOMIC CONDITIONS AND OUTLOOK

The City of Toledo is located in Lucas County in northwestern Ohio. It covers an area of 84 square miles. Toledo, with a population of approximately 314,000, is the fourth largest city in the state of Ohio. 165,000 people are employed within the City limits.

Toledo's economy has experienced the major changes that are typical of most large U.S. cities: Once dominant, large manufacturers have felt the effect of global competition. The result is the emphasis has shifted from very large manufacturing facilities toward the small and medium-sized companies with less than 100 employees. Also, the diversification within Toledo's industrial base is being realized through the attraction and development of high-tech and medical bio-tech companies. These companies, realizing their affordable access to Great Lakes shipping and international cargo flights, have directed their focus to international as well as domestic markets.

A successful new manufacturing project demands not only attention to high quality and exceptional service, but also a transportation network which benefits suppliers, manufacturers, and customers by providing a means of moving raw materials and finished product efficiently and effectively. Toledo is the heartland for such production. Over three-fourths of North America's car and truck final assembly plants are within 500 miles of Toledo and 35 percent of these facilities are within 250 miles. Thirty-six (36) percent of U.S. and 19 percent of Canadian transportation equipment manufacturing are within a 250-mile radius of Toledo. In addition, 15 percent of the U.S. and 11 percent of the Canadian populations reside within 250 miles of Toledo, and one-third of the U.S. population is within 500 miles. These significant statistics are not expected to change significantly in the next decade.

To move products to market efficiently requires a multiple-surface transportation system, including road, rail, water and air capacity. Toledo has an impressive and effective transportation network in place. To further enhance the existing network, a fifth river crossing is being constructed. Toledo is one of the leading rail centers of the United States, with existing service to major cities in all directions. The Port of Toledo is Ohio's largest and most diversified port. The Port is the largest international tonnage port on the U.S. Great Lakes, and among the six largest ports in the country. Toledo Express Airport is the commercial airport serving Northwest Ohio, providing direct service to most major U.S. cities.

Due to Toledo's strategic location, manufacturing and transportation industries will continue to be the backbone of the local economy. Automakers are increasingly using lean production techniques requiring just-in-time delivery systems. This enhances the Toledo area as a viable economic region due to its proximity to Detroit and other manufacturing sites. Toledo has the potential of becoming the freight-handling capital of the Midwest. A case in point is the BAX (formerly Burlington) Air Express Hub at Toledo Express Airport. This project has created one thousand new jobs with significant spinoff development. Another completed project having a positive impact on area transportation efficiency is the opening of two new interchanges connecting the Ohio Turnpike (Interstates 80 & 90) to Interstate 75; one adjacent to the Airport, and the major renovations of Interstate 475 that occurred in 1995 and 1996. Further, improvements to I-75 and U.S. 23 have positioned Toledo to accommodate the anticipated industrial growth.

Toledo's tax base is continuing to be strengthened via the development of new and retained employment opportunities. Many of these opportunities have come as a direct result of the City of Toledo identifying and preparing new industrial sites for development. In addition, the City is addressing Brownfield redevelopment in a collaborative partnership with property owners. Toledo will undertake a comprehensive plan which identifies remediation needs, insurance requirements and investment opportunities for a targeted 100 acres of brownfield land in the city.

The resurgence of Downtown Toledo as a premier address for new and/or expanding office, cultural and retail establishments is being recognized. Development is complete on renovating the Valentine Theater and construction of the Superior Street Parking Facility. In 2001, the Toledo Public Library completed work on a \$45 million expansion and renovation project at the Main Library, adding more than 271,000 square feet of library space and 300 parking spaces. In 2001, the Toledo Museum of Art celebrated its 100th anniversary, completed a major renovation and restoration of its existing facilities and dedicated a new sculpture garden. The Museum also announced in 2001 that it had received pledges of \$40 million toward the \$60 million goal of a capital campaign to be completed in 2002. In 2002, the Museum announced plans to construct a new 57,600 square foot Center for Glass, celebrating the City's role as the Glass City. The Center for Glass, scheduled for groundbreaking in 2003 and completion in 2004, will include exhibition space courtyards, a café and a state of the art glass making facility.

To compete effectively in a global marketplace, Toledo must continue to promote local, state and federal incentives as opportunities for success to companies outside of its jurisdiction as well as to those seeking to grow from within. The available incentive options include: tax abatement, low interest loans, land and building acquisitions, low cost utilities, and capital public improvements. In addition to these offerings, the City of Toledo continues to foster a climate that is pro-business development and our commitments are clearly revealed in the increasing number of projects occurring in the community.

MAJOR INITIATIVES

City Hall has changed the way it does business—economic development is now approached in an aggressive and proactive manner. This approach, along with Toledo's strategic location and diverse transportation amenities has elevated the success of the Development Department. Toledoans have a strong work ethic and a proud tradition of excellence in the glass, automotive, and other industries. Our green spaces and parks are second to none. According to a 1998 Forbes magazine insert, our cost-of-living is lower and quality-of-life higher than most metropolitan locations our size. Without question, both the art museum and zoo are venues of superior quality.

A myriad of financial resources, entrepreneurial savvy, political leadership and a skilled workforce have bonded together to position Toledo for an economic renaissance. The challenge is to continue attracting vibrant new businesses while also offering creative solutions for maintaining our existing employment base. Simultaneously, with a cooperative spirit, we are laboring to make the Toledo region a center for entertainment, sports, culture, education and technology. We are making significant progress toward these goals.

Toledo and Northwest Ohio are gaining a national reputation among business leaders and professional publications as evidenced by recent articles in periodicals as The Kiplinger Washington Letter which coined the term, "The Toledo Turnaround." Plastics World looked at our achievements and declared, "Holy Toledo! Northwest Ohio Goes Boom." Toledo is one of the leading cities in Ohio in manufacturing job growth. Since the beginning of 1994, we have created over 18,000 new jobs and retained over 30,000 jobs already held by Toledoans.

Likewise, Toledo's presence in the international market was noted in a 1996 Reader's Digest article which elaborated on our city's aggressiveness in creating and promoting global exports of its products. As a result of that effort and the increase of job growth, Toledo was one of the areas highlighted in Time magazine's article on "Where the Jobs Are." INC. magazine, December 2000 lists Toledo as 34th of the top 50 "Best Small Metro Areas" to do business.

For the Future: The Toledo' MSA tax base continued to strengthen throughout 2001. The Toledo MSA population is anticipated to continue to grow throughout 2003 to an estimated 619,000. One positive result of this is Toledo continues to be recognized as a location that is amenable for economic development.

Employment in the Toledo MSZ also continues on a positive growth path. At the end of 1998, OBES reported a 28-year high. City employment contributed 149,000 jobs. Part of the positive employment picture was painted by the DaimlerChrysler Stickney Avenue Jeep project. That project consists of \$1.2 billion investment in the City to renovate and expand its existing Stickney Avenue plant into a 1.1 million square foot manufacturing facility. Total employment for DaimlerChrysler in 2001 equaled 4,100. The new plant was completed in 2001 and immediately began production of the best-selling Jeep Liberty.

During 2001, numerous companies also benefited from City of Toledo assistance. These companies vary and include both small and large businesses, such as TRW, Modine, Aramark and Convergys Customer Management. In 2001, Home Depot completed construction of a new \$20 million, 128,000 square foot store in the City. Lowe's Home Improvement Stores has announced plans to enter the Toledo market in 2002.

In 2000, the State completed construction of a 1,000-bed, \$65 million State prison facility on a 40-acre site adjacent to an industrial area in the northern part of the City. The City spent approximately \$3.9 million for the site acquisition and improvements, including the removal of solid waste and approximately \$1.8 million for certain supporting infrastructure improvements. The prison facility began accepting inmates in 2001, and the State expects to employ approximately 350 workers to operate the prison when it is fully operational.

In 2001, Mercy Health Partners began construction of St. Anne Mercy Hospital, a new \$60 million facility to be located in West Toledo. St. Anne Mercy Hospital will have 76 inpatient rooms upon completion. Mercy Health Partners anticipates that approximately 300 employees previously employed at Riverside Hospital will be transferred to St. Anne Mercy and 110 additional positions will be created.

In 2001, the ProMedica Health System completed construction of a new \$8 million emergency medical facility on the campus of its Toledo Hospital medical center and announced a comprehensive plan to replace, renovate and expand other facilities on the campus in two phases over the next five years. The first phase, estimated to cost \$200 million, is to include operating rooms, diagnostic areas, intensive care units and patient rooms. Construction of that phase is expected to commence in 2002. The second phase includes the construction of patient rooms in two twin towers and is expected to commence upon completion of the first phase. The City has agreed to make \$1.5 million available in 2002 for street improvements in connection with these projects.

City of Toledo neighborhoods also represent tremendous improvements and growth. The Lagrange area was awarded TEA-21 funds for a streetscape. On April 9, 2002, a new 10,000-seat County-owned baseball stadium for the Toledo Mud Hens opened in the Warehouse District of the Downtown area of the City. The Mud Hens, a Triple A baseball team, is in the Detroit Tigers farm system. The cost to complete the stadium was \$41 million. Numerous CDC's, such as River East, continued to contribute to economic development and growth throughout the city.

Downtown development continues. The Erie Street Market and Superior Antique Mall continues to thrive. The Market Place Development includes a recently renovated outdoor farmer's market, a 25,000 square foot antique mall, the new 36,000 square foot Erie Street Market and a 26,000 square foot Libbey Factory Outlet Store, which opened in 1997. The Erie Street Market is a year around, fresh food retail market including restaurant and market management facilities. The Libbey Factory Outlet Store sells Libbey glassware and Syracuse China dinnerware, and may eventually include a small museum and a glass blowing demonstration area. In support of the redevelopment activity in the area, the City has constructed approximately 400 parking spaces and plans to construct a riverwalk/boat launch along the Swan Creek. More than 300,000 visitors are expected to patronize the Market Place Development annually. The Valentine Theater, which originally opened on Christmas Day 1895, has been refurbished with \$28 million in investment. It is now completed and hosting events.

A Midwest regional developer has announced plans for the Marina District, a \$190 million retail, commercial and residential development along the Maumee River between Main Street and Interstate 280. The developer's master plan calls for a new sports arena development, commercial office buildings, hotels, retail shops, movie theaters and approximately 350 market rate apartments.

In addition to activities within the area, the City of Toledo continues to work with entities such as the Regional Growth Partnership in developing national and international ties. The City of Toledo hosted business delegations from Ukraine, Japan, China, and Hungary. In addition, the City

traveled to Germany to solidify its relationship with DaimlerChrysler.

DEPARTMENT FOCUS

The City of Toledo Department of Law performs legal services for the City as authorized by the City Charter. The Department is comprised of the Law Director (who serves at the pleasure of the Mayor), twenty-six attorneys who act as assistants to and serve at the pleasure of the Law Director, two para-professionals, and seven clerical staff members. Clients of the Department include the Mayor, the Executive and Administrative staff, City Council, all City Departments and their officers and employees, the Judges and their staff in Toledo Municipal Court, the Clerk and Deputy of the Clerk of Courts, and the official Boards, Commissions and Committees of the City. The Law Department prosecutorial staff also serves the general public by filing and prosecuting citizen complaints and outside law enforcement agencies.

The Law Department staff is organized into four sections. General Section, Labor and Employment Section, Litigation Section and Prosecutorial Section. Each Section has a Section Chief.

The Law Department General Section performs transactional and advisory work for the City. Its duties include reviewing all contracts entered by the City, preparing legislation, rendering written legal opinions and oral legal advice to the City's elected and appointed officials, responding to Council referrals and preparing all types of legal documents for City Departments.

The Law Department Labor and Employment Section deals with personnel issues that confront the City. Its staff takes the lead in labor negotiations and litigation with the eight (8) unions representing City employees. That Section also deals with employment and personnel legal issues that arise in the various City Departments, including employee disciplinary matters and discrimination claims.

The Law Department Litigation Section staff represents the City in claims and lawsuits filed for or against the City in all courts. The City's litigation matters range from extremely complex business disputes to routine claims and collections. At any given time, well over two hundred fifty (250) claims and lawsuits are pending and assigned to the City's litigators and legal investigator.

The Law Department Prosecution Section staff prosecutes approximately 90,000 misdemeanor criminal cases per year in Toledo Municipal court. Those cases range from minor misdemeanors to fourth degree misdemeanors. Many of the cases are routine traffic offenses, but driving under the influence, domestic violence and crimes against people and property are also handled by the Court.

The Mission of the Law Department is to support the goals of the City of Toledo government and Administration by delivering high quality legal services to its clients while adhering to the highest standards of professional responsibility and ethical conduct. The Law Department's staff strives to uphold the duties and obligations imposed upon municipal attorneys by the Charter of the City of Toledo and the laws and Constitution of the State of Ohio.

FINANCIAL INFORMATION

Internal Control: One of the primary objectives of the City's Accounting System is the maintenance of adequate internal controls. The internal controls are designed to provide reasonable assurance regarding the safeguarding of assets against loss from unauthorized use or disposition. Another goal is the reliability of the financial records for preparing financial statements in conformity with GAAP and maintaining accountability for assets. The City has developed the concept of reasonable assurance to recognize that the cost of controls should not exceed the benefits likely to be derived. Finally, it recognizes that the evaluation of relative control costs and benefits requires management's judgment.

Budgetary Controls: The City of Toledo maintains budgetary controls in conformity with the Ohio Revised Code. The budgetary process commences with the submission of the "Tax Budget" for the upcoming year to the County Budget Commission no later than July 20 of the current year.

The City uses the Tax Budget and departmental requests to prepare the Mayor's Estimates. This Executive Budget is presented to City Council as required by law every November. In December, City Council approves a temporary spending measure for the upcoming year, providing spending authority until an Annual Budget is approved but no later than March 31, of the ensuing year. The amount of the temporary spending measure is limited to 25% of the County Budget Commission's "Certificate of Estimated Resources," based on the July Tax Budget.

The Finance Committee of City Council immediately commences a review of the Mayor's Estimates upon approval of the temporary spending measure, conducts hearings with the various Divisions and makes various adjustments. These revised estimates are then presented by the Finance Committee to City Council which may make final changes that are incorporated into an Approved Budget.

Legislation summarizing these detailed budgets at the organizational level for personal service and other costs is then approved by City Council as required by law by March 31. Finally, the Approved Budget is submitted to the County Budget Commission to demonstrate compliance with the "Certificate of Estimated Resources."

Dollar Amounts in Thousands

Management exercises accounting and legal control over the budget process at various levels. Accounting control is maintained at a level of detail much greater than required by ordinance. Expenditures are controlled by organization at the line item account level. The control system is also designed to measure both expenditure and encumbrance activity and preclude approval of any activity that exceeds appropriations at the lowest managerial level of control. When these circumstances occur, management is required to either process necessary administrative budget adjustments, or present legislation as appropriate under the circumstances.

The City prepares a Special Budgetary Comparison Report that compares the level of appropriation authority to the County Budget Commission's "Certificate of Estimated Resources" to demonstrate its legal compliance. In addition, the "Certificate of Estimated Resources" is also compared on a regular and recurring basis to the estimated revenues of the City to identify additional estimated resources. When this occurs, the City prepares and submits an Amended Certificate of Estimated Resources to the County Budget Commission for approval to provide the necessary additional legal spending authority of these resources.

The Finance Department monitors the budget throughout the year with a Quarterly Budget Status Reporting System. This system measures budgeted activity with actual, and on a periodic basis is used to supplement or reduce appropriations upon proper legislative authority. These changes are incorporated in the accounting system and integrated into the accounting and compliance process.

General Governmental Functions: The following schedule presents a summary of General Fund revenues for the year ended December 31, 2001, and the amount and percentage of increases and decreases in relation to prior year revenues.

Revenues and Other Financing Sources	2001 Amount	Percent of Total	Increase (Decrease) from 2000	Percent Increase (Decrease)
Income Taxes	\$ 150,911	68.61	\$ (2,919)	(1.90)
Property Taxes	15,477	7.03	2,233	16.86
Licenses & Permits	2,161	.99	(38)	(1.73)
Intergovernmental Services	24,890	11.32	(310)	(1.23)
Charges for Services	11,323	5.15	(208)	(1.80)
Investment Earnings	5,305	2.40	(622)	(10.49)
Fines and Forfeitures	3,289	1.50	(255)	(7.20)
All Other Revenues	49	.02	(665)	(93.14)
Other Financing Sources And Operating Transfers In	<u>6,555</u>	<u>2.98</u>	<u>74</u>	<u>1.14</u>
Total Revenues & Other Financing Sources	<u>\$219,960</u>	<u>100.00</u>	<u>\$ (2,710)</u>	<u>(1.22)</u>

Municipal Income Tax revenue declined 1.9% in 2001 from 2000. Income Tax was less because businesses paying the net profit portion of the tax were less profitable due to a recession in the national economy, which also reduced employment levels and the number of workers paying the income tax.

The increase in the Property Tax was the result of a revaluation of property values completed by the Lucas County Auditor. The decline in Investment Earnings is a direct result of reduced interest rates. Most other revenue sources showed modest declines, also reflecting slower economic activity.

The following schedule presents a summary of General Fund expenditures for the year ended December 31, 2001, and the percentage of increases and decreases in relation to prior year's amounts.

<u>Expenditures and Other Uses</u>	<u>2001 Amount</u>	<u>Percent of Total</u>	<u>Increase (Decrease) from 2000</u>	<u>Percent Increase (Decrease)</u>
General Government	\$ 20,641	9.14	\$ 1,938	10.36
Public Service	1,875	0.83	(454)	(19.49)
Public Safety	135,391	59.96	4,171	3.18
Public Utilities	0	0.00	(83)	(1.00)
Community Environment	5,638	2.50	622	12.40
Health	14,578	6.46	2,118	17.00
Parks & Recreation	4,909	2.18	138	2.89
Capital Outlay	2,012	0.89	(2,678)	(57.10)
Principal Retirement	3,478	1.54	515	17.38
Interest & Fiscal Charges	2,803	1.24	612	27.93
Other Financing Uses and Operating Transfers Out	<u>34,460</u>	<u>15.26</u>	<u>272</u>	<u>.01</u>
Total	<u>\$ 225,785</u>	<u>100.00</u>	<u>\$ 7,171</u>	<u>3.28</u>

The increase in General Government is due to increased costs in personal services and professional services.

The increase in Public Service is due to increased costs in personal services.

The increase in Health relates to costs in operating and purchasing vehicles and repairs to vehicles and buildings.

The decrease in Capital Outlay is due to the reduction of costs associated with Landfill Remediation.

General Fund Equity: Total fund equity in the general fund now stands at \$19,494 of which \$926 is reserved for encumbrances, \$1,175 is reserved for inventories and \$302 reserved for subsequent years activity.

A commitment was made in 1994 that no further demands would be put on the Budget Stabilization Reserve, and that goal continues to be met as the Budget Stabilization Reserve has been increased to \$14,398. A resolution was passed which indicates that 50% of each year's undesignated balance will be added to the Budget Stabilization.

Enterprise Operations: The water fund managed to maintain its significant ratios including Current Ratio of 1.5, Debt to Net Worth of .9, Long Term Debt to Total Capitalization of .3 and Interest Coverage of 3.6.

The overall financial strength of the Sewer Fund is clearly evident upon a look at its Balance Sheet. The Fund continues to maintain a Current Ratio of 2.3, Debt to Net Worth of .5, Long Term Debt to Total Capitalization of .2.

Debt Administration: The City of Toledo has followed a judicious policy of issuing debt for a variety of projects. Every effort is made to find the optimal funding source for each project. Cash is considered to be the primary choice. The City used Grants, Loans, Lease Financing, Revenue Debt and General Obligation Debt when cash was not available. Although the full faith and credit of the City is pledged to repay General Obligation Debt, other revenues (from the funded project) are used when available.

At December 31, 2001, the City had a number of debt issues outstanding. These issues included \$138,981 of General Obligation Bonds and Notes. Of this, \$14,050 is taxable Police and Fire Pension debt owned by the City Treasury as an investment and supported by a property tax levy and \$31,897 is supported by other revenue sources. In addition, the City also had outstanding \$95,955 of Revenue Debt and \$32,000 of Special Assessment Notes.

The City's General Obligation Note Program continued on competitive bid basis for unenhanced and unrated notes. Currently, \$3,085 of notes are outstanding bearing interest of 2.26%.

In 1996, a change was made in the method of funding for the Assessed Services Program. Although still using credit enhancement to reduce interest rates, the City is using a Variable Note Program with weekly interest rate resets instead of the usual six month or twelve month rates. The 2001 program was funded in the same manner. This has reduced financing costs. In July, the City fixed the interest rate for the 2000 program at 3.09% by entering into an interest rate exchange with Bank One.

In July 2001, the City issued General Obligation Bonds in the amount of \$7,900 to provide funds for Capital Improvement Projects including resurfacing and bridge improvements.

Under the Ohio Revised Code, the City's non-exempt debt issuances (that debt which

cannot be excluded from the limits because funding is provided from other sources) are subject to certain legal limits based on assessed valuation. The City's non-exempt debt of \$124,671 is well below the limits of \$221,419 of unvoted direct debt and \$422,710 of direct debt.

During 2001, the City bond ratings with Standard & Poor's rating was reaffirmed at "A," and Moody's Investors Service at "A3." The Standard & Poor's rating was with a positive outlook.

Cash Management: Cash temporarily idle during the year was invested in certificates of deposit, the State Treasurer's Investment Pool and securities issued by the U.S. Treasury, several Government Agencies/Instrumentalities and the City in compliance with the City's codified investment policy. The City's investment policy stresses minimizing credit and market risks while maintaining a competitive yield on its portfolio. Accordingly, all funds on deposit with a financial institution were either insured by federal deposit insurance or collateralized. All collateral for deposits was held in the City of Toledo's name by a financial institution acting as the City's Custodian, or by a third party trustee in a collateral pool.

The average yield on investments for 2001 was 5.07%. The City's investment performance compares favorably with the average yield on twelve month U.S. Treasury securities at 3.48%. The City earned interest income of \$12,534 on all investments for the year ending December 31, 2001. With the exception of the State Treasurer's Investment Pool, which is treated separately, virtually all of the investments held by the City during the year and at the end of the year have been classified in the category of lowest risk as defined by the Governmental Accounting Standards Board.

Risk Management: The City passed a resolution in 1984 to apply the risk management process to accidental and financial losses. It defined that process as a systematic and continuous identification of loss exposures and analysis for frequency and severity probabilities. Further, this process would include the application of sound risk control procedures and financing of risk consistent with the City's available financial resources. The cost of financing risk internally through deductibles or self-insurance is then allocated to the appropriate funds and organizations within the City.

The Administration has implemented a risk management program through a full-time risk management officer, workers' compensation manager, loss control specialists and the Joint Union and Management Safety and Health Committee. The responsibility of the risk management officer includes the development, design, evaluation and review of the risk management process, while the responsibilities of the workers' compensation manager and loss control specialists focus on the area of employee safety and training. The Administration is cognitive of its responsibility in issues of safety and training. As a result, the Joint Union Management Safety and Health Committee (JUMSHC) was formed to review and address specific issues of employee safety and health and meets periodically to recommend safety policies, training and equipment. In addition, a T.E.A.M.S. Quality Circle program is established. T.E.A.M.S. is a name that identifies a Quality Circle program organized by department/divisions that meet weekly. The Administration knows that risk management is a "grounds-up" issue involving its employees, encourages participation and involvement. As with the JUMSHC, the T.E.A.M.S. approach provides employees a means to

interact with the Administration on issues of safety while providing a forum to identify ways to reduce operational costs and enhance services to the citizens.

While the Ohio General Assembly passed several pieces of legislation to restore and afford limited sovereign immunity to political subdivisions and to provide for alternative financial payment in the form of annuity type payments, the areas of particular concern to the city's risk management program are the liability exposures and utilization of various transfer techniques, civil rights and discrimination litigation, court judgments and claims settlements, and the availability of excess liability insurance coverage. The Administration continues its commitment to limiting exposures where possible and optimizing coverage when feasible in recognition of its stewardship responsibilities.

The City continued during 2001 to participate in the State "Retrospective Rated Workers' Compensation Plan" as authorized by City Council in 1990. For each individual year of participation, the City pays a basic portion of workers' compensation premium and thereafter the costs for employee claims as they incurred, subject to the plan's individual claim cost limitation and the City premium limitation. At the end of each individual tenth-year period, a determination of retrospective premium is made and payment remitted to the State and the plan for that year is terminated. Policy years 1990 and 1991 are now terminated and payment has been remitted to the State. During 2001, the Administration retained Financial Risk Analysts, LLC to perform an actuarial analysis of the Workers' Compensation Fund to assure financial integrity of the Fund.

OTHER INFORMATION

Independent Audit: The City of Toledo, with the approval of the Auditor of the State of Ohio, engaged the accounting firm of Clifton Gunderson LLP, to conduct its annual audit. The audit was conducted in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in government auditing standards. Additionally, for the seventeenth consecutive year, it also included the additional procedures necessary to meet the requirements of the Single Audit Act of 1984, as amended in 1996, the related Office of Management and Budget Circular A-133, and the requirements of the Auditor of the State of Ohio for legal compliance purposes. The Auditor's report on the general purpose financial statements and combining statements and schedules is included in the financial section of this report. The Auditors have issued an unqualified report on the City's 2001 general purposes financial statements.

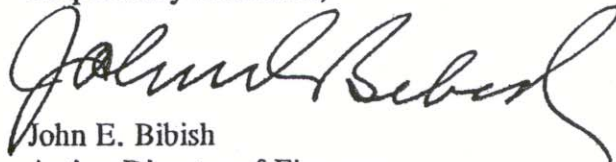
Awards: The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Toledo for its comprehensive annual financial report for the year ended December 31, 2000. This is the seventeenth year since 1982 that the City has received the prestigious award. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

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

Acknowledgements: The preparation of the comprehensive annual financial report could not have been accomplished without the dedicated service of the Division of Accounts. Our appreciation is also extended to the entire Department of Finance and the various other departments whose cooperative efforts during the course of this report's preparation made possible its completion on a timely basis.

In closing, we would like to thank the Mayor and Members of Council for their continued leadership and support.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "John E. Bibish". The signature is fluid and cursive, with a long, sweeping tail that extends to the right.

John E. Bibish
Acting Director of Finance

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Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Toledo,
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.



Smith Drew
President

Jeffrey L. Esler
Executive Director

**CITY OF TOLEDO, OHIO
LIST OF PRINCIPAL CITY OFFICIALS**

MAYOR

JACK M. FORD

MEMBERS OF COUNCIL

NAME

LENGTH OF SERVICE

At-Large Seats

Peter Ujvagi, President	Fourteen Years, Four Months
Betty Shultz	Eight Years
Peter Gerken	Five Years, Seven Months
Art Jones	Two Years
Louis P. Escobar	Four Years
Gene Zmuda	Eight Years

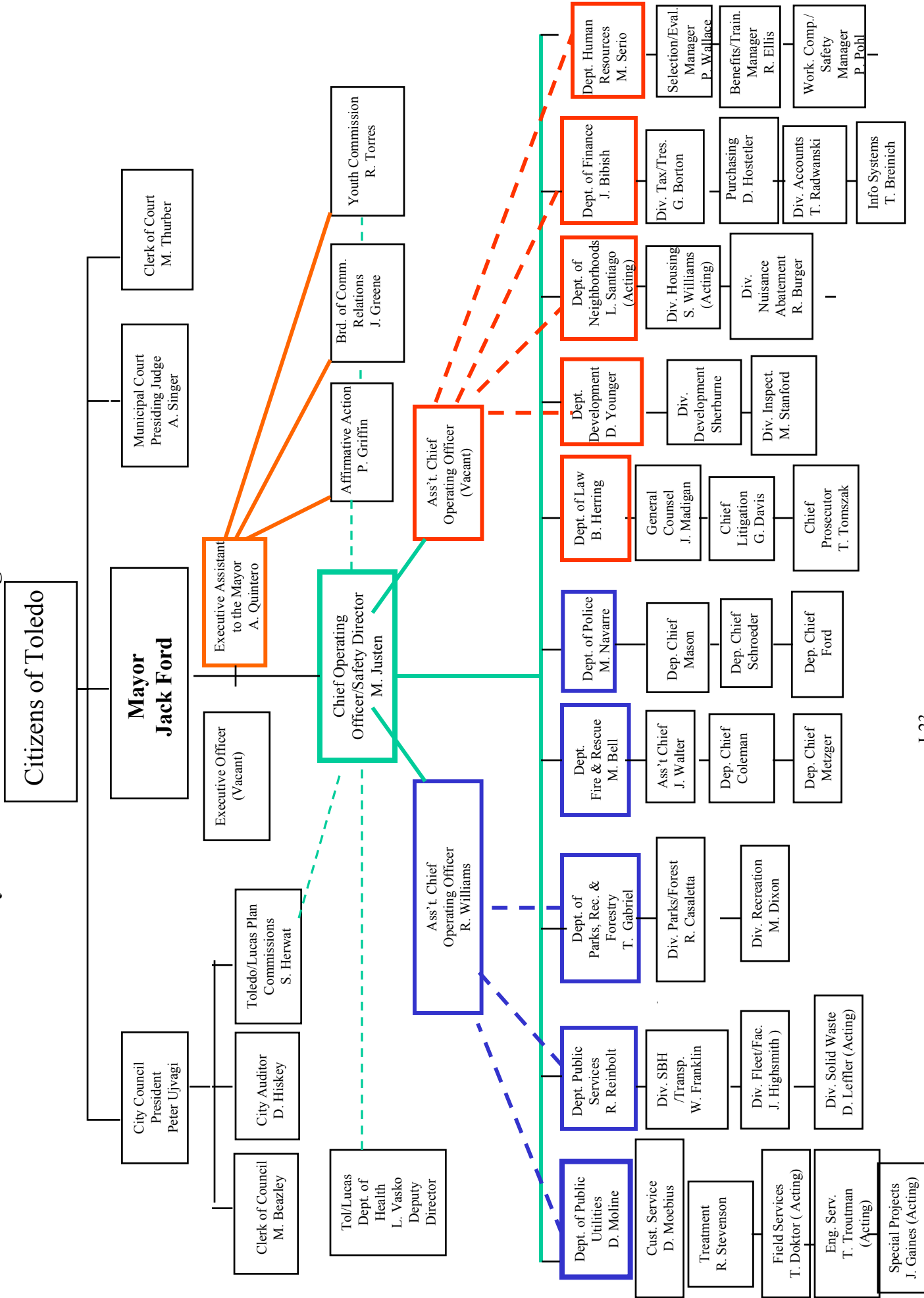
District Seats

1. Wilma D. Brown (West-Central)	Four Years
2. Rob Ludeman (South-West)	Eight Years
3. Robert McCloskey (East Toledo-Historic South)	Eight Years
4. Edna Brown (Central City)	Eight Years
5. Tina Skeldon Wozniak (North-West)	Four Years, Eight Months
6. Wade Kapszukiewicz (North Toledo-Point Place)	Three Years

CLERK OF COUNCIL

Michael J. Beazley

City of Toledo Executive Management Team



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FINANCIAL SECTION

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Independent Auditor's Report

The Honorable Mayor Jack M. Ford
and Members of City Council
City of Toledo
Toledo, Ohio

We have audited the accompanying general-purpose financial statements of the City of Toledo, Ohio, 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 of Toledo's management. Our responsibility is to express an opinion on these general-purpose financial statements based on our audit.

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

In our opinion, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of the City of Toledo, Ohio, 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 May 24, 2002 on our consideration of the City of Toledo's internal control over financial reporting and on 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 performed for the purpose of forming an opinion on the general-purpose financial statements 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. 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 statistical data included in the Statistical Section of the City of Toledo's Comprehensive Annual Financial Report and therefore, express no opinion thereon.

Clifton Gunderson LLP

City of Toledo, Ohio
 Combined Balance Sheet
 All Fund Types and Account Groups
 December 31, 2001
 (Amounts in Thousands)

	Governmental Fund Types		
	General	Special Revenue	Debt Service
	-----	-----	-----
Assets and Other Debits			
Equity in Pooled Cash	\$ 1,094	\$ 5,200	\$ 495
Other Cash	144	1	-
Investments	-	3,669	-
Receivables (Net of Allowance for Uncollectible Accounts):			
Taxes	31,540	-	-
Accounts	1,943	5,532	-
Special Assessments	-	38,685	-
Notes	-	655	837
Interfund Receivable	-	-	-
Due From Other Governments	-	-	-
Prepaid Expenditures and Expenses	-	2	-
Inventory of Supplies	1,173	2,074	-
Restricted Assets:			
Equity in Pooled Cash	-	-	-
Other Cash	-	-	84
Investments	2,954	4,176	-
Accounts Receivable	-	-	-
Interfund Receivable	-	-	-
Property, Plant and Equipment (Net of Accumulated Depreciation)	-	-	-
Deferred Debt Issuance Cost	-	-	-
Amount Available in Debt Service Funds	-	-	-
Amount to be Provided for:			
Retirement of General Long-Term Obligations	-	-	-
Compensated Absences	-	-	-
	-----	-----	-----
Total Assets and Other Debits	\$ 38,848	\$ 59,994	\$ 1,416
	=====	=====	=====

City of Toledo, Ohio
 Combined Balance Sheet
 All Fund Types and Account Groups
 December 31, 2001
 (Amounts in Thousands)
 (Continued)

	Governmental Fund Types Capital Projects	Proprietary Enterprise	Fund Types Internal Service
	-----	-----	-----
Assets and Other Debits			
Equity in Pooled Cash	\$ -	\$ 629	\$ 32,781
Other Cash	-	4	-
Investments	-	69,357	-
Receivables (Net of Allowance for Uncollectible Accounts):			
Taxes	-	-	-
Accounts	600	5,897	52
Special Assessments	1,588	-	-
Notes	-	22,664	-
Interfund Receivable	23,374	311	-
Due From Other Governments	-	94	-
Prepaid Expenditures and Expenses	203	214	-
Inventory of Supplies	806	2,911	766
Restricted Assets:			
Equity in Pooled Cash	-	18,548	-
Other Cash	-	264	-
Investments	17,135	37,400	-
Accounts Receivable	-	7,084	-
Interfund Receivable	-	41,069	-
Property, Plant and Equipment (Net of Accumulated Depreciation)	-	382,620	14,143
Deferred Debt Issuance Cost	-	902	-
Amount Available in Debt Service Funds	-	-	-
Amount to be Provided for:			
Retirement of General Long-Term Obligations	-	-	-
Compensated Absences	-	-	-
	-----	-----	-----
Total Assets and Other Debits	\$ 43,706	\$ 589,968	\$ 47,742
	=====	=====	=====

City of Toledo, Ohio
 Combined Balance Sheet
 All Fund Types and Account Groups
 December 31, 2001
 (Amounts in Thousands)
 (Continued)

	Fiduciary Fund Types Trust and Agency	Account Groups General Fixed Assets	General Long-Term Obligations
	-----	-----	-----
Assets and Other Debits			
Equity in Pooled Cash	\$ 7,186	\$ -	\$ -
Other Cash	-	-	-
Investments	1,748	-	-
Receivables (Net of Allowance for Uncollectible Accounts):			
Taxes	-	-	-
Accounts	153	-	-
Special Assessments	-	-	-
Notes	-	-	-
Interfund Receivable	17,419	-	-
Due From Other Governments	-	-	-
Prepaid Expenditures and Expenses	152	-	-
Inventory of Supplies	-	-	-
Restricted Assets:			
Equity in Pooled Cash	-	-	-
Other Cash	-	-	-
Investments	-	-	-
Accounts Receivable	-	-	-
Interfund Receivable	-	-	-
Property, Plant and Equipment (Net of Accumulated Depreciation)	-	95,210	-
Deferred Debt Issuance Cost	-	-	-
Amount Available in Debt Service Funds	-	-	579
Amount to be Provided for:			
Retirement of General Long-Term Obligations	-	-	180,484
Compensated Absences	-	-	34,111
	-----	-----	-----
Total Assets and Other Debits	\$ 26,658	\$ 95,210	\$ 215,174
	=====	=====	=====

City of Toledo, Ohio
 Combined Balance Sheet
 All Fund Types and Account Groups
 December 31, 2001
 (Amounts in Thousands)
 (Continued)

	Total (Memorandum Only)

Assets and Other Debits	
Equity in Pooled Cash	\$ 47,385
Other Cash	149
Investments	74,774
Receivables (Net of Allowance for Uncollectible Accounts):	
Taxes	31,540
Accounts	14,177
Special Assessments	40,273
Notes	24,156
Interfund Receivable	41,104
Due From Other Governments	94
Prepaid Expenditures and Expenses	571
Inventory of Supplies	7,730
Restricted Assets:	
Equity in Pooled Cash	18,548
Other Cash	348
Investments	61,665
Accounts Receivable	7,084
Interfund Receivable	41,069
Property, Plant and Equipment (Net of Accumulated Depreciation)	491,973
Deferred Debt Issuance Cost	902
Amount Available in Debt Service Funds	579
Amount to be Provided for:	
Retirement of General Long-Term Obligations	180,484
Compensated Absences	34,111

Total Assets and Other Debits	\$ 1,118,716
	=====

City of Toledo, Ohio
 Combined Balance Sheet
 All Fund Types and Account Groups
 December 31, 2001
 (Amounts in Thousands)
 (Continued)

	Governmental Fund Types		
	General	Special Revenue	Debt Service
Liabilities			
Accounts Payable	\$ 1,185	1,514	\$ -
Escrow	-	154	-
Retainages	34	-	-
Interfund Payable	510	10,274	-
Due to Other Governments	-	140	-
Deferred Revenue	15,728	38,685	837
Other Current Liabilities	1,754	8	-
Accrued Compensated Absences	-	-	-
Payable From Restricted Assets:			
Accounts Payable	-	-	-
Escrow	143	-	-
Retainages	-	-	-
Interfund Payable	-	-	-
Due to Other Governments	-	-	-
Other Current Liabilities	-	-	-
Debt:			
Notes Payable	-	32,000	-
General Obligation Bonds Payable	-	-	-
Police and Fire Pension General Obligation Bonds	-	-	-
Special Assessment Bonds Payable With Governmental Commitment	-	-	-
Revenue Bonds Payable	-	-	-
Capital Lease Obligation	-	-	-
Other Long-Term Debt	-	-	-
Landfill Closure and Postclosure Care	-	-	-
	<u>-----</u>	<u>-----</u>	<u>-----</u>
Total Liabilities	\$ 19,354	\$ 82,775	\$ 837
Fund Equity (Deficit) and Other Credits			
Contributed Capital	-	-	-
Investment in General Fixed Assets	-	-	-
Retained Earnings (Deficit):			
Reserved for Debt Service	-	-	-
Reserved for Replacement	-	-	-
Reserved for Improvement	-	-	-
Unreserved	-	-	-
Fund Balances (Deficit):			
Reserved for Encumbrances	926	8,718	-
Reserved for Inventory of Supplies	1,175	2,074	-
Reserved for Capital Improvements	-	-	-
Reserved for Long-Term Notes Receivable	-	751	-
Reserved for Debt Service	-	-	579
Reserved for Prepaid Expenditures	-	2	-
Reserved for Landfill Remediation	2,693	-	-
Reserved for Recycling	-	-	-
Reserved for Endowment	-	-	-
Unreserved:			
Designated for Subsequent Years Expenditures	302	221	-
Designated for Budget Stabilization	14,398	-	-
Undesignated	-	(34,547)	-
	<u>-----</u>	<u>-----</u>	<u>-----</u>
Total Fund Equity (Deficit) and Other Credits	19,494	(22,781)	579
Total Liabilities and Fund Equity (Deficit) and Other Credits	\$ 38,848	\$ 59,994	\$ 1,416
	<u>=====</u>	<u>=====</u>	<u>=====</u>

City of Toledo, Ohio
 Combined Balance Sheet
 All Fund Types and Account Groups
 December 31, 2001
 (Amounts in Thousands)
 (Continued)

	Governmental Fund Types Capital Projects	Proprietary Fund Types Enterprise	Internal Service
	-----	-----	-----
Liabilities			
Accounts Payable	\$ 2,123	\$ 882	\$ 450
Escrow	85	27	-
Retainages	460	28	-
Interfund Payable	361	62,747	2,167
Due to Other Governments	9	-	-
Deferred Revenue	1,588	-	-
Other Current Liabilities	-	556	10,450
Accrued Compensated Absences	-	-	-
Payable From Restricted Assets:			
Accounts Payable	-	1,640	-
Escrow	-	4,621	-
Retainages	-	1,441	-
Interfund Payable	-	6,100	-
Due to Other Governments	-	127	-
Other Current Liabilities	372	1,527	-
Debt:			
Notes Payable	1,580	39,618	-
General Obligation Bonds Payable	-	28,601	7
Police and Fire Pension General Obligation Bonds	-	-	-
Special Assessment Bonds Payable With Governmental Commitment	-	-	-
Revenue Bonds Payable	-	94,359	-
Capital Lease Obligation	-	11,445	-
Other Long-Term Debt	-	-	-
Landfill Closure and Postclosure Care	-	-	-
	-----	-----	-----
Total Liabilities	\$ 6,578	\$ 253,719	\$ 13,074
Fund Equity (Deficit) and Other Credits			
Contributed Capital	-	23,869	80,931
Investment in General Fixed Assets	-	-	-
Retained Earnings (Deficit):			
Reserved for Debt Service	-	18,319	-
Reserved for Replacement	-	57,940	2,000
Reserved for Improvement	-	57,514	-
Unreserved	-	178,607	(48,263)
Fund Balances (Deficit):			
Reserved for Encumbrances	8,342	-	-
Reserved for Inventory of Supplies	806	-	-
Reserved for Capital Improvements	16,721	-	-
Reserved for Long-Term Notes Receivable	-	-	-
Reserved for Debt Service	-	-	-
Reserved for Prepaid Expenditures	203	-	-
Reserved for Landfill Remediation	-	-	-
Reserved for Recycling	-	-	-
Reserved for Endowment	-	-	-
Unreserved:			
Designated for Subsequent Years Expenditures	-	-	-
Designated for Budget Stabilization	-	-	-
Undesignated	11,056	-	-
	-----	-----	-----
Total Fund Equity (Deficit) and Other Credits	37,128	336,249	34,668
Total Liabilities and Fund Equity (Deficit) and Other Credits	\$ 43,706	\$ 589,968	\$ 47,742
	=====	=====	=====

City of Toledo, Ohio
 Combined Balance Sheet
 All Fund Types and Account Groups
 December 31, 2001
 (Amounts in Thousands)
 (Continued)

	Fiduciary Fund Types Trust and Agency	Account Groups General Fixed Assets	General Long-Term Obligations
	-----	-----	-----
Liabilities			
Accounts Payable	\$ 197	\$ -	\$ -
Escrow	977	-	-
Retainages	-	-	-
Interfund Payable	14	-	-
Due to Other Governments	-	-	-
Deferred Revenue	-	-	-
Other Current Liabilities	13,268	-	-
Accrued Compensated Absences	7,224	-	34,111
Payable From Restricted Assets:			
Accounts Payable	-	-	-
Escrow	-	-	-
Retainages	-	-	-
Interfund Payable	-	-	-
Due to Other Governments	-	-	-
Other Current Liabilities	-	-	-
Debt:			
Notes Payable	-	-	27,163
General Obligation Bonds Payable	-	-	117,610
Police and Fire Pension General Obligation Bonds	-	-	14,050
Special Assessment Bonds Payable With Governmental Commitment	-	-	542
Revenue Bonds Payable	-	-	-
Capital Lease Obligation	-	-	10,454
Other Long-Term Debt	-	-	636
Landfill Closure and Postclosure Care	-	-	10,608
	-----	-----	-----
Total Liabilities	\$ 21,680	\$ -	\$ 215,174
Fund Equity (Deficit) and Other Credits			
Contributed Capital	-	-	-
Investment in General Fixed Assets	-	95,210	-
Retained Earnings (Deficit):			
Reserved for Debt Service	-	-	-
Reserved for Replacement	-	-	-
Reserved for Improvement	-	-	-
Unreserved	-	-	-
Fund Balances (Deficit):			
Reserved for Encumbrances	-	-	-
Reserved for Inventory of Supplies	-	-	-
Reserved for Capital Improvements	-	-	-
Reserved for Long-Term Notes Receivable	139	-	-
Reserved for Debt Service	-	-	-
Reserved for Prepaid Expenditures	-	-	-
Reserved for Landfill Remediation	-	-	-
Reserved for Recycling	-	-	-
Reserved for Endowment	739	-	-
Unreserved:			
Designated for Subsequent Years Expenditures	-	-	-
Designated for Budget Stabilization	-	-	-
Undesignated	4,100	-	-
	-----	-----	-----
Total Fund Equity (Deficit) and Other Credits	4,978	95,210	-
Total Liabilities and Fund Equity (Deficit) and Other Credits	\$ 26,658	\$ 95,210	\$ 215,174
	=====	=====	=====

City of Toledo, Ohio
 Combined Balance Sheet
 All Fund Types and Account Groups
 December 31, 2001
 (Amounts in Thousands)
 (Continued)

	Total (Memorandum Only)

Liabilities	
Accounts Payable	\$ 6,351
Escrow	1,243
Retainages	522
Interfund Payable	76,073
Due to Other Governments	149
Deferred Revenue	56,838
Other Current Liabilities	26,036
Accrued Compensated Absences	41,335
Payable From Restricted Assets:	
Accounts Payable	1,640
Escrow	4,764
Retainages	1,441
Interfund Payable	6,100
Due to Other Governments	127
Other Current Liabilities	1,899
Debt:	
Notes Payable	100,361
General Obligation Bonds Payable	146,218
Police and Fire Pension General Obligation Bonds	14,050
Special Assessment Bonds Payable With Governmental Commitment	542
Revenue Bonds Payable	94,359
Capital Lease Obligation	21,899
Other Long-Term Debt	636
Landfill Closure and Postclosure Care	10,608

Total Liabilities	\$ 613,191
Fund Equity (Deficit) and Other Credits	
Contributed Capital	104,800
Investment in General Fixed Assets	95,210
Retained Earnings (Deficit):	
Reserved for Debt Service	18,319
Reserved for Replacement	59,940
Reserved for Improvement	57,514
Unreserved	130,344
Fund Balances (Deficit):	
Reserved for Encumbrances	17,986
Reserved for Inventory of Supplies	4,055
Reserved for Capital Improvements	16,721
Reserved for Long-Term Notes Receivable	890
Reserved for Debt Service	579
Reserved for Prepaid Expenditures	205
Reserved for Landfill Remediation	2,693
Reserved for Recycling	-
Reserved for Endowment	739
Unreserved:	
Designated for Subsequent Years Expenditures	523
Designated for Budget Stabilization	14,398
Undesignated	(19,391)

Total Fund Equity (Deficit) and Other Credits	505,525
Total Liabilities and Fund Equity (Deficit) and Other Credits	\$ 1,118,716
	=====

City of Toledo, Ohio
 Combined Statement of Revenues,
 Expenditures and Changes in
 Fund Balances-All Governmental Fund
 Types and Expendable Trust Funds
 For the Year Ended December 31, 2001
 (Amounts in Thousands)

	Governmental Fund Types		
	General	Special Revenue	Debt Service
	-----	-----	-----
Revenues:			
Income Taxes	\$ 150,911	\$ -	\$ -
Property Taxes	15,477	-	-
Special Assessments	-	19,883	229
Licenses and Permits	2,161	11	-
Intergovernmental Services	24,890	25,566	145
Charges for Services	11,323	808	-
Investment Earnings	5,305	665	20
Fines and Forfeitures	3,289	552	-
All Other Revenue	49	254	-
	-----	-----	-----
Total Revenues	213,405	47,739	394
	-----	-----	-----
Expenditures:			
Current:			
General Government	20,641	547	-
Public Service	1,875	25,638	-
Public Safety	135,391	2,026	-
Public Utilities	-	1,629	-
Community Environment	5,638	15,482	-
Health	14,578	2,272	-
Parks and Recreation	4,909	214	-
Capital Outlay	2,012	2,901	-
Debt Service:			
Principal Retirement	3,478	183	9,508
Interest and Fiscal Charges	2,803	2,046	5,283
	-----	-----	-----
Total Expenditures	191,325	52,938	14,791
	-----	-----	-----
Excess (Deficiency) of Revenues over Expenditures	22,080	(5,199)	(14,397)
	-----	-----	-----
Other Financing Sources (Uses):			
Operating Transfers In	5,698	2,179	13,821
Operating Transfers (Out)	(34,460)	(1,610)	-
Bond Proceeds	-	-	-
Note Proceeds	437	-	-
Premiums on Bond	-	-	-
Sale of Fixed Assets	50	-	-
Other Financing Sources (Uses)	370	183	-
	-----	-----	-----
Total Other Financing Sources and (Uses)	(27,905)	752	13,821
	-----	-----	-----
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	(5,825)	(4,447)	(576)
Fund Balances (Deficit) at Beginning of Year	25,173	(19,225)	1,155
Residual Equity Transfers	-	(25)	-
Increase in Reserve for Inventory	146	916	-
	-----	-----	-----
Fund Balance (Deficit) at Year End	\$ 19,494	\$ (22,781)	\$ 579
	=====	=====	=====

City of Toledo, Ohio
 Combined Statement of Revenues,
 Expenditures and Changes in
 Fund Balances-All Governmental Fund
 Types and Expendable Trust Funds
 For the Year Ended December 31, 2001
 (Amounts in Thousands)
 (Continued)

	Governmental Fund Types Capital Projects	Fiduciary Fund Types Expendable Trusts	Total (Memorandum Only)
	-----	-----	-----
Revenues:			
Income Taxes	\$ -	\$ -	\$ 150,911
Property Taxes	-	-	15,477
Special Assessments	225	-	20,337
Licenses and Permits	-	-	2,172
Intergovernmental Services	7,135	-	57,736
Charges for Services	96	136	12,363
Investment Earnings	1,302	242	7,534
Fines and Forfeitures	-	-	3,841
All Other Revenue	706	1,341	2,350
	-----	-----	-----
Total Revenues	9,464	1,719	272,721
	-----	-----	-----
Expenditures:			
Current:			
General Government	-	43	21,231
Public Service	-	-	27,513
Public Safety	-	619	138,036
Public Utilities	-	-	1,629
Community Environment	-	-	21,120
Health	-	-	16,850
Parks and Recreation	-	56	5,179
Capital Outlay	38,696	-	43,609
Debt Service:			
Principal Retirement	1,408	-	14,577
Interest and Fiscal Charges	1,975	-	12,107
	-----	-----	-----
Total Expenditures	42,079	718	301,851
	-----	-----	-----
Excess (Deficiency) of Revenues over Expenditures	(32,615)	1,001	(29,130)
	-----	-----	-----
Other Financing Sources (Uses):			
Operating Transfers In	38,718	645	61,061
Operating Transfers (Out)	(13,992)	(1,432)	(51,494)
Bond Proceeds	7,900	-	7,900
Note Proceeds	250	-	687
Premiums on Bond	4	-	4
Sale of Fixed Assets	-	-	50
Other Financing Sources (Uses)	193	2	748
	-----	-----	-----
Total Other Financing Sources and (Uses)	33,073	(785)	18,956
	-----	-----	-----
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	458	216	(10,174)
Fund Balances (Deficit) at Beginning of Year	37,640	3,741	48,484
Residual Equity Transfers	(982)	-	(1,007)
Increase in Reserve for Inventory	12	-	1,074
	-----	-----	-----
Fund Balance (Deficit) at Year End	\$ 37,128	\$ 3,957	\$ 38,377
	=====	=====	=====

City of Toledo, Ohio
 Combined Statement of Revenues,
 Expenditures and Changes in
 Fund Balances-All Governmental Fund Types
 -Budget (GAAP Basis) and Actual
 For the Year Ended December 31, 2001
 (Amounts in Thousands)

	General Fund		Favorable (Unfavorable) Variance
	Budget	Actual	
	-----	-----	-----
Revenues:			
Income Taxes	\$ 151,480	\$ 150,911	\$ (569)
Property Taxes	15,000	15,477	477
Special Assessments	-	-	-
Licenses and Permits	2,023	2,161	138
Intergovernmental Services	25,357	24,890	(467)
Charges for Service	10,972	11,323	351
Investment Earnings	5,534	5,305	(229)
Fines and Forfeitures	4,218	3,289	(929)
All Other Revenue	224	49	(175)
	-----	-----	-----
Total Revenues	214,808	213,405	(1,403)
	-----	-----	-----
Expenditures:			
Current:			
General Government	20,992	20,641	351
Public Service	1,954	1,875	79
Public Safety	135,871	135,391	480
Public Utilities	-	-	-
Community Environment	6,338	5,638	700
Health	14,703	14,578	125
Parks and Recreation	4,979	4,909	70
Capital Outlay	2,438	2,012	426
Debt Service:			
Principal Retirement	3,478	3,478	-
Interest and Fiscal Charges	2,920	2,803	117
	-----	-----	-----
Total Expenditures	193,673	191,325	2,348
	-----	-----	-----
Excess (Deficiency) of Revenues over Expenditures	21,135	22,080	945
	-----	-----	-----
Other Financing Sources (Uses):			
Operating Transfers In	5,662	5,698	36
Operating Transfers (Out)	(34,460)	(34,460)	-
Bond Proceeds	-	-	-
Note Proceeds	437	437	-
Premiums on Bond	-	-	-
Sale of Fixed Assets	10	50	40
Other	370	370	-
	-----	-----	-----
Total Other Financing Sources and (Uses)	(27,981)	(27,905)	76
	-----	-----	-----
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	\$ (6,846)	(5,825)	\$ 1,021
	=====		=====
Fund Balances (Deficit) at Beginning of Year		25,173	
Residual Equity Transfers		-	
Increase in Reserve for Inventory		146	

Fund Balance (Deficit) at Year End		\$ 19,494	
		=====	

City of Toledo, Ohio
 Combined Statement of Revenues,
 Expenditures and Changes in
 Fund Balances-All Governmental Fund Types
 -Budget (GAAP Basis) and Actual
 For the Year Ended December 31, 2001
 (Amounts in Thousands)
 (Continued)

	Special Revenue Funds		Favorable (Unfavorable) Variance
	Budget	Actual	
Revenues:			
Income Taxes	\$ -	\$ -	\$ -
Property Taxes	-	-	-
Special Assessments	20,069	19,883	(186)
Licenses and Permits	6	11	5
Intergovernmental Services	55,831	25,566	(30,265)
Charges for Service	890	808	(82)
Investment Earnings	391	665	274
Fines and Forfeitures	757	552	(205)
All Other Revenue	160	254	94
Total Revenues	<u>78,104</u>	<u>47,739</u>	<u>(30,365)</u>
Expenditures:			
Current:			
General Government	674	547	127
Public Service	29,104	25,638	3,466
Public Safety	4,677	2,026	2,651
Public Utilities	1,837	1,629	208
Community Environment	35,020	15,482	19,538
Health	4,479	2,272	2,207
Parks and Recreation	302	214	88
Capital Outlay	5,763	2,901	2,862
Debt Service:			
Principal Retirement	184	183	1
Interest and Fiscal Charges	2,758	2,046	712
Total Expenditures	<u>84,798</u>	<u>52,938</u>	<u>31,860</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(6,694)</u>	<u>(5,199)</u>	<u>1,495</u>
Other Financing Sources (Uses):			
Operating Transfers In	1,718	2,179	461
Operating Transfers (Out)	(1,794)	(1,610)	184
Bond Proceeds	-	-	-
Note Proceeds	-	-	-
Premiums on Bond	-	-	-
Sale of Fixed Assets	111	183	72
Other	-	-	-
Total Other Financing Sources and (Uses)	<u>35</u>	<u>752</u>	<u>717</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	<u>\$ (6,659)</u>	<u>(4,447)</u>	<u>\$ 2,212</u>
Fund Balances (Deficit) at Beginning of Year		(19,225)	
Residual Equity Transfers		(25)	
Increase in Reserve for Inventory		916	
Fund Balance (Deficit) at Year End		<u>\$ (22,781)</u>	

City of Toledo, Ohio
 Combined Statement of Revenues,
 Expenditures and Changes in
 Fund Balances-All Governmental Fund Types
 -Budget (GAAP Basis) and Actual
 For the Year Ended December 31, 2001
 (Amounts in Thousands)
 (Continued)

	Debt Service Funds		Favorable (Unfavorable) Variance
	Budget	Actual	
	-----	-----	-----
Revenues:			
Income Taxes	\$ -	\$ -	\$ -
Property Taxes	-	-	-
Special Assessments	196	229	33
Licenses and Permits	-	-	-
Intergovernmental Services	465	145	(320)
Charges for Service	-	-	-
Investment Earnings	10	20	10
Fines and Forfeitures	-	-	-
All Other Revenue	-	-	-
Total Revenues	----- 671	----- 394	----- (277)
Expenditures:			
Current:			
General Government	-	-	-
Public Service	-	-	-
Public Safety	-	-	-
Public Utilities	-	-	-
Community Environment	-	-	-
Health	-	-	-
Parks and Recreation	-	-	-
Capital Outlay	-	-	-
Debt Service:			
Principal Retirement	9,508	9,508	-
Interest and Fiscal Charges	5,288	5,283	5
Total Expenditures	----- 14,796	----- 14,791	----- 5
Excess (Deficiency) of Revenues over Expenditures	----- (14,125)	----- (14,397)	----- (272)
Other Financing Sources (Uses):			
Operating Transfers In	13,816	13,821	5
Operating Transfers (Out)	-	-	-
Bond Proceeds	-	-	-
Note Proceeds	-	-	-
Premiums on Bond	-	-	-
Sale of Fixed Assets	-	-	-
Other	-	-	-
Total Other Financing Sources and (Uses)	----- 13,816	----- 13,821	----- 5
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	----- \$ (309)	----- (576)	----- \$ (267)
Fund Balances (Deficit) at Beginning of Year	=====	1,155	=====
Residual Equity Transfers		-	
Increase in Reserve for Inventory		-	
Fund Balance (Deficit) at Year End		----- \$ 579 =====	

City of Toledo, Ohio
 Combined Statement of Revenues,
 Expenditures and Changes in
 Fund Balances-All Governmental Fund Types
 -Budget (GAAP Basis) and Actual
 For the Year Ended December 31, 2001
 (Amounts in Thousands)
 (Continued)

	Capital Projects Funds		Favorable (Unfavorable) Variance
	Budget	Actual	
	-----	-----	-----
Revenues:			
Income Taxes	\$ -	\$ -	\$ -
Property Taxes	-	-	-
Special Assessments	102	225	123
Licenses and Permits	-	-	-
Intergovernmental Services	19,940	7,135	(12,805)
Charges for Service	96	96	-
Investment Earnings	1,357	1,302	(55)
Fines and Forfeitures	-	-	-
All Other Revenue	108	706	598
	-----	-----	-----
Total Revenues	21,603	9,464	(12,139)
	-----	-----	-----
Expenditures:			
Current:			
General Government	-	-	-
Public Service	-	-	-
Public Safety	-	-	-
Public Utilities	-	-	-
Community Environment	-	-	-
Health	-	-	-
Parks and Recreation	-	-	-
Capital Outlay	73,554	38,696	34,858
Debt Service:			
Principal Retirement	1,408	1,408	-
Interest and Fiscal Charges	2,190	1,975	215
	-----	-----	-----
Total Expenditures	77,152	42,079	35,073
	-----	-----	-----
Excess (Deficiency) of Revenues over Expenditures	(55,549)	(32,615)	22,934
	-----	-----	-----
Other Financing Sources (Uses):			
Operating Transfers In	40,417	38,718	(1,699)
Operating Transfers (Out)	(13,992)	(13,992)	-
Bond Proceeds	10,780	7,900	(2,880)
Note Proceeds	1,409	250	(1,159)
Premiums on Bond	-	4	4
Sale of Fixed Assets	75	-	(75)
Other	-	193	193
	-----	-----	-----
Total Other Financing Sources and (Uses)	38,689	33,073	(5,616)
	-----	-----	-----
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	\$ (16,860)	458	\$ (17,318)
	=====		=====
Fund Balances (Deficit) at Beginning of Year		37,640	
Residual Equity Transfers		(982)	
Increase in Reserve for Inventory		12	

Fund Balance (Deficit) at Year End		\$ 37,128	
		=====	

City of Toledo, Ohio
 Combined Statement of Revenues,
 Expenditures and Changes in
 Fund Balances-All Governmental Fund Types
 -Budget (GAAP Basis) and Actual
 For the Year Ended December 31, 2001
 (Amounts in Thousands)
 (Continued)

	Totals (Memorandum Only)		Favorable (Unfavorable) Variance
	Budget	Actual	
	-----	-----	-----
Revenues:			
Income Taxes	\$ 151,480	\$ 150,911	\$ (569)
Property Taxes	15,000	15,477	477
Special Assessments	20,367	20,337	(30)
Licenses and Permits	2,029	2,172	143
Intergovernmental Services	101,593	57,736	(43,857)
Charges for Service	11,958	12,227	269
Investment Earnings	7,292	7,292	-
Fines and Forfeitures	4,975	3,841	(1,134)
All Other Revenue	492	1,009	517
	-----	-----	-----
Total Revenues	\$ 315,186	\$ 271,002	(44,184)
	-----	-----	-----
Expenditures:			
Current:			
General Government	21,666	21,188	478
Public Service	31,058	27,513	3,545
Public Safety	140,548	137,417	3,131
Public Utilities	1,837	1,629	208
Community Environment	41,358	21,120	20,238
Health	19,182	16,850	2,332
Parks and Recreation	5,281	5,123	158
Capital Outlay	81,755	43,609	38,146
Debt Service:			
Principal Retirement	14,578	14,577	1
Interest and Fiscal Charges	13,156	12,107	1,049
	-----	-----	-----
Total Expenditures	370,419	301,133	69,286
	-----	-----	-----
Excess (Deficiency) of Revenues over Expenditures	(55,233)	(30,131)	25,102
	-----	-----	-----
Other Financing Sources (Uses):			
Operating Transfers In	61,613	60,416	(1,197)
Operating Transfers (Out)	(50,246)	(50,062)	184
Bond Proceeds	10,780	7,900	(2,880)
Note Proceeds	1,846	687	(1,159)
Premiums on Bond	-	4	4
Sale of Fixed Assets	196	233	37
Other	370	563	193
	-----	-----	-----
Total Other Financing Sources and (Uses)	24,559	19,741	(4,818)
	-----	-----	-----
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	\$ (30,674)	(10,390)	\$ 20,284
	=====		=====
Fund Balances (Deficit) at Beginning of Year		44,743	
Residual Equity Transfers		(1,007)	
Increase in Reserve for Inventory		1,074	

Fund Balance (Deficit) at Year End		\$ 34,420	
		=====	

City of Toledo, Ohio
 Combined Statement of Revenues,
 Expenses and Changes in Retained
 Earnings (Deficit)
 All Proprietary Fund Types and
 Nonexpendable Trust Funds
 For the Year Ended December 31, 2001
 (Amounts in Thousands)

	Proprietary Fund Types		Fiduciary	Total (Memorandum Only)
	Enterprise	Internal Service	Fund Types Nonexpendable Trust	
Operating Revenues:				
Charges for Services	\$ 82,022	\$ 17,841	\$ 53	\$ 99,916
Other Revenue	1,867	13,715	6	15,588
Total Operating Revenues	83,889	31,556	59	115,504
Operating Expenses:				
Personal Services	27,117	4,694	-	31,811
Contractual Services	16,203	7,091	-	23,294
Materials and Supplies	6,216	4,400	-	10,616
Utilities	5,039	98	-	5,137
Depreciation and Amortization	12,115	2,524	-	14,639
Total Operating Expenses	66,690	18,807	-	85,497
Operating Income	17,199	12,749	59	30,007
Nonoperating Revenues (Expenses):				
Investment Income	6,191	-	12	6,203
Interest Expense and Fiscal Charges	(9,417)	(21)	-	(9,438)
Other Revenue (Expenses)	3,786	165	(20)	3,931
Total Nonoperating Revenues (Expenses)	560	144	(8)	696
Income (Loss) before Operating Transfers	17,759	12,893	51	30,703
Operating Transfers In	2,188	132	-	2,320
Operating Transfers (Out)	(5,559)	(6,329)	-	(11,888)
Total Operating Transfers In (Out)	(3,371)	(6,197)	-	(9,568)
Net Income (Loss)	14,388	6,696	51	21,135
Retained Earnings (Deficit) at Beginning of Year	297,992	(47,853)	970	251,109
Residual Equity Transfers	-	(5,106)	-	(5,106)
Retained Earnings (Deficit) at End of Year	\$ 312,380	\$ (46,263)	\$ 1,021	\$ 267,138

City of Toledo
Combined Statement of Cash Flows-All Proprietary
Fund Types and Nonexpendable Trust Funds
For the Year Ended December 31, 2001
(Amounts in Thousands)

	Proprietary Fund Types	
	<u>Enterprise</u>	<u>Internal Service</u>
Cash Flows from Operating Activities:		
Operating Income (Loss)	\$ 17,199	\$ 12,749
Adjustments to Reconcile Operating Income (Loss)		
To Net Cash Provided by (Used for) Operating Activities:		
Depreciation and Amortization	12,115	2,524
Other Revenues (Expenses)	(2,310)	166
Change in Assets and Liabilities:		
(Increase) Decrease in Accounts Receivable	1,661	(13)
(Increase) Decrease in Prepaid Expenses	(151)	---
(Increase) Decrease in Interfund Receivable	(322)	21,849
(Increase) Decrease in Due from Other Governments	(4)	---
(Increase) Decrease in Deferred Debt Issuance Costs	64	---
(Increase) Decrease in Inventory of Supplies	(150)	(14)
Increase (Decrease) in Accounts Payable	(380)	(120)
Increase (Decrease) in Escrow	(136)	---
Increase (Decrease) in Retainage	399	---
Increase (Decrease) in Interfund Payable	(6,781)	233
Increase (Decrease) in Due to Other Governments	127	---
Increase (Decrease) in Other Current Liabilities	<u>589</u>	<u>(10,496)</u>
Total Adjustments	<u>4,721</u>	<u>14,129</u>
Net Cash Provided by (Used for) Operating Activities	<u>21,920</u>	<u>26,878</u>
Cash Flows from Noncapital Financing Activities:		
Operating Transfers In	2,188	132
Operating Transfers Out	(5,559)	(6,329)
Residual Equity Transfers	<u>---</u>	<u>(5,106)</u>
Net Cash Provided by (Used for) Noncapital Financing Activities	<u>(3,371)</u>	<u>(11,303)</u>
Cash Flows from Capital & Related Financing Activities:		
Acquisition and Construction of Capital Assets	(36,737)	---
Principal Paid on Bond Maturities	(8,594)	(901)
Issuance of Revenue Bonds and Notes	8,013	---
Interest Expense and Fiscal Changes	(9,417)	(21)
Proceeds from Sale of Capital Assets	<u>4,700</u>	<u>---</u>
Net Cash Provided by (Used for) Capital & Related Financing Activities	<u>(42,035)</u>	<u>(922)</u>

City of Toledo, Ohio
Combined Statement of Cash Flows-All Proprietary
Fund Types and Nonexpendable Trust Funds
For the Year Ended December 31, 2001
(Amounts in Thousands)
(Continued)

	Fiduciary Fund Types Non-Expendable Trusts	Total Memorandum Only
	<u> </u>	<u> </u>
Cash Flows from Operating Activities:		
Operating Income (Loss)	\$ 59	\$ 30,007
Adjustments to Reconcile Operating Income (Loss)		
To Net Cash Provided by (Used for) Operating Activities:		
Depreciation and Amortization	---	14,639
Other Revenues (Expenses)	(20)	(2,164)
Change in Assets and Liabilities:		
(Increase) Decrease in Accounts Receivable	---	1,648
(Increase) Decrease in Prepaid Expenses	---	(151)
(Increase) Decrease in Interfund Receivable	---	21,527
(Increase) Decrease in Due from Other Governments	---	(4)
(Increase) Decrease in Deferred Debt Issuance Costs	---	64
(Increase) Decrease in Inventory Supplies	---	(164)
Increase (Decrease) in Accounts Payable	(2)	(502)
Increase (Decrease) in Escrow	---	(136)
Increase (Decrease) in Retainage	---	399
Increase (Decrease) in Interfund Payable	---	(6,548)
Increase (Decrease) in Due to Other Governments	---	127
Increase (Decrease) in Other Current Liabilities	<u>---</u>	<u>(9,907)</u>
Total Adjustments	<u>(22)</u>	<u>18,828</u>
Net Cash Provided by (Used for) Operating Activities	<u>37</u>	<u>48,835</u>
Cash Flows from Noncapital Financing Activities:		
Operating Transfers In	---	2,320
Operating Transfers Out	---	(11,888)
Residual Equity Transfers	<u>---</u>	<u>(5,106)</u>
Net Cash Provided by (Used for) Noncapital Financing Activities	<u>---</u>	<u>(14,674)</u>
Cash Flows from Capital & Related Financing Activities:		
Acquisition and Construction of Capital Assets	---	(36,737)
Principal Paid on Bond Maturities	---	(9,495)
Issuance of Revenue Bonds and Notes	---	8,013
Interest Expense and Fiscal Charges	---	(9,438)
Proceeds from Sale of Capital Assets	<u>---</u>	<u>4,700</u>
Net Cash Provided by (Used for) Capital & Related Financing Activities	<u>---</u>	<u>(42,957)</u>

City of Toledo
Combined Statement of Cash Flows-All Proprietary
Fund Types and Nonexpendable Trust Funds
For the Year Ended December 31, 2001
(Amounts in Thousands)
(Continued)

	Proprietary Fund Types	
	<u>Enterprise</u>	<u>Internal Service</u>
Cash Flows from Investing Activities:		
(Purchase) of Investment Securities	\$(200,266)	\$ ---
Sale of Investment Securities	220,332	---
Investment Earnings and Dividends on Investments	<u>6,191</u>	<u>---</u>
Net Cash Provided by (Used for) Investing Activities	<u>26,257</u>	<u>---</u>
Net Increase (Decrease) in Cash and Cash Equivalents	2,771	14,653
Cash and Cash Equivalents (Restricted and Unrestricted) at Beginning of Year	<u>16,674</u>	<u>18,129</u>
Cash and Cash Equivalents (Restricted and Unrestricted) at End of Year	<u>\$ 19,445</u>	<u>\$ 32,782</u>

During the year ended December 31, 2001, vehicles were transferred to the Internal Service Funds from monies provided from the following funds and the respective historical costs:

Special Revenue Fund	\$ 25
Capital Projects	982
Internal Service Funds	<u>5,106</u>
Total Amount Transferred to the Internal Service Funds	<u>\$ 6,113</u>

Fiduciary Funds:

On December 31, 2001, the detail of Cash and Cash Equivalents are:

Nonexpendable Trust Fund	\$ 285
Expendable Trust Funds	3,623
Agency Funds	<u>3,278</u>
Total Cash and Equivalents	<u>\$ 7,186</u>

City of Toledo, Ohio
Combined Statement of Cash Flows-All Proprietary
Fund Types and Nonexpendable Trust Funds
For the Year Ended December 31, 2001
(Amounts in Thousands)
(Continued)

	Fiduciary Fund Types Non-Expendable Trusts	Total Memorandum Only
	<u> </u>	<u> </u>
Cash Flows from Investing Activity:		
Purchase of Investment Securities	\$ (29)	\$ (200,295)
Sale of Investment Securities	---	220,332
Investment Earnings and Dividends on Investments	<u>12</u>	<u>6,203</u>
Net Cash Provided by (Used for) Investing Activities	<u>(17)</u>	<u>26,240</u>
Net Increase (Decrease) in Cash and Cash Equivalents	20	17,444
Cash and Cash Equivalents (Restricted and Unrestricted) at Beginning of Year	<u>265</u>	<u>35,068</u>
Cash and Cash Equivalents (Restricted and Unrestricted) at End of Year	<u>\$ 285</u>	<u>\$ 52,512</u>

CITY OF TOLEDO, OHIO
NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2001

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Toledo, Ohio ("City") was incorporated January 7, 1837, and operates under its Charter adopted in November, 1914. The City may exercise all powers of local self-government granted under Article XVIII, Section 3, of the Ohio Constitution, not in conflict with applicable general laws of Ohio. The City government operates as a Strong Mayor/ Council form of government. The Charter authorizes the following services: Public Safety, Highways and Streets, Water and Sanitation, Health and Social Services, Culture-Recreation, Public Improvements, Planning and Zoning, and General Administrative Services.

The general purpose financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States of America (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 in the United States of America. The more significant of the City's accounting policies are described below:

A. Reporting Entity

As defined by generally accepted accounting principles established by the GASB, 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 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 of Toledo (the Primary Government) which does not have any component units.

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

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Financial Statement Presentation - Fund Accounting

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

Governmental Funds

Governmental Funds are those through which most governmental functions typically are financed. Governmental Funds are accounted for on a spending or "financial flow" measurement focus. The acquisition and use of available spendable resources during the year and balances of the City's available spendable financial resources at the end of the year are measured in Governmental Funds. The following are the City's Governmental Fund types:

General Fund - The General Fund is used to account for all resources except those required by law or contract 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 expendable trusts, or for major capital projects) that are legally restricted to expenditure for specified purposes.

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

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

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Financial Statement Presentation - Fund Accounting (Continued)

Proprietary Funds

Proprietary Funds are used to account for the City's ongoing organizations and activities which are similar to those often found in the private sector. The City accounts for its Proprietary Funds consistent with all applicable GASB pronouncements, as well as the pronouncements of the Financial Accounting Standards Board (FASB) and its predecessors issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements. Proprietary Funds are accounted for on a "cost of service" or "capital maintenance" measurement focus. This means that all assets and liabilities associated with their activity are included on their balance sheets, and operating statements present increases and decreases in total net assets. 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 enterprises - where the intent of the City is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the City 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 of goods or services provided by one department or agency to other departments or agencies of the City, or to other governmental units, on a cost-reimbursement basis.

Fiduciary Funds

Trust and Agency Funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governments, and other Funds. Expendable Trust Funds are accounted for in essentially the same manner as Governmental Funds. Nonexpendable Trust Funds are accounted for in essentially the same manner as Proprietary Funds since capital maintenance is essential. Agency Funds are purely custodial (assets equal liabilities) and thus do not involve measurement of results of operations.

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

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Financial Statement Presentation - Fund Accounting (Continued)

Account Groups

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

General Fixed Assets Account Group - This account group is used to account for general fixed assets of the City, other than those accounted for in the Proprietary Funds.

General Long-Term Obligations Account Group - This account group is established to account for all long-term obligations of the City except those accounted for in the Proprietary Funds.

C. Basis of Accounting

The modified accrual basis of accounting is utilized by the Governmental and Expendable Trust Funds. Under this method of accounting, the City recognizes revenue when it becomes both measurable and available to finance current City operations. Assistance awards made on the basis of entitlement are recorded as intergovernmental receivables and revenues when entitlement occurs. Revenues accrued at the end of the year include: individual income taxes during the fourth quarter that are received within 60 days after year-end, net of estimated refunds; property taxes for the budget year to which they apply where taxpayer liability has been established and such taxes are received during the year or within 60 days after year end; property taxes levied in the current year to be collected in 2002, which are measurable, have been offset by a credit to deferred revenue since they are not available for appropriation and use until 2002; and intergovernmental revenues for the year which are received within 60 days after year-end or based on expenditures recognized where agreements stipulate funds must be expended for a specific purpose or project before any reimbursements will be made to the City. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year.

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

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Accounting (Continued)

The accrual basis of accounting is utilized by the Proprietary and Nonexpendable Trust Funds. Revenues are recognized when earned, and expenses are recognized when incurred. Unbilled Water and Sewer Funds' utility service receivables are recorded at year-end.

Agency Fund assets and liabilities are recognized on the modified accrual basis of accounting since these Funds are custodial in nature and do not involve measurement of results of operations.

D. Annual Budget Process

An annual budget is prepared for all Governmental funds of the City. All budgets are adopted on a basis consistent with GAAP. Budgetary comparisons presented in this report are on this budgetary basis.

The City's budgetary process is as follows:

Budget - A tax budget of estimated revenue and expenditures 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 certification, the City receives the official Certificate of Estimated Resources, which states the projected revenue of each Fund. Prior to December 31, the City must revise its budget so that the total contemplated expenditure from any fund during the ensuing fiscal year will not exceed the amount stated in the Certificate of Estimated Resources. On or about January 1, the certificate is amended to include any unencumbered balances from the preceding year.

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

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Annual Budget Process (Continued)

Appropriations - A temporary appropriation measure to control disbursements may be passed on or about January 1 of each year for the period from January 1 to March 31. During this period, the Administration presents an Executive Budget that is reviewed by City Council for its revision and approval. Upon completion of City Council's review, the revised Executive Budget is summarized into an ordinance which is approved by City Council to provide expenditure authority for an Appropriated Budget. This ordinance receives City Council approval no later than March 31 for the annual period ending December 31. During the year as additional information became available, City Council approved transfers, allocations, supplemental appropriations, and the reappropriation of encumbrances carried over from the prior year. Appropriations did not exceed estimated resources and all original appropriation authority resides with City Council. Management retains administrative authority to transfer existing appropriation authority under \$25 within personal services and other account codes within an organization in a fund.

Budgetary Level of Control - The City is required by Ohio Law to establish annual appropriations for all necessary Funds. These appropriated budgets affect legal control at various levels for individual Funds. Budgetary control is exercised for the General Fund, Special Revenue Funds, and Debt Service Funds at the organizational level distinguishing between personal services and other expenditures. Budgetary control of grant funds is exercised by individual grant for each organization at the personal services and other level. Capital Projects Funds are legislatively controlled by individually approved projects for each organization. Expenditures may not legally exceed appropriations at this level.

The City meets its legal compliance requirements to report at the budgetary level of control with the City of Toledo's Special Budgetary Comparison Report (SBCR). The SBCR reports at the appropriate budgetary level of control for Governmental Funds on a GAAP basis. Because of the complexity of the budgetary control requirement, presentation of budget versus actual financial results in this CAFR would be very detailed and voluminous.

Therefore, as permitted by GAAP, the SBCR for the year ended December 31, 2001 is available for public inspection at the Department of Finance's Office.

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

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Annual Budget Process (Continued)

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 the formal budgetary control process. Encumbrances outstanding at year-end are reported as reservations of fund balances since they do not constitute expenditures or liabilities.

Lapsing of Appropriations - At the close of each year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. The encumbered appropriation balance is carried forward to the succeeding fiscal year and is reappropriated.

E. Cash and Cash Equivalents

For purposes of the statement of cash flows, the Proprietary and Nonexpendable Trust Funds consider Equity in Pooled Cash and Other Cash to be cash equivalents.

F. Investments

Investments consist primarily of certificates of deposit, repurchase agreements, government securities, and the State Treasurer's Investment Pool and are stated at fair value. The fair value of the State Treasurer's Investment Pool is the Net Asset Value as determined by the Pool Administrator multiplied by the City's units. The Pool is subject to the Ohio Revised Code and an annual audit by an independent CPA firm. Interest earned from investments purchased with pooled cash is credited to the General Fund, except as stipulated by ordinance.

G. Inventory of Supplies

Inventory is valued at cost in Governmental Funds, and the lower of cost or market in Proprietary Funds on the first-in, first-out (FIFO) method. Inventory in the Governmental Funds consists of expendable supplies held for consumption. The cost is recorded as an expenditure at the time individual inventory items are purchased. Recorded inventories in the Governmental Fund types are equally offset by a fund balance reserve which indicates that they do not constitute "available spendable resources" even though they are a component of net current assets.

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

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. Restricted Assets

Proceeds from debt and other assets set aside for specific purposes are classified as restricted assets since their use is limited by applicable bond indentures.

I. Fixed Assets

Property, plant and equipment are stated at cost or estimated historical cost or, if donated, at fair market value at the date donated. Infrastructure consisting of roads, bridges, curbs and gutters, sidewalks, drainage systems and lighting systems is not recorded as such assets are immovable and of value only to the City. However, water and sewer lines are capitalized in the Water and Sewer Funds, respectively, and are included as part of the Enterprise Funds.

Fixed assets acquired or constructed for general governmental purposes are capitalized in the General Fixed Assets Account Group. Property and equipment acquired by Proprietary Funds, including distribution systems in place in 1969 and capitalized at their estimated historical cost of \$163,220, are reported in those Funds.

J. Depreciation

Depreciation for all fixed assets is determined by depreciating the cost of fixed assets over the estimated useful lives of the assets on the straight-line basis. The estimated useful lives are as follows:

Distribution Systems	100 Years
Buildings	35-50 Years
Improvements	10-20 Years
Furniture and Fixtures	8-20 Years
Machinery and Equipment	5-25 Years

Depreciation expense relating to Proprietary Fund fixed assets is charged to operations. Accumulated depreciation on general fixed assets of the City is recorded on a memorandum basis in the General Fixed Assets Account Group.

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

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. Long-Term Obligations

Long-term obligations, both general obligation and revenue bonds, used to finance Proprietary Fund operations and payable from revenue of those Funds are recorded in the applicable Fund. General obligation bonds and other forms of long-term debt supported by general revenues and specifically designated revenues are commitments of the City as a whole and not its individual constituent Funds. Accordingly, such obligations are accounted for in the General Long-Term Obligation Account Group.

L. Special Assessment Services and Improvements

The City provides special services primarily for snow removal, leaf pickup, street resurfacing and street lighting. These services are assessed in the real estate tax bills to the benefited property owners. The City pays the actual costs of these services, which are then levied as special assessments and collected two years after the service has been rendered. The assessments receivable relating to such services, including interest, amounted to \$38,685 at December 31, 2001 and will be collected in 2002 and 2003.

Special assessment notes are issued for the interim financing of various improvements to be assessed from benefiting property owners. Interest expenditures on special assessment notes amounted to \$1,559 in 2001. These improvements include streets, alleys, sanitary sewers, sidewalks, storm sewers and water lines. Upon completion of the approved projects, the notes are converted to long-term bonds which are assessed over a 10 or 20 year period depending on the type and cost of the improvement. As of December 31, 2001, the assessments receivable on such assessed improvement projects amounted to \$1,588.

M. Special Assessment Bond Retirement

Special assessment bonds are issued to finance the assessed portion of the cost of streets, alleys, sanitary sewers, sidewalks, storm sewers and water lines. These bonds are due in varying annual debt service payments ranging from \$102 in 2002 to \$134 in 2010. At December 31, 2001, the assessments receivable for bond retirements was \$837.

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

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

N. Compensated Absences

The City accrues vacation pay, compensatory time off, and sick leave as accrued wages and benefits payable when earned by employees using the "termination method." For Governmental Fund types, the liability not requiring expendable available financial resources is recorded in the General Long-Term Obligations Account Group. The current obligations of all Funds and the long-term obligations of Proprietary Funds are fully funded by depository cash in a Payroll Revolving Agency Fund.

Vacation time is earned in the current year and is required to be taken in the subsequent year. Upon approval, any unused amounts may be carried over for an additional four months. Employees have the option of receiving compensatory time off in lieu of pay for overtime worked. Compensatory time off earned in the current year which is in excess of one hundred hours must be taken by April 30 of the subsequent year. Unused sick days may be accumulated without limitation. Upon retirement, death or leaving the City's employment with qualifying years of service, an employee is paid one-half of the first sixteen hundred unused sick hours and the total of any remaining accumulated hours.

O. Interfund Transactions

During the course of normal operations, the City has numerous transactions between Funds, including expenditures and transfers of resources to provide services, construct assets, and service debt. The accompanying combined financial statements generally reflect such transactions as operating transfers. Operating subsidies are also recorded as operating transfers. Nonrecurring transfers of equity between Funds are treated as residual equity transfers and are reported as additions to or deductions from the fund balance of Governmental Funds. Residual equity transfers to Proprietary Funds are treated as contributed capital and such transfers from Proprietary Funds are reported as reductions of retained earnings. The classification of amounts recorded as subsidies, advances, or equity contributions is determined by City management.

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

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

P. Insurance

The City is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors or omissions; injuries to employees; or Acts of God. As required by state law, the City is registered and insured through The Industrial Commission of Ohio and Bureau of Workers' Compensation for injuries to its employees. During fiscal 1988, the City established the Risk Management Fund (an internal service fund) to account for and finance insurance premiums, excluding workers' compensation premiums, and uninsured risks of loss. Under this program, the Risk Management Fund provides coverage for all general liability claims, and up to \$100 for each property damage claim. The City has purchased commercial insurance for property claims in excess of the foregoing deductible.

All funds of the City participate in the program and make payments to the Risk Management Fund based on actuarial estimates for the amounts needed to pay prior and current year claims and to establish a reserve for other accrued liabilities. The \$1,024 claims liability reported in the Risk Management Fund, an Internal Service Fund, at December 31, 2001 is based on the requirements that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in the Risk Management Fund's claim liability amount in fiscal years 1999, 2000, and 2001 were:

	Balance at	Current-Year		Balance at End
	<u>Beginning of Year</u>	<u>Claims and Changes</u>	<u>Claim</u>	<u>of Year</u>
		<u>in Estimates</u>	<u>Payments</u>	
1999	\$593	\$1,049	\$704	\$ 938
2000	938	636	648	926
2001	926	678	580	1,024

None of the City's settlements have exceeded the insurance coverage for each of the past three fiscal years.

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

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

P. Insurance (Continued)

During fiscal 1990, the City established a Workers' Compensation Fund (an internal service fund) to account for and finance its uninsured risks of loss for workers' compensation claims. Claims incurred prior to 1995, the Workers' Compensation Fund provides coverage for up to a maximum of \$250 for each worker's compensation claim. For claims incurred after January 1, 1995, there is unlimited coverage. The City pays premiums to the State of Ohio Bureau of Workers' Compensation for claims in excess of coverage provided by the Fund. In addition, the Fund will pay assessments to the Bureau of Workers' Compensation for administration and payment of claims.

All funds of the City participate in the program and make payments to the Workers' Compensation Fund based on actuarial estimates of the amounts needed to pay current-year claims. The claim liability of \$9,416 reported in the Fund at December 31, 2001 is based on the requirements of Governmental Accounting Standard Board Statement 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. This liability includes an amount for claims that have been incurred but not reported. Because actual claims liabilities depend on such complex factors as inflation, changes in legal doctrines, and damage awards, the process used in computing claims liability does not necessarily result in an exact amount. Based on an actuarial valuation, the City has reduced the December 31, 2001 liability to \$9,416. Liabilities for losses to be settled by fixed or reasonably determinable payments over a long period of time are reported at their present value using an expected future investment yield assumption of five percent.

Changes in the Workers' Compensation Fund's claim liability amount in fiscal years 1999, 2000 and 2001 were:

	Balance at	Current-Year	Claim	Balance at End
	<u>Beginning of Year</u>	<u>Claims and Changes</u>	<u>Payments</u>	<u>of Year</u>
		<u>in Estimates</u>		
1999	\$19,770	\$2,190	\$2,195	\$19,765
2000	19,765	2,487	2,487	19,765
2001	19,765	(8,110)	2,239	9,416

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

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Q. Fund Equity Reserves and Designations

The combined balance sheet of the City of Toledo reports reserves and designations of fund equity for:

- a) Encumbrances: The portion of Fund Balance segregated for expenditure on vendor performance.
- b) Inventory of Supplies: A portion of Fund Balance represented by inventories that is not available for appropriation and expenditure.
- c) Capital Improvements: A portion of fund balance segregated for capital expenditures.
- d) Long-Term Notes Receivable: The portion of Fund Balance represented by notes receivable currently is unavailable for appropriation. As the principal of the notes is repaid the reserve is reduced accordingly.
- e) Debt Service: A portion of Fund Balance legally restricted to the payment of long-term debt principal and interest amounts maturing in future years.
- f) Prepaid Expenditures: The portion of Fund Balance represented by Prepaid Expenditures currently unavailable for appropriation. As the prepaid expenditures are recognized the reserve is reduced accordingly.
- g) Landfill Remediation: A portion of Fund Balance restricted to pay for the post-closure costs of former landfill sites.
- h) Recycling: A portion of Fund Balance segregated to increase the households included in the curbside recycling program.
- i) Endowment: That portion of Fund Balance legally restricted as to the use of principal.
- j) Subsequent Years Expenditure: A portion of fund balance segregated for expenditures appropriated in the current fiscal year to be paid in the next year.

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

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Q. Fund Equity Reserves and Designations (continued)

- k) Budget Stabilization: A portion of Fund Balance legally restricted for funding of expenditures during cyclical downturns in the economy.

R. "Memorandum Only" Total Columns

Total columns on the general purpose financial statements are captioned "memorandum only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations or cash flows in conformity with GAAP. Neither are data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

NOTE 2. EQUITY IN POOLED CASH

Receipts from the Water and Sewer Utility Enterprise Funds and for certain other Funds are deposited and maintained in separate bank accounts or invested in short-term cash equivalents which are specifically segregated. Receipts from all other City Funds are pooled to provide for maximum investment returns on idle cash balances. Each Fund records its proportionate equity in the pooled account.

Certain Funds have made disbursements from the pooled cash in excess of their individual equities. This excess has been aggregated by Fund type and is reported in the combined balance sheet as Interfund Payables. These excesses are generally temporary and are repaid from normal Fund operations.

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

NOTE 2. EQUITY IN POOLED CASH (Continued)

A summary of the amounts of equity in or amount due to the Pooled Cash Account by Fund type as follows:

<u>Fund Type</u>	<u>Equity in Pooled Cash and Interfund Receivables</u>	<u>(Interfund Payables)</u>
General	\$ 1,094	\$ (510)
Special Revenue	5,200	(10,274)
Debt Service	495	---
Capital Projects	23,374	(361)
Enterprise (Unrestricted)	940	(62,747)
Enterprise (Restricted)	59,617	(6,100)
Internal Service	32,781	(2,167)
Trust Agency	<u>24,605</u>	<u>(14)</u>
Total	\$ 148,106	<u>\$ (82,173)</u>
Interfund Payables	<u>(82,173)</u>	
Total pooled cash at December 31, 2001	<u>\$ 65,933</u>	

The total above of \$148,106 is presented in the combined balance sheet as follows:

	<u>Amount</u>
Equity in Pooled Cash	\$ 65,933
Interfund Receivables	41,104
Interfund Receivables (Restricted)	<u>41,069</u>
Total	<u>\$ 148,106</u>

NOTE 3. DEPOSITS AND INVESTMENTS

The City's deposits and investments are included on the combined balance sheet as Equity in Pooled Cash, Other Cash, and Investments at fair value.

	<u>Deposits</u>	<u>Investments</u>	<u>Total</u>
Equity in Pooled Cash	\$(7,639)	\$ 73,572	\$ 65,933
Other Cash (Unrestricted)	149	---	149
Other Cash (Restricted)	348	---	348
Investments (Unrestricted)	---	74,774	74,774
Investments (Restricted)	<u>---</u>	<u>61,665</u>	<u>61,665</u>
Total	<u>\$(7,142)</u>	<u>\$ 210,011</u>	<u>\$ 202,869</u>

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

NOTE 3. DEPOSITS AND INVESTMENTS (continued)

The City liquid resources are maintained or invested in bank accounts and short-term investments in order to maximize the rate of interest that can be earned on invested funds. An Investment Advisory Committee, established in 1986, continually reviews and makes recommendations regarding the City's investment activity and also monitors compliance with the City's investment policies.

A. Deposits

The deposit of City resources is governed by portions of the Ohio Revised Code and the Toledo Municipal Code. Such deposits may consist of either demand deposits, nondemand savings accounts or certificates of deposit. Under both the Ohio Revised Code and the Toledo Municipal Code, deposits are subject to collateralization requirements to the extent that they are not insured by the Federal Deposit Insurance Corporation (FDIC). Such uninsured amounts must be collateralized by either specific or pooled collateral in an amount at least equal to the uninsured portion of the deposit. In accordance with the Toledo Municipal Code, only depositories with an office located in the City may be used.

At December 31, 2001, the carrying amount of the City's deposits was \$7,142 (deficit) and the bank balance was \$4,498. Of the bank balance, \$200 was covered by deposit insurance, \$3,680 was covered by collateral held by the agent of the pledging bank in the City's name and \$618 was covered by collateral held by third party trustees in collateral pools securing all public funds on deposit with the specific depository institution. The \$618 is considered uncollateralized as defined in GASB Statement No. 3, as the collateral is held by the counterparty's agent and is not in the City's name. This type of pooled collateral is permissible under the Ohio Revised Code.

B. Investments

The investment of City financial resources is governed by the Toledo Municipal Code and the Ohio Revised Code. The Toledo Municipal Code authorizes the City to invest in City of Toledo Securities, Government Securities, Repurchase Securities, Municipal Securities, and the State Treasurer's Investment Pool. The Toledo Municipal Code limits investments in Repurchase Securities to ten million dollars per financial institution, and limits investment in the State Treasurer's Investment Pool to the lesser of thirty million dollars or 40% of the principal amount of the investment portfolio. These requirements ensure the diversification of the investment portfolio.

Repurchase Agreements may not have a term exceeding thirty days. Both the Toledo Municipal Code and the Ohio Revised Code have specific requirements for the collateralization of investments. The Toledo Municipal Code requires that securities underlying Repurchase Agreements must have a market value of at least 100% of the Repurchase Agreements. At the end of each month, the financial institution must review

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

NOTE 3. DEPOSITS AND INVESTMENTS (continued)

B. Investments (continued)

the market value of the collateral, increasing the collateral if it falls below the market value of the investment. All securities held for investment must be deposited for safekeeping with a custodian who is not the vendor of the investment. All of the investments are held by the City or the custodian in the City's name. Investments in the State Treasurer's Investment Pool are not categorized because they are not evidenced by securities that exist in physical or book entry form.

As defined by GASB 3, there are three categories of risk levels assumed with respect to investments. 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.

Investments at December 31, 2001 consist of the following:

	Risk Category			Carrying Amount	Fair Value
	1	2	3		
Investments:					
City of Toledo Securities	\$ 14,097		\$	\$ 14,097	\$ 14,097
Government Securities:					
Federal Home Loan Mortg. Corp.	55,340			55,340	55,340
Federal National Mortg. Assoc.	49,531			49,531	49,531
Treasury Bills, Notes, Bonds	1,001			1,001	1,001
Federal Home Loan Bank	48,403			48,403	48,403
Student Loan Marketing Assoc.	3,140			3,140	3,140
Federal Farm Credit Bank	12,321			12,321	12,321
Repurchased Securities/Other	---	718	---	718	718
	<u>\$183,833</u>	<u>\$ 718</u>	<u>\$ ---</u>	184,551	184,551
State Treasurer's Investment Pool				<u>25,460</u>	<u>25,460</u>
Total				<u>\$210,011</u>	<u>\$ 210,011</u>

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

NOTE 4. RECEIVABLES

The allowance for uncollectible receivables consists of the following at December 31, 2001:

<u>Fund Type</u>	<u>Accounts</u>	<u>Notes</u>
General	\$3,113	\$ ---
Special Revenue	1,361	2,010
Capital Projects	112	---
Enterprise (Unrestricted)	2,176	1,586
Enterprise (Restricted)	545	---
Internal Service	87	---
Trust and Agency	<u>13</u>	<u>20,391</u>
Total	<u>\$7,407</u>	<u>\$23,987</u>

NOTE 5. INCOME TAXES

The City levies an income tax of 2.25% on substantially all earned income arising from employment, residency, or business activities carried on inside the City. The first 1.5% of the income tax is a permanent levy, of which 0.25% of this tax is dedicated to capital improvements. The additional 0.75% of the income tax is slated to expire on June 30, 2002 and, of this tax, 0.25% is also dedicated for capital improvements. The City is required by Statute to transfer those income taxes dedicated for capital improvements to the Capital Improvements Fund. In 2001, the City made all required transfers to the Capital Improvements Fund.

Employers within the City are required to withhold income tax on employee compensation and remit it to the City at least quarterly. Corporations and certain individual taxpayers are required to pay quarterly estimates. As of December 31, 2001, the City has accrued \$15,812 as revenue from withheld income taxes remitted within 60 days of its year-end.

NOTE 6. PROPERTY TAX

The property tax levy is based on the assessed value listed as of January 1, 2001, the lien date, for all real and public utility property located in the City. The assessed values are established by the County Auditor at 35% of the current market value and a reappraisal of all properties is required every six years with a triennial update. The last reappraisal was completed in 2000 for the tax year 2001.

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

NOTE 6. PROPERTY TAX (Continued)

Real property taxes were levied on all non-exempt property located in the County on January 14, 2001. Real property taxes are payable annually or semi-annually. If paid annually, payment was due on February 14, 2001; if paid semi-annually, the first payment was due on February 14, 2001; with the remainder payable on July 24, 2001. Based on this tax calendar, all property taxes which were levied on January 14, 2001 relating to the 2001 budget year, except delinquent taxes, have been collected.

The City's share of personal property taxes is determined by the County Auditor based on annual tax returns filed by the taxpayers. The property is assessed for tax purposes at varying statutory percentages of cost.

The assessed value and tax rates of the City attributable to collections in 2001 and the estimated taxes relating to the 2002 budget year (which became a lien on January 1, 2001) are as follows:

<u>Taxes</u>	<u>Assessed Value</u>	<u>General Fund Tax Rate Per Thousand</u>	<u>Actual 2001 Receipts</u>	<u>Due in 2002</u>
General Fund:				
Real Estate & Public				
Utility Property	\$3,461,375	\$ 4.40	\$12,719	\$13,123
Personal Property	<u>564,431</u>	4.40	<u>2,759</u>	<u>2,605</u>
Total	<u>\$4,025,806</u>		<u>\$15,478</u>	<u>\$15,728</u>

The receivables for estimated taxes relating to the 2002 budget year have been offset by a credit to deferred revenue at December 31, 2001 since the taxes are not available for appropriation and use until 2002.

<u>Apportionment of Total Tax Rate</u>	<u>Tax Rate Per Thousand</u>	<u>Actual 2001 Receipts</u>	<u>Due in 2002</u>
Unvoted Levy – Inside 10 Mil Limitation:			
General Fund	\$ 2.50	\$ 8,794	\$ 8,936
Voted Levy – Outside 10 Mil Limitation:			
General Fund (Charter Amendment Rate)	<u>1.90</u>	<u>6,684</u>	<u>6,792</u>
Total	<u>\$ 4.40</u>	<u>\$15,478</u>	<u>\$15,728</u>

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

NOTE 6. PROPERTY TAX (Continued)

Delinquent real estate and personal property taxes are not recorded as revenue until received. Based on the County Auditor's records, the estimated delinquent taxes due the City at December 31, 2001 was \$1,741.

NOTE 7. PROPERTY, PLANT AND EQUIPMENT

A summary of property, plant and equipment for 2001 is as follows:

<u>General Fixed Assets</u>	<u>Balance At Beginning Of Year</u>	<u>Additions</u>	<u>Disposals and Transfers</u>	<u>Balance At End Of Year</u>
Land	\$ 24,823	\$ ---	\$ (42)	\$ 24,781
Buildings	60,495	1,654	(597)	61,552
Improvements	50,335	510	(3,331)	47,514
Machinery & Equipment	26,847	4,233	(129)	30,951
Furniture & Fixtures	<u>5,800</u>	<u>223</u>	<u>(23)</u>	<u>6,000</u>
Total	\$168,300	\$ 6,620	\$(4,122)	\$170,798
Less Accumulated Depreciation	<u>(73,711)</u>	<u>(5,957)</u>	<u>4,080</u>	<u>(75,588)</u>
Net General Fixed Assets	<u>\$ 94,589</u>	<u>\$ 663</u>	<u>\$ (42)</u>	<u>\$ 95,210</u>
<u>Enterprise Fixed Assets</u>				
Land	\$ 9,308	\$ 1,396	\$ ---	\$ 10,704
Buildings	80,591	---	---	80,591
Improvements	68,652	25	---	68,677
Machinery and Equipment	95,270	3,128	---	98,398
Furniture and Fixtures	1,413	---	---	1,413
Distribution System	289,995	20,239	---	310,234
Construction in Progress	<u>73,032</u>	<u>33,471</u>	<u>(20,125)</u>	<u>86,378</u>
Total	\$618,261	\$58,259	\$ (20,125)	\$656,395
Less Accumulated Depreciation	<u>(261,660)</u>	<u>(12,115)</u>	<u>---</u>	<u>(273,775)</u>
Net Enterprise Fixed Assets	<u>\$356,601</u>	<u>\$46,144</u>	<u>\$ (20,125)</u>	<u>\$382,620</u>

Amount in Thousands

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

NOTE 7. PROPERTY, PLANT AND EQUIPMENT (Continued)

<u>Internal Service Fixed Assets</u>	<u>Balance at Beginning of Year</u>	<u>Additions</u>	<u>Disposals And Transfers</u>	<u>Balance at End of Year</u>
Land	\$ 350	\$ ---	\$ ---	\$ 350
Buildings	1,111	---	---	1,111
Improvements	335	---	---	335
Machinery & Equipment	54,006	6,113	(2,964)	57,155
Furniture & Fixtures	<u>98</u>	<u>---</u>	<u>---</u>	<u>98</u>
Total	\$ 55,900	\$ 6,113	\$ (2,964)	\$ 59,049
Less Accumulated Depreciation	<u>(45,345)</u>	<u>(2,525)</u>	<u>2,964</u>	<u>(44,906)</u>
Net Internal Service Fixed Assets	<u>\$ 10,555</u>	<u>\$ 3,588</u>	<u>\$ ---</u>	<u>\$ 14,143</u>

For several years, the Department of Housing and Neighborhood Revitalization has purchased land and buildings using Block Grant Funds. The intent of such purchases ultimately is to resell the property for a nominal amount to adjacent property owners or developers for redevelopment purposes. As of December 31, 2001, the Department owned approximately 333 parcels at an estimated historical cost of \$6,893. Due to the uncertainty of the market value or the ability to locate developers, the purchase costs have been recorded as program expenditures in the Block Grant Funds in the year of purchase. Revenues from the sale of properties are recorded as program income in the same Funds at the time of sale.

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

NOTE 8. DEBT OBLIGATIONS

A. Notes Payable

Notes payable at December 31, 2001 consist of the following:

Fund	Interest Rates	Final Due Date	Principal Amount
Special Revenue:			
Notes Due to Banks	3.09%	06/02	6,400
Notes Due to Banks	3.09%	12/02	9,800
Service Notes	Var.	12/03	<u>15,800</u>
			32,000
Capital Projects:			
Bond Anticipation Notes	2.26%	05/02	<u>1,580</u>
			1,580
Enterprise:			
Chapter 166 Loan	3.00% - 4.25%	12/03	2,657
Bond Anticipation Notes	2.26%	05/02	1,505
Ohio Water Development Authority Notes	3.75% - 9.98%	2025	34,428
Industrial Development Note	7.50%	2002	72
State Issue 2 Loans	0%	2014	<u>956</u>
			39,618
General Long-Term Obligations			
Account Group:			
State Issue 2 Loan	0%	2017	3,583
Housing & Urban Development	7.21%	2011	925
HUD 108 Guaranteed Notes	Var.	2018	<u>22,655</u>
			27,163
Total Notes Payable			<u>\$100,361</u>

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

NOTE 8. DEBT OBLIGATIONS (Continued)

A. Notes Payable (Continued)

The adjustable rate Special Revenue Service Notes are secured by a \$51,000 letter of credit. The City has \$18,645 available under the Letter of Credit Agreement.

Annual principal debt service requirements for the above notes, excluding State Issue 2 Loans are as follows:

<u>Year</u>	<u>Amount</u>
2002	\$ 22,313
2003	\$ 19,110
2004	\$ 2,917
2005	\$ 2,893
2006-2022	<u>\$ 48,589</u>
Total	<u>\$95,822</u>

Final annual repayment amounts for certain State Issue 2 Loans outstanding are subject to establishment upon project completion.

Under Ohio law, notes can be issued in anticipation of bond proceeds, special assessment bond proceeds and levies, or for up to 50% of anticipated revenue collections. There are also limitations on the number of times these notes can be renewed.

Notes payable are carried in the Capital Projects Funds during the construction phase of the project, and generally are refinanced from time-to-time until the projects are completed. Upon completion the asset is transferred to the appropriate Fund or the General Fixed Asset Account Group. Also upon completion, the notes are generally refinanced by general obligation, revenue or special assessment bonds and the debt is transferred to the appropriate Fund or the General Long-Term Obligations Account Group.

Changes in notes payable during 2001 were as follows:

	<u>Special Revenue</u>	<u>Capital Projects</u>
Balance at beginning of year	\$32,600	\$ 1,235
Issuances	15,800	610
Retirements	(16,400)	(265)
Balance at end of year	<u>\$32,000</u>	<u>\$ 1,580</u>

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

NOTE 8. DEBT OBLIGATIONS (Continued)

A. Notes Payable (Continued)

	<u>Enterprise</u>	<u>Internal Service</u>	<u>General Long-Term Obligations Account Group</u>
Balance at beginning of year	\$ 33,794	\$ 900	\$28,778
Issuances	8,013	---	250
Retirements	<u>(2,189)</u>	<u>(900)</u>	<u>(1,865)</u>
Balance at end of year	<u>\$ 39,618</u>	<u>\$ -0-</u>	<u>\$27,163</u>

B. Bonds Payable and General Long Term Obligations

Changes in bonds payable and general long term obligations during 2001 and principal amounts outstanding at December 31, 2001 are as follows:

<u>Fund</u>	<u>Interest Rates</u>	<u>Balance at Beginning Of Year</u>	<u>Issuances</u>	<u>Reductions/ Retirements</u>	<u>Balance At End Of Year</u>
Enterprise Funds:					
Water revenue bonds	3.00-6.45%	\$ 61,239	\$ ---	\$ 2,620	\$ 58,619
Sewer revenue bonds	3.00-6.45%	38,433	---	2,693	35,740
Parking general obligation bonds*	6.75-7.375%	3,740	---	555	3,185
General obligation bonds*		25,695	---	279	25,416
Capital Lease obligation		11,700	---	255	11,445
Internal Service Funds:					
General obligation bonds*		8	---	1	7
General Long-Term Obligations Acct. Group:					
Accrued compensated absences		35,908	---	1,797	34,111
Police/Fire Pension					
General obligation bonds	7.50%	14,850	---	800	14,050
General obligation bonds*	3.00-7.625%	96,649	7,900	9,345	95,204
General Fund—Loans from other governments*	4.02-4.12%	9,340	436	256	9,520
Capital Projects Funds—Loans from other governments*	0.00-7.96%	13,169	---	283	12,886
Special assessment bonds					
with governmental commitment	3.50-8.10%	724	---	182	542
Capital Lease Obligation		12,304	---	1,850	10,454
Tax increment bonds	4.00-14.00%	1,302	---	666	636
Landfill closure/post closure care		<u>11,167</u>	<u>---</u>	<u>559</u>	<u>10,608</u>
General Long-Term Obligations					
Account Group – Subtotal		<u>195,413</u>	<u>8,336</u>	<u>15,738</u>	<u>188,011</u>
Total		<u>\$336,228</u>	<u>\$ 8,336</u>	<u>\$22,141</u>	<u>\$322,423</u>

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

NOTE 8. DEBT OBLIGATIONS (Continued)

B. Bonds Payable (Continued)

Reductions/retirements include \$6 redemption of bonds paid from the Expendable Trust Fund.

*Note: Certain General Obligation Bonds of \$123,812 are recorded in the following funds and account groups:

	<u>Issuances</u>	<u>Balance at End of Year</u>
Enterprise Funds	\$ ---	\$ 28,601
Internal Service Funds	---	7
General Long-Term Obligations	<u>7,900</u>	<u>95,204</u>
Total	<u>\$ 7,900</u>	<u>\$123,812</u>

Special assessment bonds are pledged by the full faith and credit of the City, the debt service requirements of which are funded by proceeds from special assessments tax levies. Water and sewer revenue bonds are collateralized by revenue from Water and Sewer Enterprise Funds. The full faith and credit of the City is pledged against the remaining general long-term obligations.

The annual debt service requirements for principal and interest on bonds payable at December 31, 2001 are as follows:

	Water		Sewer	
	Revenue Bonds		Revenue Bonds	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2002	\$ 2,528	\$ 3,157	\$ 2,594	\$ 2,107
2003	2,839	2,850	2,928	1,767
2004	2,964	2,730	2,333	1,620
2005	3,084	2,604	1,978	1,512
2006	3,294	2,468	2,053	1,423
2007-2011	18,085	9,866	10,865	5,570
2012-2016	21,860	4,709	9,630	2,865
2017-2021	3,695	322	2,839	446
2022-2026	<u>270</u>	<u>35</u>	<u>520</u>	<u>69</u>
Total	<u>\$ 58,619</u>	<u>\$ 28,741</u>	<u>\$ 35,740</u>	<u>\$ 17,379</u>

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

NOTE 8. DEBT OBLIGATIONS (Continued)

B. Bonds Payable (Continued)

	Parking		General Obligation Bonds	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2002	\$ 555	\$ 232	\$ 10,092	\$ 6,498
2003	560	192	9,405	5,997
2004	565	151	9,450	5,515
2005	570	109	9,601	4,994
2006	550	68	9,011	4,490
2007-2011	385	71	37,482	21,147
2012-2016	---	---	20,021	7,680
2017-2021	---	---	6,608	3,870
2022-2026	---	---	7,150	1,673
2027-2031	---	---	1,808	147
Total	<u>\$ 3,185</u>	<u>\$ 823</u>	<u>\$120,627</u>	<u>\$ 62,010</u>

	P&F Pension GO Bonds		Tax Increment Bonds	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2002	\$ 850	\$ 1,038	\$ 295	\$ 79
2003	875	974	139	58
2004	925	908	148	49
2005	950	837	54	7
2006	1,000	765	---	---
2007-2011	5,550	2,640	---	---
2012-2016	3,900	519	---	---
2017-2021	---	---	---	---
2022-2026	---	---	---	---
2027-2031	---	---	---	---
Total	<u>\$ 14,050</u>	<u>\$ 7,681</u>	<u>\$ 636</u>	<u>\$ 193</u>

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

NOTE 8. DEBT OBLIGATIONS (Continued)

B. Bonds Payable (Continued)

	Special		Miscellaneous	
	Assessment Bonds			
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2002	\$ 102	\$ 28	\$ 1,165	\$ 828
2003	102	23	1,002	795
2004	92	18	1,035	760
2005	56	12	1,068	724
2006	56	8	1,103	687
2007-2011	134	12	6,109	2,820
2012-2016	---	---	6,668	1,624
2017-2021	---	---	4,256	341
2022-2026	---	---	---	---
2027-2031	---	---	---	---
	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>
Total	<u>\$ 542</u>	<u>\$ 101</u>	<u>\$ 22,406</u>	<u>\$ 8,579</u>

Under the Uniform Bond Act of the Ohio Revised Code, the City has the capacity to issue approximately \$101,000 additional unvoted general obligation debt. The principal balances of the utility debt have been reduced by unamortized discount of \$1,196.

C. Defeasance of Bond Issues

In 1999, 1994, 1988 and 1984, the City advance refunded bonds to facilitate the retirement of the City's obligation with respect to certain water and sewer bond issues and to provide funds for various improvement projects. The proceeds of the refunding issues were placed in irrevocable escrow accounts and invested in U.S. Treasury Obligations which, together with interest earned thereon, will provide amounts sufficient for future payment of interest and principal on the issues being refunded. Balances of refunded bonds are not included in the City's outstanding long-term debt since the debt is considered to be extinguished for financial reporting purposes through consummation of the refunding transaction. Balances of advance refunded debt not included in the City's balance sheet in the Enterprise Fund at December 31, 2001 totaled \$3,420.

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

NOTE 8. DEBT OBLIGATIONS (Continued)

D. Other

Capital Lease

The City has a noncancelable long-term lease with the Ohio Building Authority for the space it occupies in the Government Center Office Building, which is classified as a capital lease. In fiscal 1997, the City entered into a lease agreement with the Ohio Building Co., which is also being classified as a capital lease. In 1999, the City entered into a lease agreement with the Lucas County Port Authority for an addition to the Superior Street Garage which is classified as a capital lease. Future minimum lease payments together with the present value of the net minimum lease payments as of December 31, 2001 are as follows:

Year	General Long-Term Obligations Account Group	Enterprise Funds
2002	\$ 2,731	\$ 1,091
2003	2,682	1,130
2004	1,460	1,180
2005	3,862	1,232
2006	1,522	1,266
Thereafter	<u>2,545</u>	<u>12,660</u>
Total Minimum Lease Payments	14,802	18,559
Less Amount Representing Interest	<u>4,348</u>	<u>7,114</u>
Present Value of Net Minimum Lease Payments	<u>\$10,454</u>	<u>\$11,445</u>

Landfill Closure and Postclosure Care Costs

The City operates the Hoffman Road landfill and accounts for this activity in the General Fund. State and federal regulations require the City to place a final cover on the Hoffman Road site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty (30) years after closure. The closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste. The City records a liability in the General Long-Term Obligations Account Group (GLTOAG) for the closure and postclosure care costs based on landfill capacity used as of each balance sheet date. A new cell was constructed in 2001; therefore, the landfill can continue to accept solid waste and increase its capacity. Based on the remaining air space and estimated annual tonnage to be taken in, the estimated remaining life of the landfill is 32 years. The \$10,608 reported as landfill closure and postclosure care liability at December 31, 2001, represents the cumulative amount reported to date based on the use of 89% of the estimated capacity of the landfill. The City will recognize the remaining estimated cost of closure and postclosure care of \$1,330 as the remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and postclosure care in 2001. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

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

NOTE 9. INTERFUND RECEIVABLES AND PAYABLES

Individual interfund receivables and payables at December 31, 2001 consisted of the following:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ --	\$ 510
Special Revenue Funds:		
City Parks	--	6
Toledo Home Program	--	2,763
Special Assessment Services	--	7,505
Capital Projects Funds:		
Capital Improvements	23,374	--
Special Assessment Improvements	--	361
Enterprise Funds:		
Water	22,369	33,818
Sewer	15,090	24,337
Storm Utility	3,610	3,869
Utility Administrative Services	--	6,246
Parking	--	333
Property Management	311	244
Internal Service Funds:		
Municipal Garage	--	1,451
Storeroom and Printshop	--	716
Trust and Agency:		
Payroll Revolving	17,419	--
Block Grant Rehab	--	14
Total	<u>\$ 82,173</u>	<u>\$ 82,173</u>

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

NOTE 10. FUND BALANCE/RETAINED EARNINGS, DEFICITS, CONTRIBUTED CAPITAL AND RESIDUAL EQUITY TRANSFER

A. Fund Balance/Retained Earnings Deficit

At December 31, 2001, the following Funds had a fund or retained earnings deficit:

Special Revenue Funds - Special Assessment Services Fund

The fund deficit of \$34,114 in the Special Assessment Services Fund arose because of the application of GAAP to the financial reporting for this Fund. Short-term note proceeds used to finance construction of special assessment projects are not recognized as an "other financing source." Liabilities for special assessment short-term notes payable are accounted for in the Special Assessment Services Fund. Special assessments are recognized as revenue in the year they are remitted to the City by the County Auditor. The deficit will be reduced and eliminated as deferred special assessment installments are received from the County Auditor.

Special Revenue Funds – Toledo Home Program

The fund deficit of \$1,258 is a result of timing of drawdowns from HUD for current year expenditures.

Capital Projects Fund - Special Assessment Improvements Fund

The fund deficit of \$1,253 in the Special Assessment Improvements Fund arose because of the application of GAAP to the financial reporting for this Fund. Note proceeds used to finance construction projects are not recognized as an "other financing source" in the Special Assessments Improvements Fund. These deficits will be reduced and eliminated as long-term financing is arranged for projects supported by short-term debt.

Enterprise Funds - Property Management Funds

The retained earnings deficit of \$7,634 in the Property Management Fund was due to transfers to the Capital Project Fund which had originally contributed land to the Property Management Fund.

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

NOTE 10. FUND BALANCE/RETAINED EARNINGS, DEFICITS, CONTRIBUTED CAPITAL AND RESIDUAL EQUITY TRANSFER (Continued)

A. Fund Balance/Retained Earnings Deficit (Continued)

Internal Service Funds - Municipal Garage, Storeroom and Printshop Fund

The retained earnings deficit of \$67,939 in the Municipal Garage Fund is a result of the decision not to bill users for depreciation on the fleet of City vehicles. However, this situation is somewhat alleviated as the same users are required to "contribute" their replacement vehicles to the Fund. Consequently, total fund equity of \$11,382 and net fixed assets of \$12,359 reflect a net equity shortfall of \$977.

The retained earnings deficit of \$780 in the Storeroom and Printshop Fund is somewhat alleviated by contributed capital of \$39. Previous years have experienced operating losses due to an inability to pass through certain overhead costs. This situation was addressed in 2001's operating budget and the Print Shop has a balanced budget.

B. Contributed Capital and Residual Equity Transfers

Residual Equity Transfer From	Amount	Recorded in Contribution of Capital To	
		Enterprise	Internal Service
Special Revenue Fund	\$ 25	\$ ---	\$ 25
Capital Projects	982	---	982
Internal Service Fund	<u>5,106</u>	---	<u>5,106</u>
	<u>\$6,113</u>	\$ ---	\$ 6,113
Contributed Capital January 1, 2001		<u>\$ 23,869</u>	<u>\$74,818</u>
Contributed Capital December 31, 2001		<u>\$ 23,869</u>	<u>\$80,931</u>

Contributions of capital to the Internal Service Fund from the various other Funds relate to contributions of vehicles at cost.

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

NOTE 11. OHIO PUBLIC EMPLOYEES DEFERRED COMPENSATION PLAN

Employees of the City may elect to participate in the Ohio Public Employees Deferred Compensation Plan adopted under the provisions of the Internal Revenue Code Section 457. Under this program, employees elect to have a portion of their pay deferred until a future time, usually after retirement. The deferred pay and any income earned on it is not subject to income taxation until actually received by the employee.

As the Ohio Public Employees Deferred Compensation Board is the plan Administrator, the City is unable to, and does not, maintain any fiscal control over these assets. All assets and income of the plan are held in trust for the exclusive benefit of the participants and their beneficiaries.

NOTE 12. PENSION AND RETIREMENT PLANS

A. Police and Firemen's Disability and Pension Fund

All Police and Firemen are members of and participate in the Police and Firemen's Disability and Pension Fund (PFDPF), a cost-sharing multiple-employer defined benefit plan which operates under the authority of Ohio Revised Code, Chapter 742. The Fund provides pension, disability and health care benefits to qualified participants and survivor and death benefits to qualified spouses, children and dependent parents.

The PFDPF issues a publicly available financial report that includes financial information and required supplementary information for the plan. Interested parties may obtain a copy by making a written request to: 140 East Town Street, Columbus, Ohio 43215-5164 or by calling (614) 228-2975.

The Ohio Revised Code provides statutory authority for employee and employer contributions. Plan members are required to contribute 10.0% of their annual covered salary and the City is required to contribute a statutorily determined rate which is currently 19.5% for Police and 24.0% for Fire. The City's contributions are equal to 100% of the dollar amount billed the City. The City's contributions to PFDPF for the Police portion for the years ending December 31, 2001, 2000, 1999, were \$7,481, \$7,365, \$7,092, respectively, equal to the required contributions for each year. Contributions for the Fire Portion for the years ending December 31, 2001, 2000, 1999, were \$6,669, \$6,282, \$6,860, respectively, equal to the required contribution for each year. All contributions to PFDPF were made within the required due dates.

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

NOTE 12. PENSION AND RETIREMENT PLANS (continued)

A. Police and Firemen's Disability and Pension Fund (continued)

The PFDPF also provides post-retirement health care coverage to any person who receives or is eligible to receive a monthly benefit check or is a spouse or eligible dependent child of such person. An eligible dependent child is any child under the age of 18 whether or not the child is attending school or under the age of 22 if attending full-time or on a 2/3 basis. The health care coverage provided by the retirement system is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 12. A portion of the City's contribution to PFDPF is set aside for the funding of post retirement health care. The City's contribution includes approximately \$4,961 (7.5% of covered payroll) used to fund a health care program for retired employees.

The Ohio Revised Code provides the statutory authority requiring public employers to fund postretirement health care through their contributions to the PFDPF.

The assumptions and calculations below were based on the PFDPF latest actuarial review performed as of December 31, 2001:

- A. Health care funding and accounting is on a pay-as-you-go basis.
- B. The number of participants eligible to receive health care benefits as of December 31, 2001 was 12,853 for police and 10,037 for firemen.
- C. The Fund's total health care expenses for the year ending December 31, 2001 were \$106,160.

In 1994, the City issued \$19,050 of taxable general obligation bonds to retire the remaining \$29,148 of the unfunded Police and Fire Pension liability existing at that time. The annual net debt service on the bonds will be approximately \$1,380.

B. Public Employees Retirement System of Ohio

All City employees (excluding Police and Firemen) are members of and participate in 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. Authority to establish and amend benefits is provided by state statute per Chapter 145 of the Ohio Revised Code. The Public Employees Retirement System issues a stand-alone financial report. Interested parties may obtain a copy by making a written request to: 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 466-2085 or 1-800-222-7377.

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

NOTE 12. PENSION AND RETIREMENT PLANS (Continued)

B. Public Employees Retirement System of Ohio (Continued)

The 2001 employer contribution rate for local government employer units was 13.55% of covered payroll. Plan members are required to contribute 8.5% of their annual salary. The City's contributions are equal to 100% of the dollar amount billed to the City. The City's contributions to PERS for the years ending December 31, 2001, 2000 and 1999 were \$8,472, \$7,923 and \$9,126 respectively, equal to the required contributions for each year. All contributions to PERS were made within the required due dates.

The Public Employees Retirement System of Ohio also 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 provided by the retirement system is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 12. A portion of the City's contribution is set aside for the funding of post retirement health care benefits. The Ohio Revised Code provides statutory authority for employer contributions. The City contribution includes approximately \$2,689 (4.3% of covered payroll) used to fund a health care program for retired employees. The Ohio Revised Code provides the statutory authority requiring public employers to fund post-retirement health care through their contribution to PERS. Health care costs were assumed to increase 4.75% annually.

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

- A. Health care funding and accounting is on an actuarially determined basis.
- B. The number of active contributing participants was 411,076.
- C. \$11,735.9 million represents the actuarial value of the Retirement System's net assets available for OPEB at December 31, 2000.
- D. The actuarially accrued liability and the unfunded actuarial accrued liability based on the actuarial cost method were \$14,364.6 million and \$2,628.7 million, respectively. 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.

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

NOTE 12. PENSION AND RETIREMENT PLANS (Continued)

B. Public Employees Retirement System of Ohio (Continued)

- E. All investments are carried at market value. For actuarial valuation purposes, a smoothed market approach is used. Under this approach, assets are adjusted annually to reflect 25% of unrealized market appreciation or depreciation on investment assets. The investment assumption rate for 2001 was 7.75%.
- F. 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%.

The Public Employees System of Ohio elected to return an actuarially pre-funded type of disclosure because it is a better presentation of PERS' actual funding methodology.

NOTE 13. SEGMENT INFORMATION - ENTERPRISE FUNDS

The City operates Enterprise Funds which provide water, disposal and treatment of sewage, managerial services and provide off-street parking facilities and property management services. To meet certain legal requirements, the City utilizes five separate funds for each of its water and sewer utilities. For purposes of the segment information, the separate water and sewer funds have been combined in the following table as of December 31, 2001 and for the year then ended:

	Water	Sewer	Storm Sewer	Utility Administration Services	Parking	Property Management	Small Business Development	Total Enterprise Funds
Operating Revenues	\$30,990	\$34,722	\$8,420	\$7,139	\$1,421	\$1,130	\$ 67	\$ 83,889
Depreciation and Amortization	2,570	8,343	--	388	593	221	---	12,115
Operating Income (Loss)	7,926	3,837	4,235	(49)	828	402	20	17,199
Operating Transfers In (Out)	40	(27)	(22)	91	(49)	(3,404)	---	(3,371)
Net Income (Loss)	8,209	1,880	4,333	(226)	60	111	21	14,388
Property, Plant & Equipment:								
Additions	20,940	15,404	341	24	25	---	3	36,737
Disposals & Adjustments	--	--	--	---	---	---	---	---
Net Working Capital (Deficit)	7,216	5,173	1,687	648	(378)	22,891	604	37,841
Total Assets	207,270	301,527	11,608	10,321	24,981	32,901	1,360	589,968
Bonds & Other Long Term Liabilities	59,172	70,752	1,506	3,812	10,818	27,963	---	174,023
Total Equity	109,743	200,260	6,209	236	13,782	4,694	1,325	336,249

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

NOTE 14. LEASES AND OTHER COMMITMENTS

In 1982, the City entered into a noncancelable long-term lease with the Ohio Building Authority for the space it occupies in the Toledo Government Center Office Building. The lease, which is for 30 years, is classified as a capital lease and has been included in the General Fixed Assets Account Group at \$26,179 less accumulated depreciation of \$16,146. Under the terms of the lease, the City is required to pay for its pro-rata share of operating and maintenance costs of the Building. These additional costs were \$1,222 in 2001.

In 1997, the City entered into a noncancelable long-term lease with the Ohio Building Co. for the space it occupies in the Ohio Building. The lease, which is for 15 years is classified as a capital lease and has been included in the Utility Administration Services Enterprise Fund at \$4,538 less accumulated depreciation of \$1,247 at December 31, 2001.

In 1999, the City entered into a \$7,825 noncancelable long-term lease with the Lucas County Port Authority for an addition to the Superior Street Garage.

The City leases other facilities and equipment under various operating leases. Rental expense relating to these leases amounted to \$2,344 in 2001. Future minimum lease payments on operating leases as of December 31, 2001 is \$1,537.

The City has commitments for construction and improvement of four Water Treatment Plant projects and four Water Reclamation Plant projects. Such construction commitments, which total \$10,032 at December 31, 2001, are funded from Environmental Protection Agency grants and Sewer Mortgage Revenue Bond proceeds of the Sewer Fund.

The City entered into an agreement with Libbey-Owens-Ford in 1994 to purchase their headquarters building and to make necessary improvements for \$4,000. This arrangement was made to induce the company to maintain their operation within the City. The agreement provides for rental terms with the company in amounts sufficient to retire revenue bonds which were issued in January of 1994 to fund the transaction.

NOTE 15. CONTINGENCIES

The City of Toledo is party to various legal proceedings seeking damages or injunctive relief generally incidental to its operations. The significant claims are described below.

The City is involved in various administrative proceedings with the Ohio Environmental Protection Agency and/or Ohio Attorney General's Office and the USEPA concerning certain environmental matters within the City. Those administrative proceedings do not seek money damages from the City but may require the City to take certain remedial

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

NOTE 15. CONTINGENCIES (continued)

measures to eliminate or reduce pollution in the lands or waters within the City. The City has, in turn, initiated certain proceedings to require those who it believes disposed of these pollutants to participate in the necessary remedial actions. The overall cost of the various clean-ups could reach up to \$50,000. The remedial measures are anticipated to span a multi-year period. The remaining capital cost to the City is estimated to be less than \$500. The costs to the City for operation, maintenance and monitoring over the next thirty years are estimated to be less than \$10,000 including inflation, most of which is to be funded from settlement reserves. The ultimate resolution of these claims is not anticipated to have a material adverse effect on the City's financial position.

The City is involved in litigation in which the United States and the State of Ohio are seeking injunctive relief and civil penalties against the City under the Clean Water Act for alleged discharges of pollutants from the City's wastewater treatment plant in violation of permit limitations. The City, the United States and the State of Ohio reached a settlement on the amount of civil penalties to be paid by the City which was ratified by City Council in May 2002. Under the settlement, the City will be required to pay a \$500 fine and upgrade the sewage treatment plant and sanitary sewer system at an anticipated total cost of \$400 million over the next 15 years.

In addition, the City participates in a number of Federal and State assisted grant programs. These programs are subject to financial and compliance audits by grantors or their representatives. At December 31, 2001, the audits of certain programs have not been completed. Accordingly, the City's compliance with applicable grant requirements will be established at some future date. The City believes that disallowed claims, if any, will not result in a material adverse effect on the City's financial position.

NOTE 16. JOINT VENTURE

The City of Toledo has entered into a contractual agreement with Lucas County, Defiance County, Fulton County, Henry County, and Williams County to form the Corrections Commission of Northwest Ohio (Corrections Commission) to operate a regional jail in northwest Ohio. Each entity is responsible for a portion of the capital and operating budget as follows:

City of Toledo	40.34%
Lucas County	28.35
Defiance County	10.12
Fulton County	6.39
Williams County	9.35
Henry County	5.45
	<u>100.00%</u>

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

NOTE 16. JOINT VENTURE (continued)

The Corrections Commission is a board composed of the following representatives: the President of the Board of County Commissioners, Sheriff and the Presiding Judge of the Court of Common Pleas from each County and the Mayor or City Manager, Chief of Police and Presiding Judge of the Municipal Court of the City of Toledo. Each participating entity has an equal degree of control over budgeting and financing.

All debt incurred for the construction of the jail was incurred by the participating governmental agencies, and are not liabilities of the Corrections Commission.

The Corrections Commission has an annual budget of approximately \$11,893 and has accumulated cash reserves of \$363 at December 31, 2001. Complete financial statements of the Corrections Commission can be obtained from its administrative office as follows:

Corrections Commission of Northwest Ohio
03151 Road 24.25
Rt. 1, Box 100-A
Stryker, OH 43557

NOTE 17. EDISON AGREEMENT

In 1998, the City entered into a five year agreement with Toledo Edison Company which would provide the City with \$6,000 (to be received in five annual installments of \$1,200 beginning in 1998 through 2002) to attract and retain businesses and for projects within the City. The 2001 annual amount of \$1,200 has been recognized in these financial statements.

NOTE 18. FUTURE CHANGE IN ACCOUNTING PRINCIPLES

In June 1999, the Governmental Accounting Standards Board issued Statement No. 34, *“Basic Financial Statements—and Management’s Discussion and Analysis—for State and Local Governments.”* This statement establishes new financial statement reporting requirements for all state and local governments. It creates new information and restructures much of the information that is currently presented in the financial statements. The City will adopt this new standard beginning with its 2002 fiscal year, the year in which adoption is first required for the City. Adjustments to governmental, proprietary and fiduciary funds resulting from the change to comply with this Statement will be treated as adjustments of prior periods, and financial statements presented for the periods affected will be restated unless restatement is not practical. The impact of adopting this statement has not yet been determined.

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**CITY OF TOLEDO, OHIO
SPECIAL REVENUE FUNDS
DECEMBER 31, 2001**

Federal Block Grants - To account for monies received from the Federal Government under the Community Development Block Grant program. Individual program and grant activity is controlled by use of programmatic computer codes.

Operation Grants - To account for various non-capital Federal, State and Local grants including such programs as Federal and State Air Pollution Control, D.W.I. (Driving While Intoxicated) program, Child and Family Health, and WIC (Women, Infants and Children). Individual program and grant activity is controlled by use of programmatic computer codes.

Urban Development Action Grants - To account for monies received from the Federal Government under the Urban Development Action Grant program. Individual program and grant activity is controlled by use of programmatic computer codes.

Street Construction Maintenance and Repair - To account for state-levied and controlled gasoline tax and vehicle license fees remitted to the City by formula for routine street maintenance.

Cemetery Maintenance - To account for investment earnings transferred from the non-expendable Cemetery Perpetual Care Fund. Fund monies are used in maintaining the City's five public cemeteries.

Golf Improvements - To account for the portion of golf greens fees designated by City Council for major non-capital golf course maintenance.

Parkland Improvements - To account for those proceeds from parkland sales designated by City Council for minor purchases of park property and equipment.

Cemeteries Property Acquisition Site Development - To account for monies received for interments, removals and lots in municipal cemeteries and used for the expansion of municipal cemeteries.

Marina Development - To account for monies received for operation and improvement of the City's marinas and Boating Education Center.

Special Assessment Services - To account for the proceeds of special assessments (and related note sales) levied against property benefitted from the following City services: street cleaning, street lighting, surface treatment, weed cutting, snow removal and tree and ditch maintenance.

Toledo City Parks - To account for investment earnings on funds contributed from General Fund Estate Taxes. This fund will provide funding stability to the City's parks and recreation programs.

Toledo Home Program - To account for monies received under the National Affordable Housing Act to assist low-income individuals attain home ownership. Individual program and grant activity is controlled by use of programmatic computer codes.

City of Toledo, Ohio
Special Revenue Funds
Combining Balance Sheet
December 31, 2001
(Amounts in Thousands)

	Federal Block Grants	Operation Grants	Urban Development Action Grants
	-----	-----	-----
Assets			
Equity in Pooled Cash	\$ 944	\$ 2,080	\$ 361
Other Cash	1	-	-
Investments	-	-	13
Receivables (Net of Allowance for Uncollectible Accounts):			
Accounts	2,905	39	96
Special Assessments	-	-	-
Notes	-	-	655
Interfund Receivable	-	-	-
Prepaid Expenditures	-	-	-
Inventory of Supplies	-	-	-
Restricted Assets:			
Investments	-	-	-
	-----	-----	-----
Total Assets	\$ 3,850	\$ 2,119	\$ 1,125
	=====	=====	=====
Liabilities and Fund Balances			
Liabilities			
Accounts Payable	\$ 594	\$ 250	\$ -
Escrow	12	131	11
Retainages	-	-	-
Interfund Payable	-	-	-
Due to Other Governments	-	-	2
Deferred Revenue	-	-	-
Other Current Liabilities	-	-	-
Payable From Restricted Assets:			
Notes Payable	-	-	-
	-----	-----	-----
Total Liabilities	606	381	13
	-----	-----	-----
Fund Balances (Deficit):			
Reserved for Encumbrances	3,238	4,489	114
Reserved for Inventory of Supplies	-	-	-
Reserved for Long-Term Notes Receivable	-	-	751
Reserved for Prepaid Expenditures	-	-	-
Designated for Subsequent Years Expenditures	-	-	-
Undesignated	6	(2,751)	247
	-----	-----	-----
Total Fund Balance (Deficit)	3,244	1,738	1,112
	-----	-----	-----
	-----	-----	-----
Total Liabilities and Fund Balance (Deficit)	\$ 3,850	\$ 2,119	\$ 1,125
	=====	=====	=====

City of Toledo, Ohio
Special Revenue Funds
Combining Balance Sheet
December 31, 2001
(Amounts in Thousands)
(Continued)

	Street Construction Maintenance and Repair	Cemetery Maintenance	Golf Improvements
	-----	-----	-----
Assets			
Equity in Pooled Cash	\$ 1,468	\$ 9	\$ 29
Other Cash	-	-	-
Investments	-	-	-
Receivables (Net of Allowance for Uncollectible Accounts):			
Accounts	628	-	-
Special Assessments	-	-	-
Notes	-	-	-
Interfund Receivable	-	-	-
Prepaid Expenditures	2	-	-
Inventory of Supplies	479	-	-
Restricted Assets:			
Investments	-	-	-
	-----	-----	-----
Total Assets	\$ 2,577	\$ 9	\$ 29
	=====	=====	=====
Liabilities and Fund Balances			
Liabilities			
Accounts Payable	\$ 125	\$ 2	\$ -
Escrow	-	-	-
Retainages	-	-	-
Interfund Payable	-	-	-
Due to Other Governments	-	-	-
Deferred Revenue	-	-	-
Other Current Liabilities	-	-	-
Payable From Restricted Assets:			
Notes Payable	-	-	-
	-----	-----	-----
Total Liabilities	125	2	-
	-----	-----	-----
Fund Balances (Deficit):			
Reserved for Encumbrances	94	-	-
Reserved for Inventory of Supplies	479	-	-
Reserved for Long-Term Notes Receivable	-	-	-
Reserved for Prepaid Expenditures	2	-	-
Designated for Subsequent Years Expenditures	221	-	-
Undesignated	1,656	7	29
	-----	-----	-----
Total Fund Balance (Deficit)	2,452	7	29
	-----	-----	-----
Total Liabilities and Fund Balance (Deficit)	\$ 2,577	\$ 9	\$ 29
	=====	=====	=====

City of Toledo, Ohio
Special Revenue Funds
Combining Balance Sheet
December 31, 2001
(Amounts in Thousands)
(Continued)

	Parkland Improvements	Cemeteries Property Acquisition Site Development	Marina Development
Assets			
Equity in Pooled Cash	\$ 257	\$ 45	\$ 7
Other Cash	-	-	-
Investments	-	-	-
Receivables (Net of Allowance for Uncollectible Accounts):			
Accounts	16	-	-
Special Assessments	-	-	-
Notes	-	-	-
Interfund Receivable	-	-	-
Prepaid Expenditures	-	-	-
Inventory of Supplies	-	-	-
Restricted Assets:			
Investments	-	-	-
Total Assets	\$ 273	\$ 45	\$ 7
Liabilities and Fund Balances			
Liabilities			
Accounts Payable	\$ -	\$ -	\$ 3
Escrow	-	-	-
Retainages	-	-	-
Interfund Payable	-	-	-
Due to Other Governments	-	-	-
Deferred Revenue	-	-	-
Other Current Liabilities	-	-	-
Payable From Restricted Assets:			
Notes Payable	-	-	-
Total Liabilities	-	-	3
Fund Balances (Deficit):			
Reserved for Encumbrances	-	-	3
Reserved for Inventory of Supplies	-	-	-
Reserved for Long-Term Notes Receivable	-	-	-
Reserved for Prepaid Expenditures	-	-	-
Designated for Subsequent Years Expenditures	-	-	-
Undesignated	273	45	1
Total Fund Balance (Deficit)	273	45	4
Total Liabilities and Fund Balance (Deficit)	\$ 273	\$ 45	\$ 7

City of Toledo, Ohio
Special Revenue Funds
Combining Balance Sheet
December 31, 2001
(Amounts in Thousands)
(Continued)

	Special Assessment Services	Toledo City Parks	Toledo Home Program
	-----	-----	-----
Assets			
Equity in Pooled Cash	\$ -	\$ -	\$ -
Other Cash	-	-	-
Investments	-	3,656	-
Receivables (Net of Allowance for Uncollectible Accounts):			
Accounts	6	37	1,805
Special Assessments	38,685	-	-
Notes	-	-	-
Interfund Receivable	-	-	-
Prepaid Expenditures	-	-	-
Inventory of Supplies	1,595	-	-
Restricted Assets:			
Investments	4,176	-	-
	-----	-----	-----
Total Assets	\$ 44,462	\$ 3,693	\$ 1,805
	=====	=====	=====
Liabilities and Fund Balances			
Liabilities			
Accounts Payable	\$ 240	\$ -	\$ 300
Escrow	-	-	-
Retainages	-	-	-
Interfund Payable	7,505	6	2,763
Due to Other Governments	138	-	-
Deferred Revenue	38,685	-	-
Other Current Liabilities	8	-	-
Payable From Restricted Assets:			
Notes Payable	32,000	-	-
	-----	-----	-----
Total Liabilities	78,576	6	3,063
	-----	-----	-----
Fund Balances (Deficit):			
Reserved for Encumbrances	32	-	748
Reserved for Inventory of Supplies	1,595	-	-
Reserved for Long-Term Notes Receivable	-	-	-
Reserved for Prepaid Expenditures	-	-	-
Designated for Subsequent Years Expenditures	-	-	-
Undesignated	(35,741)	3,687	(2,006)
	-----	-----	-----
Total Fund Balance (Deficit)	(34,114)	3,687	(1,258)
	-----	-----	-----
	-----	-----	-----
Total Liabilities and Fund Balance (Deficit)	\$ 44,462	\$ 3,693	\$ 1,805
	=====	=====	=====

City of Toledo, Ohio
Special Revenue Funds
Combining Balance Sheet
December 31, 2001
(Amounts in Thousands)
(Continued)

	Total

Assets	
Equity in Pooled Cash	\$ 5,200
Other Cash	1
Investments	3,669
Receivables (Net of Allowance for Uncollectible Accounts):	
Accounts	5,532
Special Assessments	38,685
Notes	655
Interfund Receivable	-
Prepaid Expenditures	2
Inventory of Supplies	2,074
Restricted Assets:	
Investments	4,176

Total Assets	\$ 59,994
	=====
Liabilities and Fund Balances	
Liabilities	
Accounts Payable	\$ 1,514
Escrow	154
Retainages	-
Interfund Payable	10,274
Due to Other Governments	140
Deferred Revenue	38,685
Other Current Liabilities	8
Payable From Restricted Assets:	
Notes Payable	32,000

Total Liabilities	82,775

Fund Balances (Deficit):	
Reserved for Encumbrances	8,718
Reserved for Inventory of Supplies	2,074
Reserved for Long-Term Notes Receivable	751
Reserved for Prepaid Expenditures	2
Designated for Subsequent Years Expenditures	221
Undesignated	(34,547)

Total Fund Balance (Deficit)	(22,781)

Total Liabilities and Fund Balance (Deficit)	\$ 59,994
	=====

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City of Toledo, Ohio
Special Revenue Funds
Combining Statement of Revenues,
Expenditures and Changes in
Fund Balances
For the Year Ended December 31, 2001
(Amounts in Thousands)

	Federal Block Grants	Operation Grants	Urban Development Action Grants
	-----	-----	-----
Revenues:			
Special Assessments	\$ -	\$ -	\$ -
Licenses and Permits	-	1	-
Intergovernmental Services	7,161	7,366	2
Charges for Services	17	286	-
Investment Earnings	1	52	20
Fines and Forfeitures	-	407	-
All Other Revenue	26	135	-
	-----	-----	-----
Total Revenues	7,205	8,247	22
	-----	-----	-----
Expenditures:			
Current:			
General Government	1	274	-
Public Service	-	-	-
Public Safety	-	1,942	-
Public Utilities	-	-	-
Community Environment	10,762	3,241	(2)
Health	-	1,611	-
Parks and Recreation	-	-	-
Capital Outlay	(137)	1,994	-
Debt Service:			
Principal Retirement	136	-	-
Interest and Fiscal Charges	196	-	-
	-----	-----	-----
Total Expenditures	10,958	9,062	(2)
	-----	-----	-----
Excess (Deficiency) of Revenues over Expenditures	(3,753)	(815)	24
	-----	-----	-----
Other Financing Sources (Uses):			
Operating Transfers In	1,341	209	-
Operating Transfers (Out)	(593)	(23)	-
Sale of Fixed Assets	183	-	-
	-----	-----	-----
Total Other Financing Sources and (Uses)	931	186	-
	-----	-----	-----
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	(2,822)	(629)	24
Fund Balances (Deficit) at Beginning of Year	6,066	2,392	1,088
Residual Equity Transfers	-	(25)	-
Increase in Reserve for Inventory/Notes	-	-	-
	-----	-----	-----
Fund Balance (Deficit) at Year End	\$ 3,244	\$ 1,738	\$ 1,112
	=====	=====	=====

City of Toledo, Ohio
Special Revenue Funds
Combining Statement of Revenues,
Expenditures and Changes in
Fund Balances
For the Year Ended December 31, 2001
(Amounts in Thousands)
Continued)

	Street Construction Maintenance and Repair	Cemetery Maintenance	Golf Improvements
	-----	-----	-----
Revenues:			
Special Assessments	\$ -	\$ -	\$ -
Licenses and Permits	10	-	-
Intergovernmental Services	10,233	-	-
Charges for Services	10	-	185
Investment Earnings	-	25	-
Fines and Forfeitures	145	-	-
All Other Revenue	2	-	-
	-----	-----	-----
Total Revenues	10,400	25	185
	-----	-----	-----
Expenditures:			
Current:			
General Government	-	-	100
Public Service	9,168	-	-
Public Safety	84	-	-
Public Utilities	1,631	-	-
Community Environment	20	-	-
Health	-	23	-
Parks and Recreation	-	-	-
Capital Outlay	73	12	98
Debt Service:			
Principal Retirement	7	-	-
Interest and Fiscal Charges	7	-	-
	-----	-----	-----
Total Expenditures	10,990	35	198
	-----	-----	-----
Excess (Deficiency) of Revenues over Expenditures	(590)	(10)	(13)
	-----	-----	-----
Other Financing Sources (Uses):			
Operating Transfers In	169	-	19
Operating Transfers (Out)	(416)	-	(150)
Sale of Fixed Assets	-	-	-
	-----	-----	-----
Total Other Financing Sources and (Uses)	(247)	-	(131)
	-----	-----	-----
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	(837)	(10)	(144)
Fund Balances (Deficit) at Beginning of Year	3,194	17	173
Residual Equity Transfers	-	-	-
Increase in Reserve for Inventory/Notes	95	-	-
	-----	-----	-----
Fund Balance (Deficit) at Year End	\$ 2,452	\$ 7	\$ 29
	=====	=====	=====

City of Toledo, Ohio
Special Revenue Funds
Combining Statement of Revenues,
Expenditures and Changes in
Fund Balances
For the Year Ended December 31, 2001
(Amounts in Thousands)
Continued)

	Parkland Improvements	Cemeteries Property Acquisition Site Development	Marina Development
	-----	-----	-----
Revenues:			
Special Assessments	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-
Intergovernmental Services	-	-	-
Charges for Services	7	22	89
Investment Earnings	-	-	-
Fines and Forfeitures	-	-	-
All Other Revenue	27	-	5
	-----	-----	-----
Total Revenues	34	22	94
	-----	-----	-----
Expenditures:			
Current:			
General Government	-	-	-
Public Service	-	-	-
Public Safety	-	-	-
Public Utilities	-	-	-
Community Environment	-	-	-
Health	-	17	-
Parks and Recreation	-	-	127
Capital Outlay	-	-	-
Debt Service:			
Principal Retirement	-	-	-
Interest and Fiscal Charges	-	-	-
	-----	-----	-----
Total Expenditures	-	17	127
	-----	-----	-----
Excess (Deficiency) of Revenues over Expenditures	34	5	(33)
	-----	-----	-----
Other Financing Sources (Uses):			
Operating Transfers In	-	-	58
Operating Transfers (Out)	-	-	-
Sale of Fixed Assets	-	-	-
	-----	-----	-----
Total Other Financing Sources and (Uses)	-	-	58
	-----	-----	-----
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	34	5	25
Fund Balances (Deficit) at Beginning of Year	239	40	(21)
Residual Equity Transfers	-	-	-
Increase in Reserve for Inventory/Notes	-	-	-
	-----	-----	-----
Fund Balance (Deficit) at Year End	\$ 273	\$ 45	\$ 4
	=====	=====	=====

City of Toledo, Ohio
Special Revenue Funds
Combining Statement of Revenues,
Expenditures and Changes in
Fund Balances
For the Year Ended December 31, 2001
(Amounts in Thousands)
Continued)

	Special Assessment Services	Toledo City Parks	Toledo Home Program
	-----	-----	-----
Revenues:			
Special Assessments	\$ 19,883	\$ -	\$ -
Licenses and Permits	-	-	-
Intergovernmental Services	-	-	804
Charges for Services	192	-	-
Investment Earnings	369	198	-
Fines and Forfeitures	-	-	-
All Other Revenue	59	-	-
	-----	-----	-----
Total Revenues	20,503	198	804
	-----	-----	-----
Expenditures:			
Current:			
General Government	(47)	216	3
Public Service	16,470	-	-
Public Safety	-	-	-
Public Utilities	(2)	-	-
Community Environment	-	-	1,461
Health	621	-	-
Parks and Recreation	87	-	-
Capital Outlay	55	-	806
Debt Service:			
Principal Retirement	40	-	-
Interest and Fiscal Charges	1,843	-	-
	-----	-----	-----
Total Expenditures	19,067	216	2,270
	-----	-----	-----
Excess (Deficiency) of Revenues over Expenditures	1,436	(18)	(1,466)
	-----	-----	-----
Other Financing Sources (Uses):			
Operating Transfers In	215	-	168
Operating Transfers (Out)	(77)	-	(351)
Sale of Fixed Assets	-	-	-
	-----	-----	-----
Total Other Financing Sources and (Uses)	138	-	(183)
	-----	-----	-----
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	1,574	(18)	(1,649)
Fund Balances (Deficit) at Beginning of Year	(36,509)	3,705	391
Residual Equity Transfers	-	-	-
Increase in Reserve for Inventory/Notes	821	-	-
	-----	-----	-----
Fund Balance (Deficit) at Year End	\$ (34,114)	\$ 3,687	\$ (1,258)
	=====	=====	=====

City of Toledo, Ohio
Special Revenue Funds
Combining Statement of Revenues,
Expenditures and Changes in
Fund Balances
For the Year Ended December 31, 2001
(Amounts in Thousands)
Continued)

	Total

Revenues:	
Special Assessments	\$ 19,883
Licenses and Permits	11
Intergovernmental Services	25,566
Charges for Services	808
Investment Earnings	665
Fines and Forfeitures	552
All Other Revenue	254

Total Revenues	47,739

Expenditures:	
Current:	
General Government	547
Public Service	25,638
Public Safety	2,026
Public Utilities	1,629
Community Environment	15,482
Health	2,272
Parks and Recreation	214
Capital Outlay	2,901
Debt Service:	
Principal Retirement	183
Interest and Fiscal Charges	2,046

Total Expenditures	52,938

Excess (Deficiency) of Revenues over Expenditures	(5,199)

Other Financing Sources (Uses):	
Operating Transfers In	2,179
Operating Transfers (Out)	(1,610)
Sale of Fixed Assets	183

Total Other Financing Sources and (Uses)	752

Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	(4,447)
Fund Balances (Deficit) at Beginning of Year	(19,225)
Residual Equity Transfers	(25)
Increase in Reserve for Inventory/Notes	916

Fund Balance (Deficit) at Year End	\$ (22,781)
	=====

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City of Toledo, Ohio
Special Revenue Funds
Combining Statement of Revenues,
Expenditures and Changes in
Fund Balances
-Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2001
(Amounts in Thousands)

	Federal Block Grants		Favorable (Unfavorable) Variance
	Budget	Actual	
	-----	-----	-----
Revenues:			
Special Assessments	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-
Intergovernmental Services	12,972	7,161	(5,811)
Charges for Services	31	17	(14)
Investment Earnings	-	1	1
Fines and Forfeitures	-	-	-
All Other Revenue	1	26	25
	-----	-----	-----
Total Revenues	13,004	7,205	(5,799)
	-----	-----	-----
Expenditures:			
Current:			
General Government	6	1	5
Public Service	-	-	-
Public Safety	-	-	-
Public Utilities	-	-	-
Community Environment	18,639	10,762	7,877
Health	-	-	-
Parks and Recreation	-	-	-
Capital Outlay	113	(137)	250
Debt Service:			
Principal Retirement	136	136	-
Interest and Fiscal Charges	367	196	171
	-----	-----	-----
Total Expenditures	19,261	10,958	8,303
	-----	-----	-----
Excess (Deficiency) of Revenues over Expenditures	(6,257)	(3,753)	2,504
	-----	-----	-----
Other Financing Sources (Uses):			
Operating Transfers In	1,265	1,341	76
Operating Transfers (Out)	(777)	(593)	184
Sale of Fixed Assets	111	183	72
	-----	-----	-----
Total Other Financing Sources and (Uses)	599	931	332
	-----	-----	-----
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	\$ (5,658)	(2,822)	\$ 2,836
	=====		=====
Fund Balances (Deficit) at Beginning of Year		6,066	
Residual Equity Transfers		-	
Increase in Reserve for Inventory		-	

Fund Balance (Deficit) at Year End		\$ 3,244	
		=====	

City of Toledo, Ohio
Special Revenue Funds
Combining Statement of Revenues,
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Fund Balances
-Budget (GAAP Basis) and Actual
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(Continued)

	Operation Grants		Favorable (Unfavorable) Variance
	Budget	Actual	
Revenues:			
Special Assessments	\$ -	\$ -	\$ -
Licenses and Permits	(4)	1	5
Intergovernmental Services	24,881	7,366	(17,515)
Charges for Services	267	286	19
Investment Earnings	49	52	3
Fines and Forfeitures	626	407	(219)
All Other Revenue	135	135	-
Total Revenues	<u>25,954</u>	<u>8,247</u>	<u>(17,707)</u>
Expenditures:			
Current:			
General Government	275	274	1
Public Service	965	-	965
Public Safety	4,578	1,942	2,636
Public Utilities	1	-	1
Community Environment	10,805	3,241	7,564
Health	3,745	1,611	2,134
Parks and Recreation	1	-	1
Capital Outlay	3,708	1,994	1,714
Debt Service:			
Principal Retirement	-	-	-
Interest and Fiscal Charges	-	-	-
Total Expenditures	<u>24,078</u>	<u>9,062</u>	<u>15,016</u>
Excess (Deficiency) of Revenues over Expenditures	<u>1,876</u>	<u>(815)</u>	<u>(2,691)</u>
Other Financing Sources (Uses):			
Operating Transfers In	123	209	86
Operating Transfers (Out)	(23)	(23)	-
Sale of Fixed Assets	-	-	-
Total Other Financing Sources and (Uses)	<u>100</u>	<u>186</u>	<u>86</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	<u>\$ 1,976</u>	<u>(629)</u>	<u>\$ (2,605)</u>
Fund Balances (Deficit) at Beginning of Year		2,392	
Residual Equity Transfers		(25)	
Increase in Reserve for Inventory		-	
Fund Balance (Deficit) at Year End		<u>\$ 1,738</u>	

City of Toledo, Ohio
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-Budget (GAAP Basis) and Actual
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(Amounts in Thousands)
(Continued)

	Urban Development Action Grant Budget	Actual	Favorable (Unfavorable) Variance
	-----	-----	-----
Revenues:			
Special Assessments	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-
Intergovernmental Services	367	2	(365)
Charges for Services	-	-	-
Investment Earnings	14	20	6
Fines and Forfeitures	-	-	-
All Other Revenue	-	-	-
	-----	-----	-----
Total Revenues	381	22	(359)
	-----	-----	-----
Expenditures:			
Current:			
General Government	-	-	-
Public Service	-	-	-
Public Safety	-	-	-
Public Utilities	-	-	-
Community Environment	126	(2)	128
Health	-	-	-
Parks and Recreation	-	-	-
Capital Outlay	192	-	192
Debt Service:			
Principal Retirement	-	-	-
Interest and Fiscal Charges	-	-	-
	-----	-----	-----
Total Expenditures	318	(2)	320
	-----	-----	-----
Excess (Deficiency) of Revenues over Expenditures	63	24	(39)
	-----	-----	-----
Other Financing Sources (Uses):			
Operating Transfers In	-	-	-
Operating Transfers (Out)	-	-	-
Sale of Fixed Assets	-	-	-
	-----	-----	-----
Total Other Financing Sources and (Uses)	-	-	-
	-----	-----	-----
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	\$ 63	24	\$ (39)
	=====	=====	=====
Fund Balances (Deficit) at Beginning of Year		1,088	
Residual Equity Transfers		-	
Increase in Reserve for Inventory		-	

Fund Balance (Deficit) at Year End		\$ 1,112	
		=====	

City of Toledo, Ohio
Special Revenue Funds
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(Amounts in Thousands)
(Continued)

	Street Construction Maintenance and Repair Budget	Actual	Favorable (Unfavorable) Variance
	-----	-----	-----
Revenues:			
Special Assessments	\$ -	\$ -	\$ -
Licenses and Permits	10	10	-
Intergovernmental Services	10,783	10,233	(550)
Charges for Services	2	10	8
Investment Earnings	-	-	-
Fines and Forfeitures	131	145	14
All Other Revenue	2	2	-
	-----	-----	-----
Total Revenues	10,928	10,400	(528)
	-----	-----	-----
Expenditures:			
Current:			
General Government	-	-	-
Public Service	10,239	9,168	1,071
Public Safety	99	84	15
Public Utilities	1,809	1,631	178
Community Environment	23	20	3
Health	-	-	-
Parks and Recreation	-	-	-
Capital Outlay	116	73	43
Debt Service:			
Principal Retirement	8	7	1
Interest and Fiscal Charges	6	7	(1)
	-----	-----	-----
Total Expenditures	12,300	10,990	1,310
	-----	-----	-----
Excess (Deficiency) of Revenues over Expenditures	(1,372)	(590)	782
	-----	-----	-----
Other Financing Sources (Uses):			
Operating Transfers In	67	169	102
Operating Transfers (Out)	(416)	(416)	-
Sale of Fixed Assets	-	-	-
	-----	-----	-----
Total Other Financing Sources and (Uses)	(349)	(247)	102
	-----	-----	-----
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	\$ (1,721)	(837)	\$ 884
	=====	-----	=====
Fund Balances (Deficit) at Beginning of Year		3,194	
Residual Equity Transfers		-	
Increase in Reserve for Inventory		95	

Fund Balance (Deficit) at Year End		\$ 2,452	
		=====	

City of Toledo, Ohio
Special Revenue Funds
Combining Statement of Revenues,
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-Budget (GAAP Basis) and Actual
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(Continued)

	Cemetery Maintenance		Favorable (Unfavorable) Variance
	Budget	Actual	
	-----	-----	-----
Revenues:			
Special Assessments	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-
Intergovernmental Services	-	-	-
Charges for Services	36	-	(36)
Investment Earnings	31	25	(6)
Fines and Forfeitures	-	-	-
All Other Revenue	-	-	-
	-----	-----	-----
Total Revenues	67	25	(42)
	-----	-----	-----
Expenditures:			
Current:			
General Government	-	-	-
Public Service	-	-	-
Public Safety	-	-	-
Public Utilities	-	-	-
Community Environment	-	-	-
Health	24	23	1
Parks and Recreation	-	-	-
Capital Outlay	12	12	-
Debt Service:			
Principal Retirement	-	-	-
Interest and Fiscal Charges	-	-	-
	-----	-----	-----
Total Expenditures	36	35	1
	-----	-----	-----
Excess (Deficiency) of Revenues over Expenditures	31	(10)	(41)
	-----	-----	-----
Other Financing Sources (Uses):			
Operating Transfers In	-	-	-
Operating Transfers (Out)	-	-	-
Sale of Fixed Assets	-	-	-
	-----	-----	-----
Total Other Financing Sources and (Uses)	-	-	-
	-----	-----	-----
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	\$ 31	(10)	\$ (41)
	=====		=====
Fund Balances (Deficit) at Beginning of Year		17	
Residual Equity Transfers		-	
Increase in Reserve for Inventory		-	

Fund Balance (Deficit) at Year End		\$ 7	
		=====	

City of Toledo, Ohio
Special Revenue Funds
Combining Statement of Revenues,
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-Budget (GAAP Basis) and Actual
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(Amounts in Thousands)
(Continued)

	Golf Improvements		Favorable (Unfavorable) Variance
	Budget	Actual	
	-----	-----	-----
Revenues:			
Special Assessments	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-
Intergovernmental Services	-	-	-
Charges for Services	175	185	(10)
Investment Earnings	-	-	-
Fines and Forfeitures	-	-	-
All Other Revenue	-	-	-
	-----	-----	-----
Total Revenues	175	185	(10)
	-----	-----	-----
Expenditures:			
Current:			
General Government	100	100	-
Public Service	-	-	-
Public Safety	-	-	-
Public Utilities	-	-	-
Community Environment	-	-	-
Health	-	-	-
Parks and Recreation	-	-	-
Capital Outlay	130	98	32
Debt Service:			
Principal Retirement	-	-	-
Interest and Fiscal Charges	-	-	-
	-----	-----	-----
Total Expenditures	230	198	32
	-----	-----	-----
Excess (Deficiency) of Revenues over Expenditures	(55)	(13)	(42)
	-----	-----	-----
Other Financing Sources (Uses):			
Operating Transfers In	19	19	-
Operating Transfers (Out)	(150)	(150)	-
Sale of Fixed Assets	-	-	-
	-----	-----	-----
Total Other Financing Sources and (Uses)	(131)	(131)	-
	-----	-----	-----
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	\$ (186)	(144)	\$ (42)
Fund Balances (Deficit) at Beginning of Year	=====	173	=====
Residual Equity Transfers		-	
Increase in Reserve for Inventory		-	

Fund Balance (Deficit) at Year End		\$ 29	
		=====	

City of Toledo, Ohio
Special Revenue Funds
Combining Statement of Revenues,
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For the Year Ended December 31, 2001
(Amounts in Thousands)
(Continued)

	Parkland Improvements		Favorable (Unfavorable) Variance
	Budget	Actual	
	-----	-----	-----
Revenues:			
Special Assessments	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-
Intergovernmental Services	-	-	-
Charges for Services	20	7	13
Investment Earnings	-	-	-
Fines and Forfeitures	-	-	-
All Other Revenue	20	27	(7)
	-----	-----	-----
Total Revenues	40	34	6
	-----	-----	-----
Expenditures:			
Current:			
General Government	-	-	-
Public Service	-	-	-
Public Safety	-	-	-
Public Utilities	-	-	-
Community Environment	-	-	-
Health	-	-	-
Parks and Recreation	-	-	-
Capital Outlay	-	-	-
Debt Service:			
Principal Retirement	-	-	-
Interest and Fiscal Charges	-	-	-
	-----	-----	-----
Total Expenditures	-	-	-
	-----	-----	-----
Excess (Deficiency) of Revenues over Expenditures	40	34	6
	-----	-----	-----
Other Financing Sources (Uses):			
Operating Transfers In	20	-	20
Operating Transfers (Out)	-	-	-
Sale of Fixed Assets	-	-	-
	-----	-----	-----
Total Other Financing Sources and (Uses)	20	-	20
	-----	-----	-----
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	\$ 60	34	\$ 26
	=====		=====
Fund Balances (Deficit) at Beginning of Year		239	
Residual Equity Transfers		-	
Increase in Reserve for Inventory		-	

Fund Balance (Deficit) at Year End		\$ 273	
		=====	

City of Toledo, Ohio
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Combining Statement of Revenues,
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-Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2001
(Amounts in Thousands)
(Continued)

	Cemeteries Acquisition Budget	Property Site Actual	Development	Favorable (Unfavorable) Variance
	-----	-----	-----	-----
Revenues:				
Special Assessments	\$ -	\$ -	-	\$ -
Licenses and Permits	-	-	-	-
Intergovernmental Services	-	-	-	-
Charges for Services	20	22	2	2
Investment Earnings	-	-	-	-
Fines and Forfeitures	-	-	-	-
All Other Revenue	-	-	-	-
Total Revenues	20	22	2	2
Expenditures:				
Current:				
General Government	-	-	-	-
Public Service	-	-	-	-
Public Safety	-	-	-	-
Public Utilities	-	-	-	-
Community Environment	-	-	-	-
Health	20	17	3	3
Parks and Recreation	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Principal Retirement	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Total Expenditures	20	17	3	3
Excess (Deficiency) of Revenues over Expenditures	-	5	(5)	(5)
Other Financing Sources (Uses):				
Operating Transfers In	-	-	-	-
Operating Transfers (Out)	-	-	-	-
Sale of Fixed Assets	-	-	-	-
Total Other Financing Sources and (Uses)	-	-	-	-
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	\$ -	5	\$ (5)	(5)
Fund Balances (Deficit) at Beginning of Year	=====	40	=====	
Residual Equity Transfers		-		
Increase in Reserve for Inventory		-		
Fund Balance (Deficit) at Year End		\$ 45	=====	

City of Toledo, Ohio
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Combining Statement of Revenues,
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(Amounts in Thousands)
(Continued)

	Marina Development		Favorable (Unfavorable) Variance
	Budget	Actual	
	-----	-----	-----
Revenues:			
Special Assessments	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-
Intergovernmental Services	-	-	-
Charges for Services	109	89	20
Investment Earnings	-	-	-
Fines and Forfeitures	-	-	-
All Other Revenue	-	5	(5)
	-----	-----	-----
Total Revenues	109	94	15
	-----	-----	-----
Expenditures:			
Current:			
General Government	-	-	-
Public Service	-	-	-
Public Safety	-	-	-
Public Utilities	-	-	-
Community Environment	-	-	-
Health	-	-	-
Parks and Recreation	130	127	3
Capital Outlay	-	-	-
Debt Service:			
Principal Retirement	-	-	-
Interest and Fiscal Charges	-	-	-
	-----	-----	-----
Total Expenditures	130	127	3
	-----	-----	-----
Excess (Deficiency) of Revenues over Expenditures	(21)	(33)	12
	-----	-----	-----
Other Financing Sources (Uses):			
Operating Transfers In	56	58	(2)
Operating Transfers (Out)	-	-	-
Sale of Fixed Assets	-	-	-
	-----	-----	-----
Total Other Financing Sources and (Uses)	56	58	(2)
	-----	-----	-----
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	\$ 35	25	\$ 10
	=====	=====	=====
Fund Balances (Deficit) at Beginning of Year		(21)	
Residual Equity Transfers		-	
Increase in Reserve for Inventory		-	

Fund Balance (Deficit) at Year End		\$ 4	
		=====	

City of Toledo, Ohio
Special Revenue Funds
Combining Statement of Revenues,
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-Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2001
(Amounts in Thousands)
(Continued)

	Special Assessment Services Budget	Actual	Favorable (Unfavorable) Variance
	-----	-----	-----
Revenues:			
Special Assessments	\$ 20,069	\$ 19,883	\$ (186)
Licenses and Permits	-	-	-
Intergovernmental Services	-	-	-
Charges for Services	230	192	(38)
Investment Earnings	112	369	257
Fines and Forfeitures	-	-	-
All Other Revenue	2	59	57
	-----	-----	-----
Total Revenues	20,413	20,503	90
	-----	-----	-----
Expenditures:			
Current:			
General Government	69	(47)	116
Public Service	17,900	16,470	1,430
Public Safety	-	-	-
Public Utilities	27	(2)	29
Community Environment	-	-	-
Health	690	621	69
Parks and Recreation	171	87	84
Capital Outlay	106	55	51
Debt Service:			
Principal Retirement	40	40	-
Interest and Fiscal Charges	2,385	1,843	542
	-----	-----	-----
Total Expenditures	21,388	19,067	2,321
	-----	-----	-----
Excess (Deficiency) of Revenues over Expenditures	(975)	1,436	2,411
	-----	-----	-----
Other Financing Sources (Uses):			
Operating Transfers In	-	215	(215)
Operating Transfers (Out)	(77)	(77)	-
Sale of Fixed Assets	-	-	-
	-----	-----	-----
Total Other Financing Sources and (Uses)	(77)	138	(215)
	-----	-----	-----
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	\$ (1,052)	1,574	\$ 2,626
Fund Balances (Deficit) at Beginning of Year	=====	(36,509)	=====
Residual Equity Transfers		-	
Increase in Reserve for Inventory		821	

Fund Balance (Deficit) at Year End		\$ (34,114)	
		=====	

City of Toledo, Ohio
Special Revenue Funds
Combining Statement of Revenues,
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Fund Balances
-Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2001
(Amounts in Thousands)
(Continued)

	Toledo City Parks		Favorable (Unfavorable) Variance
	Budget	Actual	
	-----	-----	-----
Revenues:			
Special Assessments	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-
Intergovernmental Services	-	-	-
Charges for Services	-	-	-
Investment Earnings	185	198	13
Fines and Forfeitures	-	-	-
All Other Revenue	-	-	-
	-----	-----	-----
Total Revenues	185	198	13
	-----	-----	-----
Expenditures:			
Current:			
General Government	221	216	5
Public Service	-	-	-
Public Safety	-	-	-
Public Utilities	-	-	-
Community Environment	-	-	-
Health	-	-	-
Parks and Recreation	-	-	-
Capital Outlay	-	-	-
Debt Service:			
Principal Retirement	-	-	-
Interest and Fiscal Charges	-	-	-
	-----	-----	-----
Total Expenditures	221	216	5
	-----	-----	-----
Excess (Deficiency) of Revenues over Expenditures	(36)	(18)	18
	-----	-----	-----
Other Financing Sources (Uses):			
Operating Transfers In	-	-	-
Operating Transfers (Out)	-	-	-
Sale of Fixed Assets	-	-	-
	-----	-----	-----
Total Other Financing Sources and (Uses)	-	-	-
	-----	-----	-----
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	\$ (36)	(18)	\$ 18
	=====		=====
Fund Balances (Deficit) at Beginning of Year		3,705	
Residual Equity Transfers		-	
Increase in Reserve for Inventory		-	

Fund Balance (Deficit) at Year End		\$ 3,687	
		=====	

City of Toledo, Ohio
Special Revenue Funds
Combining Statement of Revenues,
Expenditures and Changes in
Fund Balances
-Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2001
(Amounts in Thousands)
(Continued)

	Toledo Home Program		Favorable (Unfavorable) Variance
	Budget	Actual	
	-----	-----	-----
Revenues:			
Special Assessments	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-
Intergovernmental Services	6,828	804	(6,024)
Charges for Services	-	-	-
Investment Earnings	-	-	-
Fines and Forfeitures	-	-	-
All Other Revenue	-	-	-
	-----	-----	-----
Total Revenues	6,828	804	(6,024)
	-----	-----	-----
Expenditures:			
Current:			
General Government	3	3	-
Public Service	-	-	-
Public Safety	-	-	-
Public Utilities	-	-	-
Community Environment	5,427	1,461	3,966
Health	-	-	-
Parks and Recreation	-	-	-
Capital Outlay	1,386	806	580
Debt Service:			
Principal Retirement	-	-	-
Interest and Fiscal Charges	-	-	-
	-----	-----	-----
Total Expenditures	6,816	2,270	4,546
	-----	-----	-----
Excess (Deficiency) of Revenues over Expenditures	12	(1,466)	(1,478)
	-----	-----	-----
Other Financing Sources (Uses):			
Operating Transfers In	168	168	-
Operating Transfers (Out)	(351)	(351)	-
Sale of Fixed Assets	-	-	-
	-----	-----	-----
Total Other Financing Sources and (Uses)	(183)	(183)	-
	-----	-----	-----
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	\$ (171)	(1,649)	\$ (1,478)
	=====		=====
Fund Balances (Deficit) at Beginning of Year		391	
Residual Equity Transfers		-	
Increase in Reserve for Inventory		-	

Fund Balance (Deficit) at Year End		\$ (1,258)	
		=====	

City of Toledo, Ohio
Special Revenue Funds
Combining Statement of Revenues,
Expenditures and Changes in
Fund Balances
-Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2001
(Amounts in Thousands)
(Continued)

	Total Budget	Actual	Favorable (Unfavorable) Variance
	-----	-----	-----
Revenues:			
Special Assessments	\$ 20,069	\$ 19,883	\$ (186)
Licenses and Permits	6	11	5
Intergovernmental Services	55,831	25,566	(30,265)
Charges for Services	890	808	(82)
Investment Earnings	391	665	274
Fines and Forfeitures	757	552	(205)
All Other Revenue	160	254	94
	-----	-----	-----
Total Revenues	78,104	47,739	(30,365)
	-----	-----	-----
Expenditures:			
Current:			
General Government	674	547	127
Public Service	29,104	25,638	3,466
Public Safety	4,677	2,026	2,651
Public Utilities	1,837	1,629	208
Community Environment	35,020	15,482	19,538
Health	4,479	2,272	2,207
Parks and Recreation	302	214	88
Capital Outlay	5,763	2,901	2,862
Debt Service:			
Principal Retirement	184	183	1
Interest and Fiscal Charges	2,758	2,046	712
	-----	-----	-----
Total Expenditures	84,798	52,938	31,860
	-----	-----	-----
Excess (Deficiency) of Revenues over Expenditures	(6,694)	(5,199)	1,495
	-----	-----	-----
Other Financing Sources (Uses):			
Operating Transfers In	1,718	2,179	461
Operating Transfers (Out)	(1,794)	(1,610)	184
Sale of Fixed Assets	111	183	72
	-----	-----	-----
Total Other Financing Sources and (Uses)	35	752	717
	-----	-----	-----
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	\$ (6,659)	(4,447)	\$ 2,212
	=====		=====
Fund Balances (Deficit) at Beginning of Year		(19,225)	
Residual Equity Transfers		(25)	
Increase in Reserve for Inventory		916	

Fund Balance (Deficit) at Year End		\$ (22,781)	
		=====	

**CITY OF TOLEDO, OHIO
DEBT SERVICE FUNDS
DECEMBER 31, 2001**

General Obligation - To account for City income tax monies transferred from the Capital Improvement Fund.

Urban Renewal - To account for semiannual Urban Renewal Service payments to be used exclusively for payment of Urban Renewal bonds issued pursuant to 725.01-725.11 inclusive of the Ohio Revised Code.

Special Assessment Debt Service - To account for resources accumulated to repay special assessment notes and bond debt.

City of Toledo, Ohio
 Debt Service Funds
 Combining Balance Sheet
 December 31, 2001
 (Amounts in Thousands)

	General Obligation	Urban Renewal	Special Assessment Debt Service
	-----	-----	-----
Assets			
Equity in Pooled Cash	\$ -	\$ -	\$ 495
Receivables (Net of Allowance for Uncollectible Accounts):			
Special Assessments	-	-	837
Interfund Receivable	-	-	-
Restricted Assets:			
Other Cash	-	84	-
Investments	-	-	-
Total Assets	----- \$ -	----- \$ 84	----- \$ 1,332
	=====	=====	=====
Liabilities and Fund Balances			
Liabilities			
Interfund Payable	\$ -	\$ -	\$ -
Deferred Revenue	-	-	837
Total Liabilities	----- -	----- -	----- 837
	-----	-----	-----
Fund Balances (Deficit):			
Reserved for Debt Service	-	84	495
Total Fund Balance (Deficit)	----- -	----- 84	----- 495
	-----	-----	-----
Total Liabilities and Fund Balance (Deficit)	----- \$ -	----- \$ 84	----- \$ 1,332
	=====	=====	=====

City of Toledo, Ohio
 Debt Service Funds
 Combining Balance Sheet
 December 31, 2001
 (Amounts in Thousands)
 (Continued)

	Total

Assets	
Equity in Pooled Cash	\$ 495
Receivables (Net of Allowance for Uncollectible Accounts):	
Special Assessments	837
Interfund Receivable	-
Restricted Assets:	
Other Cash	84
Investments	-

Total Assets	\$ 1,416
	=====
Liabilities and Fund Balances	
Liabilities	
Interfund Payable	\$ -
Deferred Revenue	837

Total Liabilities	837

Fund Balances (Deficit):	
Reserved for Debt Service	579

Total Fund Balance (Deficit)	579

Total Liabilities and Fund Balance (Deficit)	\$ 1,416
	=====

City of Toledo, Ohio
 Debt Service Funds
 Combining Statement of Revenues,
 Expenditures and Changes in
 Fund Balances
 For the Year Ended December 31, 2001
 (Amounts in Thousands)

	General Obligation	Urban Renewal	Special Assessment Debt Service
	-----	-----	-----
Revenues:			
Special Assessments	\$ -	\$ -	\$ 229
Intergovernmental Services	-	145	-
Investment Earnings	-	20	-
	-----	-----	-----
Total Revenues	-	165	229
	-----	-----	-----
Expenditures:			
Debt Service:			
Principal Retirement	8,660	666	182
Interest and Fiscal Charges	5,156	87	40
	-----	-----	-----
Total Expenditures	13,816	753	222
	-----	-----	-----
Excess (Deficiency) of Revenues over Expenditures	(13,816)	(588)	7
	-----	-----	-----
Other Financing Sources (Uses):			
Operating Transfers In	13,816	5	-
Operating Transfers (Out)	-	-	-
	-----	-----	-----
Total Other Financing Sources and (Uses)	13,816	5	-
	-----	-----	-----
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	-	(583)	7
Fund Balances (Deficit) at Beginning of Year	-	667	488
	-----	-----	-----
Fund Balance (Deficit) at Year End	\$ -	\$ 84	\$ 495
	=====	=====	=====

City of Toledo, Ohio
Debt Service Funds
Combining Statement of Revenues,
Expenditures and Changes in
Fund Balances
For the Year Ended December 31, 2001
(Amounts in Thousands)
(Continued)

	Total

Revenues:	
Special Assessments	\$ 229
Intergovernmental Services	145
Investment Earnings	20

Total Revenues	394

Expenditures:	
Debt Service:	
Principal Retirement	9,508
Interest and Fiscal Charges	5,283

Total Expenditures	14,791

Excess (Deficiency) of Revenues over Expenditures	(14,397)

Other Financing Sources (Uses):	
Operating Transfers In	13,821
Operating Transfers (Out)	-

Total Other Financing Sources and (Uses)	13,821

Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	(576)
Fund Balances (Deficit) at Beginning of Year	1,155

Fund Balance (Deficit) at Year End	\$ 579
	=====

City of Toledo, Ohio
 Debt Service Funds
 Combining Statement of Revenues,
 Expenditures and Changes in
 Fund Balances
 -Budget (GAAP Basis) and Actual
 For the Year Ended December 31, 2001
 (Amounts in Thousands)

	General Obligation		Favorable
	Budget	Actual	(Unfavorable)
	-----	-----	Variance
	-----	-----	-----
Revenues:			
Special Assessments	\$ -	-	\$ -
Intergovernmental Services	-	-	-
Investment Earnings	-	-	-
	-----	-----	-----
Total Revenues	-	-	-
	-----	-----	-----
Expenditures:			
Debt Service:			
Principal Retirement	8,660	8,660	-
Interest and Fiscal Charges	5,156	5,156	-
	-----	-----	-----
Total Expenditures	13,816	13,816	-
	-----	-----	-----
Excess (Deficiency) of Revenues over Expenditures	(13,816)	(13,816)	-
	-----	-----	-----
Other Financing Sources (Uses):			
Operating Transfers In	13,816	13,816	-
Operating Transfers (Out)	-	-	-
	-----	-----	-----
Total Other Financing Sources and (Uses)	13,816	13,816	-
	-----	-----	-----
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	\$ -	-	\$ -
Fund Balances (Deficit) at Beginning of Year	=====	-	=====

Fund Balance (Deficit) at Year End		\$ -	
		=====	

City of Toledo, Ohio
Debt Service Funds
Combining Statement of Revenues,
Expenditures and Changes in
Fund Balances
-Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2001
(Amounts in Thousands)
(Continued)

	Urban Renewal		Favorable (Unfavorable) Variance
	Budget	Actual	
	-----	-----	-----
Revenues:			
Special Assessments	\$ -	\$ -	\$ -
Intergovernmental Services	465	145	(320)
Investment Earnings	10	20	10
	-----	-----	-----
Total Revenues	475	165	(310)
	-----	-----	-----
Expenditures:			
Debt Service:			
Principal Retirement	666	666	-
Interest and Fiscal Charges	87	87	-
	-----	-----	-----
Total Expenditures	753	753	-
	-----	-----	-----
Excess (Deficiency) of Revenues over Expenditures	(278)	(588)	(310)
	-----	-----	-----
Other Financing Sources (Uses):			
Operating Transfers In	-	5	(5)
Operating Transfers (Out)	-	-	-
	-----	-----	-----
Total Other Financing Sources and (Uses)	-	5	(5)
	-----	-----	-----
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	\$ (278)	\$ (583)	\$ (305)
Fund Balances (Deficit) at Beginning of Year	=====	667	=====

Fund Balance (Deficit) at Year End		84	
		=====	

City of Toledo, Ohio
 Debt Service Funds
 Combining Statement of Revenues,
 Expenditures and Changes in
 Fund Balances
 -Budget (GAAP Basis) and Actual
 For the Year Ended December 31, 2001
 (Amounts in Thousands)
 (Continued)

	Special Assessment Debt Service Budget	Actual	Favorable (Unfavorable) Variance
	-----	-----	-----
Revenues:			
Special Assessments	\$ 196	\$ 229	\$ 33
Intergovernmental Services	-	-	-
Investment Earnings	-	-	-
	-----	-----	-----
Total Revenues	196	229	33
	-----	-----	-----
Expenditures:			
Debt Service:			
Principal Retirement	182	182	-
Interest and Fiscal Charges	45	40	5
	-----	-----	-----
Total Expenditures	227	222	5
	-----	-----	-----
Excess (Deficiency) of Revenues over Expenditures	(31)	7	38
	-----	-----	-----
Other Financing Sources (Uses):			
Operating Transfers In	-	-	-
Operating Transfers (Out)	-	-	-
	-----	-----	-----
Total Other Financing Sources and (Uses)	-	-	-
	-----	-----	-----
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	\$ (31)	7	\$ 38
	=====		=====
Fund Balances (Deficit) at Beginning of Year		488	

Fund Balance (Deficit) at Year End		\$ 495	
		=====	

City of Toledo, Ohio
 Debt Service Funds
 Combining Statement of Revenues,
 Expenditures and Changes in
 Fund Balances
 -Budget (GAAP Basis) and Actual
 For the Year Ended December 31, 2001
 (Amounts in Thousands)
 (Continued)

	Total Budget	Actual	Favorable (Unfavorable) Variance
	-----	-----	-----
Revenues:			
Special Assessments	\$ 196	\$ 229	\$ 33
Intergovernmental Services	465	145	(320)
Investment Earnings	10	20	10
	-----	-----	-----
Total Revenues	671	394	(277)
	-----	-----	-----
Expenditures:			
Debt Service:			
Principal Retirement	9,508	9,508	-
Interest and Fiscal Charges	5,288	5,283	5
	-----	-----	-----
Total Expenditures	14,796	14,791	5
	-----	-----	-----
Excess (Deficiency) of Revenues over Expenditures	(14,125)	(14,397)	(272)
	-----	-----	-----
Other Financing Sources (Uses):			
Operating Transfers In	13,816	13,821	5
Operating Transfers (Out)	-	-	-
	-----	-----	-----
Total Other Financing Sources and (Uses)	13,816	13,821	5
	-----	-----	-----
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	\$ (309)	(576)	\$ (267)
Fund Balances (Deficit) at Beginning of Year	=====	1,155	=====

Fund Balance (Deficit) at Year End		\$ 579	
		=====	

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**CITY OF TOLEDO, OHIO
CAPITAL PROJECTS FUNDS
DECEMBER 31, 2001**

Capital Improvements - To account for construction, major improvements and acquisition to the City's buildings and infrastructure and parkland. Revenue received is from the portion of the income tax earmarked by the voters for capital improvements and from construction grants and bond sales.

Special Assessment Improvements - To account for proceeds of special assessments (and related note bond sales) levied against property benefitted by various capital construction projects.

City of Toledo, Ohio
 Capital Projects Funds
 Combining Balance Sheet
 December 31, 2001
 (Amounts in Thousands)

	Capital Improvements	Special Assessment Improvements	Total
	-----	-----	-----
Assets			
Receivables (Net of Allowance for Uncollectible Accounts):			
Accounts	\$ 600	\$ -	\$ 600
Special Assessments	-	1,588	1,588
Interfund Receivable	23,374	-	23,374
Prepaid Expenditures	203	-	203
Inventory of Supplies	806	-	806
Restricted Assets:			
Investments	16,434	701	17,135
	-----	-----	-----
Total Assets	\$ 41,417	\$ 2,289	\$ 43,706
	=====	=====	=====
Liabilities and Fund Balances			
Liabilities			
Accounts Payable	\$ 2,123	\$ -	\$ 2,123
Escrow	85	-	85
Retainages	447	13	460
Interfund Payable	-	361	361
Due to Other Governments	9	-	9
Deferred Revenue	-	1,588	1,588
Other Current Liabilities	372	-	372
Debt:			
Notes Payable	-	1,580	1,580
	-----	-----	-----
Total Liabilities	3,036	3,542	6,578
	-----	-----	-----
Fund Balances (Deficit):			
Reserved for Encumbrances	8,138	204	8,342
Reserved for Inventory of Supplies	806	-	806
Reserved for Capital Improvements	16,721	-	16,721
Reserved for Prepaid Expenditures	203	-	203
Undesignated	12,513	(1,457)	11,056
	-----	-----	-----
Total Fund Balance (Deficit)	38,381	(1,253)	37,128
	-----	-----	-----
Total Liabilities and Fund Balance (Deficit)	\$ 41,417	\$ 2,289	\$ 43,706
	=====	=====	=====

City of Toledo, Ohio
Capital Projects Funds
Combining Statement of Revenues,
Expenditures and Changes in
Fund Balances
For the Year Ended December 31, 2001
(Amounts in Thousands)

	Capital Improvements	Special Assessment Improvements	Total
	-----	-----	-----
Revenues:			
Special Assessments	\$ -	\$ 225	\$ 225
Intergovernmental Services	7,135	-	7,135
Charges for Services	96	-	96
Investment Earnings	1,286	16	1,302
All Other Revenue	638	68	706
	-----	-----	-----
Total Revenues	9,155	309	9,464
	-----	-----	-----
Expenditures:			
Capital Outlay	38,367	329	38,696
Debt Service:			
Principal Retirement	1,408	-	1,408
Interest and Fiscal Charges	1,904	71	1,975
	-----	-----	-----
Total Expenditures	41,679	400	42,079
	-----	-----	-----
Excess (Deficiency) of Revenues over Expenditures	(32,524)	(91)	(32,615)
	-----	-----	-----
Other Financing Sources (Uses):			
Operating Transfers In	38,718	-	38,718
Operating Transfers (Out)	(13,992)	-	(13,992)
Bond Proceeds	7,900	-	7,900
Note Proceeds	250	-	250
Premiums on Bond	2	2	4
Other	193	-	193
	-----	-----	-----
Total Other Financing Sources and (Uses)	33,071	2	33,073
	-----	-----	-----
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	547	(89)	458
Fund Balances (Deficit) at Beginning of Year	38,804	(1,164)	37,640
Residual Equity Transfers	(982)	-	(982)
Increase in Reserve for Inventory	12	-	12
	-----	-----	-----
Fund Balance (Deficit) at Year End	\$ 38,381	\$ (1,253)	\$ 37,128
	=====	=====	=====

City of Toledo, Ohio
 Capital Projects Funds
 Combining Statement of Revenues,
 Expenditures and Changes in
 Fund Balances
 -Budget (GAAP Basis) and Actual
 For the Year Ended December 31, 2001
 (Amounts in Thousands)

	Capital Improvements		Favorable (Unfavorable) Variance
	Budget	Actual	
	-----	-----	-----
Revenues:			
Special Assessments	\$ -	\$ -	\$ -
Intergovernmental Services	19,940	7,135	(12,805)
Charges for Services	96	96	-
Investment Earnings	1,290	1,286	(4)
All Other Revenue	108	638	530
	-----	-----	-----
Total Revenues	21,434	9,155	(12,279)
	-----	-----	-----
Expenditures:			
Capital Outlay	72,956	38,367	34,589
Debt Service:			
Principal Retirement	1,408	1,408	-
Interest and Fiscal Charges	1,904	1,904	-
	-----	-----	-----
Total Expenditures	76,268	41,679	34,589
	-----	-----	-----
Excess (Deficiency) of Revenues over Expenditures	(54,834)	(32,524)	22,310
	-----	-----	-----
Other Financing Sources (Uses):			
Operating Transfers In	40,417	38,718	(1,699)
Operating Transfers (Out)	(13,992)	(13,992)	-
Bond Proceeds	9,200	7,900	(1,300)
Note Proceeds	1,409	250	(1,159)
Premiums on Bond	-	2	2
Sale of Fixed Assets	75	-	(75)
	-----	-----	-----
Total Other Financing Sources and (Uses)	37,109	33,071	(4,038)
	-----	-----	-----
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	\$ (17,725)	547	\$ (18,272)
Fund Balances (Deficit) at Beginning of Year	=====	38,804	=====
Residual Equity Transfers		(982)	
Increase in Reserve for Inventory		12	

Fund Balance (Deficit) at Year End		\$ 38,381	
		=====	

City of Toledo, Ohio
 Capital Projects Funds
 Combining Statement of Revenues,
 Expenditures and Changes in
 Fund Balances
 -Budget (GAAP Basis) and Actual
 For the Year Ended December 31, 2001
 (Amounts in Thousands)
 (Continued)

	Special Assessment Improvements Budget	Actual	Favorable (Unfavorable) Variance
	-----	-----	-----
Revenues:			
Special Assessments	\$ 102	\$ 225	\$ 123
Intergovernmental Services	-	-	-
Charges for Services	-	-	-
Investment Earnings	67	16	(51)
All Other Revenue	-	68	68
	-----	-----	-----
Total Revenues	169	309	140
	-----	-----	-----
Expenditures:			
Capital Outlay	598	329	269
Debt Service:			
Principal Retirement	-	-	-
Interest and Fiscal Charges	286	71	215
	-----	-----	-----
Total Expenditures	884	400	484
	-----	-----	-----
Excess (Deficiency) of Revenues over Expenditures	(715)	(91)	(624)
	-----	-----	-----
Other Financing Sources (Uses):			
Operating Transfers In	-	-	-
Operating Transfers (Out)	-	-	-
Bond Proceeds	1,580	-	(1,580)
Note Proceeds	-	-	-
Premiums on Bond	-	2	2
Sale of Fixed Assets	-	-	-
Other	-	-	-
	-----	-----	-----
Total Other Financing Sources and (Uses)	1,580	2	(1,578)
	-----	-----	-----
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	\$ 865	(89)	\$ 954
	=====		=====
Fund Balances (Deficit) at Beginning of Year		(1,164)	
Residual Equity Transfers		-	
Increase in Reserve for Inventory		-	

Fund Balance (Deficit) at Year End		\$ (1,253)	
		=====	

City of Toledo, Ohio
 Capital Projects Funds
 Combining Statement of Revenues,
 Expenditures and Changes in
 Fund Balances
 -Budget (GAAP Basis) and Actual
 For the Year Ended December 31, 2001
 (Amounts in Thousands)
 (Continued)

	Total Budget	Actual	Favorable (Unfavorable) Variance
	-----	-----	-----
Revenues:			
Special Assessments	\$ 102	\$ 225	\$ 123
Intergovernmental Services	19,940	7,135	(12,805)
Charges for Services	96	96	-
Investment Earnings	1,357	1,302	(55)
All Other Revenue	108	706	598
	-----	-----	-----
Total Revenues	21,603	9,464	(12,139)
	-----	-----	-----
Expenditures:			
Capital Outlay	73,554	38,696	34,858
Debt Service:			
Principal Retirement	1,408	1,408	-
Interest and Fiscal Charges	2,190	1,975	215
	-----	-----	-----
Total Expenditures	77,152	42,079	35,073
	-----	-----	-----
Excess (Deficiency) of Revenues over Expenditures	(55,549)	(32,615)	(22,934)
	-----	-----	-----
Other Financing Sources (Uses):			
Operating Transfers In	40,417	38,718	(1,699)
Operating Transfers (Out)	(13,992)	(13,992)	-
Bond Proceeds	10,780	7,900	(2,880)
Note Proceeds	1,409	250	(1,159)
Premiums on Bond	-	4	4
Sale of Fixed Assets	75	0	(75)
Other	-	193	193
	-----	-----	-----
Total Other Financing Sources and (Uses)	38,689	33,073	(5,616)
	-----	-----	-----
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	\$ (16,860)	458	\$ (17,318)
Fund Balances (Deficit) at Beginning of Year	=====	37,640	=====
Residual Equity Transfers		(982)	
Increase in Reserve for Inventory		12	

Fund Balance (Deficit) at Year End		\$ 37,128	
		=====	

**CITY OF TOLEDO, OHIO
ENTERPRISE FUNDS
DECEMBER 31, 2001**

Water - To account for the distribution of treated water to individual and commercial residents of the City.

Sewer - To account for sanitary sewer services provided to individual and commercial residents of the City.

Storm Sewer – To account for storm drainage services provided to individual and commercial residents of the City.

Utility Administrative Services - To account for operating overhead activities not specifically allocable to either of the two utility funds.

Parking - To account for the provision of on-and-off street facilities.

Property Management - To facilitate accountability and control of certain properties acquired for the purpose of property management. The City accounts for such properties on a capital maintenance basis similar to private business enterprises, to aid in the recovery of on-going costs for the production of income by such properties, and to facilitate management and accounting control.

Small Business Development - To account for the assets of the former Small Business Assistance Corporation, which the City of Toledo assumed in 1989.

By virtue of Ohio law, certain separate funds are maintained for enterprise debt service and capital improvements. Inasmuch as GASB Statement 1 requires that all such activities be accounted for within the respective Enterprise Fund itself, the City has consolidated the various legally-required funds into the categories indicated above for purposes of these financial statements.

City of Toledo, Ohio
Enterprise Funds
Combining Balance Sheet
December 31, 2001
(Amounts in Thousands)

	Water	Sewer	Storm Sewer
	-----	-----	-----
Assets			
Current Assets			
Equity in Pooled Cash	\$ -	\$ -	\$ -
Other Cash	3	-	-
Investments	34,668	23,532	4,384
Receivables (Net of Allowance for Uncollectible Accounts):			
Accounts	2,728	1,796	1,183
Notes	-	-	-
Interfund Receivable	-	-	-
Due From Other Governments	14	80	-
Prepaid Expenses	14	77	-
Inventory of Supplies	2,270	634	-
	-----	-----	-----
Total Current Assets	39,697	26,119	5,567
	-----	-----	-----
Restricted Assets:			
Equity in Pooled Cash	9,627	8,534	387
Other Cash	121	143	-
Investments	23,447	13,216	74
Receivables (Net of Allowance for Uncollectible Accounts):			
Accounts	2,097	4,885	102
Interfund Receivable	22,369	15,090	3,610
Due From Other Governments	-	-	-
	-----	-----	-----
Total Restricted Assets	57,661	41,868	4,173
	-----	-----	-----
Property, Plant and Equipment			
Land	1,762	163	-
Buildings	13,829	32,747	-
Improvements	11,205	51,504	1,527
Machinery and Equipment	20,199	77,289	58
Furniture and Fixtures	326	486	-
Distribution System	95,895	214,338	-
Construction in Progress	35,826	50,269	283
Less: Accumulated Depreciation	(69,638)	(193,650)	-
	-----	-----	-----
Net Property, Plant and Equipment	109,404	233,146	1,868
	-----	-----	-----
Other Assets:			
Deferred Debt Issuance Cost	508	394	-
	-----	-----	-----
Total Assets	\$ 207,270	\$ 301,527	\$ 11,608
	=====	=====	=====

City of Toledo, Ohio
Enterprise Funds
Combining Balance Sheet
December 31, 2001
(Amounts in Thousands)
(Continued)

	Utility Administrative Services	Parking	Property Management
	-----	-----	-----
Assets			
Current Assets			
Equity in Pooled Cash	\$ -	\$ -	\$ 208
Other Cash	-	-	1
Investments	6,760	-	-
Receivables (Net of Allowance for Uncollectible Accounts):			
Accounts	32	3	21
Notes	-	-	22,594
Interfund Receivable	-	-	311
Due From Other Governments	-	-	-
Prepaid Expenses	122	-	-
Inventory of Supplies	7	-	-
	-----	-----	-----
Total Current Assets	6,921	3	23,135
	-----	-----	-----
Restricted Assets:			
Equity in Pooled Cash	-	-	-
Other Cash	-	-	-
Investments	-	-	663
Receivables (Net of Allowance for Uncollectible Accounts):			
Accounts	-	-	-
Interfund Receivable	-	-	-
Due From Other Governments	-	-	-
	-----	-----	-----
Total Restricted Assets	-	-	663
	-----	-----	-----
Property, Plant and Equipment			
Land	-	6,549	2,077
Buildings	4,538	23,644	5,833
Improvements	24	805	2,207
Machinery and Equipment	546	271	-
Furniture and Fixtures	589	9	-
Distribution System	-	-	-
Construction in Progress	-	-	-
Less: Accumulated Depreciation	(2,297)	(6,300)	(1,014)
	-----	-----	-----
Net Property, Plant and Equipment	3,400	24,978	9,103
	-----	-----	-----
Other Assets:			
Deferred Debt Issuance Cost	-	-	-
	-----	-----	-----
Total Assets	\$ 10,321	\$ 24,981	\$ 32,901
	=====	=====	=====

City of Toledo, Ohio
Enterprise Funds
Combining Balance Sheet
December 31, 2001
(Amounts in Thousands)
(Continued)

	Small Business Development	Total
	-----	-----
Assets		
Current Assets		
Equity in Pooled Cash	\$ 421	\$ 629
Other Cash	-	4
Investments	13	69,357
Receivables (Net of Allowance for Uncollectible Accounts):		
Accounts	134	5,897
Notes	70	22,664
Interfund Receivable	-	311
Due From Other Governments	-	94
Prepaid Expenses	1	214
Inventory of Supplies	-	2,911
	-----	-----
Total Current Assets	639	102,081
	-----	-----
Restricted Assets:		
Equity in Pooled Cash	-	18,548
Other Cash	-	264
Investments	-	37,400
Receivables (Net of Allowance for Uncollectible Accounts):		
Accounts	-	7,084
Interfund Receivable	-	41,069
Due From Other Governments	-	-
	-----	-----
Total Restricted Assets	-	104,365
	-----	-----
Property, Plant and Equipment		
Land	153	10,704
Buildings	-	80,591
Improvements	1,406	68,678
Machinery and Equipment	35	98,398
Furniture and Fixtures	3	1,413
Distribution System	-	310,233
Construction in Progress	-	86,378
Less: Accumulated Depreciation	(876)	(273,775)
	-----	-----
Net Property, Plant and Equipment	721	382,620
	-----	-----
Other Assets:		
Deferred Debt Issuance Cost	-	902
	-----	-----
Total Assets	\$ 1,360	\$ 589,968
	=====	=====

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City of Toledo, Ohio
Enterprise Funds
Combining Balance Sheet
December 31, 2001
(Amounts in Thousands)
(Continued)

	Water	Sewer	Storm Sewer
	-----	-----	-----
Liabilities and Fund Equity			
Current Liabilities:			
Accounts Payable	\$ 310	\$ 534	\$ 11
Escrow	-	-	-
Retainages	-	28	-
Interfund Payable	32,171	19,884	3,869
Other Current Liabilities	-	500	-
	-----	-----	-----
Total Current Liabilities	32,481	20,946	3,880
	-----	-----	-----
Payable From Restricted Assets:			
Accounts Payable	542	1,085	13
Escrow	2,772	1,849	-
Retainages	461	980	-
Interfund Payable	1,647	4,453	-
Due to Other Governments	14	113	-
Other Current Liabilities	438	1,089	-
	-----	-----	-----
Total Current Liabilities From Restricted Assets	5,874	9,569	13
	-----	-----	-----
Debt:			
Notes Payable	453	34,930	1,506
General Obligation Bonds Payable	100	82	-
Revenue Bonds Payable	58,619	35,740	-
Capital Lease Obligation	-	-	-
	-----	-----	-----
Total Long-Term Liabilities	59,172	70,752	1,506
	-----	-----	-----
Total Liabilities	97,527	101,267	5,399
	-----	-----	-----
Fund Equity			
Contributed Capital	-	-	-
Retained Earnings (Deficit):			
Reserved for Debt Service	6,903	11,170	246
Reserved for Replacement	28,583	29,114	243
Reserved for Improvement	51,377	2,161	3,976
Unreserved	22,880	157,815	1,744
	-----	-----	-----
Total Retained Earnings (Deficit)	109,743	200,260	6,209
	-----	-----	-----
Total Fund Equity	109,743	200,260	6,209
	-----	-----	-----
Total Liabilities and Fund Equity	\$ 207,270	\$ 301,527	\$ 11,608
	=====	=====	=====

City of Toledo, Ohio
 Enterprise Funds
 Combining Balance Sheet
 December 31, 2001
 (Amounts in Thousands)
 (Continued)

	Utility Administrative Services	Parking	Property Management
	-----	-----	-----
Liabilities and Fund Equity			
Current Liabilities:			
Accounts Payable	\$ 27	\$ -	\$ -
Escrow	-	29	-
Retainages	-	-	-
Interfund Payable	6,246	333	244
Other Current Liabilities	-	19	-
	-----	-----	-----
Total Current Liabilities	6,273	381	244
	-----	-----	-----
Payable From Restricted Assets:			
Accounts Payable	-	-	-
Escrow	-	-	-
Retainages	-	-	-
Interfund Payable	-	-	-
Due to Other Governments	-	-	-
Other Current Liabilities	-	-	-
	-----	-----	-----
Total Current Liabilities From Restricted Assets	-	-	-
	-----	-----	-----
Debt:			
Notes Payable	-	-	2,729
General Obligation Bonds Payable	-	3,185	25,234
Revenue Bonds Payable	-	-	-
Capital Lease Obligation	3,812	7,633	-
	-----	-----	-----
Total Long-Term Liabilities	3,812	10,818	27,963
	-----	-----	-----
Total Liabilities	10,085	11,199	28,207
	-----	-----	-----
Fund Equity			
Contributed Capital	-	10,470	12,328
Retained Earnings (Deficit):			
Reserved for Debt Service	-	-	-
Reserved for Replacement	-	-	-
Reserved for Improvement	-	-	-
Unreserved	236	3,312	(7,634)
	-----	-----	-----
Total Retained Earnings (Deficit)	236	3,312	(7,634)
	-----	-----	-----
Total Fund Equity	236	13,782	4,694
	-----	-----	-----
Total Liabilities and Fund Equity	\$ 10,321	\$ 24,981	\$ 32,901
	=====	=====	=====

City of Toledo, Ohio
 Enterprise Funds
 Combining Balance Sheet
 December 31, 2001
 (Amounts in Thousands)
 (Continued)

	Small Business Development	Total
	-----	-----
Liabilities and Fund Equity		
Current Liabilities:		
Accounts Payable	\$ -	\$ 882
Escrow	(2)	27
Retainages	-	28
Interfund Payable	-	62,747
Other Current Liabilities	37	556
	-----	-----
Total Current Liabilities	35	64,240
	-----	-----
Payable From Restricted Assets:		
Accounts Payable	-	1,640
Escrow	-	4,621
Retainages	-	1,441
Interfund Payable	-	6,100
Due to Other Governments	-	127
Other Current Liabilities	-	1,527
	-----	-----
Total Current Liabilities From Restricted Assets	-	15,456
	-----	-----
Debt:		
Notes Payable	-	39,618
General Obligation Bonds Payable	-	28,601
Revenue Bonds Payable	-	94,359
Capital Lease Obligation	-	11,445
	-----	-----
Total Long-Term Liabilities	-	174,023
	-----	-----
Total Liabilities	35	253,719
	-----	-----
Fund Equity		
Contributed Capital	1,071	23,869
Retained Earnings (Deficit):		
Reserved for Debt Service	-	18,319
Reserved for Replacement	-	57,940
Reserved for Improvement	-	57,514
Unreserved	254	178,607
	-----	-----
Total Retained Earnings (Deficit)	254	312,380
	-----	-----
Total Fund Equity	1,325	336,249
	-----	-----
Total Liabilities and Fund Equity	\$ 1,360	\$ 589,968
	=====	=====

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City of Toledo, Ohio
Enterprise Fund Types
Combining Statement of Revenues,
Expenses and Changes in Retained
Earnings (Deficit)
For the Year Ended December 31, 2001
(Amounts in Thousands)

	Water	Sewer	Storm Sewer
	-----	-----	-----
Operating Revenues:			
Charges for Services	\$ 30,506	\$ 34,501	\$ 8,420
Other Revenue	484	221	-
	-----	-----	-----
Total Operating Revenues	30,990	34,722	8,420
	-----	-----	-----
Operating Expenses:			
Personal Services	8,831	11,205	2,051
Contractual Services	6,434	6,328	1,879
Materials and Supplies	2,970	2,539	255
Utilities	2,259	2,470	-
Depreciation and Amortization	2,570	8,343	-
	-----	-----	-----
Total Operating Expenses	23,064	30,885	4,185
	-----	-----	-----
Operating Income (Loss)	7,926	3,837	4,235
	-----	-----	-----
Nonoperating Revenues (Expenses):			
Investment Earnings	3,464	1,838	53
Interest Expense and Fiscal Charges	(3,135)	(3,530)	(77)
Other Revenue (Expenses)	(86)	(238)	144
	-----	-----	-----
Total Nonoperating Revenues (Expenses)	243	(1,930)	120
	-----	-----	-----
Income (Loss) before Operating Transfers	8,169	1,907	4,355
Operating Transfers In	297	394	
Operating Transfers (Out)	(257)	(421)	(22)
	-----	-----	-----
Total Operating Transfers In (Out)	40	(27)	(22)
	-----	-----	-----
Net Income (Loss)	8,209	1,880	4,333
Retained Earnings (Deficit) at Beginning of Year	101,534	198,380	1,876
Residual Equity Transfers	-	-	-
	-----	-----	-----
Retained Earnings (Deficit) at End of Year	\$ 109,743	\$ 200,260	\$ 6,209
	=====	=====	=====

City of Toledo, Ohio
Enterprise Fund Types
Combining Statement of Revenues,
Expenses and Changes in Retained
Earnings (Deficit)
For the Year Ended December 31, 2001
(Amounts in Thousands)
(Continued)

	Utility Administrative Services	Parking	Property Management
	-----	-----	-----
Operating Revenues:			
Charges for Services	\$ 7,131	\$ 497	\$ 900
Other Revenue	8	924	230
	-----	-----	-----
Total Operating Revenues	7,139	1,421	1,130
	-----	-----	-----
Operating Expenses:			
Personal Services	4,990	-	30
Contractual Services	1,299	-	241
Materials and Supplies	448	-	4
Utilities	63	-	232
Depreciation and Amortization	388	593	221
	-----	-----	-----
Total Operating Expenses	7,188	593	728
	-----	-----	-----
Operating Income (Loss)	(49)	828	402
	-----	-----	-----
Nonoperating Revenues (Expenses):			
Investment Earnings	66	(5)	774
Interest Expense and Fiscal Charges	(334)	(714)	(1,627)
Other Revenue (Expenses)	-	-	3,966
	-----	-----	-----
Total Nonoperating Revenues (Expenses)	(268)	(719)	3,113
	-----	-----	-----
Income (Loss) before Operating Transfers	(317)	109	3,515
Operating Transfers In	91		1,406
Operating Transfers (Out)	-	(49)	(4,810)
	-----	-----	-----
Total Operating Transfers In (Out)	91	(49)	(3,404)
	-----	-----	-----
Net Income (Loss)	(226)	60	111
Retained Earnings (Deficit) at Beginning of Year	462	3,252	(7,745)
Residual Equity Transfers	-	-	-
	-----	-----	-----
Retained Earnings (Deficit) at End of Year	\$ 236	\$ 3,312	\$ (7,634)
	=====	=====	=====

City of Toledo, Ohio
Enterprise Fund Types
Combining Statement of Revenues,
Expenses and Changes in Retained
Earnings (Deficit)
For the Year Ended December 31, 2001
(Amounts in Thousands)
(Continued)

	Small Business Development	Total
	-----	-----
Operating Revenues:		
Charges for Services	\$ 67	\$ 82,022
Other Revenue	-	1,867
	-----	-----
Total Operating Revenues	67	83,889
	-----	-----
Operating Expenses:		
Personal Services	10	27,117
Contractual Services	22	16,203
Materials and Supplies	-	6,216
Utilities	15	5,039
Depreciation and Amortization	-	12,115
	-----	-----
Total Operating Expenses	47	66,690
	-----	-----
Operating Income (Loss)	20	17,199
	-----	-----
Nonoperating Revenues (Expenses):		
Investment Earnings	1	6,191
Interest Expense and Fiscal Charges	-	(9,417)
Other Revenue (Expenses)	-	3,786
	-----	-----
Total Nonoperating Revenues (Expenses)	1	560
	-----	-----
Income (Loss) before Operating Transfers	21	17,759
Operating Transfers In	-	2,188
Operating Transfers (Out)	-	(5,559)
	-----	-----
Total Operating Transfers In (Out)	-	(3,371)
	-----	-----
Net Income (Loss)	21	14,388
Retained Earnings (Deficit) at Beginning of Year	233	297,992
Residual Equity Transfers	-	-
	-----	-----
Retained Earnings (Deficit) at End of Year	\$ 254	\$ 312,380
	=====	=====

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City of Toledo, Ohio
Enterprise Funds
Combining Statement of Cash Flows
For the Year Ended December 31, 2001
(Amounts in Thousand)

	<u>Water</u>	<u>Sewer</u>	<u>Storm Sewer</u>	<u>Utility Administrative Services</u>
Cash Flows from Operating Activity:				
Operating Income (Loss)	\$7,926	\$3,837	\$ 4,235	\$ (49)
Adjustments to Reconcile Operating Income (Loss)				
To Net Cash Provided by (Used for) Operating Activities:				
Depreciation and Amortization	2,570	8,343	---	388
Other Revenue (Expenses)	(86)	(238)	144	---
Changes in Assets and Liabilities:				
(Increase) Decrease in Accounts Receivable	674	(322)	571	(32)
(Increase) Decrease in Prepaid Expenses	---	(29)	---	(122)
(Increase) Decrease in Interfund Receivable	(1,319)	4,800	(3,492)	---
(Increase) Decrease in Due from Other Governments	1	(5)	---	---
(Increase) Decrease in Deferred Debt Issuance Costs	31	33	---	---
(Increase) Decrease in Inventory of Supplies	(137)	(26)	---	13
Increase (Decrease) in Accounts Payable	(712)	369	23	(6)
Increase (Decrease) in Escrow	197	(307)	---	---
Increase (Decrease) in Retainage	328	72	---	---
Increase (Decrease) in Interfund Payable	(490)	(16,203)	3,751	6,232
Increase (Decrease) in Due to Other Governments	14	113	---	---
Increase (Decrease) in Other Current Liabilities	(40)	668	---	(35)
Total Adjustments	<u>1,031</u>	<u>(2,732)</u>	<u>997</u>	<u>6,438</u>
Net Cash Provided by (Used for) Operating Activities	<u>8,957</u>	<u>1,105</u>	<u>5,232</u>	<u>6,389</u>
Cash Flows from Noncapital Financing Activities:				
Operating Transfers In	297	394	---	91
Operating Transfers Out	(257)	(421)	(22)	---
Net Cash Provided by (Used for) Noncapital Financing Activities	<u>40</u>	<u>(27)</u>	<u>(22)</u>	<u>91</u>
Cash Flows from Capital & Related Financing Activities:				
Acquisition and Construction of Capital Assets	(20,940)	(15,404)	(341)	(24)
Principal Paid on Bond Maturities	(2,669)	(4,118)	(70)	(204)
Issuance of Revenue Bonds and Notes	---	6,513	---	---
Interest Expense and Fiscal Charges	(3,135)	(3,530)	(77)	(334)
Proceeds from Sale of Capital Assets	---	---	---	---
Net Cash Provided by (Used for) Capital and Related Financing Activities	<u>(26,744)</u>	<u>(16,539)</u>	<u>(488)</u>	<u>(562)</u>

City of Toledo, Ohio
Enterprise Funds
Combining Statement of Cash Flows
For the Year Ended December 31, 2001
(Amounts in Thousands)
(Continued)

	<u>Parking</u>	<u>Property Management</u>	<u>Small Business Development</u>	<u>Total</u>
Cash Flows from Operating Activity:				
Operating Income (Loss)	\$ 828	\$ 402	\$ 20	\$17,199
Adjustments to Reconcile Operating Income (Loss)				
To Net Cash Provided by (Used for) Operating Activities:				
Depreciation and Amortization	593	221	---	12,115
Other Revenue (Expenses)	---	(2,130)	---	(2,310)
Changes in Assets and Liabilities:				
(Increase) Decrease in Accounts Receivable	---	773	(3)	1,661
(Increase) Decrease in Prepaid Expenses	---	---	---	(151)
(Increase) Decrease in Interfund Receivable	---	(311)	---	(322)
(Increase) Decrease in Due from Other Governments	---	---	---	(4)
(Increase) Decrease in Deferred Debt Issuance Costs	---	---	---	64
(Increase) Decrease in Inventory of Supplies	---	---	---	(150)
Increase (Decrease) in Accounts Payable	---	(54)	---	(380)
Increase (Decrease) in Escrow	(6)	(18)	(2)	(136)
Increase (Decrease) in Retainage	---	(1)	---	399
Increase (Decrease) in Interfund Payable	(10)	(61)	---	(6,781)
Increase (Decrease) in Due to Other Governments	---	---	---	127
Increase (Decrease) in Other Current Liabilities	(4)	---	---	589
Total Adjustments	<u>573</u>	<u>(1,581)</u>	<u>(5)</u>	<u>4,721</u>
Net Cash Provided by (Used for) Operating Activities	<u>1,401</u>	<u>(1,179)</u>	<u>15</u>	<u>21,920</u>
Cash Flows from Noncapital Financing Activities:				
Operating Transfers In	---	1,406	---	2,188
Operating Transfers Out	<u>(49)</u>	<u>(4,810)</u>	<u>---</u>	<u>(5,559)</u>
Net Cash Provided by (Used for) Noncapital Financing Activities	<u>(49)</u>	<u>(3,404)</u>	<u>---</u>	<u>(3,371)</u>
Cash Flows from Capital and Related Financing Activities:				
Acquisition and Construction of Capital Assets	(25)	---	(3)	(36,737)
Principal Paid on Bond Maturities	(608)	(925)	---	(8,594)
Issuance of Revenue Bonds and Notes	---	1,500	---	8,013
Interest Expense and Fiscal Charges	(714)	(1,627)	---	(9,417)
Proceeds from Sale of Capital Assets	<u>---</u>	<u>4,700</u>	<u>---</u>	<u>4,700</u>
Net Cash Provided by (Used for) Capital and Related Financing Activities	<u>(1,347)</u>	<u>3,648</u>	<u>(3)</u>	<u>(42,035)</u>

City of Toledo, Ohio
Enterprise Funds
Combining Statement of Cash Flows
For the Year Ended December 31, 2001
(Amounts in Thousands)
(Continued)

	<u>Water</u>	<u>Sewer</u>	<u>Storm Sewer</u>	<u>Utility Administrative Services</u>
Cash Flows from Investing Activities:				
(Purchase) of Investment Securities	\$(77,903)	\$ (75,853)	\$(12,949)	\$ (31,876)
Sale and Maturities of Investment Securities	92,816	91,433	8,492	25,892
Investment Earnings and Dividends on Investments	<u>3,464</u>	<u>1,838</u>	<u>53</u>	<u>66</u>
Net Cash Provided by (Used for) Investing Activities	<u>18,377</u>	<u>17,418</u>	<u>(4,404)</u>	<u>(5,918)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	630	1,957	318	---
Cash and Cash Equivalents (Restricted and Unrestricted) at Beginning of Year	<u>9,121</u>	<u>6,720</u>	<u>69</u>	<u>---</u>
Cash and Cash Equivalents (Restricted and Unrestricted) at End of Year	<u>\$ 9,751</u>	<u>\$ 8,677</u>	<u>\$ 387</u>	<u>\$ ---</u>

City of Toledo, Ohio
Enterprise Funds
Combining Statement of Cash Flows
For the Year Ended December 31, 2001
(Amounts in Thousands)
(Continued)

	<u>Parking</u>	<u>Property Management</u>	<u>Small Business Development</u>	<u>Total</u>
Cash Flows from Investing Activity:				
(Purchase) of Investment Securities	---	(1,684)	(1)	(200,266)
Sale and Maturities of Investment Securities	---	1,699	---	220,332
Investment Earnings and Dividends on Investments	<u>(5)</u>	<u>774</u>	<u>1</u>	<u>6,191</u>
Net Cash Provided by (Used for) Investing Activities	<u>(5)</u>	<u>789</u>	<u>---</u>	<u>26,257</u>
Net Increase (Decrease) in Cash and Cash Equivalents	---	(146)	12	2,771
Cash and Cash Equivalents (Restricted and Unrestricted) at Beginning of Year	<u>---</u>	<u>355</u>	<u>409</u>	<u>16,674</u>
Cash and Cash Equivalents (Restricted and Unrestricted) at End of Year	<u>\$ ---</u>	<u>\$ 209</u>	<u>\$ 421</u>	<u>\$ 19,445</u>

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**CITY OF TOLEDO, OHIO
INTERNAL SERVICE FUNDS
DECEMBER 31, 2001**

Municipal Garage - To account for the costs of a maintenance facility for automotive equipment used by various City departments. The actual costs of labor and material utilized are reimbursed to this Fund by the user departments.

Capital Replacement - To account for interdepartmental charges assessed for the improvement and replacement of the City's capital equipment.

Storeroom and Printshop - To account for small supplies consumed by and printing services provided to various City departments. The actual costs of supplies requisitioned and labor and materials utilized are reimbursed to this Fund by the user departments.

Data Processing - To account for the costs of data processing services provided to various City departments. The actual costs of materials and services are reimbursed to this Fund by the user departments.

Risk Management - to account for the City's insurance program related to property and liability loss exposure. The payment of self-insured losses, insurance in excess of retention levels and related loss financing expenditures are accounted for in this fund.

Workers' Compensation - To account for the City's Worker's Compensation Program under the State of Ohio's Retrospective Rating Plan. The payment of premiums, assessments and claims to the State Bureau of Worker's Compensation, and their allocation to the responsible funds are accounted for in this fund.

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City of Toledo, Ohio
Internal Service Funds
Combining Balance Sheet
December 31, 2001
(Amounts in Thousands)

	Municipal Garage -----	Capital Replacement -----	Storeroom and Printshop -----
Assets			
Current Assets			
Equity in Pooled Cash	\$ -	\$ 3,824	\$ -
Receivables (Net of Allowance for Uncollectible Accounts):			
Accounts	51	-	-
Interfund Receivable	-	-	-
Inventory of Supplies	726	-	40
Total Current Assets	777	3,824	40
Property, Plant and Equipment			
Land	350	-	-
Buildings	1,111	-	-
Improvements	172	161	-
Machinery and Equipment	54,589	2,141	60
Furniture and Fixtures	11	19	4
Less: Accumulated Depreciation	(43,874)	(594)	(63)
Net Property, Plant and Equipment	12,359	1,727	1
Total Assets	\$ 13,136	\$ 5,551	\$ 41
Liabilities and Fund Equity			
Current Liabilities:			
Accounts Payable	\$ 303	\$ -	\$ 56
Retainages	-	-	-
Interfund Payable	1,451	-	716
Other Current Liabilities	-	-	10
Total Current Liabilities	1,754	-	782
Debt:			
Notes Payable	-	-	-
General Obligation Bonds Payable	-	7	-
Total Long-Term Liabilities	-	7	-
Total Liabilities	1,754	7	782
Fund Equity			
Contributed Capital	79,321	-	39
Retained Earnings (Deficit):			
Reserved for Replacement	-	2,000	-
Unreserved	(67,939)	3,544	(780)
Total Retained Earnings (Deficit)	(67,939)	5,544	(780)
Total Fund Equity	11,382	5,544	(741)
Total Liabilities and Fund Equity	\$ 13,136	\$ 5,551	\$ 41

City of Toledo, Ohio
Internal Service Funds
Combining Balance Sheet
December 31, 2001
(Amounts in Thousands)
(Continued)

	Data Processing	Risk Management	Workers' Compensation
	-----	-----	-----
Assets			
Current Assets			
Equity in Pooled Cash	\$ 359	\$ 5,813	\$ 22,785
Receivables (Net of Allowance for Uncollectible Accounts):			
Accounts	-	1	-
Interfund Receivable	-	-	-
Inventory of Supplies	-	-	-
Total Current Assets	----- 359	----- 5,814	----- 22,785
Property, Plant and Equipment			
Land	-	-	-
Buildings	-	-	-
Improvements	1	-	1
Machinery and Equipment	296	18	51
Furniture and Fixtures	64	1	-
Less: Accumulated Depreciation	----- (361)	----- (7)	----- (8)
Net Property, Plant and Equipment	----- -	----- 12	----- 44
Total Assets	----- \$ 359	----- \$ 5,826	----- \$ 22,829
=====			
Liabilities and Fund Equity			
Current Liabilities:			
Accounts Payable	\$ 46	\$ 35	\$ 10
Retainages	-	-	-
Interfund Payable	-	-	-
Other Current Liabilities	-	1,024	9,416
Total Current Liabilities	----- 46	----- 1,059	----- 9,426
Debt:			
Notes Payable	-	-	-
General Obligation Bonds Payable	-	-	-
Total Long-Term Liabilities	----- -	----- -	----- -
Total Liabilities	----- 46	----- 1,059	----- 9,426
Fund Equity			
Contributed Capital	-	1,571	-
Retained Earnings (Deficit):			
Reserved for Replacement	-	-	-
Unreserved	313	3,196	13,403
Total Retained Earnings (Deficit)	----- 313	----- 3,196	----- 13,403
Total Fund Equity	----- 313	----- 4,767	----- 13,403
Total Liabilities and Fund Equity	----- \$ 359	----- \$ 5,826	----- \$ 22,829
=====			

City of Toledo, Ohio
Internal Service Funds
Combining Balance Sheet
December 31, 2001
(Amounts in Thousands)
(Continued)

	Total

Assets	
Current Assets	
Equity in Pooled Cash	\$ 32,781
Receivables (Net of Allowance for Uncollectible Accounts):	
Accounts	52
Interfund Receivable	-
Inventory of Supplies	766

Total Current Assets	33,599

Property, Plant and Equipment	
Land	350
Buildings	1,111
Improvements	335
Machinery and Equipment	57,155
Furniture and Fixtures	99
Less: Accumulated Depreciation	(44,907)

Net Property, Plant and Equipment	14,143

Total Assets	\$ 47,742
	=====
Liabilities and Fund Equity	
Current Liabilities:	
Accounts Payable	\$ 450
Retainages	-
Interfund Payable	2,167
Other Current Liabilities	10,450

Total Current Liabilities	13,067

Debt:	
Notes Payable	-
General Obligation Bonds Payable	7

Total Long-Term Liabilities	7

Total Liabilities	13,074

Fund Equity	
Contributed Capital	80,931

Retained Earnings (Deficit):	
Reserved for Replacement	2,000
Unreserved	(48,263)

Total Retained Earnings (Deficit)	(46,263)

Total Fund Equity	34,668

Total Liabilities and Fund Equity	\$ 47,742
	=====

City of Toledo, Ohio
Internal Service Funds
Combining Statement of Revenues,
Expenses and Changes in Retained
Earnings (Deficit)
For the Year Ended December 31, 2001
(Amounts in Thousands)

	Municipal Garage	Capital Replacement	Storeroom and Printshop
	-----	-----	-----
Operating Revenues:			
Charges for Services	\$ 8,226	\$ 3,229	\$ 588
Other Revenue	130	-	-
	-----	-----	-----
Total Operating Revenues	8,356	3,229	588
	-----	-----	-----
Operating Expenses:			
Personal Services	3,541	-	45
Contractual Services	1,218	-	63
Materials and Supplies	3,838	-	482
Utilities	32	-	1
Depreciation and Amortization	2,446	73	2
	-----	-----	-----
Total Operating Expenses	11,075	73	593
	-----	-----	-----
Operating Income (Loss)	(2,719)	3,156	(5)
	-----	-----	-----
Nonoperating Revenues (Expenses):			
Interest Expense and Fiscal Charges	-	(21)	-
Other Revenue (Expenses)	165	-	-
	-----	-----	-----
Total Nonoperating Revenues (Expenses)	165	(21)	-
	-----	-----	-----
Income (Loss) before Operating Transfers	(2,554)	3,135	(5)
Operating Transfers In	89	-	2
Operating Transfers (Out)	-	-	-
	-----	-----	-----
Total Operating Transfers In (Out)	89	-	2
	-----	-----	-----
Net Income (Loss)	(2,465)	3,135	(3)
Retained Earnings (Deficit) at Beginning of Year	(65,474)	7,515	(777)
Residual Equity Transfers	-	(5,106)	-
	-----	-----	-----
Retained Earnings (Deficit) at End of Year	\$ (67,939)	\$ 5,544	\$ (780)
	=====	=====	=====

City of Toledo, Ohio
Internal Service Funds
Combining Statement of Revenues,
Expenses and Changes in Retained
Earnings (Deficit)
For the Year Ended December 31, 2001
(Amounts in Thousands)
(Continued)

	Data Processing	Risk Management	Workers' Compensation
	-----	-----	-----
Operating Revenues:			
Charges for Services	\$ 1,469	\$ 41	\$ 4,288
Other Revenue	-	-	13,585
	-----	-----	-----
Total Operating Revenues	1,469	41	17,873
	-----	-----	-----
Operating Expenses:			
Personal Services	824	83	201
Contractual Services	582	1,111	4,117
Materials and Supplies	75	1	4
Utilities	65	-	-
Depreciation and Amortization	-	-	3
	-----	-----	-----
Total Operating Expenses	1,546	1,195	4,325
	-----	-----	-----
Operating Income (Loss)	(77)	(1,154)	13,548
	-----	-----	-----
Nonoperating Revenues (Expenses):			
Interest Expense and Fiscal Charges	-	-	-
Other Revenue (Expenses)	-	-	-
	-----	-----	-----
Total Nonoperating Revenues (Expenses)	-	-	-
	-----	-----	-----
Income (Loss) before Operating Transfers	(77)	(1,154)	13,548
Operating Transfers In	31	3	7
Operating Transfers (Out)	-	-	(6,329)
	-----	-----	-----
Total Operating Transfers In (Out)	31	3	(6,322)
	-----	-----	-----
Net Income (Loss)	(46)	(1,151)	7,226
Retained Earnings (Deficit) at Beginning of Year	359	4,347	6,177
Residual Equity Transfers	-	-	-
	-----	-----	-----
Retained Earnings (Deficit) at End of Year	\$ 313	\$ 3,196	\$ 13,403
	=====	=====	=====

City of Toledo, Ohio
Internal Service Funds
Combining Statement of Revenues,
Expenses and Changes in Retained
Earnings (Deficit)
For the Year Ended December 31, 2001
(Amounts in Thousands)
(Continued)

	Total

Operating Revenues:	
Charges for Services	\$ 17,841
Other Revenue	13,715

Total Operating Revenues	31,556

Operating Expenses:	
Personal Services	4,694
Contractual Services	7,091
Materials and Supplies	4,400
Utilities	98
Depreciation and Amortization	2,524

Total Operating Expenses	18,807

Operating Income (Loss)	12,749

Nonoperating Revenues (Expenses):	
Interest Expense and Fiscal Charges	(21)
Other Revenue (Expenses)	165

Total Nonoperating Revenues (Expenses)	144

Income (Loss) before Operating Transfers	12,893
Operating Transfers In	132
Operating Transfers (Out)	(6,329)

Total Operating Transfers In (Out)	(6,197)

Net Income (Loss)	6,696
Retained Earnings (Deficit) at Beginning of Year	(47,853)
Residual Equity Transfers	(5,106)

Retained Earnings (Deficit) at End of Year	\$ (46,263)
	=====

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City of Toledo, Ohio
Internal Service Funds
Combining Statement of Cash Flows
For the Year Ended December 31, 2001
(Amounts in Thousands)

	<u>Municipal Garage</u>	<u>Capital Replacement</u>	<u>Storeroom and Printshop</u>
Cash Flows from Operating Activity:			
Operating Income (Loss)	\$ (2,719)	\$ 3,156	\$ (5)
Adjustments to Reconcile Operating Income (Loss)			
To Net Cash Provided by Operating Activities:			
Depreciation and Amortization	2,446	73	2
Other Revenue Expenses	166	---	---
Change in Assets and Liabilities:			
(Increase) Decrease in Accounts Receivable	(13)	---	---
(Increase) Decrease in Interfund Receivable	---	1,200	---
(Increase) Decrease in Inventory	(14)	---	---
Increase (Decrease) in Accounts Payable	34	(183)	9
Increase (Decrease) in Interfund Payable	251	---	(18)
Increase (Decrease) in Other Current Liabilities	<u>(240)</u>	<u>(16)</u>	<u>10</u>
Total Adjustments	2,630	1,074	3
Net Cash Provided by (Used for) Operating Activities	(89)	4,230	(2)
Cash Flow from Noncapital Financing Activities:			
Operating Transfers In	89	---	2
Operating Transfers Out	---	---	---
Residual Equity Transfers	<u>---</u>	<u>(5,106)</u>	<u>---</u>
Net Cash Provided by (Used for) Noncapital Financing Activities	89	(5,106)	2
Cash Flows from Capital and Related Financing Activities:			
Principal Paid on Bond Maturities	---	(901)	---
Issuance of Revenue Bonds and Notes	---	---	---
Interest Expense and Fiscal Charges	<u>---</u>	<u>(21)</u>	<u>---</u>
Net Cash Provided by (Used for) Capital and Related Financing Activities	---	(922)	---
Net Increase (Decrease) in Cash	---	(1,798)	---
Cash and Cash Equivalents at Beginning of Year	<u>---</u>	<u>5,622</u>	<u>---</u>
Cash and Cash Equivalents at End of Year	<u>\$ ---</u>	<u>\$ 3,824</u>	<u>\$ ---</u>

Noncash investing capital and financing activities:

During the year ended December 31, 2001, vehicles were transferred to the Municipal Garage Fund from the following funds and the respective historical costs: Capital Projects Fund @ \$982; Special Revenue @ \$24; and Capital Replacement Fund @ \$5,105 for a total of \$6,111.

City of Toledo, Ohio
Internal Service Funds
Combining Statement of Cash Flows
For the Year Ended December 31, 2001
(Amounts in Thousands)
(Continued)

	<u>Data</u> <u>Processing</u>	<u>Risk</u> <u>Management</u>	<u>Workers</u> <u>Compensation</u>
Cash Flows from Operating Activity:			
Operating Income (Loss)	\$ (77)	\$ (1,154)	\$ 13,548
Adjustments to Reconcile Operating Income (Loss)			
To Net Cash Provided by Operating Activities:			
Depreciation and Amortization	---	---	3
Other Revenue (Expenses)	---	---	---
Change in Assets and Liabilities:			
(Increase) Decrease in Accounts Receivable	---	---	---
(Increase) Decrease in Interfund Receivable	---	---	20,649
(Increase) Decrease in Inventory	---	---	---
Increase (Decrease) in Accounts Payable	17	15	(12)
Increase (Decrease) in Interfund Payable	---	---	---
Increase (Decrease) in Other Current Liabilities	---	98	(10,348)
Total Adjustments	<u>17</u>	<u>113</u>	<u>10,292</u>
Net Cash Provided by (Used for) Operating Activities	(60)	(1,041)	23,840
Cash Flow from Noncapital Financing Activities:			
Operating Transfers In	31	3	7
Operating Transfers Out	---	---	(6,329)
Residual Equity Transfers	<u>---</u>	<u>---</u>	<u>---</u>
Net Cash Provided by (Used for) Noncapital Financing Activities	31	3	(6,322)
Cash Flows from Capital and Related Financing Activities:			
Principal Paid on Bond Maturities	---	---	---
Issuance of Revenue Bonds and Notes	---	---	---
Interest Expense and Fiscal Charges	<u>---</u>	<u>---</u>	<u>---</u>
Net Cash Provided by (Used for) Capital and Related Financing Activities	---	---	---
Cash Flows from Investing Activities			
Other Revenues (Expenses)	<u>---</u>	<u>---</u>	<u>---</u>
Net Cash Provided by (Used for) Investing Activities	---	---	---
Net Increase (Decrease) in Cash	(29)	(1,038)	17,518
Cash and Cash Equivalents at Beginning of Year	388	6,851	5,268
Cash and Cash Equivalents at End of Year	<u>\$ 359</u>	<u>\$ 5,813</u>	<u>\$ 22,786</u>

City of Toledo, Ohio
Internal Service Funds
Combining Statement of Cash Flows
For the Year Ended December 31, 2001
(Amounts in Thousands)
(Continued)

	<u>Total</u>
Cash Flows from Operating Activity:	
Operating Income (Loss)	\$ 12,749
Adjustments to Reconcile Operating Income (Loss)	
To Net Cash Provided by Operating Activities:	
Depreciation and Amortization	2,524
Other Revenue (Expenses)	166
Change in Assets and Liabilities:	
(Increase) Decrease in Accounts Receivable	(13)
(Increase) Decrease in Interfund Receivable	21,849
(Increase) Decrease in Inventory	(14)
Increase (Decrease) in Accounts Payable	(120)
Increase (Decrease) in Interfund Payable	233
Increase (Decrease) in Other Current Liabilities	<u>(10,496)</u>
Total Adjustments	14,129
Net Cash Provided by (Used for) Operating Activities	26,878
Cash Flow from Noncapital Financing Activities:	
Operating Transfers In	132
Operating Transfers Out	(6,329)
Residual Equity Transfers	<u>(5,106)</u>
Net Cash Provided by (Used for) Noncapital Financing Activities	(11,303)
Cash Flows from Capital and Related Financing Activities:	
Principal Paid on Bond Maturities	(901)
Issuance of Revenue Bonds and Notes	---
Interest Expense and Fiscal Charges	<u>(21)</u>
Net Cash Provided by (Used for) Capital and Related Financing Activities	<u>(922)</u>
Net Increase (Decrease) in Cash	14,653
Cash and Cash Equivalents at Beginning of Year	<u>18,129</u>
Cash and Cash Equivalents at End of Year	<u>\$ 32,782</u>

**CITY OF TOLEDO, OHIO
FIDUCIARY FUNDS
DECEMBER 31, 2001**

EXPENDABLE TRUST FUND

Expendable Trusts - To account for monies donated in trust to the City. Expenditures of the forty-eight individual trust funds in existence as of December 31 are controlled by reference to individual trust balances maintained in subsidiary records.

NONEXPENDABLE TRUST FUND

Cemetery Perpetual Care - To account for revenues from sales of plots in the City's five cemeteries. Investment earnings, if any, from this Fund are credited to the Cemetery Maintenance Fund as directed by legislation.

AGENCY FUNDS

Payroll Revolving - To account for monies aggregated from the various operating funds for payroll and payroll-related liabilities. As a pay-period closes, the operating funds record the gross pay as expenditures or expenses; the Payroll Revolving Fund simultaneously records the various liabilities.

General Agency - To account for various licenses, fees, and taxes, such as restaurant licenses, that the City collects as an agent for the State of Ohio.

Municipal Court - To account for bonds and other monies deposited with the Court pending final disposition of the various cases. While the records of the Court are the responsibility of a separate elected Clerk of Courts and not the Finance Department, the balances have been included in these financial statements in compliance with GASB Statement 14.

City of Toledo
 Fiduciary Funds
 Combining Balance Sheet
 December 31, 2001
 (Amounts in Thousands)

	Expendable Trusts	Nonexpendable Trust Fund Cemetery Perpetual Care	Agency Funds Payroll Revolving
	-----	-----	-----
Assets			
Equity in Pooled Cash	\$ 3,623	\$ 285	\$ 2,671
Investments at Cost	294	736	-
Receivables (Net of Allowance for Uncollectible Accounts):			
Accounts	153	-	-
Notes	-	-	-
Interfund Receivable	-	-	17,419
Other Prepaid Expenditure			152
	-----	-----	-----
Total Assets	4,070	1,021	20,242
	=====	=====	=====
Liabilities and Fund Equity			
Liabilities			
Accounts Payable	38	-	152
Escrow	6	-	253
Interfund Payable	14	-	-
Due to Other Governments			
Other Current Liabilities	55	-	12,613
Accrued Compensated Absenses	-	-	7,224
	-----	-----	-----
Total Liabilities	113	-	20,242
	-----	-----	-----
Fund Equity (Deficit):			
Unreserved			
Reserved for Encumbrances	-	-	-
Reserved for Long-Term Notes Receivable	139	-	-
Reserved for Endowment		739	
Undesignated	3,818	282	-
	-----	-----	-----
Total Fund Equity (Deficit)	3,957	1,021	-
	-----	-----	-----
Total Liabilities and Fund Equity (Deficit)	\$ 4,070	\$ 1,021	\$ 20,242
	=====	=====	=====

City of Toledo
 Fiduciary Funds
 Combining Balance Sheet
 December 31, 2001
 (Amounts in Thousands)
 (Continued)

	Agency Funds		
	General Agency	Municipal Court	Total
	-----	-----	-----
Assets			
Equity in Pooled Cash	\$ 607	\$ -	\$ 7,186
Investments at Cost	-	718	1,748
Receivables (Net of Allowance for Uncollectible Accounts):			
Accounts	-	-	153
Notes	-	-	-
Interfund Receivable	-	-	17,419
Other Prepaid Expenditure	-	-	152
	-----	-----	-----
Total Assets	607	718	26,658
	=====	=====	=====
Liabilities and Fund Equity			
Liabilities			
Accounts Payable	7	-	197
Escrow	-	718	977
Interfund Payable	-	-	14
Due to Other Governments	-	-	-
Other Current Liabilities	600	-	13,268
Accrued Compensated Absenses	-	-	7,224
	-----	-----	-----
Total Liabilities	607	718	21,680
	-----	-----	-----
Fund Equity (Deficit):			
Unreserved			
Reserved for Encumbrances	-	-	-
Reserved for Long-Term Notes Receivable	-	-	139
Reserved for Endowment	-	-	739
Undesignated	-	-	4,100
	-----	-----	-----
Total Fund Equity (Deficit)	-	-	4,978
	-----	-----	-----
Total Liabilities and Fund Equity (Deficit)	\$ 607	\$ 718	\$ 26,658
	=====	=====	=====

City of Toledo, Ohio
Agency Funds
Combining Statement of Changes in Assets and Liabilities
For the Year Ended December 31, 2001
(Amounts in Thousands)

	PAYROLL REVOLVING FUND			
	Balance			Balance
	<u>Jan 1, 2001</u>	<u>Additions</u>	<u>Deductions</u>	<u>Dec 31, 2001</u>
Assets				
Equity in Pooled Cash	\$ 18,358	\$ 218,798	\$ 234,485	\$ 2,671
Investments at Cost	---	---	---	---
Prepaid Expenses	---	152	---	152
Interfund Receivables	<u>---</u>	<u>17,419</u>	<u>---</u>	<u>17,419</u>
Total Assets	<u>\$ 18,358</u>	<u>\$ 236,369</u>	<u>\$ 234,485</u>	<u>\$ 20,242</u>
Liabilities				
Accounts Payable	\$ 6	\$ 40,826	\$ 40,680	\$ 152
Escrow	270	3,628	3,645	253
Interfund Payables	---	157,227	157,227	---
Other Current Liabilities	10,873	116,167	114,427	12,613
Accrued Compensated Absences	<u>7,209</u>	<u>7,225</u>	<u>7,210</u>	<u>7,224</u>
Total Liabilities	<u>\$ 18,358</u>	<u>\$ 325,073</u>	<u>\$ 323,189</u>	<u>\$ 20,242</u>

City of Toledo, Ohio
Agency Funds
Combining Statement of Changes in Assets and Liabilities
For the Year Ended December 31, 2001
(Amounts in Thousands)
(Continued)

	GENERAL AGENCY FUND			
	Balance			Balance
	<u>Jan 1, 2001</u>	Additions	Deductions	<u>Dec 31, 2001</u>
Assets				
Equity in Pooled Cash	\$ 583	\$ 664	\$ 640	\$ 607
Investments at Cost	---	---	---	---
Prepaid Expenses	---	---	---	---
Interfund Receivables	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>
Total Assets	<u>\$ 583</u>	<u>\$ 664</u>	<u>\$ 640</u>	<u>\$ 607</u>
Liabilities				
Accounts Payable	\$ 24	\$ 588	\$ 604	\$ 8
Escrow	---	---	---	---
Interfund Payables	---	---	---	---
Other Current Liabilities	559	739	699	599
Accrued Compensated Absences	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>
Total Liabilities	<u>\$ 583</u>	<u>\$ 1,327</u>	<u>\$ 1,303</u>	<u>\$ 607</u>

City of Toledo, Ohio
Agency Funds
Combining Statement of Changes in Assets and Liabilities
For the Year Ended December 31, 2001
(Amounts in Thousands)
(Continued)

	MUNICIPAL COURT FUND			
	Balance			Balance
	<u>Jan 1, 2001</u>	Additions	Deductions	<u>Dec 31, 2001</u>
Assets				
Equity in Pooled Cash	\$ ---	\$ ---	\$ ---	\$ ---
Investments	846	---	128	718
Prepaid Expenses	---	---	---	---
Interfund Receivables	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>
Total Assets	<u>\$ 846</u>	<u>\$ ---</u>	<u>\$ 128</u>	<u>\$ 718</u>
Liabilities				
Accounts Payable	\$ ---	\$ ---	\$ ---	\$ ---
Escrow	846	---	128	718
Interfund Payables	---	---	---	---
Other Current Liabilities	---	---	---	---
Accrued Compensated Absences	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>
Total Liabilities	<u>\$ 846</u>	<u>\$ ---</u>	<u>\$ 128</u>	<u>\$ 718</u>

City of Toledo, Ohio
Agency Funds
Combining Statement of Changes in Assets and Liabilities
For the Year Ended December 31, 2001
(Amounts in Thousands)
(Continued)

	TOTAL – ALL AGENCY FUNDS			
	Balance			Balance
	<u>Jan 1, 2001</u>	<u>Additions</u>	<u>Deductions</u>	<u>Dec 31, 2001</u>
Assets				
Equity in Pooled Cash	\$ 18,941	\$ 219,462	\$ 235,125	\$ 3,278
Investments	846	---	128	718
Prepaid Expenses	---	152	---	152
Interfund Receivables	<u>---</u>	<u>17,419</u>	<u>---</u>	<u>17,419</u>
Total Assets	<u>\$ 19,787</u>	<u>\$ 237,033</u>	<u>\$ 235,253</u>	<u>\$ 21,567</u>
Liabilities				
Accounts Payable	\$ 30	\$ 41,414	\$ 41,284	\$ 160
Escrow	1,116	3,628	3,773	971
Interfund Payables	--	157,227	157,227	---
Other Current Liabilities	11,432	116,906	115,126	13,212
Accrued Compensated Absences	<u>7,209</u>	<u>7,225</u>	<u>7,210</u>	<u>7,224</u>
Total Liabilities	<u>\$ 19,787</u>	<u>\$ 326,400</u>	<u>\$ 324,620</u>	<u>\$ 21,567</u>

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**CITY OF TOLEDO, OHIO
GENERAL FIXED ASSETS ACCOUNT GROUP
DECEMBER 31, 2001**

General Fixed Assets Account Group - To account for general fixed assets of the City, other than those accounted for in the Proprietary fund.

CITY OF TOLEDO, OHIO
SCHEDULE OF GENERAL FIXED ASSETS BY SOURCES
DECEMBER 31, 2001
(AMOUNTS IN THOUSANDS)

GENERAL FIXED ASSETS:

Land.....	\$ 24,781
Buildings and Construction in Progress	61,552
Improvements.....	47,514
Machinery and Equipment.....	30,951
Furniture and Fixtures.....	<u>6,000</u>
 Total General Fixed Assets.....	 \$170,798
 Less: Accumulated Depreciation.....	 <u>(75,588)</u>
 Net General Fixed Assets.....	 <u>\$ 95,210</u>

INVESTMENT IN GENERAL FIXED ASSETS:

Acquired Before December 31, 1982.....	\$ 52,619
General Fund	39,009
Special Revenue Funds.....	9,439
Capital Projects Funds.....	<u>69,731</u>
 Total Investment in General Fixed Assets	 \$170,798
 Less: Accumulated Depreciation.....	 <u>(75,588)</u>
 Net Investment in General Fixed Assets	 <u>\$ 95,210</u>

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CITY OF TOLEDO, OHIO
SCHEDULE OF GENERAL FIXED ASSETS BY FUNCTION AND ACTIVITY
DECEMBER 31, 2001
(AMOUNTS IN THOUSANDS)

FUNCTION AND ACTIVITY	BUILDINGS AND CONSTRUCTION		
	<u>LAND</u>	<u>IN PROGRESS</u>	<u>IMPROVEMENTS</u>
General Government:			
City Council	\$ --	\$ --	\$ 34
Mayor	--	--	--
Auditor	--	--	--
Planning Commission	--	--	--
Health.....	472	1,346	--
Municipal Court Judges	105	5,867	69
Clerk of Courts	--	--	54
Support Services.....	--	--	1
Computing Services	--	76	--
Finance	--	--	--
Treasury	--	--	--
Taxation.....	--	--	2
Accounts	--	--	--
Community Development.....	386	2,876	479
Inspection	--	--	14
Economic Development.....	--	372	1,046
Human Resources.....	--	--	29
Law	<u>--</u>	<u>--</u>	<u>--</u>
Total General Government	<u>963</u>	<u>10,537</u>	<u>1,728</u>
Public Service:			
Public Service.....	--	--	103
Public Service Administration	--	--	--
Engineering & Construction	--	16	--
Streets, Bridges & Harbor.....	3,218	2,006	275
Waste Disposal	1,919	189	43
Maintenance of Public Buildings.....	181	5,127	18,787
Environmental Services	<u>--</u>	<u>165</u>	<u>6</u>
Total Public Service	<u>5,318</u>	<u>7,503</u>	<u>19,214</u>

CITY OF TOLEDO, OHIO
SCHEDULE OF GENERAL FIXED ASSETS BY FUNCTION AND ACTIVITY
DECEMBER 31, 2001
(AMOUNTS IN THOUSANDS)
(CONTINUED)

<u>MACHINERY AND EQUIPMENT</u>	<u>FURNITURE AND FIXTURES</u>	<u>TOTAL</u>
\$ 108	\$ 41	\$ 183
44	32	76
14	21	35
162	86	248
---	---	1,818
1,894	556	8,491
347	259	660
922	46	969
1,144	10	1,230
28	31	59
72	23	95
48	33	83
192	35	227
825	215	4,781
112	56	182
134	12	1,564
989	102	1,120
<u>66</u>	<u>88</u>	<u>154</u>
<u>7,101</u>	<u>1,646</u>	<u>21,975</u>
173	16	292
9	3	12
478	257	751
928	106	6,533
1,436	33	3,620
2,225	283	26,603
<u>301</u>	<u>47</u>	<u>519</u>
<u>5,550</u>	<u>745</u>	<u>38,330</u>

CITY OF TOLEDO, OHIO
SCHEDULE OF GENERAL FIXED ASSETS BY FUNCTION AND ACTIVITY
DECEMBER 31, 2001
(AMOUNTS IN THOUSANDS)
(CONTINUED)

FUNCTION AND ACTIVITY	<u>LAND</u>	<u>BUILDINGS AND CONSTRUCTION IN PROGRESS</u>	<u>IMPROVEMENTS</u>
Public Safety:			
Police	\$ 209	\$ 6,395	\$ 1,292
Fire.....	738	6,629	1,983
Traffic Engineering	<u>--</u>	<u>--</u>	<u>3,383</u>
Total Public Safety	<u>947</u>	<u>13,024</u>	<u>6,658</u>
Natural Resources:			
Administration.....	--	--	56
Parks and Recreation.....	12,594	4,000	6,674
Forestry	<u>298</u>	<u>289</u>	<u>2,971</u>
Total Natural Resources.....	<u>12,892</u>	<u>4,289</u>	<u>9,701</u>
Other:			
Miscellaneous.....	4,661	26,199	10,213
Construction in Progress	--	--	--
Total General Fixed Assets.....	24,781	61,552	47,514
Less: Accumulated Depreciation....	<u>--</u>	<u>(36,308)</u>	<u>(19,417)</u>
Net General Fixed Assets.....	<u>\$ 24,781</u>	<u>\$ 25,244</u>	<u>\$ 28,097</u>

CITY OF TOLEDO, OHIO
SCHEDULE OF GENERAL FIXED ASSETS BY FUNCTION AND ACTIVITY
DECEMBER 31, 2001
(AMOUNTS IN THOUSANDS)
(CONTINUED)

<u>MACHINERY AND EQUIPMENT</u>	<u>FURNITURE AND FIXTURES</u>	<u>TOTAL</u>
\$ 5,332	\$ 959	\$ 14,187
5,391	237	14,978
<u>4,007</u>	<u>382</u>	<u>7,772</u>
<u>14,730</u>	<u>1,578</u>	<u>36,937</u>
42	122	220
1,077	50	24,395
<u>2,297</u>	<u>36</u>	<u>5,891</u>
<u>3,416</u>	<u>208</u>	<u>30,506</u>
154	1,823	43,050
--	--	--
30,951	6,000	170,798
<u>(15,215)</u>	<u>(4,127)</u>	<u>(75,588)</u>
<u>\$ 15,215</u>	<u>\$ 1,873</u>	<u>\$ 95,210</u>

CITY OF TOLEDO, OHIO
SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS BY FUNCTION AND ACTIVITY
FOR THE YEAR ENDED DECEMBER 31, 2001
(AMOUNTS IN THOUSANDS)

FUNCTION AND ACTIVITY	BALANCE AT BEGINNING OF YEAR	ADDITIONS	DISPOSALS AND TRANSEERS	BALANCE AT END OF YEAR
General Government:				
City Council	\$ 183	\$ --	\$ --	\$ 183
Mayor	76	--	--	76
Auditor	33	2	--	35
Planning Commission	221	27	--	248
Health.....	1,818	--	--	1,818
Municipal Court Judges	8,254	237	--	8,491
Clerk of Courts	636	24	--	660
Support Services.....	969	684	--	1,653
Management Services	546	--	--	546
Finance	59	--	--	59
Treasury	75	20	--	95
Taxation.....	73	10	--	83
Accounts	225	2	--	227
Community Development.....	4,648	133	--	4,781
Inspection	165	17	--	182
Economic Development.....	1,469	95	--	1,564
Human Resources.....	1,120	--	--	1,120
Law	<u>154</u>	<u>--</u>	<u>--</u>	<u>154</u>
Total General Government	<u>20,724</u>	<u>1,251</u>	<u>--</u>	<u>21,975</u>
Public Service:				
Public Service.....	292	--	--	292
Public Service Administration	12	--	--	12
Engineering & Construction	571	180	--	751
Streets, Bridges & Harbor.....	6,449	84	--	6,533
Waste Disposal	3,113	507	--	3,620
Maintenance of Public Buildings.....	25,686	917	--	26,603
Environmental Services	<u>518</u>	<u>1</u>	<u>--</u>	<u>519</u>
Total Public Service	<u>36,641</u>	<u>1,689</u>	<u>--</u>	<u>38,330</u>

CITY OF TOLEDO, OHIO
SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS BY FUNCTION AND ACTIVITY
FOR THE YEAR ENDED DECEMBER 31, 2001
(AMOUNTS IN THOUSANDS)
(CONTINUED)

FUNCTION AND ACTIVITY	BALANCE AT BEGINNING OF YEAR	ADDITIONS	DISPOSALS AND TRANSEERS	BALANCE AT END OF YEAR
Public Safety				
Police	\$ 13,011	\$ 1,176	\$ --	\$ 14,187
Fire.....	13,053	1,925	--	14,978
Traffic Engineering	7,276	496	--	7,772
House of Corrections.....	<u>4,122</u>	<u>--</u>	<u>(4,122)</u>	<u>--</u>
Total Public Safety	<u>37,462</u>	<u>3,597</u>	<u>(4,122)</u>	<u>36,937</u>
Natural Resources:				
Administration.....	215	5	--	220
Parks and Recreation.....	24,395	--	--	24,395
Forestry	<u>5,873</u>	<u>18</u>	<u>--</u>	<u>5,891</u>
Total Natural Resources.....	<u>30,483</u>	<u>23</u>	<u>--</u>	<u>30,506</u>
Other:				
Miscellaneous.....	42,990	60	--	43,050
Total General Fixed Assets.....	168,300	6,620	(4,122)	170,798
Less Accumulated Depreciation	<u>(73,711)</u>	<u>(5,957)</u>	<u>4,080</u>	<u>(75,588)</u>
Net General Fixed Assets.....	<u>\$ 94,589</u>	<u>\$ 663</u>	<u>\$ (42)</u>	<u>\$ 95,210</u>

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STATISTICAL SECTION

TABLE 1
CITY OF TOLEDO, OHIO
GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION¹
LAST TEN YEARS
(AMOUNTS IN THOUSANDS)

FISCAL YEAR	GENERAL GOVERNMENT	PUBLIC SERVICE AND			
		PUBLIC UTILITIES	PUBLIC SAFETY	COMMUNITY ENVIRONMENT	HEALTH
1992	\$ 15,436	\$ 25,042	\$ 95,859	\$ 11,347	\$ 16,136
1993	17,341	25,751	100,612	12,294	16,771
1994	38,296	28,675	101,517	12,820	16,954
1995	18,644	27,927	110,537	15,717	17,783
1996	18,816	28,127	116,536	18,657	18,561
1997	17,699	27,804	120,183	20,341	18,343
1998	18,256	27,508	125,038	19,523	18,493
1999	18,246	29,705	129,765	18,841	19,139
2000	18,948	29,743	132,542	18,157	14,300
2001	21,188	29,142	137,417	21,120	16,850

TABLE 2
CITY OF TOLEDO, OHIO
GENERAL REVENUES BY SOURCE¹
LAST TEN YEARS
(AMOUNTS IN THOUSANDS)

FISCAL YEAR	INCOME TAXES	PROPERTY TAXES AND SPECIAL ASSESSMENTS			GRANTS AND SUBSIDIES
		LICENSES AND PERMITS			
1992	\$110,423	\$ 31,381	\$ 2,927	\$ 24,277	
1993	115,755	31,608	2,961	29,935	
1994	124,975	31,916	2,833	26,815	
1995	129,789	32,850	3,004	31,763	
1996	138,487	34,590	2,310	33,811	
1997	142,701	33,953	2,509	39,232	
1998	144,505	34,379	2,737	40,634	
1999	150,170	33,530	2,841	54,191	
2000	153,830	31,069	2,211	41,138	
2001	150,911	35,814	2,172	34,338	

Source: City of Toledo
Finance Department

¹ Includes General, Special Revenue, Debt Service and Capital Project Funds.

PARKS RECREATION	CAPITAL OUTLAY	DEBT SERVICE	TOTAL
\$4,084	\$ 15,533	\$ 18,840	\$ 202,277
4,225	16,574	17,659	211,227
4,749	31,304	17,616	251,931
5,357	28,693	21,869	246,527
4,741	44,679	22,840	272,957
4,696	41,884	27,392	278,342
4,942	90,007	24,819	328,586
4,401	43,202	24,935	288,234
4,924	41,532	25,588	285,734
5,123	43,609	26,684	301,133

SHARED REVENUES	CHARGES FOR SERVICES	INVESTMENT EARNINGS	FINES AND FORFEITURES	ALL OTHER REVENUE	TOTAL
\$14,254	\$ 9,995	\$3,285	\$3,020	\$ 976	\$ 200,538
15,125	9,941	2,729	3,372	1,871	213,297
18,063	9,935	3,570	3,408	2,326	223,841
19,140	11,000	6,601	4,392	2,239	240,778
20,210	11,225	6,954	4,239	1,242	253,068
20,668	11,180	7,125	4,442	1,562	263,372
22,274	11,768	7,279	5,071	7,364	276,011
22,795	12,179	6,642	4,616	2,284	289,248
23,308	12,349	8,383	4,103	765	277,156
23,398	12,227	7,292	3,841	1,009	271,002

TABLE 3(a)
CITY OF TOLEDO, OHIO
REAL AND PUBLIC UTILITY PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN YEARS
(AMOUNTS IN THOUSANDS)

TAX COLLECTION YEAR	TOTAL TAX LEVY	CURRENT TAX COLLECTIONS	PERCENT OF LEVY COLLECTED	DELINQUENT TAX COLLECTIONS
1992	\$11,698	\$11,013	94.1%	536
1993	11,774	11,283	95.8%	331
1994	11,848	11,215	94.7%	245
1995	12,332	11,637	94.4%	562
1996	12,236	11,591	94.7%	471
1997	12,084	11,488	95.1%	432
1998	12,505	12,245	97.9%	510
1999	12,710	12,191	95.9%	441
2000	12,205	12,130	99.4%	514
2001	14,934	14,462	96.8%	398

Source: Lucas County Auditor

TABLE 3(b)
CITY OF TOLEDO, OHIO
INCOME TAX REVENUES
LAST TEN YEARS
(AMOUNTS IN THOUSANDS)

FISCAL YEAR	TAX REVENUES	TAX RATE
1992	\$110,423	2¼%
1993	115,755	2¼%
1994	124,975	2¼%
1995	129,789	2¼%
1996	138,487	2¼%
1997	142,701	2¼%
1998	144,505	2¼%
1999	150,170	2¼%
2000	153,830	2¼%
2001	150,911	2¼%

Source: City of Toledo
Income Tax Department

AMOUNT OF TOTAL TAX COLLECTIONS	PERCENT OF TOTAL TAX COLLECTIONS TO TAX LEVY	AMOUNT OF OUTSTANDING DELINQUENT TAXES	PERCENT OF DELINQUENT TAXES TO TAX LEVY
\$11,549	99.7%	\$1,445	12.5%
11,614	98.7%	1,630	13.8%
11,460	98.6%	1,203	10.2%
12,199	96.7%	1,787	14.5%
12,062	98.6%	1,651	13.6%
11,920	98.6%	1,204	9.9%
12,755	102.0%	1,321	10.6%
12,632	99.4%	1,280	10.1%
12,644	103.6%	1,117	9.2%
14,861	99.5%	1,313	9.1%

TABLE 4
CITY OF TOLEDO, OHIO
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN YEARS
(AMOUNTS IN THOUSANDS)

TAX COLLECTION YEAR	REAL PROPERTY		PUBLIC UTILITY (3)	
	ASSESSED VALUE (1)	ESTIMATED ACTUAL VALUE	ASSESSED VALUE	ESTIMATED ACTUAL VALUE
1993	\$2,386,397	\$6,818,277	\$310,638	\$ 887,537
1994	2,388,248	6,823,565	316,126	903,217
1995	2,497,627	7,136,078	316,878	905,365
1996	2,481,458	7,089,880	299,437	855,534
1997	2,491,193	7,117,694	274,504	784,297
1998	2,669,541	7,627,260	275,606	787,446
1999	2,673,597	7,638,849	268,638	767,537
2000	2,689,930	7,685,514	252,326	720,931
2001	3,281,956	9,375,589	251,453	1,005,812
2002	3,275,750	9,359,286	185,625	742,500

(1) The assessed valuation is fixed at 35% of true value and is determined pursuant to the rules of the Ohio Commissioner of Tax Equalization. An exception is that real property devoted exclusively to agricultural use is to be assessed at not more than 35% of its current agricultural use value.

(2) The inventory rates have been reduced annually from 41% in 1979 to 25% in 1994.

(3) Includes public utility personal property. Assessed value determined by the State of Ohio.

Source: Lucas County Auditor

TABLE 5
CITY OF TOLEDO, OHIO
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN YEARS
(PER \$1,000 OF ASSESSED VALUATION)

TAX COLLECTION YEAR	CITY OF TOLEDO				TRANSIT AUTHORITY
	GENERAL FUND	POLICE PENSION FUND	FIRE PENSION FUND	TOTAL TOLEDO RATE	
1992	3.80	.30	.30	4.40	2.50
1993	3.80	.30	.30	4.40	2.50
1994	3.80	.30	.30	4.40	2.50
1995	3.80	.30	.30	4.40	2.50
1996	3.80	.30	.30	4.40	2.50
1997	3.80	.30	.30	4.40	2.50
1998	3.80	.30	.30	4.40	2.50
1999	3.80	.30	.30	4.40	2.50
2000	3.80	.30	.30	4.40	2.50
2001	3.80	.30	.30	4.40	2.50

Source: Lucas County Auditor

PERSONAL PROPERTY		TOTAL		RATIO OF TOTAL ASSESSED TO TOTAL ESTIMATED ACTUAL VALUE
ASSESSED VALUE (2)	ESTIMATED ACTUAL VALUE	ASSESSED VALUE	ESTIMATED ACTUAL VALUE	
\$498,990	\$1,919,192	\$3,196,025	\$ 9,625,006	33.2%
458,042	1,832,168	3,162,416	9,558,950	33.1%
463,468	1,853,871	3,277,973	9,895,314	33.1%
476,603	1,906,412	3,257,498	9,851,826	33.1%
487,942	1,951,768	3,253,639	9,853,759	33.1%
505,735	2,022,940	3,450,882	10,437,646	33.0%
509,003	2,036,012	3,451,238	10,442,398	33.1%
529,770	2,119,080	3,472,027	10,525,525	33.0%
551,232	2,204,928	4,084,141	12,586,329	32.4%
564,431	2,257,724	4,025,806	12,359,510	32.6%

PORT AUTHORITY	LUCAS COUNTY	TOLEDO CITY SCHOOL DISTRICT	METRO PARK DISTRICT	TOTAL
.35	15.80	58.60	1.00	82.65
.40	15.85	57.80	1.00	81.95
.40	15.85	57.70	1.00	81.85
.40	15.80	57.80	1.00	81.90
.40	15.95	57.80	1.00	82.05
.40	15.95	57.80	1.00	82.05
.40	15.45	57.80	1.40	81.95
.40	15.55	57.50	1.40	82.35
.40	16.00	63.00	1.40	87.70
.40	15.65	63.00	1.40	87.35

TABLE 6
CITY OF TOLEDO, OHIO
SPECIAL ASSESSMENT LEVIES AND COLLECTIONS
LAST TEN YEARS
(AMOUNTS IN THOUSANDS)

TAX COLLECTION YEAR	CURRENT ASSESSMENTS DUE	CURRENT ASSESSMENTS COLLECTED	PERCENT CURRENT ASSESSMENTS COLLECTED TO CURRENT ASSESSMENTS DUE	DELINQUENT ASSESSMENT COLLECTIONS
1992	\$17,977	\$16,132	89.7%	\$1,528
1993	18,356	16,360	89.1%	1,650
1994	18,351	16,438	89.6%	1,086
1995	18,403	16,665	90.6%	1,901
1996	20,464	18,505	90.4%	1,982
1997	19,417	17,471	90.0%	2,326
1998	19,497	17,632	90.4%	2,072
1999	18,564	16,842	90.7%	1,955
2000	17,980	16,265	90.5%	1,800
2001	21,179	18,938	89.4%	1,663

Source: Lucas County Auditor

TABLE 7
CITY OF TOLEDO, OHIO
RATIO OF NET GENERAL BONDED DEBT
TO ASSESSED VALUE AND NET BONDED DEBT PER CAPITA
LAST TEN YEARS

FISCAL YEAR	POPULATION⁽¹⁾	ASSESSED VALUE⁽²⁾	GROSS GENERAL BONDED DEBT⁽²⁾	LESS BALANCE IN DEBT SERVICE FUND⁽²⁾ & ⁽³⁾
1992	332,943	\$3,196,025	\$ 68,995	\$ 251
1993	332,943	3,162,416	62,550	312
1994	332,943	3,277,973	74,450	373
1995	332,943	3,257,498	91,079	658
1996	332,943	3,253,639	101,555	666
1997	332,943	3,450,882	106,213	864
1998	332,943	3,451,238	131,859	899
1999	332,943	3,472,027	127,636	1,023
2000	313,619	4,084,141	126,046	1,156
2001	313,619	4,025,806	123,810	579

(1) Source: U.S. Bureau of the Census

(2) Amounts shown in thousands of dollars. Source: Lucas County Auditor.

(3) The City has paid its general bonded debt service for the tax years shown from current income tax revenues. The amount required is transferred to the debt service funds from the capital improvement fund.

TOTAL ASSESSMENT COLLECTIONS	PERCENT TOTAL ASSESSMENT COLLECTIONS TO CURRENT ASSESSMENTS DUE	OUTSTANDING DELINQUENT ASSESSMENTS
\$17,660	98.2%	\$ 8,045
18,010	98.1%	9,442
17,524	95.5%	9,927
18,566	100.9%	10,413
20,487	100.1%	7,854
19,797	102.0%	7,459
19,704	101.1%	5,868
18,798	101.3%	5,842
18,065	100.5%	4,651
20,601	97.3%	5,223

NET GENERAL BONDED DEBT⁽²⁾	RATIO OF NET BONDED DEBT TO ASSESSED VALUE	NET BONDED DEBT PER CAPITA
\$ 68,744	2.2%	\$206.75
62,238	2.0%	186.93
74,077	2.3%	222.50
90,421	2.8%	271.58
100,389	3.1%	301.52
105,349	3.0%	312.51
130,960	3.8%	393.34
126,613	3.7%	380.28
124,890	3.1%	398.22
123,231	3.1%	392.93

TABLE 8 (a)
CITY OF TOLEDO, OHIO
COMPUTATION OF LEGAL DEBT MARGIN
UNVOTED DEBT LIMIT (5½% LIMIT)
AT DECEMBER 31, 2001
(AMOUNTS IN THOUSANDS)

Total Assessed Property Value		<u>\$4,025,806</u>
Unvoted Debt Limit – 5½%		
Of Assessed Valuation		\$ 221,419
Total Unvoted Debt Outstanding		
At 12/31/01	\$356,162	
Less Exempted Debt:		
Special Assessment Improvement		
Bonds	\$ 542	
Special Assessment Services		
Notes	32,000	
Utility Revenue Bonds, O.W.D.A.		
Loans and Other Loans	129,741	
Capital Projects & Other Loans	3,583	
Pension Bonds.....	14,050	
Industrial Development Revenue		
Bonds	3,654	
Tax Increment Bonds & Notes	636	
Other Bonds & Notes.....	<u>45,061</u>	
Total	<u>229,267</u>	
Net Subject to 5½% Limit		<u>126,895⁽¹⁾</u>
Total Legal Unvoted Debt Margin.....		<u>\$ 94,524</u>
⁽¹⁾ General Obligation Bonds –		
City of Toledo.....	\$ 95,204	
Enterprise	28,600	
Internal Service	<u>6</u>	
.....	123,810	
General Obligation Notes-City of Toledo	<u>3,085</u>	
Total Bonds and Notes.....	<u>\$126,895</u>	

Source: City of Toledo Finance Department

TABLE 8 (b)
CITY OF TOLEDO, OHIO
COMPUTATION OF LEGAL DEBT MARGIN
UNVOTED AND UNVOTED DEBT LIMIT (10½% LIMIT)
AT DECEMBER 31, 2001
(AMOUNTS IN THOUSANDS)

Total Assessed Property Value		<u>\$4,025,806</u>
Voted & Unvoted Debt Limit – 10½%		
Of Assessed Valuation		\$ 422,710
Total Unvoted Debt Outstanding		
At 12/31/01	\$356,162	
Less Exempted Debt:		
Special Assessment Improvement		
Bonds	\$ 542	
Special Assessment Services		
Notes	32,000	
Utility Revenue Bonds, O.W.D.A.		
Loans and Other Loans	129,741	
Capital Projects & Other Loans	3,583	
Pension Bonds.....	14,050	
Industrial Development Revenue		
Bonds	3,654	
Tax Increment Bonds & Notes	636	
Other Bonds & Notes.....	<u>45,061</u>	
Total	<u>229,267</u>	
Net Subject to 10½% Limit		<u>126,895</u>
Total Legal Voted and Unvoted		
Debt Margin		<u>\$ 295,815</u>

Source: City of Toledo Finance Department

TABLE 9
CITY OF TOLEDO, OHIO
COMPUTATION OF DIRECT AND OVERLAPPING DEBT
AT DECEMBER 31, 2001
(AMOUNTS IN THOUSANDS)

POLITICAL SUBDIVISION	AMOUNT OF DEBT	PERCENT APPLICABLE TO CITY	CITY'S SHARE
Direct Debt:			
City of Toledo	\$123,810	100.0%	\$123,810
Subdivision Overlapping Debt:			
Lucas County	70,495	52.5%	37,010
Toledo City School District	1,398	98.9%	1,383
Sylvania City School District.....	29,730	8.4%	2,497
Ottawa Hills Local School District.....	335	.5%	2
Springfield Local School District	12,210	11.2%	1,368
Sylvania Area Joint Recreation Dist...	390	8.4%	33
Washington Local School District.....	<u>2,500</u>	95.3%	<u>2,382</u>
Total Subdivision Overlapping Debt	<u>\$117,058</u>		<u>\$ 44,675</u>
Total Direct and Overlapping Debt.....	<u>\$240,868</u>		<u>\$168,485</u>

Source: Lucas County Auditor

TABLE 10
CITY OF TOLEDO, OHIO
RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR
GENERAL BONDED DEBT TO TOTAL GENERAL EXPENDITURES
LAST TEN YEARS
(AMOUNTS IN THOUSANDS)

FISCAL YEAR	PRINCIPAL	INTEREST	TOTAL DEBT SERVICE	TOTAL GENERAL EXPENDITURES⁽¹⁾	RATIO OF DEBT SERVICE TO TOTAL GENERAL EXPENDITURES
1992	\$ 6,165	\$ 4,419	\$10,584	\$202,277	5.2%
1993	6,445	4,591	11,036	211,227	5.2%
1994	6,260	4,525	10,785	251,931	4.3%
1995	6,820	4,809	11,629	246,527	4.7%
1996	7,570	6,363	13,933	272,957	5.1%
1997	9,075	6,841	15,916	278,342	5.7%
1998	10,430	6,299	16,729	328,586	5.1%
1999	10,543	5,493	15,923	288,411	5.5%
2000	9,828	5,381	15,209	285,734	5.4%
2001	9,508	5,283	14,791	301,131	4.9%

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

Source: City of Toledo Finance Department

TABLE 11(a)
CITY OF TOLEDO, OHIO
WATER ENTERPRISE BOND COVERAGE⁽¹⁾
LAST TEN YEARS
(AMOUNTS IN THOUSANDS)

FISCAL YEAR	GROSS REVENUE	DIRECT OPERATING EXPENSES⁽²⁾	NET ANNUAL REVENUE AVAILABLE FOR DEBT SERVICE
1992	\$21,092	\$16,825	\$ 4,267
1993	22,952	17,208	5,744
1994	23,404	17,696	5,708
1995	23,376	18,322	5,054
1996	24,560	19,384	5,176
1997	25,070	15,890	9,180
1998	27,315	17,134	10,181
1999	30,562	19,002	11,560
2000	32,829	16,962	15,907
2001	34,454	20,494	13,960

(1) During 1994, Water Refunding Bonds in the amount of \$5,405 were issued with the proceeds being used to defease portions of the 1988 Water Bonds previously outstanding. The Water Refunding Bonds are secured by the revenues of the utility and a lien on the property of the utility and are payable solely out of the revenues of the utility after first paying the costs of operating and maintaining the utility including replacement and depreciation but exclusive of capital improvements.

(2) Includes all operating expenses except depreciation.

Source: City of Toledo
Finance Department
Utilities Department

TOTAL AVAILABLE FOR DEBT SERVICE	PRINCIPAL	DEBT SERVICE INTEREST	TOTAL	BOND COVERAGE
\$ 4,267	\$ 225	\$1,184	\$1,409	3.03
5,744	240	1,170	1,410	4.07
5,708	375	1,009	1,384	4.12
5,054	320	1,167	1,487	3.40
5,176	335	1,876	2,211	2.34
9,180	931	2,267	3,198	2.87
10,181	987	2,235	3,222	3.16
11,560	3,272	3,057	6,329	1.83
15,907	2,515	3,164	5,679	2.80
13,960	2,620	3,066	5,686	2.45

TABLE 11(b)
CITY OF TOLEDO, OHIO
SEWER ENTERPRISE BOND COVERAGE^{(1) (3)}
LAST TEN YEARS
(AMOUNTS IN THOUSANDS)

FISCAL YEAR	GROSS REVENUE	DIRECT OPERATING EXPENSES⁽²⁾	NET ANNUAL REVENUE AVAILABLE FOR DEBT SERVICE
1992	\$31,592	\$20,198	\$11,394
1993	32,690	20,584	12,106
1994	33,190	21,722	11,468
1995	33,341	22,076	11,265
1996	32,552	21,659	10,893
1997	31,501	22,628	8,873
1998	32,819	22,550	10,269
1999	34,790	22,777	12,013
2000	36,279	22,134	14,145
2001	36,560	22,542	14,018

(1) During 1994, Sewer Refunding Bonds in the amount of \$13,315 were issued with the proceeds being used to defease portions of the 1988 Sewer Refunding Bonds previously outstanding. The Sewer Refunding Bonds are secured by the revenues of the utility and a lien on the property of the utility and are payable solely out of the revenues of the utility after first paying the costs of operating and maintaining the utility including replacement and depreciation but exclusive of capital improvements.

(2) Includes all operating expenses except depreciation.

(3) For 1992 and 1993 principal and interest amounts included payments to the Ohio Water Development Authority for project loans.

Source: City of Toledo
Finance Department
Utilities Department

TOTAL AVAILABLE FOR DEBT SERVICE	PRINCIPAL	DEBT SERVICE INTEREST	TOTAL	BOND COVERAGE
\$11,394	\$1,426 ⁽³⁾	\$3,107	\$4,533	2.51
12,106	1,510 ⁽³⁾	3,025	4,535	2.67
11,468	900	2,077	2,977	3.85
11,265	725	2,451	3,176	3.55
10,893	755	2,437	3,192	3.41
8,873	1,341	2,716	4,057	2.19
10,269	1,372	2,719	4,091	2.51
12,013	2,732	2,965	5,697	2.11
14,145	2,232	2,475	4,707	3.00
14,018	2,693	2,002	4,695	3.00

**TABLE 12
CITY OF TOLEDO, OHIO
DEMOGRAPHIC STATISTICS
DECEMBER 31, 2001
POPULATION**

YEAR	CITY	METROPOLITAN AREA (TOLEDO MSA)
1970	383,062	762,657
1980	354,635	618,800
1990	332,943	614,128
2000	313,619	618,203

AGE DISTRIBUTION – TOLEDO MSA

	MALE		FEMALE	
	NUMBER	PERCENTAGE	NUMBER	PERCENTAGE
Under 5 years	22,928	7.7%	18,874	6.0%
5 to 9 years	20,627	6.9%	26,172	8.2%
10 to 14 years	26,374	8.8%	21,696	6.8%
15 to 19 years	24,564	8.1%	22,835	7.2%
20 to 24 years	19,852	6.7%	21,681	6.8%
25 to 34 years	41,820	14.0%	44,925	14.1%
35 to 44 years	44,980	15.1%	45,814	14.3%
45 to 54 years	43,333	14.3%	49,650	15.5%
55 to 64 years	25,403	8.5%	25,120	7.8%
65 to 74 years	18,369	6.2%	23,438	7.4%
75 years and over	<u>10,983</u>	<u>3.7%</u>	<u>18,785</u>	<u>5.9%</u>
Total	<u>299,233</u>	<u>100.0%</u>	<u>318,990</u>	<u>100.0%</u>
Median Age	34.6		35.9	

**DISTRIBUTION OF HOUSEHOLD
INCOME – TOLEDO MSA**

INCOME	HOUSEHOLDS	
	NUMBER	PERCENTAGE
Less than \$5,000 - \$9,999	7,820	5.0%
\$10,000 - \$14,999	7,229	4.6%
\$15,000 - \$24,999	16,394	10.5%
\$25,000 - \$34,999	17,700	11.3%
\$35,000 - \$49,999	26,410	16.9%
\$50,000 - \$74,999	37,136	23.8%
\$75,000 - \$99,999	22,022	14.1%
\$100,000 - \$149,999	15,370	9.9%
\$150,000 - \$199,999	3,283	2.1%
\$200,000 or more	<u>2,764</u>	<u>1.8%</u>
	<u>156,128</u>	<u>100.0%</u>

Source: U.S. Bureau of the Census – 2000

**TABLE 12
CITY OF TOLEDO, OHIO
DEMOGRAPHIC STATISTICS
DECEMBER 31, 2001
(CONTINUED)**

DISTRIBUTION OF EMPLOYEES BY SECTOR

MANUFACTURING

Percentage of employment.....	17.2%
Manufacturing employment.....	56,500

Major Categories and Employees of Manufacturing Employment:

Clay and Glass Products	6,000
Primary Metal Industries.....	2,600
Fabricated Metal Products	6,200
Machinery	4,500
Transportation Equipment	14,900
Food Products	3,100
Rubber, Plastic and Misc. Products	4,700
Other	14,500

NON-MANUFACTURING

Percentage of employment.....	82.8%
Non-Manufacturing employment.....	271,800

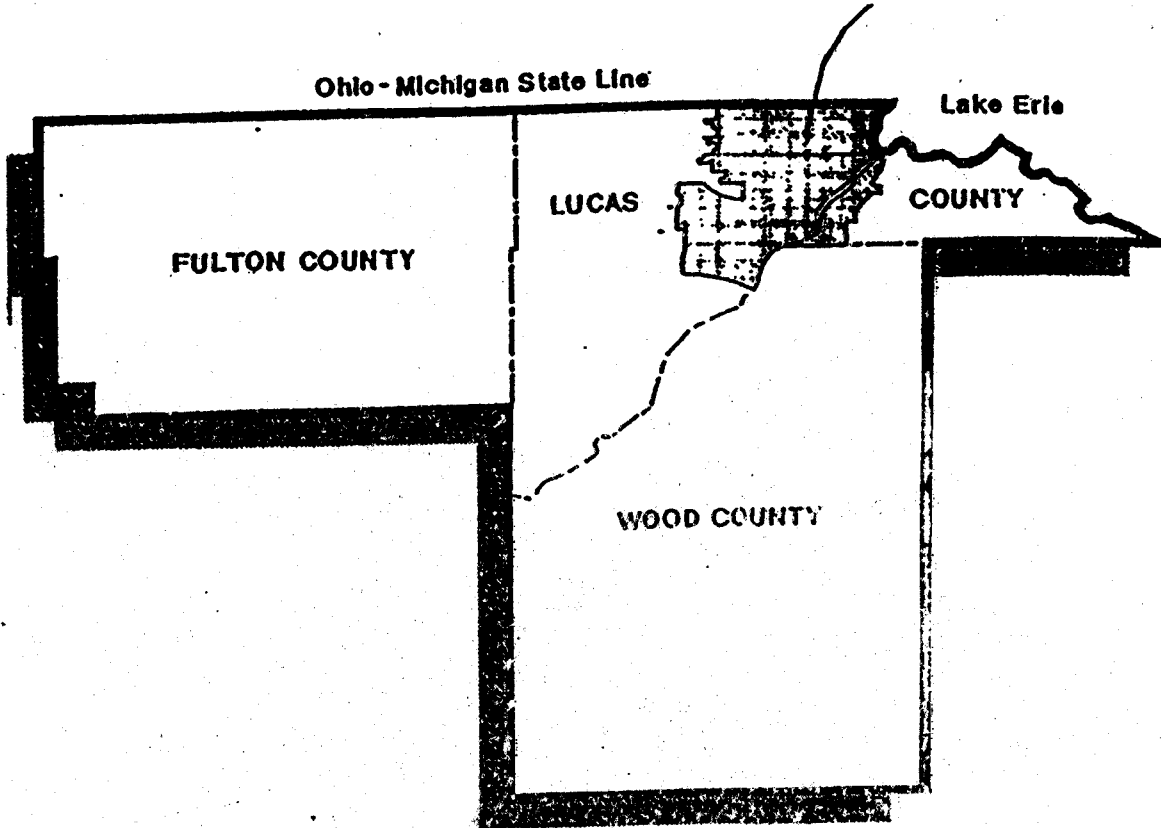
Major Categories and Employees of Non-Manufacturing Employment:

Construction.....	15,800
Transportation and Public Utilities	16,100
Wholesale Trade	16,900
Retail Trade.....	64,800
Finance, Insurance, Real Estate	11,400
Services.....	96,100
Government.....	50,700

Source: Ohio Bureau of Employment Services (2001)

**CITY OF TOLEDO, OHIO
DEMOGRAPHIC STATISTICS
DECEMBER 31, 2001
(CONTINUED)**

CITY OF TOLEDO



Toledo Metropolitan Statistical Area (MSA)

- ♦ Population of 618,203
- ♦ Three county area
- ♦ Sixty-ninth largest metropolitan area in the U.S.
- ♦ Labor force of 340,600
- ♦ Diversified manufacturing
- ♦ "Glass Capital of the World"
- ♦ Largest international tonnage port on the Great Lakes

TABLE 13
CITY OF TOLEDO, OHIO
PROPERTY VALUES, CONSTRUCTION AND BANK DEPOSITS ACTIVITY
LAST TEN YEARS
(AMOUNTS IN THOUSANDS)

TAX COLLECTION YEAR	ASSESSED VALUE REAL AND PERSONAL PROPERTY⁽¹⁾	VALUATION OF BUILDING PERMITS ISSUED⁽²⁾	BANK DEPOSITS⁽³⁾
1992	\$3,227,440	\$ 74,793	\$5,639,346
1993	3,196,025	77,998	5,508,260
1994	3,162,416	87,299	5,411,410
1995	3,277,973	79,246	5,552,727
1996	3,257,498	115,287	5,665,935
1997	3,253,639	100,628	5,846,597
1998	3,450,882	160,835	5,812,078
1999	3,472,027	207,353	5,638,157
2000	4,084,141	158,421	5,932,103
2001	4,025,806	227,243	6,279,970

Source: (1) Lucas County Auditor
(2) City of Toledo Inspection Division
(3) Amounts represent Lucas County bank deposits, per F.D.I.C. Data Book

TABLE 14(a)
CITY OF TOLEDO, OHIO
TEN LARGEST PROPERTY TAXPAYERS
DECEMBER 31, 2001

Ten Largest Real Property and Public Utility Taxpayers

NAME	BUSINESS	VALUATION (AMOUNTS IN THOUSANDS)	PERCENTAGE OF TOTAL REAL PROPERTY TAXABLE VALUATION
Toledo Edison Co.	Utility	\$73,656	1.8%
Ohio Bell Telephone	Utility	50,165	1.3%
Owens-Illinois Company	Real Estate Holdings	19,335	0.5%
Columbia Gas of Ohio, Inc.	Utility	17,041	0.4%
A.E.R.C. Corp	Real Estate Holdings	14,283	0.4%
Mercantile Stores	Retail Department Store	10,978	0.3%
Toledo Hospital	Medical Office Building	9,887	0.3%
S.S.C. Company	Retail Mall Owner- Lessor	9,770	0.2%
St. Vincent Mercy Medical Center	Medical Office Building Retail Mall Owner-	9,524	0.2%
Franklin Park Mall	Lessor	<u>9,288</u>	<u>0.2%</u>
		<u>\$223,927</u>	<u>5.6%</u>

Ten Largest Tangible Personal Property Taxpayers

NAME	BUSINESS	VALUATION (AMOUNTS IN THOUSANDS)	PERCENTAGE OF TOTAL REAL PROPERTY TAXABLE VALUATION
General Motors Corporation, Powertrain Division	Automotive Manufacturer	\$ 48,144	8.5%
DaimlerChrysler	Automotive Manufacturer	35,797	6.4%
General Mills, Inc.	Food Purchaser	22,910	4.1%
Blade Communications	Newspaper Publisher	11,563	2.1%
Libbey, Inc.	Glass Manufacturer	8,728	1.5%
Perstorp Polyols, Inc.	Chemical Manufacturing	7,170	1.3%
Amerisource Corp.	Utility	5,709	1.0%
Seaway Foodtown	Food Chain-Retail	5,664	1.0%
Faurelia Exhaust Systems, Inc.	Automotive Part Supplier	5,307	0.9%
Textileleather	Fabric Processing	<u>5,196</u>	<u>0.9%</u>
		<u>\$156,188</u>	<u>27.7%</u>

Source: Lucas County Auditor

TABLE 14(b)
CITY OF TOLEDO, OHIO
TEN LARGEST MUNICIPAL INCOME TAXPAYERS
DECEMBER 31, 2001
(AMOUNTS IN THOUSANDS)

Listed below are the ten largest municipal income taxpayers for corporate income and employee payroll and the amount of tax paid.

DaimlerChrysler
 General Motors Corporation, Powertrain Division
 Toledo Board of Education
 City of Toledo
 Toledo Hospital
 Lucas County
 St. Vincent Mercy Medical Center
 Medical College of Ohio Hospital
 University of Toledo
 Owens-Corning Fiberglas Corporation

YEAR	EMPLOYEE PAYROLL TAX
1992	\$27,216
1993	29,947
1994	33,527
1995	35,898
1996	36,495
1997	38,849
1998	35,544
1999	39,498
2000	39,921
2001	39,452

Source: City of Toledo
 Income Tax Division

TABLE 15
CITY OF TOLEDO, OHIO
MISCELLANEOUS STATISTICAL DATA
DECEMBER 31, 2001

GENERAL

Date of Incorporation.....	January 7, 1837
Adoption of City Charter	1914
Form of Government.....	Strong Mayor
Council Members.....	Thirteen
Area of the City of Toledo	84 square miles
Population 2000 Census.....	313,619
Bodies of Water	Lake Erie, Maumee River

TRANSPORTATION

AIR

Number of Airports.....	2
Number of Airlines	8
Daily Scheduled Flights.....	32
2001 Passenger Traffic	656,792
2001 Air Cargo (lbs).....	1,451,748,000

RAIL

Number of Railroad Systems	4
Miles of Track.....	1,200

LAND

Number of Trucking Firms	48
Interstate Bus Lines.....	10
TARTA – 2001 Passengers.....	9,561,503

WATER

Port Vessel Traffic	657
Cargo Tonnage.....	10,926,836

EDUCATION

University of Toledo Students	20,313
Technical College Students.....	18,400
Medical College of Ohio at Toledo Students.....	953
Toledo City School District:	
Number of Schools	61
Number of Students	36,719

ENERGY

Electric Customers-Toledo Edison Company.....	293,899
Gas Customers-Columbia Gas of Ohio, Inc.	171,568

MEDICAL

Number of Hospitals.....	4
Number of Beds	1,622

TABLE 15
CITY OF TOLEDO, OHIO
MISCELLANEOUS STATISTICAL DATA
DECEMBER 31, 2001
(CONTINUED)

COMMERCIAL ACTIVITY

Amount of Retail Sales	\$8,354,961
Number of Building Permits	7,185
Value of Permits	227,243

POLICE DIVISION

Number of Stations	3
Number of Substations	3
Number of Employees with Arrest Power	703
Number of Neighborhood Offices	7

FIRE DIVISION

Number of Stations	17
Number of Firefighters	530

WATER SYSTEM

Average Daily Consumption (Million Gallons Daily).....	82.7
Annual Pumpage (Million Gallons).....	23,932
Storage Capacity (Million Gallons).....	78
Plant Capacity (Million Gallons).....	150
Communities Served.....	13
Population Served.....	521,000
Miles of Waterlines.....	1,129
Metered Services.....	129,263

SEWER SYSTEM

Average Daily Demand (Million Gallons Daily).....	70.8
Annual Wastewater Flow (Million Gallons).....	28,834
Plant Capacity (Million Gallons Daily)	100
Communities Served.....	7
Population Served.....	346,530
Miles of Sewer Lines	951
Metered Services.....	102,371

RECREATION

Number of City Parks	144
Acreage	2,368
Number of Metro Parks	9
Acreage	6,879
Public Golf Courses – City	4
Public Golf Courses – County	18
Public Pools	12
Ice Rinks	1

Source: Toledo Lucas County Public Library



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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Columbus, Ohio 43216-1140
Telephone 614-466-4514
800-282-0370
Facsimile 614-466-4490

CITY OF TOLEDO

LUCAS COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
AUGUST 27, 2002**